

# Humanitarian Exchange

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## **Special feature** **New learning in cash transfer programming**



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### About HPN

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## Editorial



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The special feature of this issue of *Humanitarian Exchange*, co-edited with Sarah Bailey and Breanna Ridsdel, focuses on new learning in cash transfer programming. While cash is now an accepted tool, and is increasingly being used in humanitarian response, most programmes are small and gaps in analysis and practice remain. In the lead article, Ridsdel identifies three major areas that need to be tackled if cash is to be used more effectively, particularly in large-scale responses: market assessment, response analysis and coordination. These issues and others are examined in more depth by our other authors. Erik Johnson reports on the recent Copenhagen Cash and Risk conference, while Sara McHattie outlines the key components of good response analysis. Efforts to institutionalise cash programming are explored by Rosie Jackson and Nupur Kukrety, who conclude that management support is crucial to achieving success. Degan Ali argues that risk aversion amongst the humanitarian community resulted in a reluctance to use cash programming at scale in South Central Somalia early on in the crisis there, resulting in avoidable deaths.

Gabrielle Smith summarises the findings of a study reviewing the use of new technology in cash and voucher programming and the broader implications for humanitarian practice. Kokoévi Sossovi describes how an innovative approach to providing mobile money and financial education in Haiti met both immediate humanitarian needs as well as the longer-term goal of providing financial access to people outside of the banking system. Other experiences from Haiti are shared by Kate Ferguson, while Silke Pietzsch presents the findings from an Action contre la Faim (ACF) meta evaluation of fresh food voucher programmes.

Articles in the policy and practice section highlight inconsistencies between the policy and practice of European Union (EU) states in the delivery of principled humanitarian aid; present the results of a study to assess the impact of the emergency response to physical rehabilitation needs after the Haiti earthquake; analyse funding appeals and processes related to older people and people with disabilities; explore efforts to bring together and enhance the capacity of community organisations from the UK-based Somali diaspora; and outline six minimum standards to ensure better conflict-sensitive emergency response.

## Bigger, better, faster: achieving scale in emergency cash transfer programmes

Breanna Ridsdel, the Cash Learning Partnership (CaLP)

Cash-based programming is increasingly being used in major emergencies. Yet for a variety of reasons we are still not able to use cash transfers at scale. With a few exceptions, notably the recent response to the famine in Somalia, the majority of humanitarian cash transfer programmes have been implemented on a much smaller scale than equivalent in-kind programming. This article argues that three major areas still require concerted action: market assessment and response analysis, preparedness and coordination. It also makes the case that, in order to realise the full potential of cash as a response tool, the humanitarian community needs to find ways of working across sectoral boundaries.

### Market assessment and analysis

While there is no standard definition of what ‘at scale’ means, there is general consensus that, in order to implement significant cash transfer programmes, humanitarian actors need a better understanding of markets. An increasing number of humanitarian actors are undertaking market analysis in emergencies, and many tools are available, ranging from trader surveys to full analyses such as EMMA (Emergency Market Mapping Analysis) and MIFIRA (Market Information and Food Insecurity Response Analysis).<sup>1</sup> However, there is a lack of consensus about what constitutes ‘good enough’ market analysis in the trade-off between quality of information and speed. Market analysis tools generally require significant financial investment, are time-consuming to implement, require skilled human resources and take time to produce results. For example, EMMA often takes weeks to organise and implement, requires significant funding, training and technical support and the results may come in too late to be factored into response decisions. As a result, many humanitarian actors are considering new ‘one-day’ market assessment tools. However, while these ‘quick and dirty’ tools may be adequate for small-scale programmes, they may not provide enough information to satisfy organisational or donor requirements for larger-scale or longer-term programmes that require greater financial commitments.

Markets are complex and dynamic; they can change rapidly, and different types of analysis are needed throughout the response cycle. Market analyses conducted during the programme design phase represent only a snapshot of a particular moment in time, and may not provide a sound basis for decision-making in the longer term. The most appropriate response to these challenges is not likely to be a single tool, but a range of tools and guidance on how to

apply them in different contexts and at different stages of the project cycle. Aid agencies must also make better use of longer-term market information frameworks, both before and during an emergency.

### Preparedness

Rolling out large-scale cash-based programmes in a timely way requires investment in preparedness. Despite the growing use of cash transfers in emergencies, most agencies have not yet included specific cash programming elements in their contingency planning documents. Response times would be significantly improved if national and regional actors collaborated to address these gaps. In particular, aid agencies, governments and donors should work together to establish criteria to determine when cash-based responses should be used, and what levels of market information would be required. Logistical preparedness measures, including dialogue with potential private sector partners, pre-authorisation of suppliers and contingency stocks, would also increase the speed of the response.

Aid agencies must also develop their familiarity with existing market information, such as that provided by the Food Security and Nutrition Analysis Unit (FSNAU) in Somalia and the Famine Early Warning System Network (FEWSNET). In addition to studying predictable trends, such as seasonal variations in commodity or labour markets, humanitarian organisations, donors and governments should gather baseline data to inform emergency programming. This information can be used, updated and expanded through additional analysis in the lead-up to a crisis or after a disaster. Humanitarian actors should also engage in discussion with those involved in collecting long-term market data, to identify what information is required to support humanitarian decision-making, agree on early warning and recovery indicators and include predictable market scenarios in contingency planning.

### Working across sectors

Cash is inherently a multi-sector tool because it can be used to meet various needs at the same time. If the humanitarian sector is serious about using cash transfers at scale, we need to find ways to exploit, rather than limit, this potential. This means working across the sectors and clusters by which we organise humanitarian aid (e.g. food security, non-food items, basic services). Monitoring data consistently shows that beneficiaries use unconditional cash transfers to buy goods and services that meet needs across various sectors of aid, in combinations based on their household’s priorities. This flexibility offers the potential to deliver responses that meet a wide variety of needs, in a way that enables disaster-affected people to exercise choice and agency.

<sup>1</sup> A recent CaLP research study listed more than 40 tools and resources for various types of market information, including 11 different models/tools for response analysis. S. Sivakumaran, *Market Analysis in Emergencies*, CaLP, 2011.

However, this flexibility also poses a challenge to large organisations whose mandate limits them to a particular sector of response. In order to use cash transfers as a scaled-up response, agencies must accept and plan for the fact that beneficiaries will use cash to buy some goods and services outside of their mandated sectors of intervention. Additionally, in large multi-sector emergencies large agencies should consider whether a better approach would be to implement joint unconditional cash programmes that aim to meet needs across several sectors.

### Coordinating cash transfers in emergencies

As the number of actors implementing cash transfers in emergencies and the scale of cash programmes continue to increase, so does the need for coordination around cash transfer programming.<sup>2</sup>

This is one of the biggest obstacles to large-scale cash programming. At a technical level, coordination has usually been dealt with by cash transfer working groups (CTWGs). In practice, these working groups have often acted as a 'mini-cluster' on cash and vouchers, collecting and sharing information about programmes and working to harmonise important programming elements, such as cash-for-work rates, targeting criteria and monitoring frameworks. CTWGs have also provided a forum for joint advocacy initiatives and a platform for negotiations with private sector actors involved in the delivery of payments. However, most technical working groups have been established underneath or in connection with the Food Security Cluster, thus significantly limiting their reach in terms of inter-sector coordination. In addition, technical coordination in most recent emergencies has been largely focused around cash-for-work. This has succeeded in harmonising wage rates, for example, but has been much less effective in coordinating unconditional transfers.

In terms of general coordination, the sector-based nature of the humanitarian coordination system makes it particularly difficult to maintain an overall picture of cash programming. In several recent emergencies, notably in Pakistan in 2010 and Somalia in 2011, this has been dealt with through the creation of inter-cluster cash coordination mechanisms. However, these mechanisms have taken a long time to create, and have not provided genuine opportunities for joint assessments or complementary decision-making. This problem has been compounded by a lack of clarity, and in some cases lengthy negotiations, on who should take the lead, in particular among the UN agencies. Coordination bodies have been created on

<sup>2</sup> Lois Austin and Jacqueline Frize, *Ready or Not? Emergency Cash Transfers at Scale*, CaLP, 2011.



© UN Photo /MFP/Phil Behan

*A beneficiary of a cash transfer programme in Niger*

an ad hoc basis, without clear time frames or resources and with no clear plans for managing the transition from emergency to recovery programming.

An additional complication is that the agencies that have taken the lead on inter-cluster coordination have also been implementing cash transfer programmes of their own, which has meant that their roles and priorities in terms of coordination and making policy decisions have not been clear. For example, if the lead agency believes that cash for work is the most appropriate modality, how does that affect their ability to make strategic decisions around unconditional cash transfers? Furthermore, agencies with sector-specific mandates may find it difficult to lead inter-sector coordination.

Cash coordination mechanisms are isolated from the overall humanitarian response and have not yet been integrated into humanitarian reporting, mapping or information frameworks. One solution would be for a non-implementing agency such as OCHA to take the lead on addressing inter-cluster coordination for cash transfer programming. Such an agency should work with existing leaders from within and outside of the UN system, including CaLP, to synthesise lessons learned and develop and trial more systematic approaches.

Finally, the substantial experience of national governments, long-term development actors and private sector service providers, in particular those involved in social protection programmes, has been under-represented in humanitarian coordination around cash transfers. Working with other actors, in particular the private sector, requires new ways of coordinating aid and new lines of communication; the cluster system may not be the best platform for achieving this in the long term.

## Lessons learned and ways forward

Cash transfer programmes are still relatively small-scale, and to some extent we have been able to mould them to our usual ways of working. However, it is clear from recent experience and research that, in order to effectively programme with cash at scale, concerted efforts must be made to improve our ability to work with markets, increase preparedness and establish effective coordination around cash transfers in emergencies.

Cash transfers have often pushed humanitarian organisations to work with new partners, and this trend will continue as cash-based programmes in emergencies grow in quantity and scale. Humanitarian agencies need to collaborate with governments, donors and long-term market actors to deepen their knowledge of existing market information frameworks, establish baseline data to support emergency programming and increase preparedness to engage with markets from the early stages of a disaster response through to the recovery phase.

In order to realise the full potential of cash as a large-scale response tool, humanitarian actors, in particular those bound by their mandates to a particular sector, must learn to accept the flexible nature of cash and work together to implement multi-sectoral responses. In order to achieve this, substantial progress must be made in improving coordination around cash transfers from the outset of an emergency. Learning from recent emergencies must now be integrated into the humanitarian reform agenda at the highest levels, so that cash coordination mechanisms become timely and systematic, are allocated the necessary resources, have effective leadership and are properly incorporated within the overall humanitarian coordination system.

**Breanna Ridsdel** was the Communications and Advocacy Officer for the Cash Learning Partnership (CaLP) from December 2010–March 2012.

## More than ‘just another tool’: a report on the Copenhagen Cash and Risk Conference

Erik Johnson, DanChurchAid

This article reports on the key conclusions and outcomes of the Cash and Risk conference held in Copenhagen in December 2011. The aim of the conference was to take stock of the rapidly changing debate around cash-based responses in emergencies, address outstanding questions and further the discussion on areas of controversy.<sup>1</sup> As the largest gathering of policy and practice experts on cash transfer programming to date it was an important meeting, bringing together individuals from a broad range of perspectives, from practitioners to donors and independent researchers.

### The state of cash transfer programming

While global statistics are not available on the funding of cash compared to in-kind responses, the number of projects has surged in a relatively short time. The World Food Programme (WFP) has rapidly increased cash programming in recent years, having financed \$368 million in 2010–2011, and has set ambitious targets for expanding the volume of its cash-based assistance. Likewise, ECHO has rapidly increased the amount of cash transfer programming that it is funding, with 40% of ECHO-funded NGO projects including a cash component in 2010, compared to 20% in 2007.

The increasing use of cash and vouchers has been a quiet revolution in humanitarian assistance. The discussion is

<sup>1</sup> The Cash and Risk meeting was co-hosted by DanChurchAid and the Danish Red Cross, sponsored by the Cash Learning Partnership (CaLP), funded by the Danish government and facilitated by the Overseas Development Institute. For more on the Copenhagen Cash and Risk Conference, including the programme, presentations and Conference Report, see [www.cashconference.org](http://www.cashconference.org).

no longer about whether cash transfer programming is a legitimate intervention type, but about how best to use cash assistance, with increasingly sophisticated approaches being applied in various contexts, including some of the most dangerous and risky environments. Not that long ago, cash transfer programming was seen as a viable instrument in some circumstances, but concerns about security and corruption still dominated the debate. Research and project experience in Somalia, Chechnya and Myanmar have shown that cash programming is not only viable in conflict and high-risk environments, but that it can sometimes be a more effective, safer and less costly option than in-kind assistance. In settings where governments or armed movements oppose other interventions, cash may be the only method possible, as in Somalia, where Al Shabaab has banned the distribution of food aid in areas it controls.

### More than ‘just another tool’? Recent experiences with cash programming

At the Copenhagen conference, some posed the bold question of whether cash transfer programming promises to turn the prevailing paradigm of humanitarian assistance on its head by challenging the assumption that aid agencies know best what people affected by crisis need. Others described cash transfer programming as ‘just another tool’ to address basic needs, often with a focus on food security. Like food for work, school feeding or in-kind assistance, cash transfer programming is simply one possible approach; whether it is used depends on the circumstances.

There is a strong case to be made that cash is more than ‘just another tool’. The debate at Copenhagen went beyond

the now well-established benefits of cash programming, such as flexibility, choice, supporting local markets and dignity for beneficiaries, to discuss topics related to emerging areas of practice. Throughout the conference, speakers shared experiences from the field and from research. Among the themes presented and discussed at the conference were the possibility of addressing malnutrition through cash transfers, gender in cash transfer programming, preparedness to implement large-scale cash transfers in sudden-onset disasters, how to use cash in urban emergencies, market assessments and analysis and coordinating cash-based responses. (All of the presentations are available on the conference website at [www.cashconference.org](http://www.cashconference.org).)

The debate on many of these areas is still new, and in some cases much research remains to be done in order to draw concrete conclusions. For example, gender is a highly nuanced and difficult factor in the household economy; the simple assumptions that women in highly marginalised societies are hard to reach or that distributing cash to women will necessarily empower them are now being challenged. Experiences presented at the conference from Pakistan and Indonesia, by Church World Service and Oxfam GB respectively, put both of these assumptions into question. Their experience showed that simply ‘including’ women is not enough. One needs to have a detailed and nuanced understanding of gender dynamics, and how they may change after a cash intervention.

Another emerging area of research is urban cash transfer programming. Using cash to respond to humanitarian crises in urban areas is often thought to be difficult due to targeting challenges, insecurity and the perceived risk of theft. New research from the Danish Refugee Council suggests that cash-based programming in urban emergencies can help to restore livelihoods more quickly by increasing recipients’ purchasing power and their capacity to restore productive assets, and in many ways may not only be more relevant, but also may be easier to implement than in rural contexts. Cash transfers can also provide incentives to collaborate more closely with local government actors and private sector actors, as well as to align cash programmes with municipal priorities and longer-term urban development plans.

While cash used to be labelled a programme innovation, it is now considered a means to enable innovative programming. The question is not *either* cash *or* in-kind assistance, but how the two may combine to achieve programme objectives or stand on their own, depending on the circumstances. One of the most revolutionary uses of cash presented at Copenhagen involved unconditional grants to communities. This approach was pioneered in Myanmar after Cyclone Nargis in 2008, and has since been used again in Myanmar after Cyclone Giri, and in Côte d’Ivoire.<sup>2</sup> Communities recovering after disasters were given grants of several thousand dollars to purchase whatever they needed. The only condition was that the purchase somehow be related to disaster recovery. Typically, communities bought food

<sup>2</sup> Information on the Myanmar project can be found in the CaLP D-Group library. See <http://www.cashlearning.org/resources/library>.

immediately after the disaster, and agricultural assets later. Called ‘Pang Ku’, the project in Myanmar was led by Save the Children UK and funded by DanChurchAid, Christian Aid and others at a time when civil society in Myanmar was just starting to form and the vast majority of post-Nargis assistance was being provided in-kind.

The Pang Ku approach found that community grants fostered social cohesion after disaster, rather than reinforcing or fuelling social divisions, as typically happens following targeted distributions of in-kind items. The unconditional community grant approach also led to more timely and effective targeting. By ‘crowd sourcing’ needs identification, communities were consistently two to three weeks ahead of agencies in identifying the next phase of needs. In one example, Pang Ku project staff announced at an inter-agency coordination meeting that communities no longer needed rice, but buffalos for cultivation. It was several weeks later, after completing their distributions and subsequent needs assessments, that other agencies verified the same needs, and made the same shift from in-kind food to agricultural assets.

This and many other examples in the debate and discussion at the conference reinforced the idea that cash transfers are pushing the boundaries of humanitarian response, as new programme approaches challenge many of the assumptions underpinning aid. In particular, cash transfers can shift decision-making power from the aid agency to the recipient. This raises questions around how much humanitarian actors typically trust recipients, defer to local knowledge and are willing to respect the agency of conflict and disaster-affected people, and who can best determine where these boundaries lie. For all of the rhetoric about putting affected populations in charge, we are often still reluctant to relinquish power for fear that cash will be spent in ‘anti-social’ ways, despite all the research and experience to the contrary.

## Moving forward

While the current state of global discussion around cash transfers might suggest that there is widespread acceptance of the use of cash in emergencies, there is still a great deal of work to be done in practice. Despite the growing body of evidence, cash transfers are still a new modality in many parts of the world. Like many INGOs, DanChurchAid works primarily through partners. Cash transfer programming is a relatively new approach for us and many of our partners, and building our capacity to use cash transfers will require training, awareness raising, pilot projects and a tolerance for mistakes. Although there is progress in policy-level discussions, there is a need for continued donor support of initiatives like the Cash Learning Partnership (CaLP), to ensure that more humanitarian actors have the tools and shared practice they need to implement cash transfers effectively.

The wide range of experiences and contexts discussed during the Copenhagen event demonstrated that it is impossible to make generalisations about how cash transfers will play out in any given context or community without detailed local analysis and understanding. In this regard, cash *is* like other types of assistance;



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*An emergency cash transfer programme run by Oxfam in Turkana, Kenya*

that change will be, rather than letting communities take ownership and leadership themselves, then we will not exploit all the benefits that cash transfers offer. This is where cash transfer programming offers a potentially radical new way of implementing humanitarian response, and the biggest challenge to the way we currently think and work. Unconditional cash grants – to groups or individuals – present both some of the biggest challenges to our current systems, but also the most promising potential for humanitarian response that is more effective and efficient. At the same time, however, cash transfers may not be relevant in every context, or the solution to every problem. One area where current research is yielding important findings – and where further research is needed – is in identifying where and how cash can play a complementary role, alongside in-kind assistance.

international agencies need in-depth local understanding and presence, in addition to some basic knowledge about the tools to implement cash transfer programmes.

The development of tools and skills for cash transfer programming needs to be supported by continued debate and sharing of practice, as is currently taking place in the CaLP D-group online discussion forum.<sup>3</sup> This type of broad, evidence-based discussion is what eventually led to the development of the Humanitarian Charter and Minimum Standards in Disaster Response. We also need to ensure that the tools developed are simple, easy to use and few in number. A plethora of tools may have a harmful effect on uptake and application, and make it more difficult to capture best practice and ensure effective coordination. Donors should continue to fund research and initiatives that promote good practice and summarise what works in accessible and appropriate tools.

Many of the systems that underpin prevailing approaches to humanitarian assistance are not necessarily geared to cash transfer programming. For instance, unconditional cash transfers throw a spanner in the works of the logical framework. When filling out a log frame, how can project managers provide clear indicators of a SMART change when they do not control what that change will be? Some affected people will be most in need of food, while others will need to buy medicine or pay off debts. Many will need cash to meet a combination of needs. Given these uncertainties, measuring impact – and convincing donors to fund proposals – will require a different set of policies and tools than the ones we have now, which are geared to specific objectives and outcomes, focused on targeting the most vulnerable. We certainly cannot give up on trying to achieve a specific change, but if we continue to insist on presupposing what

<sup>3</sup> See <http://next.dgroups.org/groups/CaLP/join>.

While donor representatives at the conference expressed their willingness to fund large-scale unconditional cash transfers as long as they felt that the potential risks had been evaluated and transparently communicated, the reality is that cash transfer programmes are often still subject to conditions, either pre- or post-transfer, and implemented with disproportionately high levels of control to mitigate the perceived risk of misuse, diversion or fraud. The reluctance of donors to fund cash transfers early on in the response to the famine in Somalia – despite the availability of reliable market data, recipients' preference for cash and the existence of a proven payment mechanism – shows that donors are still cautious. Addressing this is going to take champions – including at agencies like my own – to promote cash transfer programming internally and with partners, as well as to act as repositories of knowledge and expertise. At the field level, some ECHO Technical Assistants are asking why cash was not considered for a particular operation. I expect that we will be hearing more of this in the future.

More than ever before, there is an established consensus amongst humanitarian policy-makers and agency staff that cash can be an effective tool of humanitarian assistance, and cash programmes will continue to expand in number and scale. This has repercussions for NGO capacities; we need new skills, systems and tools, and above all a change of mindset. But the revolution has started, and it will not be turned back. Events like the Copenhagen conference are a key part of this change. Whether individual aid agencies and aid workers join the revolution now or later, one thing is certain: cash transfer programming is here to stay.

**Erik Johnson** is Head of Humanitarian Response at DanChurchAid, a member of the ACT Alliance.

# Cash transfers and response analysis in humanitarian crises

Sara McHattie, ECHO

Identifying the most appropriate response from the wide range of available options requires a response analysis. The growing use of cash transfer programming in emergencies has made us more conscious of how important this step is, primarily as a result of the broader analysis necessary to ensure that markets can be used to support humanitarian response. Use of cash transfers as a response option has shifted programming logic from a focus on the distribution of outputs to defining the objectives of a programme in relation to needs and intended outcomes at the beneficiary level. The tools developed to guide modality selection have highlighted the importance of conducting a better analysis of needs, context, markets and household preferences than is usually done by aid agencies.

## What is response analysis?

HPN's Good Practice Review on cash transfer programming defines response analysis as 'a crucial but commonly neglected step between assessing needs and planning an emergency response. Response analysis involves analysing the likely impact of alternative responses, such as in-kind aid, cash and vouchers, and deciding on the type of intervention to be pursued in a given context'. However, deciding whether to choose cash or provide in-kind assistance is only one step in the response analysis process, which must examine a broad range of factors: needs assessments must explicitly take into account markets and socio-economic factors, and must be designed to generate an understanding of community and household dynamics, gender and protection concerns and household preferences. This information must feed into the planning of the emergency response, including the modality (e.g. cash or in-kind), the relevance of conditionality (e.g. Cash for Work), a risk analysis and an evaluation of both internal (agency) and external programming constraints. Good response analysis helps us to determine whether we are doing the right thing, for the right people, in the right way and at the right time.

During orientations I give on cash transfer programming I provide a simple scenario of a disaster, which includes an overview of needs, livelihood and gender dynamics, market characteristics, seasonal calendars, the activities of other actors and the agency profile. Participants (usually highly experienced) are then asked to use DG ECHO's decision tree to decide on the most appropriate, effective and efficient humanitarian response for that scenario.<sup>1</sup> While it is assumed that humanitarian workers routinely conduct such analyses, groups often find this exercise challenging. Analysis of who needs what, where, when and how differs amongst individuals, and each group usually proposes a different response to the same scenario.

The first time I conducted the exercise the objective was to illustrate the process of response analysis. I now also use it to demonstrate the multitude of factors that must

<sup>1</sup> See *The Use of Cash and Vouchers in Humanitarian Crises*, DG ECHO Funding Guidelines, March 2009.

be taken into account when designing an appropriate response, the variety of response options possible and how rarely we systematically conduct a thorough response analysis when we make programming decisions.

## Normative frameworks

Key humanitarian texts, charters and standards provide the framework and principles that underpin response. The Humanitarian Charter, for example, emphasises the principle of impartiality and commits us to implementing 'effective, appropriate and accountable' responses.<sup>2</sup> Sphere Common Standard III underscores the importance of identifying the priority needs of disaster-affected people. Sphere Common Standard IV requires that the response meets those needs in relation to the context, the risk and the capacities of the population and the government.

These principles and standards suggest that humanitarian actors should respond to priority needs in the most appropriate way possible. However, the humanitarian architecture has evolved such that aid agencies tend to select responses and modalities that reflect their specific mandates. This in turn has promoted internal technical expertise and the development of systems that are tailored for a particular type of response. This agency specialisation tends to lead to formulaic response choices that focus on outputs and resource delivery, rather than on the outcomes for beneficiaries.

Cash transfer programming shifts decision-making power and responsibility to the beneficiary, who decides how and what resources and services will be accessed. This offers exciting new opportunities, but also raises challenges for specialised agencies. A clear analysis of beneficiary needs and priorities is essential to understanding how cash transfers will be used. In other words, programme outcomes are dependent on the extent to which agencies understand and support beneficiary priorities. While programming options exist to constrain how cash transfers are used (such as commodity coupons), a truly people-centred programme should aim to enable recipients to meet their priority needs. A proper needs and response analysis will identify the priority needs, the best modality to meet them and the best programming model to ensure that needs are met.

## Challenges

The increased use of cash transfers at scale requires the humanitarian community to improve response analysis. At global and national levels, coordinated needs analysis and prioritisation is usually done through the annual Consolidated Appeal Process, which prioritises humanitarian action by geographic area, population group and sector, and the Cluster coordination mechanism, which seeks to ensure that there is a cross-sectoral humanitarian response plan, high-priority needs

<sup>2</sup> The Sphere Project, *Humanitarian Charter and Minimum Standards in Humanitarian Response*, 2011 Edition, p. 24.





© Colin Crowley/Flickr

*A cash transfer in north-eastern Kenya*

and gaps are identified and filled and resources are appropriately prioritised and allocated across clusters. Prioritisation of needs is less systematic at the agency or project level, however, and determining appropriate response modalities is weak at all levels.

The dominance of in-kind resource transfers in emergency response is to some extent linked to the fact that existing agency systems and procedures were developed in the 1980s and 1990s, when in-kind donations were the only response considered. The International Federation of the Red Cross (IFRC) global logistics hubs, for example, still maintain stocks sufficient to distribute basic relief items to 320,000 people, and at present agencies only have the capacity to implement in-kind assistance at scale in rapid-onset crises. Initiatives such as the Cash Learning Partnership (CaLP) and the World Food Programme (WFP)'s Cash 4 Change are working to support NGOs and WFP to adapt their systems to allow all options to be considered in a rapid-onset/large-scale response, but changes to large bureaucratic systems are complex and take time and management commitment.

Over the last few years many NGOs have embraced and mainstreamed cash transfer programming. However, while this is a positive development, some NGOs and most UN agencies use more rigorous analytical and decision-making criteria to justify a decision to use cash-based programming than they do for in-kind interventions. This 'double standard' is also evident in the imposition of conditionality, which is rarely supported or justified programmatically. Conversely, some agencies that have embraced cash programming are tending not to give due consideration to in-kind assistance. All agencies should be aiming for a systematic, impartial analysis of all response options.

### **Potential**

Response analysis begins when needs are being identified and the context defined, is further informed by market analysis and ends in the programme design

process, where agency capacities and contextual realities are considered in relation to possible response options. Good response analysis ensures that institutional biases and formulaic responses do not dominate interventions.

There are a number of complementary resources and tools to help agencies identify the most suitable response. Some are sector-specific (food assistance, livelihoods, water and sanitation and health), others are cross-sectoral and some focus on modality selection. Donors are increasingly pushing for more and better response analysis. The principles on which the European Commission Communication on Humanitarian Food Assistance are

based include that EC support should be flexible so that the most appropriate response can be delivered using the most effective tool. ECHO's Cash and Voucher funding guidelines insist on a thorough response analysis. USAID supported the development of Market Information for Food Insecurity Response Analysis (MIFIRA) to assist decision-makers in deciding between food aid, cash/vouchers and local, regional or global procurement of food in response to food insecurity. The EMMA tool, also supported by USAID, was developed to improve analysis of markets and the identification of the most appropriate response.

The push for more response analysis is consistent with efforts to improve the quality of programming overall. The only 'new' information that needs to be collected is more systematic market analysis. Yet the increased use of market analysis in humanitarian programming – necessitated by the increased use of cash transfers – has made it clear that understanding markets and how people use them is critical to a thorough understanding of the context and needs. A better understanding of markets is critical to programme design and has the potential to support market recovery, which in turn can promote early recovery and minimise harm to market systems and people's livelihoods. An EMMA conducted in Haiti following the 2010 earthquake, for example, clearly demonstrated that continued free bean distributions were likely to lead to decreased demand for beans, thus depressing the bean market, and recommended decreasing free food distributions and increasing demand through cash transfers.

Increased use of response analysis in humanitarian programming requires the collection and analysis of baseline information before a disaster strikes, covering a range of issues including political and social dynamics, access to water and health, infrastructure, financial institutions, potential assistance delivery mechanisms and information on livelihoods and markets. All of this data should be collected, analysed and incorporated into contingency plans. Conducting this type of analysis as

part of disaster preparedness can help to speed up the response and ensure that humanitarian assistance does not undermine local markets and local economies.

Increased use of good response analysis should also lead to more innovation as it steers agencies away from default programming modalities. When cash programming became a genuine option in humanitarian response with the publication of Oxfam GB's manual *Cash-Transfer Programming in Emergencies* in 2006 it was considered innovative.<sup>3</sup> Since then, cash transfer programming has been added to the response portfolios of many agencies, and is increasingly being used at scale. It is important to remember that response analysis may not always result in a programming choice that provides cash or in-kind support directly to beneficiaries. In some cases, the analysis may suggest alternative forms of assistance, such as a road-rehabilitation programme to ensure market access.

### Conclusion

Good response analysis ensures that institutional biases and formulaic responses do not dominate interventions, and that all possible options, including cash, are

<sup>3</sup> P Creti and S. Jaspars, *Cash Transfer Programming in Emergencies*, Oxfam GB, 2006.

considered. It must be a distinct step, focused on needs and project objectives, and not biased by mandates, systems, funding or profile opportunities or political considerations. Aid agencies need to routinely undertake response analysis to ensure that responses are effective, appropriate and relevant. Contingency planning must be improved to ensure that the right response is delivered in the right way at the right time. While increased adoption of cash programming is pushing us in this direction by breaking down the silos in which we work, a range of response options should be considered when planning any humanitarian response.

The humanitarian sector is a reflective one: we evaluate responses, share lessons learned and aim to monitor our programmes. But for the sector to continue to evolve and innovate in the interests of beneficiaries and communities there must be a real commitment to seek out and implement the most appropriate responses in each context. While cash has introduced a paradigm shift in the way we programme, we need to examine the full potential of this shift, focusing on outcomes for beneficiaries.

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## A deadly delay: risk aversion and cash in the 2011 Somalia famine

Degan Ali, Adeso

There is immense potential for cash transfer programming to provide humanitarian relief at scale in times of crisis. By March 2012, \$77 million in cash had been provided directly to beneficiaries in South Central Somalia, making this the largest emergency cash and voucher-based response ever implemented by NGOs anywhere in the world. However, as emergency conditions in the region deteriorated into famine in 2011, it took many months for the humanitarian community to employ cash transfers as an alternative to food aid. Why was there a delay in using cash-based responses when evidence was available that cash transfers were a viable and effective option? This article argues that the humanitarian community's aversion to risk made agencies reluctant to use cash programming at scale early on, and that the delay resulted in avoidable deaths.

### Cash transfer programming in Somalia – not a new approach

Somalia is one of the most challenging environments in the world in which to provide humanitarian aid. Conflict has raged for decades, there is no functional central government and many areas, including South Central Somalia, are controlled by armed militias. As a result, aid workers are constantly at risk, and gaining access to the most vulnerable is fraught with difficulties. Yet despite these challenges, Somalia is surprisingly well-suited to large-scale cash programming. Markets are robust and well-integrated and the country has sophisticated long-term market monitoring systems maintained by FEWSNET

and FSNAU, providing data on essential commodities. Somalia also has a highly developed and reliable remittance system. Between \$1.3 billion and \$2bn in remittances is transferred to Somalia each year – even to those living in remote locations.<sup>1</sup> Most of these transfers are facilitated by money transfer companies called *hawalas*.

Cash transfer responses have been implemented in Somalia for the past nine years. The effectiveness of these responses has been documented in evaluations, showing that cash is a viable option for providing assistance.<sup>2</sup> Cash is no longer a new tool in Somalia; the majority of local and international NGOs and UN agencies providing emergency assistance now use various types of cash transfer programming (unconditional cash grants, vouchers and cash for work).

Adeso, formerly known as Horn Relief, has been working in Somalia for over 20 years, and was one of the first adopters of cash transfer programming in the country. In 2003, Adeso warned of a looming crisis in Sool Plateau and proposed the use of cash transfers as a response.

<sup>1</sup> Laura Hammond et al., *Cash and Compassion: The Role of the Somali Diaspora in Relief, Development and Peace-building*, Report of a Study Commissioned by UNDP Somalia, January 2011.

<sup>2</sup> Acacia Consultants, *Evaluation of Cash Relief Programme Implemented by Horn Relief*. Commissioned by Novib/Oxfam Netherlands, 2004; N. Majid, I. Hussein and H. Shuria, *Evaluation of the Cash Consortium in Southern Somalia*, Oxfam GB and Horn Relief with AFREC, Development Concern and WASDA, 2007.



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*A woman shops using money provided by Adeso's cash transfer programme in Somalia*

The problem was one of access: markets were well-integrated and food was available in the markets, but people lacked purchasing power and high levels of debt were causing shopkeepers to go bankrupt. Additionally, there was community acceptance and reliable money transfer mechanisms were in place. Although all of these factors created the ideal setting for using cash transfers, the discussion regarding whether to use this response mechanism quickly became politicised and contentious. Donors were concerned about the perceived risks (including diversion), and insecurity was cited as a reason not to pursue cash programming. In one instance, Adeso was accused of trying to incite war by 'arming' people with cash. Support from key humanitarian leaders, namely the Humanitarian Coordinator (HC) and others in the UN Office for the Coordination of Humanitarian Affairs (OCHA), was critical in getting the programme off the ground.

An inter-agency assessment led by OCHA eventually corroborated Adeso's assessment of the crisis in Sool Plateau. Adeso then implemented an Emergency Cash Relief Program (ECRP), which provided \$691,500 to 13,830 drought-affected households in Sool and Sanaag.<sup>3</sup> A post-distribution monitoring (PDM) survey undertaken by OCHA at the end of the project found that the cash grants had increased beneficiaries' purchasing power, giving them access to food and other basic items which were readily available in the market. The PDM found that Adeso had a 97% success rate in targeting the most vulnerable. The experience in the Sool Plateau helped make cash transfers an accepted form of aid in Somalia.

Since 2003, Adeso has continued to advance the use of cash transfer programming in Somalia, and has been instrumental in providing training, advocacy, technical

<sup>3</sup> Degan Ali et al., *Cash Relief in a Contested Area – Lessons from Somalia*, Network Paper 50, March 2005.

coordination and evidence to the humanitarian community. The number of organisations implementing cash programmes has increased substantially, as has their level of acceptance by donors and aid agencies. The Cash-Based Response Working Group (CBRWG) was established in 2007, and guidelines for cash transfer programming tailored to Somalia were developed in 2010.<sup>4</sup> Market analysis information from FSNAU has improved. The end result is greater institutional capacity and confidence about using cash within the NGO community.

### **If not then, when?**

The UN declared a famine in Somalia in July 2011. However, nearly a full year before the announcement there was evidence of a looming food crisis in the Horn of Africa. In August 2010 FEWSNET issued forecasts of adverse climatic conditions, with short rains in the eastern sector of the East Africa region likely to be below normal, and in November 2010 it forecast worsening food security. As documented in a joint report by Oxfam and Save the Children, further warnings were issued in December 2010 (calling for pre-emptive action) and in January and March 2011, indicating that the food crisis would worsen further should the March–May rains fail.<sup>5</sup> By February 2011, it was clear that a major food crisis was looming in Somalia with the failure of the Deyr rains, rising grain prices and limited humanitarian access. During this period, FSNAU and FEWSNET conducted a market analysis in Somalia and reviewed ten years of cash transfers against market behaviour. The results suggested that cash transfers were a viable form of assistance in southern regions to meet immediate food access needs.<sup>6</sup>

<sup>4</sup> Horn Relief, *Guidelines for Cash Interventions in Somalia*, 2010, <http://adesoafrica.org>.

<sup>5</sup> Oxfam and Save the Children, *A Dangerous Delay: The Cost of Late Responses to Early Warnings in the 2011 Drought in the Horn of Africa*, 2012.

<sup>6</sup> FSNAU and FEWSNET, 'Somalia Market Analysis System & Decision Making', 18 November 2011.

The World Food Programme (WFP), the largest responder to food assistance needs around the world, suspended its activities in South Central Somalia in January 2010 following increased security threats by Al-Shabaab. By February 2011, this region was at the epicentre of the looming famine. In the absence of large-scale food aid, the humanitarian community urgently needed to find an effective alternative way to provide life-saving assistance to almost a million people. Cash transfers were the only form of assistance that aid agencies could provide to increase access to food and other basic necessities quickly and on the scale required to avert a famine.

During March and April 2011, Adeso engaged in informal discussions with UN agencies, donors and INGOs urging them to support the use of cash transfers at scale. In April 2011, the CBRWG, which Adeso chairs, submitted a letter and a briefing on cash transfer programming to the Humanitarian Coordinator. These efforts to advocate for large-scale cash programming went unanswered. Adeso then called a meeting of INGOs operating in South Central Somalia to form a consortium to develop a large-scale cash programme. Of the nine INGOs invited only four agreed to participate in the consortium.

While the official famine declaration in July 2011 triggered large pledges of humanitarian funding, the vast majority of cash transfer responses were not implemented until September 2011. In the interim, aid agencies, donors and the humanitarian leadership debated what constituted acceptable levels of risk. The discussion of cash transfer programming focused on defending the decision to use cash, overshadowing its well-established track record of meeting relief needs effectively. The issues debated were:

- Funding cash at scale: some NGOs were reluctant to put forward large proposals for unconditional cash grants due to concerns about whether donors would support cash programming on this scale in Somalia.
- Risk of support to terrorism: the presence of Al-Shabaab has influenced aid delivery significantly. Key donor countries such as the US, the UK and Canada have declared the group a terrorist organisation, making the humanitarian community even less willing to take risky decisions. US anti-terrorism legislation includes the possibility of prosecution, a risk that some NGOs are unwilling to take.
- Inflation: despite the market analysis provided by FSNAU, many aid agencies were concerned that markets would not respond to the large influx of cash, and that inflation would ensue.

The perceived risks associated with cash transfers meant

that many donors were ill-prepared to fund programmes at scale, despite the lack of other viable alternatives in South Central Somalia. Only once the first few donors signed on did others come forward. There is no doubt that the long debate on cash transfer responses and the hesitation in funding them delayed the humanitarian response, putting hundreds of thousands of lives at risk.

### The system is broken

The famine in Somalia has raised questions about the effectiveness of the humanitarian system as a whole. Despite clear indicators of the severity of the crisis and the inability to deliver food aid, the international community waited until famine was declared in July 2011 to scale up the response. Cash programming eventually featured prominently in relief efforts in the Horn of Africa, and was an important contributor to the quick downscaling of the famine to a less serious emergency. Despite a proven history of effectiveness in the region, the decision to use cash was more a result of the right personalities and a lack of alternatives than any assessment of the efficacy and appropriateness of cash in meeting basic needs.

The Somalia experience also demonstrates weaknesses in the humanitarian funding system. Once famine was declared, the cash consortium raised over \$40 million in the space of three months. Yet had the situation remained at emergency levels and not been upgraded to famine, donors might not have been willing to take that risk, especially given the absence of endorsement from key humanitarian leaders. These questions must be addressed if we are to tackle the systemic challenges to integrating large-scale cash-based programming in humanitarian aid delivery. If the presence of a looming famine, the absence of large-scale food aid as a viable option, the existence of good evidence to support large-scale cash programming and the capacity to implement it did not persuade agencies and donors that it was the right time to take a risk, there will never be a right time.

The Somalia experience shows that many of the barriers to using cash programming at scale are not based on a lack of evidence or experience, but on a lack of leadership in the face of the risk aversion that characterises humanitarian decision-making. When lives are endangered, the humanitarian community needs to act quickly and effectively. To do so, we need courageous leaders who are willing to take risks. The potential for large-scale cash programming to alleviate a food security crisis and to enable empowerment is immense, but the intense reluctance to take risks is a serious hindrance. Doing what is right must triumph over doing what is 'safe'.

**Degan Ali** is Executive Director of Adeso.

# Institutionalising cash transfer programming

Rosie Jackson, Save the Children UK, and Nupur Kukrety, Oxfam GB

The significant growth in cash transfers in emergencies in the past decade has presented a number of challenges for policy-makers and practitioners in the humanitarian sector. Cash transfer programming is now an accepted tool in almost every emergency response. Guidelines, evaluations and research have addressed concerns around cash transfers, such as corruption and insecurity, and have increased awareness that cash has different, but not necessarily greater, risks than in-kind assistance. Donor policy changes and developments have supported more flexible funding for cash transfer programming and the development of better risk management systems and procedures. The experience of a large number of NGOs, local governments, UN agencies and the International Federation of the Red Cross (IFRC) has increased confidence in the delivery of cash transfers in a range of contexts. The Cash Learning Partnership (CaLP) and similar initiatives have provided training, collated and disseminated learning from pilot approaches, undertaken research in key areas and provided forums for agencies to share practice.

For Save the Children and Oxfam, the process of institutionalising cash transfer programming started with staff training. However, it soon became apparent that training alone was not enough, and that addressing internal barriers to implementing cash transfers was equally important. Our strategies for institutionalising cash transfer programming focused on the following areas: skills development, tools and procedures and preparedness.

## Skills development

Ensuring that we have the capacity to deliver cash transfer programming requires not only developing skills within technical teams, but also among country office managers and emergency team leaders, logisticians and finance staff. Poor engagement with these staff categories has often undermined the timeliness, efficiency and appropriateness of cash transfer programming because cash interventions were designed by technical staff with limited knowledge of finance and logistics systems and procedures. This problem was compounded by limited understanding of cash transfer programmes among management, logistics and finance teams. As a result, people lacked the confidence to make programming decisions.

Save the Children and Oxfam have developed training materials to meet the specific needs of key staff, including



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*A beneficiary of Oxfam's emergency cash transfer programme in Loruth, Turkana*

management, logistics and finance personnel. We have also promoted cash transfer programming in sectors where cash responses are less common, such as shelter and water and sanitation. The impact of this training is two-fold: first, staff members have the opportunity to learn about the entire process of cash transfer programming, from decision-making through to implementation; and second, participants are able to practice making operational decisions with the active involvement of finance, management and technical staff. For both agencies, training has included staff across all regions, agency members and affiliates. This training forms the backbone of the institutionalisation process.

## Tools and procedures

A number of good guidelines and tools for cash programming are available. The Sphere Handbook outlines minimum standards and there are also a large number of evaluations that document lessons learned. Save the Children and Oxfam have used these materials to adapt existing tools and procedures.

As Standard Operating Procedures (SOPs) are usually agency-specific and focused on specific technical areas, Save the Children and Oxfam are producing their own SOPs for cash programming. These outline the process for developing cash transfer projects throughout the project cycle, from emergency preparedness and assessments to key aspects that must be considered in programme design, implementation and evaluation. The Cash SOPs are designed to complement minimum standards outlined in sector-specific programme guidance. Although each agency is producing its own SOPs and we are at different stages in the process, they have agreed to share

information on organisational procedures, resources and approaches throughout the development process.

Oxfam developed specific finance guidelines, which are being rolled out this year through training and dissemination. The guidelines were developed by finance and food security and livelihoods staff. They include understanding cash transfer modalities, payment mechanisms and delivery instruments; tasks and areas of cooperation with business services; and financial controls, including security and the use of armed guards. The process includes finance staff in programming decisions, while also allowing programme staff to benefit from their specialised skills. In addition, Oxfam is developing programme quality guidelines for staff across all its affiliates. Once finalised, these guidelines will act as minimum standards for all cash transfer responses by Oxfam staff and partners.

Save the Children has focused on training finance staff on analysing and mitigating risks associated with cash transfer programming. This work has also informed the development of the Cash SOPs, which was undertaken by logistics, operations, finance and food security and livelihoods teams and tested with staff from other sectors. The SOPs include a standard risk and cash feasibility assessment. Over the coming year work will be undertaken to integrate cash transfer programming into the guidance and procedures for other key thematic and operational areas. For example, in 2012 the assessment of cash feasibility and risk analysis will be integrated into Save the Children's standard guidelines for emergency preparedness planning.

### Preparedness

Ensuring that country offices are prepared ahead of time to undertake cash responses is a key priority. Rolling out new tools and practices once an emergency response is already underway can cause delays and reduce efficiency. Country offices are encouraged to share their experiences with undertaking cash transfer programming, particularly related to building relationships and undertaking negotiations with financial institutions. Each country office engaged in the institutionalisation process has a cash focal point who receives quarterly updates from head office on progress. This also enables communications flow between offices.

Save the Children has developed a Cash Emergency Preparedness process, which was piloted in four country programmes in 2011. This involves the use of standard tools for assessing and mitigating risks associated with cash transfers, as well as evaluating transfer mechanisms and establishing relationships with financial institutions, where relevant. Technical specialists involved in rolling out this initiative work with country programmes to adapt local systems and build capacity.

Oxfam is also developing preparedness plans, including baseline data on market systems. In the event of a disaster, these baselines are intended to serve as a starting point for response analysis. These plans align well with efforts to train staff at the country level, as these staff can ensure that cash transfer programmes

are considered as one available option when deciding on the most appropriate response.

### What helped in institutionalisation?

Save the Children and Oxfam followed different trajectories in addressing these obstacles. However, there are common lessons on institutionalising cash transfer programming that may be relevant to other humanitarian agencies.

First, the fact that cash transfer programming is new to many teams can be a huge challenge. Within Oxfam and Save the Children, 'internal advocates' were crucial in taking cash transfer programming forward. For example, Oxfam's cash transfer programming finance guidelines were co-authored by a senior finance manager with experience of working in several cash-based humanitarian responses. She was able to effectively articulate the challenges faced by finance teams and provide solutions to them.

Second, seizing opportunities to demonstrate the effectiveness of cash transfer programming can go a long way to institutionalising it. For example, working in consortia to deliver cash transfer programmes at scale during the responses to the Pakistan floods and the Somalia famine has helped to push the agenda forward. The magnitude of these humanitarian crises meant that many more senior managers were involved in these responses, enabling them to understand and recognise the value of cash transfer programming, especially when done on a large scale.

Third, expertise on cash transfer programming often rests within the food security and livelihood teams. However, to reach consensus within an organisation on the role and importance of cash transfers it is necessary to ensure that a wider range of staff understand the concepts and terminology. In Oxfam, using a market-based approach to cash transfer programming and private sector engagement helped a great deal in engaging non-food teams, demystifying the concept of cash transfer programming and enabling other teams, particularly logistics and WASH, to see its relevance for their own areas of work.

Fourth, numbers count in the speedy institutionalisation of any new initiative. In both organisations, consistent efforts were made to train a large number of staff at country, regional and head office levels. This ensured that cash transfer programming was given serious consideration when analysing possible responses to crises, and increased confidence at the country level to embark on cash transfer programming wherever the response analysis suggested it as an appropriate response.

Finally, management buy-in is crucial. Senior managers in Oxfam communicate directly with all staff (based in countries, regions and at headquarters) through monthly or quarterly newsletters. The most recent newsletter from the International Director speaks very positively about the cash transfer programme in Mali, boosting the confidence of the country team and sending a very positive signal across the organisation in favour of cash transfer programming.

## Conclusion

There is no set formula for institutionalising cash programming within humanitarian agencies. It is a slow, difficult and iterative process, which entails strengthening capacity, modifying existing systems and procedures and ensuring the effective implementation of these changes. The fact that Save the Children has rolled out the cash emergency preparedness process in only four countries to date reflects the length and complexity of the task. As with any process involving widespread organisational change, management buy-in is crucial. While progress has

been made in institutionalising processes and procedures for cash programming in the humanitarian operations of both agencies, there is clearly more to do. Future efforts will need to focus on improving the quality of cash-based interventions, encouraging innovation and maintaining the momentum on skills development.

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## New technologies in cash transfer programming and humanitarian assistance<sup>1</sup>

Gabrielle Smith, Concern Worldwide

Information and communication technology is evolving at an extraordinary pace, changing the way we live and work. In recent years, advances in mobile phone penetration and other new technologies in low-income and disaster-affected countries mean that there is growing interest from donors, practitioners and governments as to how technology can serve humanitarian responses. This article summarises the findings of a study commissioned by the Cash Learning Partnership (CaLP) to review the current use of new technology in humanitarian cash and voucher programming, and the broader implications for humanitarian practice. It explores three different areas of technology (electronic payments, mobile communications and digital data-gathering), barriers to adopting technology and ways forward.

### Branchless banking and electronic payment systems

Aid agencies providing cash transfers often do so by putting cash in envelopes and handing them to recipients. However, the logistical, operational and security challenges presented by the movement of large amounts of cash to isolated or insecure places has meant that humanitarian programmers have become interested in the evolution of 'branchless banking' services. These use electronic payments (or 'e-payment') technology to allow financial value to be transferred from the bank account of the aid agency to the bank accounts or mobile phones of recipients. Recipients can withdraw the cash transferred from any branchless banking or mobile money 'agent' (usually a local trader) or use the value to purchase commodities directly in local shops. There are four main types of e-payment systems: pre-paid debit cards, chip-enabled 'smart' cards, mobile money and electronic voucher systems redeemable through mobile phones. The research identified agencies that have used or are using these e-payment systems for cash transfers in 25 programmes in 11 countries.

<sup>1</sup> This article draws on Gabrielle Smith et al., *New Technology Enhancing Humanitarian Cash and Voucher Programming*, a report for the Cash Learning Partnership, 2011; and Gabrielle Smith, 'Mobile Money In Times of Crisis', *UX Magazine*, vol. 11 Issue 2, 2012 © Usability Professionals' Association.

In general, agency experiences of using e-payment systems to deliver cash transfers in emergencies have been positive and the agencies interviewed want to utilise these tools in the future. The most important reported benefits of e-payment systems are improved security for staff and recipients, improved reconciliation of accounts and increased speed and lower costs. However, agencies working with new systems in emergency zones and with the poorest sections of society also face challenges arising from lack of prior experience with technology, poor infrastructure, low literacy and lack of training.

Whilst aid recipients are likely to be new to such technology, this does not present too great a barrier. Aid agencies should not exclude particular groups from the opportunity to access technology based on lack of previous experience. Rather, the decision should depend on the context, the specific needs of the group, their mobility and the potential to build responses to their needs into the programme; sensitisation and support should be provided to ensure that people can use the technology.

Aid agencies report that e-payment recipients overwhelmingly prefer this method to manual transfer alternatives, even when they found the system challenging. A rapid evaluation of the WATAN card programme in Pakistan, conducted by DFID and UBL Bank, confirmed that everybody with a card was able to withdraw the grant and 96% of recipients said that they preferred to receive support through the card. In Niger, a country with one of the highest adult illiteracy rates and lowest phone penetration in the world, almost all households interviewed during the independent evaluation of the programme appreciated the mobile money method. The feelings of self-respect and confidence instilled by putting technology into people's hands for the first time should not be underestimated.

### Mobile communications

Mobile technology is also being used in other ways to enable communication throughout the programme cycle. Mobile phones are used to communicate important information to

**Table 1: Benefits and challenges of e-payment systems**

Benefits	Challenges
<p><b>Accountability</b> Reduced opportunity for diversion of funds</p> <p><b>Security</b> Increased personal security of staff and recipients</p> <p><b>Private sector partnerships</b> Agencies transfer the responsibility and risk of storing and moving cash to the service provider and the provider's network of agents Services are provided below commercial rates Programmes help service providers reach an untapped market</p> <p><b>Speed</b> Recipients access cash transferred via mobile money more quickly than cash transferred manually, due to proximity of mobile money agent</p> <p><b>Cost-effectiveness</b> While initial set-up costs are higher e-payment services realise cost efficiencies over time</p>	<p><b>Illiteracy</b> Illiteracy coupled with a lack of previous exposure to technology or banking Some recipients give their PINs away and require help from others to collect their cash, potentially exposing them to coercion or deception</p> <p><b>Eligibility</b> Registering for a branchless banking account can require formal identification, which many of the poorest do not have and which people affected by a disaster may have lost</p> <p><b>Glitches of emergent systems</b> Demand created by cash transfers can cause problems for small-scale agents with limited cash flow E-payment systems (except smart cards) require reliable network connectivity</p>

disaster-affected people, for example through call centre hotlines, automated voice-messaging systems and mass text alerts. They are also being used in feedback and complaints systems set up by aid agencies in contexts as diverse as Haiti and Niger, to improve the accountability and effectiveness of aid programmes by establishing two-way communication with beneficiaries.

The research found that mobile communication systems are increasing the speed and efficiency with which agencies communicate vital information to dispersed populations. This can improve programme accountability and is appreciated by affected communities. However, as with all technology, it is only as effective as the way it is used: experiences in Haiti showed that mass messaging must be clear and accurate to prevent confusion or distrust. Literacy issues mean that two-way communication hotlines are favoured over text-based systems. In addition, the costs of making a call should be covered by the aid agency or mobile network operator since this can prove prohibitive for poor people. Most importantly, mobile communications tools need to complement rather than replace traditional means of communication, since face-to-face contact with communities is critically important for humanitarian work.

### Experience with digital data gathering

Digital data gathering applications such as Episurveyor, PSI Mobile and FrontlineSMS allow household survey and other monitoring data to be collected directly into mobile phones or handheld devices rather than on paper forms, for upload directly to a data management system. These emerging technological solutions are being used by agencies seeking to improve the accuracy, efficiency and effectiveness of monitoring and evaluation activities. Similar tools such as the Last Mile Mobile Solution tool developed by World Vision are also being applied to

<sup>2</sup> *Last Mile Mobile Solutions (LMMS): Technology and Partnering for Social Innovation*, ALNAP Innovations Case Study No. 3, 2009.

recipient registration and data management, including using biometric data.<sup>2</sup>

For the most part, agencies have found that these technologies have been quickly mastered and adopted by staff, easily integrated with existing systems and accepted by recipient communities. The overall experience has been positive and no agency interviewed during the CaLP research is planning to switch back to paper-based forms. With appropriate planning and the right choice of tools, agencies adopting digital data gathering technology saw significant gains in the speed and efficiency of data collection and analysis, with potential for cost savings over time and increased impact. In some cases, however, inadequate planning and preparation has led to piloting of inappropriate tools. This was the case with UNOPS in the Democratic Republic of Congo (DRC), where a phone-based application was commissioned by head office without consideration of the realities of field operations, including the need for long battery life and night-working. Adopting a new technological solution in the midst of a humanitarian emergency with no prior preparedness creates difficulties and can slow down response times.

### Barriers to wider adoption

New technology offers a promising way to deliver aid with speed, precision and flexibility even in challenging environments. That said, only a handful of programmes are using this technology on a large scale, and no agency is using any of these technologies systematically. The research reported on here identified various barriers that are impeding the wider adoption of new technology. These are summarised in Table 2.

### Moving forward

The humanitarian sector is reaching a critical juncture as it moves from piloting technologies towards the wider diffusion of these innovations. The CaLP report recommends a number of actions to move forward in this area.





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*Cash transfer recipients in Niger attend mobile phone training*

**Table 2: Barriers to wider adoption of technology**

Barrier	Factors identified
<b>Technological</b>	Network coverage is lacking, especially in Africa Branchless banking systems have limited geographic coverage and liquidity
<b>Financial</b>	Concerns over errors in fingerprint recognition technology Lack of business case for operators to justify expansion of network services to remote areas High initial outlay for settling up new technology is at odds with the time horizons of humanitarian programming
<b>Institutional</b>	Donors tend to restrict capital costs to a percentage of the total budget Lack of knowledge among agencies of the options available in a rapidly changing market place Reluctance within agencies to adopt new ways of working No organisation with a mandate to moderate the advantages and disadvantages of new technology or promote adoption of technical standards Limited capacity of technology service providers to scale up Low levels of education amongst recipients
<b>Operational</b>	Researching, costing, selecting and setting up new technology requires time and resources Undertaking these activities interferes with rapid response
<b>Political</b>	Reluctance among agencies to share information, experiences and systems Donor focus on 'innovation' and competition for funding fuels this Concerns about data protection Wariness among agencies about involving the private sector in the humanitarian sphere
<b>Attitudinal</b>	Tendency of humanitarian agencies to be risk averse Technology seen as requiring specialist knowledge outside of programme remit
<b>Legislative</b>	Regulatory environment can constrain rollout of branchless banking and other technology Lack of clear national policies on data protection Proprietary issues around custom-designed solutions can limit uptake

### Improving the technological environment

Experience has shown that approaches initiated by aid agencies to e-payment service providers in emerging markets have the potential to influence the scale up of the branchless banking agent network to where it is needed for humanitarian purposes, especially if agencies work together to pool their requirements. This could lead to co-financing arrangements between donors, governments and mobile network operators to support the

extension of mobile networks and branchless banking to underserved and disaster-prone areas. The humanitarian sector should also explore the potential of 'piggy-backing' on existing e-payment systems, such as those used by governments to deliver social protection transfers, rather than developing parallel systems. The humanitarian community could also advocate with governments for improvements in the regulatory environment for new technology.

### Increase capacity and preparedness

A crisis is not the appropriate time to begin investigating the use of unfamiliar tools. In places where technology solutions are available, practical training can help staff understand how these tools could be used in a crisis. In addition, many of the technological solutions identified are of value not only to emergency cash transfer programmes, but could be adopted more systematically, making new technologies cost-effective more quickly and giving staff greater confidence in using them in an emergency. Humanitarian agencies should establish pre-agreements with service providers as part of contingency planning, while being cautious not to skew the market or promote monopolies.

### New ways of working

Humanitarian actors need to develop new ways of working together in order to improve coordination, increase influence and realise economies of scale when using new technologies. Aggregating demands from the humanitarian sector to service providers could build a significant business case for expanding services to remote disaster-prone areas. Agencies should invest in overcoming internal barriers to adopting new ways of working, and those with experience

of new technologies should consolidate this and develop a 'tool box' of standard approaches. To help overcome the high costs of investing in technological solutions, donors could create incentive structures to develop technology platforms that meet humanitarian needs.

### Conclusion

There is no single answer to delivering cash to people in low-income and disaster-affected communities. Deciding what system to use depends on the context, the delivery options available, what the programme aims to achieve, its scale and scope and the recipient profile. Utilising new technology brings both benefits and increased complexities to humanitarian aid, but experience shows that, in the right circumstances, the benefits are worth the effort. Efforts should be concentrated on overcoming known barriers, improving the reach of existing technologies to disaster-prone communities and working with new partners to enable the use of technology to enhance our ability to deliver aid.

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## Innovation in emergencies: the launch of 'mobile money' in Haiti

Kokoévi Sossouvi, Voilà Foundation

Rapid-onset emergencies are not contexts where one would expect to see innovation. The scale of devastation requires focused and fast action. Emergency professionals apply standard operating procedures and proven methodologies from previous humanitarian responses, and there is no time to develop and test innovative solutions effectively. Yet it could also be argued that crisis situations open up opportunities that make lasting change possible. Considering non-traditional solutions is easier because the disaster highlights that business as usual is no longer an option.

The introduction of 'mobile money' following the devastating earthquake in Haiti in January 2010 is an important example of innovation in an emergency. Humanitarian aid channelled through cash transfer programmes helped foster innovation in electronic payments, in a country severely lacking in financial infrastructure. There are a growing number of examples of the use of mobile technologies in humanitarian response, including in Kenya and Niger.<sup>1</sup> However, what makes Haiti so special is that, as the country struggled with large-scale emergency response, mobile money services and the framework required to regulate them were developed simultaneously. Mobile money proved not only useful for the immediate humanitarian context, but also, when coupled with financial education, for the longer-term goal of providing financial access to the 'unbanked' – those outside of the banking system.

1 J. C. Aker, R. Boumniel, A. McClelland and N. Tierney, *Zap It To Me: The Short-Term Impacts of a Mobile Cash Transfer Program*, Working Paper 268, Centre for Global Development, 2011.

### What is mobile money?

Mobile money is electronic currency stored in an electronic wallet on a mobile phone. This can be converted back into cash with designated agents at any time, and used to purchase goods or pay bills at affiliated merchants, or transfer money to other individuals. The e-wallet is protected by a personal identification number (PIN), and accounts are debited or credited as soon as the transaction takes place. Mobile money has been particularly useful in developing countries where access to formal financial services is limited, and transferring money between urban and rural areas is difficult. Mobile money allows people to bank at post offices, stores and other suitable outlets in the local community, which act as banking agents. In Haiti, mobile money systems followed a 'bank-led' model, which consisted of a partnership between a bank and a mobile network operator (MNO). Two MNOs dominate the market, Digicel, which chose to partner with Scotiabank to roll out a mobile money service called *Tcho Tcho*, and Voilà, which worked with Unibank to launch *T-Cash*.

### The cash response

The emergency response in Haiti was characterised by a very high level of cash-based interventions, in particular cash-for-work and cash grants. Despite the massive destruction, local markets began functioning again shortly after the earthquake, prompting the government to stop direct food distributions within three months. The lack of automatic teller machines (ATMs) and point-of-sale terminals in stores discouraged the use of smart cards by aid agencies. More traditional delivery mechanisms, such as distributing cash in envelopes, collections at bank

**Box 1: Mobile money in Haiti: a timeline**

<b>12 January 2010</b>	A 7.1 earthquake hits Haiti. About 230,000 people are killed and nearly 2 million displaced
<b>March 2010</b>	Voilà and Unibank form a partnership with international aid agency Mercy Corps to run mobile cash for work pilots in rural areas (Central Plateau)
<b>6 June 2010</b>	USAID/Bill & Melinda Gates Foundation's Challenge Fund 'Haiti Mobile Money Initiative' (HMMI) is announced
<b>22 June 2010</b>	First mobile payment for humanitarian relief. Mercy Corps, Voilà and Unibank disburse mobile money to 81 cash for work participants in Pandiassou (Central Plateau)
<b>26 August 2010</b>	End of Mercy Corps, Voilà and Unibank pilot programme: 414 cash for work beneficiaries received m-payments to a total value of over \$53,000
<b>23 September 2010</b>	Haiti's Central Bank releases guidelines on branchless banking
<b>November 2010</b>	Digicel and Scotiabank as well as Voilà and Unibank receive letters of 'no-objection' from Haiti's Central Bank to proceed with the commercial launch of their mobile money services
<b>6 December 2010</b>	Voilà and Unibank officially launch their mobile money service, named <i>T-Cash</i> , in close collaboration with Mercy Corps
<b>December 2010</b>	Mercy Corps begins integration of mobile money into its \$12.5 million food assistance programme in St Marc (Artibonite). The programme ends in September 2011, having served over 8,000 beneficiaries with <i>T-Cash</i>
<b>10 January 2011</b>	Digicel receives 'First to Market Award' for <i>Tcho-Tcho Mobile</i> with Scotiabank and a cash prize of \$2.5 million
<b>April 2011</b>	NGO HelpAge launches a mobile pension programme targeted at nearly 7,000 elderly people using <i>T-Cash</i>
<b>June 2011</b>	World Vision launches an m-payment safety programme targeted at over 2,000 beneficiaries using <i>T-Cash</i> after initial employee salary payment using <i>Tcho Tcho</i> in September 2010
<b>9 August 2011</b>	Voilà receives 'Second to Market Award' for <i>T-Cash</i> with Unibank and a cash prize of \$1.5 million
<b>August 2011</b>	Oxfam launches m-payment programmes targeted at disabled people in camps and host families using <i>T-Cash</i>
<b>August 2011</b>	Catholic Relief Services (CRS) launches an m-payment programme for over 500 construction workers using <i>T-Cash</i>
<b>11 October 2011</b>	Voilà receives 'First Scaling Award' for <i>T-Cash</i> , as the market reaches 100,000 transactions, and a cash prize of \$889,250 for capturing 89% of all transactions

branches and the use of money transfer agents, were common, but most financial service points in Haiti are concentrated in and around the capital Port-au-Prince, making access to financial services in rural areas very difficult.

Six months after the earthquake, in June 2010, USAID and the Gates Foundation announced a Challenge Fund Competition to encourage the launch of mobile money services in Haiti and to 'expedite the delivery of cash assistance to victims of the country's devastating earthquake by humanitarian agencies'.<sup>2</sup> The intent – to use the humanitarian intervention to bring about innovation in financial services – was clear. While opinions vary on whether a prize mechanism was appropriate, and whether it succeeded in delivering high-quality, sustainable products, the competition elicited a favourable response from the Banque de la République d'Haiti (BRH – Haiti's Central Bank) and accelerated the development of regulatory guidelines for mobile money and branchless banking at large. The BRH allowed a flexible approach to customer registration based on a tiered Know-Your-Customer (KYC) system. This meant that subscribers could access and store as much as \$60 on their phone without providing additional identification

<sup>2</sup> See <http://www.gatesfoundation.org/press-releases/Pages/building-assets-with-mobile-money-service-in-haiti-100608.aspx>.



© Mike Catalano

*A training session in financial literacy, Haiti*

beyond what is required to register a SIM card. For higher limits (up to \$250), full identification is required. This first-tier KYC (or 'mini-wallet' as it was commonly called) was particularly relevant for NGO programmes whose cash for work payments rarely exceeded \$60.

Programme design for mobile transfer differs little from programmes distributing cash in other ways (e.g. in envelopes). The mobile process generally consists of loading the NGO's disbursement account with e-money through a bank transfer from the national bank account. Then, instead of sending beneficiaries' names and payment instructions to the finance department or transfer agent, programme managers access an online platform and send the payment notification to beneficiaries' mobile phones. Beneficiaries then go to a nearby agent to collect their cash.

An added benefit is that beneficiaries need not collect their payment in full. Instead, they can keep a residual balance on their e-wallet and thus better manage their expenditure. Safe storage of money was invaluable for many beneficiaries displaced in camps after the earthquake. In addition, options such as balance checks and mini-statements are available, allowing people to track their transaction history, which could be very valuable in future negotiations with lenders, while financial literacy training can improve money management. Success need not necessarily be measured in the sustained adoption of mobile money, but in improved financial management and the use of additional formal financial services by the poor.

Other benefits identified by programme beneficiaries included:

- Increased security as the e-wallet is protected by a PIN.
- Reduced transaction costs: no need to stand in line to collect payments at cash for work sites.
- Privacy: payment notification takes the form of a text message on a personal phone, so there is little outside knowledge of the payment, reducing rent-seeking from cash for work team leaders and unwanted debt collections from creditors on pay day.
- Convenience: the system is real-time, accessible 24 hours a day and increasingly widely available as the agent network grows.
- Speed: transactions can be as short as 60 seconds depending on the beneficiary's proficiency with the system.
- Use of technology: often described as a major source of pride to many rural poor.

For NGOs, mobile money can:

- Reduce operational costs, especially when the same beneficiary group needs to receive recurrent payments.
- Reduce logistics and improve programme efficiency.
- Mitigate some of the risks associated with cash transfers, especially security and liquidity management.
- Provide direct contact with beneficiaries through mobile phones, allowing for more communication potentially leading to increased accountability.
- Increase the capacity of beneficiaries to use financial systems.

## Challenges

The challenges of implementing mobile money programmes are, however, still significant. NGOs that used mobile money in their humanitarian response in Haiti were faced with a complex, high-profile emergency, a nascent mobile money ecosystem and an evolving regulatory framework.

Introducing mobile money into cash programming first required an institutional shift. Some emergency responders and cash transfer professionals resisted the new methodology. For example, finance officers argued against electronic payments because they did not have a way of acknowledging receipt of payment. Commitment at both HQ and field level was essential for moving forward.

Faced with the challenge that some beneficiaries lacked phones, programme managers had to decide whether to give out handsets or SIM cards only. Deciding which carrier to use, or indeed whether a mixed carrier approach was viable, was another key question. Meeting regulatory requirements in terms of user identification was easy enough in Haiti thanks to the mini-wallet. The challenge of providing product orientation and beneficiary training, especially to non-literate/numerate beneficiaries, was often overcome by using pictures and role play. Mobile providers offered extensive support to beneficiary training. Agent presence and liquidity were other major issues. To guarantee adequate service provision, service providers had to simultaneously build a strong pool of early adopters on the demand side and the required agent network on the supply side. They needed enough users demanding their service to incentivise agents to get on board, as well as enough agents to motivate users to sign up. However, they had difficulty growing the mobile money ecosystem at the pace and scale required to meet the demands of humanitarian agencies, especially in under-served rural areas, making it difficult to reach beneficiaries. Close collaboration between NGOs and service providers was required to ensure adequate network coverage in intervention areas, as well as advance warning to allow agents to plan their liquidity reserves to meet cash transfer timings.

What is so impressive in Haiti is the sheer number of mobile cash transfer programmes NGOs have implemented since the launch of *T-Cash* and *Tcho Tcho* (eight out of 14 such programmes worldwide).<sup>3</sup> The programmes in Haiti were implemented by NGOs with varying degrees of familiarity with electronic payments, and included a wide range of beneficiaries (urban displaced (CRS), the elderly (Help Age), rural displaced (Mercy Corps) and camp residents and host families (Oxfam GB)). These humanitarian programmes, along with the USAID/Gates Foundation prize, contributed significantly to the rapid growth of Haiti's mobile money ecosystem, making it the most successful mobile money deployment in Latin America and the Caribbean.<sup>4</sup> Haiti shows that innovation and emergencies are not incompatible. On the contrary, emergencies present a tremendous opportunity to innovate and to advocate for more daring response methodologies. Innovation need not be the bold introduction of an earth-shattering invention, but simply the smart application of a new or less-used solution.

**Kokoévi Sossouvi** was the Economic Recovery Programme Manager for Mercy Corps in Haiti from March 2010 until August 2011. She is currently Director of Strategic Partnerships at the Voilà Foundation in Haiti.

<sup>3</sup> See [http://www.ssireview.org/pdf/120119\\_HMMI\\_-\\_Plugging\\_Into\\_Mobile\\_Money\\_Platforms\\_FINAL2.pdf](http://www.ssireview.org/pdf/120119_HMMI_-_Plugging_Into_Mobile_Money_Platforms_FINAL2.pdf).

<sup>4</sup> See <http://www.movilion.com/good-news-from-haiti-first-success-story-for-the-mobile-wallet-in-latin-america-and-the-caribbean>.

# Lessons learnt on unconditional cash transfers in Haiti

Kate Ferguson

The challenges of responding to the catastrophic earthquake in Haiti in January 2010 were huge and varied, prompting agencies to think and act creatively. Christian Aid's partners distributed cash to people affected by the disaster two weeks after the earthquake struck. Some Christian Aid partners chose to respond with cash, rather than with goods in-kind, as they recognised the diverse needs of those affected, the flexibility of cash to meet those needs, the importance of preserving people's dignity by transferring choice to them and the need to support local markets.



*A cash transfer programme in Haiti following the 2010 earthquake*

## The cash response

Initial assessments highlighted the enormous range of needs, including food and non-food items (fuel, cooking equipment, business supplies), basic services (shelter materials, payment of medical or education bills) and costs linked to displacement and reintegration (transport, rent). International agencies faced huge logistical difficulties in sourcing and distributing basic items, due to transport, storage and infrastructural damage, making cash a more cost-effective option than providing goods in-kind. As local markets began to function just a few days after the earthquake, cash transfers were an efficient and effective response. Cash transfers also reduced the need for people to take out further loans to compensate for loss of incomes and livelihoods.

The primary aim of the cash transfers was to meet basic needs. The size of the transfer was calculated according to the market value of a Sphere standard dry food ration basket. The value was set at \$26 per person per month. With an average family size of five, \$130 was proposed as a monthly household cash value for distribution. Four of the six Christian Aid partners that responded immediately elected to use unconditional cash transfers, though each designed their programme differently:

- Partner 1 distributed \$52 once in rural and peri-urban settings to IDPs and host families.
- Partner 2 distributed \$26 three times (\$78) in rural areas, also to IDPs and host families.
- Partner 3 distributed \$390 once in urban and peri-urban areas to people living with HIV/AIDS.
- Partner 4 distributed \$130 three times (\$390) to IDPs in peri-urban camps.

## Distribution mechanisms

### 1. Remittance agents

Partner 4 set up a contract with a remittance agent, Caribbean Air Mail (CAM), a well-established agency used

to sending funds from the US, Canada and the Dominican Republic to recipients in Haiti.<sup>1</sup> CAM was the only surviving remittance agent in the peri-urban camp where Partner 4 was working. Under the contract CAM was to transfer cash to a predetermined list of beneficiaries, compiled by the partner agency based on early assessments. Beneficiaries were given ID cards with unique issue numbers and distribution punch holes. This information was passed on to CAM, which then batched the distributions into groups with specific date and time slots for collection. CAM was responsible for preparing the money, recording receipts and making security arrangements, and it charged the partner a 3% fee for these services. The partner was responsible for informing the beneficiaries of the distribution days and times, observing the distributions and addressing any issues raised during the process. The first transfers were made 14 days after the earthquake, and beneficiaries were treated in the same way as existing CAM customers, giving them a sense of dignity and removing the impression of being part of an 'aid distribution'.

### 2. Cash envelopes

Three of the partners used direct distributions with cash envelopes, alongside complementary distributions of food and shelter materials and psychosocial and health activities. This approach was efficient in the first few weeks after the emergency, as the banking system was not fully functioning, the number of households to which funds were to be distributed was relatively small (a maximum of 2,000 families per partner) and it was suitable for community sites with a wide geographical spread. The partners controlled the distribution, communicating the date, time and location, or distributing directly to each home. ID cards were made and record sheets kept. Direct distribution avoided the

<sup>1</sup> In 2009 remittances into Haiti totalled 15.4% of GDP; see <http://sitere-sources.worldbank.org/INTLAC/Resources/Factbook2011-Ebook.pdf>.

contract fees levied on Partner 4 but involved a higher human resource cost, reducing the amount of funds directly reaching beneficiaries. However, Partner 4's beneficiaries had to wait longer at distribution points than they did with direct transfers. Three-quarters of beneficiaries queued for more than three hours to collect funds from CAM, compared to 13%–17% waiting three hours or more for the cash envelope distribution.

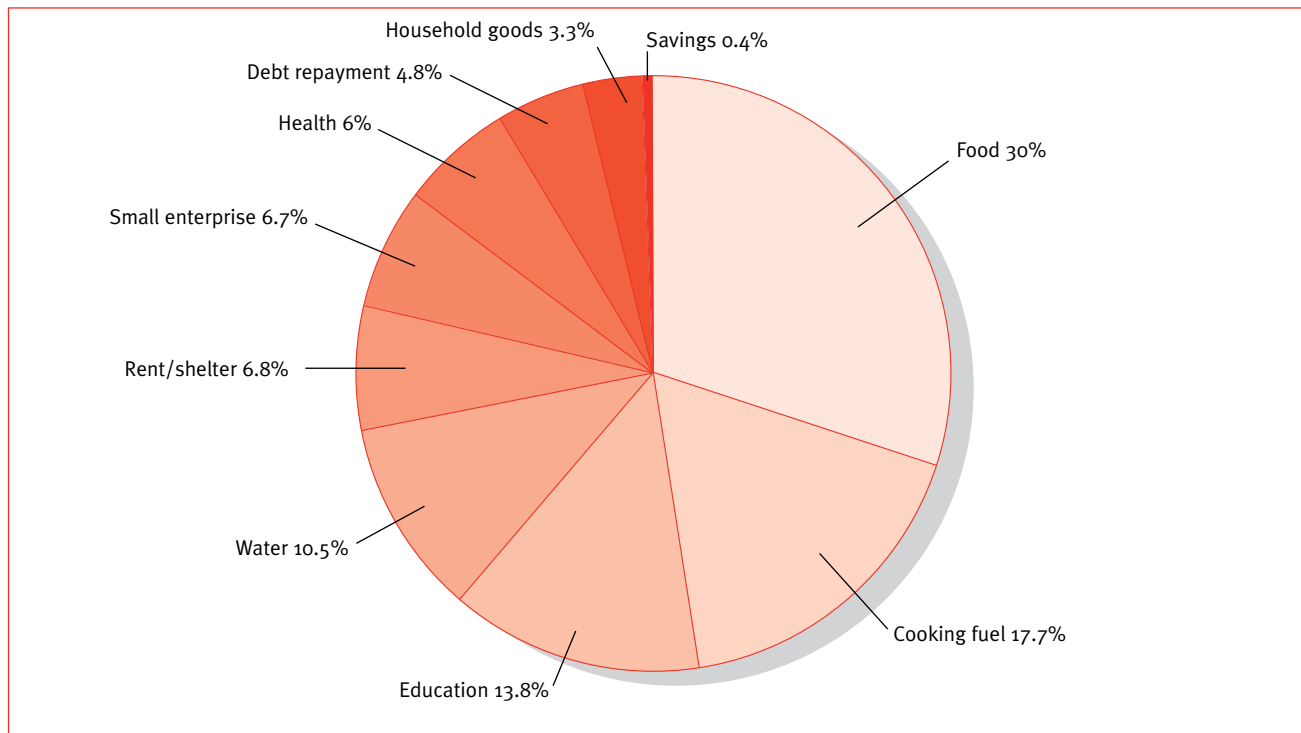
### Impact

#### Spending patterns

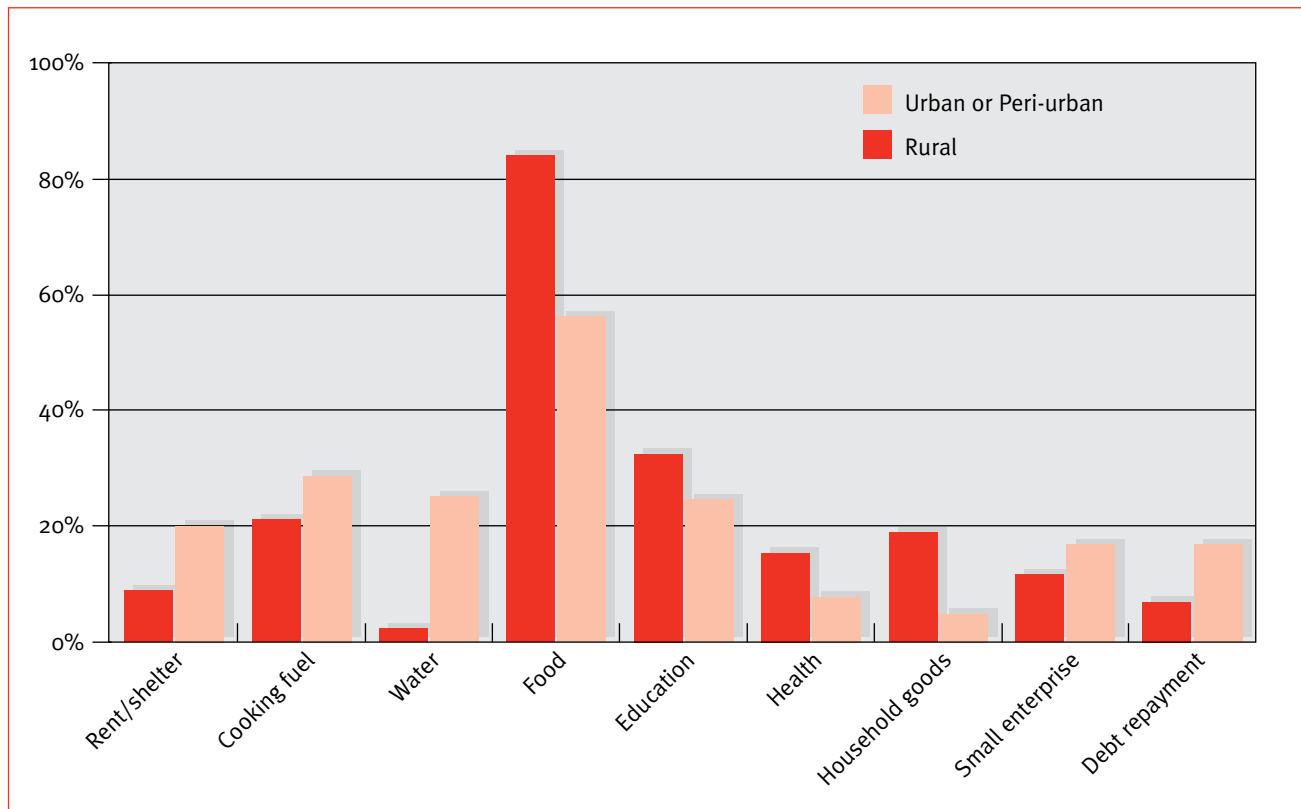
Figure 1 illustrates the wide range of things beneficiaries did with the cash they received. A more traditional in-kind response could not have met such a diverse range of priorities.

By comparing how cash was used in rural and urban/peri-urban areas (Figure 2), the versatility of cash becomes clear.

**Figure 1: Percentage of cash spent per sector across all four partner responses**



**Figure 2: Percentage of people spending on each sector – rural and urban comparison**



People in urban locations had greater shelter, fuel, water, debt and small business needs, whereas in rural areas 28% more people prioritised food.

While the cash transfers were targeted at households rather than individuals, it was important to assess whether the gender of the cash recipient greatly affected spending decisions. The evaluation data revealed almost no discernable difference, with the greatest variation being that women were slightly more likely than men to purchase cooking fuel (3%) and food (2%), while men were 2% more likely to use the cash to pay for education and health costs than women.

#### Debt and credit

An average of 5% of all the cash distributed by Christian Aid's four partners was used to repay existing debts, and 15% went on replacing lost household goods and small-business items, allowing some families to recover and generate income without needing to take on further debt. Despite this, roughly 33% of the programme's beneficiaries accessed additional sources of credit. Nationally, 13% more Haitian households were in debt in 2011 than before the earthquake, with rural indebtedness higher than urban.<sup>2</sup> Had more agencies responded with cash transfer programming targeted at rural households, hosting families and the displaced, this trend might have been reduced.

#### Savings and investment

One partner's decision to disburse a large, regular transfer of \$130 a month for three months (\$390 in total) created the best chance for beneficiaries to start or restart a business, compared with a single transfer of the same cumulative amount of \$390. Less than 2% of those receiving a single transfer were able to make any savings, whereas those with two or more transfers were 24% more likely to do so, regardless of the cash value given, so in this case the cash value is less significant than the number of transfers received. This illustrates that well-planned cash transfers can meet basic needs and give individuals control and decision-making power over their own recovery.

#### Beneficiary satisfaction

The evaluation found that 98% of a sample of 166 beneficiaries preferred cash transfers over in-kind distributions – and while there are often security concerns when designing cash transfer programmes, the data gathered showed that 94% of beneficiaries did not share this concern during the distributions. This is significant since 58% of beneficiaries were living in camps or tents set up within cities, and had limited control over their own security. An overwhelming 66% agreed that a regular monthly transfer was the preferred frequency, followed by 17% who favoured once a week. It is clear that the one-off payment of \$52

<sup>2</sup> See [www.acted.org/en/haitianhouseholds-economic-situationand-indebtedness](http://www.acted.org/en/haitianhouseholds-economic-situationand-indebtedness).

made by Partner 1 was seen as deeply unsatisfactory, while Partner 2 gave only \$26 more (\$78), but spread over three transfers, resulting in a much greater degree of satisfaction. One explanation is that Partner 2 worked in rural locations, where the base income was significantly lower than in urban or peri-urban locations, leading to greater appreciation of the cash transfer.

#### Lessons from the cash response in Haiti

Working through local partners with existing contacts and relationships almost certainly speeded up the delivery of the cash transfers. Using the existing remittance system avoided delays and allowed beneficiaries to access funds through a familiar system. While cash envelopes were reasonably fast and cost-effective, they required additional security measures. The use of unconditional cash led to a number of unexpected outcomes, with some funds used to start or restart a business, repay debt and even save. Beneficiary consultation and awareness-raising in advance meant that almost all households had no security concerns. Christian Aid and partners were more worried about security than beneficiaries. The Cash Working Group, which was set up very early on, was an excellent way of building momentum and increasing agency confidence, and created a community for sharing and producing monitoring and evaluation tools. In an external evaluation, the partner distributing a cash-only response, as opposed to cash and other activities, was found to have the greatest impact and was the most efficient.

Preparedness is fundamental but is often overlooked. Much can and should be done in advance – setting up contracts for vouchers, mobile cash, remittance and banking networks – to broaden the possible response options. In this example the amount of the cash transfer was less significant to the beneficiaries than the number and frequency of transfers, with regular transfers allowing beneficiaries to save some of the cash they received. The preferred frequency would have been one transfer a month. Using existing systems such as remittance agencies has enormous benefits in terms of speed of set-up, familiarity and lack of stigmatisation. However, this system can create delays and long queuing times if not well-designed. A clear and well-communicated distribution schedule, distances from homes to collection points and the provision of seats and shade for more vulnerable people should be considered, as per other distribution plans. Agencies need to consider debt implications if responding with in-kind or conditional cash. The experience and lessons learnt from cash programming will inform Christian Aid's future work in Haiti and beyond.

**Kate Ferguson** was formerly Haiti Emergency Programme Officer at Christian Aid. This article is based on a Christian Aid Humanitarian Briefing Paper entitled *Haiti: Unconditional Cash Transfers – Lessons Learnt*, published in January 2012.

# Fresh food vouchers: findings of a meta-evaluation of five fresh food voucher programmes

Silke Pietzsch (ACF USA), Muriel Calo (ACF USA), Julien Jacob (ACF Spain) and Julien Morel (ACF France)

Action contre la Faim (ACF) has been implementing cash-based interventions since the late 1990s. ACF's main focus is the treatment and prevention of acute malnutrition, and it has used cash-based responses to pursue this objective, including using vouchers to increase access to fresh foods (vegetables, fruit, eggs, meat, milk and fish). Fresh food vouchers (FFV) have provided households with complete food baskets, or have been used to supplement staple foods with fresh micronutrient-rich foods. FFV programmes also support local markets and traders. Fresh food vouchers can be used in slow-onset as well as acute crises to provide short- or longer-term support to people highly vulnerable to acute malnutrition.

ACF commissioned a meta-evaluation of five of its FFV programmes in Bolivia, Kenya, Haiti, Pakistan and the occupied Palestinian territory (oPt). The evaluation was funded by the Cash Learning Partnership (CaLP) and ECHO, and the results were used as the basis for the development of a good practice guide on FFV.<sup>1</sup> The OECD/DAC criteria (appropriateness, connectedness, coherence, coverage, efficiency, effectiveness and impact) were used as the basis for the evaluation. The methodology consisted of a

review of the independent final evaluations of each of the voucher programmes and other related documentation, and interviews with headquarters and field staff.

## Assessment and causal analysis

In each intervention, ACF undertook needs assessments and causal analyses of malnutrition, but with different levels of rigour and detail. Some interventions established links between underlying causes and their contribution to malnutrition, while others used a household dietary diversity survey to identify gaps in household and individual food consumption. All needs assessments found poor dietary diversity, largely caused by lack of access to fresh foods. Causal analysis of micronutrient malnutrition was not based on a detailed consumption recall, nutrition value survey and metabolic test, with the exception of Bolivia. Table 1 reviews the needs assessments carried out in the five FFV programmes.

## Objectives

The objectives of the FFV programmes included increasing dietary diversity and ensuring an adequate diet, reducing micronutrient malnutrition, preventing mortality, preventing

**Table 1: Needs assessments**

Country	Assessment	Complementary interventions
<b>Bolivia</b>	Global Acute Malnutrition (GAM) (9.4%), lean season intensified due to drought, chronic anaemia (>80% U5), low consumption of animal-sourced foods (ASF), vegetables, fruit (<50% population), functioning markets	General Food Distribution (GFD) (later discontinued)
<b>Haiti</b>	Rapid decline in access to food, 52% of households food-insecure, low GAM (3.9%), however increase in risk factors, chronic micronutrient deficiencies, low consumption of ASF, vegetables, fruit (<50% population), sharing supplementary food rations, functioning markets	GFD (later discontinued)
<b>Daadab/Kenya</b>	Complete dependence on external assistance for food, lack of complementary foods, declining GAM but still >10%, highest among 6–12-month-olds (16%), low Supplementary Feeding Programme (SFP) coverage rates (37%) but high recovery/low default rates, sharing supplementary food ration, low consumption of ASF, vegetables, fruit (<50% population)	GFD, Community Management of Acute Malnutrition (CMAM) (adequate), functioning markets (no formal market assessment)
<b>oPt</b>	Increasing food prices, risk of decreased consumption of ASF and fruit (30% and 15% were eating dairy and eggs respectively less than once a week), chronic iron deficiency (analysed after the mid-term review), urban markets functioning	Targeting 'vulnerable' to 'food-insecure' with no staple food needs. 'Food-insecure' needs met through in-kind food aid
<b>Pakistan</b>	Rapid decline in access to and availability of food, markets not functioning, high incidence and prevalence of disease	Other interventions would meet other needs, specifically health

<sup>1</sup> ACF, *Emerging Good Practice on Fresh Food Vouchers*, 2011.





© ACF Julien Morel

*A fresh food vendor in Haiti*

ACF's general food distribution once sufficient staple foods were available on the market. In oPt, the vouchers were initially targeted at families vulnerable to food insecurity, but who had sufficient resources to cover their staple food needs. Programmes in Bolivia, Kenya and Haiti were coupled with nutrition and health education sessions.

### Results and cost-efficiency

FFV increased the dietary diversity of households in all programmes, but to different degrees. This disparity resulted from weaknesses in programme design and implementation that could be better managed in the future. In the case of Haiti, dietary diversity only increased marginally compared to pre-earthquake levels,

which were already poor. This was in part because households did not receive general food rations – meaning that households received FFVs when they actually needed staple food products (it was assumed that households would receive World Food Programme (WFP) general rations, but this did not happen due to a change in government policy). The value and selection of earmarked food items redeemable with the vouchers were defined at the design stage of the programme (see Table 2), and were sensitive to

malnutrition and reducing negative coping strategies. All five programmes used paper vouchers which could be exchanged for fresh food in local markets; in Pakistan the vouchers could also be used to purchase staple foods. In Bolivia, Kenya (Dadaab refugee camps) and Haiti, the FFV was designed to complement general food distributions and supplementary feeding programmes, providing fresh foods like vegetables, fruit, eggs, meat, milk and fish. In the flood response in Pakistan in 2010 and 2011, vouchers replaced

**Table 2: Fresh food voucher values**

Indicator	Bolivia	Haiti	Dadaab/Kenya	oPt	Pakistan
Income of targeted group per month	\$55.10/month	60% of HH less than \$287.60/month	Selling food ration	\$419.70/month (\$698.80 national average)	n/a
% income spent on food	83% (\$44, largely spent on staples)	50% of households took on debt to buy food	Most-frequently purchased foods were sugar, vegetables and milk	\$208.50 or 50% (47% urban national average)	n/a
Cost of ideal basket	\$66.80	n/a	\$17.70/month/child	Egg and dairy (15% of food expenditures)	\$78.90
Decisions/assumptions influencing determination of value	General Food Distribution (GFD), HH contribution	GFD	GFD, Plumpynut/ Corn Soya Blend (CSB), no sharing	Participants can meet staple food needs	Budget constraint. Original budget \$54.80
Value of voucher	\$35.50	\$25.30	\$7	\$52.70	\$67.90
Voucher items	Vegetables, fruit, meat, fish, dairy	Vegetables, fruit, meat, fish (no dairy)	Vegetables, fruit, meat, fish, 2 cl milk	Dairy, bread, eggs	Cash voucher limited to food <sup>2</sup>

<sup>2</sup> Voucher items were permitted in the order they were most frequently purchased: cereals, flour, pulses, legumes, nuts, sugar, honey, tea/

coffee, vegetables and spices, oil, meat, fresh/dried fish and sea foods, milk and milk products, biscuits, eggs, salt, fresh/dried fruit and juices.

changes outside of the ACF projects, and hence were in the end not always sufficient to achieve the overall programme objectives.

The evaluations found other possible impacts of FFV, although some cannot be directly attributed to the FFV programme given other potential contributory factors:

- Increased haemoglobin rates in Bolivia were attributed to increased consumption of iron-rich foods (fresh vegetables and meat).
- In Dadaab, nutritional programme attendance increased due to large-scale camp mobilisation and people's interest in having their children screened for malnutrition. In Dadaab and Haiti acute malnutrition rates declined, but this cannot be attributed to the FFV alone. Fresh food vouchers contributed to improving the quantity and quality of food, which in these two contexts were associated with underlying causes of acute malnutrition.
- Reallocation of income to other livelihood needs and hence the protection of assets (oPt and Pakistan) – the FFV supplemented households' food expenditure, enabling people to invest the income saved in livelihood recovery.

As none of the programmes systematically measured participants' knowledge, attitudes and practices (KAP) in relation to nutrition, it is difficult to know whether encouraging people to eat fresh food will have a lasting impact on their diets. Without this baseline information, it is also not clear whether the simple provision of cash or vouchers, instead of the package of vouchers and nutrition education provided, could have achieved the same impact.

Only the Bolivia evaluation attempted a rigorous cost comparison. It concluded that a voucher, even where market access is limited and significant transport costs are incurred by beneficiaries, was 15% cheaper than delivering in-kind food rations.

### Monitoring FFV programmes

Establishing baseline data and monitoring FFV programmes was a key challenge. Both process and impact monitoring indicators need to better reflect the programme objectives, and need to include indicators of a healthy diet, particularly when the outcome indicator

is the child's nutritional status. While household dietary diversity and food consumption scores support the monitoring of overall household consumption, individual dietary diversity (children under five) provides more insight into the impact of FFV on nutrition objectives, as in the Kenya and Haiti projects (Table 3). It is most important to monitor nutrition objectives for under-fives, as they are most susceptible to undernutrition. Improvements in individual (children under five) rather than household consumption patterns are more relevant to assessing the potential impact on undernutrition prevalence and prevention.

### Markets

Where market assessments were rigorous (in Haiti, Pakistan and oPt) and market monitoring systems were applied, interventions monitored supplies, adjusted the value of the voucher in line with changes in local prices and assessed the impact of the programme on local markets. In all programmes, fresh food vouchers supported markets and increased the incomes of participating vendors, particularly benefiting women vendors in Haiti and Dadaab, shopkeepers in Pakistan who were affected by floods and the dairy sector in oPt. In Dadaab, the increase in demand for fresh foods (as a result of the programme) increased the supply of certain fresh foods that had not been previously available in the camp, therefore benefiting other camp residents as well.

### Emerging good practice in fresh food vouchers

The meta-evaluation has identified emerging good practice in FFV programming. Key elements include:

- A good fresh food voucher project starts with an adequate needs assessment that includes an assessment of food consumption and the likely causes of poor diet, including knowledge, attitudes and practices. Fresh food market assessments are essential to design interventions to support markets and to gauge the capacity of markets to meet needs. Where market recovery is an objective and market assistance is provided, vouchers can help to increase demand.
- If malnutrition is an actual or potential problem and feeding, care and health practices may be contributing factors, assessments must include the individual child's and household's food consumption, as well as infant and young child feeding practices.

**Table 3: Changes in dietary diversity and food consumption before and after the FFV programme**

Project	Indicator	Baseline	Endline	Percent increase
Bolivia	Individual Dietary Diversity Score (IDDS) <sup>3</sup> – U5 children	4.30	6.40	33%
Haiti	Household Dietary Diversity Score (HDDS)	4.09	5.96	31%
Dadaab/Kenya	HDDS	6.00	10.00	40%
oPT	Food Consumption Score (FCS) – 'poor consumption'	24%	5%	79%
Pakistan	HDDS	4.90 <sup>4</sup>	9.00	46%

<sup>3</sup> The individual dietary diversity score for children under five years of age used eight food groups. The household dietary diversity score used 12.

<sup>4</sup> 4.9 was the baseline after the floods and in the absence of assistance. With the GFD the HDDS went from 4.9 to 7.7. After the GFD

finished and the FFV programme was implemented (which included staple foods) the HDDS went up to 9.0. The figure 4.9 is retained here as a baseline in order to compare the relative increase during the GFD and FFV phases.

- Increased consumption of micronutrient-rich fresh foods can address micronutrient deficiencies (MND) if consumption is the cause (as opposed to absorption or utilisation). The causes of deficiencies must be identified and understood in order to design a voucher and nutrition education programme that directly addresses the relevant nutrients and behaviours.
- The design of voucher programmes and complementary work, such as public health promotion, should reflect the nutritional analysis and the specific food requirements of the target group, and promote the best use of the vouchers. If staple foods are an assessed need, the voucher should include staples, or a reliable source of staple foods must be guaranteed.
- Food vouchers (and other cash-based interventions) can be used as an incentive to participate in health and nutrition programmes, increasing the coverage and possibly the effectiveness of these interventions. However, care must be taken in design and monitoring to ensure that there are no unintended negative effects, for instance intentionally starving children to make them eligible as beneficiaries. Voucher programmes that aim to improve micronutrient consumption and reduce micronutrient deficiencies, such as anaemia, require robust monitoring systems.
- The importance of adequate planning, staffing and monitoring and financial systems that ensure prompt payment of participating vendors has been highlighted, though this is not specific to FFV programmes. With experience and advances in new technologies these areas are improving. Accountability systems should include participant feedback, and programmes should be responsive to participant and vendor needs.
- Effective strategies and systems must be put in place to

ensure that all stakeholders (the humanitarian agency itself, participants, vendors and the broader community) promote the intended use of the voucher (compliance) and reduce the likelihood of counterfeiting.

The meta-evaluation established that fresh food vouchers can be effective in improving food consumption in emergencies as a complement to general food distributions, when households have sufficient access to staple foods and/or when the voucher includes staple foods. Fresh food vouchers also show potential as a complementary intervention to improve the impact and outcomes of other nutrition-related activities, such as supplementary and therapeutic feeding and nutrition education. Close coordination between teams and departments is necessary to ensure coherence between approaches. Of critical importance to FFV interventions is improving nutritional causal analysis to define clear objectives and indicators. New technologies related to voucher design and transfer mechanisms, such as electronic vouchers, will reduce the administrative workload. More experience with and learning from FFV programmes will provide further insight into their appropriateness and cost-effectiveness in preventing, reducing or treating acute and micronutrient malnutrition, either alone or in combination with other interventions.

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## Cash transfer programming in emergencies

Paul Harvey and Sarah Bailey  
*Good Practice Review 11, June 2011*

This GPR synthesises existing cash transfer guidelines, centralises lessons from research and evaluations and adds practical examples drawn from cash-based interventions. It covers the provision of cash and vouchers to individuals and households in emergencies, protracted crises and recovery contexts. Separate chapters are devoted to vouchers and Cash for Work to cover the additional issues these forms of programming raise. The GPR is written primarily for humanitarian practitioners who plan and implement emergency responses – both those who are already familiar with cash-based interventions and those who are not. The GPR will also be useful for senior managers in the field and in headquarters offices who are involved in approving operational responses and ensuring that their staff have the capacity and systems to implement projects using cash transfers. Humanitarian donors, government officials involved in disaster response, students studying humanitarian assistance and aid agency staff engaged in policy issues will also find this.

## Bridging the gap between policy and practice: the European Consensus on Humanitarian Aid and Humanitarian Principles

Naomi Baird, Trócaire, and Anne Street, CAFOD

The core humanitarian principles of humanity, impartiality, neutrality and independence underpin the day-to-day operations of humanitarian organisations. Humanitarian principles can lay the foundations for the trust and acceptance that enable NGOs, the Red Cross/Red Crescent and UN agencies to operate. Commentary from NGOs and others in recent years, however, has repeatedly highlighted the increased politicisation of humanitarian aid. The Caritas Europa report *Bridging the Gap between Policy and Practice*, published in October 2011, examines some of the practical consequences of this trend for the delivery of humanitarian aid, notably within the framework of the European Consensus on Humanitarian Aid, which all European Union (EU) Member States have agreed to.<sup>1</sup> The report identifies inconsistencies between the policy and practice of Member States in the delivery of principled humanitarian aid, and makes recommendations to address this. The report recognises that, although Member States are not the only humanitarian actors during any given crisis, it is only EU Member States that have made agreements within the EU Consensus on Humanitarian Aid. Therefore, an examination of other humanitarian actors falls outside the scope of the report's research.

Those providing humanitarian assistance today do so in a highly complex environment. In violent conflicts, abuse of rights and the failure of states and non-state armed actors to observe the rules of war have confounded efforts to provide assistance to those who require it. In many of the world's most complex humanitarian crises, the subjugation of humanitarian priorities to foreign policy objectives and the conflation of military, political and humanitarian objectives constitute a significant threat to the delivery of impartial humanitarian assistance. The growth in the number and diversity of humanitarian actors, some of whom act in ways inconsistent with principled humanitarian action, acts to undermine efforts

<sup>1</sup> The full report is available at <http://www.trocaire.org/whatwedo/emergencies/bridging-the-gap> and [http://www.caritas-europa.org/module/FileLib/BridgingtheGap\\_ENdefinite.pdf](http://www.caritas-europa.org/module/FileLib/BridgingtheGap_ENdefinite.pdf). The European Consensus on Humanitarian Aid is at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2008:025:0001:0012:EN:PDF>.



Members of the Humanitarian Aid Office of the EC in Haiti

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### Box 1: Colombia: blurring military and humanitarian objectives

In 2009, as part of its counter-insurgency strategy, the Colombian government developed and formalised the 'National Plan of Integrated Consolidation' (NPIC) establishing 'Centres for Integrated Coordination and Action' (CCAI) in 14 of the country's fiercest conflict zones. These Centres link military and intelligence activities with humanitarian, rehabilitation and development 'social programmes', and are directly coordinated and organised by the government. The military is primarily responsible for implementation, and policy direction is strongly influenced by military strategy and thinking. Local populations and civilian organisations are forced to cooperate with these social programmes, and often can only benefit from them if they help with intelligence gathering. The Colombian government places considerable pressure on international donors and humanitarian organisations to channel and coordinate their aid in accordance with the National Plan and the CCAI. Very few donors (notable exceptions are Sweden and Switzerland) have challenged the government's position. In the absence of a concerted donor approach to addressing these issues, humanitarian space in those parts of Colombia covered by the National Plan is reduced and humanitarian action is being used for political and military ends.<sup>2</sup>

<sup>2</sup> For a more detailed explanation and independent monitoring report of the consolidation plan see <http://ccai-colombia.org/2011/05/24/introubled-tumaco-little-progress-2>.

to preserve the impartiality, independence and neutrality of humanitarian aid.

Adherence to humanitarian principles is essential for establishing and maintaining access to affected populations, whether in the context of a natural disaster, an armed conflict or in complex emergency settings. Whilst humanitarian principles are sometimes perceived as lofty theoretical undertakings, they are in fact an essential framework for building trust and acceptance. Although adherence to principles alone may not be sufficient, in politicised and insecure environments establishing trust is crucial. When governments, militaries or donors seek to co-opt or undermine these principles, the trust between those providing and those receiving assistance can be damaged or destroyed, and it can become too dangerous to assist those who need our help the most.

## The European Consensus on Humanitarian Aid

According to the Humanitarian Consensus:

*The objective of EU humanitarian aid is to provide a needs-based emergency response aimed at preserving life, preventing and alleviating human suffering and maintaining human dignity wherever the need arises if governments and local actors are overwhelmed, unable or unwilling to act.*

Building on the 2004 Good Humanitarian Donorship (GHD) initiative, the European Consensus on Humanitarian Aid (the Humanitarian Consensus) was adopted in 2007 by EU institutions and Member States. It is a non-binding policy framework, complemented by an Action Plan agreed in May 2008. The Humanitarian Consensus sets out a common vision for humanitarian aid for EU institutions and Member States, outlining core principles and commitments. It affirms the primacy of humanitarian principles and international law (including IHL, human rights law and refugee law), enshrines, in its current form, a clear distinction between civil and military action in humanitarian crises and confirms that humanitarian aid is not a crisis management tool. As such it is an important instrument for promoting principled humanitarian assistance, safeguarding humanitarian space and facilitating the delivery of aid to those most in need.

The EU and Member States have stated their commitment to humanitarian principles as affirmed by the Humanitarian Consensus. However, as *Bridging the Gap* highlights, there is sometimes a mismatch between the policies committed to and their implementation in practice. For Member States, there is still much to be done to increase knowledge and application of the Humanitarian Consensus, as well as to raise awareness across governments of the commitments that these principles bestow in terms of how Member States respond to crises.

Political and institutional developments at an EU level potentially also risk undermining adherence to humanitarian principles and the Humanitarian Consensus. While the commitment of EU Member States and institutions to the Consensus has ensured that the Humanitarian Aid General Directorate of the European Commission

### Box 2: Examples of good practice: Libya and EUFOR

In April 2011, the EU made preparations to send a European-led military mission (EUFOR) to Libya to support UN humanitarian assistance efforts. EU Member States came to an agreement that, if this military operation was initiated, it would operate in accordance with the Humanitarian Principles and the Guidelines on the Use of Military and Civil Defence Assets to Support United Nations Humanitarian Activities in Complex Emergencies. These guidelines require that any military assets used in support of humanitarian action must remain under civilian coordination and must respect the needs-based and neutral nature of humanitarian aid. Furthermore, it was decided that EUFOR could only be deployed at the request of OCHA, mitigating the risk of early deployment, which would have resulted in a blurring of the lines between the different actors. In the end, OCHA never requested the deployment of a European-led military mission.<sup>3</sup>

(ECHO) remains outside the remit of the recently created European External Action Service (EEAS), which manages EU foreign relations, security and defence policy, the terms of the Lisbon Treaty require that humanitarian aid is conducted within the framework of the EU's external action. While coordination between the Commission and the EEAS is required, care has to be taken that humanitarian aid does not become a crisis management tool. This is clearly stated in Article 15 of the Humanitarian Consensus, thereby ensuring that ECHO remains distinct from other Commission services, and enabling ECHO to deliver impartial and neutral humanitarian assistance and to advocate for principled humanitarian action.

### It's time to bridge the gap between policy and practice

A strong commitment across all EU institutions to principled humanitarian engagement, and a common agreement not to use humanitarian aid as a crisis management tool, will provide the strongest foundation for the provision of effective assistance to those affected by disaster, and will sustain the EU as a quality humanitarian donor. EU institutions and Member States need to show greater political will to consistently put the Humanitarian Consensus into practice, particularly in terms of respecting and upholding humanitarian principles and ensuring that donor practice is guided by them. In order to support this, monitoring of the impact of the Humanitarian Consensus and its Action Plan should be strengthened at all levels, and an independent end-of-phase evaluation of the Action Plan must be conducted by 2013. Foresight and planning will also be required to ensure that the Humanitarian Consensus is effectively implemented in 2013 and beyond.

In order for the Humanitarian Consensus to be credible, in a context where key aspects of the framework are either unknown, misunderstood or ignored, there is an urgent

<sup>3</sup> VOICE position paper, *EU Military Operation in Support of Humanitarian Assistance Operations in Libya*, April 2011.

need for signatories to the Humanitarian Consensus as well as civil society organisations to continue to raise awareness through the various EU institutions and those Member States' government departments involved in the delivery of humanitarian aid. Whilst some Member States have made considerable progress and have developed national policies and strategies that refer closely to the Humanitarian Consensus, in a significant number of EU countries such frameworks are still missing. Reflecting and clearly articulating a commitment to the Humanitarian Consensus in national policy frameworks will in turn provide more transparency at national level, enabling national parliaments and civil society organisations to monitor adherence to the Humanitarian Consensus more rigorously. Where Member States do not meet their obligations, and donor governments' crisis responses contravene the spirit and the intent of the Humanitarian Consensus, there needs to be a stronger commitment to collective action to address this. Bodies such as the EU Committee on Humanitarian Aid and Food Aid (COHAFA) and wider donor forums such as the GHD, which recently had a work stream on humanitarian principles, could

perhaps play a more prominent role in this regard, and Member States could consider the potential for a peer review mechanism.

A significant number of international NGOs involved in humanitarian action have been closely involved with the Humanitarian Consensus since it was first conceived in 2006. Many provided detailed input into its development and there was widespread recognition amongst humanitarian actors of its importance as an instrument to promote principled humanitarian assistance, safeguard humanitarian space and facilitate the delivery of impartial humanitarian aid. We would urge NGOs in EU Member States to continue to hold their national governments to account in relation to the Humanitarian Consensus, and to encourage reference to the agreements and principles enshrined within it in all humanitarian strategies, policies and procedures.

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## Humanitarian financing and older people

Marcus Skinner, HelpAge International

Approximately 12.5% of the world's population is aged 60 and above. In some countries, urban migration, high HIV prevalence, low birth rate, conflict and economic migration have resulted in significantly higher proportions of older people. Furthermore, demographic change means that the number of older people affected by crises and disasters is growing fast. By 2050, the number of people aged 60 and over will have tripled, reaching 2 billion. More than 80% of over-60s will be living in developing countries, where disasters are more likely and people have fewer resources to deal with their effects.

In 2012, with funding from the European Commission's Humanitarian Aid department (ECHO), HelpAge International and Handicap International produced an analysis of Consolidated Appeal Processes (CAPs) and Flash Appeals during 2010–11. The aim was to assess how far humanitarian assistance meets the needs of older people and people with disabilities. This work follows a 2010 HelpAge study of funding for 12 emergencies during 2008–2010, which found a significant disparity between the needs of older people and the level of assistance they received.<sup>1</sup>

### Research findings

The research analysed all 6,003 projects submitted to 14 CAPs and four flash appeals in 2010 and 2011. While it is recognised that donor funding is not limited to these mechanisms, these projects represent a significant proportion of recorded assistance, and hence provide a good proxy for broader humanitarian support.

<sup>1</sup> *A Study of Humanitarian Financing for Older People*, HelpAge, 2010.

In 2010 and 2011, just 47 projects (0.78%) included at least one activity targeting older people, and only 18 of these were funded (0.3%). In about half of these projects (21), the targeting of older people accounted for less than 25% of total project activities. Most of the projects submitted were in three sectors (health, protection and shelter/non-food items), with notable gaps in sectors such as livelihoods, food security and water and sanitation. In 21 countries there were no projects in any sector targeting older people.<sup>2</sup> Seven donors out of a total of 21 provided funding for projects that included at least one activity targeting older people, and this constituted less than 1% of their total contributions. Only one donor, ECHO, funded such projects in both years. Two of the ten biggest donors to CAPs and Flash Appeals (the US and the UK) provided no funding for projects that included activities targeting older people.

Targeted assistance is not the only means by which older people receive support in an emergency, and general relief activities should benefit vulnerable groups provided they can access services. The research therefore also analysed projects which did not specifically target older people, but did mention them as a vulnerable group. Only 312 projects (5.2%) mentioned older people and people with disabilities, meaning that thousands of projects made no mention of the vulnerabilities of older people or how they are affected by a crisis. This finding indicates that there is no concerted effort to integrate older people into mainstream service provision.

<sup>2</sup> Chad, Central African Republic, 16 countries in Western Africa, Yemen and Zimbabwe.



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*Targeted programming for older people in Dabaab camp, Kenya*

The overall findings illustrate a broad lack of recognition of the specific needs of older people. Additional country-specific analysis carried out for the study provides us with further evidence of the neglect of older people in humanitarian programming.

### Yemen

Yemen is one of the poorest and least developed countries in the world, and faces complex humanitarian challenges related to poverty, conflict and food insecurity. Current estimates suggest there are 310,000 IDPs and 223,200 refugees in the country.<sup>3</sup> Analysis of UNHCR databases in Yemen shows that 4% of the registered refugee population is over 60; the figure among IDPs is 6%.<sup>4</sup> Applying these percentages gives an estimate of approximately 9,000 older refugees and 19,000 older IDPs in Yemen.

In November 2010 HelpAge seconded an age expert to the protection cluster to raise the profile of older displaced people and provide an insight into their needs. Older people faced significant health concerns related to access to services, chronic disease, mobility problems, disability, mental trauma and malnutrition, and limited awareness of livelihoods opportunities. Significant numbers of older people were caring for children, there were a large number of older women-headed households and many older people were living alone; community support for older people was declining, making it

<sup>3</sup> See <http://www.unhcr.org/pages/49e486ba6.html>.

<sup>4</sup> *Preliminary Findings and Recommendations for Addressing Needs/Gaps in Working with Older People in Refugee and IDP Camps in Yemen*, HelpAge International, 2010.

increasingly difficult for older people to meet their needs. Despite these vulnerabilities, the humanitarian response in Yemen has shown little sensitivity to older people's needs. Of 188 projects submitted in 2010 and 2011, none included activities which solely targeted older people, and just 12 (6.4%) mentioned older people as a vulnerable group requiring assistance.

### Kenya

In 2010 and 2011 CAP appeals were launched in Kenya to address the food and refugee crisis. According to the UN people over 60 account for 4% of the population. However, HelpAge research suggests that the percentage of older IDPs is as high as 15%, while the urban migration of younger people means that, in some rural areas, older people account for up to 40% of the population.<sup>5</sup> In the Dadaab refugee camp, there are close to 16,000 registered older people; UNHCR staff believe that 10% of people registered as 50–59 years of age are in fact 60 or over, meaning the real figure could be as high as 30,000.

HelpAge conducted a range of needs assessments in Kenya during 2011, including assessments of older IDPs in Turkana, Mandera and Wajir, two assessments of older refugees in Dadaab (one through a secondment to UNHCR) and a nutrition survey in Dadaab. These assessments highlighted a range of concerns. In Dadaab, older people were found to be suffering from malnutrition due to exclusion from food distributions, low diet diversity and

<sup>5</sup> *Briefing – Crisis Affected Older People in Kenya and Somalia*, HelpAge, 2011.

<sup>6</sup> *Nutrition and Baseline Survey of Older People in Three Refugee Camps in Dadaab*, HelpAge, 2011.

infrequent eating.<sup>6</sup> Additional concerns for older IDPs, refugees and older drought-affected people included a lack of appropriate feeding programmes for malnourished older people; limited or no treatment for chronic diseases; no appropriate outreach or referral services; large numbers of older people living with mobility and disability problems; no support for older people in owner-driven shelter construction; and a significant number of older women caring for children and living alone.

The needs of older people in the severe drought conditions of 2011 appear to have been ignored. In 2010, out of 141 projects in the Kenya CAP just one protection project (put forward by HelpAge) targeted older people. It was not funded. In 2011, out of 111 projects in the Kenya CAP, two targeted older people (neither was funded), and only nine of the 252 projects mentioned older people as a vulnerable group in need of assistance. In neither year did a health, nutrition or food security project target older people.

### Addressing older people's needs in emergencies

These findings paint a bleak picture for older people in emergencies. Across sectors and countries partners are consistently failing to assess, plan and integrate the needs and capacities of older people into their responses. When they do, more often than not the projects are not funded. One explanation for this is lack of knowledge and capacity to assess and analyse the different needs of vulnerable groups, and integrate them into humanitarian responses. Yet efforts to mainstream age are essential to the broader agenda of impartial assistance, and solutions are often a question of subtle change, rather than any huge diversion of resources.

In light of ongoing humanitarian crises in Yemen, Kenya, the Sahel, South Sudan and elsewhere, it is important to consider what such modifications may look like. More comprehensive guidance can be found on the HelpAge website ([www.helpage.org](http://www.helpage.org)). In the health sector, agencies should ensure that older people have access to the services and medicines they need; drugs for chronic diseases should be included in emergency health kits, time should be set aside for older people's treatment in health facilities and clinical care should be combined with outreach and follow-up by community health workers. In the nutrition sector, older people should be included in nutritional assessments and supplementary and therapeutic feeding programmes, and they should be able to access food distributions; failing that, a clear system should be in place for others to collect rations for them. Agencies should also ensure that food rations address older people's nutritional requirements, including micronutrient and protein-rich food, and food that is easy to chew and digest. Protection programming should ensure that older people of all ages

and levels of vulnerability participate in surveys and assessments, including the housebound and older people caring for children, living alone or heading the household; livelihoods programmes should include older people who are willing and able to work in vocational training and other programmes.

Beyond these programmatic modifications, broader changes are required to ensure that older people's needs are identified and responded to in humanitarian crises. First, they must be consulted and included. Accountable humanitarian programming that responds to the needs of older people is only possible if they are regularly consulted and participate in the design, implementation, monitoring and evaluation of activities. Older people of all ages and capacities must be identified and included in consultation and feedback processes to allow them to prioritise their needs and explore their own capacities. This may involve home visits, including older people in community meetings and decision-making bodies, focus group discussions and specific sessions to ensure that older people are fully informed of the entitlements and accountability mechanisms available to them. These initiatives should take account of aural, visual, mobility and literacy problems.

Second, agencies need to collect and use Sex and Age Disaggregated Data (SADD). This is a vital tool for effective understanding of the differential impact of disasters on boys, girls, women and men of all ages. Where existing sources of disaggregated data are unavailable, this should be highlighted to ensure that further assessment and information collection can address these gaps. Morbidity and mortality figures must also be disaggregated by sex and age to enable and support inclusive analysis on which to develop and implement programmes and from which to monitor results.

Third, clusters and donors must ensure that adequate attention is paid to vulnerable groups. Unlike themes such as early recovery or the environment, neither age nor gender can be viewed as 'issues'. Both are first and foremost about the needs of people, and ensuring that all phases of response address these needs is central to the delivery of impartial assistance. Capacity-building initiatives which aim to improve awareness of the needs of vulnerable groups and enhance the capacity of partners to respond should be supported. Finally, as the research findings show equitable financing is vital. Funding proposals should include clear analysis of the groups targeted by a project and why, as well as discussion of the potential impacts and implications of the response on other vulnerable groups.

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# The rehabilitation response in Haiti: a systems evaluation approach

Karl Blanchet and Myroslava Tataryn

The response to the earthquake in Haiti in January 2010 was rapid and multi-sectoral, bringing together UN agencies, international military forces and government and non-governmental actors. Physical rehabilitation (primarily physiotherapy, occupational therapy and prosthetics and orthotics) provided vital assistance to the large numbers of people injured during the earthquake. The Convention on the Rights of Persons with Disabilities (CRPD) adopted in 2008 requires states to ensure that people with disabilities have access to mobility devices, and to ensure the protection and safety of disabled people in situations of risk, including armed conflict, humanitarian emergencies and natural disasters. This article discusses the results of a study carried out by the London School of Hygiene and Tropical Medicine, with funding from the Christoffel Blinden Mission (CBM), to assess the impact of the emergency physical rehabilitation response after the earthquake.

## What is physical rehabilitation?

Rehabilitation is defined as a set of measures that assist individuals who experience disability to achieve and maintain optimal functioning in interaction with their environment. Rehabilitation reduces the impact of a broad range of health conditions and can involve single or multiple interventions. Some rehabilitation interventions can involve lifelong care. Prosthesis and orthosis services require lifelong services to repair and replace orthopaedic devices. Rehabilitation is much more than the provision of orthopaedic devices. It requires a continuum of care ranging from hospital care to rehabilitation in the community. It aims to improve the health status of the population, reduce disability and improve quality of life. Rehabilitation outcomes are the functioning capacities of an individual over time. However, the ultimate objective of rehabilitation combined with other interventions (education, social work, psychology, employment) is to ensure the social inclusion of people with disabilities.

The International Society for Prosthetics and Orthotics (ISPO) and the World Health Organisation (WHO) estimate that 0.5% of the population need prostheses or orthoses and related services, such as physiotherapy. Several factors have increased the need for rehabilitation services, including an ageing population, chronic conditions like cerebral palsy and club foot, malnutrition, diabetes, domestic violence, road traffic accidents, domestic and occupational injuries, armed conflicts and landmines and causes often related to poverty. The growing need for rehabilitation services can also be attributed to the collapse of health systems in post-conflict or post-disaster countries, where vaccination and health services are not fully operational or fail to cover the whole population.

## Main findings

The study began in January 2011 with London-based preparatory work. Fieldwork in Haiti was conducted through the course of three visits: an exploratory visit in March 2011; a second visit in May–June 2011, when most of the



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*Rehabilitation support provided by Handicap International*

data was collected; and a final visit in October 2011 to share preliminary results with stakeholders and clarify outstanding questions before final publication of the report. Data was collected using a variety of qualitative methods, including in-depth interviews, observation of rehabilitation sites in Haiti, a review of organisational documents and statistics and social network analysis.

## Context

Prior to the 2010 earthquake, data regarding the scale of rehabilitation needs in Haiti was not available. Rehabilitation services were scarce. Prosthetic and orthotic services were very weak, as were in-patient rehabilitation services, and no treatment for spinal cord injuries existed. Before the earthquake, the government did not recognise the importance of rehabilitation as part of health care services and consequently did not provide any support to service providers. As a result, rehabilitation services were financed and administered by external donors and organisations, many of them affiliated to churches. No standardised physiotherapy training was available; although training initiatives were in place there was no consensus on a standardised national training model. To qualify as physiotherapists, occupational

therapists or orthotists, students have to travel to the Dominican Republic or elsewhere in Central and North America. The low demand for these types of services prior to 2010 did not encourage Haitian professionals trained internationally to return to Haiti to practice, and most stayed abroad where business was better.

### Coordination

The creation within the Health Cluster of the Injury, Rehabilitation and Disability Group, co-chaired by the national authorities and two international NGOs, CBM and Handicap International, had a positive impact on the coordination of the emergency response in the rehabilitation sector by involving a wide range of national and international stakeholders. Compared to the health sector, the rehabilitation sector was very quick to bring Haitian actors on board and give the lead to national actors (i.e. national authorities and local non-governmental organisations). However, as in other sectors of the response national actors rarely attended cluster coordination meetings as they were usually conducted in English instead of Creole or French, and because travelling to and from the heavily secured UN compound outside of the city was time-consuming and expensive.

### Relations with national authorities

CBM and Handicap International made considerable efforts to ensure that the national authorities remained at the centre of the rehabilitation response, and that responsibility for the coordination of rehabilitation services was shared. Despite this, national involvement was hindered by political instability within the government and the unclear division of responsibilities between the Ministry of Social Affairs and the Ministry of Health. High staff turnover made it difficult for the national authorities to build relations with partners, adopt and maintain consistent approaches to capacity-building and plan and implement joint activities.

### The social network of the rehabilitation sector

According to the social network analysis carried out by the study, the rehabilitation sector comprised 125 actors. They varied in nature (international, local, hybrid, apolitical, Christian), size (budget, number of personnel) and role (service delivery, donor, technical support, advocacy). Most of the links between actors were generated by CBM and Handicap International. While the 'connector' role played by these two organisations was positive, the 'system' created through these connections is unlikely to be sustained if CBM and Handicap International leave.

### From emergency to development

Rehabilitation goes beyond the delivery of one-time treatments. It requires follow up and continued care over months and even years. For example, a prosthesis needs to be replaced every year or two years. This means that rehabilitation actors need to start building the foundations of the future rehabilitation sector from the early stages of the emergency. Four months after the earthquake, more than half of the people accessing rehabilitation services were not earthquake victims, an indication of both the high level of rehabilitation needs and the lack of services prior to the earthquake.

### Service delivery

The short-term contracts of many medical and rehabilitation teams delivering care in the first six months after the earthquake and the lack of systematic recording of users made it difficult to generate good data on service delivery. The high turnover and short-term presence of many emergency medical teams between January and October had a negative effect on the morale of Haitian staff and disrupted efforts to build local capacity. The free or subsidised medical care provided by international medical teams also undermined private sector service providers. Both of these factors contributed to the out-migration of Haitian professionals and damaged the quality of clinical and rehabilitation care. Many of the smaller organisations that intervened in the rehabilitation sector in Haiti did not have experience in humanitarian settings and were not familiar with international guidelines concerning the delivery of services in low-income settings (e.g. Sphere or the ISPO guidelines).

### Conclusion

One of the key features of the humanitarian response in Haiti after the earthquake was the large influx of actors with little or no experience of humanitarian response. This was also apparent in the rehabilitation sector. The findings from this study highlight the need for internationally agreed standards to guide humanitarian actors in providing rehabilitation services post-disaster. Currently, the only rehabilitation-specific guidelines are the WHO's Guidelines on the Provision of Manual Wheelchairs in Less-Resourced Settings and the Guidelines for Training Personnel in Developing Countries for prosthetics and orthotics services. These provide minimum standards for orthopaedic devices and place the user at the centre of the rehabilitation process. There are no explicit guidelines for physiotherapy/occupational therapy in post-disaster settings, including spinal cord injuries, the most prevalent injuries in the Haiti earthquake.

National and international rehabilitation professionals who responded to the disaster in Haiti recommended the elaboration and promotion of international guidelines for the provision of rehabilitation services in emergency settings (including standards of practice for rehabilitation medicine, physiotherapy and occupational therapy). The lack of standards was strongly felt in the rehabilitation sector because of the influx of international actors with no previous experience in disaster response, and the lack of government capacity to regulate the sector. Efforts are underway in Haiti to augment and standardise the training of local rehabilitation professionals, which should improve services in the country in the future. Although the Cluster coordination mechanism created links between the various actors involved in the rehabilitation sector, greater effort is required to build a vision of the future rehabilitation sector for the country. The elaboration of international standards in physical rehabilitation, similar to the Sphere standards, will help make professionals aware of their responsibilities towards local populations.

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# Working with Somali diaspora organisations in the UK

Saif Ullah, Muslim Charities Forum

Diasporas play a vital role in supporting relatives and communities back home. Over the past 20 years Somalis from around the world have provided a significant amount of humanitarian and development assistance to communities in Somalia: a recent UN Development Programme (UNDP) survey estimated that between \$130 million and \$200m is given annually for these activities, while private remittances contribute an even greater share.<sup>1</sup> The Somali community in the UK is one of the largest and longest-established in Europe, with a number of charities providing direct assistance to Somalia.<sup>2</sup> However, as a result of clan and social tensions, limited organisational capacity, localised networks and general disunity, many Somalia-focused organisations have struggled to coordinate among themselves, despite being involved in similar types of relief work.

This article looks at the Muslim Charities Forum (MCF)'s efforts over the last year to bring these Somali community organisations together to develop a more united response to the relief and development needs of the Somali population. The authors reflect on the impact these discussions have had on the operations of Somali NGOs, and how lessons learned from this approach can be applied to working with diasporas from other countries.

## The Somali diaspora in the UK

The 2011 Annual Population Survey estimates that there are 115,000 Somalis currently living in the UK. Somalis first arrived in Britain in substantial numbers in the late nineteenth century, with a second significant wave of immigration beginning during the Second World War. During the 1980s and early 1990s, Somalis came to the UK mainly as refugees and asylum-seekers following the gradual weakening and eventual collapse of the government of Somalia. Large Somali communities have been established in London, Bristol, Manchester, Birmingham and Leicester.

There are over 236 'Somali'<sup>3</sup> charities officially registered with the Charity Commission in the UK. The majority focus on helping Somalis in the UK, with only a small proportion supporting work inside Somalia. There are also a number of unregistered charities and informal organisations which only work on relief and development issues within

<sup>1</sup> 'Cash and Compassion: The Role of the Somali Diaspora in Relief, Development and Peace-Building', UNDP, p. 4.

<sup>2</sup> *Ibid.*, p. 32.

<sup>3</sup> The names of these charities contain the word 'Somali'.



© Muslim Charities Forum

*A meeting of Somali NGOs in the UK*

Somalia, either directly or through partners. However, a variety of factors limit the effectiveness of many of these organisations, including low levels of staffing and resources; dependence on small donations from the Somali community; inadequate policies and procedures; and no cooperation, communication or information sharing between organisations.

Somali organisations have struggled to compete for institutional funding. As Somali charities are scattered around the UK this has hindered networking and opportunities to cooperate with other like-minded organisations. Previous efforts to develop a more coherent nationwide voice, such as the 'Somali Conference' in 1997 and the 'Somali Community Meeting' in 2003, failed to forge any long-standing bonds between Somali communities, or create a representative body or forum. This may be partly because Somalis lack experience of a unified society, reflected in the political structures and organisations found in Somalia itself.<sup>4</sup>

## Creating a discussion forum for Somali charities

In January 2011, MCF invited 20 Somali charities supporting relief and development in Somalia to take part in an initial meeting aimed at fostering dialogue and interaction. Fourteen of the 20 organisations invited came to the meeting. The purpose of the forum – to promote cooperation between charities conducting similar types of relief and development work in Somalia – was outlined and discussion centred on how to improve the quality and coverage of humanitarian response across Somalia.

<sup>4</sup> 'The Somali Muslim Community in England: Understanding Muslim Ethnic Communities', Department for Communities and Local Government, April 2009, p. 53.

Participants were invited to discuss their individual organisational needs and work priorities and identify potential areas of collaboration and how these could be initiated or strengthened. These included capacity-building, networking with one another, agreeing mutual priorities, coordinating fundraising and donations and mapping exercises, agreeing to work across clan lines and administrative borders in Somalia, forging better links between Somali communities and government/international institutions, facilitating capacity-building of local NGOs in Somalia and establishing a body to represent Somali NGOs in the UK. Follow-up discussions were held with individual participants to consolidate the meeting's findings. Attendees each identified what they valued most, the perceived strengths and weaknesses of the Somali NGO sector and their areas of work within Somalia. Participants met again in March 2011, and responses were amalgamated and shared amongst the group. Exercises were also undertaken to promote cooperation and knowledge-sharing between organisations.

#### Box 1: Summary of guiding principles of SRDF

1. A united effort – serving people of the Horn of Africa through a collective approach and united voice.
2. Integrity, trust, transparency – undeterred trust in members and managing affairs with transparency, honesty and good faith.
3. High quality and foster innovation – identifying practical applications and choosing pioneering approaches.
4. Align fairness and equality – promote equality of opportunity and fair treatment for those served, irrespective of politics, beliefs, tribe, clan and gender.
5. Standardised services and professionalism – members will maintain a professional conduct in dealing with beneficiaries, donors and the greater public.
6. Common vision and strategy – clear vision of goals and continuously improve practices by exploring and encouraging effective solutions.
7. Commitment to betterment of our people – commit to improving the lives of the Somali people.

### Outcomes of collaboration

At the end of July 2011, an umbrella organisation called the Somali Relief and Development Forum (SRDF) was founded and registered with the Charity Commission. Guided by a set of principles developed during the second meeting in March 2011 (see Box 1), the group focuses on delivering relief and development aid to communities in Somalia, promoting cooperation and collaboration between Somali NGOs in the UK and using their shared knowledge and understanding to serve areas most at risk. Through the relationships fostered by the group meetings, Somali NGOs have been able to organise a more coordinated response to the current drought crisis in Somalia. A joint fundraising appeal and awareness campaign entitled 'iFundraise for Somalia' was launched, while a significant number of

#### Box 2: Collective relief and development operations by SRDF members

Collectively, operations by members span a wide geographic area within Somalia, with a particular focus on the South and Central regions. Activities include distributing emergency food supplies to nearly 3,500 households, providing medical treatment to over 7,000 people and promoting higher education through the establishment of nine universities (three of which are in Somaliland), including facilities which enable diaspora professionals from around the world to provide teaching in their areas of speciality to students within Somalia.

projects conducted in conjunction with SRDF have aided relief and development operations on the ground.

The Forum is becoming a trusted representative of Somali relief organisations and providing a unified voice for Somali diaspora communities. In recent months the organisation has been able to build bridges between more informal elements of the Somali diaspora in the UK, such as heads of mosques and youth groups, through meetings where attendees have been able to discuss some of the root causes of the ongoing crises in Somalia and ways to support civil society on the ground. Over 50 representatives from Somali-led mosques recently gathered in London to provide their views to the Forum on the situation in Somalia. This is indicative of the growing levels of trust in the organisation and of the increased willingness of Somalis to address homeland problems collectively. The SRDF has also been recognised by several media outlets as a valuable source of Somali opinion, particularly in the run-up to the international Somalia conference held in London in February 2012.

Following its success in bringing together Somali groups in the UK, in September 2011 the SRDF set up the Somali Humanitarian Operational Consortium (SHOC) in partnership with the MCF and the Humanitarian Forum. The SHOC involves 52 local development organisations in Somalia, with meetings primarily held in Mogadishu. In the more unstable areas of Somalia, particularly in the South and Central zones, INGOs have been forced to reduce their presence significantly in recent years as levels of violence and insecurity have escalated. The absence of an effective government has meant that local NGOs have had to provide health, education and welfare services. But despite having better access to the most vulnerable communities, many of these organisations have been unable to scale up their activities to meet the growing needs of the population. The aim of SHOC is to promote cooperation between NGOs at national and international level, regardless of clan affiliation or location, and to improve links between local and international NGOs.

Recent advocacy work by SRDF has focused on addressing the barriers to long-term development in Somalia. Parties involved in this work have included SRDF members and non-members, diaspora representatives and local NGOs

from South Central Somalia, Puntland and Somaliland. A set of key messages aimed at reforming current approaches to development in the region was agreed by all participants. These include strengthening the legitimacy and capacity of Somali-led organisations to improve accountability to and reputation within the international community; depoliticising aid and developing means to deliver humanitarian and development assistance to Somali people in all areas; and a commitment to long-term development programmes by building human capital, enhancing disaster preparedness and improving health, transport and access to basic necessities. This joint stand is a unique achievement for the Somali community, and illustrates a willingness to embrace a more collective approach.

## Conclusion

MCF's experiences with Somali diaspora communities offer several lessons for organisations looking to work with other diasporas. Diaspora strengths include knowledge of and insight into issues affecting their home country, localised support and individual funding networks and potentially greater access to communities on the ground. But their effectiveness can be undermined by their isolation and their limited capacity to expand beyond a narrow range of activities.<sup>5</sup> By working with diaspora organisations and providing them with the tools to better serve their

5 This may be particularly true for Muslim diasporas or those from countries that are still in conflict. MCF found this to be the case when working with diasporas from Libya and Yemen, as well as Somalia.

communities back home – through linking them to other like-minded organisations, providing them with development opportunities to build up their own capacities or making them more visible outside of their traditional funding sources – it is possible to help them to become more effective.

Traditional rivalries between clans, mistrust and competition for funding have prevented Somali communities from developing long-standing partnerships with one another. Bringing representatives from these communities together and agreeing on guiding principles for engagement was the first step in tackling these challenges. The common desire to address the worsening humanitarian situation in Somalia provided an opening to engage with these communities, and the Forum has created a structure for collaboration and networking and enabled its members to develop clear objectives and activities. This approach helped to build Forum members' trust in MCF's long-term commitment to the initiative and its capacity to manage it. MCF and SRDF are currently investigating opportunities to provide training in communications, fundraising and governance for smaller Somali charities. The progress made by the Forum so far has also given MCF the confidence to promote collaboration among diaspora organisations from other countries, such as Yemen.

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## Applying conflict-sensitive methodologies in rapid-onset emergencies

Anne Street, CAFOD

How do humanitarian responders and the organisations they work for take conflict into account when responding to rapid-onset emergencies? In what ways do the actions of humanitarian agencies exacerbate conflict? These were some of the questions a group of NGOs working together in the Conflict Sensitivity Consortium<sup>1</sup> (CSC) set about answering in a commissioned report published by HPN in October 2011.<sup>2</sup> The research looked at the organisational frameworks and emergency manuals used by international NGOs, system-wide tools and standards such as the Sphere Humanitarian Charter and Minimum Standards in humanitarian response and the HAP 2007 Standard in Humanitarian Accountability and Quality Management and the Emergency Capacity Building Project's Good Enough Guide. This analysis was complemented by in-depth interviews, surveys and focus group meetings with some

1 See [www.conflictsensitivity.org](http://www.conflictsensitivity.org). The working definition of conflict sensitivity used by the consortium means understanding the context in which programme interventions take place, understanding the interaction between intervention and context and acting upon this understanding in order to avoid negative impacts and maximise positive impacts on conflict.

2 Nona Zicherman, with Aimal Khan, Anne Street, Heloise Heyer and Oliver Chevreau, *Applying Conflict Sensitivity in Emergency Response: Current Practice and Ways Forward*, Network Paper 70, October 2011.

150 humanitarian responders, and by evidence gathered from three case studies of emergency response in the Haiti earthquake of January 2010, the Pakistan floods of July–August 2010 and the floods in eastern Sri Lanka in December 2010–January 2011.

### Existing good practice

Much of the good practice the research identified implicitly took conflict into account, rather than using explicitly conflict-sensitive approaches. Indeed, practitioners consulted overwhelmingly favoured a minimalist approach, integrating conflict-sensitive approaches into existing frameworks rather than establishing new guidance and standards. This reflects a general feeling within the sector that project staff are often overwhelmed by the number of good practice commitments and quality standards their organisations expect them to follow.<sup>3</sup> Nevertheless, it was clear from the research that agencies need to do more to minimise the negative impacts of their interventions. The great majority of respondents could quote examples from their own experience where humanitarian response had

3 See for example David Bainbridge, 'Addressing the Challenge of Compliance: Tearfund's Quality Standards', *Humanitarian Exchange*, no. 48, October 2010.

exacerbated conflict. The case studies identified a number of such instances. In Haiti, for instance, the magnitude of the disaster and the imperative to respond rapidly meant that most agencies did not have time to explore relations with host and surrounding communities as they rolled out their programme responses in the camps. As a result, after an initial outpouring of sympathy the situation rapidly deteriorated, with numerous incidents of conflict between camp residents and people living immediately outside of the camp, largely over the absence of services outside of the camps. Humanitarian agencies had to work to repair these relationships, for example by including host community representatives in camp committee meetings and developing ‘neighbourhood strategies’ as part of their planning for the transition phase when camp residents are transferred to more permanent homes in resettlement areas. The lack of clear conflict/context analysis, particularly in urban settings, meant that aid agencies failed to understand the complexities of land ownership. In June 2010 CARE initiated the Cluster Technical Working Group on Housing, Land and Property, a forum which brought together the Shelter, Camp Coordination and Management and Protection and Early Recovery Clusters to share experiences and access local knowledge. Had this shared analysis of pre-earthquake land tenure issues been developed at an earlier stage, it would have indicated that displaced people were likely to remain in camps for a considerable length of time, and more durable transitional shelter models might have been devised earlier. In Pakistan, poor coordination between NGOs, combined with a complex security situation and difficulties getting access to permits, resulted in uneven distribution of aid. In some cases even within the same village relief packages were widely different, causing considerable conflict both within the community and among the NGOs providing the aid.

Agency staffing practices had an impact on the conflict sensitivity of responses in all three case study countries. For operational agencies the first phase of a large-scale response is characterised by high levels of senior management turnover and leaders who are not familiar with the local culture. Lack of language skills caused friction in Haiti, and a lack of proper orientation for new international staff in Haiti and Pakistan led to perceptions of cultural insensitivity. The identities of national staff chosen for assessment teams were critical in Sri Lanka and Pakistan. In Pakistan national staff recruited from outside Punjab and Sindh did not understand local cultural norms. Local partners and communities recognised that outside technical expertise was needed, but felt that the predominance of ‘outsiders’ from other provinces was inappropriate, and caused conflict with the local population.

Having learnt from its negative experience with staff turnover after the Indian Ocean tsunami, Catholic Relief Services (CRS) does not allow short-term assignments for senior staff; instead, they are asked to commit to a humanitarian crisis for a minimum of a year. In Haiti, the CRS emergency coordinator arrived in-country about three days after the earthquake, and was still there at the time

of our research, 16 months later. In Haiti, CARE addressed tensions between national and international staff with regular weekly orientation and briefing sessions, where cultural and contextual issues were regularly discussed. In Pakistan, efforts were made at team-building but interviewees felt that they were insufficiently prioritised amid the pressure to deliver aid.

### Minimum standards

The research suggested a set of six minimum standards for conflict sensitive emergency response:

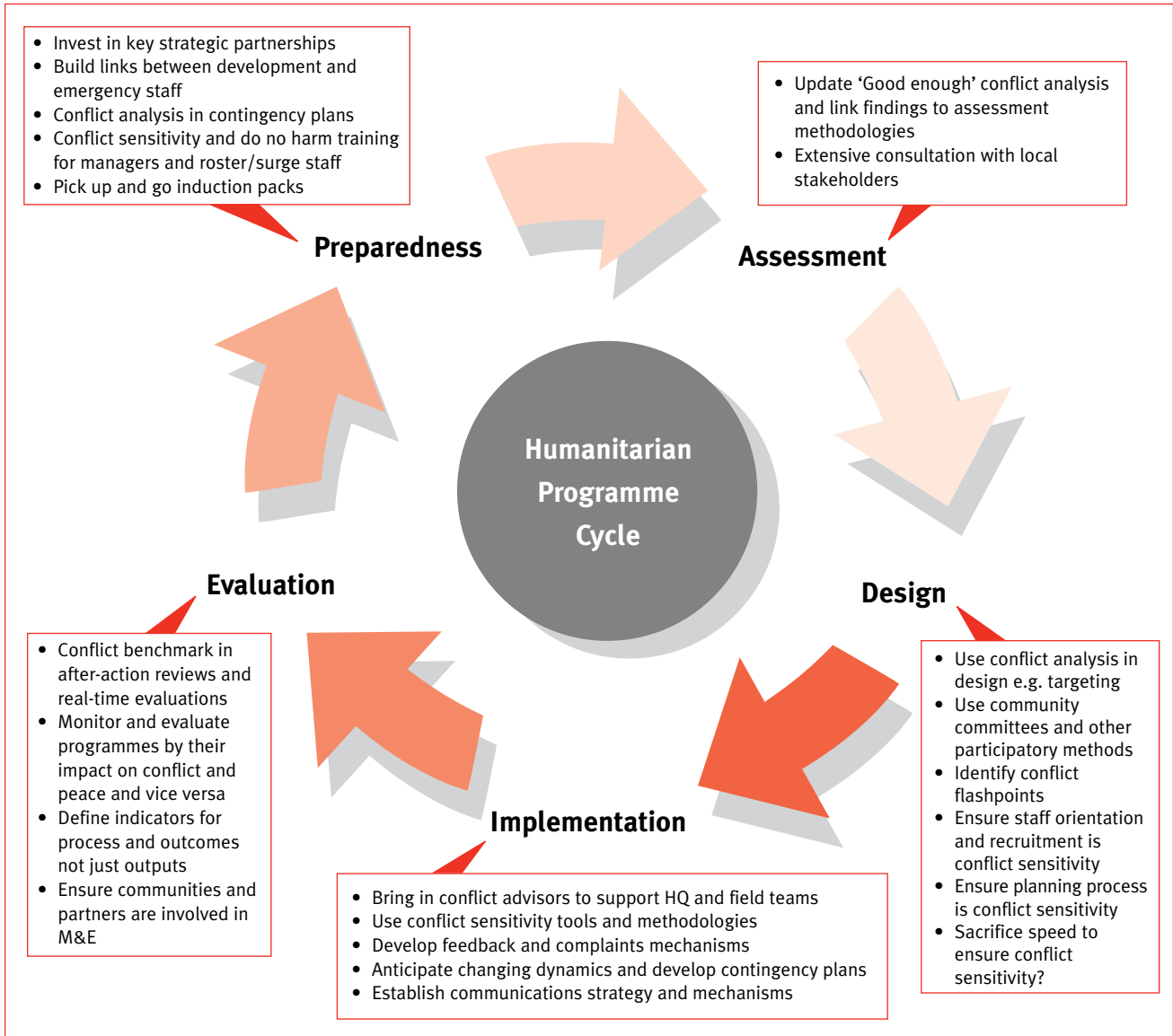
1. Emergency preparedness plans should include a regularly reviewed and updated conflict analysis.
2. Initial emergency assessment should include a ‘good enough’ conflict analysis identifying key drivers of conflict.
3. Partnership strategies and partner selection should be analysed in relation to conflict dynamics.
4. Management and operational staff should receive training on conflict sensitivity.
5. All new staff should have orientation on the conflict context.
6. Conflict-related questions and indicators should be included in monitoring and evaluation tools.

Adopting these approaches would enable emergency responders and the humanitarian organisations they work for to implement more conflict-sensitive programmes, while avoiding the need to engage in a whole new area of work, with the inevitable application of new tools and frameworks.

The research identified ways responders can ensure that their programme interventions are conflict-sensitive at each stage of the emergency programme cycle (see Figure 1). In Sri Lanka, one of CAFOD’s partner organisations, Peace and Community Action (PCA), was involved in the response to the floods on the east coast in late 2010/early 2011. PCA noted the importance of ‘process’ for conflict sensitivity: rather than focusing on whether the task has been done or the money spent, i.e. output questions, PCA monitored conflict sensitivity by asking questions such as ‘how many people from group A and how many people from group B received X?’. PCA also introduced a specific section on conflict sensitivity in reporting templates. This approach enabled PCA to adjust its programme interventions and increase effectiveness, for example changing the location of the field office so that different communities could reach it more easily. This had the effect of reinforcing links between the communities and enabled more equal participation in the project by each.

Looking beyond the CSC research, one interesting question is the extent to which humanitarian responses can have a long-term positive influence on conflict. Although this was not addressed in the study, the longer-term impacts of Cyclone Nargis in Myanmar provide some interesting food for thought. In the aftermath of the cyclone, humanitarian responders, particularly international organisations, struggled to gain access to affected communities. The government of Myanmar viewed both national and inter-

**Figure 1: Operationalising conflict sensitivity within the programme cycle**



national NGOs with deep suspicion, and most international organisations were unable to send staff into affected areas without lengthy delays. Yet local organisations were able to mount an emergency response, and in the absence of international NGOs often played a pivotal role in delivering aid. Research conducted after the cyclone concluded that the disaster, while causing terrible loss of life, provided an opportunity for significant development in Myanmar civil society. According to the study: 'An acceptance that organisations can develop a working relationship with Government and benefit from it, was a key learning expressed by many of the organisations we interviewed. This learning reinforces the importance of networking and building relationships'.<sup>4</sup>

A World Bank study following the tsunami in Aceh in Indonesia came to a similar conclusion: 'The unprecedented response (national and international) to the tsunami has created opportunities for a response to the conflict in Aceh. Human resources and aid delivery mechanisms are already in place. In many parts of Aceh, those affected by

<sup>4</sup> *How To Guide To Conflict Sensitivity*, Conflict Sensitivity Consortium, March 2012, <http://www.conflictsensitivity.org>.

conflict, and especially those in the mountainous interior, are now worse off than those who were directly impacted by the tsunami. Villages in conflict-afflicted areas, and particularly in the rural mountainous interior, have received almost no development aid from government, NGOs or international donors while the conflict has raged. The improvement in security that the peace process, if successful, will bring, provides new opportunities for reaching some of the poorest people in Aceh'.<sup>5</sup>

Whether it is impacting on conflict at the community level or changing the way governments view civil society actors, our research indicates that NGOs need to be more deliberate in the steps they take to minimise the negative impacts and maximise the positive impacts of their programme interventions. Adopting the six minimum standards set out here would go some way to achieving this.

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<sup>5</sup> World Bank, *Conflict and Recovery in Aceh: An Assessment of Conflict Dynamics and Options for Supporting the Peace Process*, <https://www.conflictanddevelopment.org>.

## Humanitarian Practice Network

The Humanitarian Practice Network (HPN) is an independent forum where field workers, managers and policymakers in the humanitarian sector share information, analysis and experience.

HPN's aim is to improve the performance of humanitarian action by contributing to individual and institutional learning.

HPN's activities include:

- A series of specialist publications: *Humanitarian Exchange* magazine, Network Papers and Good Practice Reviews.
- A resource website at [www.odihpn.org](http://www.odihpn.org).
- Occasional seminars and workshops bringing together practitioners, policymakers and analysts.

HPN's members and audience comprise individuals and organisations engaged in humanitarian action. They are in 80 countries worldwide, working in northern and southern NGOs, the UN and other multilateral agencies, governments and donors, academic institutions and consultancies. HPN's publications are written by a similarly wide range of contributors.

HPN's institutional location is the Humanitarian Policy Group (HPG) at the Overseas Development Institute (ODI), an independent think tank on humanitarian and development policy. HPN's publications are researched and written by a wide range of individuals and organisations, and are published by HPN in order to encourage and facilitate knowledge-sharing within the sector. The views and opinions expressed in HPN's publications do not necessarily state or reflect those of the Humanitarian Policy Group or the Overseas Development Institute.

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