Cash Conference

Summary Report

Towards Transformation

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Overview

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

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

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

Cash in the Red Cross and Red Crescent Movement

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

The Cash Conference was recognised as an important opportunity to strengthen the Movement’s engagement on cash with other actors, underlining the need for collaboration and a collective effort to scale up the use of cash in humanitarian action.
The conference reaffirmed the transformational potential of humanitarian cash transfers. Although cash is not a panacea, when the conditions are right it gives people affected by crisis more choice, empowering them to recover with dignity. It can play a role in meeting basic needs, reducing poverty, inequality and developing resilience, particularly if it is given as a single, unrestricted transfer. Cash is clearly well on its way to becoming ‘the new normal’ in humanitarian response. The question has become how we will leverage cash transfers to achieve better outcomes for people in crisis, and whether cash is really going to transform the way we deliver humanitarian aid.

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

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

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

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

Putting the experience of crisis-affected people at the centre of humanitarian cash transfers is paramount. Only through a radical shift in attitudes and ways of working can we ensure that interventions maximise the choice, opportunity and dignity of recipients. It was agreed that measuring outcomes and ‘Value to People’ rather than ‘Value for Money’ should be the driving force of humanitarian cash programming.
On the theme of cash innovation, technologies should be built to empower people and widen their choices. The emergence of interoperable platforms that give people the choice over the kind of assistance they want to receive is a game changer, and increasingly the technological capabilities to do so will emerge. It becomes a question of political will as to whether humanitarians will move from a supplier-driven model of assistance, towards a consumer-driven system.

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

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

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