Cash Transfer Programming (CTP)

Standard Operating Procedures

Version 3

January 2018

Contents

This document jointly produced by the ICRC Cash Focal Point, FAD, Logistics and EcoSec is an update from the June 2015 version. The document draws inspiration from the procedures established in cash transfer programming that has been implemented by the ICRC since 2004. Further detailed guidance and policies; tools and templates, as well as examples, experiences and lessons learned on cash in emergency and market assessments can be found in the [RCRC Movement Cash and Emergencies Toolkit (CiE),](#) the [Logistics Knowledge Center](#) and the [EcoSec Resource Centre](#).

Whilst these guidelines were originally developed for EcoSec programmes, they must be used, by default, by any ICRC department engaging in CTP[1]. The document therefore refers to 'Programme Department' (meaning any implementing department, EcoSec, WatHab, Protection, Health etc.) throughout. There are however some specific EcoSec references.

The SOP's will be further updated in 2018 as part of the Cash Institutionalisation process[2].

1 Introduction

1.1 Purpose of the standard operating procedures

The aim of these standard operating procedures is to support and facilitate the set-up and the implementation of cash transfer and voucher programming within ICRC by:
- specifying the respective roles and responsibilities of the Administration, Logistics and programme department staff at different steps of the programme cycle,
- defining the processes involved and the minimum documentation requirements,
- providing key documents of reference or technical guidance.

In line with the Red Cross Red Crescent Movement guidelines and toolkits for Cash in Emergency (CiE), Rapid Assessment for Market (RAM) and Market Assessment Guidance (MAG), this document explains the internal ICRC procedures and establishes the financial management framework and administrative procedures for cash transfer programming.

The SOPs provide generic guidance on how to plan and implement CTP within the ICRC, which a clear focus on the **implementation** of different cash-based modalities and the **roles and responsibilities of the different departments**. Additional and more detailed guidance on CTP related considerations regarding assessment, planning, monitoring and evaluation can be found in the [EcoSec Resource Centre](#) and the [Cash in Emergencies Toolkit](#).

The Programme Department, Finance & Admin (F&A) and Logistics Coordinators in each Delegation must review this document, and establish their ability to comply with the procedures set out in their specific context. Where there is a need to deviate from the procedures[3], this must be highlighted with an explanation of why the deviation must be made, and a proposal for an alternative. The document must then be sent via the Delegation Management to the Programme Department, F&A and Logistics Heads of Sectors in Geneva for written validation before use.

Furthermore, it is recommended that ICRC Delegations with sizable CTP interventions add more detail to these SOPs as required, including timelines, responsibilities at Delegation vs Sub Delegation, etc.

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[1] Non EcoSec programme departments should focus on chapters 3.3.2, 3.3.3 and 3.3.4 for feasibility and planning, and chapters 3.4 onwards for the implementation of CTP (following the 'Programme Department' roles and responsibilities).
[2] Future updates to the SOP's will be contextualized and will include examples of Protection, WatHab and Health CTP, as well as EcoSec. For questions related to cash institutionalization, please contact Jo Burton joburton@icrc.org.
[3] E.g. the roles and responsibilities in the process flow charts

1.2 Brief introduction to cash transfer programming

Cash transfer programming (CTP[4]) is a form of humanitarian response based on the provision of cash and/or vouchers to individuals, households and communities[5], to enable them to access goods and services[6]. CTP can be used to address a variety of different needs, from basic needs in the immediate aftermath of a shock, through to longer term recovery needs, such as shelter, access to healthcare and services, or to protect, strengthen or restore livelihoods. CTP is used in pre-crisis, acute crisis, chronic crisis and post-crisis situations. CTP does not necessarily replace but can also accompany other forms of assistance. CTP is a different means to achieve the same objectives as other interventions.

There is no blueprint for cash transfer programming, as different contexts require different mechanisms to transfer cash. Assessments will have to confirm the relevance, the feasibility and the appropriateness of CTP and will help decide which modality and mechanism is the most relevant. Various options could be considered, depending on answers to the below questions:
- Should it be conditional or unconditional?
- Should the use of cash be restricted in the form of voucher or instalments?
- Do we consider one-off or repeated payments?
- How much do we provide?
- Do we implement blanket cash transfers or target specific groups?
- Do we implement alone or in partnership?

Currently EcoSec use CTP most widely, with programmes such as cash for basic needs, cash for livelihoods etc. However, Protection also use CTP as a modality widely in their work (e.g. Family Visit Assistance), and there is some limited use within WatHab (e.g. CFW or shelter vouchers) and Health programmes (e.g. cash for transporting patients).

For more information on how the ICRC utilizes CTP in its EcoSec programmes, consult the EcoSec Executive Brief on Cash Transfer Programming.

1.3 Overview on different types of CTP

The ICRC distinguishes different types of CTP modalities: unconditional cash grants[7], conditional cash grants, cash for work and vouchers.

For detailed definitions of the different modalities, please consult the CaLP glossary (http://www.cashlearning.org/resources/glossary) or the EcoSec Executive Brief on Cash Transfer Programming.

The decision tree[8] hereunder illustrates some of the key conditions to consider when identifying which modalities of cash-based transfer are feasible. Once done, ICRC can decide what response option is the best, based on a comparative analysis of the different feasible options, including in-kind or mixed approaches.

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[4] CTP is used interchangeably with two other terms, CBI (Cash Based Interventions) and CBA (Cash Based Assistance).
[5] Community is defined as a group of people living in the same geographical location, represented by one or more individuals from that community. For example a village represented by a village committee.
[6] CTP is not payment of salaries/fees/per diems, or transfers of funds to institutions, or payments to suppliers for goods or services.
[7] Unconditional cash transfers in ICRC programmes are always unrestricted. If the calculation of the grant covers at least two sectors (or for EcoSec, at least two core components), they can also be referred to as multi-purpose cash grants.
[8] Adapted from Mercy Corps: Cash Transfer Programming Methodology Guide, p.25.

1.4 Decision making flowchart for CTP

Are needed goods / services available in local markets? — No → Consider **in-kind** distribution

↓ Yes

Are these markets used by the target population and accessible? — No → Consider **in-kind** distribution. **Voucher fairs** could be considered if vendors are willing to travel to communities.

↓ Yes

Are the needed goods / services available in the market in sufficient quantity and acceptable quality? — No → **Are vendors willing and able to increase their supply of goods / services to meet increased demand (potentially with ICRC support)?** — No → Consider **in-kind** distribution or **market support** intervention

Yes ↓ (from vendors question)

Are prices expected to remain relatively stable? — No → Consider **vouchers** and **market support** interventions. Consider **in-kind** if ICRC is expected to contribute to inflation.

↓ Yes

Can cash be delivered and used safely by all beneficiaries? — No → Consider **in-kind** distribution or **vouchers** intervention

↓ Yes

Can security, tensions (HH or community level) and other risks be mitigated? — No → Consider **in-kind** distribution or **vouchers** intervention

↓ Yes

Is it desirable to restrict the access to specific goods / services to achieve project objectives?

— Yes ↓ → Consider **vouchers** or cash in **instalments** (restriction)

— No → **Is there specific behaviour we want beneficiaries to adapt or tasks we want them to complete?**

— No → **Is there a desire to keep crisis-affected populations active? Is there a lack of short-term jobs? Are there useful community projects that need to be done with unskilled or semi-skilled labour?**

Is there specific behaviour we want beneficiaries to adapt or tasks we want them to complete?

— Yes → Consider **conditional cash grants**

A 'condition' can be attached to a cash transfer to enhance control and encourage behaviour. CCGs are particularly relevant for a livelihood response.

— No → Consider **unconditional and** unrestricted **cash grants**

UUCGs are the fastest, most flexible form of CTP. They allow beneficiaries the most control over their spending decisions and are therefore particularly relevant in a relief response.

Is there a desire to keep crisis-affected populations active?...

— No → (no box)

— Yes → Consider **cash for work**

2 CTP key roles and responsibilities within ICRC

The planning, design and implementation of CTP is a joint responsibility between the programme department, Log and FAD as well as Management (and CIM/ICT if technologies are involved). Each involved unit / department needs to make sure to put in place the human resources and capacities that allow successful implementation of CTP. The table below provides an overview on the main tasks of the different units / departments. For a more detailed descriptions of tasks and responsibilities, please see chapter 3.

Table 1: key responsibilities of the different units/departments vis-à-vis CTP

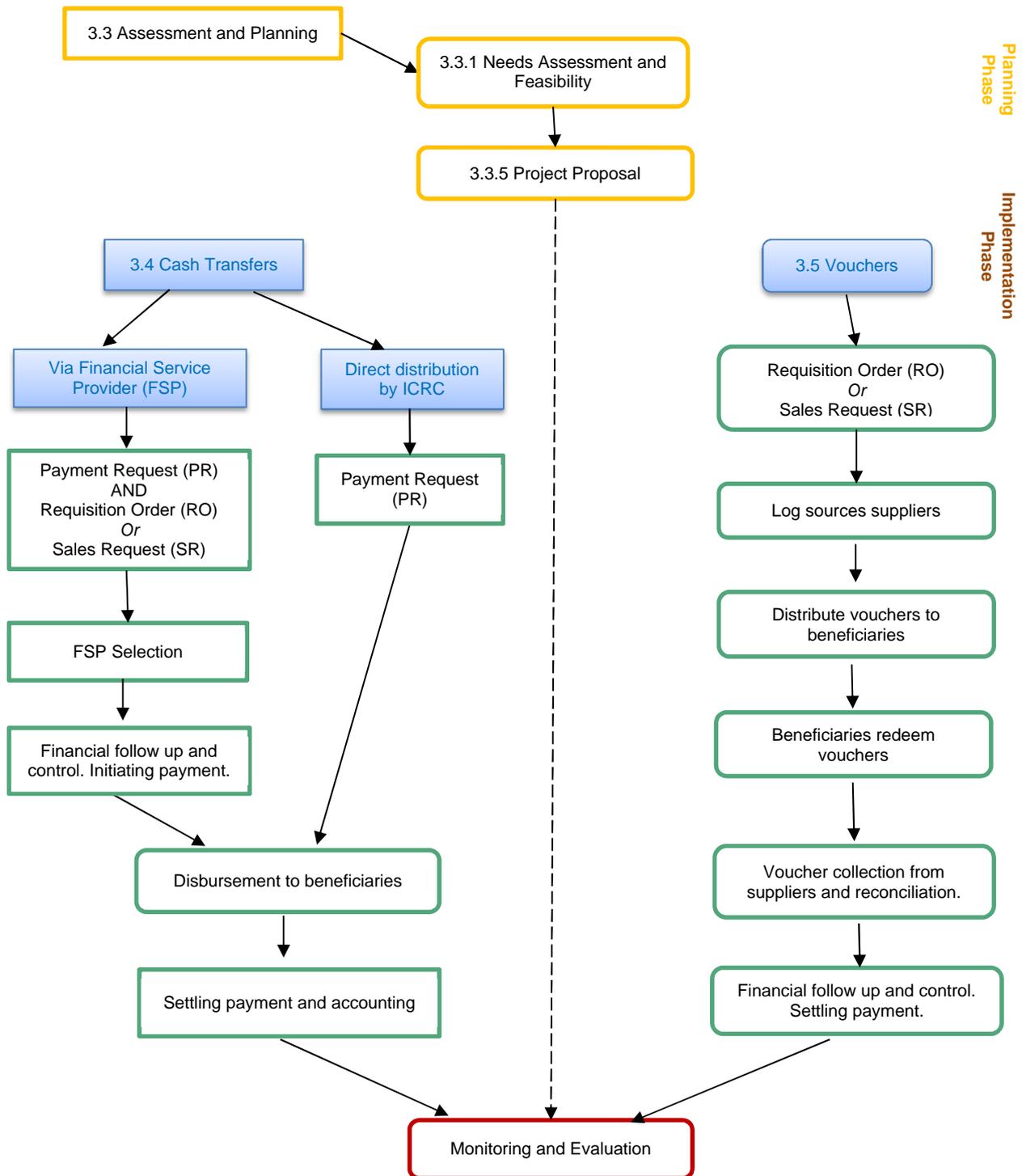| Prog. Dept	Programme Department main responsibilities in CTP are: - Assessing needs of communities and appropriateness of CTP modalities to address these needs - Analysing markets (beneficiary access, market capacities etc.) - Analyse the access of beneficiaries to financial services - Risk analysis and mitigation measures - Ensuring a Data Protection Impact Assessment (DPIA)[9] - Response Options Analysis: identify feasible options and select the most appropriate modality of intervention and transfer mechanisms - Project design: determine the amounts to be transferred, the duration, the number and the frequency of cash payments. - Describing service required from FSP, and participating in the FSP capacity assessment and selection - Overall responsibility for project implementation *Plus all the usual programme activities not specific to CTP (e.g. programme department project proposal, targeting, beneficiary communication, AAP, monitoring etc.)*
FAD	Normal FAD activities including checking budget, reviewing and approving contracts, executing payments etc. Specific issues to consider include: - Support assessment of Financial Service Providers (FSP) - Participate in response option analysis - Consider legal issues[10] that may be related to cash transfer programming (consult with ICRC legal advisor) - Ensure that cash is available in the correct denominations in case of direct cash distribution by ICRC - Ensure or supervise the 'cash in envelope' distribution to beneficiaries when done by ICRC
Logistics	Normal Logistics activities including market and supplier assessment, contracting[11] and ensuring the required validation etc. Specific issues to consider include: - Support Programme Department to assess market capacities and performances (i.e. supply chain capacities at country level) - Participate in response option analysis - Identify, assess the capacities and select financial service providers (FSP) as well as suppliers or vendors to involve in voucher-based programming[12]. - Maintain relationship with FSP - Ensure the preparation for vouchers, including quality test and check quantities of items available - Collect vouchers from vendors and reconcile with those produced / distributed
Mgmt	Management main responsibilities in CTP are: - Assess the security situation and advise the team accordingly - Participate in response option analysis
CIM/ICT	Provide technical expertise on ICT-related aspects of transfers, including the use of mobile devices such as mobile phones if required.

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[9] See section 4: Data Protection

[10] Legal issues would include (but are not limited to); (a) checking the FSP, including money dealer, is an authorized/legal entity, (b) checking tax situation for beneficiaries – will they have to pay tax, will it cause a problem, with CFW issue of employment status, (c) if we do payments in hard currency, is it legal to do so

[11] Framework Agreement (FA) with the FSP is preferable for a middle to long term CTP where cash installments will be recurrent, as it requires tender process at the beginning of the service provider selection. FA will provide a fix commitment from the service provider on the price and delivery terms. Opposed to one off contracts, which each require their tender process, and are more suitable for a short term CTP. However whether using an FA or contract, there needs to be a built in flexibility for the beneficiary numbers and values of transfer. In addition, there can be multiple FA or contracts with different FSPs in one country or area.

[12] Make sure to involve FAD as per each expertise (bank, money dealers, mobile phone companies, etc.)

3 CTP Procedures

3.1 CTP process flow chart

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3.3 Assessment and Planning
          │
          ▼
3.3.1 Needs Assessment and Feasibility
          │
          ▼
3.3.5 Project Proposal
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3.4 Cash Transfers
     │              │
     ▼              ▼
Via Financial    Direct distribution
Service          by ICRC
Provider (FSP)
     │              │
     ▼              ▼
Payment Request  Payment Request
(PR) AND         (PR)
Requisition
Order (RO)
Or
Sales Request (SR)
     │
     ▼
FSP Selection
     │
     ▼
Financial follow up and
control. Initiating payment.
          │
          ▼
Disbursement to beneficiaries
          │
          ▼
Settling payment and accounting
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3.5 Vouchers
          │
          ▼
Requisition Order (RO)
Or
Sales Request (SR)
          │
          ▼
Log sources suppliers
          │
          ▼
Distribute vouchers to beneficiaries
          │
          ▼
Beneficiaries redeem vouchers
          │
          ▼
Voucher collection from suppliers and reconciliation.
          │
          ▼
Financial follow up and control. Settling payment.
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Monitoring and Evaluation
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Following the decision of ICRC Direction of Operations since the last quarter of 2014 an Allocation of Expenditure (AoE) is only requested for expenses not budgeted in the Planning for Result (PfR) document.

The next sections explain in detail the responsibilities and procedures related to the each of the steps displayed in the flow chart.

Whereas the planning phase (Chapter 3.3) is the same for cash and voucher transfers, the implementation phase follows different sets of procedures. The implementation of cash transfers is treated in Chapter 3.4 and the implementation of vouchers in Chapter 3.5.

3.2 Preparedness phase

Preparedness should allow for the building up of operational readiness for timely and appropriate emergency responses. With good preparedness, cash transfer programing (CTP) responses can be implemented quickly on a large scale. If the Delegation has already established general preparedness and contingency plans, it should ensure that these plans take the CTP component into account.

The following activities can be conducted at preparedness stage in order to be ready to respond with CTP to identified scenarios:

- CTP should be mainstreamed into strategic, contingency and response plans, including human resources, finance, monitoring and evaluation, etc.
- Secondary data collection and analysis should be carried out first to provide a general picture of the situation and allow for an initial context analysis.
- Among the possible scenarios, at least the 'worst-case scenario' should be developed, based upon the initial context analysis, and include a first indication of the potential response options.
- Pre-crisis baselines should include an analysis of key stakeholders, market conditions, service providers' capacity, community access and preferences, and risks associated with a potential CTP response.
- A cash feasibility analysis based on the baseline findings, particularly beneficiary preferences, and market and service providers' capacity should be carried out to identify the response modalities and mechanisms that are more suited to respond to the scenarios developed.
- A self-assessment exercise should be carried out with the participation of decision-makers from key departments to identify organizational capacity gaps to implement CTP at scale and in a timely manner.
- The CTP preparedness Plan of Action (PoA) can be developed to address capacity gaps previously identified.
- CTP standard operating procedures (SOPs) should be contextualized, made widely available and updated periodically.
- If applicable, the response to scenarios should be built into existing framework agreements with service providers. It is also possible to establish a framework agreement for a preparedness response only.
- Simulations or pilots should be conducted to test the CTP's operational readiness and should be repeated over time.
- Internal and external CTP coordination mechanisms must be put in place.
- Learning from operations and responses should be captured, and procedures, tools should be updated as necessary.

3.3 Assessment and planning phase

The assessment and planning phase[13] consists of an economic security assessment including affected populations, markets and cash transfer mechanisms, a feasibility study (CTP and in-kind distributions) and a response option analysis. If a CTP is feasible (possible to implement) and the most appropriate response option, a project proposal is drafted. The planning phase is the same for CTPs as for any other type of programme. The planning phase should already consider the necessary steps to ensure compliance with the Handbook on Data Protection in Humanitarian Action, and the ICRC Rules on Personal Data Protection.

The table below summarizes the roles and responsibilities of the different departments during the assessment and planning phase[14]. It is crucial that LOG and FAD are involved in this process from the very beginning, in order to ensure ownership and improve decision making on the response options analysis and project formulation.

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[13] In the ICRC EcoSec project cycle, this corresponds to 'assess & analyse' and 'formulate & plan'.
[14] Please note that the roles and responsibilities in this table defined for EcoSec would be the same for any department engaging in CTP

Please note that the sequencing of steps is a guideline and not set in stone – some steps can take place simultaneously. Please agree timing and process locally with all departments involved.

	Programme Department	Logistics	FAD
1	Conduct the (economic security) assessment and gap analysis		
2	Conduct the feasibility assessment, taking into account markets, service providers, security and risks, and internal capacities (see chapter 3.2.2)	Participate in the feasibility assessment from the logistics perspective	Participate in the feasibility assessment from the FAD perspective.
3	Identify response options (transfer modalities and mechanisms)		
4	Consult with Management on security issues related to the project proposal	Join consultation	Join consultation
5	Analyse risks of different response options	Participate in the risk assessment from the logistics perspective	Participate in the risk assessment from the FAD perspective.
6	Define the selection criteria and select a response option	Participate in the selection process of the response option from the logistics perspective	Participate in the selection process of the response option from the FAD perspective.
7	Formulate the Project Proposal	Contribute to the Project Proposal from the logistics perspective.	Contribute to the Project Proposal from the FAD perspective.

3.3.1 Economic security assessment *(EcoSec only)*

EcoSec is responsible for the needs and market assessments. As per the EcoSec assessment report template and the EcoSec handbook on assessing economic security, the assessment should cover:
- the affected population's economic security situation and unmet needs the urgency to respond to these needs
- the foreseen target population
  - The most important commodities and services needed by the affected population (including estimates and quantity, frequency, and duration for each commodity / service)
- the beneficiaries preferences with regards to the type of assistance: cash, voucher, in-kind or a combination of modalities
- the anticipated use of cash
- intra-household and intra-community issues, including gender roles attributed with the management of cash/voucher and in-kind resources
- the usual means of accessing / obtaining cash by the targeted households
- the familiarity of the target population with various existing financial transfer mechanisms such as bank accounts, ATMs, mobile banking, transfers through mobile phones, etc.
- target beneficiaries' physical access to markets, shops[15] and service providers.
- capacities of local markets to increase their supplies (in order to meet the additional demand triggered by cash transfers or vouchers)
- local market prices for key commodities and services
- basic quality of goods at the market

The information collected during the assessment should allow the EcoSec team to define:
- the approximate number of beneficiaries that will need to be assisted in each location in a given timeframe
- the approximate value to be transferred in total, per beneficiary and per location
- the frequency of payments and duration of assistance

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[15] Even at the initial assessment stage, involving Log in market assessment is advisable.

3.3.2 Budgeting and Forecasting *(any dept. using CTP)*

Budget for CTP should be included in PfR planning if CTP is forseen, or if the Delegation intends to assess the feasibility of CTP in the future. (See annex 2 for information on account codes for CTP.)

CTP, like any other programme modality, must be forecast in line with the Delegation's usual procedures.

In Delegations using JDE, CTP must be forecast in the Collaborative Demand Planning (CDP).
- All CTP items (including cash transfers, fees for FSP, value vouchers, commodity vouchers, gift cards, service fees and voucher printing costs) should be forecast as i1 (not stock items).

3.3.3 CTP feasibility assessment and response options analysis *(any dept. using CTP)*

Based on the results of the assessment, Programme Department defines the overall objectives of the intervention including the needs to be addressed, the type and number of beneficiaries to be assisted and their locations, the amount to be transferred, and the timing and duration. On this basis, an analysis of the possible response options including their modality[16] and mechanism[17] is conducted to determine their feasibility. The information summarized in the table below needs to be collected by a joint team involving Programme Department, FAD and Logistics for the **feasibility assessment**.

This stage gives a general overview of capacities or markets, FSPs etc. to enable the team to decide whether CTP is feasible or not. However, more detailed information would be collected against many of these points at FSP/vendor selection process stage.

Feasibility factors	Lead	Support	Tools
Communities: • Access to markets and financial service providers by the potential beneficiaries • Most important commodities and services needed by the potential beneficiaries • Access to and control of cash, including security and protection concerns • Community acceptance of CTP modalities and transfer mechanisms • Potential social tensions within the household or community • Expected use of the cash	Programme Department		RAM tool 2 (market access) RAM tool 3 (access to FS) Community-level cash questions; Household-level cash questions;
Markets: • Number of vendors[18] operating in the market • Availability and quality of key commodities in the marketplace – even if only in small quantities • Capacity of vendors to increase the supply of key commodities if demand rises • Likelihood that the price of key commodities will increase given the prevailing situation, the impact of a relief intervention or other factors	Programme Department	Logistics, *especially along the supply chain*	RAM MAG (tool 1.6 and 1.7)
Service Providers: • Available cash transfer infrastructure/services and coverage • Experience and capacity of service providers to transfer cash (scale, coverage, liquidity, technical support)	Programme Department -		Mapping service providers template Assessing FSP capacity checklist

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[16] Modality describes the type of assistance and includes cash transfers, vouchers, in-kind assistance or a combination thereof.
[17] Transfer mechanism describes the way the assistance is delivered to the beneficiary and usually includes a service provider (e.g. bank, post office, mobile network operator) and a transfer solution (debit cards, mobile money, 'over-the-counter', direct distribution).
[18] Please note that 'vendor' is used in this document to describe traders, shopkeepers and even service providers participating in a voucher project.

• How to access the transfer mechanism (KYC requirements[19]) • Willingness of financial service provider to support humanitarian response • Screening of FSP (e.g. are they authorized to operate, in countries under sanction do they need/have OFAC license?)	Logistics - FAD		
Internal capacities: • ICRC internal competencies/capacities to implement CTP	Prog Dept - Log - FAD		CTP preparedness self-assessment template
Legal framework: What are measures to ensure the fiscal controls/standard? What are (if any) the laws, regulations and government policies in place with regards to cash transfers (e.g. KYC requirements, cash for work related regulations, taxation, exchange rates)?	FAD	Logistics	
Security and risks: Are some mechanisms of transfer more secure than others, for both the ICRC and beneficiaries? What are the existing risks? How likely would they happen and in case they happen what would be their impacts? What can be the mitigation actions? Does ICRC have a "fraud history" in the concerned context? *Please refer to the ICRC Code of Conduct and* ICRC *Fraud Policy that came into force as of May 2015.*	Prog Dept	Mgmt - Protection - Logistics - FAD	Roadmap for CTP risk analyisis
Data Protection Compliance with Handbook on Data Protection in Humanitarian Action, and the ICRC Rules on Personal Data Protection[20]	Prog Dept	Data Protection Officer (CIM)	

Note: Most of the transfer mechanisms will require an agreement with a financial service provider, vendor or shopkeeper. As for all programmes, security is the top priority for both the beneficiaries and the institution. In this regard, direct ICRC distribution of cash (in envelopes or cheques) is generally not a preferred option.

During the response options analysis, feasible response options are compared and the most appropriate option is selected, based on clear criteria[21] selected by the delegation. This process should be led by the programme department with the support of Logistics and FAD.

3.3.4 Determine the transfer amount *(any dept. using CTP)*

For CTP (i.e. amount is not calculated on an individual basis)

The starting point for the calculation is the commodities/services required by the beneficiaries to achieve the project's objective and their value at local market prices (expenditure basket)[22]. If the expenditure basket focuses on essential needs[23] we also refer to Minimum Expenditure Basket (MEB). When calculating an MEB, remember to consult all departments who may have valid information (e.g. WatHab may have information on average rent or utility prices, etc.)

The commodities/services might be reoccurring or one-off needs. In order to determine the transfer value, what the household can contribute themselves towards meeting their needs can be subtracted (e.g. own food production, income, remittances, pensions, etc.).

Transfer amount = value of expenditure basket – households' own contribution

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[19] Know Your Customer (KYC) is a process enabling businesses to check the identity of their customers in order to comply with regulations and legislation on money laundering and corruption.

[20] Please see section 4 on Data Protection (DP) for more details

[21] The criteria include effectiveness, timeliness, beneficiary preference, risks, government policies, markets, organizational capacity, infrastructure and services, cost-efficiency, secondary impact, etc.

[22] The commodities/services required and the respective prices should be identified during the feasibility assessment.

[23] Including EcoSec Core Components

Transaction and transportation costs incurred by beneficiary in order to collect their funds should be considered when calculating transfer amount. In addition, if the FSP charges any fees to the beneficiary, ICRC may consider adding this to the transfer amount. If local market prices change due to market trends, inflation or seasonality and these changes increase the value of the expenditure basket, the transfer amount can be adjusted. Price monitoring linked to the expenditure basket helps to keep track of the correct transfer amount.

Another key consideration when determining the transfer amount is what other actors are providing (e.g. amounts agreed by local cash working groups) or local benchmarks for vulnerability (e.g. minimum subsistence level defined by the local authorities).

Where an expenditure basket for essential needs is being calculated, this should, by default, be adjusted for HH size. In most situations, adjusting the value based on the household size is rather easily accomplished based on HH registration data (e.g. how many members per family) and is fairer than providing the same amount to each household. If detailed HH data is not available, then the average HH size for the given context/area can be used.

Please note that the procedures described above do not apply to calculating the transfer amount of cash-for-work (CfW) projects. The CfW rate should not be more than the daily labour rate or the minimum wage in the local labour market in the area of operation[24]. Ideally the CfW rate should be slightly lower so as not to be a 'pull factor' away from the normal labour market or livelihood activities.

For MEIs (i.e. individual calculation of amount)

If the amounts to be paid to beneficiaries are determined by individual lists of items or services that they need to purchase (e.g. to start a Micro-Economic Initiative), EcoSec needs to provide the lists to Logistics to ensure the pricing and benchmarking.

Logistics, with the support of EcoSec if needed, perform a market price monitoring and establish the benchmark for the different items. Logistics will then establish the selection table in accordance with Financial rules (according to the families of items: *see MEI procedures*), and agree with EcoSec on the value of each grant.

FAD crosschecks the benchmarks with the prices paid in succeeding payments.

3.3.5 EcoSec Project proposal *(EcoSec only)*

On the basis of the feasibility assessment and the selection of the best response option, EcoSec drafts a project proposal submitted to the EcoSec Co as per its usual procedures.

The budget, with inputs from Logistics and FAD, needs to include the following:
- The number of beneficiaries multiplied by the amount to be paid (in the currency of payment)
- Human resources costs
- Transport costs
- Handling costs (bank or other charges, cash transfer fees)
- Administrative costs (office equipment needed)

The project is either integrated within the PfR framework (usually) or non-budgeted (rare). In the latter case, the implementation is subject to the revised Allocation of Expenditures (AoE) procedure.

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[24] The 'daily labour rate or the minimum wage in the local labour market' does not refer to the ICRC daily rate used by FAD for paying staff or daily workers. It refers to the daily labour rate set by the Government or local labour association in a given country/area.

3.4 Implementation procedures for cash transfers

When the provision of cash is the best option (versus voucher and in-kind, or in combination with those), the following procedures apply for cash transfers.

3.4.1 General information/recommendations for cash transfers

a) Transfers through a Financial Service Provider (FSP) should be preferred to direct cash (cash in envelopes or cheques) wherever possible.

b) It may be the case that during the tender process, the Delegation selects the same FSP used for other ICRC regular financial operations. If they are selected and CTP can be implemented within the existing banking relationship (e.g. same fees, same T&C), the follow up of cash transfer programming with the bank should be done directly by ICRC F&A Manager and not by Logistics to avoid multiple interlocutors. If CTP cannot be implemented within the existing banking relationship and a contract for new/specific financial services from the FSP is required, then Logistics will manage the contracting and the relationship related to the contract.

c) In general, as for any programme, the Programme Department teams must be rotated along the process in order to ensure transparency. It should not be the same person who conducted the needs assessment who also supervises the payments and monitors or evaluates the project.

d) As part of the reconciliation process, F&A team should be able to contact beneficiaries directly to determine whether they receive funds (spot checks).[25]

e) **Reminder:** All programmes, whether using CTP or not, should be planned in advance with all units involved, so all risks, practical issues etc. can be considered to ensure smooth implementation.

f) Please note that throughout the document, there is reference to the **Payment Request (PR)** which is a standard form used to confirm the transfer request. The PR is made up of two parts. The first part is a Cover Page (see annex 4a). The second part is the Beneficiary List for Payment (see annex 4b). This list includes beneficiary names, ID, monetary value of transfer, but may include other information. In the case of ICRC direct cash or cheque distribution, this is an excel sheet created by ICRC (see annex 4b). In the case of working with an FSP, a standard form will have to be agreed with the FSP and annexed to the original contract for services. The form could be a pre-existing form provided by the FSP, or it could be a form created by ICRC (e.g. annex 4b), and agreed with the FSP.

g) Segregation of duties is obligatory. These SOPs focus on the segregation of duties between departments, but of course there is also segregation of duties within departments, which is governed by departmental guidance.

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[25] There is no specific % target for spot checks

3.4.2 Implementing programmes using ICRC direct cash or cheque distribution

If other transfer options are not feasible and the risks can be managed, direct cash (in envelopes) or cheques can be distributed directly to beneficiaries. For cheques, beneficiaries will then encash the amount at the bank from an ICRC account.

The table below provides an overview on the required steps for implementing direct cash or cheques. The coloured banner indicates which department has the "lead" on the respective step.

Please note that the sequencing of steps is a guideline and not set in stone – some steps can take place simultaneously. Please agree timing and process locally with all departments involved.

	Programme Department	Logistics	FAD	Mgmt
1	Ensure appropriate budget available		Cross check appropriate budget available	Security management
2	Share with FAD estimation of number of envelopes, value per envelope, and denominations needed OR number and value of cheques		For direct cash, ensure enough cash in the correct denominations is available in the specific site (e.g. SD) at the time of payments. For cheques, ensure enough cash in the bank account for cheque redemption.	
3	**Register beneficiaries** e.g. EPMT, ID card number, locations, amounts to be transferred in the determined currency, dates of transfers, frequency and number of instalments.			
4	**Plan for the distribution** (date, time, HR required, beneficiary communication etc.) to beneficiaries in consultation with FAD and Logistics	Participate in distribution planning	Participate in distribution planning	
5	**Fill in PR** which includes the list of beneficiaries for payment to initiate the payment or establish the cheque. (PR for cheques will have a longer lead time than cash in envelopes). Please note that a Working Advance (WAD) is required by whomever is physically transporting the cash to the field and therefore responsible for the cash. As a matter of principle (segregation of duties) cash/cheque distributions should be handled by FAD and any other modality should remain an exception.		Prepare the cash in envelopes and receive beneficiary list for signature from Programme Department. Establish the cheque and receive beneficiary list for signature from Programme Department.	

#		Logistics	FAD
6	**Organize the distribution** with communities, beneficiaries and local authorities when requested.		
7	Support the cash payments or cheque distribution to oversee the process and help with problem-solving.	Provide transport means for the implementation of the cash or cheque distribution.	Do cash payment or distribute cheque to beneficiaries. If not possible, supply Programme Department with cash or cheque for distribution. Carry out spot checks of payments done or collect proof of cheque redemption at the bank. As a matter of principle (segregation of duties) cash/cheque is handled by FAD and any no-feasible situation should remain an exception.
8	Collect Proof of Transfer and clear WAD if payment done by Programme Department		**Collect proof of transfer and close WAD** if payment done by FAD Conduct final reconciliation
9	**Monitor** beneficiaries' use of cash, the impact of cash transferred on local markets and the community perception of the programme.		
10	**Review** the project	Participate in the review from the logistics perspective.	Participate in the review from the financial perspective.

Important note on communication: Direct cash and/or cheque distributions carry security risks for staff and beneficiaries. Whilst distributions must be planned in advance, they should be communicated to communities as late as possible. Internally, a minimum of ICRC staff should be involved (e.g. HoSD, one Programme Department, one FAD, one Log). Information on the distribution (date/time of distribution, values of cash etc.) and preparation (e.g. location/date for packing of cash, storage location of cash etc.) should be shared on a 'need to know' basis, with the fewest number of people possible, both internally and externally.

Remark: In case an 'implementing partner' (e.g. local non-governmental organisation or community committee) is distributing the cash on our behalf, an MoU for the 'project' defining roles and responsibilities etc. should be signed before the implementation.

3.4.3 Implementing programmes using cash transfers through service providers

Financial service providers (FSPs) can be banks, post offices, mobile phone companies, micro finance institutions, remittance companies, vendors, etc., offering different cash transfer solutions (including electronic transfers, 'over the counter', direct distributions, etc.).

The table below provides an overview on the required steps for implementing cash through financial service providers. The coloured banner indicates which department has the "lead" on the respective step.

Please note that the sequencing of steps is a guideline and not set in stone – some steps can take place simultaneously. Please agree timing and process locally with all departments involved.

	Programme Department	Logistics	FAD
1	Ensure appropriate budget available		Cross check appropriate budget available
2	Initiate a **Service RO/SR** to launch tender process for FSP. The RO/SR value should contain one line item for the estimated service fees. The estimated total value of the transfers should be mentioned in the 'Comments' section of the RO/SR. Add the **ToRs** explaining the service required and send to Logistics to select service providers.		
3	Participate in the assessment of the capacity and the selection of the financial service providers.	Prepare and launch tender as per purchasing procedures. **Assess and select** the financial service providers.	Participate in assessment and decision making of financial service providers.
4	Attend the negotiations with cash transfer service providers if appropriate to answer practical questions about the programme	**Negotiate** the terms and conditions with the selected cash transfer service providers.	Participate in negotiating the terms and conditions with the selected financial service providers, if banks, money dealers, etc. are involved.
5	Review the contract to make sure that the outcome of the negotiations are clearly reflected in the contract	**Prepare and sign contracts** as per ICRC Logistics procedures and Financial rules.	Check and ensure that legal framework and regulations are respected. Approve the contracts as per ICRC Logistics procedures and Financial rules.
6	**Register beneficiaries** e.g. EPMT, ID card number, locations, amounts to be transferred in the determined currency, bank accounts or mobile phone numbers, dates of transfers, frequency and instalments.		
7	**Support beneficiaries to ensure access to financial services,** including distribution of ATM cards etc. if relevant. **Collect proof of receipt** (see section 3.4.5). For example:		

	Individual bank account: Help beneficiaries to access the financial services (e.g. help open bank accounts or secure the necessary documentation). **Electronic transfer** (ATM card, mobile money): Support the FSP in the distribution of ATM cards / SIM cards / mobile phones or perform the distribution		
8	**Initiate RO/SR** and PR Please see Annex 1 for details of what is required in FSS and JDE sites.	Receive RO/SR + PR and requests transfer of funds from FAD	
9			Perform **transfer of funds** from ICRC account to FSP account as per the financial rules. Following the reception of funds, the FSP distributes cash to beneficiaries (electronically or physically)
10	Monitor and support the distribution if necessary. For example: **Over the counter (FSP):** If necessary, facilitate the work of the cash transfer service providers by organizing the beneficiaries in groups on certain days, providing crowd control, etc.	Monitor the transfer process as per the contractual or MoU requirements.	Monitor the transfer process as per the contractual or MoU requirements.
11		**Collect proof of delivery** (see section 3.4.5) from FSP. **Reconcile** proof of delivery with original request. Following reconciliation, **order payment of fees** from FAD	**Execute service fee payment** to FSP
12		Ensure final reconciliation based on mandatory documents for accounting purpose	
13	Monitor beneficiaries' use of cash, the impact of cash transferred on local markets and the community perception of the programme.		
14	**Review** the project	Participate in the review from the Logistics perspective.	Participate in the review from the financial perspective.

Note on payment of FSP fees: As standard, ICRC would pay the fees of a service provider after confirmation of completion of the service – in the case of cash this would mean paying the fees after the FSP has made the transfer to beneficiaries (and provided the proof of delivery to Logistics who reconcile against the requested transfer, in order that Logistics can request FAD to pay the fees of the FSP). However, in some cases, and if agreed in the framework agreement/contract, fees can be paid at the

same time of the transfer of funds for beneficiaries. What is important is that the fee structure, payments terms, etc. are clearly stated in the framework agreement/contract. For more guidelines on the FSP fees check the document [FSP fees template](). For the payment of fees it is necessary to provide: an approved SR from the Programme Department, PO and Receiving slip made by Logistics. Against these documents, the invoice will be paid and voucher matched in the JDE by the FAD.

An FSP might also charge fees to users (e.g. beneficiaries) for usage and maintenance of their accounts/services. These fees are different from any fees charged to ICRC. Any fees that beneficiaries are liable to pay should be considered when determining the transfer amount (section 3.3.3). If ICRC decides to cover the cost of the fees beneficiaries are liable to pay, it will be built into the transfer value for beneficiaries, not transferred separately.

Note on ICRC interaction with FSP: As Logistics hold the contract with the FSP, it is Logistics who should be the primary point of contact with the FSP for all issues. However, even if we use ICRC's existing banking relationship, FAD would always initiate any funds transfer (cf also *Note on using ICRC's existing financial service provider, p 23)*. If at Delegation level it is agreed that the programme department) will liaise directly with the FSP, this must be explained in the contextualized version of this SOP flagged to the GVA Heads of Sectors.

Note on RO's (FSS) and SR's (JDE) for CTP

As soon as a logistics process is involved (e.g. the contracting of a financial service provider), then Log systems must be used. There are differences in process and functionality between FSS and JDE. However, some core principles apply:
- An RO (FSS) or an SR (JDE) must be raised per transfer ('distribution')
- There should be one approval process for CTP, with both a functional (e.g. programmatic) and financial (e.g. FAD) approver signing off on the transfer value + fees
- The PR (with list of beneficiaries for payment) must be validated along with the RO or SR.

The options for proceeding in FSS and JDE sites can be found in annex 1. Programme Co, Log Co and FAD Co should ensure these are properly implemented in their Delegation.

3.4.4 Contracting of financial service providers

Contracting of FSP is in principle not different to contracting any other service provider, based on standard procurement procedures. The implementation of CTP depends to a great extent on a successful partnership with the FSP.

The starting point for contracting is the **ToR** to be developed by **Programme Department**. The TOR should be based on the information collected during the feasibility assessment and the selected response modality & mechanism. The ToR should include a detailed description of the service required, including area of coverage, type of transfer mechanism preferred, frequency, size and duration of transfers etc. The following checklists may help to define the service specifications:
- Assessing service providers checklist
- Mobile money requirements checklist
- Value card requirements checklist
- E-transfer requirements checklist

A TOR template and an example (from Nigeria) can be found here.

Based on the ToR **Logistics** starts the process of service provider selection that includes: sourcing, tendering, Selection Table (ST) creation and contracting.

During the feasibility study, LOG and Programme Department already collected some information on service providers in order to determine the most appropriate transfer mechanism. It can however be advisable to conduct a **sourcing**, in order to identify and narrow down potential service providers that fulfil requirements from the ToR[26]. In addition, sourcing can be supported by consulting other humanitarian organizations which already implement CTP and have established contracts with service providers.

Tips: Depending from the context it is recommended to meet potential service providers before launching a tender and introduce them the organization (who we are and what we are doing, as well as the scope of the planned CTP). An example can be found here.

Following the sourcing, the **tender** should be launched in accordance with the procurement rules and using the template for RfT and respective guidelines. The evaluation of the proposals must be based on the criteria shared with the tender participants, and involve FAD and Programme Department. The selection should be based on the ability of the service provider to meet the project needs (flexibility, beneficiary oriented, capacity, etc.) and the service costs. Service provider selection should be documented and well justified in the narrative part of the **Selection Table**. The narrative part also needs to mention the total amount to be transferred to the beneficiaries and the amount of related charges (fees). The validation threshold for ST approval is the amount to be transferred + fees.

Tips*: If you have medium term predictability on the CTP activities in a country (e.g. the activities will last two years or more) and the market for service providers is not expected to change, the validity of the ST could be for two years even though the contract duration is one year only. In this particular case for the second year of programme duration the extension with the existing FSP could be signed without having to do the whole selection process again. However, always make sure that validated ST is covering the duration of the FA or contract.

When contracting an FSP for CTP, it is preferable to conclude a **framework agreement** rather than a contract for a specific intervention. It is recommended to use contract template and respective guidelines. Depending on the nature of the programme and type of service provider, the standard contract template may need to be adjusted. In many cases, FSP will require ICRC to use an FSP standard contract, and not an ICRC standard contract. In this case, there is a specific checklist[27] of key considerations to ensure that certain key clauses and considerations are included in the FSP contract.

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[26] There may be only a few suitable service providers on the market which meet programme requirements (e.g. the programme requirement includes a specific technology and only one bank can provide it).
[27] Checklist under development (link will be added in due course) – contact Log for questions in the meantime

3.4.5 Documents required pre and post transfer for cash transfers

3.4.5.1 For direct cash or cheque distribution

The following justification documents need to be submitted pre-transfer (to request the transfer) and post transfer (to complete the reconciliation):

Form of identification	Pre Transfer		Transfer	Post Transfer
	Internal documents	*Proof of reception*	*Proof of transfer*	*Proof of delivery*
ID/Passport, ICRC Beneficiary Card[28][29], 3rd party verification[30]	Payment Request (PR) *PR incl. list of beneficiary name(s) & ID[31] number or benef. card number, monetary value of transfer[32] and space for benef signatures, phone numbers[33] and ICRC validators signatures* *(N.B. for cheques, a copy of ID is also required)*	Signature of beneficiary proving receipt of benef. card *(if given)* Otherwise, not applicable	Working Advance Form (WAD) *(as proof of physical movement of funds)*	The PR[34] *with signature of beneficiary* *Or* An individual receipt[35] *with signature of beneficiary*
Who is responsible	*From Prog Dept to Admin*	*From Prog Dept to Admin*	*Whomever takes funds*	*From whomever distributes funds to Admin*

*This table is in line with the requirements of the [Distribution Tracking Project](#) (DTP).

Note: FAD centralizes all of the reconciled documents received from Log for dispatch to FAD_REV in Manila.

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[28] Beneficiary cards refer to a unique card given to the beneficiary by ICRC, including (but not limited to) a paper card. Beneficiary cards must have a unique identifying number/bardcode or similar.

[29] Please note that ICRC is currently piloting projects using biometrics and/or electronic beneficiary cards. If these pilots are successful, and these practices of identification mainstreamed into ICRC programme work, these SOP will be updated with the information about the documentation required, which will be different from above.

[30] Third party verification refers to a process where a recognized, legitimate community leader or community groups/committee verify the identity of a community member who has no recognized form of identification, so that they can be added to an ICRC beneficiary list/given an ICRC beneficiary card

[31] Please note that throughout the document 'ID number' refers to the reference number on the beneficiary identification document. This could be a passport number, national ID number, or a unique ID number on an ICRC generated beneficiary card. In referring to 'ID number accepted by FSP' it means that the ID used must be an ID type which is accepted by the FSP (normally is part of the KYC requirements mentioned in the contract, and should be reflected in the PR used)

[32] Programme Dept must also inform Admin if any specific denominations should be given (e.g. USD 50 made up of 10 x USD5 bills)

[33] Contact phone numbers for beneficiaries may or may not be available and so are not mandatory

[34] In case of MEI the proof of delivery can be a list of all MEI beneficiaries in a PR or can be individual receipts from each beneficiary

[35] E.g. often used in Individual Protection cases

3.4.5.2 For cash transfers through financial service providers

The following justification documents need to be submitted pre-transfer (to request the transfer) and post transfer (to complete the reconciliation):

Form of transfer	Pre Transfer		Transfer	Post Transfer
	Internal documents	*Proof of reception*	*Proof of transfer*	*Proof of delivery*
Individual account[36] *(in name of beneficiary)*	RO (FSS) or SR (JDE) PO/Contract PR	Confirmation of bank account number from beneficiary *(signatures)*	Confirmation from ICRC bank that funds[37] have debited ICRC account (debit note)	Financial Report from FSP (showing transfers to each beneficiary account)
Mobile	RO (FSS) or SR (JDE) PO/Contract PR	Confirmation of the mobile numbers matching beneficiaries names and/or ID[38]	Confirmation from ICRC bank that funds have debited ICRC account (debit note)	Financial Report from Mobile Provider (showing transfers to each mobile number)
ATM/prepaid cards (card *not linked to individual account*)	RO (FSS) or SR (JDE) PO/Contract PR	Signature proving receipt of ATM/prepaid card	Confirmation from ICRC bank that funds have debited ICRC account (debit note)	Financial Report from FSP (showing money loaded to each ATM/prepaid card[39])
Over the counter *(not linked to individual account)*	RO (FSS) or SR (JDE) PO/Contract PR	Not applicable *(as beneficiary does not receive any cards or similar to access the funds)*	Confirmation from ICRC bank that funds have debited ICRC account (debit note)	Financial Report from FSP (showing transfers to each beneficiary) – *this will usually be signatures as collected by the FSP*
Who is responsible	*From Prog Dept to Log*	*From Prog Dept to Log*	*Admin*	*From Log to Admin (cc Prog Dept)*

*This table is in line with the requirements of the [Distribution Tracking Project](#) (DTP).

Note: FAD centralizes all of the reconciled documents received from Log for dispatch to FAD_REV in Manila.

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[36] When mentioning 'individual accounts' we refer to accounts opened by official legally recognized/licensed financial institutions. If ICRC agrees to work with a financial institution which is not officially recognized/licensed, the transfer documentation would have to be clarified with FAD, but would most likely be the same as those required for 'over the counter' transfers.

[37] Funds = transfer for beneficiary. If the fees paid by ICRC are paid in advance, then they will be added to this amount

[38] ICRC may provide mobile phones or SIM cards. However, these may not be provided if beneficiaries already have their own, in which case ICRC must collect confirmation of mobile phone number from beneficiary matching their ID. This may be done through collecting individual signatures from beneficiaries, or through collecting a validation from the FSP (mobile service provider). For example, in Somalia, the ICRC verifies the phone numbers by providing the numbers to the mobile service provider, who then goes through all numbers, adds the names that are registered under the numbers and sends the list back to the ICRC. The ICRC cross checks the information and flags beneficiaries where ICRC records and FSP records do not match for follow up.

[39] If the ATM/pre paid card has an expiry date, reconciliation is done on expiry of the cards

Note on reconciliation:

Reconciliation time frame will depend on what is agreed in contract with FSP for how long the money is available to the beneficiary (e.g. for one week, one month etc.). Transfers to FSP must be booked by FAD as pre-payments. Then at the end of the cash validity period, when FAD has the relevant proof of delivery (as per table above), it should be reconciled and only then booked as an expense.

Note on using ICRC's existing financial service provider

It may be the case that during the tender process, the Delegation selects the same FSP used for other ICRC regular financial operations. Regardless of whether the CTP is implemented within the existing banking relationship, or a separate contract for new services is signed, the documentation required will not change. However, if the CTP is implemented within the existing banking relationship, FAD (not Logistics) would be responsible for obtaining all documentation described above and in managing the relationship.

Note on additional documentation

For all of the above transfer mechanisms, additional documents are needed for CFW and MEI post transfer for reconciliation.

- CFW: Signed workers attendance sheet
- MEI: Copy of signed beneficiary agreement
- Community project: Signed MoU with community

3.4.6 **Account codes for Cash transfers**

There are specific account codes for cash, for value vouchers and for commodity vouchers, as well as for financial services and fees.

For cash transfers, the account code is 956700. *(From 01.01.2018, 956000 should no longer be used for any CTP expenditure but only for transfers of funds to institutions (e.g. authorities, NGOs, IFRC, clinics, prisons etc.)*

The table below summarises the main account codes, with the cash transfers account code highlighted in **blue/bold**, but more details from the Chart of Accounts can be found in annex 2.

Account	Title	Summary of CTP related use of account code
940800	Food Commodity Voucher (CTP)	Any voucher to be redeemed for food products (and/or water) as part of CTP
941800	Agro Commodity Voucher (CTP)	Any voucher to be redeemed for agricultural commodities (including animals, feed, equipment, vaccines etc.) as part of CTP
945800	Housing Item Voucher (CTP)	Any voucher to be redeemed for non-food items (housing, clothes, hygiene, cooking utensils etc.) as part of CTP
948000	General and Office Supplies	Cost for printing of paper vouchers for CTP
956700	**Financial Assistance Cash Transfer Programming (CTP)**	**Any cash transfer made to individuals, households or communities as part of CTP. (Includes reimbursements for transport etc.)**
956800	Financial Assistance Value Voucher (CTP)	Any voucher with a financial value (including gift cards) to be redeemed for products and/or services as part of CTP
962400	Recruitment and temporary staff agencies	Third party supplier services for CTP programmes (e.g. fees by e-voucher providers or identification system provider)
966000	Financial Services	Remitting charges by any financial service provider such as bank fees, post office fees, hawala charges, mobile money fees etc.

The ICRC accounting system tracks expenditure based on the nature of the expense. This means that all cash is accounted for as cash regardless of what purpose we expect the beneficiary to use the cash for, e.g.
cash intended for food = cash – use account 956700 *(not 940000 food)*
cash intended for transport = cash – use account 956700 *(not 911000 or 926000)*
cash intended for goats = cash – use account 956700 *(not 941000 agro/livestock)*
etc.

3.5   Implementation procedures for vouchers

3.5.1   General information/recommendations for vouchers

A voucher can have a money value (*value voucher*) or a commodity value (*commodity voucher*).

A **value voucher** has a denominated cash value and can be exchanged with participating vendors for goods or services of an equivalent monetary cost. Value vouchers tend to provide relatively greater flexibility and choice than commodity vouchers, but are still necessarily restricted as they can only be exchanged with designated vendors. They can be further restricted to enable only to buy specific items or types of items within a vendor shop. They require a larger network of vendors to promote wider choice for beneficiaries and competition among vendors. They are therefore more complex to manage than commodity vouchers.

Commodity vouchers are exchanged for a fixed quantity and quality of specified goods or services at participating vendors. Commodity vouchers share some similarities with in-kind aid in that they restrict and specify the assistance received, but it is accessed at local markets through vendors. From a vendor perspective, they are much easier to handle, as each beneficiary receives the same items. They can be suitable if needs are relatively homogenous.

Both commodity and value vouchers have a limited period of validity during which they can be exchanged.

Vouchers can be implemented in an **open market**, where beneficiaries visit the regular vendor shop, or in a **voucher fair** (closed market), where vendors are mobilized to expose items meeting beneficiaries' needs (e.g. EHI, food, seeds) at a pre-selected location and for a pre-determined duration (e.g. 1 to 3 days). Voucher fairs are usually implemented with value vouchers. The items of interest are identified with the beneficiaries beforehand, so that the vendors respond to their priorities and needs and vendors are not allowed to bring in other articles than those approved in the contract. Voucher fairs can be used in situations where beneficiaries do not have access to regular markets[40].

Gift cards offered by supermarkets are considered as value vouchers, as they usually can be spent relatively freely but only in one supermarket chain. From a procedural perspective, gift cards work differently from other voucher-based programmes, as no contracts with vendors and voucher reconciliation is required. Rather, the ICRC would purchase gift cards from the supermarket directly and distribute them to the beneficiaries.

3.5.2   Pricing and vouchers

There are different ways to deal with prices in a **value voucher** programming:
- The simplest way is to let the price be determined by the local market and contracted vendors themselves. The assumption is that there is sufficient competition between vendors so that the prices charged in exchange for vouchers are the same as the regular prices in a shop. There is however a risk that the vendors will collude and charge higher prices in exchange for vouchers.
- Another way is to agree with the vendors on the price for each commodity ahead of each voucher distribution or in the contract. This approach reduces the risk of price increases for beneficiaries and allows the ICRC to inform the beneficiaries on the precise prices ahead of the voucher distribution. The agreed prices should be displayed at every contracted shop.
- The third way is to agree with the vendors on a price ceiling for each commodity ahead of each voucher distribution or in the contract. This provides and incentive to competing vendors to slightly decrease their prices while protecting beneficiaries from price increases beyond the established ceiling.

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[40] For further details on how to implement voucher fairs, please refer to *EcoSec COD Executive brief on fairs (EN)* at https://intranet.ext.icrc.org/ecosec/topics/cash/index.html or Mercy Corps' Voucher Fair Guide at https://www.mercycorps.org/sites/default/files/VoucherFairGuide.pdf

A **commodity voucher** is valid only for a specified type and quantity of items or services. Thus, prices for each commodity or service need to be agreed with the vendor ahead of each voucher distribution or in the contract (in case it is one off voucher distribution).

3.5.3 Implementing programmes using paper vouchers[41]

The table below provides an overview on the required steps for implementing programmes using vouchers. The coloured banner indicates which department has the "lead" on the respective step.

Please note that the sequencing of steps is a guideline and not set in stone – some steps can take place simultaneously. Please agree timing and process locally with all departments involved.

	Programme Department	Logistics	Finance-Admin
1	Ensure appropriate budget available		Cross check appropriate budget available
2	Design the voucher with appropriate security features		Verify the voucher design, if necessary.
3	Initiate a Printing RO/SR and send to Logistics.	Establish the contract with the voucher printing service	
4			Receive paper vouchers from printing service, verify (amount, serial numbers, etc.) and store safely. Transfer to Prog. Dept. upon request.
5	Initiate a RO/SA, include the list of authorized items, their specification and send to Logistics		
6	Participate in the selection of vendors if relevant.	Launch the tender / Call for Interest, establish and sign the Selection Table and contracts with vendors as per established procedures.	Approve the contract as per established procedures.
7	Register beneficiaries		
8	Design / adapt the voucher redemption form (see template)		Participate in the design of redemption lists to ensure all the necessary information is provided.
9		Distribute the voucher redemption form to contracted vendors and explain how to fill the form	
10	Distribute the vouchers to beneficiaries	Ensure that vendors are mobilized and ready with the required items / services	
11	Monitor the use (redemption) of voucher and assist in the collection of items or access to service by beneficiaries as required.	Apply ICRC quality, health and safety check standard. Conduct monitoring of the vendors during implementation as per the contract.	

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[41] E-vouchers were piloted in 2017. If the ICRC use e-vouchers more frequently in the future, the CTP SOPs would be updated.

#			
12	Return all un-distributed vouchers to FAD		Nullify un-distributed vouchers by punching and crossing them and store in a safe place
13	Support Log as required	Collect and count the redeemed vouchers from the vendors. Ensure that final number of vouchers matches the vendor's invoice and provide vendor with a receipt.	
14	Support Log as required	Carry out reconciliation of all vouchers and finalize the Pos. Provide FAD with all documentation for payments.	
15			Execute payments to the vendors
16	**Review** the project	Participate in the review from the logistics perspective.	Participate in the review from the financial perspective.

3.5.4 Printing and designing paper vouchers

Paper vouchers should as a minimum contain the monetary value (if value voucher) or the quantity of goods / services (if commodity voucher), a serial number and a validity date. Other information can be added as required. Paper vouchers should not be printed in the same area of programme implementation and should not be provided by the vendors who are participating in the programme. The following contract template should be used to contract a printing company.

For more information, please consult the tips on how to design vouchers.

Value vouchers can have one (i.e. all paper vouchers have the same value) or several denominations (i.e. different vouchers represent different values). The more denominations the paper vouchers have, the more complicated the distribution and reconciliation gets. Therefore, it is strongly recommended to keep the number of denominations to the minimum.

Normally, the entire paper voucher has to be spent in the same shop. Therefore, it is essential in value voucher programmes that beneficiaries receive several vouchers, so that the can obtain commodities from different shops.

3.5.5 Vendor contracting and payment for voucher programming

Before launching the tender, it is mandatory to define clear specifications on goods to be supplied from vendors. Furthermore, based on the size of the programme, the geographical distribution of beneficiaries and knowledge about the approximate capacity of potential vendors (from the feasibility assessment), Programme Department should be able to estimate how many vendors should approximately participate in the programme.

LOG can start the vendor contracting process. There are in principle two ways to invite vendors to participate to a voucher programme: 1) through a **request for tender** (RfT) and 2) through a **call for interest** (CfI).

Contracting through RfT might be more suitable if a small number of high capacity vendors are sought. The majority of voucher programmes require however a larger number of vendors with proximity to the beneficiaries. In these circumstances, contracting through a CfI is recommended as it is likely to lead to

more vendors applying. The CfI is the invitation for a partnership / collaboration with the ICRC, where conditions of collaboration are defined in advance by the ICRC (e.g. service requested, conditions of payment, prices / price setting procedures, etc.) and only vendors apply that are ready to accept these conditions. Thus, the space to negotiate is rather limited. The CfI should (ideally) stay open for 10 days in order to give sufficient time for all interested vendors to apply (everybody can apply).

Once the responses of vendors to the RfT/CfI have been received, LOG should where required re-visit the vendors and cross-check the information provided in the proposals. The vendor selection questions and vendor assessment form can help to implement the vendor assessment throughout the whole process.

The selection of vendors should be done with a ST on the basis of the most relevant selection criteria for the programme, which should have been already communicated during the RfT/CfI process. They can include proximity to the beneficiaries, financial capacity (access to finance or self-financing), supply capacity, quality of items, storage, registration, etc. Once the ST is approved[42], the contracts are to be prepared in accordance with regular procurement procedures and based on the voucher contract template.

Advance payments for vendors are not preferred. However partial advance payments to vendors or service providers are possible per joint decision of the Logistics, Programme Department and FAD departments and specified in the contract.

As for any supplier, the payment is normally executed to the bank account of the vendors or service providers.

3.5.6 Voucher implementation

For a smooth implementation of voucher intervention, it is essential that both vendors and beneficiaries are well sensitized in regards to the voucher modality and the details of the project. Key information to be shared and discussed with vendors and beneficiaries can be found here.

The Programme Department is responsible to distribute the vouchers to registered beneficiaries. The voucher distribution plan can help in planning for the distribution, while the voucher distribution list should be filled by the staff conducting the distribution. The voucher distribution list template can be adapted as required. However, it is essential that voucher serial numbers are assigned to the beneficiaries and that beneficiaries confirm the reception of the vouchers through signature.

All undistributed vouchers should be returned by the Programme Department to FAD, who need register undistributed vouchers, void them (by punching and crossing them or similar) and store them in a safe place.

Following the reception of the vouchers, beneficiaries will be provided a timeframe to redeem the vouchers at contracted vendors. Vendors can be required to keep track of the beneficiaries that redeem their vouchers at their stored by filling the voucher redemption form if required by the programme. The voucher redemption form template can be adapted as required. As a minimum, it needs to include beneficiary name, ID number, serial numbers of vouchers redeemed, total amount redeemed (if value voucher) and space for the beneficiary signature. In addition, vendors can also be asked to list the items sold to each beneficiary in the form. It is essential that vendors are trained on how to fill the form properly.

Vendors submit the redeemed vouchers (together with the filled voucher redemption form if used) and an invoice to ICRC LOG at the end of the project or at intervals agreed in the contract. The number and value of the redeemed vouchers needs to match with the information on (the voucher redemption form if used, and) the invoice. Logistics is responsible to conduct the reconciliation and finalize the POs for vendor payments.

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[42] The validation threshold for ST approval is the total amount for the vouchers.

3.5.7 Quality control for vouchers and fairs

Quality control (QC) in ICRC is a formalised and standard process, with guidelines for QC of all the key commodities procured.

QC is different with CTP, as ICRC is not procuring goods/commodities, but enabling beneficiaries to buy them directly. However, with voucher programmes, where specific vendors are contracted, does imply a residual responsibility of ICRC.

QC for programmes using vouchers is a challenge because it is difficult to assess on spot the quality of goods offered by multiple contracted vendors. Thus, quality standards have to be set before the programme takes place. The quality of the available items should be analysed by Logistics in collaboration with Programme Department based on health and safety standards, in addition to the performance and durability of the products. Logistics will communicate the required standard to the vendors through in the RfT or CfI. If diverse qualities are accepted, the prices have to be adapted.

The quality provided directly by ICRC Logistics for ICRC procured in-kind assistance is usually higher than the one available on the local markets. Of course, if the quality of commodities offered by vendors is very low and cannot guarantee the basic health and safety of consumers, ICRC standard items should be preferred. Otherwise, when the quality of items is lower in terms of performance or durability, the decision on whether to include them in a voucher-based programme or not must take into account the objectives of the programme and beneficiaries' preferences. Therefore, the concept of 'locally acceptable and appropriate quality' (Acceptance Quality Limit) must be defined.

In that sense clear item specifications need to be made, by the Programme Department in consultation with QC, to see what issues could be faced in terms of quality. The important point is to determine whether quality issues of the commodities could have a negative effect on either the health or safety of the beneficiary, or on the achievement of programme outcomes. If there will be clear differences in quality from ICRC standards, this must be discussed with the QC team or the category lead buyer, who can give specific advice.

For voucher-based programming, QC includes checking the quality of items and their compliance with ICRC health, safety and performance standards (e.g. food-grade aluminium or stainless steel to avoid metal migration, type of paint, UV resistance level for tarpaulins, thermal & pilling resistance for blankets, etc.). QC also includes the check of suppliers' premises, including visual 'red flags' to quality such as open holes, damages to the walls or the roof, water leakage, presence of insects, small animals or birds etc. In such case it is recommended to bring these issues to the vendors' attention and suggest corrective measures to be immediately put in place (e.g. close the holes, repair the roof, install the animal traps, etc.) as a precondition for their participation in the voucher-based programme.

In most contexts, there will not be a QC specialist available, and where they are available, they would not be able to check each and every small vendor that may be used for voucher programming. As such, the global QC team are currently developing a checklist of key questions so that non QC staff can do these basic visual checks, to support a decision on whether the quality of items/commodities is sufficient. In addition, QC teams, category lead buyers or specific ICRC staff with the right technical knowledge of the commodity (e.g. veterinarian, agronomist, pharmacist etc.) must be asked for advice.

Note: As ICRC expands CTP outside of EcoSec, specific QC discussions will be held for health, shelter etc. to ensure that quality issues are well understood and considered. In the interim, advice can be requested from the relevant unit in GVA and from Logistics.

3.5.8 Documents required pre and post transfer for voucher programming

The following justification documents need to be submitted pre-transfer (to request the transfer) and post transfer (to complete the reconciliation):

Type of voucher	Pre Transfer		Transfer	Post Transfer
	Internal documents	*Proof of reception*	*Proof of transfer*	*Proof of delivery*
Paper	RO (FSS) or SR (JDE) PO/Contract Monetary value of voucher or list of commodities included per voucher List of beneficiary names & ID number	Signature of beneficiary proving receipt of voucher	Not applicable *(as ICRC does not transfer any funds)*	Redeemed vouchers *(collected by supplier from beneficiaries)* Invoice from supplier for payment
Electronic	RO (FSS) or SR (JDE) PO/Contract Monetary value of voucher or list of commodities included per voucher List of beneficiary names & ID number	Signature of beneficiary proving receipt of e-voucher (card)	Not applicable *(as ICRC does not transfer any funds)*	Report from software *(showing redeemed vouchers) provided by supplier* Invoice from supplier for payment
Who is responsible	*From Prog Dept to Log*	*From Prog Dept to Log (then after reconciliation to FAD)*	*N/A*	*From Log (who do reconciliation) to Admin (cc Prog Dept)*

*This table is in line with the requirements of the [Distribution Tracking Project](#) (DTP).

Note: FAD centralizes all of the reconciled documents received from Log for dispatch to FAD_REV in Manila. <u>This means that redeemed vouchers are also sent to FAD_REV in Manila.</u>

3.5.9 Accounts for voucher programming

There are specific account codes for cash, for value vouchers and for commodity vouchers, as well as for financial services and fees.

For vouchers there are four account codes; 940800, 941800, 945800, 956800.

The table below summarises the main account codes, with voucher codes highlighted in **blue/bold**, but more details from the Chart of Accounts can be found in annex 2.

Account	Title	Summary
940800	**Food Commodity Voucher (CTP)**	**Any voucher to be redeemed for food products (and/or water) as part of CTP**
941800	**Agro Commodity Voucher (CTP)**	**Any voucher to be redeemed for agricultural commodities (including animals, feed, equipment, vaccines etc.) as part of CTP**
945800	**Housing Item Voucher (CTP)**	**Any voucher to be redeemed for non-food items (housing, clothes, hygiene, cooking utensils etc.) as part of CTP**
948000	General and Office Supplies	Cost for printing of paper vouchers for CTP
956700	Financial Assistance Cash Transfer Programming (CTP)	Any cash transfer made to individuals, households or communities as part of CTP. (Includes reimbursements for transport etc.)
956800	**Financial Assistance Value Voucher (CTP)**	**Any voucher with a financial value (including gift cards) to be redeemed for products and/or services as part of CTP**
962400	Recruitment and temporary staff agencies	Third party supplier services for CTP programmes (e.g. fees by e-voucher providers or identification system provider)
966000	Financial Services	Remitting charges by any financial service provider such as bank fees, post office fees, hawala charges, mobile money fees etc.

3.6 Additional information about CTP

3.6.1 ICRC additional procedures for cash-for-work programming

Even tough cash-for-work (CfW) is a modality rather than a transfer mechanism, it is important to clarify implementation procedures in these SOPs. However, the payment of the workers in CfW projects can be done through any of the mechanisms covered in the SOPs, including ICRC direct distribution, distribution through a service provider, and even vouchers (see step 9 below).

It is essential to clarify the legal and administrative issues when setting-up a CfW project, e.g. local labour, insurance and taxation laws, legal ownership of the asset created, etc.

The table below provides an overview on the required steps for implementing Cash for Work. The coloured banner indicates which department has the "lead" on the respective step.

Please note that the sequencing of steps is a guideline and not set in stone – some steps can take place simultaneously. Please agree timing and process locally with all departments involved.

Programme Department	Logistics	FAD
Select the programme site and set the daily wage in line with local market rates, legislation and practices.		Advise Programme Department on the national and local wage and the related legal aspects.
Consult WatHab for engineering component of the programme where applicable as well as for the safety and the protection of workers.		
Identify programme partners and discuss partnership modalities whenever applicable.	Support Programme Department with established procedures and guidance if external expertise is needed.	
Sign an MoU with community establishing the terms of the work, and stating the ownership of the asset to be created and deadline to complete the work.		Review MoU before signature
Identify which transfer mechanism to use (direct cash, cheques, through FSP etc)		
Establish the lists of workers, with ID card numbers, locations, working days, working hours per day (man-days), amounts to be transferred in the determined currency (based on agreed daily rate), dates/frequency/number of transfers.		
Initiate a RO/SR and provide technical specifications for materials to purchase.	Launch tenders, prepare and sign contracts as per Logistics procedures and Financial rules.	Approve contracts as per usual FAD procedures
	Purchase and deliver materials to work site	
Distribute materials		

Monitor work and attendance		
Cash payments to workers		
For direct cash or cheque distribution by ICRC, follow steps under section 3.4.2		
For cash transfers or payments through service providers, follow steps under section 3.4.3		
Monitor the completion of project, the use of created assets, the use of cash by beneficiaries, the impact of cash transferred on local markets and the community perception on the project.		
Review the programme.	Participate in the review from the logistics perspective.	Participate in the review from the financial perspective.

3.6.2 ICRC additional procedures for MEI programmes *(EcoSec only)*

Micro economic initiative (MEI) is a term used by the ICRC to refer to an income generating programme that is implemented through a bottom-up approach, whereby each beneficiary is involved in identifying and designing the assistance to be received.

Even though MEI is a programme rather than a transfer mechanism, it is important to clarify implementation procedures in these SOPs. However, the transfers to the beneficiaries can be done through any of the mechanisms covered in the SOPs, including ICRC direct distribution, distribution through a service provider, and even vouchers (see step 9 below).

It is essential to create an individual agreement with each MEI beneficiary clarifying roles and responsibilities of both parties (the beneficiary and the ICRC) as well as any legal and administrative issues, e.g. insurance and taxation laws, legal ownership of any asset created, etc.

Please refer to the ICRC MEI handbook for further details on implementation of MEI programmes.

4   Data Protection

Protecting individuals' Personal Data is an integral part of protecting their life, integrity and dignity. This is why Personal Data protection is of fundamental importance for Humanitarian Organizations.

In recent years, the development of new technologies allowing for easier and faster Processing of ever-increasing quantities of Personal Data in an interconnected world has given rise to concerns about the possible intrusion into the private sphere of individuals.

ICRC has two guiding documents, the Handbook on Data Protection in Humanitarian Action, and the ICRC Rules on Personal Data Protection. The Handbook seeks to raise awareness and assist Humanitarian Organizations in ensuring that they comply with Personal Data protection standards in carrying out humanitarian activities, by providing specific guidance on the interpretation of data protection principles in the context of Humanitarian Action, particularly when new technologies are employed.

CTP, with its focus on using third party financial service providers, pose privacy-related threats and risks associated with the inherent collection, handling and transfer of individuals' personal data. This is especially due to the involvement of many third parties necessary for the provision of cash transfer services, such as financial institutions and mobile network providers, creating complex data flows and leading to a loss of control over both the data collected and the meta-data generated in the course of

CTP. There is an internal ICRC note on CTP and Data Protection specifically describing the risks and mitigation measures.

Essentially, there are risks for individuals (the 'data subject') and for the ICRC's humanitarian action. For the individuals, the risks are that their data could be used for non-humanitarian purposes, or that the FSP may have obligations under national legislation to share the data (e.g. with authorities). Beyond this, CTP may jeopardize the neutrality and independence of humanitarian action when organisations provide or generate data in the course of their activities that may be then used for non-humanitarian purposes, such as law enforcement or commercial activities. Humanitarian organisations may find themselves in a position of (being perceived as) supporting a party to a conflict without realizing it, and as a consequence, they may loss access to vulnerable population, and/or put their own staff at risk.

Concretely, in terms of CTP and actions to be taken, Data Protection Impact Assessments (DPIAs) need to be drafted. DPIAs will help the ICRC to (a) identify the privacy risks to individuals, in particular, those deriving from the data flow and stakeholders involved; (b) identify the privacy and data protection compliance liabilities for the organization; (c) protect the ICRC's reputation and instil public confidence in the programme; and (d) ensure that the ICRC does not compromise on the neutrality of its Humanitarian Action. The DPIA helps to analyse, document and understand the flow of beneficiary data for each CTP, in order to identify the risks involved and develop risk mitigation strategies.

Each unit is working with the ICRC Data Protection Office (DPO) to develop specific DPIA tools[43] and methodology. For example, Logistics are consulting on standard confidentiality and data protection clauses for CTP contracts for service providers. Until these DPIA tools and guidance have been field tested, each department implementing CTP in the field must contact their unit in GVA for specific advice on how to assess the data protection risks in their CTP, and also how to evaluate FSPs in light of data protection concerns.

Specific advice on data protection issues is also available from the ICRC DPO who can be contacted via the following email: dpo@icrc.org. **Delegations must contact the DPO for consultation on contracts with financial service providers, to ensure that clauses related to confidentiality and data protection are properly analysed and written. This consultation should involve both Log and Programme teams. Please allow time for this in your programme planning.**

In addition, useful information can be found on the DPIA section of the intranet.

5   Annexes

Annex 1 - Raising ROs and SRs for CTP
Annex 2 - Account Codes for CTP
Annex 3: Summary of JDE and FSS Process for CTP
Annex 4a: CTP Payment Request (Part 1)
Annex 4b: CTP Payment Request (Part 2)

Note that other documents related to CTP can be found at EcoSec Resource Centre • Topics • Cash Transfer and Markets at https://intranet.ext.icrc.org/ecosec/

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[43] An example of a DPIA developed by the Cash Learning Partnership can be found in 'Protecting Beneficiary Privacy, *Principles and operational standards for the secure use of personal data in cash and e-transfer programmes*, page 18: *op.cit'.*
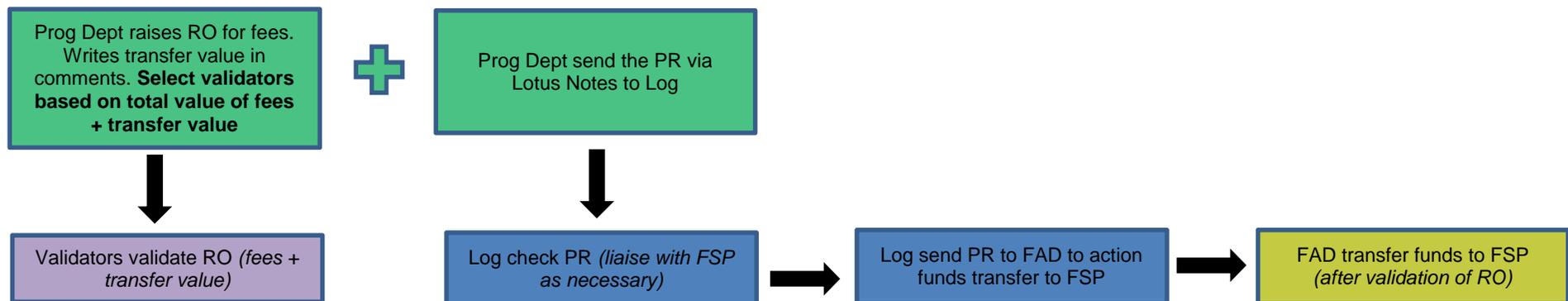
Annex 1: Raising ROs and SRs for CTP

As soon as a logistics process is involved (e.g. the contracting of a financial service provider), then Logistics systems must be used. The following options are available. The Programme Co, Log Co and FAD Co should review in detail and select the option best suited to their Delegation set up.

AAA. Delegations using JDE

```
┌──────────────────────────┐
│ Prog Dept raises SR for   │
│ fees. Writes transfer     │
│ value in comments.        │
│ Attaches PR to SR.        │
│ Select validators based   │
│ on total value of fees +  │
│ transfer value            │
└───────────┬──────────────┘
            │
            ▼
┌──────────────────┐    ┌──────────────────┐    ┌──────────────────┐    ┌──────────────────┐
│ Validators       │───▶│ Log check PR     │───▶│ Log send PR to   │───▶│ FAD transfer     │
│ validate SR      │    │ (liaise with FSP │    │ FAD to action    │    │ funds to FSP     │
│ (including       │    │ as necessary)    │    │ funds transfer   │    │ (after           │
│ attached PR)     │    │                  │    │ to FSP           │    │ validation of SR)│
└──────────────────┘    └──────────────────┘    └──────────────────┘    └──────────────────┘
```
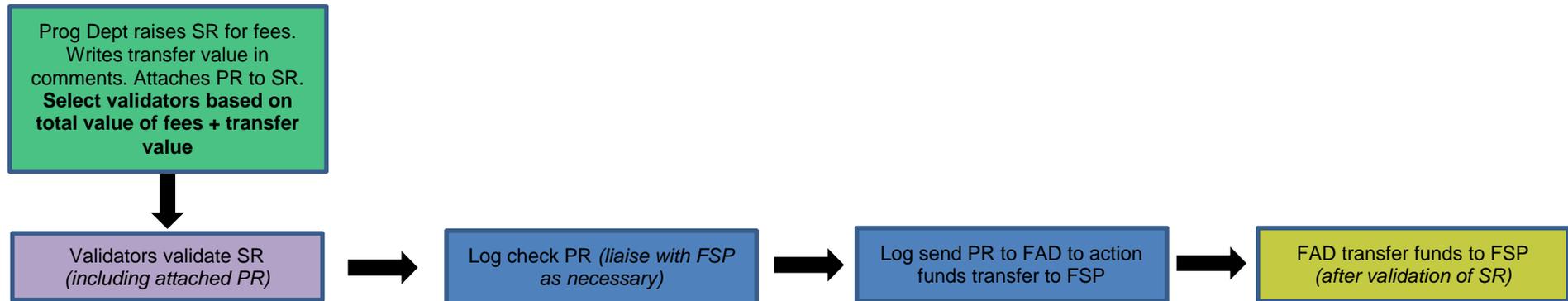
BBB. Delegations using the Field Supply System (FSS)

In FSS, attachments cannot be added, and therefore the PR will always have to be sent by LN. However, all Delegations will eventually transition to JDE, where the validation and PR transfer can both be managed within the JDE system.

```
┌──────────────────────────┐        ┌──────────────────────┐
│ Prog Dept raises RO for   │   ➕   │ Prog Dept send the   │
│ fees. Writes transfer     │        │ PR via Lotus Notes   │
│ value in comments.        │        │ to Log               │
│ Select validators based   │        │                      │
│ on total value of fees    │        │                      │
│ + transfer value          │        │                      │
└───────────┬──────────────┘        └──────────┬───────────┘
            │                                    │
            ▼                                    ▼
┌──────────────────┐    ┌──────────────────┐    ┌──────────────────┐    ┌──────────────────┐
│ Validators       │    │ Log check PR     │───▶│ Log send PR to   │───▶│ FAD transfer     │
│ validate RO      │    │ (liaise with FSP │    │ FAD to action    │    │ funds to FSP     │
│ (fees + transfer │    │ as necessary)    │    │ funds transfer   │    │ (after           │
│ value)           │    │                  │    │ to FSP           │    │ validation of RO)│
└──────────────────┘    └──────────────────┘    └──────────────────┘    └──────────────────┘
```

Note on transfers with no fees (both JDE and FSS sites):

If there are no fees charged by the FSP, no SR or RO would be raised. Therefore the process involved only the steps with the PR being sent and validated by Lotus notes.

Note on selection of validators (both JDE and FSS sites):

Requesters need to ensure that the correct validators are selected according to the financial rules of the Delegation. In JDE sites there are only two validators – functional (blue line or red line depending on amount of money) and financial.

Validators need to be aware that they may receive RO's or SR's to approve of a low value. This is because the value of the RO or SR will be only for fees but the validator is being asked to validate the fees PLUS the value of transfer (which is written in the comments).

Additional note on communication with FSP (both JDE and FSS sites):

It may be the case that during the tender process, the Delegation selects the same FSP used for other ICRC regular financial operations. If the CTP is implemented within the existing banking relationship, FAD (not Logistics) would be responsible for the relationship with the FSP, and all communication (including sending and receiving of PR to the FSP). However, checking and reconciliation of the PR is still done by Log as described in the processes above.

Annex 2: Account Codes for CTP

The following table, which is an extract from the Chart of Accounts' highlights the main account codes used for CTP including the new code, 956700.

The other account codes included are those which previously have been used for CTP but should not be. This includes account 956000 which is no longer to be used for CTP.

All references to CTP are in blue.

Account			Comments	Cost Center – Cost Unit – Objective Code Rules
903200	Daily Workers Salaries in Delegations	• Daily worker wages (staff paid on a wage computed for a time unit, normally per day, half day etc) • The detail of this account is used for declarations to our insurance companies (see 4.6.2, accident coverage for local staff)	For payment of daily rates for Cash for Work beneficiaries use 956700. For payments to daily worker employees provided for ICRC operations by the local national society or third parties, use 906100.	• Use the cost center the staff member is assigned to. • The general objective (GO) shall be specified if linked with an operational program, compute to the concerned CC.
911000	Mission Transportation & Freight Costs	All transport costs: • Purchase of flight tickets, boat, taxi, train, bus fares • Airport tax, freight and excess baggage for personal effects • ICRC's contribution to private VHCs and reimbursement of fuel costs	• May comprise mission expenses, excess baggage, customs duties for personal effects; • Dues and taxes on personal effects above limits of Arts. 22-28 of RPM are posted to personal account 447000 incl. matricula number • May include tickets for beneficiaries if purchased directly by ICRC. For cash given to beneficiaries with intended purpose of paying for transportation, use account 956700.	• Use the cost center the staff member is assigned to. Or compute to the requesting cost center. • The general objective (GO) shall be specified if linked with an operational program.
912000	Mission Accommodation Costs	All accommodation expenses: • Hotel expenses (including laundry, and breakfast only)	• Minibar and private telephone calls are posted to personal accounts 447000 incl. matricula number • Entertainment expense are posted to account 964000 • Meals and hotel expenses for seminars remain 962200 if included in the registration fees, otherwise account 912000 • For cash given to beneficiaries with intended purpose of paying for hotel expenses, use account 956700.	• Use the cost center the staff member is assigned to. Or compute to the requesting cost center. • The general objective (GO) shall be specified if linked with an operational program
926000	Rental of means of transport, freight, taxes	Expenses related to: • Transport of goods, taxes, warehousing and handling charges • Rental of all means of transport for delegation needs, goods and ICRC beneficiaries (aircraft, vehicles, empty water tanker, boats, two wheel vehicles etc) • Parking fees, highway tolls	• Payments made for the next accounting period/s must be booked under account 490010 indicating exact period covered and in the UOM mentions the no. of months being paid • Car rental for private use is posted to personal account 447000 including the matricula. Number • All daily workers paid directly by ICRC to be recorded on account 903200 • Use account 956700 if cash is given to beneficiaries with intended purpose of paying for transportation.	• Rental means of transport to transport goods under XXX4220 / XXX4000 / XXX4120 / XXX5000 • For planes on time chartered agreement (rented for x hours per month) use XXX423X (boats on XXX424X) • Clearance & handling charges: XXX4120 / XXX4000 / XXX5000 • Rental of cars for the delegation; XXX4210 / XXX4000 / XXX5000 • The general objective (GO) shall be specified if linked with an operational program.

940800	Food Commodity Voucher (CTP)	Any Food products (flour, oil, rice, etc.). Food parcel kits. Drinking water. Full drinking water tanker, etc intended for direct consumption by humans delivered through vouchers as part of Cash Transfer Programming (CTP)	• Commodity based vouchers. The beneficiary receives a voucher that can be exchanged against food items in a fixed quantity or within maximal monetary value. Supplier(s) chosen and paid by ICRC against redeemed vouchers (proof of delivery). General rule log group F (please refer to standard items in FS HQ table) RVOUFOODITEM	Use for an ICRC objective • Compute to requesting CC Mandatory specification of general objective (GO)
941800	Agro Commodity Voucher (CTP)	Agricultural & Fishing equipment, animals and veterinary products (animal feeds, vaccines, seeds, etc.) delivered through vouchers as part of Cash Transfer Programming (CTP)	• Commodity based vouchers. The beneficiary receives a voucher that can be exchanged against agro/veterinary items in a fixed quantity or within a maximal monetary value. Supplier(s) chosen and paid by ICRC against redeemed vouchers (proof of delivery). General rule log group R (please refer to standard items in FS HQ table) RVOUAGRIITEM	Use for an ICRC objective • Compute to requesting CC Mandatory specification of general objective (GO)
945800	Housing Item Voucher (CTP)	Use for an ICRC objective • Clothing / Shoes, containers for house, cooking utensils, hygiene materials, kits, recreational materials • Shelter (tents, plastic sheeting), blankets, heaters • Furniture Items delivered through vouchers as part of Cash Transfer Programming (CTP)	• Commodity based vouchers. The beneficiary receives a voucher that can be exchanged against certain goods in a fixed quantity or within a maximal monetary value. Supplier(s) chosen and paid by ICRC against redeemed vouchers (proof of delivery). General rule log group F (please refer to standard items in FS HQ table) RVOUMISCITEM	Use for an ICRC objective • Compute to requesting CC Mandatory specification of general objective (GO)
948000	General and office supplies	Covers all costs related to the purchase of: • Packing materials (bags and cardboard boxes for assistance/ medical purposes, family parcels - repackaging, etc., • Stationery (envelopes with or without ICRC logo, letterhead paper with ICRC logo, paper, files, pens, , sundry office material, stock cards, distribution cards, etc.). • ICRC forms such as Red Cross messages, registration forms... • ICRC Business card • Non ICRC books (Bibles, Koran…) printed material or DVD (entertainment films for prison…) that are for professional use regardless of its destination, including printing of paper vouchers for CTP • ICRC identification material such as flags, stickers, armbands and squares. • Audio, TV and video	• General rule log Groups A & L • Fumigation falls under 934000 • Does not include the costs of ICRC promotional items (use acc 962100)	Use for an ICRC objective • Compute to requesting CC. • Mandatory specification of general objective (GO
956000	Miscellaneous Financial Assistance (Institutions)	• Financial assistance provided to institutions and restricted to money transfers • Lump sum payments not requiring identification of particular expenses	• See general comments of account group 95. • Money is transferred/given to institutions (ex-funding of IFRC programmes, other NGO, participation to running cost of a clinic…) • Directly by ICRC or via a service provider.	Use for an ICRC objective • Compute to the requesting CC Mandatory specification of the general Objective code

			• The institution decides what, where and when to purchase goods/or services. • This account code is NOT used for Cash Transfer programming (CTP) – use account 956700	
956700	Financial Assistance Cash Transfer Programming (CTP)	• Financial assistance provided to individuals, households or communities (to access goods and/or services) as part of Cash Transfer Programming (CTP)	• Money is transferred/given to the individual, household or community*, directly by ICRC or via a service provider. • Money is transferred/given either in advance of expenditure, or as a reimbursement for expenditure. • The recipient decides what, where and when to purchase goods/or services. • Includes payment of daily rates for Cash for Work beneficiaries • use account 956800 for financial assistance provided through vouchers (or gift cards) (*Community is defined as a group of people living in the same geographical location, represented by one or more individuals from that community. For example a village represented by a village committee.)	Use for an ICRC objective • Compute to the requesting CC Mandatory specification of the general Objective code
956800	Financial Assistance Value Voucher (CTP)	• Financial assistance provided to individuals, households or communities delivered through vouchers as part of Cash Transfer Programming (CTP)	• Recipient receives vouchers. The vouchers are used to obtain any type of commodities / services within the maximal monetary value. • ICRC contracts a 3rd party service provider to provide/print vouchers or ICRC purchases 'gift cards' directly from supplier • Supplier(s) or service provider paid by ICRC against redeemed vouchers (proof of delivery).	Use for an ICRC objective • Compute to the requesting CC Mandatory specification of general Objective code

962400	Recruitment and temporary staff agencies	• Agency fees for:
		  o Temporary staff
		  o Security/watchmen services
		  o Cleaning services for office space and residences
		  o Moving services
		• Veterinary & agricultural services
		• Third party supplier services for CTP programmes (e.g. fees by e-voucher providers or identification system provider)
			• Daily workers to be posted to 903200.
			• Outside drivers are under account 926000 or if paid as daily workers under 903200.
			• Mission expenses of hired employees via temporary agencies under 911000, 912000, and 914000.
				• Charge to the requesting CC
				• The general objective (GO) shall be specified if linked with an operational program (including fees for service provider of CTP); compute to the concerned CC.

966000	Financial Services	• Bank charges (commissions, cheque books, debtor interest, etc.) • Remitting charges by any financial service provider such as bank fees, post office fees, hawala charges, mobile money fees etc. • Mortgage interest	Creditor interest is posted to income account 760000	• Compute to CC XXX5000 if for internal Financial Services. The general objective (GO) shall be specified if linked with an operational program (including fees for service provider of CTP); compute to the concerned CC.

Annex 3: Summary of JDE and FSS Process for CTP
Annex 4a: CTP Payment Request (Part 1)
Annex 4b: CTP Payment Request (Part 2)
(These annexes can be found by following the links.)