

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

2015-2017

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January 2019

INTERNATIONAL



FEDERATION



ICRC

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

## Acknowledgements

The evaluation team is extremely grateful for the continued support and guidance provided by Bilal Shah, Ines Dalmau and Jenny Coneff throughout the consultancy. Particular thanks go to the cash focal points of the Malawi Red Cross Society, the Kenya Red Cross Society, the Pakistan Red Crescent Society, the Philippines Red Cross, the Myanmar Red Cross and the Viet Nam Red Cross for their time and insights, as well as to the many people in the Red Cross Red Crescent Movement that we interviewed. We are also very grateful for the inputs of the heads of disaster management at National Societies who took part in the online survey and Red Cross Red Crescent partners who provided feedback during the key findings consultation process. This is the product of everyone's considerable time investment.

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## Executive Summary

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

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

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

## Findings

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

The operational link between cash preparedness and cash-based assistance

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

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

### Key Findings (KF)

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

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

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

### *Key Lessons Identified*

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

- KL 6. Deploying trained National Society staff to other countries as part of Regional Disaster Response Teams has allowed them to put their skills into practice, an important part of their capacity strengthening and has allowed them to bring their knowledge back to the National Society.

## Conclusions

The investment made in cash preparedness so far has resulted in increased uptake of cash preparedness activities and technical know-how for delivery. There remains a stark need for the cash preparedness approach to be raised to the level of organisational change and get leadership commitment at the highest of levels so that cash preparedness is not just perceived as a project that comes with financial and technical support. This will involve simplifying the existing cash preparedness guidance to reach non-technical audiences and establishing a monitoring framework that captures milestones and progress along a continuum, in place of a set of cash preparedness investment activities. In view of the findings, the evaluators recommend the following<sup>1</sup>:

## Recommendations to the Red Cross Red Crescent

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

## Specific recommendations to IFRC

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

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

7. C1 - Simplify the current cash preparedness guidelines by developing minimum actions for preparedness based on standards and milestones.
8. C2 - Further refine the “four parallel tracks” structure of cash preparedness actions and more explicitly include triggers for enabling systems.
9. C3 - Expand quantitative indicators for cash preparedness by exploring synergies along strategic, operational and tactical concepts, existing IFRC approaches to levels of disaster preparedness or the American Red Cross (AmRC) building blocks – examples provided in text.
10. C4 - Develop quality metrics and markers for monitoring cash preparedness.
11. C5 - Roll out an agreed monitoring and evaluation system for cash preparedness to address the current absence of systematic National Society cash preparedness baselines<sup>2</sup>.
12. C6 - Sustain National Society cash preparedness between cycles of funding by helping National Societies to identify priority activities in their investment path more explicitly.
13. C7 - Invest in technology for data management and delivery systems and champion the localisation agenda on various fronts.
14. C8 - Share the findings of the National Society online survey with National Societies who completed the survey and consider using the questionnaire in the future.

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

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



# 1. Introduction

## 1.2 Background

The International Red Cross and Red Crescent Movement has been implementing CBA and investing in cash preparedness for many years. It is uniquely placed to become a world leader in the provision of cash-based assistance (CBA)<sup>3</sup> in emergencies. The IFRC's Cash Roadmap<sup>4</sup> highlights the Red Cross Red Crescent Movement's commitment to increasing CBA whilst recognising the need to invest in cash preparedness and organisational mainstreaming to achieve this.

The IFRC, ICRC and several Partner National Societies (PNS) have supported the institutionalisation of CBA within several National Societies since 2012 to help integrate cash assistance into their disaster response activities. The IFRC cash preparedness pilots, which ran from 2012 to 2013<sup>5</sup>, informed the development of a cash preparedness model which is captured in the Red Cross Red Crescent Movement's Guidelines for Mainstreaming Preparedness<sup>6</sup> and in [rcmcash.org](http://rcmcash.org), the Cash in Emergencies (CiE) Toolkit<sup>7</sup> launched in 2016. The model describes four tracks of cash preparedness: enabling systems (track 1); programme tools (track 2); resources and capacities (track 3); and communication and coordination (track 4). The cash preparedness approaches implemented by the American Red Cross (AmRC), British Red Cross (BRC), the Danish Red Cross (DRC) and the IFRC, which were considered for this evaluation, are all based on activities in the four-track model.

Cash preparedness investment also considered different National Society contexts, development processes and partner resources and priorities. Since 2016, the ODI High-Level Panel<sup>8</sup> consultation and the Grand Bargain<sup>9</sup> demonstrate broad interest to increase the use of cash to meet humanitarian needs. While multipurpose cash for relief has increased, growth is slower than expected, as described in the

3. Cash-based assistance includes all forms of cash and voucher assistance to affected populations; the Red Cross Red Crescent documents also use the term Cash Transfer Programming (CTP). This report uses CBA throughout.

4. [rcmcash.org/toolkit/](http://rcmcash.org/toolkit/).

5. The IFRC began an initial investment in four National Societies (the Philippines, Viet Nam, Senegal and Chile), in 2012-2013 [www.preparecenter.org/sites/default/files/en\\_CBA\\_preparedness\\_eval\\_report.pdf](http://www.preparecenter.org/sites/default/files/en_CBA_preparedness_eval_report.pdf).

6. [www.rcrc-resilience-southeastasia.org/document/cash-transfer-programming-guidelines-for-mainstreaming-and-preparedness/](http://www.rcrc-resilience-southeastasia.org/document/cash-transfer-programming-guidelines-for-mainstreaming-and-preparedness/).

7. [rcmcash.org/toolkit/](http://rcmcash.org/toolkit/).

8. [www.odi.org/projects/2791-high-level-panel-humanitarian-cash-transfers](http://www.odi.org/projects/2791-high-level-panel-humanitarian-cash-transfers).

9. [www.agendaforhumanity.org/initiatives/3861](http://www.agendaforhumanity.org/initiatives/3861).

State of the World's Cash report launched in 2018<sup>10</sup>.

## 1.2 Rationale, scope and audience

The IFRC's Cash Peer Working Group (CPWG) commissioned this evaluation, which was managed by a steering group drawn from the Cash Preparedness Technical Working Group (CPTWG) under the CPWG. The main purpose of this evaluation is to improve the Red Cross Red Crescent cash preparedness approach with a focus on emergency contexts. The evaluation aims to identify those factors that have enabled National Societies to implement rapid, scalable and quality CBA responses in a sustainable manner, making recommendations as to how approaches can be improved.

The primary focus is the period 2015-2017, but the study considers cash preparedness efforts of 2012-2013 where relevant. The findings are primarily based on data collected from six case study countries receiving cash preparedness support from the three PNS listed earlier and the IFRC. The initial audience for this work is the Movement. However, it is anticipated that the evaluation results will be published externally to contribute to global learning.

## 1.3 The evaluation questions

To evaluate the impact, effectiveness, efficiency, appropriateness and sustainability of the Red Cross Red Crescent approaches to cash preparedness support, the following Evaluation Questions (EQ) were included in the evaluation Inception Report (20 March 2018):

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

10 [www.cashlearning.org/downloads/calp-sowc-report-web.pdf](http://www.cashlearning.org/downloads/calp-sowc-report-web.pdf).

## 1.4 Methodology

A two-person external evaluation team conducted the evaluation over a total of 66 days upon the approval of an inception report outlining the proposed methodology. The evaluation was undertaken using a set of distinct data collection methods which were aligned in an overall Evaluation Matrix. The List of Annexes illustrates supporting documentation available upon request.

The evaluation team undertook the following:

- a review of secondary data in the form of more than 100 documents provided by the IFRC secretariat, AmRC, BRC and DRC, and the six case study countries' National Society cash focal points
- a review of approaches to cash preparedness provided by the IFRC secretariat, AmRC, BRC and DRC
- semi-structured interviews by Skype or face-to-face using four core interview guides with 61 key informants, listed in Annex C, including: IFRC global focal points in Geneva, IFRC regional secretariat offices, PNS investing in cash preparedness, National Society cash focal points and IFRC and PNS staff with in-country cash preparedness knowledge for the six case study countries<sup>11</sup>
- an online survey in English, Spanish and French to the heads of disaster management (DM) of 53 National Societies with CBA implementation experience, administered between 22-29 June 2018
- a consultation session on initial findings and recommendations with the CPWG, CPTWG and representatives from case study National Societies and PNSs during a cash preparedness learning event hosted by AmRC in Washington DC on 10 July 2018.

The team used the Red Cross Red Crescent 2015 CTP Guidelines for mainstreaming and preparedness as a structure for discussions with key informants throughout the evaluation process.

In addition, six case studies were undertaken to inform the evaluation using the following data collection approaches:

- assessment of a self-completed National Society Fact Sheet on CBA and Self-Assessment on cash preparedness (CiE Tools M1-1\_6-1 and M1\_3\_4\_2)
- key informant interviews by Skype with cash focal points and PNS support-

ing countries

- three-day visits to Kenya, Malawi and Viet Nam to meet with National Society leadership, CBA focal points, DM focal points, members of the National Society Cash Technical Working Group (CTWG), National Society branch members involved in CBA and preparedness activities and PNS and IFRC representatives supporting the National Society in cash preparedness activities; an additional 25 National Society staff took part in group meetings during country visits; Annex E includes the evaluation and country visit schedule.

Five formal rounds of feedback from the Steering Group were built into the consultancy<sup>12</sup> and interim updates were provided upon completion of the different phases.

## Limitations

The following constraints and limitations were faced during the evaluation:

- lack of a standard definition of cash preparedness and interplay with the term cash readiness
- lack of baseline information, making impact evaluation challenging. The previous evaluation's definition of cash preparedness impact was no longer deemed appropriate, and it was not replaced.<sup>13</sup> There are still no agreed indicators for measurement of cash preparedness impact
- it was not possible to undertake one of the four country visits in the time available
- the emphasis on speed and scale of CBA often detracted from conversations around quality CBA and
- survey response rates were 53%, lower than expected given the effort to maximise responses.

11. Country visit case studies for Kenya, Malawi and Viet Nam and country desk-based studies for Myanmar, Pakistan and the Philippines.

12. Inception report 20 March 2018; case study drafts 22 May; country case studies verified by National Societies, PNS and IFRC 19 June; draft evaluation report v1 22 June and v2 20 July; validation workshop 10 July.

13. Theory of Change Diagram 1 - impact for the pilot projects was determined by the National Society's capacity to reach more households through its response in the relief phase of operations (i.e., within a short timeframe).



## 2. Key Findings

Using the three evaluation questions as a basis, key findings are presented in relation to the factors which have most enabled increased speed, quality and scale of CBA and factors contributing to the sustainability of cash preparedness approaches. Primary learning from the provision and receipt of cash preparedness support by the three PNS and IFRC is also presented here. See Annex 5 for a summary of the key lessons from the case studies.

It is important to note that the previous cash preparedness evaluation of 2014 devised a theory of change that defined impact and aimed to address the lack of cash preparedness metrics.<sup>14</sup> Today there is still no agreement on what to measure or how often to track progress along cash preparedness ambitions for the Red Cross Red Crescent.

### 2.1 Effectiveness and efficiency

The evaluation team analysed the different types of cash preparedness support provided and the different cash preparedness activities undertaken using the six selected case study countries as a basis for analysis.

#### Overview of cash preparedness support approach and provision

With slight contextual variations, implementing National Societies invested in cash preparedness to increase cash assistance capacity. Interviews held with stakeholders and the document review revealed that while the four-track model was well recognized, this was not the case for the three phases of cash preparedness contained in the cash preparedness guidance.<sup>15</sup>

Annex 3 provides a summary of the PNS cash preparedness approaches. The cash preparedness support approaches are similar in content but vary considerably in terms of timeline and type of technical and financial assistance provided. Box 1 below provides further detail on the objectives and approaches by the IFRC and the three PNS which supported the case study countries. It highlights the vast difference in timelines above all, ranging from four months to seven years.

#### Box 1. Overview of PNS and IFRC cash preparedness support objectives (2015-2017)

##### **DRC cash preparedness support objectives**

“To strengthen the cash preparedness and response of the Red Cross Red Crescent Movement through the strengthening of CBA capacities, systems and tools.”

The timelines for the DRC-supported cash preparedness projects varied from four months to two years, often with additional support through trainings or mentored response before and/or after the project period.

##### **BRC cash preparedness support objectives**

“Targeted National Society [is] operationally ready to deliver quality, timely and scalable cash transfer programming (CBA) through ongoing institutional/cash preparedness.”

The timeline for BRC cash preparedness support is two to three months to assess and select the National Societies and 26 months for cash preparedness support for a total of 28-30 months.

##### **AmRC International Services Department<sup>16</sup> cash preparedness support objectives**

“AmRC supports the Movement’s commitment to increase cash preparedness Movement-wide through the IFRC Cash Strategy (Roadmap) with particular attention to consenting National Societies in AmRC priority countries.... [It] has no specifically articulated cash preparedness objective. Instead, cash preparedness is integrated into organisational development, recovery, response planning.”

The timeline for AmRC cash preparedness support is estimated at three to seven years to ensure the necessary organisational change and buy-in. AmRC project cycles, however, are typically one to two years.

##### **IFRC cash preparedness support objectives**

“To support National Societies in demonstrating improved capacity and operational readiness to provide scalable and timely emergency CBA.”

The timeline for cash preparedness support suggested in the Movement cash preparedness guidance is two years.

14. [www.preparecenter.org/resources/ifrc-evaluation-preparedness-pilot-cash-transfer-programmes-achieving-scale-relief-cash-0](http://www.preparecenter.org/resources/ifrc-evaluation-preparedness-pilot-cash-transfer-programmes-achieving-scale-relief-cash-0).

15. Stage 1: Prepare and Analyse; Stage 2: Develop and Implement; Stage 3: Review, learn and improve.

16. This does not include domestic cash preparedness investments, which are also significant.

In 2012-13, the three strategic objectives guiding the IFRC’s work to meet its global cash transfer programming strategy were:

- support more rapid and scalable responses through institutionalising and mainstreaming cash transfer programming within IFRC operational responses
- build capacity through targeted training, coaching and technical support
- manage knowledge and strengthen advocacy and dissemination of appropriate use of cash transfer programming.

By 2018, the cash preparedness output indicator most commonly used by the CPWG was, “The number of targeted National Societies operationally ready to deliver quality, timely and scalable cash transfer programming through institutional/ cash preparedness.”

Table 1 below provides a summary of the cash preparedness approaches used from 2015 – 2017 with details of the main types of cash preparedness support. This support can be split into two with one approach being to implement cash preparedness as a project and the other being to include cash preparedness as part of a broader DM strengthening, NSD or organizational development plan.

**Table 1. IFRC, AmRC, BRC and DRC cash preparedness support approaches to the six case study countries considered in this evaluation<sup>17</sup>**

National Society	Supporting Partner	2015-2017 cash preparedness support approach	Timeframe
Kenya Red Cross Society	British Red Cross (BRC)	▪ Provision of purely financial support as part of a broader DM strengthening project	December 2014 – June 2018
Malawi Red Cross Society	Danish Red Cross (DRC)	▪ Deployment of CBA delegates to provide technical support and guidance, including FBF-specific guidance in 2018 ▪ Funding for KRCS DM Officer to attend PECT training	Nov 2016 – May 2017 Sept 2017 Dec 2017 – May 2018
Myanmar Red Cross Society	American Red Cross (AmRC) and IFRC	▪ Deployment of CBA technical support capacity over six years, in-country PNS support	2015 -2019

17. This table shows the support provided during the timeframe that is covered by the evaluation 2015-2017.

Pakistan Red Crescent Society	BRC and DRC	▪ Provision of financial support to cash preparedness plan ▪ Funding for the IFRC's Pakistan CBA delegate ▪ Funding for the IFRC's Regional Cash Coordinator	December 2014 – mid-2019
Philippines Red Cross*	BRC and IFRC	▪ Provision of financial support to cash preparedness plan ▪ Funding for the IFRC's Regional Cash Coordinator	October 2017 – May 2019
Viet Nam Red Cross	BRC and IFRC	▪ BRC financial and technical support combined ▪ Funded in-country delegate embedded in 2018 ▪ Funding for the IFRC's Regional Cash Coordinator	2017-2019

\* Country was included in 2012-2014 IFRC cash preparedness project.

The level of cash preparedness investment in the six countries has not been homogenous in terms of funding or continuity. The Red Cross Red Crescent cash preparedness guidance initially assumed that two years' worth of technical and financial cash preparedness support of approximately 100,000 Swiss francs in total would achieve the level of cash preparedness desired. However, technical support has been provided through different direct and remote approaches over different timelines. Of the six countries, only Myanmar and Pakistan have received continuous cash preparedness support over the evaluation period. Nonetheless, the cumulative effects of past cash preparedness support are undoubtedly contributing factors. Also notable is that the three PNS and IFRC have often opted to coordinate their cash preparedness support efforts to a specific National Society. A recent cash preparedness support mapping from the IFRC lists 32 National Societies who have received cash preparedness support since 2010. The three PNS and IFRC have provided cash preparedness support to 20 of these, showing the start of a coordinated approach.

### Cash preparedness activities and approach adopted

The table below provides an overview of the current cash preparedness approaches that the three PNS and IFRC have implemented over the evaluation period (2015-2017) for the case study countries. These countries were initially selected for this evaluation because of the different approaches in place.

*Table 2. Analysis of IFRC, AmRC, BRC, DRC cash preparedness support approaches used in 2015-2017*

Approach	Rationale	Drawbacks
Direct delegate support in-country National Society HQ	<ul style="list-style-type: none"> <li>Accompanies the National Society to ensure CBA is considered along with the many competing priorities</li> <li>Present during implementation and encourages learning and after-action reviews to feed into improved preparedness</li> <li>Supports reporting and evidence trail</li> </ul>	<ul style="list-style-type: none"> <li>National Society may not identify a full-time CBA focal point, resulting in the delegate taking more responsibility</li> <li>Delegate may not have same access to operational areas of response as national staff</li> <li>Delegate cycles of less than two years deemed too short by National Society</li> </ul>
Direct delegate support in-country National Society branch or chapter (not in use, but discussed as an option) e.g. Delegate funded in Pakistan and Viet Nam	<ul style="list-style-type: none"> <li>Delegate support is more operational</li> <li>Branch-specific tools and approaches can be adapted</li> <li>Branch staff can be deployed to support another branch – peer to peer</li> <li>Can meet a specific donor requirement request for a special type of disaster risk for that geographical area</li> </ul>	<ul style="list-style-type: none"> <li>HQ capacity can take longer to be built</li> <li>Branch level development in country remains unevenly distributed</li> <li>Branches selected are often those with most capacity</li> </ul>

Remote technical advisory role (IFRC Region or PNS from HQ) e.g. Asia Pacific and AmRC for Myanmar

- National Society can invest in cash preparedness at their own pace
- Technical support visits become milestones for the next step
- National Society prepares for short advisory trips on specific cash preparedness activities
- Comparisons and learning from other countries shared more often
- All PNS and IFRC provide technical backstopping for the delivery of CBA-specific products, such as trainings, SOPs and financial service provider mapping
- AmRC provides regular technical advisory input through country visits and remote support
- BRC has a specific 100% CBA delegate to support three countries in West Africa
- IFRC AP delegate
- IFRC Pakistan delegate

- Support trips are difficult to schedule within National Society agendas
- National Society preference for continuity in support resource person; high cost updating new people
- Technical support misses out on practical aspects of operations
- Language issues for CiE guidance and technical advisors

IFRC delegate in-country assumes responsibility, e.g. Myanmar

- CP to be mainstreamed into DM along with other activities
- CBA component encouraged in DREF and EA
- Opportunity to learn from other contexts and access more global documentation

- IFRC delegate subject to competing agendas and work schedules
- Technical expertise for some assessment, analysis and monitoring components may be low

Institutionalized in broader National Society DM

- CP capacity mainstreamed into DM processes
- Potential for more systematic roll-out alongside other DM strategies
- Learning-by-doing opportunity

- Slower pace of CP-specific achievements
- CP-specific skills around CBA may be diluted e.g. FSP pre-agreements in favour of known in-kind models of delivery

<p>Institutionalized in broader NSD, e.g. AmRC Viet Nam support for finance systems; Malawi</p>	<ul style="list-style-type: none"> <li>No explicit cash preparedness project or workplan, but components of track 1 addressed through NSD</li> <li>Longer-term presence and investment of PNS builds on capacity and learning</li> <li>More opportunity for implementing CBA and comparing progress</li> <li>More opportunity for building in lessons learnt or after-action review processes</li> </ul>	<ul style="list-style-type: none"> <li>Slower pace of CP-specific achievements</li> <li>Difficult to align to shorter programme cycles and therefore at risk of gaps or spurts and starts</li> </ul>
<p>Purely financial support, e.g. Kenya</p>	<ul style="list-style-type: none"> <li>Financial support is not earmarked but is part of broader National Society support</li> <li>National Society invests funds according to their own plans and timelines</li> <li>National Society can pilot approaches</li> <li>Project reporting requirements less time consuming – more time for peer to peer support</li> </ul>	<ul style="list-style-type: none"> <li>National Society preparedness investment difficult to separate from CBA implementation capacity</li> <li>Other DM priorities may absorb funds to meet emergency needs instead of investing in cash preparedness</li> </ul>

Table 3 highlights the activities that informants believed to be most effective in increasing the speed, scale and quality of CBA. There is, however, no standard way of measuring this.

*Table 3. Speed, scale and quality of CBA implementation in disaster response*

Speed	Scale	Quality
Formal FSP pre-agreements (tested)	Availability of funding	Tested CBA feasibility, response options and risk analysis tools
Availability of own funds or a fund replenishment system	Partnerships outside the Movement	Awareness of tools across the National Society
Having a critical mass of staff and volunteers that are familiar with CBA	Implementing pilots for staff and volunteer confidence	After-action review investment post pilot and rotation of staff to support other branches
National Society seen as actor best placed to respond in a geographical area and does not compete with INGOs	Clear and approved SOPs	Having DM, logistics and finance write SOPs together
National Society seen as a viable partner by other agencies such as UN	Mainstreaming of cash preparedness and CBA across procedures and guidelines of all departments, particularly support services	Systematic reviews and exposure visits to other National Societies
Robust, two-way communication systems with recipient communities		
Having more than one delivery mechanism option		
Having pre-agreements with a variety of FSPs		
Digital data management tools and systems for data collection and monitoring		

The evaluation found all deliverables in the cash preparedness guidance as important. However, communication and community engagement and accountability (CEA) elements need development. Piloting CBA and systematically including and adequately supporting CBA in Emergency Appeals and Disaster Relief Emergency Fund (DREF) monies needs greater attention in the guidance.

### Precursors to cash preparedness uptake

Factors that have not by themselves facilitated speed, scale and quality but have been noted as important precursors to cash preparedness uptake are:



- the completion of a preparedness self-assessment to identify gaps across the four parallel tracks and to establish a common language around cash preparedness;
- the development of a costed cash preparedness plan based on the self-assessment which is approved and supported by National Society senior leadership;
- the CBA implementation context in-country, including National Society reputation as a national actor and its specific role in DM response and DRR;
- the possibility for the National Society to pilot or learn by doing and by partnering with another actor in country, notably WFP, in CBA delivery;
- the systematic encouragement of a CBA component in DREFs and Emergency Appeals and other responses to promote more practical experience in implementation by the National Society and to test their preparedness capacity
- access to technical capacity over longer time frames to ensure that learning-by-doing is factored into the cash preparedness plan.

## Enabling factors for speed, scale and quality in CBA

Several factors have been found to be enablers or blockers to cash preparedness uptake.

## Technical Guidance to overcome cash preparedness complexity

The Movement's cash preparedness guidelines were developed to promote cash preparedness. However, while described as both useful and thorough, they are also described as overwhelming. This highlights the tension between in-depth, specific guidance for cash preparedness and integrating cash preparedness into more general, existing National Society preparedness guidance. The perception that implementing the cash preparedness guidance requires expert advice is a key barrier to uptake, particularly for National Societies with little experience in CBA and for those involved in NSD. Technical support to decode the guidance is an enabler. This level of detail is appreciated, but there is also a need for simpler, more user-friendly guidance for those National Societies without access to decoding support.

There is no evidence to show that the National Societies looked at in this evaluation apply the three phases of preparedness proposed in the guidance. Instead they recall the activities outlined in the four parallel tracks. Step 3 "review, learn and improve" was the most memorable for National Societies involved in after-action reviews of CBA implementation. However, it often involves IFRC or PNS technical

support and does not necessarily reflect learning specific to cash preparedness.

## Making operational linkages

Key informants confirmed that the link between cash preparedness activities and CBA implementation is easily lost under the current cash preparedness approaches. The list of cash preparedness activities is deemed to be thorough, but also quite long and complex. See Annex F for a checklist of cash preparedness for Malawi, Kenya and Viet Nam, the three countries visited as a part of the case studies based on a simplified model of the BRC's cash preparedness self-assessment tool. The Communication and Coordination track doesn't include piloting CBA and learning-by-doing. The evaluation team found the latter to be a key component of how National Societies learn and identify preparedness gaps. In addition, having access to regular technical support (e.g. through IFRC regional CBA-specific delegates) has been key to ensuring the implementation of CBA for National Societies.

## Dedicating a funded cash focal point

All National Societies in the case studies had a dedicated cash focal point generally funded by the IFRC or supporting PNS. However, cash preparedness has only been one element of that person's remit. This has led to stretched capacity and the inability to focus purely on essential preparedness. At the same time, with financing for cash focal points being time-limited and with the positions generally not covered by National Society core funds, the sustainability of cash preparedness work, and of CBA in general, is unclear. This means that if the position is not funded by a PNS or IFRC or ICRC, then it is unlikely to be included in the National Society structure (see Section 2.2 below for further detail). It should be noted that, although having a cash focal point is important for sustainability, equally important—if not more so—is the mainstreaming of CBA across all departments of a National Society. Sending consultants or technical support to deliver results, such as developing standard operating procedures SOPs and trainings, is currently a common approach and absorbs a high percentage of the financing for cash preparedness, but a dedicated, local cash focal point improves uptake of the processes required under the Enabling Systems and Communication and Coordination tracks.

## Mainstreaming the use of CBA as much as possible

The National Society's uptake of cash preparedness outputs is heavily dependent on the Enabling Systems track and National Society ways of working and balanc-

ing competing priorities when it comes to emergency response. However, the Red Cross Red Crescent is not yet coherently supporting National Societies to carry out response analysis and the ability to deliver in-kind, CBA and services with equal ease and at all scales in their regular emergency responses. The focus, rather, has been on National Societies receiving external support to deliver CBA during large-scale emergency responses that attracts both funding and technical support, such as in the Nepal earthquake and the Nigeria population movement.

## The development and approval of a costed plan of action for cash preparedness

National Societies implementing cash preparedness usually lead action plan development based on a cash preparedness assessment and with the assistance of the IFRC or supporting PNS. Plans are often subject to change, particularly due to factors such as funding constraints, leading to delays in implementation. Planning cash preparedness with robust costing and fundraising is more successful.

## Organisational culture of learning

Several National Societies benefitted from peer-to-peer learning opportunities, including visits to neighbouring National Societies with experience in CBA and visits between branches by those with experience to support others. Reported benefits were greater for cross-visits to neighbouring National Societies, as they often have a good understanding of context. To date, this form of learning has tended to focus at operational and technical level. Whilst this has been effective, there remains room to further develop this. For example, leader-to-leader support would acknowledge that the support of National Society leadership is critical in facilitating cash preparedness. Expanding operational peer learning to also include peer learning between National Society support services could also contribute to a cash preparedness learning culture. Peer-to-peer learning is not explicitly included as an activity in the current cash preparedness guidance.

## Operational partnerships

Those National Societies that have formed partnerships outside the Red Cross Red Crescent have tended to find this has facilitated CBA scale-up. National Society participation in national and local Cash Working Groups (CWG) is a recommended cash preparedness action because it results in coordination with and learning across organisations, increasing exposure to new skills, tools, experiences

and opportunities. For example, one National Society reported exposure to the use of Kobo, a mobile data collection and information management tool, through the CWG. Use of Kobo increased beneficiary data collection speed and accuracy, a benefit not exclusive to cash programming, making the National Society a better partner for all types of large-scale operations.

Some enabling factors are beyond the control of the National Society, such as government encouragement of CBA, the occurrence of disasters allowing for CBA implementation and reliable infrastructure for delivery mechanism options.

## Hindering factors for speed, scale and quality in CBA Digital technology\* (see endnote)

The most-reported factor limiting CBA at large scales was a lack of digital technology, which should increase the speed, scale and quality of all programming, including in-kind assistance. Technology has the potential to improve the whole data collection cycle from vulnerability assessment to needs assessment to registration, cash disbursements and monitoring systems. One example of such a system is WFP's digital beneficiary registration system SCOPE.

CBA highlights the low use and capacity of digital technology within National Societies. Several informants expressed concern that a National Society's advantage of early presence at a disaster site may be lost without rapid data collection tools and digital information management systems. IFRC carried out a review to identify and address this gap and is currently piloting several potential solutions, including Red Rose, a beneficiary registration system able to integrate with electronic vouchers and some open-loop payment systems. Results of the pilots are still being analysed. In short, the use of digital data collection and management systems is not yet widespread within the Movement; other emergency response actors, particularly international non-government organisations, have been much quicker to test and apply these tools.



Table 4. Factors identified as hindering the scale-up of CBA

Thematic Area	Internal to the National Society
Speed and Scale	<ul style="list-style-type: none"> <li>Capacity for reconciliation is limited and time consuming, often further hindered by using manual reconciliation tools</li> <li>Low levels of cash preparedness due to lack of dedicated staff or clear division of tasks</li> <li>Absence of central beneficiary database</li> <li>Logistical and human resource limitations prohibit the rapid data collection during an emergency</li> <li>The absence of digitalised data collection and registration mechanisms</li> <li>Lack of cross-organisational buy-in across all sectors and with support services</li> </ul>

Speed	<ul style="list-style-type: none"> <li>Absence of systems to pre-position cash in the same way as non-food items</li> <li>Limited active involvement of support services who are not involved in assessments and CBA design</li> <li>Slow National Society decision-making processes on the use of cash in emergencies</li> </ul>
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Institutionalisation	<ul style="list-style-type: none"> <li>Limited involvement of support services particularly in assessment and CBA design</li> <li>Limited numbers of staff familiar with CBA at branch, district and sub-district levels</li> <li>SOPs are too wordy for roll-out to branch level</li> </ul>
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Thematic Area	Internal (Movement)
Speed	<ul style="list-style-type: none"> <li>IFRC financial transfers to implementing National Societies, particularly for DREFs and EAs, are slow, thereby affecting the speed of cash transfers to recipients</li> <li>Having to adapt to supporting PNSs' changing requests, pace and systems</li> </ul>
Scale	<ul style="list-style-type: none"> <li>Limits on the maximum amount of cash that can be transferred in tranches from the IFRC to a National Society with subsequent tranches only being released upon reconciliation of previous tranches</li> </ul>

Institutionalisation	<ul style="list-style-type: none"> <li>IFRC's weak cash agenda with a lack of understanding that CBA is not a type of project but rather one response option modality</li> </ul>
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Thematic Area	External
Speed and scale	<ul style="list-style-type: none"> <li>Liquidity of mobile phone agents and capacity to mobilise agents is variable over space and time</li> <li>Lack of financial literacy of potential beneficiaries</li> <li>Difficulties accessing communities during politically sensitive times (a hindrance for all programming)</li> <li>Increase in charges by mobile phone operators</li> </ul>
Scale	<ul style="list-style-type: none"> <li>Lack of nationwide FSP coverage, particularly for mobile service providers</li> <li>Limited large-scale disasters, hindering the ability to test systems and processes at scale</li> <li>Bank transfer limits due to anti-terror financing legislation and KYC requirements</li> </ul>

## 2.2 Impact of cash preparedness support

This evaluation interprets impact as the impact of cash preparedness support and not the impact of cash programming generally. However, the absence of agreed indicators or impact measurement system at the start of the cash preparedness support means that the impact of cash preparedness activities cannot be measured transparently. In addition, the evaluators noted a tension between understanding cash preparedness activities or results and being ready to implement CBA.

### Changes in the level of cash delivery

Through the case studies, the evaluation tried to assess the change in level of cash delivery of supported National Societies. This has been captured in the table below. Table 5 shows changes in levels of CBA delivery for three of the six case study countries for which sufficient information on scale, speed and quality was available. The metrics used include:

- number of households (HH) supported with CBA (for scale)
- time taken to deliver the cash transfer from the moment of needs assessment (for speed).

The type of cash transfer and delivery mechanism are closely related to the potential for speed and scale, but also quality and this is captured in the table. For example, most cash preparedness support has encouraged increasing the delivery

of unconditional or multipurpose cash.

National Societies have not systematically included this information in a baseline exercise at the beginning of receiving cash preparedness support. Only half of the National Societies in this evaluation produced this information, and it required significant time and effort for both the National Societies and the evaluation team to pull it together. Some of the countries were not able to provide any data to contribute to this analysis. For others (e.g. the Philippines) it is too early to make this assessment based on 2017 efforts. This ability to produce information on cash delivery is, in itself, a measure of cash preparedness.

Table 5 below shows that the three National Societies with this information significantly increased the number of people assisted with CBA—more than double in some cases—since implementing cash preparedness activities. At the same time, time to deliver assistance has declined. The table does not explain the extent to which these changes result from cash preparedness support as opposed to external factors, such as the emergence and availability of mobile transfer systems. Nonetheless, it is highly likely that the common cash preparedness guidance contributed to the observed changes.

*Table 5. Level of change in cash delivery of the National Societies studied, 2015-2017*

		Kenya		Malawi		Viet Nam	
		2015	2017	2015	2017	2015	2017
<b>Scale</b>	<b>Number of HH provided CBA*</b>	111,964	270,728	100	6,491	18,407	28,842
<b>Speed</b>	<b>Time taken to deliver first cash transfer from the assessment</b>	30-90 days	14-21 days	120 days	15 days	90-180 days	21-90 days
<b>Quality</b>	<b>Value of cash transfers</b>	N/A**	N/A	N/A	N/A	USD 18/person	USD 22.5/person

<b>Scale Speed Quality</b>	<b>Volume of transfers</b>	N/A	N/A	USD 3,046	USD 130,174	USD 169,773	USD 3.1 million
	<b>Type of cash transfer***</b>	UC	UC	UC + commodity voucher	UC	UC	UC
	<b>% of DM responses using CBA</b>	20%	70%****	N/A	5.7%	70%	N/A
	<b>% of value of DM assistance delivered as cash (versus in-kind)</b>	N/A	N/A	N/A	N/A	N/A	85%

\* Reported as 447,857 people and assuming 4.0 people per household as per the UN.  
 \*\* N/A = not available  
 \*\*\* UC = unconditional, multipurpose cash transfer  
 \*\*\*\* This is an estimation by the Kenya Red Cross Society.

### Changes in response analysis policy, procedure or practice

The 2012-2013 pilots already identified that CBA speed and scale needed considerable improvement to meet the needs of disaster-affected populations better. Interviews confirmed that these metrics of speed and scale were easy to understand and use to measure National Society CBA capacity development and should continue to be used. Because the number of disaster-affected people is high in years with major events, the total number of cash recipients by year could be a misleading metric. The proportion of disaster-affected populations receiving CBA may be a more meaningful measure of change, but no National Society collects this data systematically at present, nor is there a system in place to assess a change in the ratio of recipients of in-kind vs cash assistance.

None of the six case study countries have captured any change in response analysis policy. All CBA training includes the concept of response analysis, but CBA decision-making remains poorly documented. CBA decisions may be linked to funding opportunities rather than normal ways of working.

Another parameter to consider could be evidence of a National Society refusing donor-driven CBA funding based on documented response analysis. Perhaps National Societies in the Middle East and Latin America may offer insights into this.

Other factors found with potential to measure change or progress include:

- integration of CBA into disaster response tools (Kenya)
- inclusion of CBA in finance procedures and deciding delegations of authority (Malawi, Viet Nam)
- assessment or mapping of financial service providers (Myanmar)
- assessment or mapping of social protection systems (Malawi)
- use of new cash delivery mechanisms
- contributions to CWG coordination (Viet Nam, Malawi).

## 2.3 Sustainability and appropriateness

This section considers the degree to which learning has been applied to cash preparedness support and the extent to which National Society cash preparedness has been sustained after the termination of support. The factors enhancing and hindering scale-up and sustainability are described for a better understanding of what needs to be addressed to continue National Society cash preparedness success.

The evaluation team also analysed the recommendations of the 2014 cash preparedness evaluation, which provides a set of 29 actions to increase cash preparedness. Recommendations around increasing leadership awareness and buy-in and mainstreaming CBA into DM are still valid. The enabling factors identified from the 2014 evaluation are listed in Table 6 below (see Annex G).

*Table 6. List of enabling factors to cash preparedness uptake and sustainability based on 2014 recommendations*

	<b>2014 evaluation recommendations found to be key enablers for cash preparedness sustainability</b>	<b>Track</b>	<b>Speed (Sp), Scale (S), or Quality (Q)</b>
1	Review contingency or response plans prior to trying to integrate CBA within these	T1	SP S Q
2	Adjust planning times to include time it takes to get senior and middle management engagement and support for more complex activities	T1	SP S Q
3	Raise awareness and advocacy with the National Society leadership including board members	T1	SP S Q
4	Include costs for translation into National Society languages in future cash preparedness budgets	T2	Q
5	Use multiple methods of capacity building beyond training, e.g., mentoring or shadowing, peer-support visits, learning-by-doing	T3	Q
6	Maintain multi-disciplinary Cash Technical Working Groups to support finance and logistics issues that may arise when implementing CBA	T3	SP S Q
7	Engage National Society finance systems to ensure agility and appropriateness for CBA implementation, e.g. sign-off procedures and delegations of authority	T1	SP S
8	Include National Society board members in awareness raising, particularly in those cases where the turnover in leadership and management staff can occur, and allocate the necessary time	T1	SP S Q
9	Roll out standardised technical support based on the pilot learning	T1	SP S Q
10	Develop and design a more explicit cash preparedness framework based on the current experience and learning	T1	Q
11	Engage and raise awareness among IFRC country and regional offices for CBA and ways of supporting National Societies	T1	Q

This evaluation identified several factors that, when present, enhanced sustainability of cash preparedness. These include:

- National Society leadership and awareness commitment
- mainstreaming CBA alongside DM preparedness and other NSD activities
- participation in external CWG and CBA fora
- implementation history and interagency competition for CBA space
- funding investments for cash preparedness, including forecast-based financing
- long cash preparedness plan timelines.

## National Society leadership awareness and commitment

Informants pointed repeatedly to the Enabling Systems track as being key to enhancing CBA uptake and cash preparedness sustainability. The leadership buy-in for cash preparedness and CBA implementation was the most common factor cited, followed by digital information management for beneficiary information and financial reconciliation processes.

## Mainstreaming CBA alongside DM preparedness and NSD activities

Many new initiatives and approaches start with allocated funding to generate specialized tools and technical guidance, then need to find a way of being mainstreamed. CBA is no different. IFRC created a cash team to meet its institutionalisation ambitions, and PNSs also tap into CBA-specific funds in the current, generous CBA-financing climate. However, a key factor enabling cash preparedness sustainability is the extent to which cash preparedness is mainstreamed<sup>18</sup> alongside other DM preparedness or National Society organisational development activities, as well as in the procedures and processes of support services. Mainstreaming from the beginning helps ensure that cash preparedness and CBA rely on a diverse range of staff and that they are applied across multiple sectors and beyond relief operations in recovery and development as appropriate.

The AmRC is an example of a National Society that implements CBA domestically as part of its standard response plan when assisting disaster-affected populations. The Viet Nam Red Cross also raises funds from private donations to deliver cash to

disaster victims. However, the level of investment required for National Societies to change the way they respond to implement CBA at speed and scale systematically has not been quantified. Nevertheless, the reduction in the capacity of a National Society to maintain its cash preparedness capacity if key posts are not funded and cash preparedness plan activities are not costed is a generic NSD issue.

National Societies interviewed welcomed CBA-specific support, but also questioned the specialised focus when other systems-related issues of the National Society needed addressing. DRC has recently decided that funding an additional National Society position within the DM unit is the only viable way forward for a National Society that is chronically understaffed and lacking in infrastructure.

Finally, having clear, approved Standard Operating Procedures (SOPs), which are drafted with the contribution of all involved departments and which provide clear roles and responsibilities throughout the National Society, is also essential to ensure sustainability. These need to be regularly reviewed and updated.

## Participation in external CWG and CBA fora

All National Societies in the case study countries are involved in external discussion and coordination fora. While this engagement ensures harmonised approaches to planning and implementing CBA, it also promotes the National Society as a “player” in cash-based emergency responses and may create opportunities to partner with non-Red Cross Red Crescent actors, thereby diversifying funding and technical assistance sources for CBA and cash preparedness.

## Implementation history and inter-agency competition for CBA space

The evaluation team identified operational pressures to increase CBA from several actors. This pressure is most challenging for National Societies who are perceived by other organisations as in-kind implementers. Many National Societies with limited CBA implementation experience need support to develop and communicate their CBA experience confidently in coordination fora so they are better placed to compete for CBA implementation funds.

18. Evidence that cash preparedness is considered as part of DM activities of the National Society and included in preparedness plans and DM decision making processes and is not just a standalone activity.



## Funding investments for cash preparedness, including forecast-based financing

Whilst some National Societies have made funds available for the implementation of CBA, the evaluators found little evidence of similar investments made for cash preparedness, with a heavy reliance on Red Cross Red Crescent partners to finance this. The three PNS considered in this evaluation and the IFRC have invested sizeable funding pots exclusively for cash preparedness, though this remains small in relation to the funding available for CBA implementation. Cash preparedness-specific funding is also a guarantee that the National Society will prioritise cash preparedness activities. As mentioned earlier, the cost of technical support represents a large proportion of the funding investment.

The lack of National Society and donor investment in cash preparedness is a hindrance to sustainability. Given the current trend for localisation of aid and scaling up cash delivery, National Societies may create opportunities to fund cash preparedness by charging a share of CBA implementation funds towards cash preparedness investment in the same way that donors fund in-kind pipeline contingency stock replenishment.

The exception to preparedness funding is the recent interest in forecast-based financing (FBF), which often explicitly funds preparedness activities for improved response. The approach offers multiple opportunities for improved cash delivery capacity by emphasis on preparedness stages, such as vulnerability and feasibility assessments and strong contingency and response planning with transfer values and financial service provider pre-agreements. This shift in focus to speed utilises much of the cash preparedness outlined in the Programme Tools and Resources and Capacities Tracks but links it to the Enabling Systems Track calling for this track to be the overall, unifying catalyst.

## Long cash preparedness timelines

Interviewees agreed that two years is insufficient to ensure that cash preparedness and CBA are mainstreamed within a National Society. In addition, the sustainability of cash preparedness investments needs to be measured over timelines beyond IFRC's current project cycles of one to two years. AmRC cash preparedness anticipates longer-term investment of three to seven years to allow the necessary organisational change to take place and to put theory into practice. This may be a more realistic timeframe for cash preparedness institutionalisation.

The Philippines Red Cross and Viet Nam Red Cross had received previous cash preparedness support in the IFRC pilots in 2012-2013 and have received renewed support beginning in 2017. Measuring the sustainability of the original support has been challenging as metrics and monitoring are not standard. Renewing cash preparedness financial and technical support after a gap also blurs the lines between the cumulative effect of different investment stints.

The lack of medium- to large-scale disaster responses within the one- to two-year project period may also contribute to a real or perceived delay in return on cash preparedness investments, which may also be an obstacle to justifying cash preparedness investments. In Viet Nam, the timeline of CBA delivery suggested that the return on the 2012-2013 investment in cash preparedness may only have been realized two to four years later, when the National Society used CBA for medium- and large-scale disasters.

## Other measures of sustainability

A key milestone for the sustainability of cash preparedness investments is when National Societies are recognised by the local CBA community not only as key players in delivery of CBA, but also as key contributors to joint response analysis and programme design. Sharing technical and operational know-how on working with disaster-affected communities pre- and post-cash delivery is a comparative advantage for most National Societies.

An additional milestone for sustainability is a National Society's capacity to secure funding from non- Red Cross Red Crescent sources for CBA implementation. This is context-dependent for the National Society, but includes local, domestic donations as well as UN-agency funding, as well as being considered for consortia-style projects through a PNS.

Most interviewees identified the following as indicators of sustainable cash preparedness investments related to National Society ways of working, and therefore not necessarily expensive activities:

- continuity of National Society cash preparedness working group beyond readying different CBA types and mechanisms to include response options analysis
- continued investment in updating CBA components of SOPs and contingency plans
- joint responsibility for financial service provider (FSP) mapping exercises between finance, logistics and programme staff
- risk analysis process includes security, finance and programme staff

- continued investment in mainstreaming CBA awareness by all staff, not just cash focal point
- ability to partner with another donor for CBA implementation
- continuity of a culture of learning through peer-to-peer support within and across National Societies.

More costly indicators of sustainable cash preparedness activities include:

- rolling out regular, systematic CBA trainings and simulations, including market assessment capacity
- investing in information and data management systems and
- showcasing CBA work through events, case studies and other forms of communication.

## 2.4 Key lessons identified

*Table 7. Cash preparedness support lessons*

Thematic Area	Lessons Identified
Consistency of approach	Establishing the CPTWG under the direction of the CPWG supports consistency and sustainability of cash preparedness approaches. With 15 members, there is an obvious interest in cash preparedness.
Duration of support	The provision of support to a National Society over a period of two years is not long enough to anchor sustainable cash preparedness investments throughout the National Society both at HQ and branch levels.
Pace of support and implementation	Cash preparedness plans that have an incremental pace starting off gradually are most likely to succeed.
Pre-agreements with FSPs	Pre-agreements with FSPs are a clear milestone for leadership buy-in and commitment to cash preparedness.
Human resource capacity	A dedicated human resource is best placed to push cash preparedness to integrate into mainstreaming efforts, but there is a tension between the focal point who only does cash preparedness and the one whose cash preparedness progress is stunted by competing priorities.
Support service preparedness	When support services are fully integrated into cash preparedness plans and activities, it is easier to reach scale and speed.
Clarity of roles	Clarity is needed regarding the role of programmes and logistics departments, particularly in relation to FSP procurement.
Quality	Having cash-specific processes in place (SOPs, cash focal point, pre-agreements with FSPs, etc.) does not necessarily guarantee quality CBA.

Whilst many lessons identified through cash preparedness support have already been incorporated into cash preparedness activities and broader CBA policy and practice, the absence of robust learning mechanisms has limited lesson-sharing. Important cash preparedness support lessons identified are listed in Table 7.

### Capturing lessons and anchoring learning

The CPWG prioritizes sharing cash preparedness learning among Red Cross Red Crescent actors, including after-action reviews to feed into programmatic learning, the development of case studies and regional events to share learning. Few of those interviewed had ideas for other learning and dissemination options. However, case study National Societies mentioned that peer-to-peer support was very useful to them. For example, the Viet Nam Red Cross and the Myanmar Red Cross exchanged concerns and ways of working in a way they described as meaningful.

In some circumstances learning has unfortunately not been well captured, and this has potentially hindered the application of identified lessons. This has included an absence of documenting some of the larger Red Cross Red Crescent CBA responses in the last decade, as well as limited documentation of learning geared to National Society audiences from the 2012 – 2013 cash preparedness pilots.

The evaluation highlights the need for significantly more investment in capturing and disseminating lessons from cash preparedness activities both across the Red Cross Red Crescent and externally. Investment in structured learning events (both in-person and through webinars), increasing simulation exercises, facilitating access to learning for non-English speakers and organising well-structured exposure visits between National Society would all address these issues.



## Conclusions

The case study countries considered in this evaluation shed light on the key strategic, operational and tactical considerations that National Societies face during cash preparedness. For some National Societies, CBA is a normal form of disaster response, and the difficulty is to increase the CBA delivery options. For other National Societies, CBA is a new response modality, requiring the National Society to consider how CBA might affect their role in the local humanitarian system and the potential speed and scale of their disaster response.

Different approaches to providing similar cash preparedness support activities to National Societies have been adopted since 2014. The operational link between the four tracks and CBA implementation is easily lost as National Societies consider the list of cash preparedness activities to be long and complex. There also remain some missing elements to cash preparedness activities, such as the explicit inclusion of peer learning and the explicit inclusion of pilots as necessary components of preparedness linked to learning-by-doing.

There is recognition that leadership buy-in for cash preparedness is the governing indicator of meaningful progress and sustainability in terms of types of financial and technical investment allocated. There is a risk at present that the IFRC's four tracks of cash preparedness remain a checklist of investments. This does not allow for a measurement over time in terms of practices and progress, nor does it capture the operational preparedness of a National Society.

Guidance in the CiE toolkit has been essential for National Societies implementing and supporting cash preparedness. Cash preparedness support to National Societies in the case study countries between 2015-2017 focused on tangible investments that fall under the Programme Tools and Resources and Capacities tracks. Progress on the Enabling Systems and Communication and Coordination tracks has been more difficult to measure, as they are often embedded in National Society processes and ways of working. It is precisely these tracks that offer the opportunity for most meaningful change in a National Society.

The evaluation found the cash capacity assessment, replicated regularly, to be a useful way of clearly identifying the level of organisational investment required to achieve change. It is too early to measure the effectiveness and impact of the assessment as a monitoring tool. The cash preparedness self-assessment adapted by the BRC helps structure the cash preparedness content. However, National Societies considered it overwhelming and needed considerable technical support.

A process guide could also be useful.<sup>19</sup>

A next step would be to move away from a linear approach to measuring cash preparedness progress to one with more easily identifiable milestones to cash preparedness capacity. The AmRC building blocks<sup>20</sup> approach used in some countries lays out useful milestones that National Societies and IFRC or PNS providing support can agree to, regardless of the time it takes to achieve them. The new IFRC surge tools could also offer new insights into measuring progress and capacity for DM units.

The amount of cash being delivered and the metrics of speed, scale and quality may be useful proxies for cash preparedness. However, this is insufficient to capture some key elements of cash preparedness, especially effectiveness. Being prepared to implement CBA is also about building confidence and practicing, even in peace time, along the whole DM cycle, not only in relief contexts where time pressure may be less. This means that piloting, identifying where strengths and weaknesses lie and communicating a sound rationale for why cash is being used are key factors in mainstreaming the CBA approach for relief and other aims. Red Cross Red Crescent thinking and experience on cash preparedness is evolving quickly, as are other Red Cross Red Crescent DM tools, which both overwhelm and catalyse improvements. Introducing lighter-touch pointers and guidance may help National Societies navigate the changing environment.

The operating environment is critical to the pursuit of scale and speed. Without government acceptance, the infrastructure to support particularly digital transfers, favourable security conditions and beneficiary acceptance, the ability to implement CBA quickly and safely in times of emergency, whether large or small, will be severely compromised. The evaluation found the operational contexts for the case study countries to be conducive to CBA and that successful cash preparedness support allows National Societies to position themselves as credible CBA actors. The introduction of forecast-based financing models illustrates how National Societies may position themselves as actors able to respond with timely, quality programming based on considerable groundwork. Where opportunities for implementing CBA are more limited due to competition from other actors or limited operational space, National Societies' cash preparedness investments may be less visible.

National Societies associate successful CBA delivery with proof of being cash prepared. Therefore, they appreciated speed and scale outcome indicators to help prioritize cash preparedness investments. The evaluation identified several quali-

19. The BRC tool is based on the updated Organizational Cash Readiness Tool (OCRT) by CaLP, for which tools, process guidance, and case studies are available here: [www.cashlearning.org/strengthening-institutional-capacity/strengthening-institutional-capacity](http://www.cashlearning.org/strengthening-institutional-capacity/strengthening-institutional-capacity).

20. See Myanmar Building Blocks 2015.

ty-related elements to consider, avoiding a one-size-fits-all approach to CBA implementation. This means remaining flexible and accepting a more context-specific cash preparedness approach.

To conclude, cash preparedness support so far has resulted in increased attention to cash preparedness activities and increased technical know-how for delivery. Many of the recommendations to the IFRC from the 2014 cash preparedness evaluation have been actioned effectively in the last 3 years. However, progress identifying triggers or thresholds signalling action-oriented leadership buy-in within National Society enabling systems beyond simply endorsing use of CBA needs to be the next priority. Cash preparedness needs to be raised to the level of organisational change with leadership commitment at the highest of levels, so that cash preparedness is not just perceived as a project that comes with financial and technical support.

## Recommendations

Based on the evaluation's findings, the evaluation identifies the following 14 recommendations:

### A. Recommendations for the Red Cross Red Crescent on adaptation or revision of its approach to institutionalising cash-based assistance

#### **Recommendation A1 – Integrate cash preparedness support with organizational development initiatives**

For the future, the evaluators recommend that cash preparedness support be fully integrated with broader National Societies' organisational development plans based on:

- a committed leadership as the foundation of change
- Red Cross Red Crescent financial and technical support
- a peer-support structure with other National Societies.

The institutionalisation of CBA needs to be acknowledged as an organizational

change process and not as a technical tool in itself.

#### **Recommendation A2 – Learning**

To facilitate systematic learning from CBA and cash preparedness initiatives, more investment in a set of standard learning tools is required. This would include:

- The Red Cross Red Crescent Movement should host learning events both within the Movement and with other cash leaders such as WFP, UNICEF, CaLP and national and local non-governmental organizations (NGOs). These events need to have a clear learning structure to avoid them becoming information sessions. Focus topics for consideration in line with Red Cross Red Crescent strengths should include response options analysis based on feasibility, organizational capacity and meaningful community engagement as threads for improving CBA delivery capacity.
- The Red Cross Red Crescent Movement should increase the number of simulations to test familiarity with IFRC and national SOPs across the National Societies, including roles and responsibilities. This may include taking the PECT (Practical Emergency Cash Training) to a field level. It is recommended that regional cash focal points take the lead here.
- The Red Cross Red Crescent is the only truly global player with a local remit, and its Cash Learning Hub is a unique opportunity for local experience to feed upwards and vice-versa. The Red Cross Red Crescent Cash Learning Hub requires specific funding to reduce language barriers to access and to meet the needs of National Societies' non-English-speaking audience.
- National Societies should be provided technical and financial support for a cash preparedness or CBA page on National Society websites to capture and disseminate CBA knowledge and experience.
- Online survey respondents identified a need for peer-to-peer, structured learning opportunities to enhance their capacity.
- CBA implementation learning should be shared across sectors and across the DM and development cycles.
- National Societies should systematically conduct and use after-action reviews for both cash and non-cash responses to improve response modality decision-making.

#### **Recommendation A3 – Peer learning**

The current approach to peer learning focuses on operational and technical learning. Peer learning may expand through:

- investment in leader-to-leader learning partnerships to champion CBA, building on the existing Cash Advisory Group and support-service learning fora

- investment in the development of joint simulations or trainings with National Societies to put CBA into practice in peace time as preparedness for relief responses to complement the IFRC simulations focused on standard operating procedures
- provision of financial and technical support for after-action reviews on all CBAs, including those outside emergency contexts, to capture cash preparedness learning and needs related to enabling systems, setting the transfer value and digital monitoring and assessment
- lowering language barriers to access to the Cash Hub and Red Cross Red Crescent cash tools such that they become a “go-to” for National Societies working in local languages and not just English-speaking INGOs and UN agencies in the international cash community.

#### **Recommendation A4 – Increase funding for cash preparedness and cash preparedness support**

Whilst donors show an increasing willingness to fund CBA and push for CBA scale and speed, funding for cash preparedness is low.

- National Societies should advocate for cash preparedness funding with a view to pushing the global agenda with respect to increased use of CBA and localisation.
- The Red Cross Red Crescent should further engage with back donors to fund cash preparedness and, where possible, to encourage this funding to be included as a part of broader DM strengthening initiatives – as already seen in the Kenya Red Cross Society, funded by DFID and ECHO. In addition, such investments should consider the overall institutionalisation of CBA across all sectors, disaster cycle phases and stages of the relief-development continuum.
- National Societies should devise a minimum cash preparedness investment budget against which to recover costs from donors funding CBA implementation as a sort of “cash preparedness investment fee”.
- Donor interest in forecast-based financing provides an opportunity to fund cash preparedness activities in several countries simultaneously.

## **B. Recommendations specific to the IFRC on adaptation or revision of its approach to institutionalising cash-based assistance**

#### **Recommendation B1 – Strengthen CBA components in Emergency Appeals (EAs) and Disaster Relief Emergency Funds (DREFs)**

Receiving funds from an EA or DREF can take time. National Societies interviewed identified time lags in IFRC emergency funding as a hindrance to operational speed and capacity. IFRC should:

- Establish systems to ensure that CBA is systematically included in all EAs and DREFs, as long as a cash feasibility assessment indicates this is an appropriate form of response. This is currently in process through IFRC regional cash focal points but needs to be further promoted by IFRC leadership and consistently implemented.
- Reduce the time it takes for finance to transfer funds to National Societies and identify an alert system through IFRC finance when authorisations and transfers are likely to take more than seven days.
- Communicate to the Red Cross Red Crescent the average speed of IFRC approval and transfer of CBA funds to each National Society. The CPWG members could suggest timescales in line with their PNS experience.
- Revise guidance regarding limits on the amount of funds that can be released in a single tranche to National Societies under current financial procedures.
- Expand “Disaster Preparedness” stocks concept to include cash transfers as a modality and correct the disincentive to cash programming in EAs and DREFs, which currently allow the replenishment of National Societies’ in-kind contingency stocks but do not extend the same treatment to cash contingency funds.

#### **Recommendation B2 - Systematically strengthen CBA inclusion in country contingency planning processes**

IFRC could support a more systematic approach to country contingency planning processes carried out by National Societies. This would go beyond the mere mention of CBA in the contingency plan, to include the integration of cash response planning based on the disaster scenario type and scale. While this is not CBA-specific, it offers an entry point to making contingency plans a response tool based on preparedness investment and offers an opportunity to identify levels of cash preparedness investment required for different scenarios.

## C. Detailed recommendations for the Red Cross Red Crescent on how to improve the cash preparedness approach and tools

### Recommendation C1 - Simplify cash preparedness guidelines

The 2016 cash preparedness guidelines need simplification. One option involves organizing the 14 cash preparedness standards from the CiE Toolkit using the pyramid approach presented below. Each standard could suggest minimum actions for preparedness with a few milestones for each, as well as benefits from sequencing investments first along the Enabling Systems and Communication and Coordination tracks before diving into the Programme Tools and Resources and Capacities tracks. This approach could:

- promote National Society leadership on the cash preparedness milestones
- signal to National Societies that cash preparedness support funding requires demonstrated progress
- simplify the different Red Cross Red Crescent cash preparedness support reporting tools and systems in place
- ensure that cash preparedness is mainstreamed into other NSD processes
- maximise funding available to address some of the chronic technology, information management system and database issues that slow down National Societies' operational capacity
- promote National Societies' seeing themselves as leaders in national, regional or global CBA debates and learning.

### Recommendation C2 – Revise the four parallel tracks

There is consensus that the “four parallel tracks” list most of the elements that need to be in place to ensure that, on paper at least, a National Society is “cash prepared”. The tracks would, however, benefit from further refinement.

For example, structuring cash preparedness support as a conditional cash grant with tranches of funding and technical support released upon completing the pre-agreed milestones and starting with evidence of leadership buy-in could incentivise fast-paced, sustainable organizational change.

The refinements suggested below are based on consideration of existing tools and the need to keep the guidance simple for increased uptake:

*Table 8. Recommended changes to the current IFRC cash preparedness guidance*

#### Additional elements:

- Demonstrate leadership buy-in and commitment to time and systems investment as a milestone for any additional cash preparedness support and associated funding allocations.
- Include pilots of different forms of CBA, using different FSPs and transfer modalities to ensure that this is funded and can then feed into learning.
- Add activities to promote the importance of peer learning, including exposure visits where feasible.
- Add activities that acknowledge CBA learning from non-emergency contexts and sector-specific assistance.

#### Areas to refine:

- Enabling Systems:
  - vision and strategy
  - organisational structure
  - managing processes
- Programme Tools:
  - technical guidance and tools
  - DM mainstreaming tools
  - information management tools
  - infrastructure, equipment and technology
- Resources and Capacities:
  - Human resources skills linked to specific steps of the project cycle (preparedness, assessment, response analysis, implementation, monitoring)
- Communication and Coordination:
  - Rename Advocacy and Coordination and divide into three separate sections, possibly re-named:
    - advocacy
    - partner and community engagement
    - external coordination and partnerships
    - Increase focus on external communication and links to the [IFRC's Community Engagement Toolkit](#)
    - update language and terminology regarding community engagement and increase emphasis on two-way communication

#### Identification of triggers:

- Establish a system of triggers based on enabling factors as cash preparedness milestones that better link investment with separate tracks



**Recommendation C3 – Identify different levels of preparedness**

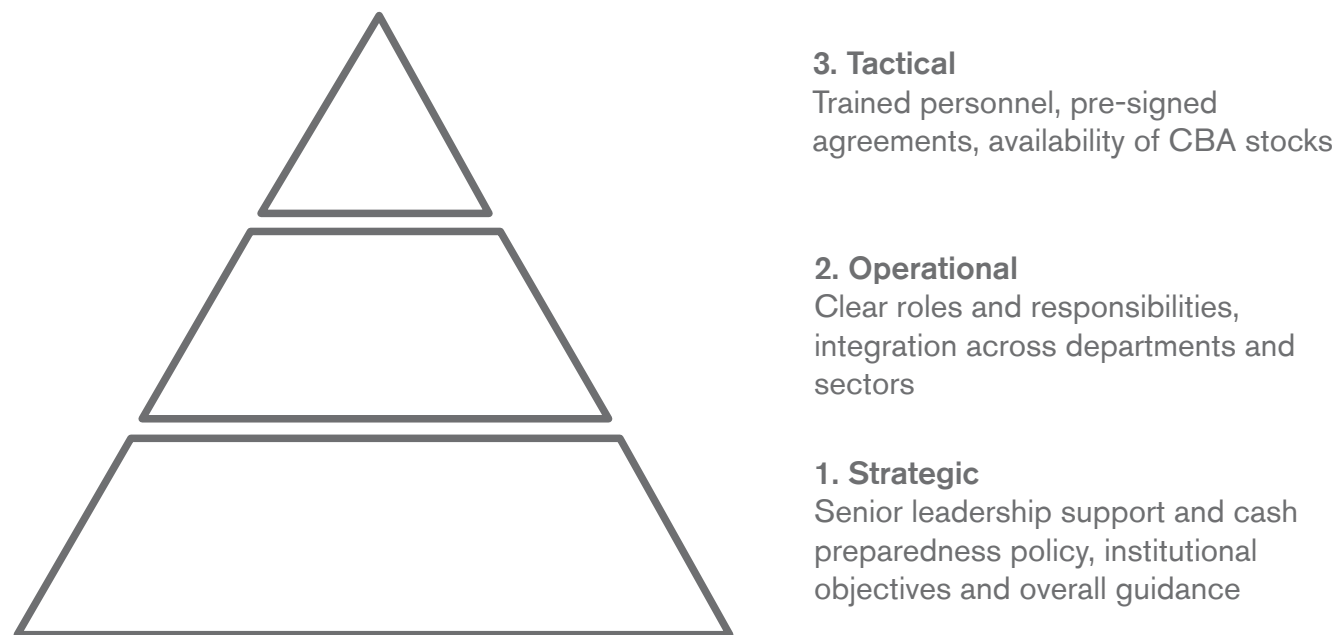
Having only quantitative indicators by which to measure whether or not a National Society is cash prepared is not necessarily useful as each context is different. It is recommended to combine current approaches with a measure of the different levels of preparedness, starting with strategic, operational and tactical preparedness. Examples could include:

*Example 1: strategic, operational, tactical levels of cash preparedness*

- For the CBA implementation at speed and scale, the inclusion of percentages to measure any change in the proportion of assistance provided in-kind or as cash-based transfers.
- For strategic level cash preparedness linked to leadership support, a scale that measures levels of engagement in policies and mainstreaming.
- For operational level cash preparedness linked to ongoing mainstreaming and learning-by-doing, as well as establishing clear roles and responsibilities for cash preparedness and CBA implementation.
- For tactical level cash preparedness linked to making solid partnerships and agreements with service providers.

*Example 2: Cash preparedness levels aligned to IFRC’s disaster classification system*

Levels of cash preparedness could also be aligned to the IFRC’s five-level disaster classification system used for their surge deployments. This could be the basis for developing the exact processes and capacities that need to be put in place for



a National Society to be considered cash prepared. The sequential nature of the classification would encourage cash preparedness investments in line with potential disaster response capacity.

*Table 9. IFRC disaster classification phases*

*Example 3: Cash preparedness levels aligned to American Red Cross Building*

Level	Description (to reflect in SOPs)*	Add cash preparedness-specific processes and capacities that need to be in place to respond in each phase
White	Single incident, limited number of people affected	
Yellow	Single country, small area	
Small	Less than 200,000 people affected DREF or international appeal < CHF 3 million	
Orange	200,000 – 2 million people affected DREF of CHF 250,000 – 500,000	
Medium	International Appeal between CHF 3-20 million	
Red	More than 2,000,000 people affected DREF of > CHF 500,000	
Large or mega	International Appeal > CHF 20 million	
Blue	Triggers for key events or spikes pre-identified	
Protracted		

*In all cases, if few or no other actors are present, the Level may be increased even when the numbers affected are smaller (i.e. based on analysis on unmet needs).*

*Blocks*

The sequential nature of AmRC’s building blocks approach<sup>21</sup> is like Example 2 above with the addition of milestones. This approach could be refined and standardised as per recommendation C2 using more detailed milestones and steps but keeping the simplicity of the graduation that is easily understood.

21. See Myanmar Building Blocks 2015.

Table 10. American Red Cross Building Blocks to cash preparedness

Level		
7		CBA main-streamed in response options (financial assistance only)
6		CBA operations (targeted technical assistance)
5	Main Activities for Year 2 of CBA preparedness	Response framework & contingency planning
4	Year 1 and 2 if a disaster response opportunity presents itself	CBA pilot (full technical assistance)
3	Year 1 and 2 if a disaster response opportunity presents itself	Operational readiness pilot
2	Ongoing	CBA training (level 2)
1	Socialization & advocacy	

**Recommendation C4 – Improve quality markers monitoring**

National Societies and the CPWG members are in a good position to further define and monitor the quality aspect of CBA. While the cash roadmap focus is on scale and speed, the metrics for quality need to be identified and tested, in line with key finding 3. This involves strengthening the targeting and monitoring components of cash preparedness to shift away from delivery of CBA, to impact. Examples include the development of an agile tool that helps determine when more than one cash transfer is required to meet assessed needs.

Linked to Recommendation A2, a cash preparedness quality marker could be devised around cash preparedness material being available in local languages. Through more systematic translation support, the Red Cross Red Crescent could agree to supporting several National Societies per year, through a diaspora-in-tern-volunteer system in their home countries that would more readily translate material for National Societies the way SIMS has been created to support with analysis and information management.

**Recommendation C5 - Monitoring and indicator setting for a monitoring system**

Roll out a monitoring and evaluation system for cash preparedness as soon as possible to address the current absence of systematic National Society cash preparedness baselines<sup>22</sup> and the absence of clear indicators for measuring whether or not a National Society is in a position to implement CBA at scale and at speed. In line with key finding 2, have a small number of minimum, standardised indicators to allow National Societies to self-assess cash preparedness.

The Cash Preparedness Technical Working Group's (CPTWG) current draft monitoring and evaluation framework needs to be rapidly finalised and disseminated. Revising the framework such that National Societies would not require technical support to apply it would increase uptake and sustainability. Annex F shows the BRC cash preparedness self-assessment scoring template adapted for use as a simple checklist of cash preparedness progress during this evaluation for the three case study countries visited.

**Recommendation C6 – Sustainability**

Sustaining National Societies' levels of cash preparedness has been identified as a challenge for several reasons, including staff turnover, for which the following is recommended:

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



- ensure that processes for CBA are included in staff orientations
- include CBA in individual development plans across departments both at National Society and IFRC levels and not just for one or two focal points
- integrate CBA into all training; for example, logistics training can include the tendering process for Financial Service Providers
- foster CBA implementation and preparedness across all types of responses, not just emergency disaster response.

Short timeframes for project-based cash preparedness funding also constrain potential sustainability.

The following recommendations do not stem from evaluation findings. However, the evaluation team presents some thinking around ways forward here.

#### **Recommendation C7 – Technology and data management systems**

The current drive for use of increased technology for data management and delivery platforms is currently led by the large UN players, and often in refugee populations which have a specific operational approach to identification and registration. Investments in systems such as SCOPE, LOUISE and RAIS, developed by the UN, are extremely expensive and currently politicised and in competition with each other, but show the benefits to working at scale.

The Red Cross Red Crescent may be best placed to focus on the identification of assessment, targeting and registration systems that enable disaster-affected populations to be more quickly identified and served (with CBA and/or in-kind) where appropriate rather than developing CBA-specific data management platforms. The technology gap in the Red Cross Red Crescent is systemic and any investment should not be limited to CBA only. Examples include:

- More piloting and roll out of Red Rose as a data management platform
- Use of ODK and Kobo for data collection during needs assessments, especially for disaster-prone populations and areas where forecast-based financing is being promoted.
- Engaging more actively with the relevant actors involved in national social protection systems, safety nets and early warning systems to share information on areas prone to disasters and segments of the population with specific vulnerabilities.
- National Societies' unique legal status and "auxiliary role" allows them to champion the localisation agenda on various fronts, notably scale-up and use of third party service providers for CBA.

#### **Recommendation C8 – Disseminate online survey results**

The National Society cash preparedness on-line survey designed for this consultancy should be shared among the 28 National Societies who responded. The survey questionnaire could be used by the CPTWG to complete the profile of the National Societies with CBA experience. See the separate Annex 1 – Online survey on cash preparedness for National Society heads of DM.

# List of Annexes

Annexes are presented as separate documents to the report.

Annexes 1-5 constitute considerable inputs to the evaluation findings and readers are encouraged to read these as part of the report. Annexes A-J provide additional information for reference.

## Annexes with evaluation findings

15. National Society heads of DM online survey report
16. Consultation on key findings and recommendations with Red Cross Red Crescent stakeholders at cash preparedness event Washington, DC 10 July 2018
17. Overview of Red Cross Red Crescent PNS and IFRC cash preparedness support approaches
18. Overview of evaluation key findings
19. Overview of cash preparedness lessons identified in the six country case studies on cash preparedness

## Additional reference annexes

- A. Key documents reviewed
- B. Evaluation matrix presented in inception report
- C. Key informant list
- D. Key Interview tools
- E. Evaluation schedule and country trips
- F. Cash preparedness checklist (adapted from BRC self-assessment)
- G. Key enablers identified from the 2014 cash preparedness evaluation
- H. Contextualisation of cash preparedness within the humanitarian sector
- I. Evaluation terms of reference and timeframe including cash preparedness matrix by CPTWG

The six country case studies are available as stand-alone documents.

## Endnotes

\*Editor's note: The evaluation did not address why digital technology should be considered more of a barrier for cash assistance than for in-kind. Potential reasons for this perception could include:

- A focus on cash in large-scale operations. It is unclear why digital information management should be an obstacle to a response serving one or even several households. However, if cash preparedness support to date emphasizes medium- and large-scale operations, then information management bottlenecks of paper-based systems would be more apparent regardless of the type of assistance.
- National Societies without digital information management systems may have lost partnership opportunities despite the clear advantage of their broad local presence due to the potential for delays and inaccuracies inherent in paper-based information management systems.
- While digital information management would benefit both cash and in-kind programming, the benefit of digital technologies to cash programming could be greater than for in-kind. For example, digital information management may be more useful when delivering cash through third-party and digital payment providers than when providing direct, in-kind assistance. Also, the Know Your Customer (KYC) requirements required of the global banking system may impose additional, more stringent data collection and data protection requirements than in-kind assistance that digital technologies could ease.
- National Society, IFRC or donor reconciliation requirements may be inequitable between cash and in-kind, resulting in greater level of effort required to reconcile cash assistance than in-kind.
- People advocating for cash may find it easier or more palatable to push for changes to cash and digital information management together rather than separately. Alternatively, those interviewed may be inclined to advocate for change in general.