CTP standard operating procedures template

Standard operating procedures (SOPs) are a tool to support effective programming. The elaboration of CTP-specific-SOPs as part of preparedness activities, will allow for a better coordinated response where everyone in the Red Cross Red Crescent Movement will be clear of their role and responsibility. The process of elaborating SOPs is just as important as is the final document. While the assessment and programme design and implementation will fall fundamentally under the responsibility of the Disaster Management or equivalent emergency response team, the special skills and responsibilities of the Logistics and Finance departments will be required in CTP. This means that the development of the CTP SOPs needs to be guided by a CTP working group that represents all the main functions relevant for CTP within a National Society. Together, the CTP working group members should discuss and agree on ways of working, and elaborate CTPs endorsed by all. The dissemination of the CTP SOPs will be an important part of the National Society preparedness activities as well.

### I. Summary information

**Title:** CTP standard operating procedures for *insert the country or district or response as precisely as possible*

**Date:** *insert date finalized in case they are updated*

**Contact persons:** *insert names, functions and contact details*

**Purpose of SOP:**

|  |
| --- |
| *For example*  *To clarify the roles and responsibilities of National Society staff meme involved in emergency response involving cash transfers.*  *The aim of these standard procedures is to support and facilitate the implementation of cash transfer programmes by specifying the respective roles and responsibilities of the ADM, LOG and Programmes staff in cash transfer programmes and defining the processes involved and minimum requirements for documentation.*  *To provide a structured overview of how cash transfer programmes must be administered in emergencies* |

**Target audience:** *specify for which precise Red Cross Red Crescent audience the SOP are intended*

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| --- |
| *For example*  ***ICRC****: ADM, LOG and Ecosec Programmes staff in cash transfer programmes at country level*  ***IFRC:*** *Emergency support staff involved in the initial operational response decision making**Logistics, Finance, Legal, Security and Programmes, including Operations/Project Managers/Appeal Managers*  ***National Society:*** *Chapter staff and volunteers involved in CTP, national head quarter departments (NHQ), the Disaster Management teams and additional departments and units involved in design and response* |

### II. Brief overview of CTP in country

*Provide a generic description of types of CTP*

*CTP is an effective and flexible mechanism for saving lives, protecting livelihoods and strengthening recovery from disasters and conflict. CTP represents all forms of cash and voucher-based assistance. It is one of the available response options for supporting people affected by humanitarian crises. Its use is driven by the operating context. Appropriate CTP has a role as an alternative to, or to complement, in-kind assistance. CTP is not a sector in its own right; it is simply an instrument that can be used meet particular objectives in particular contexts and sectors of response.*

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| --- |
| **Types of cash transfer:**  **Unconditional cash transfers** (UCT) – **are** given with no conditions as to how the money should be used by the beneficiaries or without specific conditions that beneficiaries should fulfil. It is assumed that, if basic needs have been identified in the assessment, the money will be used to cover these needs. They can be given as one-off payments, can be repeated or given as varying amounts over periods of several months.  **Conditional cash transfers** (CCT) – are given to the recipients for a specified purpose or against specific conditions, such as starting a business, buying agricultural tools or products, attending healthcare services or sending children to school. As long as they respect the agreed purposes, the beneficiaries are free to use the amounts of cash put at their disposal to choose the type, quality or quantity of products they wish to buy.  **Cash for work** (CFW) – Payments (in cash or vouchers) as wages for work on community or public works programmes, which will improve or rehabilitate community services or infrastructure.  **Cash vouchers** – each voucher has a specific monetary value and can define a service and an item or range of items for which the voucher can be exchanged. Alternatively, it can be exchanged freely for whatever the recipient chooses to buy at shops participating in the scheme. The voucher is considered to have the same value as cash. The participating shops or market traders return the vouchers to the ICRC in exchange for payment.  **Commodity voucher** – is exchanged for a fixed quantity of goods or services at the shops or markets participating in the scheme. The sellers return the vouchers to the ICRC in exchange for payment. It is very similar to in-kind aid as people are bound by the goods or services delivered. Commodity vouchers enable the agency to impose items of a given type and quality on the beneficiaries.  **Cash and commodity vouchers combination** – combination of the above. The commodity vouchers compel the beneficiaries to ‘purchase’ a given set of items while the cash voucher enables them to complement the commodity voucher with items they can choose freely (up to the amount specified on the voucher).  **Fairs** – Beneficiaries are provided with the goods they need through the organization of a fair at which vouchers are exchanged for goods. Fairs are used often to enable beneficiaries to acquire agricultural goods such as seeds and livestock but they can be organized also for other items such as shelter construction material or other essential household items. They give beneficiaries the opportunity to choose the products they like while enabling the ICRC to exert some control over the quality of the goods exchanged at the fair. |

### CTP experience to date:

*Provide a generic overview of experience of the National Society using CTP in this country and/or type of context. Provide details of:*

*the dates*

*the modality*

*the mechanism*

*the number of beneficiaries targeted*

*lessons learned that influence future programming*

### III. Roles and responsibilities according to CTP modality

**Roles and responsibilities (departments, units, headquarters and down to branches):**

***List the main roles that different departments will have when implementing CTP in general.***

***Add rows if additional actors are identified.***

***An example from the IFRC SOPs is provided at the end of the document.***

|  |  |
| --- | --- |
| **Functions** | **Roles for CTP** |
| Programmes (including beneficiary communications and planning monitoring, evaluation and reporting) |  |
| **Logistics** |  |
| **Finance** |  |
| **Security** |  |
| **Risk management and audit** |  |
| **Legal** |  |
| **Information technology (IT) and communication systems support** |  |
| **Resource mobilization** |  |

### Cash transfers using third parties (service providers)

*List the main functions that different departments will have when implementing CTP.*

*Add columns if additional actors are identified. A more complete version of this can be provided in the annex in table format (see ICRC and IFRC SOPs for examples of diagram formats). Add to and adapt the main functions listed below to suit your context*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Main function | Programmes/ DM/EcoSec | Logistics | Finance/Admin | Others |
| CTP modality selection |  |  |  |  |
| Setting the value of the transfer |  |  |  |  |
| Market assessment |  |  |  |  |
| Service provider selection |  |  |  |  |
| Risk audit |  |  |  |  |
| Beneficiary registration |  |  |  |  |
| Contracting of third parties |  |  |  |  |
| Validation of transfers to beneficiaries |  |  |  |  |
| Reconciliation of transfers |  |  |  |  |
| Follow-up of feedback and response mechanism |  |  |  |  |
| Market price monitoring |  |  |  |  |
| Other |  |  |  |  |

### Cash transfers using traders (commodity and/or cash vouchers)

*List the main functions that different departments will have when implementing CTP.*

*Add columns if additional actors are identified. A more complete version of this can be provided in the annex in table format (see ICRC and IFRC SOPs for examples of diagram formats).*

*Add to and adapt the main functions listed below to suit your context*

| Main function | Programmes/ DM/EcoSec | Logistics | Finance/Admin | Others |
| --- | --- | --- | --- | --- |
| CTP modality selection |  |  |  |  |
| Setting the value of the transfer |  |  |  |  |
| Market assessment |  |  |  |  |
| Tender process for voucher supply |  |  |  |  |
| Voucher design and approval |  |  |  |  |
| Risk audit |  |  |  |  |
| Beneficiary registration |  |  |  |  |
| Selection of traders for redemption of vouchers |  |  |  |  |
| Reconciliation of vouchers |  |  |  |  |
| Payment to traders |  |  |  |  |
| Follow-up of feedback and response mechanism |  |  |  |  |
| Market price monitoring |  |  |  |  |
| Other |  |  |  |  |

### Direct cash transfers by National Society/IFRC/ICRC

*List the main functions that different departments will have when implementing CTP.*

*Add columns if additional actors are identified. A more complete version of this can be provided in the annex in table format (see ICRC and IFRC SOPs for examples of diagram formats). Add to and adapt the main functions listed below to suit your context.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Main function | Programmes/ DM/EcoSec | Logistics | Finance/Admin | Others |
| CTP modality selection |  |  |  |  |
| Setting the value of the transfer |  |  |  |  |
| Market assessment |  |  |  |  |
| Selection of payment method |  |  |  |  |
| Risk audit |  |  |  |  |
| Beneficiary registration |  |  |  |  |
| Request for payment to beneficiaries |  |  |  |  |
| Validation of transfers |  |  |  |  |
| Follow up of feedback and response mechanism |  |  |  |  |
| Market price monitoring |  |  |  |  |
| Other |  |  |  |  |

### Ways of working

*State clearly the mechanisms for the ways of working that have been established including:*

* CTP TWG (state members and meetings planned)
* Cash focal point (CFP) (state main role at national and branch/field level)
* DM/Programmes/EcoSec (state main roles)
* Coordination with Movement actors
* External coordination with non-Red Cross Red Crescent actors

### IV. Annexes

*Include any additional documentation produced during different stages of the programme cycle:*

* Preparedness
* Assessment
* Response analysis
* Set-up and implementation
* Monitoring and evaluation

*Include any additional documentation linked to standard service agreements, voucher specifications or formats that should be used*

### Example: IFRC’s functions and roles for CBP (Source: IFRC CBP SOPs v 14)

|  |  |
| --- | --- |
| **Functions** | **Roles for CTP** |
| Programmes  (including beneficiary communication and planning, monitoring, evaluation and reporting) | * Takes overall programme management responsibility for CBP, including setting criteria and parameters to support services * Manages the process of assessing needs, appropriateness and feasibility of CBP, selecting the most appropriate cash transfer modality and delivery mechanisms, and ensuring good-quality programme design * Provides advice on intended beneficiary preferences and customs around CBP to other stakeholders involved in the programme * Devises an appropriate communication strategy (including whistle-blowing and feedback mechanisms) that matches the chosen CBP modality and delivery mechanism in consultation with the National Society and affected population * Provides advice/support on developing monitoring and evaluation plans on best methods and frequency of data collection to track the quality and impact of CBP * Promotes CBP good practice and common programming approaches and standards through specific networks and IFRC experience (e.g., International Red Cross and Red Crescent Movement Cash Peer Group, Shelter Cluster Leadership, partnership with CaLP) |
| Logistics | * Participates in the assessment process, especially when assessing markets and CBP feasibility, due to skills in analysing market systems, market chains, traders and service providers * Manages the tender and contract process with commodity and/or cash vouchers and third parties/transfer companies * Monitors quality of services delivered by suppliers * Supports large-scale commodity-tracking activities |
| Finance | * Supports and participates in cash feasibility assessment as the financial experts in the IFRC * Establishes financial criteria, identifies third parties/transfer companies (financial intermediaries) to be approached, evaluates financial criteria and approves third parties selected through the tender process in compliance with IFRC Banking and Currency Procedures * Supports the design of the financial reporting and reconciliation system at the programme design stage * Validates financial reporting and reconciliation to ensure financial accountability |
| Security | * Participates in security risk assessments and reviews to ensure the level of risk is acceptable for programme staff, volunteers and beneficiaries * Ensures that the programme/operation is compliant with the minimum security requirement (MSR) |
| Risk management and audit | * Provides advice where necessary on risk management processes * Reviews any audit clauses in the Memorandum of Understanding (MoU)/agreements made with CBP providers, where there are specific donor audit requirements on CBP |
| Legal | * Reviews and guides on contracts when the IFRC standard contract template and conditions (Annex 4) are not acceptable * Conducts any legal reviews or risk assessments, where necessary, depending on the context |
| Information technology (IT) and communication systems support | * Provides technical know-how on IT-related aspects of CBP involving new technologies such as mobile phone banking, digital data gathering and electronic payment systems |
| Resource mobilization | * Provides support to ongoing fund-raising and partnership efforts |