IFRC SOPs Risk Management Checklist

## Annex 2. IFRC CBP Risk Management Checklist

This checklist summarises the legal, compliance, strategic, security, financial and programming risks that have been identified for CBP.

* Managers considering CBP should ensure that the risk checklist is completed.
* Risk questions marked with a “P” refer to those that can be answered during preparedness activities, pre disaster so as to be better prepared for an eventual CBP response.
* Risk questions marked with a “Y” should be used for decision making on when CBP can go ahead or not. If the answer to any of these questions is “NO”, the associated risks of implementing CBP are too high for IFRC to consider CBP implementation until the issue is resolved and the answer becomes a “Yes”.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **RISK ASSESSMENT QUESTIONS -  all questions should be addressed**  **Those with a "P" can be addressed during preparedness activities.**  **Those marked with a Y mean that if the answer is NO, CBP should NOT GO AHEAD until the answer can be YES** | | **Prepared-ness activities** | **Answer must be “Yes” to proceed with CBP** | **Answers for CBP** |
| **Previous in-country CBP experience** | |  |  |  |
| **1** | Does the HNS have experience of using cash based programming? | P |  |  |
| **2** | Is there experience with cash based programming in the country? | P |  |  |
| **3** | Does the national government allow agencies to implement CBP in country? | P | Y |  |
| **4** | Has the needs assessment of the local population identified the level of acceptance and comfort for these most commonly used CBP mechanisms? | P | Y |  |
| **5** | Does the HNS and IFRC country office have localised SOPs for cash programming and/or agreed roles and responsibilities for distributing goods and cash? | P |  |  |
| **6** | Are any special considerations that may have legal/financial/reputational impacts on the IFRC been identified and informed to the relevant IFRC department to address? (i.e. political, regulatory, cultural, social, fraud and corruption etc.) | P |  |  |
| **7** | Have lessons and issues raised during past joint operations and/or assessments with the other organisations been considered? | P |  |  |
| **8** | Does the HNS and IFRC have a contingency plan that can be updated to include cash components? | P |  |  |
| **Legal and Compliance Risks** | |  |  |  |
|  | ***IFRC Status Agreement*** |  |  |  |
| **9** | Does the IFRC have a status agreement\* in country? (In the case where the IFRC does not have a status, would the IFRC be able to operate under the legal umbrella of the HNS?)  \* IFRC status agreement refers to the agreement concluded with the Government, which grants the IFRC’s sound and clear legal status to operate in the country, as well as privileges and immunities similar to those of international organisations to facilitate its operation. Please revert to the legal department in case of questions regarding the status agreement. | P | Y |  |
| **10** | Can the IFRC comply with all legal restrictions under this status agreement relating to transfer of cash into the country? | P | Y |  |
| **11** | Does the status agreement contain appropriate provisions for transferring and repatriating funds\*, and/or opening bank accounts?  \*Any transfer of funds by the IFRC to a NS for the purpose of cash based programmes will be done in accordance with IFRC rules, regulations and policies, including the CBP standard operating procedures and the cash transfer and working advance modalities | P |  |  |
|  | ***Governmental regulations/laws*** |  |  |  |
| **12** | Can any particular government regulations/ laws that prohibit the transfer and repatriation of funds in foreign currencies into and from the country be complied with? | P | Y |  |
| **13** | Can any particular government restrictions that prohibit or regulate the distribution of cash in the country be complied with? | P | Y |  |
| **14** | Can any particular restrictions placed by government/local authorities on how to proceed with programming (relating to type, target populations, timeframes, etc.) be complied with? | P | Y |  |
| **15** | Can all necessary approvals be obtained for these activities, including prior permissions and any documentation required? | P | Y |  |
| **Strategic Risks** | |  |  |  |
|  | ***National Society*** |  |  |  |
| **16** | Has the HNS agreed to the CBP proposed and its details (i.e. delivery mechanism chosen, amounts, targeted population, etc.)? |  | Y |  |
| **17** | Will the HNS be involved in the design and/or delivery of the programme (i.e. volunteers/staff) being proposed by the IFRC? |  |  |  |
|  | ***Government and local authorities*** |  |  |  |
| **18** | Have the national government and/or local authorities agreed to the CBP being proposed (i.e. delivery mechanism chosen, amounts, targeted population, etc.)? |  | Y |  |
|  | ***Other organisations*** |  |  |  |
| **19** | Are other organisations undertaking cash based programming into the country (including PNS)? | P |  |  |
| **20** | Is there an interagency forum in which to discuss CBP? |  |  |  |
| **21** | Does an adequate coordinating mechanism exist to ensure cohesion, proper coverage and avoid duplication with other agencies involved in CBP and if not has IFRC/HNS identified the reasons why not? |  | Y |  |
|  | ***Relationship to donors*** |  |  |  |
| **22** | Is the strategy to proceed with cash based programming clearly discussed in the appeal, operational plans and/or operation updates issued to the public/donors? | P |  |  |
| **23** | Can the IFRC/NS monitor and comply with donor restrictions/prohibitions and conditions, keeping in mind the Fundamental Principles? | P | Y |  |
| **24** | *Can the IFRC/NS monitor and comply with any requirements by donors related to anti terrorism and/or bribery?* | P | Y |  |
| **25** | Can the IFRC/HNS monitor and comply with any social requirement clauses (i.e. women only, children only, etc.) keeping in mind the Fundamental Principles? | P |  |  |
| **Security Risks (based on Security Risk Assessment (SRA))** | |  |  |  |
| **26** | Has a situational analysis been properly completed involving a wide variety of sources including NS, ICRC, UN, NGOs, Government and open source material? | P | Y |  |
| **27** | Has site and storage security been appropriately considered? | P | Y |  |
| **28** | Will the cash be stored by the third party, the preferred method of storage for IFRC? |  |  |  |
| **29** | Has transport security been appropriately considered? |  |  |  |
| **30** | Is transport of the cash being done by the third party, the IFRC preferred mode of transport? |  |  |  |
| **31** | As per IFRC’s Minimum Security Requirements (MSR), does the operation have the means for a 2-way communications and a redundancy system in place? |  |  |  |
| **32** | Does the programme beneficiary selection criteria consider possible security risks of the programme? |  | Y |  |
| **33** | Have distribution security issues been appropriately considered? |  | Y |  |
| **34** | Does the programme have a security contingency plan in place according to IFRC standards | P | Y |  |
| **35** | Based on the outcome of the SRA, has a security plan been developed that addresses how identified risks can be mitigated against? |  | Y |  |
| **36** | Is the cash programme fulfilling the IFRC minimal Security Requirements (MSR)? |  | Y |  |
| **Accountability, Fraud & Corruption Risks** | |  |  |  |
| **37** | Can the IFRC/HNS comply with the strategy/process (course of action) on how to deal with potential cases of corruption and/or misappropriation of funds at the various levels (i.e. employees, volunteers, vendors, third parties, beneficiaries, role of insurance / police etc.)? |  | Y |  |
| **38** | Can preventative measures for any identified risks of fake/counterfeit vouchers/claims be reasonably implemented when using vouchers? |  | Y |  |
| **39** | Is there is insurance coverage in place, in case of losses, theft and other risks during transport of cash? *(Consider obtaining appropriate insurance cover from the IFRC Insurance Unit in Geneva. Also obtain any authorisation from IFRC Geneva Security Unit for such a transfer)*. | P | Y |  |
| **Programming Risks** | |  |  |  |
| ***Capacity related risks*** | |  |  |  |
| **40** | If IFRC is working through NS for CBP, has the IFRC assessed the NS’s systems and capacity to implement and meet donor requirements? | P | Y |  |
| **41** | Does the proposed and staffing structure and assignment of roles and responsibilities allow for an appropriate segregation of duties and any delegation of authority?\*  \*This should be clearly documented and communicated within the organisation (IFRC and NS) and shared with partners as appropriate. | P | Y |  |
| **42** | Can the HNS undertake the programme in terms of adequate human resources, technical know-how, knowledge of applicable policies and procedures and the means to implement the CBP? | P | Y |  |
| **43** | Where the IFRC/NS does not have the capacity, are there alternate options, such as third party service providers (banks, financial institutions, post offices, vendors, or other service providers) that have the capacity to undertake the activities? | P |  |  |
| **44** | Can any restrictions/limitations on the types of services/capacities of the identified third parties be addressed successfully? | P |  |  |
| **45** | Where any restrictions/limitations cannot be addressed will this determine the type of CBP to be undertaken? | P |  |  |
| ***Beneficiary Registration & Data Management Risks*** | |  |  |  |
| **46** | Are beneficiary selection and verification processes transparent and backed up with adequate documentation? |  |  |  |
| **47** | Can IFRC/NS register beneficiaries for effective tracking and reconciliation of the programme? | P | Y |  |
| **48** | Can all regulatory requirements regarding the type of data that may be captured, stored and transferred be met (i.e. privacy and data protection laws)? | P | Y |  |
| **49** | Can all adequate safeguards to protect beneficiary information collected, stored and transferred been put in place (properly segregated and filing adequately safeguarded) in a way that meets IFRC rules and regulations, policies, procedures, guidelines and national laws? |  | Y |  |
| **50** | Can any beneficiary approval required be obtained? | P |  |  |
| **51** | Can all other requirements from the government regarding the use of this data be addressed? If yes, does the collection, storage and/or transfer of this data breach any of the Fundamental Principles, international humanitarian law, human rights and national laws on privacy and data collection? (This may be related to retransmission of the data, either to donors or other entities) | P |  |  |
| ***Beneficiary Considerations/Communication*** | |  |  |  |
| **52** | Can any identified gender based violence issues related to planning a CBP be addressed? | P |  |  |
| **53** | Can any identified cultural particularities related to planning out a CBP be addressed? | P | Y |  |
| **54** | Where the delivery mechanism(s) chosen excludes any targeted beneficiaries (i.e. SMS/phone delivery where beneficiaries do not have mobiles, where a bank account is needed and official government ID is required, where literacy rates may be low and increased beneficiary communications are needed), is there an appropriate strategy in place to include those at risk of being left out? | P | Y |  |
| **55** | Is the beneficiary communication plan/strategy in place been tested for effectiveness? |  |  |  |
| **56** | Is there an independent appropriate feedback mechanism in place for beneficiaries (i.e. to report irregularities and/or to comment on the programme)? |  | Y |  |