



MODULE 4. SET UP AND IMPLEMENTATION

SETTING THE SCENE: This is the only sub-module where we split the group by organisation because we are in the most detailed of tasks the organisational SOPs

MODULE 4. SET UP AND IMPLEMENTATION



- In this module:
 - **SOPs**
 - Procurement
 - Contracting FSPs and vendors
 - Encashment planning
 - Reconciliation and controls
 - Filing & Distribution Tracking

CTP STANDARD OPERATING PROCEDURES

- Purpose: to support and facilitate the set-up and the implementation of CTP by:
 - ✓ specifying the **respective roles and responsibilities** of the Administration, Logistics and Programme department
 - ✓ defining the **processes** involved and the **minimum documentation** requirements,
 - ✓ providing **key documents** of reference or **technical guidance**.
- Importance to contextualize

Contextualise SOPs!

- Documentation requirements (as per Distribution Tracking Project)
- More information on Logistics processes (particularly for vouchers)
- Updated to be relevant for JDE (as well as FSS)
- New chart of accounts details for CTP - including new account code for cash transfers
- More links to templates and forms (e.g. standard contracts with FSP)

TASK: SOPS

IFRC/ICRC	IFRC/ICRC	IFRC/ICRC	IFRC/ICRC

As SOPs are organisation specific we need to split into groups based on organisation as the task content will be slightly different. Groups move to different rooms/parts of the room with specific facilitators.

Task time 20 mins

TASK: IFRC SOPs

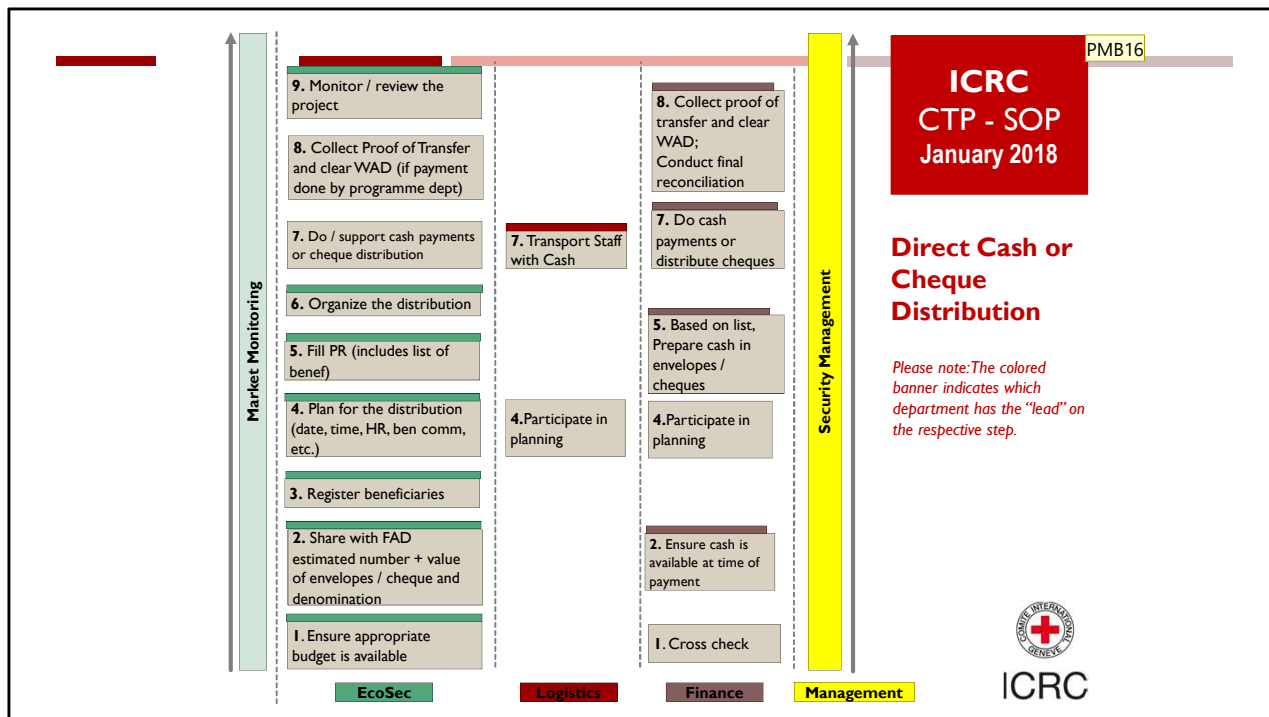
	Programmes IFRC/NS	Finance	Logistics / Procurement	Trader / 3rd Party
ASSESSMENT & PLANNING				
IMPLEMENTATION				
MONITORING, EVALUATION & REPORTING				

1. **Commodity and/or value vouchers delivered through traders**
2. **CBI distribution through third parties/transfer companies**
3. **CBI through direct cash distribution by the IFRC**

For the task we would provide printed out the table and then steps as shown in slides 11-13 which would then look at after to see if participants have arranged in this order and where there are differences discuss



TASK: ICRC SOPs



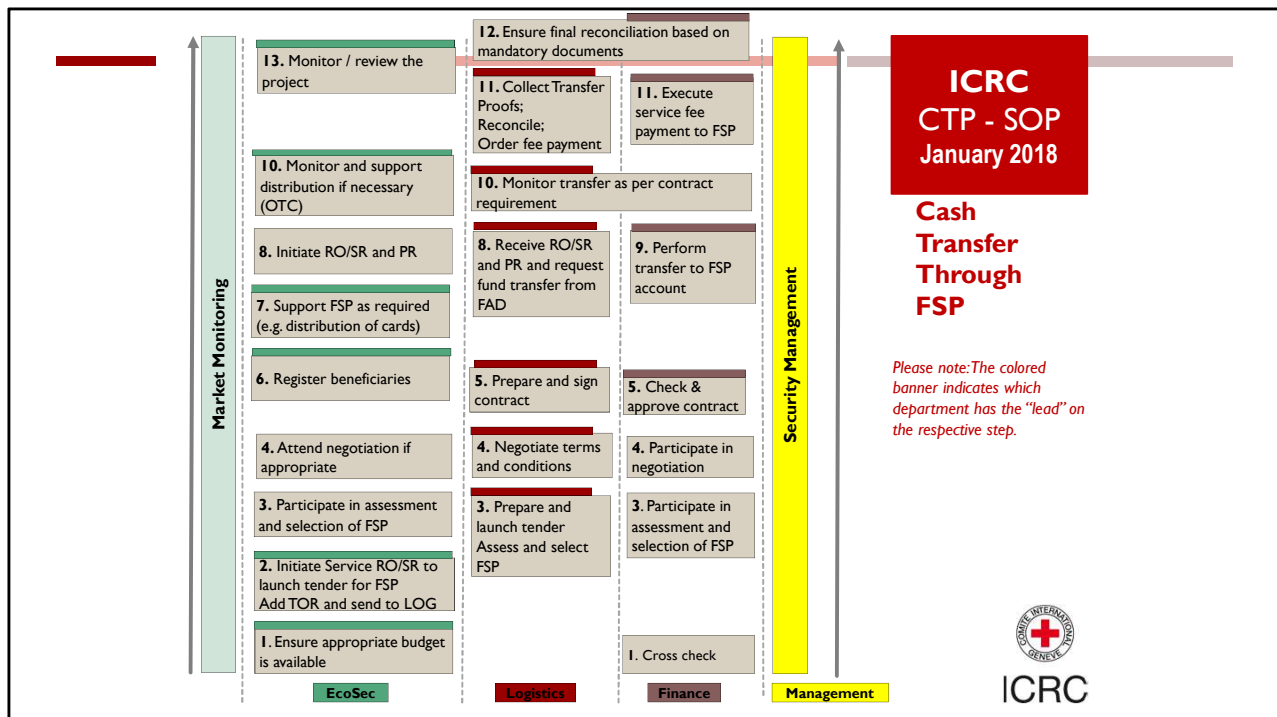
PR = Payment request. EcoSec has to fill a Payment request and submit to Finance

Slide 7

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Here it's specify for the ICRC - could we however make these documents unique for both organization - highlighting what is different??

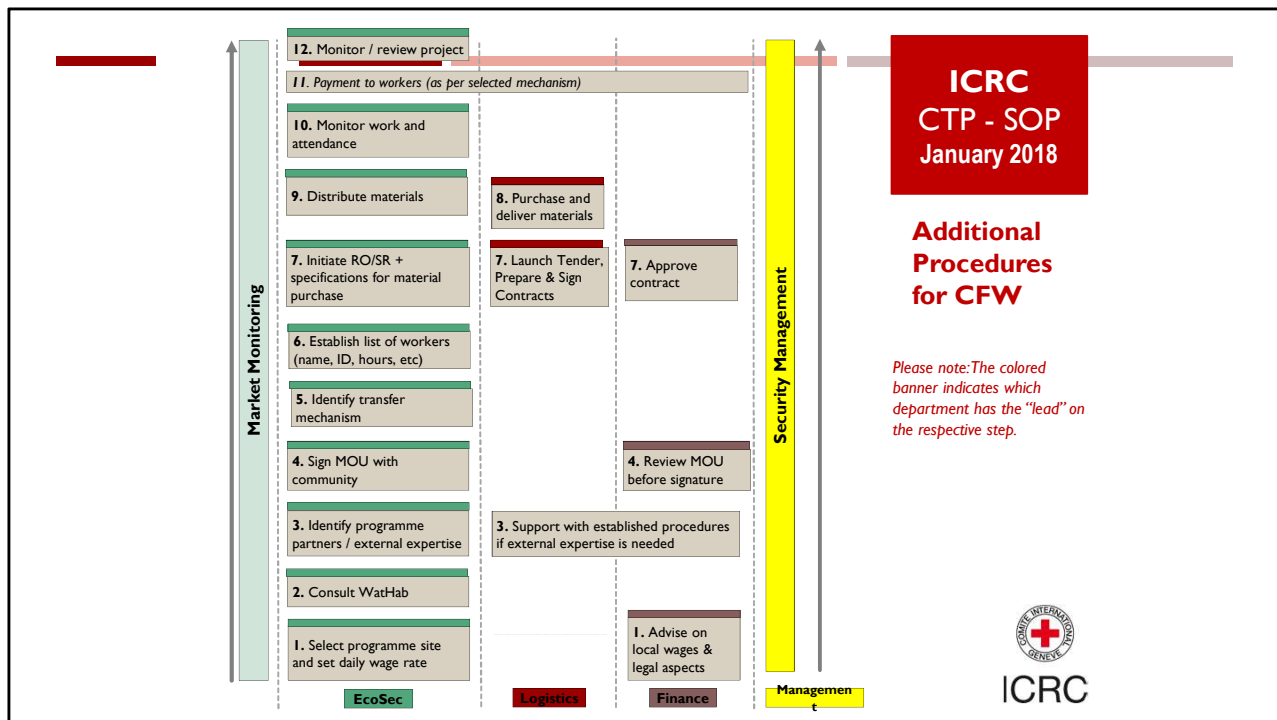
Pauline Marie Burgeon; 18.03.2019



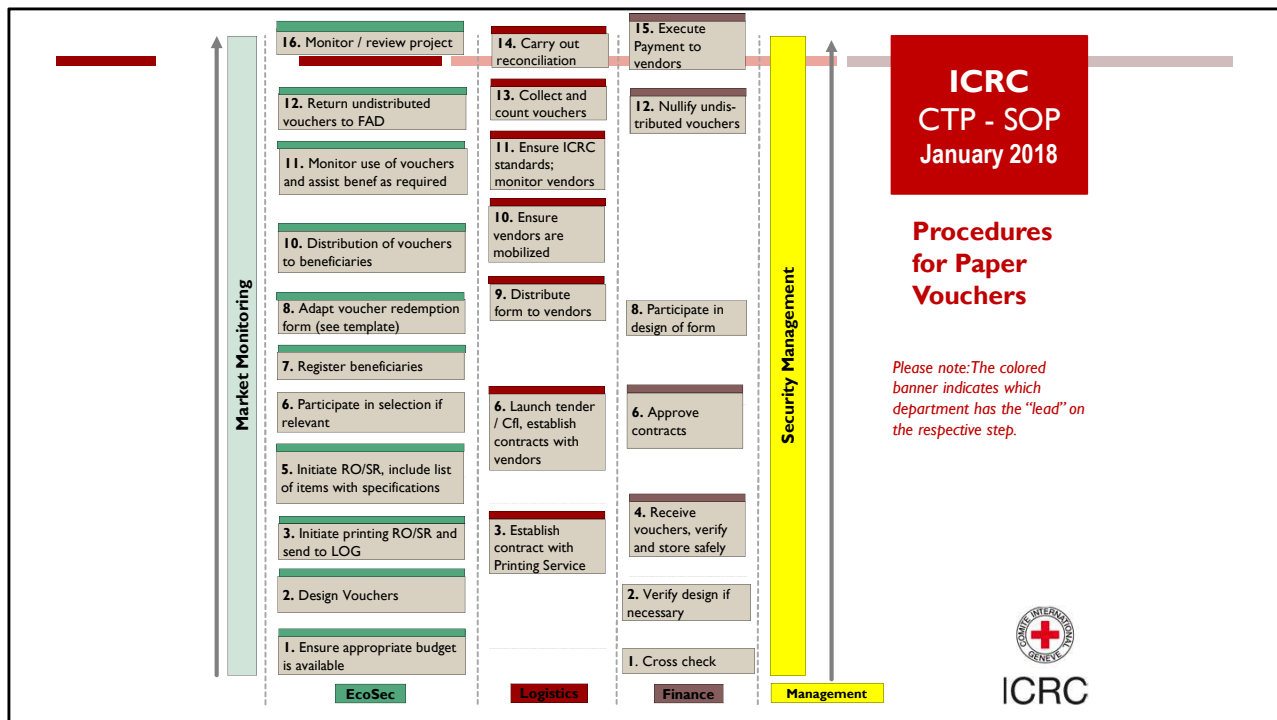
FSP = Financial Service Provider. Underline that preliminary discussion with FSP are necessary and should be anticipated. Discussion should start as soon as EcoSec decides to implement CTP. When discussing with FSP, it is better to explore what would be included in the ToRs and the proposals.

Take into consideration that a contract may take time due to review either by FSP and at ICRC HQ or the delegation legal.

Payment of fees may actually be at initial stage along with transfer of funds



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



The same procedure for vouchers applies for fairs. Logistics has to ensure that traders are registered before the fairs take place. The type and quality of items to bring for fairs should be well clarified and the average price agreed with traders before the operation. A quality control (with sample taken in situ) and monitoring should be conducted to learn lessons from the operation.

	Programmes IFRC/NS	Finance	Logistics /Procurement	Trader / 3rd Party	COMMODITY AND/OR VALUE VOUCHERS DELIVERED THROUGH TRADERS
ASSESSMENT PLANNING	Identification of key markets and commodities/services Check if there is an existing & appropriate voucher framework (FA) agreement in place. High level programme design including distribution planning and voucher design or creation as relevant. Adjusted against the Market & FSP mapping report.		Market assessment & Analysis of the key markets and commodities/services identified FSP Mapping & Regulatory Landscape to understand if there any rules or regulations around the distribution of vouchers.		
IMPLEMENTATION	If no existing FA in place then define what services are required (voucher, system, printing etc.) and complete the LR Complete detailed programme design: beneficiary targeting & registration, CEA and distribution of vouchers. Reconciliation (on-going and final)	Validation of expenditure approval for procurement Validates reconciliation Invoice payment	Procurement process (launch tender, supplier section and contracting) Invoice payment	Voucher redemption & stock management Invoice and proof of receipt Receives payment	
MONITORING, EVALUATION REPORTING	M&E including PDM and programme objectives, programme design may be adapted Final Report		Regular market monitoring and report on the findings.		

These are the answers, also in the IFRC Cash SOPS if people are using those. In which case you might be able to move through these slides quite quickly.

	Programmes IFRC/NS	Finance	Logistics /Procurement	Trader / 3rd Party
ASSESSMENT & PLANNING	<p>Identification of key markets and commodities/services</p> <p>Check if there is an existing & appropriate 3rd party framework (FA) agreement in place.</p> <p>High level programme design including distribution planning delivery mechanism training as relevant. Adjusted against the Market & FSP mapping report.</p>		<p>Market assessment & Analysis of the key markets and commodities/services identified</p> <p>FSP Mapping & Regulatory Landscape to understand if there any rules or regulations around the distribution cash by the selected delivery mechanism.</p>	
IMPLEMENTATION	<p>If no existing FA in place then define what services are required (delivery mechanism, on-line interface etc.) and complete the LR</p> <p>Complete detailed programme design: beneficiary targeting & registration, CEA and distribution of ATM/SIM cards etc.</p> <p>Request for Payment to transfer funds to FSP</p> <p>Encashment plan – electronic list of recipients, grant value, transfer date etc.)</p> <p>Reconciliation (on-going and final)</p>	<p>Validation of expenditure approval</p> <p>Financial intermediary assessment (from Eol or tender) - is this a supplier we can work with (reputation, reliability solvency)</p> <p>Validate & executes request for payment</p> <p>Validates reconciliation</p> <p>Sweep back of unspent funds</p> <p>Invoice payment</p>	<p>Expression of Interest (Eol) & Procurement process</p> <p>Invoice Payment</p>	<p>Confirms receipt of transfer</p> <p>Transfer to beneficiaries</p> <p>Invoice and proof of receipt</p> <p>Receives payment</p> <p>Receives payment</p>
MONITORING, EVALUTION & REPORTING	<p>M&E including PDM and programme objectives, programme design may be adapted</p> <p>Final Report</p>		<p>Regular market monitoring and report on the findings.</p>	

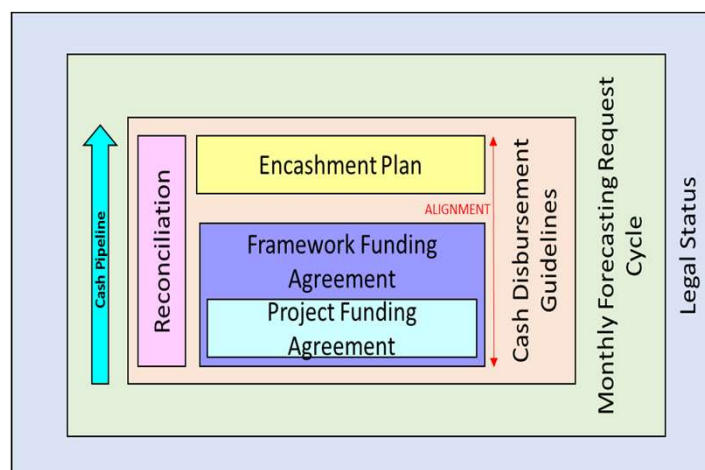
CBI DISTRIBUTION THROUGH THIRD PARTIES/TRANSF ER COMPANIES

	Programmes IFRC/NS	Finance	Logistics /Procurement	NS
ASSESSMENT PLANNING	Identification of key markets and commodities /services High level programme design including distribution planning. Adjusted against the Market & FSP mapping report. Arrange IFRC insurance		Market assessment & Analysis of the key markets and commodities/services identified	
IMPLEMENTATION	Complete detailed programme design: beneficiary targeting & registration, CEA Request for Payment to transfer funds to NS / IFRC country office Encashment plan – generate list of recipients, grant value, transfer date etc.) Cash distribution (including pre-distribution work - stuffing envelopes and arranging transportation) Reconciliation (on-going and final)	Validate & executes request for payment. Transfers funds to NS or IFRC country office Validates reconciliation		Cash Distribution
MONITORING, EVALUTION REPORTING	M&E including PDM and programme objectives, programme design may be adapted Final Report		Regular market monitoring and report on the findings.	

**CBITHROUGH
DIRECT CASH
DISTRIBUTION BY
THE IFRC**

Main difference between ICRC and IFRC

IFRC OPERATING ENVIRONMENT



It is strongly recommended **before planning and implementing** CBI to gain a greater understanding of the IFRC Operating Environment we are working in.

The cash delegate should draft a simple Operating Environment Analysis Report, the headings in Illustration 1 and Table 1 can be used as a template or structure for the report as well as including the corresponding process flow charts as annexes.

The Operating Environment Analysis Report should be shared amongst the team, particularly Finance and Legal for input and updates as well as being used as part of any handover notes. The Operating Environment Analysis Report is a living document as should be updated if things change or new information comes to light.

ORGANIZATION- VS. PROJECT-LEVEL SOPS



	Organization Level	Project Level
Definition	Strategic level documents in establishing procedures for CTPs	Tactical level documents addressing specific steps for specific Projects
Facilitates	Planning and implementation	Execution of specific tasks
Developed in line with...	-Organizational mandates and policies -Resources	-Organizational level SOPs -Resources and contracts
Roles and Responsibilities Broken down by	-Function -Management Level -Office	Also includes: -Organization / FSPs -Specific Individual within each department

PROJECT-LEVEL SOPS



Objective: Establish Standard Operating Procedures (SOPs) for project implementation

R:

A:

I:

16

Objective of Organisation wide SOPs → create slide for above

WHY DO WE NEED THEM?



- CTPs are complex – there will be always differences in implementation between CTP projects.
- The details will be defined by the capacities of the selected service providers – procedures will need to be tailored to take full advantage of their capacities.

Why we use the organisation SOPs (general steps and functions) and adapt them to our context and operations (size of operations, resources , modality and relationship with FSP etc.)

Explain that the reflection start with the RfQ – built into the contract.

PROJECT-LEVEL SOPS

ACTIVITIES

- Establish processes, activities, roles and responsibilities for project implementation
- **Adapt from organization's SOPs**, as much as possible
- **Ensure compliance**

PREPAREDNESS

- Establish processes, activities, roles and responsibilities for project implementation, as in-depth as possible prior to disaster onset
- **Align with organization's SOPs**, policies, and compliance requirements



SOPs per delivery mechanisms per context → to be defined with F.A when possible , and try to stick to them as much as possible

Preparedness maybe more related to the NS -> explain this (adapt vs align)

Draft and test SOPs

Should involve all relevant teams (that means support and op's) and happen before program roll-out with updates as necessary.

Working in small core groups of people who understand the technicalities of the work the SOP is guiding.

They should be drafted, reviewed, updated and finalised

We can test them and should test them.

Pilots are a great way to test a draft SOP, to check they work to make the needed adjustments.

They should always them be signed off – this ensures accountability when it comes to the specific tasks.

PROJECT-LEVEL SOPS - INPUT

from PROGRAM side

- Primary stakeholder – Responsible for development of SOP
- Outline project processes in accordance with program objectives
- Consult with Operations on operations specific issues



from Support Services side

- Supplier/service provider relationship management, training, and implementation processes
- Supplier monitoring
- Encashment process and upstream cash pipeline
- Tracking, reporting, and reconciliation
- Beneficiary data protection
- Segregation of duties
- Security Management



Highlight of collaboration and coordination → start the discussion as early as possible

TASK 1 – MODULE 4



Instructions

- Financial SOP's for Encashment
 - Group 1: Remittance
 - Group 2: E-vouchers
 - Group 3: Remittance
 - Group 4: E-vouchers
- Looking at E-vouchers and Remittance agents design a **skeleton** SOP for the encashment process.

Work: 30 minutes

Feedback 40 minutes (including your encashment plan)

Remind them from a RCRCM perspective this process starts at the point at which Funds are in country of operation.

Slide 20

PMB17 It seems to me like these aspects would all be covered by the ICRC tasks
Pauline Marie Burgeon; 18.03.2019

TASK 2 – MODULE 4



Instructions

- **Part 1:** Different transfer mechanisms are assigned to each group . Based on the information and the process flow, discuss the tasks foreseen for Logistics and Finance and the tools to be used.
- **Part 2:** Choose one context and contextualize SOPs.
- **Part 3:** Present your findings.
- Tools: SOPs.
- Time: ? minutes.

Remind them from a RCRCM perspective this process starts at the point at which Funds are in country of operation.

Slide 21

PMB17 It seems to me like these aspects would all be covered by the ICRC tasks
Pauline Marie Burgeon; 18.03.2019

KEY TAKEAWAYS

- Institution SOPs should be known and contextualization
- Project-level SOPs are tactical-level documents addressing specific steps designed for specific projects.
- Project-level SOPs should be established after the procurement process is complete and contracts are signed.
- Operations has essential input.
- SOPs may have room for some flexibility to account for security needs, but such flexibility should be limited to comply with organizational policy and compliance regulations.

