Annexes to Investing in Cash preparedness - Investing in National Society Development Guidance

Contents

Annex 1:
Glossary of Key Terms

(source 2013 and 2021 Localisation of Humanitarian action)

National Society Development (NSD): IFRC's National Society Development Framework (2013) describes NSD as work to achieve "an organization that consistently delivers, through volunteers and staff, relevant countrywide services to vulnerable people sustained for as long as needed and that contributes to the strength of IFRC and the Movement." It states that NSD work should impact on the "relevance, quality, reach and sustainability of NS services."

SOURCE: IFRC NSD POLICY 2022

National Society Development (NSD) is "the continuous effort of each National Society to achieve and maintain an accountable and sustainable organisation that delivers – through volunteers and staff – relevant services to address needs, reduce vulnerabilities and build resilience in a changing environment". NSD encompasses all aspects of the life of a National Society, including both what is referred to as Organisational Development and Capacity Strengthening / Enhancement. This policy defines these two interrelated areas as follows:

- **Organisational Development** is the part of NSD work that focuses on fundamental issues within the National Society: its mandate, legal base, identity, long-term strategic direction, basic organisational model, leadership drive, capacity to anticipate and adapt, and the relationships between different parts of the organisation or between the National Society and its environment, including the auxiliary role. Organisational Development recognizes the interconnectedness of a National Society's different functions and levels, and their influence on performance and impact.

- **Capacity Strengthening / Enhancement** is the part of NSD work that focuses on improving existing services and capacities by making them more impactful, effective, widespread and better related to the National Society mandate and mission. This includes both strengthening areas of work that focus on community resilience and empowerment as well as strengthening underpinning systems, procedures and tools.

Organisational Capacity Assessment and Certification (OCAC): IFRC's OCAC is an assessment process that supports National Societies to review all the elements that make up for a strong organisation by looking at their capacity and performance indicators, assessing strengths and weaknesses, and providing focus in their efforts to become strong and sustainable service providers.

Branch Organisational Capacity Assessment (BOCA): IFRC's BOCA is a self-assessment tool developed for NS branches to identify and assess their strengths, limitations and challenges in relation to a wide range of organizational capacities. It is used as a first step in a branch development process.

Preparedness for Effective Response (PER): IFRC's PER is a self-assessment tool that enables NS to systematically measure, analyse, prioritise and plan preparedness for response actions to ensure timely and effective humanitarian assistance in line with the NS auxiliary role and mandate. It considers all hazards (natural, biological, technological, among others) and flexible to be used in different contexts.

Safer Access Framework (SAF): ICRC's SAF enables NS to further their understanding of what it takes to increase and or maintain their acceptance, security and access to people in need by understanding their operational context, taking stock of the lessons the NS learned and assessing their strengths and challenges in relation to the application of the SAF elements and the Fundamental Principles

KEY GRAND BARGAIN TERMS

Grand Bargain: In 2016 the World Humanitarian Summit (WHS) saw the launch of the Grand Bargain, a set of ten top-level commitments signed by major donors and humanitarian organisations to reduce the cost of humanitarian aid, make it more effective, and commit to 'invest in the capacity of local and national responders.'

Localisation: Under the heading of 'more support and funding to local and national responders' Grand Bargain signatories committed to 'making principled humanitarian action as local as possible and as international as necessary'. It has come to be seen as increasing international investment in the leadership, delivery and capacity of local humanitarian actors.

Annex 2:
CVAP levels

A NS is CVA prepared when it is able and likely to deliver appropriate assistance, in the form of scalable, timely and accountable CVA. CVAP is an ongoing NS development initiative that aims to increase the state of preparedness by integrating CVA into the organisation's tools, systems, procedures and staff capacity, as well as strengthening active leadership support for CVA, coordination and communication.

NSs that are investing in CVAP should measure both the NS CVA organisational capacity in key function areas as well as their CVA operational capacity but also into increasingly accountable and timely operations. The following Movement CVA Operational Levels describe requirements in terms of organisational capacity (systems, structures, processes and resources) in order to be able to deliver scalable, timely and accountable CVA[1].

Figure 1. CVA Operational Levels - sliding scale levels 1 to 3+ descriptions

Level 1	Level 2	Level 3	Level 3+
Almost nothing in place to support CVA implementation. NS is only able to deliver scalable, timely and accountable CVA with significant external support.	Basic systems, structures, processes and resources to implement CVA are all in place but require improvement. NS is able to deliver scalable, timely and accountable CVA with limited external support.	All systems, structures, processes and resources to implement CVA are in place at sufficient quality and standard. NS is able and likely to deliver scalable, timely and accountable CVA without external support.	All systems, structures, processes and resources to deliver CVA are in place at extraordinary quality and standard. NS plays a key role in influencing external environment. NS is able and likely to deliver scalable, timely and accountable CVA without external support and is able to provide CVA support to other organisations and Movement partners

NS can classify their level of CVA Preparedness using a sliding scale rubric and identifying what further investments they would need to make to be more prepared and able to deliver in a timely manner.

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1 Guidance for Mainstreaming Cash and Voucher Assistance, Cash Preparedness for Effective Response
   cash-hub.org/wp-content/uploads/sites/3/2021/06/CVAPreparedness-Guidance-Chapter-1_CVAP-Areas_v2-Jun21.pdf

Annex 3:
Cash preparedness activities supporting National Society Development: A guide for NSD staff

The following checklist outcomes can be used to guide you make stronger links between CVAP and NSD.

CVAP Area 1: Leadership commitment

CVAP Area 1.1: Vision & Strategy	**OCAC Attributes:**
CVAP Area 1.2: Organisational Structure	4: Strategic Plan
	11: Policies
CVAP Area 1.3: Operational Plans and CVAP Plan of Action	58: External communication
	75: Donor mobilisation and care
CVAP Area 1.4 Leadership-led advocacy and communication	77: Operational planning
	84: Investing in skills

Check list

- [ ] CVA is incorporated into strategic plans for different sectoral strategies

- [ ] CVA vision statement has been adopted by NS senior leadership

- [ ] NS senior leadership are able to drive the change process to develop organisation capacity for CVA

- [ ] The NS have a two-year CVA preparedness plan of action with funding secured for the Plan of Action

- [ ] CVA is fully mainstreamed into NS plans at the same level as in-kind and service provision

- [ ] CVA Preparedness investments allow NS to engage with multiple external actors to promote, share and request support for the associated preparedness activities

CVAP Area 2: Processes, Systems and Tools

CVAP Area 2.1.a: Roles and responsibilities/ segregation of duties (SOPs)

CVAP Area 2.2: Incorporating CVA in systems

CVAP Area 2.3: Infrastructure, equipment and technology

OCAC Attributes:

31: ICT infrastructure and skills

32: ICT communications capacities

33: Procurement and mobilisation of goods and services

38: Expenditure Authorisation

39: Treasury Management

41: Financial Information System

42: Budget

43: Financial Reporting

Check list

- CVA standard operating procedures are in place and widely understood and used across the organisation
- NS internal audit systems include CVA auditing procedures
- The use of kobo for CVA responses is aligned with overall NS activities and can be rolled out to other NS activities (e.g. CEA)

CVAP Area 3: Financial and Human Resources and Capacities

CVAP Area 3.2: Financial and Human Resources and Capacities: CVA human resource capacity analysis

CVAP Area 3.3: Skills and capacity: Leadership and decision makers

CVAP Area 3.4: CVA skills and capacity: programme staff

CVAP Area 3.5: CVA skills and capacity: Support Services staff

OCAC Attributes:

18: Staffing structure

28: Security/Safety Training and culture

40: Finance Staff

64: Reporting

79: Monitoring against objectives and budgets

81: Evaluations

82: Planning, Monitoring, Evaluation and Reporting (PMER) capacities

84: Investing in skills

Check list

- CVA gap analysis and plan of action aligns with the analysis and capacity planning/ mapping for NSD
- CVA competencies are incorporated into the job descriptions of any relevant positions at HQ, regional and branch level
- All relevant staff have the skills and capacity to implement CVA, market and context monitoring in response to a range of crises and humanitarian needs across sectors

CVAP Area 4: Community Engagement & Accountability, Coordination and Partnerships

CVAP Area 4.1: Community engagement and accountability
CVAP Area 4.2: Internal Coordination
CVAP Area 4.3 Internal Partnerships
CVAP Area 4.5 External Partnerships

OCAC Attributes:

63: Beneficiary Communication
52: Internal Communication
58: External communication
60: Auxiliary role

Check list

- [ ] There is an effective, culturally appropriate, inclusive two-way communication systems in place for CVA activities
- [ ] CVA Preparedness investments allow NS to engage with multiple external actors to promote, share and request support for the associated preparedness activities
- [ ] NS CVA actions in line with global CVA commitments
- [ ] CVA partnerships and advocacy efforts with relevant government ministries support/ enhance social protection systems in the country

CVAP Area 5: Test, Learn and Improve

CVAP Area 5.1: Testing CVA capacity
CVAP Area 5.2: CVA Knowledge Management
CVAP Area 5.3: Reassessing CVA capacity

OCAC Attributes:

76: Gap Assessment
81: Evaluations

Check list

- [ ] The NS has conducted a CVA self-assessment that realistically identifies gaps in capacity and areas for development and investment and the right people from across the organisation have been involved in this process

Annex 4:
OCAC Attributes 18 areas and CVAP Components listed with examples

1

OCA Core Capacity: To Exist

OCAC Attribute 4. Level D The Strategic plan drives all programmes run by the NS as illustrated by frequent references in all programme planning documents.

Level E: Annual progress reports against the Strategic Plan are made.

CVAP Area 1.1.d.   CVA is incorporated fully across the organisation in strategic plans as a recognised modality and a strategic organisational strength

OCAC Attribute 11.Policies are translated into strategies, programme documents, procedures and priorities. They are typically referred to in programme proposals, descriptions and reports.

Level E. Compliance of programmes or other initiatives with existing policies is tested during mid- and end-term evaluations. (Example: test the existing health activities against the health policy).

CVAP Area 1.1.c.   The NS has a clear vision about where CVA fits within the organisation and its strategy and what the organisation wants to achieve in the short, mid and long-term - its CVA ambition. This is captured in a CVA position paper, strategic document or similar.

CVAP Area 1.1.a.   The board actively supports CVA and provides CVA oversight.

CVAP Area 1.1.b.   Senior leadership actively supports CVA as a modality and gives leadership and accountability to its implementation

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OCA Core Capacity: To Organise
OCAC Attribute 38-43. Financial Management.

38. Expenditure authorisation

Level E: The expenditure authorization process covers all key transaction cycles and exceptions.

39. Treasury Management

Level E: The NS treasury management function undertakes treasury risk management.

40. Finance staff

Level E: Finance staff are able to provide strategic financial advice to management.

41. Finance Information System

Level E: The financial information system is fully integrated with other systems.

42. Budgeting

Level E: The NS amends its budget due to changing circumstances and/or corrects its actual spending in view of budget requirements.

43. Financial Reporting

Level E: The NS finance department produces income and expenditures including specific earmarked grants all with comparisons to budget.

Example	The Burundi Red Cross's CVA preparedness activities included prepositioning 'crisis modifier' funds in its FSP account – a ring-fenced, flexible budget to be used to respond to a disaster.

CVAP Area 3.5.	CVA skills and capacity – Support services staff
CVAP Area 3.5.b.	All relevant finance and cash flow staff have the capacity and skills to support CVA scale up in response to a range of crises and humanitarian needs across sectors in line with good practice.

Example	CVA Preparedness led the Zambia Red Cross to strengthen its procurement processes in order to contract an FSP, as its previous system was not in line with IFRC auditing requirements.

OCAC Attribute 18. Staffing Structure

Level E: All job descriptions are regularly revised to reflect changing priorities.

CVAP Area 3.2.   CVA Human resource capacity analysis

CVAP Area 3.2.a.   A completed CVA competencies mapping for all programme and support

A staff CVA capacity plan has been developed and technical and financial resources are available for its roll out.

CVA training and skills development activities offered to staff are updated in line with good practice and evolving CVA expertise to be able to respond to a range of crises and humanitarian needs across sectors.

Example   The Viet Nam Red Cross Society now has CVA Focal Points in 63 provinces so having the structures in place as it deemed it was essential to mainstream this role across the organisation to facilitate inter-departmental, and inter-branch coordination.

Example   The Burundi Red Cross conducted a realtime, 72 hours simulation exercise, with the support of WFP, IFRC and the Belgian Flanders Red Cross which provided the opportunity to test and strengthen its response capacity (WFP 2019).

Example   a peer learning group has been established in the Sahel and National Societies in East and the Horn of Africa have benefited from exchanges, training support, and other peer learning opportunities

Example   The Ethiopian Red Cross and Kenya Red Cross CVA Focal Points share contextual analysis of cross-border issues – strengthening branch and NS HQ capacity.

OCAC Attribute 31. ICT infrastructure and skills

Level E: All necessary core management functions are computerized.

A strategic plan for ICT development, support and training exists and is funded. Programme and service delivery staffs manage relevant information directly.

OCAC Attribute 32. ICT Communications capacities

Level E: The strategic plan for ICT development identifies opportunities for innovative use of technology.

CVAP Area 2.3.a.	Technical infrastructure and Equipment
	Technical infrastructure and equipment fully support and enable CVA implementation in response to a range of crises and humanitarian needs across sectors.
	These are reviewed regularly to identify further investment needs in line with best practice.
CVAP Area 2.3.b.	Information Technology tools and systems
	Appropriate IT tools and systems for registration, payment, reconciliation and reporting of CVA implementation are in use for a range of crises and humanitarian needs across sectors.
	They are reviewed regularly to identify further investment needs in line with best practice.
Example	The Baphalai Eswatini Red Cross Society played an important role in advocating with Members of Parliament and the National Disaster Management Agency for the scale up of cash assistance and the switch to electronic payment mechanisms.
CVAP Area 2.2.f.	Information Management Systems
	CVA related information management systems are in place and fully meet CVA preparedness and implementation needs.
	NS staff can access CVA specific information when designing and implementing for a range of crises and humanitarian needs across sectors.
	Information management systems routinely incorporate CVA specific information.

OCAC Attribute 33. Procurement and mobilisation of goods and services

Level E: Trained and qualified personnel are in place to cover the capacity required for procurement and mobilisation.

OCAC Attribute 50. Contract Management

Level E: Recourse to legal advice where necessary is easily available. Employees understand and comply with all contracting procedures.

Example	Signing a Financial Service Provider framework agreements has increased contracting capacities. The Zambia Red Cross now has a two-year contract in place with MTN, negotiated in advance of a crises. The Nigerien Red Cross has set up contracts with two of the country's biggest mobile phone suppliers.
Example	The Investment in technology through contracting Red Rose, like the Burkina Faso Red Cross, the first in the country to do so - helped National Societies to mobilise funds, thanks to a more efficient use of time, during targeting, registration and monitoring activities.

CVAP Area 2.2.d. Logistics and procurement systems to support market assessments, contracting and CVA delivery are fully functional and able to respond to a range of crises and humanitar-ian needs across sectors.

Logistics and procurement systems allow for a quick and at scale delivery of CVA and are regularly updated under the leadership of CVA focal point.

CVAP Area 2.2.e. Appropriate CVA delivery mechanisms for a range of crises and humanitarian needs across sectors are mapped and in use.

Pre-agreements are in place with most appropriate third party/ies or financial service providers (FSP/s).

Third parties and FSPs are regularly reviewed (annually or every two years).

OCAC Attribute 28. Security/Safety Training and culture.

Level E. Training programmes are developed and adjusted in accordance with requirements identified by debriefs, evaluations and lessons learned.
The requirement for situation specific specialised security training is recognised and personnel are offered specialised training in accordance with specific needs.

CVAP Area 3.3. Skills and capacity – leadership and decision makers

CVAP Area 3.3.a. NS senior decision-makers have the authority, the knowledge and skills to make informed decisions about CVA in response to a range of emergency and humanitarian contexts and across sectors and fully engage in the institutionalisation of CVA.

3

OCA Core Capacity: To relate and mobilise

OCAC Attribute 75. Donor mobilisation and care

Level E: The NS has a robust donor recruitment and retention programme, underpinned by appropriate fundraising management systems e.g. finance and donor databases.

The NS has an integrated/aligned customer relationship management system and database that enables proactive donor analysis, segmentation and marketing.

Example	The Bahamas Red Cross has a stronger and more influential relationship with its government and donors as a result of the Dorian response. While the former has sought its input and involvement in other disaster response programmes, Movement partners are now more likely to consult the Bahamas Red Cross about their funding priorities, rather than specifying what donations should be used for.

Example	The Ugandan Red Cross´ confidence in its ability to deliver, combined with their more active involvement in the national-level CWG, resulted in an opportunity to participate in an ECHO-funded consortium led by Danish Church Aid.

Example	Ethiopian Red Cross had previously implemented CVA exclusively through ICRC but since undertaking the CVA Preparedness, has transitioned to providing CVA directly and has been able to apply to different partners for more funding.

OCAC Attribute 60: Auxiliary Role

Level E: The public authorities rely on the NS as a preferred partner in humanitarian action in the specified areas according to its mandate, competencies, a country-wide reach, and in full respect of the 7 Fundamental Principles.

Example	This included putting in place new agreements and contracts to improve data sharing, targeting and registration, and to align modalities, delivery mechanisms and ways of working., the Baphalai Eswatini Red Cross provided technical CVA guidance to the national government, supported its move to an electronic payment system and worked with them to reach additional households.

Example	The Malagasy Red Cross was better able to support the government's responses to both Covid-19, and to food insecurity and drought in the south of the country, topping up the government's assistance where necessary. This has contributed to an increased credibility with the government, as well as with partner National Societies.

OCAC Attribute 63. Beneficiary Communication

Level E: The NS reorients/adjusts its programme and advocates on behalf of affected communities based on information gathered through dialogue, strategic community engagement and complaints received.

Community Engagement and Accountability has been a growing area of interest across the Movement and beyond, with a people-centred approach being prioritised by many NS. CVA Preparedness investments offer the opportunity to include CEA tools and mechanisms needed for operations.

CVAP Area 4.1	Community Engagement and Accountability

4.1.a.   Two-way communication to affected communities on the CVA

There is a fully functioning culturally appropriate and inclusive two-way communications system in place, including strong feed-back and complaints mechanisms, data from which is consistently fed back into the programme. The two- way communication system is in place for a range of crises and humanitarian needs across sectors.

4.1.b.   Affected-communities Involvement in programme cycle

The affected communities participate in decision- making: in development of selection criteria, and verification, prioritisation of needs/programme objectives, in monitoring and designing the exit strategy. The NS regularly includes affected communities in in assessment, response options, design and monitoring of the project cycle and clearly shows how their views and preferences are reflected in the response for a range of crises and humanitarian needs across sectors.

4.1.c.   Feedback and complaint mechanisms

Feedback and complaint mechanisms are in place and information received is regularly acted upon to improve programming. Analysis of results is documented and used future design and implementation tools for a range of crises and humanitarian needs across sectors.

Example	Eswatini RC (BERCS) ocial protection messages disseminated by BERCS as early action, before disasters.

Example	COVID perception survey on CVA distributions done ZRCS

OCAC Attribute 58. External Communication

Level E: There is demonstrated value in retention and growth of key relationships and there is evidence of positive changes to policies or legislation.

CVA Preparedness investments allow NS to engage with multiple external actors to promote, share and request support for the associated preparedness activities.

CVAP Area 1.4.b.	External advocacy and communication
	In line with the external CVA advocacy strategy and plan, the NS has the capacity to play a CVA champion role and to advocate on behalf of CVA with different stakeholders.
	A CVA communications strategy to support consistent messaging to all stakeholders is in place and the NS communicates consistently to all relevant stakeholders.

Example	The Kenyan Red Cross reported that CVA had given them 'a face' and increased its status in communities and with humanitarian actors

Example	The quality of the Ethiopian Red Cross's CVA response led to the government expressing confidence in its work, and to greater visibility and a stronger reputation with communities, UN agencies and INGOs

Example	The Zambia Red Cross's efforts to promote its CVA response in national newspapers has led to greater public recognition, while the quality of its programmes has generated interest and recognition within the humanitarian community. UNICEF, for example, have approached it for support with its own FSP assessment

Example	NS CVA position paper, some NSs have that as marketing tool to position themselves with donors Vietnam RC,

Example	Zambian RCS Social Protection position paper which was shared with Government, WFP, UNICEF, ECHO, FCDO, and of course all partners in country

CVAP Area 4.4	External Coordination
CVAP Area 4.4.b.	National, Regional and Global coordination and collaboration
	NS participation in regional CVA strategic and operational coordination mechanisms and events is regular and at times chaired by the NS. NS collaboration extends beyond emergency response to supporting CVA Preparedness for a range of crises and humanitarian needs across sectors.

Example	After realising the need to reduce the duplication between its cash transfers and the government's social protection programme, the Kenyan Red Cross was instrumental in restarting the inactive national CWG, and ensuring the national government took a leadership role in this. The Kenyan Red Cross is now established and recognised as the co-lead of the CWG.

Example	Cash Coordination In Myanmar, the Red Cross was asked by WFP and Mercy Corps to take over the CWG co-chair role, in recognition of its access to hard-to-reach areas.

Example	During the Nepal Red Cross's turn as the rotating CWG chair, it used its auxiliary role to initiate conversations with the government to better support its use of CVA. This included developing guidelines on CVA assistance for local governments and other stakeholders

CVAP Area 4.4.d.	Receptiveness
	The NS is receptive to inputs from external CVA strategic and operational coordination mechanisms (e.g. national CWG), including in line with global commitments for a range of crises and humanitarian needs across sectors.
CVAP Area 4.5.a.	Partnerships with external actors (humanitarian, private sector, government etc.)
	The NS actively seeks new CVA partnerships with external actors for CVA design and implementation and has been able to maintain and expand on strong, long-term CVA partnerships in order to be able to respond to a range of crises and humanitarian needs across sectors.

Example	The heightened visibility of the Bahamas Red Cross in leading the Red Cross Dorian response, in reaching communities who were inaccessible to other organisations, and in being the first organisation to trial multipurpose cash assistance (MPCA), meant that it was subsequently asked to share its experience and knowledge with international

organisations which were arriving on the island and looking to provide CVA. It has also led to greater visibility amongst both donors, the communities it serves and the government, transforming public recognition of it from a welfare-focused organisation to a humanitarian one

4 OCA Core Capacity: To Perform

OCAC Attribute 82. PMER capacities

Level E: The NS is able to support other organisations to improve their PMER skills.

OCAC Attribute 79. Monitoring against objectives and budgets

Level E: The NS monitors the results of all projects/programmes using a web-based platform to manage and communicate monitoring information.

OCAC Attribute 64. Reporting

Level E: The NS has a comprehensive narrative reporting system in place, linked with financial reporting. It includes reporting standards, procedures and a mechanism to ensure the system is followed.

CVAP Area 3.4.d.   CVA Monitoring and evaluation capacity

All relevant staff have the skills and capacity to implement CVA, market and context monitoring in response to a range of crises and humanitarian needs across sectors.

Monitoring frameworks are developed and include beneficiary data protection and data analysis in the monitoring and evaluation of CVA updated in line with best practice

5

OCA Core Capacity: To Grow

OCAC Attribute 83 Investment and innovative action

Level E: The NS has a dedicated fund to support innovation initiatives.

In terms of CVA this often includes use of technology for registration and monitoring, cash delivery mechanisms and collecting feedback, but can also expand to assessment and feasibility assessments, scaling up social protection in response to crises.

Example	The Lebanese Red Cross decided against participating in LOUISE, the first multi-agency 'one-payment' system which was set up specifically to respond to the Syria crisis because it did not align with LRC's long-term strategy. It therefore prioritised investment in long-term CVA capacity and targeting mechanisms, rather than a platform that was specific to the Syria response.

OCAC Attribute 84: Investing in skills

Level E: The NS has sufficient skills and resources to engage in new, or expand existing activities in response to the needs of the community.