**TOR for conducting a CVA pilot project**

**Background**

*<Insert text aboubt the NS CVAP programme, the vision and goal, CVA levels and any CVA programming underway>.*

**Purpose of a CVA pilot project**

Overall, the main purpose of the CVA pilot is to test the implementation of a CVA project on a small scale, before committing to rolling it out at scale and across a potentially wider geographical area. Conducting a pilot will provide valuable feedback on the effectiveness of the NS CVAP investment to date, including CVA capacities, systems, and processes, through real time implementation and learning. It also provides a chance to test whether the intended approach to CVA, including use of a specific modality and delivery mechanism and/or technology provider, can be delivered within a reasonable timeframe and within budget. Based on results, the model can then be refined, adapted where necessary, and replicated.

A key component of the pilot is the opportunity for the NS to test and develop the relationship and ways of working with a financial service provider (FSP). For many NS, the pilot may be the first time that electronic payment mechanisms are being trialled and it will allow a hands-on practical opportunity for learning how to use these and to work together with the contracted FSP . Increasingly, NS may also choose to test linking CVA with social protection through the pilot project and to pilot working with the government in the Red Cross Red Crescent auxilliary role.

It is important to emphasise the pilot is not just a process exercise, but also a key learning experience that can inform improvements for future use of CVA. A lessons learned workshop/After Action Review or evaluation should take place at the end of the pilot, to help identify best practices, challenges and make recommendations for improvements. There will also be many opportunities through the project duration to ensure learning is captured and used along the way and therefore learning forms a key component of the CVA pilot.

During the first two years of CVAP, and once SoPs and tools have been developed, each NS will design and conduct at least one full CVA pilot project. If the NS chooses to do more than one pilot, for instance to test different FSPs, this can be done as a phased approach and rolled out across further branches.

**Objectives**

* Conduct a small-scale CVA project to test the effectiveness of the NS CVA systems and processes invested in through CVAP, including SOPs, tools, roles and responsibilities.
* Assess the efficiency and speed of using of a specific CVA modality (e.g. multipurpose cash) and delivery mechanism, in particular this may be through a new FSP or technology provider.
* Test ways of working and develop a relationship with a new FSP or technology provider.
* Provide a real-time practical learning experience to test and build capacity of HQ and branch staff and volunteers
* Make recommendations for improvements of capacities, systems, procedures, tools, etc.

**Methdology, scope and approach**

The methodology for a pilot follows the same steps as any other CVA project and goes through the standard CVA project cycle steps, including assessment, response analysis, set-up and implementation, distribution and M & E. It is usually a good idea to design the pilot in response to a recurring small-scale disaster (e.g. floods) or an ongoing chronic situation (e.g. food insecurity) to be able to plan the project in advance and ensure resourcing and funding is in place.

Pilot projects can be carried out as soon as the national society has at least basic CVAP elements in place that can be tested in a pilot response. A pilot can be conducted as soon as a certain level of CVA capacity has been built and a first version of SOPs and tools are in place.

Some aspects of a CVA pilot project are similar to the simulation exercise that is conducted earlier on in the CVAP programme.

Overall, the pilot includes CVA distributions to real beneficiaries, whereas the simulation is based on a scenario. The timeframe also differs. The pilot is typically implemented over a couple of months and the simulation done over a couple of days.

The tool [*Key decisions and considerations when planning a CVA pilot project*](https://cash-hub.org/wp-content/uploads/sites/3/2024/07/5.1.d-CVA-Pilot-Project-Key-Decisions-and-Considerations_.docx) goes into more detail around what decisions need to be made when planning a pilot and considerations to ensure the pilot is feasible and viable.

**Participants**

Extensive participation of staff across NQ and the selected branch, from all departments, functions and volunteers is expected for the pilot project to be successful. However, to ensure this can happen it is important to plan the pilot when staff are more likely to be available. This may not always be possible, but for the pilot project to succeed, factoring in timetabling around other branch and HQ projects will be key.

**Timeframe**

The pilot project will typically be for a couple of months timeframe, but will vary based on the project objective, response context, budget and availability of key staff.