**GHD cash workstream**

**Concept note**

1. **Key issues and state of play.**

* Increased use of cash in humanitarian action has the potential to provide better and more effective and efficient assistance to those in need. Cash can be given directly to beneficiaries instead of in-kind assistance, including through use of technology such as mobile phones, ATM cards or iris scan technology. The cash provided can then be used on both food and non-food items or services, depending on the beneficiaries’ needs and priorities. While cash is not a panacea - it is not appropriate everywhere and cannot address all needs - **cash matters**, because, **it can**:
* Empower disaster affected people by giving them choice in determining what they need most;
* Be cheaper and deliver greater outcomes than in-kind;
* Support economic recovery and strengthening, by generating economic multipliers;
* Connect humanitarian and development instruments, for example through shock responsive social protection mechanisms;
* Support collaboration and coherence between humanitarian actors, through harmonisation of approaches, and in particular when cash is delivered as a single multi-sector transfer (“unconditional” and ”unrestricted” cash);
* Increase accountability to affected populations by letting them make decisions themselves about their needs and priorities;
* Encourage host communities’ acceptance of refugees by e.g. stimulating local markets.
* The use of cash has substantially increased in the past decade. In some specific country situations up to 90% of assistance is now given as cash. A number of humanitarian organisations have substantially increased their use of cash in the past years. However, the use of cash remains underutilised and today represents only around 6% of total humanitarian aid globally.

1. **What else is happening on and in relation to this topic.**

* A cash workstream has been established as part of the **Grand Bargain** with the aim of incentivising and influencing progress in the use and cooperation on cash programming, where appropriate.
* **Significant work**, including field testing and trialling, is being carried out in a **number of fora[[1]](#footnote-1)** and by operational humanitarian organisations.
* **Extensive guidance** for design and delivery of cash transfers exists (Implementing partners, CaLP…). Less is available for donors. OECD is working on donor guidance on cash.
* Cash cuts across other GHD workstreams: partnerships, reporting, Humanitarian – development nexus, and localisation.

1. **Evidence base**

* Rigorous research is limited across all aspects of humanitarian action. However, cash transfers are among the most well-researched and rigorously-evaluated humanitarian tools.
* Key evidence gaps remain, like how cash can contribute to health or protection outcomes.
* Most recent evidence and studies are:
  + High level panel on humanitarian cash programming[[2]](#footnote-2), ODI, 2015;
  + Strategic note: cash transfers in humanitarian contexts[[3]](#footnote-3), WBG, 2016 (commissioned by IASC Principals);
  + Drivers and Inhibitors of Change in the Humanitarian System, GPPi, 2016[[4]](#footnote-4).
* Research is presently being carried out on several aspects of the use of cash, for example on cash and nutrition (REFANI research[[5]](#footnote-5)); ODI is presently carrying out case studies on cash scale up models. The health cluster is presently building a research workplan to fill evidence gaps.

1. **Objectives**

The **objective of this workstream** is to provide clarity on the benefits and challenges related to the use of cash and to identify opportunities to support increased used of, and enhancing cooperation on, cash programming, where appropriate, and sharing learning on different models.

**Outreach**

* Other fora working on cash, avoiding duplications, and amplifying their work by expanding their outreach and uptake. We will aim to influence their work where appropriate.

**What will be achieved during this 2-year cycle of this GHD round**

* **By June 2017** (annual GHD high level meeting)
* Consultation of GHD members and identification of main concerns, challenges and opportunities for them; *(online survey)*
* Expert panel/roundtable to discuss evidence and main concerns, challenges and opportunities for GHD members; including the presentation of latest ODI case studies;
* Finalisation of workplan and outputs based on the members’ consultation and expert panel; linking with other relevant workstreams;
* Through 2 year cycle: sharing learning and good positive examples (benefits and impact for recipients), evidence and latest developments / initiatives, from members, experts and implementing agencies*.*
* **By August 2018**
* Based on the initial consultation, delivery of 1 to 2 **products that will best address GHD members’ needs** (like Q&A on how to and what to communicate at high political level and to the public; or case studies / learning on mitigation and management of risks, assessment of partner capacity to deliver cash…);
* Sharing learning on cash components of Grand Bargain pilots.

1. CalP, IASC (Principals) (Strategic Note produced by WB Group); Geneva based informal Cash Working Group; ELAN; RC/ RC movement peer group; World Economic Forum; World Bank Group and regional financial institutions; MasterCard and GSMA; ‘Barcelona principles’ around digital cash transfers for digital inclusion; NGO cash platform; SPIAC-B informal group working on social protection and humanitarian action linkages, Multi-agency programmes (UN Enhanced emergency preparedness, Multi-Purpose Grants), collaborations (UNICEF-IOM; UNHCR-WFP…); Better than Cash Alliance; Clusters: Shelter Cluster cash working group and fora, Protection... [↑](#footnote-ref-1)
2. https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/9828.pdf [↑](#footnote-ref-2)
3. <http://documents.worldbank.org/curated/en/697681467995447727/pdf/106449-WP-IASC-Humanitarian-Cash-PUBLIC.pdf> [↑](#footnote-ref-3)
4. <http://www.gppi.net/publications/humanitarian-action/article/drivers-and-inhibitors-of-change-in-the-humanitarian-system/>    [↑](#footnote-ref-4)
5. <http://www.actionagainsthunger.org/refani> [↑](#footnote-ref-5)