

# GLOSSARY

OF TERMINOLOGY  
FOR CASH AND VOUCHER  
ASSISTANCE

## PURPOSE AND OBJECTIVES

A glossary is simply an alphabetical list of terms or words found in or relating to a specific subject with explanations. This is a glossary of terms or words relating to the use of cash and vouchers in humanitarian assistance.

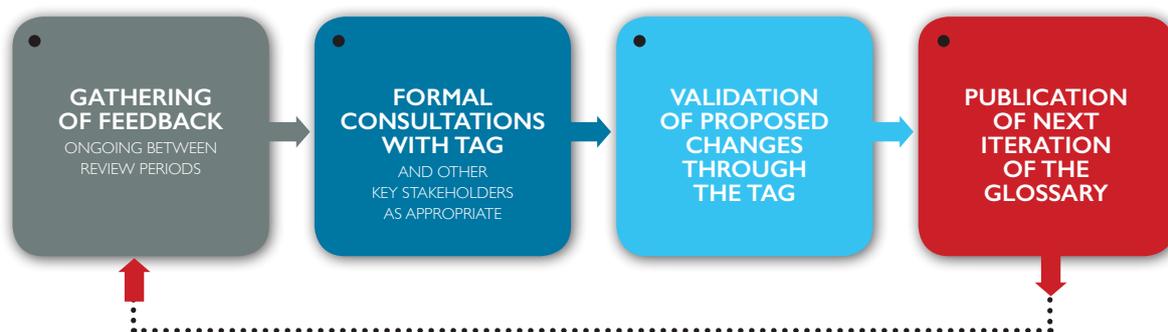
The primary objectives of this Glossary are to **provide clarity and encourage common understanding and harmonized use of terms and definitions for cash and voucher assistance.**

Since CaLP produced the first version of this glossary in 2011, the scale and variety of humanitarian interventions using cash and/or vouchers has expanded significantly and brought the engagement of a wider and more diverse community of practice. These changes have also been reflected in an evolving understanding and use of some definitions, and the introduction of multiple new terms.

It should be noted that these definitions are intended for application in relation to the use of cash and/or vouchers in humanitarian programming and may not reflect how some terms are understood in other contexts or by other audiences.

### REVIEW AND REVISION OF THE GLOSSARY:

Reflecting the pace of change, since 2016 CaLP has been reviewing, revising and updating the Glossary on an annual basis. This process (see flowchart below) is coordinated by the CaLP Secretariat and undertaken through the CaLP Technical Advisory Group (TAG). The TAG is a group of 25 technical experts in the field of cash and voucher assistance, drawn from CaLP's membership. Feedback on the glossary from anyone is welcomed on an ongoing basis, which is used to inform proposed edits and additions. These proposed changes are put out for formal consultation once a year, after which further revisions are made and put to the TAG for validation. Following this the updated Glossary is published and the cycle begins again (feedback – consultation – validation – publication).





# KEY TERMS & RECOMMENDED TERMINOLOGY

As noted above, a glossary is simply a list of terms and definitions. This glossary aims to reflect which terms relating to cash and voucher assistance are being used and how, by providing working definitions. However, in practice there are variations in the terms that are used, and how they are understood, by different people and organizations. This includes the use of synonymous terms, and differing understandings of the same term. Equally while the glossary itself is quite lengthy, there is a relatively limited set of key terms that are most critical for understanding and discussing cash and voucher assistance (see diagram below, and in Annex 1).



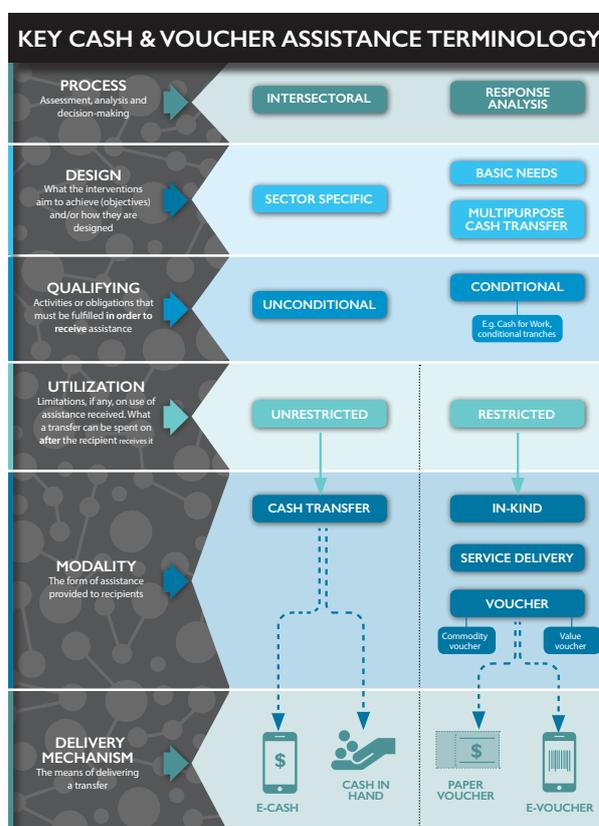
CaLP is introducing **key terms and recommended terminology** to this edition of the glossary. **Terms marked with this icon are core terms** which are useful for anyone engaging on this topic to familiarize themselves with. These are also terms which CaLP recommends should be used. This is to encourage greater harmonization across all stakeholders to enable better clarity in planning and discussion.

## HIGHLIGHTS: 2018/19 REVISION

### Collective Terms for Cash and Vouchers:

A range of different terms have been used to refer to the use of cash and/or vouchers in humanitarian assistance. Common examples are 'Cash Transfer Programming' (CTP) 'Cash Based Assistance' (CBA) and, 'Cash Based Interventions' (CBI). While those who are more familiar with the sector understand that terms such as CTP and CBI include both cash and vouchers, the language itself can be misleading. Also, having multiple terms to refer to the same thing is ultimately unhelpful and fosters confusion.

CaLP recommends that the term 'Cash and Voucher Assistance' (CVA) be used as the collective term. It has the advantage of descriptively matching what it is in practice to reduce misinterpretation.



**Restriction & Utilization:**

Restriction relates to the use of assistance by recipients. It is generally recognized that vouchers are restricted by default as they involve inherent limitations on where and how they can be used. Whether and to what extent cash transfers can be restricted continues to be a topic of debate.

It is recommended that it be recognized that cash transfers are unrestricted by default in that they can in practice be spent as a recipient chooses. This is reflected in the definition of 'cash transfer' in this glossary. Some interventions using cash transfers might be 'labelled' i.e. they are named in terms of the needs they are intended to address (e.g. cash for shelter, cash for food) and the programme design aims to influence how recipients spend their cash, e.g. through messaging, or the use of tranches which are conditional on demonstrating the specific use of previous cash transfers. However, this is not the same thing as an actual restriction on expenditure.

**Multipurpose Cash Transfer (MPC):**

Cash transfers are unrestricted, which means they can be spent as recipients choose. This flexibility means that a single cash transfer can potentially be used to address a range of needs, and potentially achieve multiple programme objectives. From a recipient perspective then cash might be described as multipurpose simply in that it can serve multiple purposes, within the limits of the amount of cash transferred. Note also that strictly there cannot be a 'multipurpose voucher' as there are inherent restrictions on the use of any type of voucher. There are differing understandings of what constitutes multipurpose cash in the humanitarian sector. Is cash multipurpose by design, use, or funding allocation? 'Multipurpose cash transfer' is also frequently used interchangeably with the concept of 'basic needs', which describes the types of needs that multipurpose cash is usually designed to address. This glossary recommends that 'multipurpose cash' be understood primarily as assistance explicitly designed to address multiple needs on a cross-sectoral basis through a cash transfer. The extent to which a cash transfer enables basic needs to be met is of course dependent on the sufficiency of the transfer value provided and should be considered when terms are applied to specific interventions.



# GLOSSARY



Terms marked with this icon are core terms which are useful for anyone engaging on this topic to familiarize themselves with. These are also terms which CaLP recommends should be used. This is to encourage greater harmonization, for example where there might be synonyms with the same/similar meaning.

A TERM	CaLP WORKING DEFINITION
<b>Activation</b> (prepaid card or SIM)	Linking a person with a specific card or SIM and authorizing use of the card or SIM (by SMS, online activation, or phone). Also known as “personalization.”
<b>Agent</b>	An entity or retail outlet where an <i>e-cash transfer</i> can be spent or redeemed for cash, and/ or where e-cash account holders can perform other transactions. Different Financial Service Providers (FSP) – such as banks, mobile network operators or remittance companies – can have agents. Agents are managed by an FSP, not a humanitarian agency. <i>See also Financial Service Provider (FSP).</i>
<b>Aggregator</b>	An entity that consolidates financial transactions for processing, such as providing a single platform to execute payments via multiple FSPs. <i>See also Financial Service Provider (FSP).</i>
<b>Asset</b>	Any physical, financial, human or social item of economic value owned by an individual or corporation, especially that which could be converted to cash. Assets can be categorized as human, physical, natural, financial and social.
<b>Authentication</b>	The process of verifying a person’s identity.

B TERM	CaLP WORKING DEFINITION
<b>Bank Information Number (BIN)</b>	The first six digits on a debit card that represent the issuing bank. The issuing bank is responsible for the cards they release based on their banking license requirements and therefore interprets KYC requirements.
 <b>Basic Needs</b>	<p>The concept of basic needs refers to the essential goods, utilities, services or resources required on a regular or seasonal basis by households for ensuring long term survival AND minimum living standards, without resorting to negative coping mechanisms or compromising their health, dignity and essential livelihood assets. Assistance to address basic needs might feasibly be delivered through a range of modalities, including cash, vouchers, in-kind and services.</p> <p>The Basic Needs Approach (BNA) views poverty as “deprivation of consumption” (inadequate food, nutrition, clean water, education, health, etc.) and is often opposed to the capability approach (CA) in which poverty is seen as “deprivation of opportunities” related to lifestyles people value.</p> <p>According to the BNA, absolute poverty is measured by comparing households’ consumption level to the absolute minimum resources necessary for physical and material well-being, usually in terms of consumption of goods and essential services. The poverty line is then defined as the amount of income required to satisfy those needs.</p>



<b>Biometric Authentication</b>	Technologies that measure and analyse human physical and / or behavioural characteristics for authentication purposes e.g. fingerprint, voice print, iris recognition.
<b>Bulk Payment</b>	A simultaneous transfer of funds from an entity to many recipients. This term is often used to describe the mobile money services used for humanitarian programs (as opposed to person-to-business or person-to-person payments).

**C** TERM CaLP WORKING DEFINITION

<b>Cash Assistance</b>	The provision of unrestricted assistance in the form of money - either physical currency or e-cash - to recipients (individuals, households or communities). The terms 'cash' or 'cash assistance' should be used when referring specifically to cash transfers only (i.e. 'cash' or 'cash assistance' should not be used to mean 'cash and voucher assistance'). <i>See also Cash Transfers, and Cash and Voucher Assistance</i>
<b>Cash Based Assistance(CBA)</b>	<i>See Cash and Voucher Assistance</i>
<b>Cash Based Intervention (CBI)</b>	<i>See Cash and Voucher Assistance</i>
<b>Cash for Assets (CFA)</b>	Cash payments provided to participants for taking part in projects to create community or public assets, such as irrigation systems, roads etc. This is a form of conditional transfer and a sub-set of Cash for Work relating to those work programs which create assets. <i>See also Cash for Work (CFW)</i>
<b>Cash for Training (CFT)</b>	Cash payments provided for participating in a specified training session or series of training sessions. This is a form of conditional transfer.
<b>Cash for Work (CFW)</b>	Cash payments provided on the condition of undertaking designated work. This is generally paid according to time worked (e.g. number of days, daily rate), but may also be quantified in terms of outputs (e.g. number of items produced, cubic metres dug). CFW interventions are usually in public or community work programmes but can also include home-based and other forms of work. <i>See also Cash for Assets (CFA)</i>
<b>Cash in Hand</b>	Cash in hand is a payment made directly to recipients in physical currency (notes and coins). <i>See also Direct Cash</i>
<b>Cash-out</b>	Refers to the actions undertaken by recipients to access their cash, e.g. cashing a cheque, money order, bond, note, or similar, or using an ATM or agent (e.g. mobile money, shopkeeper) to withdraw cash. <i>See also Encashment</i>
<b>Cash Plus</b>	<i>See Complementary Programming</i>
<b>Cash Transfer</b>	The provision of assistance in the form of money - either physical currency or e-cash - to recipients (individuals, households or communities). Cash transfers are by definition unrestricted in terms of use and distinct from restricted modalities including vouchers and in-kind assistance.
<b>Cash Transfer Programming (CTP)</b>	<i>See Cash and Voucher Assistance</i>





<b>Cash and Voucher Assistance (CVA)</b>	<p>CVA refers to all programs where <i>cash transfers</i> or <i>vouchers</i> for goods or services are directly provided to recipients. In the context of humanitarian assistance, the term is used to refer to the provision of cash transfers or vouchers given to individuals, household or community recipients; not to governments or other state actors. This excludes remittances and microfinance in humanitarian interventions (although microfinance and money transfer institutions may be used for the actual delivery of cash).</p> <p>The terms '<i>cash</i>' or '<i>cash assistance</i>' should be used when referring specifically to cash transfers only (i.e. '<i>cash</i>' or '<i>cash assistance</i>' should not be used to mean '<i>cash and voucher assistance</i>').</p> <p>This term has several synonyms (<i>see Cash Based Interventions, Cash Based Assistance, and Cash Transfer Programming</i>). <i>Cash and Voucher Assistance is the recommended term.</i></p>
<b>Closed Loop</b>	<p>A system in which the institution that issues the payment card is always the same institution that provides the acquiring infrastructure. The card or password can only be used on the acquiring infrastructure of that one institution.</p>
<b>Commodity Voucher</b>	<p>Commodity vouchers are exchanged for a fixed quantity and quality of specified goods or services at participating vendors. They may also be exchanged for commodities selected by recipients from a pre-determined list. Commodity vouchers share some similarities with in-kind aid in that they restrict and specify the assistance received.</p> <p><i>See also Value Voucher and Voucher</i></p>
<b>Complementary Programming</b>	<p>This term refers to programming where different modalities and/or activities are combined to achieve objectives. Complementary interventions may be implemented by one agency or by more than one agency working collaboratively. This approach can enable identification of effective combinations of activities to address needs and achieve programme objectives. Ideally this will be facilitated by a coordinated, multisectoral approach to needs assessment and programming.</p>
<b>Conditionality</b>	<p>Conditionality refers to prerequisite activities or obligations that a recipient must fulfil in order to receive assistance. Conditions can in principle be used with any kind of transfer (cash, vouchers, in-kind, service delivery) depending on the intervention design and objectives. Some interventions might require recipients to achieve agreed outputs as a condition of receiving subsequent tranches. Note that conditionality is distinct from restriction (how assistance is used) and targeting (criteria for selecting recipients). Examples of conditions include attending school, building a shelter, attending nutrition screenings, undertaking work, training, etc. Cash for work/assets/training are all forms of conditional transfer.</p> <p><i>See also Unconditional Transfer and Restriction</i></p>
<b>Conditional Transfer</b>	<p><i>See Conditionality</i></p>
<b>Cost-Benefit Analysis</b>	<p>Cost-benefit analysis (CBA) is a technique used to compare the total costs of a programme/project with its benefits, using a common metric (most commonly monetary units). This enables the calculation of the net cost or benefit associated with the programme.</p> <p><i>[www.betterevaluation.org]</i></p>
<b>Cost-Effectiveness</b>	<p>Cost-effectiveness is the extent to which the program has achieved or is expected to achieve its results (outcomes/impacts) at a lower cost compared with alternatives.</p> <p><i>[World Bank] See also Effectiveness</i></p>
<b>Cost Effectiveness Analysis</b>	<p>Cost-effectiveness analysis measures the cost of achieving intended programme outcomes and impacts (e.g. improved food consumption, reduced malnutrition rates), and can compare the costs of alternative ways of producing the same or similar benefits <i>[DFID]</i>.</p> <p><i>See also Cost Effectiveness</i></p>



<b>Cost-Efficiency</b>	<i>See Efficiency and Cost Efficiency Analysis</i>
<b>Cost Efficiency Analysis</b>	The study of the administrative cost of a programme relative to the amount disbursed. <i>See also Efficiency</i>
<b>Critical Market</b>	The specific market systems that are most urgently relevant to the target population's needs. Essentially those markets that have or could have a major role in meeting the essential needs of the target population [PCMMA].

**D TERM CaLP WORKING DEFINITION**

 <b>Delivery Mechanism</b>	Means of delivering a cash or voucher transfer (e.g. smart card, mobile money transfer, cash in hand, cheque, ATM card, etc.).
<b>Demand Elasticity (Elasticity of Demand)</b>	A measure of how sensitive to price changes is the quantity demanded by buyers. Goods on which people cut back sharply when prices rise or incomes are reduced (e.g. luxury items) have 'elastic demand' [PCMMA].
<b>Digital Payment</b>	<i>See E-Transfer</i>
<b>Direct Cash</b>	<i>See Cash in Hand</i>
<b>Disbursement</b>	Disbursement refers to the transfer of funds to recipients e.g. the transfer of a digital payment to a recipient's bank account, card, mobile money account, etc. <i>See also Distribution</i>
<b>Distribution</b>	This encompasses the distribution of physical items (e.g. currency, paper voucher, ATM card, smart card, SIM card, etc.). The term may also be used to refer to the broader distribution process, including both the preparatory activities and the distribution itself. <i>See also Disbursement and Encashment</i>

**E TERM CaLP WORKING DEFINITION**

 <b>E-Cash</b>	Any electronic substitute for the direct transfer of physical currency that provides full, unrestricted flexibility for purchases. It may be stored, spent, and/or received through a mobile phone, prepaid ATM/debit card or other electronic transfer. E-cash transfers will usually provide the option to withdraw funds as physical cash if required.
<b>E-Transfer</b>	A digital transfer of money or e-vouchers from the implementing agency to a recipient. E-transfers provide access to cash, goods and/or services through mobile devices, electronic vouchers, or cards (e.g., prepaid, ATM, smart, credit or debit cards). Etransfers may also be referred to as digital payments; these are umbrella terms for ecash and e-vouchers.
 <b>E-Voucher</b>	A card or code that is electronically redeemed at a participating vendor. E-vouchers can represent monetary or commodity value and are stored and redeemed using a range of electronic devices (e.g. mobile phone, smart card, POS device). <i>See also Commodity Voucher, Voucher and Value Voucher</i>
<b>E-Wallet</b>	Software that resides on a smart card or mobile phone SIM card, and holds or can receive electronic cash and a digital signature.



<b>Effectiveness</b>	Effectiveness relates to how well outputs are converted to outcomes and impacts (e.g. reduction in poverty gap and inequality, improved nutrition, reduction in school dropout, increased use of health services, asset accumulation by the poor, increased smallholder productivity, social cohesion). [DFID] <i>See also Cost-Effectiveness</i>
<b>Efficiency</b>	Efficiency refers to the ability of a program to achieve its intended objectives at the least cost possible in terms of use of inputs (i.e. capital, labour and other inputs). <i>See also Cost-Efficiency</i>
<b>Embedded Transaction</b>	A good or service which is not paid for directly but is included or hidden within an exchange of another good or service which is paid for.
<b>Enabling Environment</b>	The enabling environment or rules that influence how a market system works – sometimes these are called ‘dis-enabling’ factors because they make a market system work badly. It forms one ‘layer’ in market system mapping and analysis. <i>See also Market Map</i>
<b>Encashment</b>	Encashment refers to the actions undertaken by recipients to access their cash, e.g. cashing a cheque, money order, bond, note, or similar, or using an ATM or agent (e.g. mobile money, shopkeeper) to withdraw cash. The broader encashment process managed by the implementing agency may also be understood to include reconciliation of payments. <i>See also Cash-out and Distribution</i>

**F TERM CaLP WORKING DEFINITION**

<b>Fiat Currency</b>	‘Fiat’ means a formal authorization. ‘Fiat currency’ is a common type of currency issued by official order, and whose value is based on the issuing authority’s guarantee to pay the stated (face) amount on demand. A fiat currency’s value is underpinned by the strength of the government that issues it, not its worth in gold or silver. All national currencies in circulation, issued and managed by the respective central banks, are fiat currencies. <i>[Adapted from <a href="http://www.businessdictionary.com/definition/fiat-currency.html">http://www.businessdictionary.com/definition/fiat-currency.html</a>]</i>
<b>Financial Assistance</b>	This term broadly encompasses any financial assistance received by an individual or household to help them alleviate humanitarian needs. This assistance may be provided through a range of mechanisms, including institutions (state or non-state) or directly from other individuals. It could therefore include: assistance categorised as Overseas Development Assistance, government-led social safety nets, peer-to-peer giving, insurance-backed mechanisms (including direct support to markets), Universal Basic Income, and remittances.
<b>Financial Inclusion</b>	Financial inclusion means that a full suite of financial services is provided, with quality, to all who can use them, by a range of providers, to financially capable clients. <i>[<a href="http://www.centerforfinancialinclusion.org">www.centerforfinancialinclusion.org</a>]</i>
<b>Financial Service Provider (FSP)</b>	An entity that provides financial services, which may include e-transfer services. Depending upon your context, financial service providers may include e-voucher companies, financial institutions (such as banks and microfinance institutions) or mobile network operators (MNOs). FSPs includes many entities (such as investment funds, insurance companies, accountancy firms) beyond those that offer humanitarian cash transfers or voucher services, hence within CTP literature FSP generally refers to those providing transfer services.
<b>Framework Agreement</b>	An outline of a contract, also known as an umbrella contract, or master services contract. Call off or draw down agreements are similar but include financial information. <i>This usage provided by private sector. Humanitarian agencies may use the term differently.</i>

G TERM		CaLP WORKING DEFINITION
Gap Analysis		The process of calculating a gap in household and/or individual needs. Calculated as: Gap in needs = Total need – (Needs met by affected population + Needs met by other actors).

I TERM		CaLP WORKING DEFINITION
Income Elasticity of Demand		Measures the responsiveness of the quantity demanded of a good to a change in the income of the people demanding the good. Income elasticity is calculated as the ratio of the percentage change in quantity demanded to the percentage change in income.
Inflation		A measure of increase in price(s) per unit of time (usually denoted in percentage increase per year).

KEY TERM	In-kind Assistance	Humanitarian assistance provided in the form of physical goods or commodities. In-kind assistance is restricted by default as recipients are not able to choose what they are given.
	Integrated Markets	Markets in which prices for comparable goods do not behave independently. If markets are well integrated, price changes in one location are consistently related to price changes in other locations and market agents are able to interact between different markets.
	Interconnected Markets	A market system which, as well as being a market in its own right, is part of the supporting functions or rules of another market system.
KEY TERM	Intersectoral	A programming or decision-making process, approach or activity involving the engagement, inputs and collaboration of multiple sectors together. An intersectoral approach is important in enabling needs to be assessed, analysed and addressed holistically, including facilitating interventions that aim to address multiple needs across more than one sector simultaneously.

K TERM		CaLP WORKING DEFINITION
Know Your Customer (KYC)		This usually refers to the information that the local regulator requires <i>financial service providers (FSPs)</i> to collect about any potential new customer in order to discourage financial products being used for money laundering or other crimes. Some countries allow FSPs greater flexibility than others as to the source of this information, and some countries allow lower levels of information for accounts that they deem to be 'low risk'.

L TERM		CaLP WORKING DEFINITION
Labelling		Labelling is the process by which humanitarian agencies 'name' a cash intervention in terms of the outcome they want it to achieve e.g. cash for shelter, or cash for food. This may be accompanied by activities to influence how recipients use their cash assistance. For example, this could include the messaging conveyed to recipients, possibly in combination with <i>complementary programming</i> activities. Sector-specific interventions using cash transfers are labelled and might actively encourage recipients to spend the cash on items or services which will contribute to achieving sectoral objectives.



<b>Labour Market System</b>	A labour market system is a market system within which people sell their labour (supply), and others buy this labour (demand). [Labour Market Analysis in Humanitarian Contexts] <i>See also Market System and Labour Market Analysis.</i>
<b>Labour Market Analysis</b>	Labour market analysis is about understanding the constraints, capabilities and potential to expand labour opportunities within the market system. In humanitarian contexts, this includes consideration of how target populations in particular access the labour markets and how to strengthen and support existing market actors [ <i>Labour Market Analysis in Humanitarian Contexts</i> ]
<b>Load Volume</b>	For prepaid cards or mobile money, the total amount to be loaded onto cards or mobile wallets. (Also known as “payment volume.”) Payment volume may also refer to the amount spent by card/wallet holders.

**TERM****CaLP WORKING DEFINITION**

<b>Magnetic Strip Card</b>	A plastic card with a magnetic stripe capable of storing data using tiny iron-based magnetic particles on a band on the card and secured by a PIN, a signature or bio-metrics to verify the identity of the recipient before granting access to the funds.
<b>Market</b>	The term ‘market’ refers to a system of exchange between two or more actors or players. The exchange can be for goods or services, or for money and can take place in a physical space or through virtual media such as the internet. Markets are sometimes defined by forces of supply and demand, rather than geographical location e.g. ‘imported cereals make up 40% of the market’.
<b>Market Analysis</b>	Analysis of market information to understand how a market functions, or how it has been impacted by an event or crisis.
<b>Market-Based Programming</b>	Market-based programming or market-based interventions are understood to be projects that work through or support local markets. The terms cover all types of engagement with market systems, ranging from actions that deliver immediate relief to those that proactively strengthen and catalyze local market systems or market hubs.
<b>Marketplace</b>	A marketplace is where exchanges happen. This is typically a physical place where different wares or goods (and sometimes services) are sold – such as a village or livestock market. Marketplaces are a common starting point to assess the potential to fulfil demand for many consumables from food items to soap and clothing. (NB. The internet is providing more and more ‘marketplaces’ too, however its use by target populations is not well understood). <i>See also Marketplace Analysis</i>
<b>Marketplace Analysis</b>	Marketplace analysis is a more ‘rapid’ form of analysis and seeks to identify whether and how a physical market place can supply or deliver the goods / services that will be in demand. It focuses on the ‘consumer’ end of the market chain. <i>See also Marketplace</i>
<b>Market Chain</b>	The market chain describes the core elements making up demand and supply – or all the actors trading (or taking possession) of the good or service within the market system – from consumer through to the primary producer or supplier.
<b>Market Map</b>	A market map is a visual depiction of how an entire market system works, including all the actors in the market, how they relate to each other, the volume of produce being traded / exchanged by different actors, and prices. Market maps contain the following three elements: a) the market chain; b) market services; c) the enabling (or dis-enabling) environment or rules. <i>See also Enabling Environment, Market Chain, Market System and Market Services</i>

**GLOSSARY OF TERMINOLOGY  
FOR CASH AND VOUCHER ASSISTANCE**

<b>Market Player</b>	Organisations or individuals who are active in a market system not only as suppliers or consumers but also as regulators, developers of standards and providers of services, information, etc. This therefore may include organisations in the private and public sectors as well as non-profit organisations, representative organisations, and civil society groups.
<b>Market Services</b>	Market services (also called business services or support functions) refers to any service – public or private – which helps a market function. This market ‘support’ can also be helpful to other parts of people’s wellbeing. For example, a road helps traders transport goods, but is also used by people to access hospitals, schools, visit family etc.
<b>Market System</b>	Market System refers to all the players or actors, and their relationships with each other and with support or business services as well as the enabling environment – or rules and norms that govern the way that system works. Market systems are interconnected when they share the same set of enabling environment / rules / norms and business / support services, for instance when they operate within one country. <i>See also Market Service, Market Systems Analysis, and Enabling Environment</i>
<b>Market Systems Analysis</b>	Market System analysis uses a systems approach to map out all the social, political, economic, cultural and physical factors affecting how a market operates. The market system approach is useful for complex market systems (like the rental market) or for products with long/ international market chains.
<b>Merchant</b>	Supplier of goods and services. They may be contracted by a humanitarian organisation to participate in a cash-based intervention. <i>See also Trader and Vendor (the terms are interchangeable)</i>
<b>Microcredit</b>	A sub-segment of microfinance that focuses on giving small loans to low-income people for the purpose of allowing them to earn additional income by investing in the establishment or expansion of microenterprises.
<b>Microenterprise</b>	A market-oriented economic activity with – in most definitions – 10 or fewer employees (including the owner and unpaid family members).
<b>Microfinance</b>	The provision of financial services adapted to the needs of micro-entrepreneurs, low-income persons, or persons otherwise systematically excluded from formal financial services, especially small loans, small savings deposits, insurance, remittances, and payments services.
 <b>Minimum Expenditure Basket (MEB)</b>	A Minimum Expenditure Basket (MEB) requires the identification and quantification of basic needs items and services that can be monetized and are accessible in adequate quality through local markets and services. Items and services included in an MEB are those that households in a given context are likely to prioritize, on a regular or seasonal basis. An MEB is inherently multisectoral and based on the average cost of the items composing the basket. It can be calculated for various sizes of households. <i>See also Survival Minimum Expenditure Basket (SMEB)</i>
<b>Mobile Money</b>	Mobile money uses mobile phones to access financial services such as payments, transfers, insurance, savings, and credit. It is a paperless version of a national currency that can be used to provide humanitarian e-cash payments.
 <b>Modality</b>	Modality refers to the form of assistance – e.g. cash transfer, vouchers, in-kind, service delivery, or a combination (modalities). This can include both direct transfers to household level, and assistance provided at a more general or community level e.g. health services, WASH infrastructure.



<b>Multiplier Effect</b>	Indirect effects of cash transfers whereby increased expenditure by recipients contributes to income growth for non-recipients, expansion of markets for local goods, or increased demands for services. The 'economic multiplier' is the estimated number by which a change in some other component of aggregate demand is multiplied to give the total amount by which the national income is increased as a result of direct and indirect benefits from that change in demand.
<b>Multipurpose Cash Assistance (MPCA)</b>	<i>See Multipurpose Cash Transfers (MPC)</i>
<b>Multipurpose Cash Grants (MPG)</b>	<i>See Multipurpose Cash Transfers (MPC)</i>
 <b>Multipurpose Cash Transfers (MPC)</b>	Multipurpose Cash Transfers (MPC) are transfers (either periodic or one-off) corresponding to the amount of money required to cover, fully or partially, a household's basic and/or recovery needs. The term refers to cash transfers designed to address multiple needs, with the transfer value calculated accordingly. MPC transfer values are often indexed to expenditure gaps based on a Minimum Expenditure Basket (MEB), or other monetized calculation of the amount required to cover basic needs. All MPC are unrestricted in terms of use as they can be spent as the recipient chooses. This concept may also be referred to as Multipurpose Cash Grants (MPG), or Multipurpose Cash Assistance (MPCA).
<b>Multisector</b>	Describes a process, approach, response, programme, etc. which involves multiple (i.e. more than one) sectors (e.g. food security, shelter, protection, nutrition, education, etc.).

## **N** TERM **CaLP WORKING DEFINITION**

<b>Nominal Prices</b>	The current monetary value of a good or service. <i>See also Real Prices.</i>
<b>Nudge Theory</b>	Nudge is a concept that proposes positive reinforcement and indirect suggestions as ways to influence the behavior and decision making of groups or individuals. A nudge is any aspect of the choice architecture that alters people's behavior in a predictable way without forbidding any options or significantly changing their economic incentives. <a href="https://en.wikipedia.org/wiki/Nudge_theory">[https://en.wikipedia.org/wiki/Nudge_theory]</a> <i>See also Labelling</i>

## **O** TERM **CaLP WORKING DEFINITION**

<b>Operational Model</b>	The overall structure through which agencies work jointly (either through a partnership, consortium or another form of collaboration) to deliver cash transfers, vouchers and/or other modalities of humanitarian assistance, specifically in situation and response analysis, programme design and implementation. An operational model differs from a coordination forum which is typically looser in structure and membership.
--------------------------	---

## **P** TERM **CaLP WORKING DEFINITION**

<b>Personal Account Number (PAN)</b>	The full 16-digit number on a credit, debit, or prepaid card.
<b>Personal Identification</b>	A numerical code used in many electronic financial transactions. PINs are usually issued in association with payment cards and may be required to complete a transaction.

GLOSSARY OF TERMINOLOGY  
FOR CASH AND VOUCHER ASSISTANCE

<b>Point of Service/ Sales (POS) Device</b>	Devices that do not contain any money but have the capacity to perform transactions (carried out in retail stores, restaurants, or mobile locations).
<b>Price Elasticity</b>	A measure of the variability of supply or demand in response to a change in price. Price elasticity of demand is calculated as the ratio of the percentage change in quantity demanded to the percentage change in price. Price elasticity of supply is the ratio of the percentage change in quantity supplied to the percentage change in price.
<b>Public Goods and Services</b>	Public goods and services are those which are provided by the government. For instance, major infrastructure, like power supply, roads, clean water, health services or schools. Individuals are not ordinarily expected to pay for public goods or services - though some public services may charge a nominal or subsidised user fee. Access to public services or goods may carry a charge however, for instance bus-fares to travel to a health centre.
<b>Public Works Programmes (or Workfare)</b>	Where income support for the poor is given in the form of wages in exchange for work effort. These programs typically provide short-term employment at low wages for unskilled and semiskilled workers on labour-intensive projects such as road construction and maintenance, irrigation infrastructure, reforestation, and soil conservation. Generally seen as a means of providing income support to the poor in critical times rather than as a way of getting the unemployed back into the labour market.
<b>Purchasing Power</b>	The ability to purchase goods (this is usually defined by income).
<b>Private Sector</b>	The private sector includes any actors which generate income / profit through their business operations. This includes small individual traders and micro-enterprises, small firms employing temporary labour, cooperatives with numerous 'members' or shareholders, through to multi-national companies. The absolute criteria for what is / isn't the private sector is blurred, as many private firms are owned by governments, and some enterprises – for instance 'social enterprises' – have business plans that generate a profit which is invested back in to society.
<b>Propensity to Consume</b>	Propensity to consume is an economic term used to describe how much of a given amount of money a household has (e.g. income) it will actually spend on a given set of goods and services. Households can choose between what to spend on, as well as how much to 'spend' and use/consume, and how much to save and/or invest in future income possibilities. The <i>marginal propensity to consume</i> is the amount EXTRA that a household intends to spend as a result of receiving more cash.

**R** TERM CaLP WORKING DEFINITION

<b>Real Prices</b>	Prices adjusted for inflation to reflect the purchasing power of the currency with respect to a 'base' year, usually using a consumer price index for the corresponding year. <i>See also Nominal Prices.</i>
<b>Remittance</b>	Money sent from one person to another, e.g. money sent home from emigrants working abroad.
<b>Remittance Companies</b>	Companies whose only, or primary, service is wiring or transferring money electronically between locations, often from abroad. These companies provide a Cash Collection service, whereby the sender pays cash to have money transferred.
<b>Response Analysis</b>	The link between situational analysis (broadly speaking, needs assessment and other contextual information) and programme design. It involves the selection of programme response options, modalities and target groups; and should be informed by considerations of appropriateness and feasibility and should simultaneously address needs while analysing and minimizing potential harmful side-effects. [Maxwell, D. 2013]





 <b>KEY TERM</b>	<b>Restriction</b>	<p>Restriction refers to limits on the <u>use</u> of assistance by recipients. Restrictions apply to the range of goods and services that the assistance can be used to purchase, and the places where it can be used. The degree of restriction may vary – from the requirement to buy specific items, to buying from a general category of goods or services. Vouchers are restricted by default since they are inherently limited in where and how they can be used. In-kind assistance is also restricted. Cash transfers are unrestricted in terms of use by recipients.</p> <p>Note that restrictions are distinct from conditions, which apply only to activities that must be fulfilled in order to receive assistance. <i>See also Conditionality, and Unrestricted Transfer</i></p>
	<b>Restricted Transfer</b>	<i>See Restriction</i>
	<b>Retail Price</b>	<p>The monetary value at which goods and services are exchanged at the end of the retail chain i.e. between the seller and the final consumer.</p>

**S TERM** **CaLP WORKING DEFINITION**

	<b>Safety Nets (SN) or Social Safety Nets (SNN)</b>	<p>Safety nets target the poor or vulnerable and consist of non-contributory transfers, such as in-kind food, cash or vouchers. They can be provided conditionally or unconditionally. Safety nets are a sub-set of broader social protection systems. <i>See also Social Assistance and Social Protection</i></p>
	<b>Safety Net System</b>	<p>A collection of programs, ideally well-designed and well-implemented, complementing each other as well as complementing other public or social policies.</p>
 <b>KEY TERM</b>	<b>Sector-Specific Intervention</b>	<p>This refers to an intervention designed to achieve sector-specific objectives. Sector-specific assistance can be conditional or unconditional. Vouchers (restricted transfers) might be used to limit expenditure to items and services contributing to achieve specific sectoral objectives. Sector specific interventions delivered through cash transfers might be labelled and designed to influence how recipients spend them.</p>
 <b>KEY TERM</b>	<b>Service Delivery</b>	<p>The provision of services to affected populations e.g. water and sanitation, healthcare, education, protection, legal, etc. In crisis contexts humanitarian agencies might independently deliver services, or work in partnership with state/public service providers.</p>
	<b>Simplified Due Diligence (SDD)</b>	<p>Also known as minimal Know-Your Customer (KYC); can be a feature of a card product. National regulations will influence when SDD can be used.</p>
	<b>Situation Analysis</b>	<p>An overview of available secondary data and early primary data such as initial Needs Assessment and other contextual information. <i>[MPG Toolkit]</i></p>
	<b>Smart Card</b>	<p>A smart card is a device that includes an embedded integrated circuit that can be either a secure microcontroller or equivalent intelligence with internal memory or memory chip alone. The card connects to a reader with direct physical contact or with a remote contactless radio frequency interface. With an embedded microcontroller, smart cards have the unique ability to store large amounts of data, carry out their own on-card functions (e.g. encryption and mutual authentication) and interact intelligently with a smart card reader. <i>[Smart Card Alliance]</i></p>
	<b>Social Assistance / Social Assistance Transfers</b>	<p>Repeated, unconditional, predictable transfers of cash, goods or services provided on a long-term basis to vulnerable or destitute households or specific individuals (e.g. the elderly, pregnant women), with the aim of allowing them to meet basic needs or build assets to protect themselves and increase resilience against shocks and vulnerable periods of the life cycle. Usually refers to government assistance provided in cash, but can also refer to in-kind assistance. <i>See also Safety Nets and Social Protection</i></p>

GLOSSARY OF TERMINOLOGY  
FOR CASH AND VOUCHER ASSISTANCE

<b>Social Protection</b>	Actions carried out by the state or privately, to address risk, vulnerability and chronic poverty. Social protection refers to comprehensive systems including safety nets, social assistance, labour market policies, social insurance options (e.g. contributory pensions, health insurance), and basic social services (e.g. in education, health and nutrition). <i>See also Safety Nets and Social Assistance</i>
<b>Supply Elasticity</b>	The responsiveness of the quantity of a good supplied by traders and others relative to the change in its price (price elasticity of supply) or other factors (e.g. income of the supplier).
<b>Survival Minimum Expenditure Basket (SMEB)</b>	This is a subset of the <i>Minimum Expenditure Basket (MEB)</i> . A Survival Minimum Expenditure Basket (SMEB) requires the identification and quantification of goods and services for ensuring that a household's minimum survival needs only are addressed. Items included in a SMEB are those which can be monetized and are accessible in adequate quality through local markets. A SMEB is inherently multisectoral and based on the average cost of the items composing the basket. It can be calculated for various sizes of households. Delineating the threshold for survival and differentiating a SMEB from a MEB is not currently a standardized process.

**T** TERM CaLP WORKING DEFINITION

<b>Trader</b>	Supplier of goods and services. They may be contracted by a humanitarian organisation to participate in a cash-based intervention. <i>See also Merchant and Vendor (the terms are interchangeable)</i>
---------------	---

**U** TERM CaLP WORKING DEFINITION

<b>Unconditional Transfer</b>	Unconditional transfers are provided without the recipient having to do anything in order to receive the assistance, other than meet the intervention's targeting criteria (targeting being separate from conditionality). <i>See also Conditionality</i>
<b>Unrestricted Transfer</b>	Unrestricted transfers can be used as the recipient chooses i.e. no effective limitations are imposed by the implementing agency on how the transfer is spent. Cash transfers are by definition unrestricted in terms of use. <i>See also Restriction</i>

**V** TERM CaLP WORKING DEFINITION

<b>Value Chain</b>	A sequence or "chain" of activities carried out by multiple enterprises to produce and sell goods and services. As a raw material travels along this chain, each company adds to the value of the good or service until the final product is delivered to the consumer.
<b>Value for Money (VfM)</b>	VfM refers to the optimal use of resources to achieve the best outcomes for people affected by crisis and disaster. [DFID]



<b>Value Voucher</b>	A value voucher has a denominated cash value and can be exchanged with participating vendors for goods or services of an equivalent monetary cost. Value vouchers tend to provide relatively greater flexibility and choice than commodity vouchers but are still inherently restricted as they can only be exchanged with designated vendors. <i>See also Voucher, Commodity Voucher and E-Voucher</i>
----------------------	--



<b>Vendor</b>	Supplier of goods and services. They may be contracted by a humanitarian organisation to participate in a cash-based intervention. <i>See also <a href="#">Trader and Merchant</a> (the terms are interchangeable)</i>
<b>Village Savings and Loans (VSLA)</b>	An informal microfinance model based solely on member savings and small, community-managed groups. Members pool savings and provide loans with interest to each other. The interest is then disbursed to group members, based on their level of savings, at the end of a time-limited cycle. VSLA is not a form of cash assistance.
 <b>Voucher</b>	A paper, token or e-voucher that can be exchanged for a set quantity or value of goods or services, denominated either as a cash value (e.g. \$15) or predetermined commodities (e.g. 5 kg maize) or specific services (e.g. milling of 5 kg of maize), or a combination of value and commodities. Vouchers are restricted by default, although the degree of restriction will vary based on the programme design and type of voucher. They are redeemable with preselected vendors or in 'fairs' created by the implementing agency. The terms vouchers, stamps, or coupons might be used interchangeably. <i>See also <a href="#">Commodity Voucher</a>, <a href="#">E-Voucher</a> and <a href="#">Value Voucher</a></i>



## TERM

## CaLP WORKING DEFINITION

<b>Wholesale Price</b>	The monetary value at which a retailer purchases goods in bulk for onward selling to consumers, usually in smaller quantities and at an increased price.
<b>Willingness to Pay</b>	This is an estimate of future expenditure requirements made up of historic costs, and what people would be willing to pay given a set amount of 'cash' at their disposal. It is used to contribute to the design of the Minimum Expenditure Basket (MEB). <i>See also <a href="#">Minimum Expenditure Basket</a></i>

**Sources:** Unless otherwise stated the definitions in this glossary are drawn from documentation produced by ACF, ICRC, CaLP, Save the Children, WFP, USAID, UNDP, OCHA, Oxfam, and Mercy Corps (ELAN)

