

MEASURING CASH TRANSFER PROGRAMMING – SCOPING STUDY

EXECUTIVE SUMMARY

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This scoping study builds on previous work, particularly [Counting cash: tracking humanitarian expenditure on cash-based programming](#) and the [State of the World's Cash Report](#). It explores technical and policy issues that are constraining progress towards better measurement and reporting of Cash Transfer Programming (CTP)¹ and addresses these to identify ways forward.

METHODOLOGY

The report is based on Key Informant Interviews with 53 people at 32 organisations, with two dial-in meetings allowing members of the Measuring CTP Working Group to give feedback. Where possible this was complemented with document review. However, the focus of interviews was on cash advisers, meaning that the perspectives of systems experts, advisers in other sectors, and country-based staff will not be fully represented.

SECTION 1: WHAT MEASUREMENT IS REQUIRED?

This sets out the context and scope of the report. The drive towards counting of CTP has come in part from the Grand Bargain, which requires the scaling up of cash and therefore for CTP to be measured.

The information required on a strict reading of the Grand Bargain is quite minimal – although ideally cash and vouchers would be broken down, it is arguable that much less information is sufficient. However, other commitments in the Grand Bargain – particularly around transparency, harmonisation of reporting, cost-effectiveness and cost-efficiency, and duplication and management – reflect a wider push across the humanitarian sector for increased transparency and better data. Approaches to counting CTP should reflect these broader trends.

At present, cash is counted by Development Initiatives (DI) – with support from CaLP - via self-reporting and data collection from the UN and other sources. This has established a baseline of around \$2.8 billion of global cash programming in 2016, equating to approximately 10% of humanitarian assistance. This report sets out options to collect CTP data more systematically and in greater detail.

SECTION 2: CURRENT PRACTICE - MAPPING OF AGENCY DATA MANAGEMENT/REPORTING SYSTEMS

This section groups the systems used by implementing agencies to track programmes, including CTP, into five categories and sets out the implications of what each type of system can measure. **This aims to show what information implementing agencies can currently provide, and how their systems could evolve – both immediately and in the medium/longer term.**

- See *Matrix 1* (at the end of this document) for a summary of the system types and their respective functionalities.

PROGRAMME MANAGEMENT SYSTEMS: these are set up around the grant management cycle to provide basic information about the grant. Some information on CTP is available in some cases, via keyword searches or checkbox systems to filter programmes that include a CTP element. However, in most cases this will not include the amount transferred, beneficiary numbers, or information on

¹ *Cash Transfer Programming* includes both cash and voucher programming; for this and other terms used in the study, see the [CaLP Glossary](#)

service delivery or in-kind programmes. In some cases, incorporating standard indicators has allowed some of this information to be included.

FINANCE SYSTEMS: many agencies count the volume of CTP through financial management systems, where a spending code is created for CTP that can be aggregated to show total spend. It can in principle provide disaggregated breakdowns of cash and vouchers or by conditionality (or further if desired) and can count in-kind assistance distributed. However, these systems cannot identify beneficiary numbers and would face challenges in identifying expenditure on service provision programmes.

MANUAL SYSTEMS: where systems cannot provide data on CTP, staff in some cases record this manually using spreadsheets, either in combination with a programme management system that enables them to identify CTP programmes or in liaison with country offices. These systems are highly flexible, but only appropriate to smaller agencies and cannot be automatically integrated with global reporting. They also cannot record in-kind or service-delivery assistance (unless also separately manually collected).

BENEFICIARY SYSTEMS: some agencies have beneficiary registration systems where assistance to households or individual beneficiaries is recorded. This enables detailed recording of CTP as well as what services or in-kind goods are provided, though non-cash programmes cannot be expressed in financial terms unless linked to the finance system.

CASH MANAGEMENT SYSTEMS: these are specially developed systems for managing electronic CTP and can provide information on cash/vouchers transferred as well as modality, conditionality, transfer value and beneficiary numbers. However, physical cash or paper vouchers are excluded, and it is not possible to use these systems to count in-kind or service delivery programmes.

SECTION 3: MAPPING CURRENT PRACTICE - INTER-AGENCY DATA MANAGEMENT OPTIONS

This section looks at inter-agency data collection platforms. The Counting Cash report recommended both IATI and FTS as the most likely places to gather cash data, and this report supports that, though recent developments enabling collation of country-level 3Ws data may make this a possibility in future. The OECD-DAC is not considered to be a suitable vehicle for measuring CTP.

- See *Matrix 2* (at the end of this document) for a summary of the various platforms/options and their respective features/functionality

UN FINANCIAL TRACKING SERVICE (FTS): this tracks funding from donors to project level, and has recently introduced a cash marker, broken down by restriction and conditionality. A planned link to the parallel Online Project System (OPS) will provide some detail on what proportion of the programme is CTP. However, FTS is not consistently used, especially by NGOs, creating gaps in the data. In addition, OPS only records planned transfer values, not actuals, and it is not possible to capture the number of cash beneficiaries.

INTERNATIONAL AID TRANSPARENCY INITIATIVE (IATI) STANDARD: this is a voluntary initiative that seeks to improve transparency by making available core information in standard formats. A larger range of data are collected than through FTS and IATI plans to introduce codes to track CTP. Although there are no plans to track service delivery or in-kind programmes, similar coding could be introduced in future. Beneficiary numbers are, however, not available and the planned codes will only capture

the overall programme level costs, meaning that support costs and mixed modality programmes cannot be broken down. A further concern is that as IATI is a voluntary standard, not all agencies report, meaning that there are gaps in the data.

OECD-DAC: data are collected from donors to track trends in Overseas Development Assistance. However, coding for humanitarian assistance does not detail how aid is used. A cash flag is being introduced but will not be broken down beyond the overall programme level, and the ultimate destination of block grants to UN agencies is not recorded. Changes to systems are slow, but OECD-DAC codes also form the basis for IATI categories. Advocating for a code for multi-sector assistance to allow CTP to be better reflected would therefore be valuable.

3Ws: coordination information collected at country level can now be shared globally by uploading data to the Humanitarian Data Exchange and the use of Humanitarian Exchange Language (HXL)². CTP can be broken down by conditionality and restriction and beneficiary numbers can be included. The format is highly flexible and could be adapted to include figures for in-kind and service-based assistance. Although different data are collected in each country, OCHA is encouraging the use of global templates – this may also provide opportunities to raise wider awareness of cash transfer programming. As with FTS, however, the 3Ws are not implemented in countries with no OCHA office, so there will be gaps in the data.

STANDALONE SYSTEM: it is likely that it will not be possible to find an immediate solution to measure CTP, and that an interim solution will be needed. This could be led by Development Initiatives and would be consistent with the methodology used so far, but with the flexibility to incorporate additional information as partner and global systems improve. However, it continues to impose a cumbersome standalone system and limits potential spill over to the wider humanitarian system.

None of these provides an immediate solution, and in the interim multiple approaches will be needed. Even longer term it is not clear that there is a single system that will enable tracking of CTP without major change processes. FTS and IATI will become interoperable and will provide the best source of information – but in the medium term the 3Ws may become a more useful source of data.

SECTION 4: KEY QUESTIONS

Section 4 looks at the key questions raised by the research and sets out potential ways forward.

SEPARATION OF CASH AND VOUCHERS: while practice varies with some agencies separating cash and vouchers while others count them together, most of the inter-agency data collection possibilities either separate them or could do so. **There was, however, overwhelming consensus that they should be separated, and a clear desire for guidance in this area.**

SEPARATION OF UNCONDITIONAL AND CONDITIONAL TRANSFERS: practice varies with some separating these and some keeping them together, while others separate ‘cash-for-work’ from other transfers. It is also possible to separate these within most inter-agency data collection platforms. **Although there was less consensus among agencies that these should be separated, there was enough interest for separating them to be a feasible medium-term ambition.**

² <http://hxlstandard.org/>

COUNTING SUPPORT COSTS: some agencies, especially donors, are keen to collect this information to facilitate value-for-money analysis. However, **implementing agencies made clear that this would be extremely challenging, especially for multi-modality programmes.** Many also questioned whether this was desirable, as imposing greater requirements for implementing cash programmes than in-kind could reinforce perceptions that cash was more risky or could disincentivise cash programming. There was a strong consensus that this is not feasible at present.

COUNTING CTP VS COUNTING ALL MODALITIES: **to know what proportion of assistance is transferred as CTP, we need both the volume of CTP and the volume of other modalities.** This creates challenges particularly in defining service provision programmes – it may be more feasible to count only goods directly transferred. **Although both implementing agencies and those managing data collection platforms raised technical concerns, there was agreement that this was the direction of travel.**

COUNTING BENEFICIARIES: **as well as counting the volume of CTP transferred, counting the total number of CTP beneficiaries would bring a different focus to CTP advocacy.** Although there are challenges with this with many implementing agency systems, this could become feasible on data collection platforms.

SECTION 5: OPTIONS ANALYSIS

Pulling together what information agencies have, what data management agencies are able to process, and what key stakeholders would like to be able to generate is challenging and it is not likely to be possible to reconcile all these factors at this time. However, there are options for improving data collection, either separately or combined (i.e. the options below are not mutually exclusive), both immediately and in the medium to long term:

MINIMALIST APPROACH: this would meet the Grand Bargain commitment to increase the amount of assistance delivered as CTP by counting the number and value of programmes including a CTP element. It could be met through FTS, IATI or through the DAC cash flag. However, **it is less information than is currently available and so would not meet the sector desire for more transparency.**

MINIMALIST PLUS: in addition to this basic information, some relatively small steps could enhance the available level of information. **A clear decision on separation of cash and vouchers would encourage agencies to disaggregate them, and DI could also begin requesting disaggregation of conditional and unconditional cash.** This could be formalised through FTS and IATI by modifying OPS and introducing the cash codes to the ‘aid type’ modality.

EXPAND TO IN-KIND: collecting data on in-kind programmes would make CTP data more comparable. **It would require work on agency systems as well as involvement of non-CTP specialists, especially to define in-kind and service provision programmes as well as what constitutes direct programming costs in service provision programmes.** In the immediate term the focus could be on measuring direct transfers in goods. This would require additional categories in FTS and IATI, changes that are feasible if there is sector demand. DI could begin requesting this immediately as a way to demonstrate interest.

INCLUDE BENEFICIARIES: **this would bring an additional perspective and avoid skewing data if CTP is favoured in high-cost responses.** It would also avoid challenges around monetising in-kind and service-provision programmes, though there is a risk of double counting if beneficiaries receive CTP

from more than one agency. Neither agency systems nor the current data management platforms are currently set up to gather this information; adaptations may be possible to the 3Ws in particular (IATI and FTS would be more challenging), but this would be a longer-term process.

LONG TERM HORIZON: with all the options above, data are unlikely to be available from a single source and collation by DI or others will continue to be needed. **In the longer term, however, a single source for capturing global CTP data may become possible, with the most likely areas for this to develop being IATI or FTS.** While the 3Ws offer exciting potential, they are further from readiness than IATI or FTS. Further work would be needed with IATI to encourage more agencies to report and to enable breakdowns of multi-modality programmes and value transferred, while the FTS would need to encourage reporting and include further modality data through the link with OPS. Either the 3Ws or the OPS would need to find a way to include data from countries where there is no OCHA office.

SUPPORT COSTS: despite donor interest, **none of the data collection platforms can capture this information for multi-modality programmes.** In addition, several agencies raised concerns about whether this would be desirable, due to risks of differential requirements for CTP and in-kind assistance. This is not likely to be feasible at this time, although if one of the more expansive approaches were to be adopted this could be re-explored in future.

SECTION 6: RECOMMENDATIONS

This is a highly complex issue that lacks a single solution and progress is likely to be incremental. However, there are actions that can be taken to improve the quality of data now and move towards better data in the longer term not only on CTP but in the humanitarian sector as a whole.

In the **IMMEDIATE TERM**, actions to maximise the amount and quality of information to be gathered:

- **FTS** can work with **IATI** to ensure consistency in categorisation of CTP programmes (restricted/unrestricted vs conditional/unconditional) to facilitate the FTS-IATI compatibility project
- **IATI stakeholders** to advance the inclusion of cash coding in IATI via the 'aid type' category to enable collection of data on the value (and proportion) of programmes that include a CTP element.
- **All stakeholders** to lobby to agree on separation of cash and vouchers (or restricted/unrestricted cash) and open discussion around separation of conditional and unconditional CTP. This would facilitate more effective data gathering by Development Initiatives as an interim measure.
- **Development Initiatives** could begin using 3Ws and IATI data as well as FTS and self-reported data to include in a CTP element of the GHA report.
- **Implementing Agencies** can begin to align with likely recommendations by separating cash and vouchers in reporting and moving towards separation of conditionality, counting in-kind assistance and counting beneficiaries.
- **Cash focal points at agencies** can work internally to understand how they report to data collection agencies at HQ and country level. This would enable them to support staff to report correctly and advocate for more consistent reporting to data collection mechanisms.
- **Agencies not reporting to IATI** should report consistently to FTS as well as 3Ws at country level, ensuring that this data is representative of the sector as a whole.
- Reporting CTP at country level especially in 3Ws is dominated by the food security sector. **Agencies** can work with **clusters/sectors** to promote inclusion of modality information in other sectors.
- **DI's** annual tracking could begin requesting information on in-kind transfer of goods, as a step towards collecting data across the sector as a whole.

- **OCHA** should work with others to continue refining humanitarian taxonomies to improve the comparability of 3Ws data across contexts.

In the **MEDIUM TO LONGER TERM**, it will be possible to work towards more detailed data gathering:

- **Donors, CaLP and others** can advocate with IATI to include more detailed modality data, not only on cash and vouchers, but also on in-kind or service provision programmes.
- **Agencies not reporting to IATI** can lobby internally to ensure reporting to FTS. **OCHA** could build on this by exploring whether OPS could gather data on in-kind and service-based assistance.
- **Donors and Agencies** can monitor **OCHA** work towards collation of 3Ws data, accompanied by finding a way to gather this information for countries where there is no OCHA office.
- **Donors** can engage with the Grand Bargain workstream on reporting to ensure that the information they request on CTP aligns with what interagency data collection agencies report and agreed disaggregation (e.g. on cash and vouchers, by conditionality, etc)
- **Donors** can lobby within the OECD-DAC for a reform of coding to include multi-sector cash programmes as an activity code.
- **The Measuring Cash Working Group and workstream on cost efficiency and cost effectiveness** can collaborate in supporting improvements to financial reporting systems to allow the capture and breakdown of support and other programming costs and facilitate regular interactions with others to improve data collection across sectors and modalities.

This is **a complex agenda and requires not just technical cash knowledge but also input from statisticians, wider sector leaders and most importantly the data agencies**. Recommendations are based on a snapshot of current practice, and the options will change as systems evolve. **Cash is only one element of increased demand for data in the humanitarian system and it is necessary to balance what systems are designed for and what we ask them to do**. Similarly, the balance between asking for more data, and the risk of resulting in poor-quality data, needs to be considered.

The recommendations above have not recommended which of the options outlined should be taken forward as this is seen as a political question beyond the scope of the report. However, **feedback from stakeholders as part of the drafting process indicated strong support for at least the ‘minimalist plus’ option, and interest in exploring tracking of in-kind assistance in particular**.

MATRIX 1: WHAT EACH TYPE OF SYSTEM CAN AND CANNOT DO

	Separate humanitarian and development funding?	Separate cash and vouchers?	Separate conditional and unconditional CTP?	Information on actual spend (as opposed to planned)	Information on beneficiary numbers reached?	Record sectors in which cash programming is used?	Record value of in-kind/service delivery programmes?	Record support costs?
Programme management System	Yes (usually by donor, sometimes through check boxes or separate systems)	In practice this is often not done, but it is possible for most systems	In practice this is often not done, but it is possible for most systems	No	No (in theory some systems could include information on planned beneficiaries)	Not usually and would be challenging where programmes are split across multiple sectors	No	No
Finance System	Only if separate spending codes are set up for this	Yes	Yes	Yes	No	No - in theory this could be done via separate spending codes but it would be highly cumbersome	In-kind can be done by aggregating all relevant codes. Service delivery is harder.	Direct only
Manual Systems	Yes	Yes	Yes	In theory yes though in practice planned numbers are more often used	In theory yes though in practice planned numbers are more often used	Yes	No	Direct only
Beneficiary Management Systems	Yes - usually only applies to humanitarian	Yes	Yes	Yes	Yes	In theory possible though in practice not done	No - record assistance transferred but not in monetary terms	No
Cash Management Systems	Yes - usually only applies to humanitarian	Yes	Yes	Yes	Yes	No	No	Direct only

MATRIX 2: INTER-AGENCY DATA MANAGEMENT OPTIONS

	Applies worldwide	Used by all agencies?	Can data be easily collated?	Information on number of programmes including CTP element?	Information on value of CTP programmes	Separate cash and vouchers	Separate conditional/unconditional CTP	Record value of in-kind or service delivery programmes?	Changes possible?
FTS/OPS	FTS - yes. OPS only contexts with projectized appeals	No - donors and UN use it but use by NGOs patchy	Yes - global system	Yes	Yes (planned figures via OPS)	No - separate restricted and unrestricted but this could be changed	Yes (though can't reflect if a programme includes both)	No - may be possible to add this to OPS	Small technical changes yes. Otherwise long process to build consensus
IATI	Yes	No - voluntary (though this is increasing)	Yes - global system	Yes via aid type codes (coming soon)	No. Programme-level information only, not value of cash transferred	Yes via aid type codes (coming soon)	Yes via aid type codes (coming soon)	No	Some changes can be made by IATI team. Others require changes from OECD-DAC
OECD-DAC	Yes	Donors only	Yes - global system	Yes via Cash Flag (excluding core funding to UN agencies)	No	No	No	No	Very slow and consensus-based process.
3Ws	No - only contexts with a UN Appeal	Most organisations participate if the process takes place	No - requires aggregation via HXL tags	Template including CTP being rolled out	Possible but depends on template chosen	Possible but depends on template chosen	Possible but depends on template chosen	Not usually though this could be done in theory	Yes, very flexible
Standalone system	Yes	Voluntary reporting	No	Yes	Yes (depends on agency reporting using own systems)	Yes	Yes	Can request this but will depend on agencies' ability to report	Yes, very flexible