

ELAN JUNE UPDATE

A case study from Sierra Leone's Ebola response; The Guardian slaps e-vouchers; and we learn how to correctly set up our procurement contracts for cash. (Thanks, Rebecca!)

Improving 60-80% of Humanitarian Expenditures: Recommendations for the Supply Chain

[Delivery in a Moving World](#), published by the Logistics Cluster for the World Humanitarian Summit, argues for "agility" in humanitarian response, not cash or in-kind. The authors emphasize that Syria and Yemen underscore the need for a renewed commitment from governments to recognize the neutrality of the humanitarian supply chain. Their six recommendations are framed within real life response efforts in Nepal, West Africa and elsewhere. (We profile Plan International's Rebecca Vince, one of the paper's authors, below.)

JUNE DEVELOPMENTS

Alternatives to Third-Party Accounts?

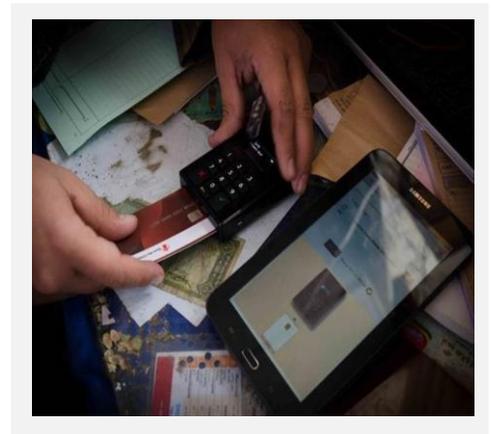
What is the difference between mobile money accounts and digital wallets? Is it possible to send money without using a bank or operator? What would digitally-issued currency mean for humanitarian programs? Find answers to these and other questions in this LinkedIn post on developments in digital payments, "[Mobile Money Wallets Aren't Wallets, They're Accounts](#)."

Insecurity in the Humanitarian Cyberspace: A Call for Innovation

Technological innovation brings both opportunities and challenges for humanitarians, argues the author of a recent [ALNAP](#) blog post. In [Insecurity in the Humanitarian Cyberspace: A Call for Innovation](#), she describes the creation and expansion of both a "humanitarian cyberspace" and "humanitarian cyber insecurity."

The Guardian Calls Smart Cards in South Darfur "Not So Clever"

In a recent [Guardian article](#), a WFP program's transition to e-vouchers in South Darfur gets a bad rap. Is this a call for caution after the pro-cash outpouring at WHS...or just some weak reporting? You decide.



Missed the webinar on Save the Children's use of the MasterCard Aid network in Yemen? Be sure to check out the [recording](#) or the [MasterCard](#) and [Save the Children](#) presentations.

Limited Impact Evaluations Comparing Cash and In-kind

A Senior Economist at the World Bank laments the paucity of impact evaluations comparing cash and in-kind. "Take these two numbers: 165 and 1. The former is the number of children in millions who are chronically malnourished or 'stunted'; the latter is the number of robust impact evaluations *comparing* cash and in-kind transfers on malnutrition," he writes in [his blog post](#). He argues that increasing the evidence base to "at least non-absent" is both good economics *and* good humanitarianism.

Pre-paid Debit Cards Help Refugees in the Balkans

Refugees transitioning to Europe through the Balkans received MasterCard pre-paid debit cards to help pay for their expenses. Now, refugees in shelters on Greek islands and in camps on the mainland will benefit from the cards' flexibility as Mercy Corps expands the program. Learn more in [this post](#).

Case Study: Digital Payments Improved Sierra Leone's Ebola Response

In [Saving Money, Saving Lives](#), the Better than Cash Alliance finds that digitizing payments to Ebola health workers helped end payment-related strikes in Sierra Leone. It also saved more than US\$ 10 million. The case study emphasizes that digital payment success hinged on critical partnerships with the private sector both before and during the crisis.

Ask the Expert: Rebecca Vince - Plan International

Rebecca Vince, Plan International's Head of Logistics and Procurement, took a few minutes to talk about why procurement practices don't always hinder CTP and why "cash evangelists" may be talking about the wrong things.

1. What do you do with Plan?

I head their Logistics and Procurement team, which used to be decentralized. Before, I was with WFP as a Cash and Markets Specialist, and prior to that at Oxfam, also heavily involved in cash and supply chain. I think of the time with WFP as my "sabbatical year" – an opportunity to produce a lot of resources, think a bit more in-depth about the role of cash in the supply chain.

[Rebecca is the brain (and voice) behind the stunning and effective [Logistics Cluster video](#) on the supply chain in cash and voucher programs.]

2. You've been involved in CTP from a number of different vantage points, what's changed?

The debates have moved on. There is a lot of evidence out there that we can learn from. Donors are getting more savvy – they're becoming more happy for a modality change, they're happier not to default to just a simple in-kind or cash choice.

There's also been a lot more effort to ensure that logistics engages



Rebecca Vince, Plan International's Head of Logistics and Procurement.

more in cash programming. But one interesting move is seeing some agencies listing “cash” as a program focus area – for me, that’s like saying in-kind is a program focus area. It’s not.

We need to abandon the idea that we’re moving towards 100% cash or in-kind, stop making it, “Which side are you on?” Because there has been such resistance to cash - and the need to make "the case for cash" - I think it's naturally created cash evangelism.

3. Is this concept undermined by INGOs setting cash targets at the WHS?

Our target shouldn’t be, “25% of humanitarian assistance as cash.” Our target should be, “*continuous* assistance in the best way possible.” Cash is great, because it gets people back to normal life quicker. But if we need to [return to normal] with in-kind, or a blend of modalities, or different modalities with different commodities, then we need to be agile to be able to do this.

4. What procurement policies/practices really support CTP?

Well, I’m going to put in a shameless plug for [the Logs Cluster page](#) and all its resources.

But what really helps? Our greatest leverage is the market and supply chain knowledge in local logistics teams. [We need to use them] to make sure we’re making informed decisions, looking at the outward pipeline. These people are living and breathing these markets.

5. Do any policies hinder cash?

In reality, I don’t think there are many procurement inhibitors. But there are bad applications of policies/procedures [...] that haven’t evolved.

One common misunderstanding out there is still how to value cash procurements: You add up the transaction fees, and that’s the value of the contract for procurement purposes - not the value of the cash itself, which is the commodity. The analogy I like to give is shipping costs: You set a shipping contract based upon the cost of shipping the goods. You don’t incorporate the value of the goods in the container when you’re “buying” the shipping to determine your procurement method.

6. Organizations are looking at various ways to reposition e-transfer service providers (through pre-qualified vendors lists, global tenders, etc.) Any thoughts?

Global framework contracts, and prepositioned items have their place, but we also need to marry this with working as local as possible. I don’t think we need to abandon framework contracts because we want to work smaller...but have we actually looked at the local market to see if there is an option?

If there is no government safety net program, if technology is limited – or if beneficiaries will be excluded because they’re technologically or geographically marginalized, or lack national IDs, or we recognize there is a gap – then large, global companies and consolidated contracts may make sense.

7. From a procurement and logistics standpoint, what message do you give your program counterparts interested in using e-transfer mechanisms?

The first is, “Eyes open.” Let’s make informed decisions about delivery options. Understand what’s a commercial relationship and what’s not. We can all sometimes be a bit naïve about seemingly great offerings – as soon as someone can make a profit, there is a temptation to oversell capacity.

The second is, “As local as possible, as international as necessary.” This was a phrase floating around the WHS. Unless there are massive economies of scale, why change what people are already using? Why introduce another technology? If there are good reasons to do so and this achieves a positive outcome for beneficiaries, then great. But let’s make sure we’re not doing this just to make our lives easier.

Get Involved

Webinar on July 21st: Blockchain for E-transfers

What is blockchain, and why should you care? The ELAN brings together speakers from BigchainDB and Interplanetary Database Foundation (IPDB), and OCHA FIS and the University of Toronto to learn more about blockchain technology and its potential application in humanitarian CTP.

Join us on **July 21 at 3PM GMT!** (8AM Pacific/11AM Eastern/4PM UK/5PM CEST/6PM Nairobi and Amman)

[RSVP](#) today!

Webinar Recording: Using MasterCard Aid Network in Yemen

Save the Children transitioned from paper vouchers to MasterCard Aid Network (a chip-enabled card) for their emergency food security program in Yemen. The ELAN’s June 1st webinar featured presentations from both organizations. Listen to the [recording](#) to learn how they:

- Successfully transitioned from paper to e-vouchers
- Adapted operations during the conflict
- Monitored and ensured accountability during the program

You can also download the presentations from [MasterCard](#) and [Save the Children](#).