



## KEEP-IT-SIMPLE SERIES

This series showcases diverse technical components of cash and voucher assistance programming for greater clarity, understanding and implementation in humanitarian response. For technical, program and business development staff involved in the design of humanitarian response programs, this series offers simple, clear explanations of cash and voucher assistance.

In Indonesia, following back-to-back earthquakes on Lombok island in July 2018, CRS supported local partner YSLPP to provide cash assistance in coordination with the Indonesian postal service as the Financial Service Provider. Photo by Jen Hardy/CRS

# Cash Readiness

## What is cash readiness?

Cash readiness refers to the ability of CRS and/or partners to use cash as a modality wherever it is feasible and appropriate. This includes the ability to implement cash in line with minimum quality standards, in a timely manner, at scale and efficiently.

## Why does being ‘cash ready’ matter for CRS and its partners?

CRS is committed to providing the most appropriate response to people’s unique and identified needs in times of crisis—prioritizing their safety and dignity while respecting the humanitarian principles of “do no harm.” Cash offers a flexible option to deliver assistance that not only enables people to make their own decisions about their recovery, but also supports the recovery of local markets following a crisis. Cash is not always appropriate or feasible (see CRS [Cash Feasibility Checklist and Guidance](#)). But, where it is appropriate and feasible, cash should be the default response.

Familiarity and comfort with cash programming approach, principles and practice is critical no matter the contexts in which we are working. Yet, experience suggests that CRS is not regularly using it (see [CRS’ Response Analysis study](#) conducted in 2017).

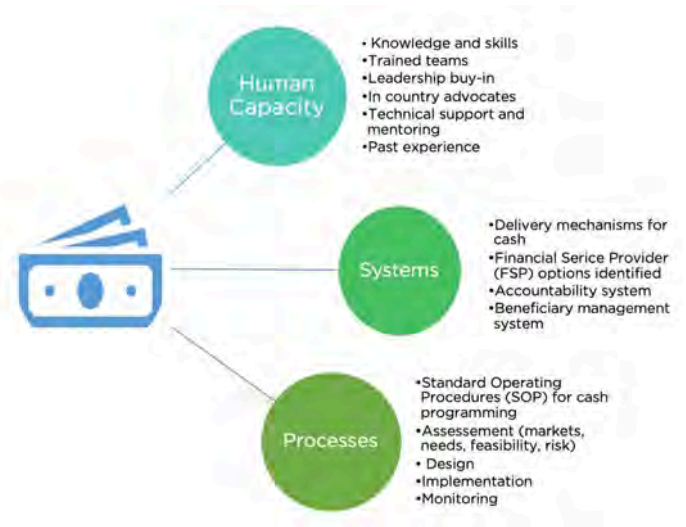
This is often related to internal barriers—lack of experience, knowledge or skills in relation to cash programming, as well as the lack of representation of cash feasibility in assessment processes. CRS can address these issues by investing in knowledge, skills and incorporation of cash feasibility across country programs prior to a shock or crisis. This will help to ensure that we are well positioned to use cash whenever it is appropriate—and, in so doing, promote the empowered, dignified recovery of those we serve.

**“Giving disaster affected people cash is a growing and critical part of humanitarian action with the potential to drive transformational change in the architecture and ways of working for aid agencies. We believe people affected by crisis should be at the center of humanitarian response and empowered to recover with dignity. When the conditions are right, receiving cash gives people more choice to direct their own recovery and prioritize their needs.”**

-International Federation of the Red Cross and Red Crescent Societies

## What are the main components of being ‘cash ready’?

- **Human capacity:** Ensure staff have the required skills and practical experience to design, implement and monitor cash programs relative to their role.
- **Systems:** Establish safe, accessible systems for:
  - 1) transferring cash to program participants (identify delivery mechanisms, and establish options for Financial Service Providers, or FSPs); and
  - 2) having a functioning, accessible accountability system.
- **Processes:** Develop and communicate clear processes and tools that reflect industry best practices for:
  - 1) Standard Operating Procedures outlining steps, roles and responsibilities;
  - 2) Appropriate assessment protocols that capture market information, preferences, FSP coverage and availability, and risk;
  - 3) Implementation tools for registration and disbursement; and
  - 4) Monitoring tools.



## How can CRS country programs and partners be ‘cash ready’?

CRS has piloted various interventions aimed at improving cash readiness across country programs. The process below outlines the main steps followed:



STEP	OVERVIEW	TOOLS/RESOURCES
<b>Assess capacity of CRS and/or partners</b>	<p>Capacity assessment (either self-assessment, or facilitated by a Cash Technical Advisor) to understand current capacity in relation to:</p> <ol style="list-style-type: none"> <li>1. Leadership and institutional Support</li> <li>2. Policy, strategy and standards</li> <li>3. Analysis and planning</li> <li>4. Programs capacity</li> <li>5. Operations support (finance, supply chain, HR)</li> <li>6. Coordination and partnership</li> </ol> <p>Capacity assessment should include consultations with leadership, programs, operations, MEAL, and partner staff, as well as other cash agencies, government and FSPs to understand the environment and lessons learned.</p>	<ul style="list-style-type: none"> <li>• <a href="#">Holistic Assessment of Readiness in Cash (HARC) and HARC Guiding Questions</a></li> <li>• HARC online self-assessment (available via CommCare)</li> <li>• <a href="#">Profile template</a></li> </ul>
<b>Design Action Plan</b>	<p>Identify priorities for improving cash readiness. Develop an action plan (training, identification / contracting of FSP, standardized tools, accountability systems, SOPs, pilot projects). Develop budget.</p>	<ul style="list-style-type: none"> <li>• <a href="#">Action plan</a></li> <li>• <a href="#">Budget template</a></li> </ul>
<b>Invest and Implement</b>	<p>Identify a focal point/lead within the country program to oversee the the action plan. Engage different team members and have senior management buy-in and support. Implement the action plan with accompaniment and technical support as needed from CRS Cash Technical Advisors.</p>	<ul style="list-style-type: none"> <li>• Resources on cash (see forthcoming ‘CVA Centre’)</li> </ul>
<b>Learn</b>	<p>Regularly check progress against action plan. Plan to conduct another HARC to measure progress—on a yearly basis or after completion. Refer to CRS Cash team’s cash simulation to test skills and knowledge, and practice processes.</p>	<ul style="list-style-type: none"> <li>• HARC</li> <li>• Cash simulation</li> <li>• After action reviews</li> </ul>

## What tools and resources are available for country programs and partners?

The HRD Market-based Rapid Response Recovery (MBRRR) team developed a number of tools, particularly under the global ‘Readiness 2 Respond’ (R2R) program implemented from 2018-2020. In FY21, we will develop an adapted process focused on building cash readiness among local partners. For any country programs and partners interested in engaging on cash readiness, the Cash and Markets Technical Advisors in the HRD MBRRR team can provide support based on your country context and priorities. At any time, we recommend having funding for the implementation of a pilot cash program to enable teams to put it into practice and test the various tools, processes, systems and human capacity built throughout the process.

Find out more at: [CVA Center](#) > [KIS Series Cash Readiness Resources](#)