CASH WORKBOOK

A PRACTICAL USER'S GUIDE FOR THE PREPARATION AND IMPLEMENTATION OF CASH PROJECTS

SDC 2007

SDC Cash Workbook

A practical user's guide for the preparation and implementation
of Cash Projects

Authors:	Egon Rauch and Helmut Scheuer
Contributor:	Hannes Herrmann
Editor:	Mathias Rickli (SDC, Project Team CASH)
Copyright:	Swiss Agency for Development & Cooperation (SDC), 2007

Table of contents

Editorial

Introducing the SDC Cash Workbook

Since 1999, the Humanitarian Aid Department of the Swiss Agency for Development and Cooperation (SDC), a division of the Federal Department of Foreign Affairs, has implemented a series of Cash Transfer Projects in different humanitarian contexts. Cash grants provided to more than 100,000 people in need have supported them in covering their most urgent needs.

The SDC Cash Workbook presented here is the result of experience and know-how gathered, accumulated, capitalised on and shared by the assessors, project managers, evaluators and desk officers involved. Its aim is to help improve and professionalize the planning and implementation of Cash Transfer Projects by providing tried-and-tested experience.

The new edition

The 1st edition of this SDC Cash Workbook was published in 2003 and designed as an SDC internal management instrument. Having experienced great demand from practitioners within the international humanitarian community, SDC decided to publish a new updated edition, freely accessible via internet for anyone interested.

This new edition provides a considerable number of new elements with a large collection of examples in its toolbox. It will allow the practitioner to be guided through specific processes of the project cycle as well as to access useful "tools" – useful as examples to avoid re-inventing the wheel. At this point I apologise if readers come across organisational matters or SDC-specific terminology which may not be appropriate for them.

Copyright and responsibility

Please keep in mind that the SDC Cash Workbook proposes tried-and-tested best practices. There can, of course, be no claim of universality. Readers should feel free to use whatever seems useful to them. When they do so, we appreciate it if proper reference to this workbook is made: e.g.

Rauch E. & Scheuer H. (2007): SDC Cash Workbook; Swiss Agency For Development & Cooperation, Bern.

It should also be noted that the authors, as well as SDC, disclaim all responsibility for any damage that may occur as a result of using information from this document or related additional information.

Acknowledgements

I wish to express my heartfelt gratitude to the authors of the Cash Workbook, Egon Rauch and Helmut Scheuer. They exhibited enthusiasm and perseverance in developing cash project concepts and supporting project monitoring. With great commitment they compiled the resulting experience, which led to the publication of this integrated user's guide.

Our project manager, Tom Meyer, Karl-Friedrich Glombitza, Carlos Marbach, Martin Gehri, Dieter Dreyer, and Hannes Herrmann, played a key role in the creation of the present publication. They were responsible for implementing the different cash projects and in this function testing the provided management instruments. I would like to thank them in particular for their outstanding work and their willingness to draw on experience whenever this facilitated the work at hand, and to adjust when necessary. This made it possible for our cash projects to achieve a high degree of professionalism.

Special thanks go to Alfred Jäckle of Helvetas, for contributing additional experience in the preparation of this workbook based on implementation of cash projects in Ampara, Sri Lanka, in the wake of the Tsunami of December 2004, and to Hannes Herrmann for his helpful contributions to the workbook with respect to database management.
Many thanks go to Theodore Wachs for thorough proofreading and Pascal Andres for layout work.

Last but not least, I wish to thank Hans Peter Lenz who, in his function as Head of the Division over many years, has actively supported the concept of knowledge management and was responsible for making this workbook a reality.

In the name of all my colleagues who have contributed to this publication, I hope that the Cash Workbook will provide useful support in your work on behalf of the people in need who will be reached through your projects.

Mathias Rickli, Head of Project Team Cash
Berne, Switzerland
1 January 2007

Your feedback is important

Please let us know if you have any inputs to or comments on this workbook, or if you have any questions related to Cash Transfer Projects. Also, do not hesitate to contact us if you encounter technical problems accessing our information platform on the internet:

Project Team Cash

Humanitarian Aid Department
Swiss Agency for Development & Cooperation
Sägestrasse 77, Köniz
CH-3003 Berne, Switzerland
Phone   ++41 (0)31 322 00 53
Fax   ++41 (0)31 322 00 54
E-mail: cash.program@deza.admin.ch
Website: www.sdc-cashprojects.ch

Tutorial

Scope of the SDC Cash Workbook

What is a "Cash Project"?

The terms "Cash Transfers," "In-cash Support," "Cash Projects" and "Cash-based Responses" can all be understood as synonyms for projects in humanitarian aid or development cooperation that provide cash grants to targeted individual beneficiaries, be they single persons or households. The beneficiary, who must endure a particularly difficult situation, is thus to be empowered to decide freely how to use the grant. Certain interventions might make the cash grant contingent on the fulfilment of specific conditions.

For the sake of simplification and easier reading, the term "Cash Project" will be used throughout this workbook.

Needs-based approach

The consolidated experience presented in this SDC Cash Workbook originated from a series of Cash Projects implemented in response to a variety of disastrous events, such as conflicts, either frozen or armed (warfare), chronic poverty, natural disasters of all kinds, etc. In these humanitarian interventions, the project design was always focused on the specific situation of potential beneficiary groups and their needs.

From the perspective of the beneficiaries and their needs, a Cash Project generally represents a useful means of support for covering a number of urgent needs. The table below gives an overview of the interrelation of different parameters relevant to project design, such as:

- The intervention's mechanism (i.e. the presence or absence of conditions attached to the grant)
- The intervention's relation to the event (e.g. activity focusing on preparedness, emergency response, support for recovery or reconstruction)
- The intervention's timing (i.e. before, during or after the event)

Any combination of these parameters may lead to a particular intervention involving cash grants. Accordingly, the table below makes reference to a number of SDC Cash Projects, experience with which is reflected in the SDC Cash Workbook. Detailed information on these projects can be found on the internet platform www.sdc-cashprojects.ch.

Beneficiaries' needs	Relation to the event	Timing	Mechanism	Description	Project examples
Temporary shelter	Emergency Recovery	▪ During or after natural disaster or frozen conflict ▪ After warfare	Unconditional cash grant	After a conflict/disaster, a family hosting refugees/IDPs is supported to better cope with the additional burden on the household, particularly in cases of delayed return.	▪ Cash for Shelter Serbia, Ingushetia ▪ Cash for Host Families Banda Aceh ▪ Cash for Host Families Ampara (Sri Lanka)
Permanent shelter	Recovery Reconstruction	▪ After natural disaster or conflict	Conditional cash grant	A man whose house has been damaged or destroyed receives multiple, progress-related instalments to rebuild his home.	▪ Cash for Housing Kosovo ▪ Cash for Repair & Reconstruction Sri Lanka
Livelihood	Preparedness Recovery	▪ Before natural disaster ▪ After natural disaster or conflict	Unconditional cash grant	Individuals who have lost or may lose their livelihood due to warfare or disaster, are supported in restoring / maintaining their business activity.	▪ Cash for Herder Mongolia ▪ Cash for Livelihood Ampara (Sri Lanka)
Emergency assistance	Emergency Recovery	▪ During or after natural disaster or frozen conflict ▪ After warfare	Unconditional cash grant	Individuals who have fallen through society's safety nets receive assistance to cover the most urgent needs.	▪ Cash for Rehabilitation Adygeya ▪ Cash for Most Vulnerable Moldova, Georgia

This list is not complete. It is up to innovative and professional practitioners to enlarge the scope of possible applications. The following chapters may provide some useful guidance in doing this.

Evidence-based experience

Among actors in the fields of humanitarian assistance and development cooperation worldwide, Cash Projects have become more and more widely used.

The heated debate between those promoting cash-based responses and those denying any positive aspects of this approach has lost its ideological emphasis in recent years.

Today, the wide range of documented evidence-based experience and a globally linked community of practice have ensured a professional treatment of the issue. The provision and direct distribution of cash during and after a disaster has proven able to empower victims and increase their ability to cope. More and more agencies active in emergency assistance, livelihood recovery, rehabilitation and social protection have begun to capitalise on such experience.

In this regard, the SDC Cash Workbook is one of the first comprehensive user guides to rely on experience gathered and on best practices.

Further reading

A wide range of Cash Project applications are known, from government-driven social welfare instruments, insurance schemes and remittances to gifts and grants, among others.

Performing a typological differentiation of Cash Projects is clearly beyond the scope of this SDC Cash Workbook. However, detailed information, including a good overview of the variety of cash-based responses, is given in a recent literature research published by P. Harvey (2005): Cash & Vouchers in Emergencies, HPG discussion paper, ODI.

Aim of the SDC Cash Workbook

Aim

The aim of this SDC Cash Workbook is to make field-tested experience available. It may be used to implement high-quality Cash Projects in the broad spectrum of humanitarian contexts.

Emphasis is placed on professional project cycle management (PCM). Moreover, this SDC Cash Workbook contains elements which may be helpful in a wider scope of project management issues that go beyond Cash Projects.

Audience

This workbook is addressed to practitioners, be they desk officers at HQ or project managers in the field. It is meant to be a useful guide for beginners as well as for senior staff working with cash-based responses.

Knowledge management

Experience and know-how are among the most valuable goods that institutions or organisations have at their disposal. On the one hand, they are located among a highly qualified staff (implicit knowledge). On the other hand, to make sure that experience and know-how are anchored in the institution, they must be shared (explicit knowledge).

For SDC it has become a priority to assure that new experience and know-how are documented, updated, shared and used. This commitment is guided by the following principles:

- The application of tested standards increases the professionalism of interventions.
- Knowledge management requires additional personnel and financial resources.
- The quality of knowledge management instruments is largely dependent on how well they are used and how frequently they are updated.

Therefore this SDC Cash Workbook is part of a knowledge management cycle, which is described in more detail on the website www.sdc-cashprojects.ch.

How to use the Cash Workbook

Access

This new and fully revised edition of the SDC Cash Workbook is designed as a web-based publication. The aim is to provide easy access to the content of the book. Experience accumulated is divided into two main elements:

1. SDC Cash Workbook
2. SDC Cash Toolbox

The SDC Cash Workbook

The SDC Cash Workbook is designed as a user guide available as a text document in PDF format. It can be accessed on the internet platform www.sdc-cashprojects.ch.

The navigation menu leads visitors to the workbook entry portal. From there, the SDC Cash Workbook is downloadable as an entire document. To read documents in PDF format, you will need the Adobe Acrobat Reader.

The SDC Cash Toolbox

The SDC Cash Toolbox consists of more than 100 documents that may be used as examples, templates or checklists.

The SDC Cash Toolbox can be accessed the same way as the SDC Cash Workbook, on www.sdc-cashprojects.ch.

The navigation menu leads visitors to an entry portal which consists of an enhanced SDC Cash Workbook table of contents. All documents available are listed, described and labelled according to the corresponding chapter of the SDC Cash Workbook to which they are related. All documents can be downloaded and opened using the corresponding application of Microsoft's Office Package (Word, Excel, PowerPoint and Access).

Content

In terms of content, the SDC Cash Workbook is divided into two operational parts relating to the typically relevant elements of project cycle management (PCM):

Part A: Project preparation

The chapters in part A are dedicated to the preparatory work to be performed, from an original project idea (identification) to assessment and elaboration of the project document (definition).

Part B: Project implementation

The chapters in part B focus on the planning and steering of a Cash Project as well as on the set-up and administration of the field office.

Particular importance is attached to a detailed description of the management of a Cash Project at field level, since this is the particular focus of the SDC Cash Workbook. The reader is recommended to carefully work through this information-packed chapter beforehand in order to be able to cope, at field level, with any problem that may arise and be related to the particularities of a Cash Project.

Structure and specific text elements

Division of the sub-chapters

The content of the sub-chapters in parts A and B is always classified under three headings:

- In this chapter
- Benefits
- Procedure

This will allow users to access desired information quickly.

Text boxes

The Cash Workbook also contains three different types of textboxes that seek to emphasise statements of particular importance or interest:

Good experience ...

... from a project to which the workbook makes reference.

	General information ... ... of importance and to be considered during project management.
	Issue of concern ... ... that might cause problems during, or endanger, project implementation.

Part A: Project Preparation

1. Project Identification

1.1 Problem analysis of humanitarian needs

► In this chapter

Requests for support of a humanitarian project are mostly demand-driven. The HQ desk officer responsible has to have a concept of how to act in response to these requests. One possible instrument to propose is a Cash Project. This instrument is generally used to provide efficient support to people in need in situations that are more or less stable.

► Benefits

Immediate and appropriate action is of utmost importance in an emergency situation. Systematic preparation of humanitarian projects helps to optimise use of resources and accuracy of intervention, thereby keeping the focus of aid on the beneficiaries.

Using a standard procedure for collecting project ideas will be helpful in three ways:

As a checklist of sorts, it facilitates comprehensive compilation of relevant information. It ensures availability of the most important items of information needed to prepare a Cash Project.

It assists in identifying topics that require further investigation.

► Procedure

Even if there is little time available, a comprehensive problem analysis regarding the humanitarian situation and its context helps to clarify the following points:

- o **Description of the humanitarian problem:** by means of a list of facts, ideas, solutions and open questions
- o **Definition of the target group:** by means of a brief description of potential target groups, their structure and characteristics, as well as their most important and urgent needs
- o **Identification of the target area:** where humanitarian problems are most pressing; the area should be accessible for humanitarian aid workers
- o **Other humanitarian actors:** clarification of the activities, focuses, capacities and roles of all important local and international players engaged in humanitarian aid in the same area
- o **Provisional objectives:** description of important needs that are met only insufficiently or not at all, along with provisional objectives and related risks

o **Written documentation of project idea:**

A comprehensive overview of a project idea should always be furnished in writing. This will provide a basis for discussions with different partners and for checking whether a suggested project responds appropriately to the needs initially identified.

Template "Cash Project Idea"

General information   o Place and country where project is to be implemented   o Desk officer responsible
Description of the humanitarian problem (not more than 20 lines):   o Type of disaster   o Time when the disaster occurred   o What has happened since the disaster?
Description of the target group: o Number of directly affected victims   o Living conditions at present   o The victims' most urgent needs at the moment
Other humanitarian actors: o Who is doing what at the moment?   o Local players and local actors
Alternative ways of solving the problem: Advantages and disadvantages of: o Cash   o In-kind   o Vouchers   o Other means
Possible or necessary partners for implementation: o Partners at governmental level   o International organisations (IOs)   o Non-governmental organisations (NGOs)   o Bank or postal money transfer system
Formulation of the project objective: o Main objective   o Goals and targets
Preliminary risk analysis: o What are the major threats to project implementation?   o What could go wrong and why?
Visualisation (if available):   o 1 or 2 photos related to the humanitarian problem / target area   o Sketches related to project implementation/objectives
Sources of additional information: o Web sites   o Important papers and documents

	Use of template
	Using the template facilitated discussions between humanitarian aid experts. Project presentation was limited to the essentials. As a result, it was possible to identify promising approaches and the main questions to be investigated in the next step.
	Copy / paste-approach
	There are some who hope and assume that if they follow a "copy/paste approach", by replicating a Cash Project that has been successfully implemented before, problems will be solved more quickly or even avoided. Experience has shown that this assumption is definitely wrong.

1.2 Comparing cash to in-kind or vouchers

► In this chapter

During an emergency – be it a natural or a man-made catastrophe – the immediate response of the international community is to provide the victims with basic necessities such as food, clothing and shelter.

Very rarely, cash is provided to cover humanitarian needs. In order to find the most appropriate solution, it is necessary to understand the mechanisms of the following three relief approaches:

- Cash
- In-kind
- Vouchers

► Procedure

o **Advantages and disadvantages**

As a first step, it is important to clarify the advantages and disadvantages of the three approaches. A rough analysis allows for pre-selection of the appropriate type of intervention.

Advantages of In-kind	Advantages of Voucher	Advantages of Cash
o Gives larger quantities by tapping donor surpluses (e.g. Swiss milk powder) o Immediately increases food availability o Directly addresses nutritional deficiencies	o Involves local business o Targets items to be chosen by beneficiaries o Not sensitive to inflation o Financial transfers concern business people only o Easy to monitor	o Easily converted o Can be self-targeting o More choice for beneficiaries o Cash contributions favour women, children and elderly o More cost-efficient o Minimal transfer costs o Encourages productivity and stimulates markets

Disadvantages of In-kind	Disadvantages of Voucher	Disadvantages of Cash
o High transport and storage costs o High administrative costs o Losses from spoilage and theft o Less easily exchanged o Disincentive effects on production o Competes with local markets and trade	o Applicable only after conflicts and disasters o Less choice for beneficiaries o Requires extensive administrative measures	o Applicable only after conflicts and disasters o Losses due to inflation o Risk of leakage during transfer and payment process o More difficult to target o Can be used for anti-social activities o Security risk during implementation

o **Combining in-kind and cash**

Cash support should not replace efforts to improve food availability. Cash distribution complemented by food distribution may well be the most appropriate approach.

o **Stereotypes**

Cash distributions often provoke extensive discussions regarding misuse (e.g. security issues, incompatibility with traditional hospitality, malpractice and corruption). Most of the critics do not realise that their scepticism originates from a paternalistic background. Impact analyses and monitoring have shown that, in general, beneficiaries use the financial assistance provided in a very responsible and differentiated way.

These controversies are important. Each of the partners involved has their own ideas about Cash Projects. In order for implementation to be successful, project designers must consider all of these different viewpoints and reservations. A project can only be launched if all parties involved agree that the cash approach is the most appropriate one in terms of usefulness and acceptability.

> **Cash for host families**
>
> Refugees are often accommodated in private homes. Their hosts bear a considerable financial burden, but are not entitled to receive relief goods – a fact that is frequently forgotten. Additional household members mean additional costs for water, electricity and fuel. These costs can only be covered with additional cash.

1.3 Preconditions for a Cash Project

► In this chapter

Cash Projects aim to maximise the empowerment of beneficiaries while at the same time minimising implementation costs.

Generally it can be said that the preconditions for the implementation of professionally designed humanitarian activities are also valid for Cash Projects. However, the

implementation of Cash Projects calls for additional, specific preconditions. Quite early in the decision-making process, attention must be paid to these specific preconditions. If they are not met, the quality and impact of Cash Projects may be considerably reduced.

► Benefits

The need for a Cash Project may be given without any doubt. However, there may be restrictions or factors which make implementation impossible. In-depth knowledge about the preconditions helps minimise initial risks.

► Procedure

The following table provides a list of issues to be evaluated:

	Factors favouring implementation	Factors hindering implementation
Appropriate moment Cash Projects cannot be implemented at any time. Generally speaking, Cash Projects require a rather stable situation.	▪ Pressure to cover urgent needs for winter ▪ Solidarity shortly after a conflict or natural disaster ▪ Favourable public opinion in the donor country	▪ Situation of continuing conflict ▪ Potential beneficiaries not settled or with hosts ▪ Rivalry between ethnical or social groups during a conflict
Security situation A relatively stable situation is necessary to ensure the security of the local staff and expatriates, as well as the security of money transfers. Information is usually provided by international agencies, and is easily available.	▪ No armed conflicts ▪ Target area is under the strict control of the army and/or the police ▪ Set-up of UN security system ▪ SDC risk assessment and security plan	▪ Risk of kidnapping, as a traditional source of in-come
Intentions of other actors If other actors are planning or implementing similar projects, it is important to know whether they are competent and, if so, at what time they will start and complete their projects and what budgets they have at their disposal.	▪ No other actor is planning a Cash Project ▪ Regular coordination meetings with other actors in the same field for information exchange only ▪ Willingness to exchange data of potential and actual beneficiaries	▪ A "big" donor or an international agency announces the imminent implementation of a Cash Project ▪ Long negotiations about sizing and targeting the cash contributions ▪ Hidden and unfruitful competition between humanitarian actors in the same field
Availability of an implementing partner Potential implementing partners that would be able to support the Cash Project in its main activities are a positive asset.	▪ Good connections and close to the target group ▪ Supportive with regard to professional registration and verification ▪ Capable of conducting reliable financial transfers, payments and financial monitoring ▪ Good contacts with mass media ▪ Support with legal issues	▪ Attempts of the local administration to interfere in project management ▪ Un-cooperative local administration ▪ Bad reputation of potential implementation partner and lack of public confidence

Reliability of money transfers	• Previous experience or on-going money transfers on the part of SDC • Uncomplicated money transfers • Early check with Federal Administration concerning reliability of banking institution to be chosen • Clarify local experiences with post, banks and other financial agencies	• High overhead costs, transfer and payment fees
Significance of the contribution Project planning means optimising the variables: number of potential beneficiaries, budget available, and significance of the individual cash contribution.	• Availability of a budget estimate, based on the number of potential beneficiaries • Check if their needs can be significantly covered with a cash contribution • Design 2-3 alternatives	• Planned contributions and alternative set-ups cannot be checked in the target area • Missing information about cash, in-kind or voucher contributions of other donors
Ensured engagement of professionals for implementation The implementation of Cash Projects according to the procedures laid down in this workbook requires a certain level of professionalism and willingness to work in a team.	• Desk, PM and backstopper form a team • PM is familiar with implementation of humanitarian projects • PM is familiar with Cash Projects and basic data management • Early involvement of PM during elaboration of project idea, assessment and project outline	• PM includes beginners • PM is unable to communicate and cooperate with HQ and backstopper
Local conditions for implementation Good local infrastructure and functioning local structures facilitate quick project implementation.	• Local administration is functioning well • Accessibility of target areas and beneficiaries for monitoring and verification • Communication technology is working at local and international levels	• See also "Security situation" above

Factors hindering Cash Project implementation

- If the number of beneficiaries and the budget are too small, standardised project implementation is too costly (criteria: overhead costs)
- High risks related to money transfers and payments
- On-going conflicts or unstable conditions
- Potential beneficiaries not in a stable living situation
- Registration of potential beneficiaries and verification of information impossible
- High inflation of local currency without possibility to pay in a foreign currency
- Lack of professional cash know-how

2. Project Definition

Preparation of a project document

► In this chapter

This chapter aims to point out the groups of topics that ought to be dealt with when designing a Cash Project. This will result in the draft project document.

- This is the main document for a Cash Project. It is compulsory for all parties concerned.
- It should describe the planned Cash Project in a transparent, clear and comprehensive manner.

Project identification provides the basis for the next step of project definition, in which further clarification has to be provided.

The focus of project definition may vary, but in most cases Cash Projects are carried out in post-emergency situations. In this case, more time can be spent for project definition compared to emergency situations, in which immediate action is required.

► Benefits

Once the draft project document has been accepted, it will serve integrally for many parts of the project cycle management.

The key data agreed in the project document form the basis for all communication and negotiations with external actors.

A project document based on a standard format will allow comparisons to be made with previous Cash Projects.

Applying the following guidelines (as described in chapters 2.2 <u>Planning an assessment mission</u> to 2.8 <u>Institutional set-up and lean management</u>) will help to:

- o Elaborate a properly drafted project document with defined benchmarks
- o Ensure the involvement of actors concerned
- o Clarify the institutional set-up of a lean management structure
- o Minimise risks by taking appropriate precautions
- o Pave the way to a quick start-up and smooth implementation
- o Specify resources required and their allocation
- o Collect reliable data for the information of the beneficiaries and actors involved
- o Fix appropriate amounts for cash contributions to the beneficiaries

► Procedure

o **Does the workbook apply?**

Readers of this workbook should go to the sub-chapter they are interested in at the moment. They are requested to check whether any of the examples of previous SDC

Cash Projects are comparable to the target area conditions and applicable to the problem they are currently facing. What has to be changed or adapted to enhance the suitability of the solutions cited?

o **Use of tools**

The "copy/paste" –method, which has proven inadequate in so many cases, should be avoided. Procedures, templates, models, charts and other tools can be used without any hesitation, provided that there is a clear grasp of the project idea and all the topics which have to be analysed in depth.

o **Elaboration**

Based on the topics indicated in chapters 2.2, <u>Planning an assessment mission</u> to 2.8, <u>Institutional set-up and lean management</u>, a draft project document can be elaborated.

o **Internal consultation**

The draft project document should represent the mutually agreed findings of all the members of the assessment mission. If there is a country office of the implementing organisation, the draft should be discussed and agreed on locally before sending it to the respective HQ.

o **External consultation**

Even when working in close cooperation with local authorities or implementing partners, the draft should remain an internal document. Experience shows that even sharing the draft with implementing partners easily gives rise to misunderstandings, confusion and wrong expectations. At this stage it is only a draft and many parts may still change, may even be wrong or touch upon delicate topics like overhead costs. What proved to be very useful was to prepare an information sheet of the intended Cash Project containing all the main data. This information sheet should also be agreed on by the respective HQ.

o **Approval**

During debriefing of the assessment mission at the HQ, the draft project document is scrutinised and approved. Requested adjustments have to be incorporated immediately.

The final project document is binding!

Once finalised, the project document cannot be unilaterally changed because it is the main guiding document for all parties concerned. The final project document is binding!

Only after a serious incident or an evaluation might a revision of the final project document be considered. **Any amendment of the document has to be approved by the HQ.** Afterwards the revision of the project document has to be communicated to all parties concerned!

2.2 Planning an assessment mission

► In this chapter

As outlined in Chapter 1, "Project Identification", one of the most important elements is the initial problem analysis. In the present phase of project definition, it constitutes the backbone for any discussion, especially with a view to finding out what information is missing.

Cash Project designers have to cross-check initial considerations, assumptions and statements. This can be done either by going on an assessment mission or by engaging local professionals, based on specific terms of reference (ToRs).

► Benefits

Proper preparation of the ToRs for the assessment mission is decisive to ensure that the mission will collect all the relevant information for both project definition and the Funding Proposal.

Well-prepared cross-checks and in-depth analyses contribute substantially to the elaboration of most of the topics required for a reliable project document.

If the cross-checks and in-depth analyses are done in a professional manner, they will also facilitate a smooth start-up and implementation. If they are not properly done, the project implementer(s) might find themselves confronted with various disagreeable surprises. This would consequently require time-consuming adjustments.

► Procedure

o   Common understanding

Based on the initial problem analysis, all information required for the project document needs to be defined. Lack of information or any contradictions have to be identified, based on the elaborated project idea and the cross-checks with the given preconditions. It has to be examined as well whether all sources for reliable and relevant information available have been tapped.

Mutual expectations should be spelled out. This provides a good basis for partnership and will ensure proper assessment.

o **The right moment for an assessment**

How stable or unstable is the situation in the target area where a proposed assessment is to be conducted? Is the (emergency) situation changing continuously, or are changes expected to occur?

o **Clear steps**

An overview paper has to show the intended steps and chosen methodology from project idea to project definition, in a common language (preferentially in English, French, Spanish).

o **ToRs and working programme**

Once it is clear what is to be done during the assessment mission, the ToRs have to be drafted. It is worthwhile to integrate the initial problem analysis into the ToRs, or to enclose it in an annex. Parallel to this, a programme for the assessment mission has to be prepared, specifying:

- o objectives, aims and tasks,
- o information required for decision-making by an HQ,
- o topics to be analysed in depth,
- o the expected result,
- o responsibilities during the mission: chief of mission, responsibilities for specific topics,
- o requisite local know-how and support,
- o administrative matters: e.g. reporting, transport, translation, debriefing.

o **Information of partners**

Based on the ToRs and the intended working programme for the assessment mission, HQ will officially inform the country office as well as the national and local authorities. It is important to inform them in good time and, if possible, by direct contacts. At the same time, briefing and debriefing should be arranged at the HQ, embassy or country office.

o **Final cross-check**

Before finalising the project document, a last check of the initial project idea is made to ensure that all relevant points have been investigated. During debriefing sessions (one in the field and one at HQ level) the findings and any major changes have to be justified and agreed on.

o **Alternatives**

As an emergency response, SDC planned a humanitarian programme for Mongolian herders struck by drought in 2001 and 2002. The initial problem analysis – envisaging a

cash approach – offered three alternative project ideas. Both ToRs and subsequently an assessment mission were based on these documents.

⚡	**Problems analysed well?** As an emergency response, SDC planned a humanitarian programme for inhabitants of the southern region of Russia. Due to lack of an initial problem analysis, the assessment missions neglected some important topics. If a short initial problem analysis had been presented to the country office and to the consultants, their critical feedback would most probably have identified some of these topics so that they could have been investigated as well.
⚡	**Careless definition** Missing analysis of the institutional set-up and application of weak criteria seriously hampered the implementation of a project by an international agency in the Balkan region. As a consequence, there were massive conflicts between implementing partners, disproportionately high overhead costs, and insufficient verification of beneficiaries.

2.3 Conducting an assessment mission

► In this chapter

In order to design an appropriate Cash Project, it is crucial to have an assessment of the specific context: The initial project idea and the benchmarks established by an HQ are compared with local reality. This analysis follows clearly defined ToRs and ensures an appropriate project design.

It is recommended to apply a step-by-step approach as presented in this workbook. This allows all parties concerned to search for a suitable solution to the given problem instead of taking the feasibility of a Cash Project for granted.

There are exceptions justifying that the assessment is combined with starting-up activities. This is usually the case when seasonal (e.g. upcoming winter, loss of harvest) and time constraints require immediate actions in emergency situations.

Experience shows that it is possible to perform these tasks in parallel, but that it is very demanding. It can hardly be done by one person alone. Good results were achieved by a team comprising the future project manager and an experienced consultant or a desk officer from an HQ.

"Small projects" or donations within Cash Projects are a possibility to ensure and extend cooperation, especially with local administrations. It is an additional task during the assessment to clarify whether and, if yes, what kind of small projects could be useful. Small projects should only be implemented if they are supportive towards the main objective of the cash intervention.

► Benefits

By exploring all open questions with various partners in a systematic manner and based on the agreed programme, all the information required for the project design is collected. Involving local authorities and partners at each step of the assessment contributes to a better understanding and acceptance of cash approaches and the principles of Cash Projects.

Combining assessment and start-up reduces the time taken to perform these and related tasks, usually by 2-3 weeks. This allows the cash contributions to reach the beneficiaries more rapidly.

Speeding up project implementation by employing a combined approach is, however, not the ideal solution. A clear separation between the assessment and the project implementation phase decreases the risk of making a wrong decision.

If designed as a supporting measure, small projects can foster acceptance of a cash intervention.

► Procedure

o **Main steps**

The main steps of an assessment mission are defined in the ToRs as presented in Chapter 2.2 Planning an assessment mission. An assessment for a cash intervention is similar to any other assessment clarifying a humanitarian intervention. Special is-sues to be looked into are described in chapters 2.4, Key data provided by an HQ or a donor, to 2.9 Resources needed for implementation.

o **Local partners**

It is important to identify reliable partners or persons as a source of information so that the assessment can be conducted properly and the set-up for the Cash Project optimally embedded into local conditions.

Regrettably, while it is not a very easy task to find reliable partners, it is a crucial one. Neither is it easy to give advice here. The best way is to start contacting persons recommended by known institutions, or mandated partner organisations. Their recommendations are usually reliable because they are based on direct relationships.

Local partners and local personnel are highly important in terms of understanding the local situation and dealing with authorities, beneficiaries and other actors during implementation.

Especially during the start-up phase, it is recommended to work by triangulation: The same questions are addressed to two or three different persons. The answers are cross-checked; any gaps or contradictions have to be clarified.

o **Local context**

Knowledge about local realities and dynamics is decisive. It is necessary to adapt procedures to needs, to learn more about people's interests, and to become aware of existing know-how. The assessment team will be able to understand the local situation better:

- o if potential beneficiaries are visited in their living situation in order to understand their survival pattern,
- o if local employees of partner organisations are accompanied during their work outside the office, and
- o if overnight stays are included in order to witness 24-hour reality (the security situation permitting).

It is recommended to spend 1/3 of the time in the office and 2/3 in the field!

o **Understanding the cash concept**

The introduction of a Cash Project requires a common understanding of what is meant by cash contribution and who the beneficiaries will be.

One of the best practices is to collect all reservations, doubts, stereotypes and related fears after a first short presentation of the cash concept.

Responding to this information makes it easier to explain how cash approaches work – including their advantages and disadvantages. This kind of discussion will interest people more than theoretical presentations of what Cash Projects are supposed to be good for.

Such a catalogue of reservations is also a very important basis for risk assessment and design.

o **Cash contributions**

This topic is so important that it will be elaborated in chapter 2.5, Beneficiary criteria and appropriate sizing of cash contributions. The final goal is to fix the amount of the contributions and to ensure its acceptance.

It must be evident that a cash contribution has clear advantages as compared to in-kind or voucher distribution. This question can only be dealt with in direct contacts with potential beneficiaries.

o **Transparency**

It is important for success to be as transparent as possible during the assessment mission. Contacted organisations appreciate transparency and constructive discussion. Some points to be taken into account in this process are:

    o Clear presentation of the key elements of the intended Cash Project

    o Well-prepared catalogue of the most important questions to be discussed

    o Information about next steps and expected time frame

No false promises

Cash Projects are humanitarian relief projects and can support victims only temporarily, based on realistic and measurable objectives. The contrast with development approaches also aiming at ownership and long-lasting impacts should be emphasised.

---

o **Implementation-oriented**

As it is the Cash Project philosophy to work in a given time frame, efficiently with low overhead costs, assessment has to focus on the following topics:

    o Office premises, infrastructure, IT

    o Local staff including IT specialists

    o Roles, rules and responsibilities

o Agreement on the institutional set-up with local authorities and partners (e.g. providing potential beneficiary lists)

Know-how transfer during the assessment

SDC's Cash for Host Families Project in Aceh was prepared jointly by the designated Project Manager without any Cash Project experience and an experienced consultant familiar with SDC's cash approaches. During the short assessment period of 2 weeks, it was possible to familiarise the PM with the key elements of a cash intervention.
The joint effort proved to be a successful model to be recommended for future assessments.

---

o **Organisation**

The following topics need to be considered:

Inform the parties con-cerned	Work in the mission team	Assessment mission report

o Both in writing and verbally in order to facilitate an efficient and welcome mission
o Inform the national and local administrations about objectives of the mission
o Agree on briefing and debriefing at HQ, embassy or coordination office
	o Fix the responsibilities during the mission: Chief of mission, thematic responsibilities
	o Settle administrative matters: e.g. reporting, transport, translation, debriefing
	o Use a common language in order to involve the local actors (English, French, Spanish)
	o In case of an immediate start-up:
	  o Check local security situation
	  o Clarify infrastructure and personnel requirements
	  o Look for an office and conduct interviews with potential local employees, prepare standard contracts
	  o Assess local prices for equipment needed
		o Elaborate it with a maximum of contribution by all
		o Present it for comments at the end of the mission
		o State the major outcome in an understandable manner
		o Include differences of opinion, proposals
		o Integrate next steps with responsibilities in the project document
		o Name all persons involved in the elaboration of the report
		o Share results by giving report copies to the inner circle of the partners involved

o **Assessment and start-up mission combined**

o Availability of a competent Project Manager and of a professional covering the assessment is a precondition for conducting a combined mission. An HQ has to specify the expected results in terms of quality and time, and has to set time slots for HQ decision-making (i.e. project announcement, project proposal with budget, go-ahead for recruitment of staff, purchase of equipment).

o The mission is understood as a common task based with two separate ToRs. There-fore, while each of the experts has their specific responsibility, they have to work together closely and to be informed about the work of others. This requires a synchronised working plan. All participants in a combined mission have to agree on the elaborated main documents, procedures, etc.

The distribution of tasks may be as follows:

Expert mandate: Focus on assessment	Project Manager mandate: Focus on start-up of project
o Feasibility of cash or alternative o Registration and payment o Data management o Project proposal document o Project proposal announcement (summary of the project document for mass media) o Support of project manager	o Building up management structure o Preparation of project cycle o Information and knowledge about beneficiaries o Proposals for small projects o Installation of filing and documentation o External support

o **Implementation of small projects**

Small projects are only implemented if needed or necessary. Small projects should always be the second priority during a Cash Project implementation.

The small project design should cover the following topics:

- o What is to be achieved with the small projects

- o The target groups and the geographical distribution of the small projects

- o The areas of application, the criteria and the budget

- o The size and number of possible projects

- o The time frame for implementation

As soon as the Cash Project management begins to implement the small projects, an adequate management tool has to be developed.

o **Public announcement**

At the end of the assessment, a public announcement should be made. If a cash intervention is found feasible, the announcement should inform the target group and the envisaged partners about the results of the assessment mission and on the next steps concerning project implementation.

o **Appropriate information for the public**

Only a summary sheet of the draft project document should be handed over to other parties concerned at the end of an assessment. The draft project document needs to have the final approval by the HQ before it can be shared with third parties.

	Streamline HQ a field staff Cash for Herders in Mongolia1 was started successfully in a very short time. This was possible because everyone – HQ, project management and consultant – worked closely together in planning the combined assessment and start-up mission. On this basis everybody knew what the steps were, what was required, and to whom open questions could be addressed.

2.4 Key data provided by an HQ or a donor

► In this chapter

Key data are figures and specifications resulting from the project idea (see chapter 1 Problem analysis of humanitarian needs). They:

- have to be provided by an HQ to establish the design and layout of the project.
- serve as an orientation at the beginning of the assessment mission.
- can be used to evaluate the adequacy of the intended design of the Cash Project.

► Benefits

With the help of identified and agreed key data, the key elements of a project can be defined and followed up. The key data serve as a point of reference for:

- Sizing up of the action and the type of project, including the duration of implementation
- Clear description of the target area and the target group
- Description concerning cooperating partners
- Sizing up of the resources for implementation
- Main risks and how to cope with them

After completing project definition and at the start of project implementation, the key data turn into benchmarks which can be changed only by a leading agency (HQ), provided that the conditions for implementation differ considerably from those at the time of planning.

► Procedure

Exploring key data is an iterative process in which there is a search for the optimum: How to solve a humanitarian problem with a limited amount of money.

Design is based on parameters. In most cases it is useful to elaborate various alternatives considering the following elements:

o **Target area and beneficiary group**

A Cash Project only makes sense if it is implemented in an accessible area (i.e. with roads, security) where the majority of potential beneficiaries will have a stable housing situation for the duration of the project. The maximum number of beneficiaries and the criteria for their selection have to be defined as precisely as possible.

o **Type of project and financial resources**

The amount of money for a project has to be allocated in the annual budget planning or be available in a defined emergency case. For the project designer, it is of great importance to know which amount is available for which period. The currency of the contributions should be mentioned explicitly.

o **Amount of cash contributions (sizing)**

The planned individual contributions must be of a relevant size to help reduce the economic burden of the beneficiaries.

o **Using mass media**

Each project is under public observation. Therefore, it is important to have a clear concept of how to deal with the local media. Most promising is an active PR approach. The media have proven to be useful in informing the public about the project objectives, the key data and implementation steps. Good cooperation ensures public transparency and can protect a project from erroneous, informal information and rumours.

o **Main steps in implementation**

The elaboration of main steps establishes a realistic time frame, implementing partners needed, and conditions and measures to reduce misuse (e.g. concerning registration, verification or monitoring).

o **Project-steering and external know-how**

Project-steering is based on progress reporting and reflects on the agreed bench-marks and procedures laid down in the project document or on changes in project implementation decided upon during a mid-term review. Project-steering is usually done by the HQ desk officer responsible or, in some cases, by a mandated consultant. External know-how might be needed if the desk officer is overwhelmed by a lot of emergency related additional work or if specific know-how is not available within the implementing agency.

o **Duration of support**

This is one of the critical factors to be seriously considered in the project design. The longer the support lasts, the greater the risk of continuously growing expectations. Therefore, Cash Projects are clearly limited in time. In some cases, retro-active payments can reduce the problem of continuous long-term assistance being expected.

o **Risks and security aspects**

A realistic assessment of risks and threats leads to preventive measures safeguarding project implementation and reducing the probability of unexpected measures and additional funds.

o **Supporting activities**

Cash Projects are often implemented in situations in which various local partners have to collaborate without obtaining remuneration or making a profit. As an incentive for cooperation and quick implementation, supporting activities can be very helpful. Such activities include supporting the local administration in the form of small projects, a contribution to local media, etc. Another supporting measure is to establish hardship funds for vulnerable groups which do not fall under the selection criteria.

2.5 Beneficiary criteria and appropriate sizing of cash contributions

► **In this chapter**

Identifying the intended beneficiaries among a large mass of people in need is not easy and requires a clear picture of the beneficiary group first.

Assessing the relevance of a contribution has to take into account the living situation of the victims or vulnerable persons, and the findings have to be checked against the local context and economy.

Defining the target group more narrowly has to take into consideration the budget available, the areas of high need and the accessibility for implementation.

Sizing means optimising the following elements in a systematic manner:

- Criteria for beneficiaries,
- Amount of contributions,
- Size of selected target group,
- Allocated funds, and
- Integration into the local context.

► **Benefits**

Comprehensively reaching the intended target group, which was selected based on clear and checkable criteria, is one of the conditions for a smoothly running Cash Project. Complaints will be rather limited and relatively easy to handle.

Differentiating between hard and soft criteria for beneficiaries provides for more objective judgement regarding eligibility.

Identifying an appropriate and relevant amount for the contributions will facilitate co-operation and increase both the interest in the project and the visibility of the implementing agency.

Profound knowledge of the potential beneficiary groups is a precondition for adequate sizing – usually one of the neglected elements in the sizing process.

► **Procedure**

o **Victims of a humanitarian catastrophe**

There are many victims, and a selection is necessary. Usually, a donor agency al-ready has potential beneficiary groups in mind before starting its assessment mission. Therefore, in a first step:

- o the intended beneficiary group should be described: Refugees, IDPs, number, hard-ship, social composition
- o an evaluation of the present living conditions (volatile or stable) of potential beneficiaries must be undertaken
- o the local and national context of the natural catastrophe, war or post-war situation must be understood
- o the factors influencing stability or deterioration must be determined

Concerning other actors, it is necessary to have a general overview: Who is active on behalf of the victims and with what kind of support? Who is starting humanitarian activities in which field and which area? Are others intending to implement similar Cash Projects?

o **General vulnerable groups**

Assistance for vulnerable groups is usually given by local welfare organisations, sometimes in the form of cash contributions. It is difficult for Cash Projects to target this beneficiary group, and especially to determine whether a person fulfils the criteria or not. Therefore:

An analysis should be done similar to that for victims. Avoid soft criteria (e.g. "damaged by the war", "major heart disease"). Determine whether they are already getting support and where they are already registered (e.g. Social Welfare Ministry, charity organisations).

o **Criteria for beneficiaries**

Criteria are often set in an idealistic way that neglects major operational considerations. Decision on the eligibility of beneficiaries is only possible based on clear criteria. In order to manage the delicate task of setting appropriate criteria, the following points have to be considered:

Only hard criteria that can be checked beyond all doubt are useful. Hard criteria meet several requirements:

- o they can be easily understood,
- o they are measurable and
- o they can be easily verified (e.g. widowhood, number of children, official registration, demolished homes in the field).

Soft criteria are confusing. They involve tremendous efforts to clear each and every case (e.g. different states of heart disease, different levels of low income). The required medical or income checks would overload Cash Projects in most of the cases. Reliable sets of criteria drawn up by local social welfare institutions are usually avail-able. These institutions have a great deal of experience concerning criteria in terms of accuracy, time required for registration, follow-up and complaints.

o **Assessing the relevance of a contribution**

A relevant and properly adjusted contribution can be determined if the following points are considered:

- o **Relevance:** The contribution is to be relevant for the beneficiaries. This might depend on different factors that have to be identified, e.g. monthly needs related to other incomes including other assistance, increased seasonal needs (e.g. heating costs, clothes), access granted to the local market with local prices.
- o **Acceptance:** The amount foreseen must be accepted and welcomed by beneficiaries, local authorities and, as much as possible, in their social environment.
- o **Harmonisation:** The amount foreseen has to be comparable with local social assistance (given in cash or in kind), basic salaries, humanitarian support planned by other agencies, etc.
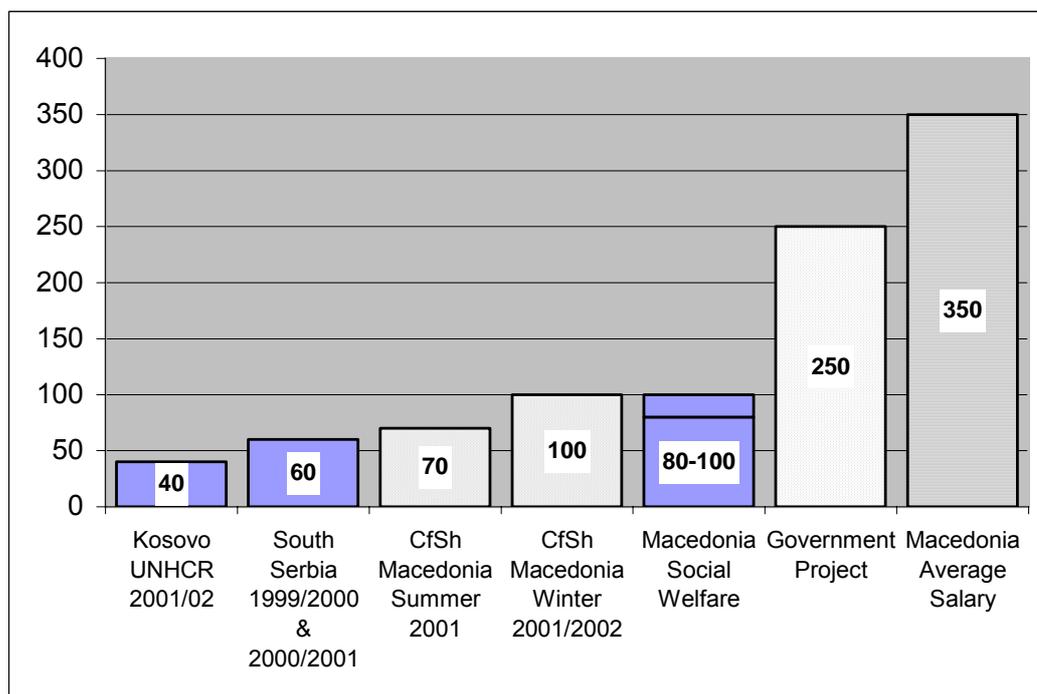
Sizing of monthly contributions in DM, Cash for Shelter Macedonia 2001

This example shows the figure of DM 250 planned for a Cash Project for Host Family by the Macedonian Government / ECHO. The contribution envisaged by them reflected some political bargaining. In the end, the project did not work as intended for various reasons. This caused a lot of confusion and delays in fixing contributions by other agencies.

SDC's planned CfSh contribution was well harmonised at national and regional levels.

The summer phase was successfully and quickly implemented. The winter CfSh project, with a higher contribution for greater needs, was no longer necessary be-cause the conflict had been largely settled. It was possible for IDPs and refugees to return to their homes.

o **Definition of the target group**
  - Once eligibility criteria and the amount of the contributions are set, it is simple to calculate how many beneficiaries can be reached with the allocated finances.
  - It is useful to elaborate several alternatives (2-3) with the figures based on criteria, amount and allocated finances. A set of self-developed priorities (i.e. easy access, quick implementation, situation of a certain group of beneficiaries) may help to determine the best alternative.
  - Quality before quantity: With limited finances, covering a limited target area is more appropriate than reducing the amount of the contributions that have been evaluated as being appropriate and relevant. If regional considerations are really of great importance, the donor should be asked whether additional funds are available or not.

Volatile circumstances bring about various constraints for Cash Projects. As a basic rule, it should be remembered that Cash Projects require stable situations. If an assessment mission has to evaluate the feasibility of a Cash Project and the volatility of

circumstances, the analysis should be based on figures of refugee and IDP flows, appropriate disaster scenarios and carefully clarified preconditions for implementation on the basis of a risk mitigation plan.

	Appropriate sizing Appropriate sizing is the result of professional know-how, common sense, and careful examination of the context. Figures concerning pension payments, social welfare, labour costs or cash to cover daily basic needs are available in almost all countries. By comparing these figures with the contributions of other donor agencies, sizing of an appropriate amount becomes a logical exercise.
	Well-sized amounts and strong criteria The impact study for CfSh Serbia 2 highlights the appropriateness of the defined cash support. The sizing of this amount was based on the assessment of the host family situation: additional financial needs while hosting IDPs contribution for additional heating costs during winter cross-check with Red Cross contributions for the most vulnerable
	Good criteria for beneficiary eligibility were developed in both Cash Projects, Serbia CfSh 1 and CfSh 2. SDC's own registration facilitated the setting of independent criteria. All existing lists of potential beneficiaries reflected criteria immanently favouring the respective registration body's own beneficiary group.
	Existing lists can be misleading! Existing lists of potential beneficiaries always reflect the intention of the registration body: The adequacy of existing lists is limited because their criteria rarely match the intensions of other donors. **Existing lists can form a very useful basis but they have to be rechecked in any case!**
	Registration under volatile circumstances Defining beneficiary criteria under volatile circumstances with changing conditions is hardly possible, since one of the preconditions for a project is proper identification and registration.

2.6 Risk analysis

► In this chapter

A risk analysis is a formalised way of identifying threats to the planned project and a search for measures to reduce or, if possible, to eliminate these threats. Risks can be identified on different levels of project implementation. Risks change during project implementation. At a later stage, new risks may even arise. Risk management is a continuous process.

In the preliminary chapter 0, Preparation of a project document, we recommend the clarification of two questions:

- What are the major threats to project implementation?
- What could go wrong and why?

The preliminary risk analysis focuses on obvious obstacles, constraints and fears. While defining the project in more detail, a systematic risk analysis becomes necessary. In a project environment with a high security risk, a special security risk assessment has to be made (see next chapter 2.7 Security assessment).

► **Benefits**

A risk analysis contributes to the decision whether and, if yes, how a project is implemented.

Seriously undertaken risk mitigation will lead to measures safeguarding the implementation of a project.

A formalised risk management permits a monitoring to be made of the possible threats identified and consequently supports an early warning system.

► **Procedure**

- The HQ prepares a list of criteria relevant for decision-making
- The assessment mission checks its findings with the preconditions for a Cash Project implementation and suggests initial measures
- The HQ decides about GO or NO GO. If GO, HQ instructs the Project Manager regarding the critical points to be looked into
- The Project Manager proposes adequate measures to reduce or even eliminate the risks (risk mitigation). The results must be presented to the HQ for approval
- The accepted measures have to be integrated in the management tools
- During a mid-term review, risk analysis has to be repeated. Measures have to be evaluated and adjusted, if necessary

👍	**SDC's standardised risk analysis** During the evolution of SDC's Cash Project experience, a standard tool was developed to analyse risks. The following fields of risk are usually considered: o Issues concerning the project context, such as o Cultural appropriateness o Security o Applicability of selection criteria for beneficiaries o Supply of goods, functioning markets o Operational issues related to standard implementation, such as o Cooperation with national and local authorities o Unqualified personnel and unsuitable infrastructure o Database, verification of beneficiary lists o Public announcement o Public announcement of SDC beneficiary lists o Cooperation with finance channel/bank o Payment o Deadlines for project implementation In each of the fields of risk, there are certain topics to be considered. The importance of the topic might vary from "very important" to "less important", dependent on the project design. The level of each risk should be judged between "high" and "low". Consequently, adequate measures should be planned in order to reduce the risk or used in precaution if the risk level is rising.
👍	In the Cash for Host Families Project in Aceh, the original risk analysis indicated that there was an increasing potential for corruption on the part of the local authorities. The only measure taken was to publicly announce the implementation procedure. This point, however, had an effect on the planned short duration of the project itself.

2.7 Security assessment

► In this chapter

For all international organisations, the security of their personnel is a major institutional concern. In many locations where humanitarian activities are carried out, violence and crime are frequent. Therefore, a humanitarian organisation should insist on an appropriate security assessment in order to evaluate the risks and to take appropriate measures that create a relatively safe working environment for its personnel and projects. A local security plan is required in cases where the security situation includes a high level of risks, such as:

- Violence in public
- Criminal activities targeted at foreigners or foreign institutions
- Dangerous road traffic
- Armed conflict

- Mines and unexploded ordnance

The security assessment has to be supervised by the organisation's security specialist in cooperation with the embassy or country office responsible and the agencies responsible within the UN network.

If the situation is evaluated as relatively safe, the security assessment is included in the general risk analysis.

► Benefits

A thorough security assessment permits an HQ to identify the appropriate level of security measures in the envisaged project environment.

On this basis, an HQ can make the general decision either to abandon the project idea or to define the appropriate security measures.

Knowing more about security requirements, and restrictions on behaviour to suit the local security situation, contribute essentially to the success or failure of a Cash Project.

► Procedure

o Security management

Every expert and consultant should be properly informed about an organisation's security management. Apart from personal awareness, it is basically a matter of procedures and measures. An ongoing assessment and evaluation process (project cycle) involves the application of various well-documented security management tools available on request (part of the preparation of a mission to politically sensitive areas).

o Level of risk

An HQ has to classify the level of potential security risks according to UN and internal security standards, based on the preliminary risk analysis conducted during the project identification stage. The United Nations' five phases of security are:

- o Phase 1: Precaution
- o Phase 2: Restricted Movement
- o Phase 3: Relocation
- o Phase 4: Programme Suspension
- o Phase 5: Evacuation

If the situation is very dangerous, an assessment mission must be cancelled or postponed.

o **Adequate measures**

Based on this classification, the HQ instructs the assessment mission to analyse the security situation and to propose adequate measures (as part of the ToRs), following this procedure:

- o Incident analysis
- o Risk assessment
- o Necessary security provisions
- o Contents of a local security plan
- o Proposal for a lean and reliable security management system
- o Proposal for security monitoring

o **Risk management**

Within the scope of the risk analysis, the mission should:

- o Describe the potential security threat related to the planned project implementation
- o Evaluate the degree of the threat
- o Consider the differences between locations (e.g. urban and rural)
- o Elaborate on measures that could reduce the risk
- o Check whether the planned cash intervention could be implemented together with a UN institution, which would lead to a contractual security agreement.

o **HQ instructs the Project Manager how**

- o To manage the security plan
- o To ensure the security measures
- o To monitor the security situation, including a continuously updated incident list
- o To include security aspects in the weekly report.

	Partners for joint security After the assessment mission in Ingushetia in April 2000, a special security assessment was made by SDC. The main security threat "Hijacking of foreign personnel" was confirmed. Therefore, deciding in favour of a joint project implementation with UNHCR was very fruitful in terms of both security (UNSECORD) and cooperation. Both Cash for Shelter projects 1 and 2 in Ingushetia could not have been implemented without the security umbrella of the UN.
	Stay reasonable Sometimes the UN security standards are too rigid. After a plane crash in 2001, travelling by air was considered as insecure. As the Cash for Herders project in Mongolia 2002 respected the UN security rules, only travelling by road was permitted. Two months after the project had started, SDC requested that its personnel be permitted to travel by air, reducing the travel time between Ulaan Baataar and Gobi Altai (where the project was implemented) from 2½ days to 2 hours.

Security first

It is a matter of life and death!

2.8 Institutional set-up and lean management

► **In this chapter**

Cash Projects require quick and efficient implementation. Cash Project management focuses on:

- matching available resources: time, money and staff
- reaching the aims set for the humanitarian project: targeting only the defined groups, early completion date, low overhead costs, know-how management
- clarifying the institutional set-up
- designing a lean management structure for implementation
- applying lean management tools and procedures

► **Benefits**

A reliable and well-accepted institutional set-up is one of the major elements in successful implementation. A clarified institutional set-up helps to prevent conflicts and unproductive competition. It shows who is responsible for what, the line of command, and the information flow(s). This is particularly important if many actors are involved and important tasks have been delegated (e.g. to backstoppers or project coaches).

Lean management means building up management structures on the part of the customer or beneficiary. By doing so, it is possible to implement Cash Projects with a very small number of permanent staff, for which it is also necessary, of course, to use lean management tools and procedures.

► **Procedure**

o **Clarification regarding the institutional set-up**

This has to be clarified with the HQ and with the country office (if applicable):

- o How independent should implementation be? How much project steering (by HQ or country office) is foreseen during the implementation phase?
- o What type of institutional set-up (i.e. line of command) is most appropriate?
- o To what extent is additional Cash Project know-how required?

The following possibilities exist for external support (backstopping):

Specific consultancy	Support during implementation (backstopping)			Mandate for implementation
▪ Concept development ▪ Cash inputs on request ▪ Review ▪ Final evaluation	▪ Backstopping for HQ: as an external partner or as a member of the Project Team Cash	▪ Remote backstopping for the Cash Project: counselling based on reporting and e-mail requests	▪ Full backstopping for the Cash Project: counselling and missions	▪ Full responsibility for implementation of the Cash Project, based on project document and SDC contract

o **Every set-up has its advantages and disadvantages**

Therefore, it is important to clarify these questions:

- o What kind of external support is really needed?
- o What are the conditions for a successful application of the favoured model?
- o How much information is required to steer and advise?
- o What are the institutional conditions and implications?
- o Who has which responsibilities?

o **Designing a lean management structure**

Apart from the Project Manager, two posts are decisive:

- o An efficient and beneficiary-oriented local office manager/administrator willing to apply standard procedures and tools.
- o An experienced local database manager. Any remote solution for data management should be avoided.

Office staff should be kept to a minimum. Additional staff for verification or monitoring can be engaged on a daily basis.

If security services are needed, it is advisable to turn to companies known to have satisfactorily rendered such services for other international humanitarian agencies.

	Full backstopping Cash for Shelter 1 implemented in Serbia in 1999/2000 was successfully based on full backstopping. This move to rely on external help was initiated by SDC's country office in Belgrade, which also gave full support to the project management. In this set-up, the HQ was informed weekly about the progress made and was only consulted about strategic topics. The main collaboration was between the CfSh project management and the backstopper.
	Mandated implementation Cash for Housing in Kosovo in 1999/2000 was a successful Cash Project, based on the "mandated implementation" model, by a small consultancy group of architects. They were able to implement the Cash Project supporting the partial rehabilitation of about 300 houses in remote areas in about 4 months. This success was mainly the result of a lean management structure, an excellent Cash Project design, and the willingness of the local population to reconstruct houses urgently needed for winter.

2.9 Resources needed for implementation

► In this chapter

A Cash Project has to be understood as an instrument within a whole set of emergency activities. Cash Projects are short- to medium-term interventions, requiring temporary infrastructure, staff with limited contracts, and rented transport capacities only.

Nevertheless, a professional IT solution and adequate IT equipment are needed for registration of beneficiaries, verification, payment, and monitoring. In this respect, every Cash Project must have a reliable solution – improvisation will not do.

► Benefits

Most assessment missions for Cash Projects pay particular attention to operational feasibility only. A well-prepared list of resources needed will permit the Project Manager to start the Cash Project quickly. An appropriate operational design will only tie up minimum resources to enable implementation with maximum output. Adequate procurement and management of equipment allow overhead costs to be kept low.

This sub-chapter also covers topics which will be dealt with in detail, from a more operational perspective, in Chapter 4, Office set-up and administration.

► Procedure

o **Equipment**

It is important to check for availability of office equipment and furniture locally:

- o A list of the basic equipment should be drawn up.
- o It should be determined whether the equipment needed can be purchased locally in terms of time and adequate quality.
- o Any import bears the risk of delays, import taxes, difficulty of finding spare parts, etc.

Equipment has to be listed in an inventory. This facilitates proper management of equipment and helps to prevent fraud, especially once the project comes to an end.

It should be kept in mind that the project equipment will be handed over to other project teams or partners. Therefore, it should fit into the local context.

The office stationery needed should be calculated properly (paper, ink and toner cartridges, CDs, floppy disks, etc.). Many projects have run into problems because of inadequate stocks.

SDC Cash Workbook

Part A: Project Preparation
2. Project Definition

o **Local staff**

The recruitment and management of local staff is a duty of the Project Manager's. Nevertheless, it makes sense to informally look for good professionals already in this phase.

Cash Projects are low-staff projects. Recommendations for the staff required, including their competences, should be done in writing. The following is a standard list of staff required:

Management	Database	Supporting measures	Transport
1 project assistant	1 IT specialist 2 typists/secretaries		
Depending on the situation: 1 liaison officer 1 translator	Temporary staff: for special tasks such as registration, monitoring, verification	If the Cash Project includes small projects: 1 assistant	Drivers: usually in combination with the car rental

o **Transport**

Mobility is important to project management. It is crucial for contacting local authorities and partners, for supervising the staff in the field, and especially for establishing direct contacts with the beneficiaries. Generally, one permanent car is sufficient. For additional transport needs there are four flexible solutions:

- o Renting cars, whenever possible with drivers, is a good option. A contract should clearly specify the costs per km, including operation and maintenance, the availability of drivers, etc.
- o Local transport for local staff is highly recommended; it is easy and reliable in most cases.
- o Car sharing with local authorities or partners is an option. They sometimes agree to provide transport based on low compensation rates. The right to use a car with its driver should be fixed in a contract.
- o Purchasing a car should be considered as a last resort only. What happens to the car after the end of the project must be clarified at the same time.

o **Office**

Cash Projects do not require much space. Usually 2 to 3 rooms have proven to be sufficient. What is more important is to find adequate premises. Here are some criteria:

- o Security is the main concern. The necessary guidelines are provided in sub-chapter 2.7, Security assessment.
- o Power cuts happen very often, and work on computers will then be blocked. It is better to obtain office quarters in a government building and in the centre of town,

Page 50

rather than to search for office space in a building equipped with an emergency generator set.

Vehicles used by the Project Team Cash should be stationed safely and nearby. Parking space should allow for an emergency departure.

o **Communication**

Communication is crucial for each Cash Project. Local telephone lines should be available for contacts with local authorities and partners. For weekly reports and communication with an HQ, international connections are essential.

Quick and reliable access to telephone lines should be guaranteed. E-mail is the best means for reducing overhead costs and calls for well-prepared communication.

A satellite phone is the most expensive solution. It should only be considered in regions without any other communication system, or for security reasons.

o **IT equipment**

Cash Projects require adequate IT equipment: a network of computers with a backup system and printers. Purchasing most of this equipment on the spot is rarely a problem. Following is a standard list of material which has proven to be sufficient:

Hardware	Software
3 computers, e.g. laptops because less sensitive to power cuts (one of them used as server with CD burner for backups) 1 hub (for rapid Ethernet) with cables 2 additional LAN cards for connecting laptops 1 laser printer 1 inkjet colour printer 2 copiers laptops provided by HQ for expatriates	MS Access (database for Cash Projects) MS Word (for correspondence and texts) MS Excel (for calculations, but not for beneficiary lists) MS PowerPoint (for presentations) Irfanview (freeware for filing photos)

	Standard list
☞	Cash for Herders in Mongolia was started in a very short time. This was possible because the HQ agreed to use a standard list for IT equipment, and because expatriates benefited from cooperation with a local partner organisation. All the equipment needed was purchased before the project started, and the IT specialist of the partner organisation installed the software and set up the network. Once the SDC expatriates arrived, everything was ready.
⚡	**Slow purchase of IT-equipment** In the first SDC Cash Project, there was a reluctance to purchase the IT equipment in the region. The import lasted two months and considerably slowed down implementation.

There are advantages to a lean project set-up!

Cash Projects should be equipped according to standard lists as far as possible.

A good equipment list provides implementers with a very important guide-line. Without such a list, many persons tend to exaggerate purchasing.

Building a functioning computer network and using standard software have proven to be crucial.

In Cash Projects staff can easily be limited to a few permanent professionals, with temporary staff being engaged as needed.

Part B: Implementation

3. Planning and Steering

3.1 Project planning and scheduling

► In this chapter

Project planning results in an overview and is usually done during an assessment mission or finalised in the project document. Based on the planned targets and means (human resources, finances and infrastructure), it defines the main activities within a given time frame. Equally important is the definition of milestones that provide some orientation to the stakeholders and beneficiaries, and emphasise target-orientation to the implementation team. Planning adjustment usually takes place during a mid-term review. If milestones need to be revised before that, the HQ must be consulted.

An implementation schedule is an instrument for planning the implementation activities in detail. Project management is responsible for this schedule, which defines activities on a weekly basis. Schedule updating is part of the implementation management and consists of a weekly review and outlook.

► Benefits

Planning, implementation schedule and milestones provide:

- **Orientation:** Besides the persons directly involved in project implementation, there are other actors as well: at the HQ, at the coordination office, consultants, local partners, beneficiaries and local authorities. To encourage the involvement and participation of these actors, the envisaged project implementation should be presented in a clear and transparent way.
- **Deadlines:** Cash Projects have a very limited intervention period and therefore time management with a focus on milestones is essential (i.e. a list of milestones must be used).
- **Anticipation:** Detailed planning helps to identify the path to take and the bottle-necks of the project. To ensure optimal outside support, the proper timing of the necessary measures has to be known in advance.
- **Budget security:** Cash Projects aim at low implementation costs. Realistic planning combined with cost-awareness on the part of the project team is one of the conditions for ensuring cost-efficiency.

► **Procedure**

o **Project planning**

  o Based on the preliminary general planning, the project management reviews and updates, if necessary, the existing overview of the main activities step by step and carefully checks the validity of the time frame.

  o Given deadlines have to be adhered to – even more so if the project helps to meet an immediate need (e.g. sheltering refugees before winter begins).

  o It is important for the implementation team that the setting of milestones emphasises target orientation and the achievement of intermediate results. This contributes to the visibility of the Cash Project and provides orientation to stakeholders and beneficiaries.

  o Special attention should be given to the transfer of funds from the HQ to the project, something that is crucial for the punctual hand-over of cash contributions to the beneficiaries. The steps and time requirements of the transfer necessitate some planning so that funds can be ordered in good time. Test transfers can provide realistic estimates and ensure the reliability of financial flows.

  o Planning adjustment is done periodically together with the local staff. The mid-term review is an appropriate moment to see whether the project is on track and on schedule, allowing for a comparison between planning and execution. The HQ gives the final approval to adjustments.

  o Planning revision may be required in exceptional cases (e.g. if the local situation calls for a complete reorientation or if new project components have to be added). Such changes must be integrated in the revised project document, and usually the new plan has to be approved explicitly by the HQ.

o **Implementation schedule**

  o Detailed planning of activities is one of the main steering instruments of project management.

  o Schedule updating on a weekly basis is a team work task. It gives an opportunity for critical review and appreciation of activities performed.

  o Forecasting allows the project team to inform about planned activities, to synchronise activities with partners and to set short-term targets.

  o Certain activities requiring additional means, logistics or personnel, such as registration, verification or monitoring, need specific planning.

  o The weekly review and outlook tables form the basis for the weekly report.

o **Planning tools**

Cash Projects use various planning tools. The use of these tools depends on the agency's standards and on the tools available, but also on the individual Cash Project's requirements and the staff's personal experience.

	Principles for planning Cash Projects
(i)	**Participation** of local personnel and local partners in project planning encourages them to assume and share responsibility.
	▪ Regular check of **applicability** of planning tools: changes in figures, dates and procedures have to be reflected in updated planning tools.
	▪ Regular **comparison** between planning and implementation: this prevents the over-view and a key element of professional steering getting lost.
	▪ **Respect** for the agreed practice that the project document and the management tools are binding and cannot be changed unilaterally. Any **revision** of the implementation planning can only be done during the mid-term review.

3.2 Public relations

► In this chapter

Public relations are essential for a successful implementation of Cash Projects. They include, in particular:

- **Relationships:**
  - with the local administration, not only at the central administrative level but also at the municipality or settlement levels, which increases efficiency during implementation.
  - with the local media, which helps the Cash Project in various ways. They are a quicker and more independent means of informing the beneficiaries about a Cash Project than the official administration channels.
  - with the major national and international humanitarian actors (UN agencies, ICRC, etc.).
- **Networking:** Cash Projects, as a humanitarian activity, can considerably improve efficiency by closely cooperating with agencies working in the same field and by exchanging information with like-minded organisations.
- **Positioning:** Cash Projects need to make their approach known to other humanitarian actors as a condition for exchange and cooperation, and also in response to scepticism and criticism expressed by other parties. Public information on progress and results increases the credibility of the approach and the visibility of the agency and its donors.

► **Benefits**

- Properly announced information regarding project aims, beneficiaries targeted, etc. reduces uncertainties among the population in general, and among the lo-cal administration and other humanitarian actors.

- Good public relations with the population create awareness, stimulating public attention and thus helping to reduce attempts at misuse. The cash approach and its advantages are better understood, and expectations concerning direct financial contributions remain realistic.

- Good relationships with local authorities and other partners help to demonstrate the Cash Project's purely humanitarian purpose. Thus the risk of political interference or "exploitation" can be minimised.

► **Procedure**

o **Main topics for initial relation building**
  o Cash Project intention
  o Sources of funds
  o Criteria for and intended number of beneficiaries
  o Main project implementation steps
  o Complaint mechanisms
  o Implementing partners
  o Offers for cooperation and information exchange
  o Limits and restrictions (i.e. what the project will not do)

o **Preliminary steps**
  o Assessment of local media and information channels
  o Checking the potential of the wide variety of media in most countries, especially of TV channels, but also of informal information channels
  o Selection of the most popular and wide-range media in the target area
  o Contacting interested local journalists for independent announcements based on written handouts
  o Elaboration of a short PR and information concept to be disseminated by the media and by local means

o **Networking with interested groups and persons**
  o Participating in joint humanitarian coordination committees helps to communicate the project's key elements and offers an opportunity to exchange experience.

      o   Finding like-minded actors for knowledge-sharing can be very useful to increase the quality and efficiency of project implementation (e.g. database, verification procedures, quality of targeting).

  o **Positioning**

      o   Visibility of humanitarian action and its implementing agents can be enhanced by providing clear and specific information about the cash approach, by regularly reporting on progress and milestones, as well as on the results achieved, at the end of the project.

      o   Credibility can be ensured at any time by means of open, transparent and regular progress reporting related to areas of accountability such as achievement of goals and cost-efficiency.

	Risks of wrong information Very active press work in South Serbia prevented the spreading of rumours as to the Cash Project being sponsored by the Milosevic regime.
	Security versus Public Relations In 2001, after an initial highly successful appearance on local TV, the Project Manager of the Cash for shelter project Ingushetia was not permitted to appear on this medium again because of UNSECOORD security considerations.

3.3 Progress reporting

► In this chapter

Reporting is a communication tool as well as a monitoring instrument. Reporting reviews implementation progress and problems. It forms the basis for constructive feedback from the HQ persons responsible and, if needed, from supporting experts.

Before project start	Implementation	Closing down
▪ Assessment report ▪ Risk analysis ▪ Project document (ProDoc)	▪ Weekly report ▪ Implementation progress monitoring ▪ Financial report ▪ Impact monitoring	▪ Final (project) report ▪ Final financial report

► **Benefits**

- Weekly progress reports provide an opportunity for reflection on a period of time while impressions are still fresh, and allow for consequential planning for the week to come.
- Good progress reports provide transparent and uniform information to all participating parties such as local staff and partners, the various persons involved in the HQ, the embassy, the coordination office, and the consultant.
- As Cash Projects are often carried out in insecure regions, it is imperative for weekly progress reports to inform about the current security situation and measures taken.
- Informative weekly reporting allows the HQ and supporting consultants (backstoppers) to give substantial feedbacks.

► **Procedure**

o **Weekly report**

The format of the reporting is agreed on at the beginning of the project and must be maintained throughout project implementation. Usually the structure of the weekly report is as follows:

- o **Tabled programme executed:** during previous week
- o **Security situation:** a short description with measures taken
- o **Commentaries on status and progress** of implementation, including important or urgent topics requiring quick answers or decisions
- o **Tabled activities outlook:** activities for next week
- o **Annexes:** a) Implementation progress monitoring data concerning registration, verification, payments, etc.; b) Table of milestones

The weekly report provides a comprehensive view of project reality and should not exceed three to four pages. The content concentrates on the essential developments and is not overloaded with general political information.

If weekly reports maintain the same structure during project implementation, they may also serve as a monitoring tool. The distribution of the weekly report (HQ, backstopper, other stakeholders involved in project steering) has to be agreed upon at the beginning of the project implementation.

o **Implementation progress monitoring**

Implementation progress monitoring forms an integral part of the weekly report based on facts and figures. Monitoring:

- Concentrates on key information in order to supervise implementation
- Assesses whether the project targets will be reached in time
- Helps to update planning continuously
- Contributes to formulating lessons learnt and best practices.

	Advantages of good progress reporting: Progress reporting in writing and with a weekly rhythm has obtained optimal results, as it provided the basis for positive project steering, feedback by the HQ, and constructive guidance by the consultant/backstopper.
	Management by "mobile phone": Information by mobile phone is not a feasible form of reporting. It involves two parties only and can never replace written reports.
	Time efficiency A mutually agreed and applied weekly reporting system facilitates project steering, avoids time-consuming explanations and allows continuous support to be provided by external experts.

3.4 External support – backstopping

► **In this chapter**

Implementation of Cash Projects appears to be easy – at least to people not familiar with them. In reality this proves to be a rather demanding task.

Therefore, many HQs decide in favour of supporting measures to help project management to successfully implement a Cash Project. Adequate external support can be provided by a backstopper or by experienced desk officers.

► **Benefits**

External support in the form of backstopping has achieved very good results so far, and justifies the additional costs. The main benefits are:

- To ensure professional implementation (conforming to standards, rules, experiences, time schedule, etc.).
- To reduce the HQ's workload considerably.
- To allow Cash Project managers to increase their know-how and be backed by strategic and operational topics.

► Procedure

The HQ decides at an early stage whether a Cash Project is to benefit from external support or not. Later modifications of a Cash Project design and corrections of the set-up have proven difficult, and often provoke a defensive attitude.

o **The HQ's decision on external support:**
  o Type of backstopping: HQ and project manager agree on the appropriate level of support and clarify what contributions are needed.
  o Time needed for support: The HQ desk officer responsible checks whether he can allocate 4 – 5 hours for steering and follow-up or if this has to be delegated.
  o Cash competence: HQ and project manager appraise their needs for additional cash know-how.
  o Institutional set-up: HQ, project manager and backstopper agree on the information flow(s) and define the appropriate and accepted line of command.

The following possibilities exist for external support (backstopping):

Specific consultancy	Support during implementation (backstopping)			Mandate for implementation
▪ Concept development ▪ Cash inputs on request ▪ Review ▪ Final evaluation	▪ Backstopping for HQ: as an external partner or as a member of the Project Team Cash	▪ Remote backstopping for the Cash Project: counselling based on reporting and e-mail requests	▪ Full backstopping for the Cash Project: counselling and missions	▪ Full responsibility for implementation of the Cash Project, based on project document and SDC contract

o **Backstoppers' main tasks during implementation:**
  o ToRs: To negotiate his ToRs with special attention to institutional set-up, information flow and line of command (steering topics).
  o Relationship: To establish a personal relationship with the project manager (and the team); without mutual trust, backstopping as a remote support task might be seriously hampered.
  o Briefing: If possible, jointly elaborating the start-up phase of the Cash Project and providing adequate procedures, tools and templates needed. Specific topics of Cash Projects can be clarified step by step at this early stage.
  o Feedback: To give regular backstopping feedback on the weekly reports. This also includes proposing additional know-how and appropriate tools together with explanations, or even amending documents.

- o Missions: Field visits lend particularly important support at two vital moments of implementation: during the mid-term review and usually during the closing down phase.
- o Know-how management: To assist during the final phase: debriefing at the HQ, upgrading of cash know-how for cash know-how management.

👍	**Backstopping only makes sense …** … if it is based on a good personal and professional relationship. Whenever backstopping as external support was welcome, it proved to be a very productive and cost-efficient measure for the Cash Project, the field staff, the HQ and the cash know-how management.
👍	**Project Team Cash** A small expert team was mandated to build up a Cash knowledge management system (Cash Workbook with CD, Cash Library); it also offers individual backstopping.

3.5 Project adjustment

► In this chapter

Implementing a Cash Project in a structured, efficient and effective manner is essential so as to serve the people in need and to confirm the usefulness of cash approaches. Consequently, the performance of project implementation has to be assessed.

Development projects – most of which have a medium or long-term perspective – use standard tools based on project cycle management for planning, implementation, monitoring and evaluation. In Cash Projects – most of which have a much shorter duration – selected tools are used for steering, monitoring, review of achievements and final evaluation.

► Benefits

- Reviews constitute an opportunity for stopping or slowing down project activities and for reflecting together on aims planned and goals achieved. Based on internal and external viewpoints, adjustments can be made in a structured way.
- Reviews – as well as evaluations – offer another opportunity for knowledge sharing and knowledge management, which is of particular importance for cash approaches if the reviews are organised as a learning process.

- Reviews – usually in mid-term – are generally much appreciated. Encouraging personal feedback is very important for implementation teams, that often work in relative isolation.

► Procedure

- **Timing:** The Cash Project manager is in a position to determine the most appropriate moment for the review: either before payments begin – after registration and verification – or when important adjustments are envisaged.
- The **ToRs** must clearly define the type of analysis, the results expected and the working programme review in order to meet the expectations of HQ, Cash Project management and backstoppers.
- **Follow-up:** At the end of the review, backstopper and project manager agree on how to turn the outcome into adjustments and how to integrate lessons learnt and experiences made into the implementation process and cash knowledge management.

The following table gives an overview of the different aspects to be looked at during a review:

Aspect	Project development		Tasks
Results	planned	unplanned	▪ Comparison between planning and implementation ▪ Evaluation of success and failures (SWOT analysis) with project team ▪ Programme adjustments
Processes	furthering	hindering	▪ Evaluation of office management and procedures ▪ Analysis of progress monitoring and reporting ▪ Improved working procedures ▪ Update of management tools ▪ Improved presentation of results
Impact	desired effects	undesired effects	
Context	furthering effects	hindering effects	▪ Analysis of security aspects ▪ Local partners and other actors ▪ Adjustment of Local Security Plan ▪ Planning of supporting measures

> **Monitoring instrument**
>
> See the very useful brochure "SDC Monitoring – Keep in touch with reality" (July 1997), which can be ordered free of charge at the SDC's Media and Communication Division.

Review as a team building occasion

Reviews are a good opportunity for involving all staff – not necessarily all the time – and contribute to identification and team building, which is critical for successful implementation. Often contributions made by ordinary local staff help to gain a better understanding of the context and to improve procedures.

4. Office set-up and administration

► In this chapter

Cash Projects have a clear management philosophy: lean and efficient management. For office administration of Cash Projects, standardisation of most procedures, tools, equipment, staff matters, etc. makes sense.

► Benefits

- As Cash Projects try to keep overhead costs as low as possible, management structures and procedures are built bottom–up, starting from the beneficiary level.
- Standardised management tools and standardised solutions facilitate harmonised implementation in terms of administration.
- Proper project management and office administration create a relaxed working atmosphere. Everybody knows their tasks and duties, is informed about the standards to be met, and will be proud to contribute to achieving the project aims.

► Procedure

Office administration is part of the project manager's duties.

o **Standards established right from the start of the project**

At the beginning of a project it is useful to clarify the organisational chart, set rules for the office management, assign responsibilities for finances, and establish a filing system and administration templates.

o **Well-used cash and administrative know-how**
  o Use of recommended tools and procedures as far as possible
  o Regular check of correct application of introduced tools and procedures
  o Adjustment of tools and procedures only if really necessary
  o Consulting with backstopper and approval of reliability before developing own additional instruments

o **Know-how sharing**
  o Consequent sharing of newly developed tools that have yielded results as good or better than existing tools
  o Integration of newly developed tools in the final report as "recommended tools" for new Cash Projects

  o Successful office management is based on the following principles:
  o **Simplicity** and strict application of procedures, tools and instructions

o **Efficiency** in terms of time (time budget, planning, schedule), costs (adhering to SDC rules and budget) and allocation of means and resources

o **Transparency** of key data, procedures, implementation, and closing down standards (e.g. regular team meetings, progress monitoring, reporting, date of end of Cash Project)

o **Safety** of people first, then of project means (safety plan regularly updated, known and practised by the whole staff)

o **Language** in the Cash Project office should be English, French or Spanish – as understood by the local staff (for team meetings, reports)

o **Local resources** to be used as far as possible (know-how, equipment, transport, communication)

4.1 Personnel

► In this chapter

The local staff's competence is one of the main factors in successful implementation. For a project manager, the only way to find suitable persons to work with is to have a clear idea of what kind of staff is needed before recruitment begins. Specific profiles must be prepared before advertising and selection.

Cash Projects reach higher levels of performance if the project manager is able to inspire teamwork. Projects that benefit from a highly developed team spirit are much more efficient and reliable than projects with top-down management. Teamwork requires clear tasks linked with competences and responsibilities for everyone. Weekly or even daily meetings for reviewing and planning that involve all members of staff concerned help to reach this goal.

► Benefits

▪ If a team approach is employed with the permanent staff, the Cash Project will feature efficiency, good atmosphere and committed responsible staff.

▪ A critical aspect of the so-called "classic" management style is micro-management, often provoking disorientation and discouraging local staff.

► Procedure

o **Staffing**

o Listed and required staff must match the tasks designed in the project planning.

o Time requirements for the different tasks must be estimated (in man months).

- o Competences defined during the assessment mission must be checked and prepared in the form of a profile list for each category of staff needed.

- o **Recruitment**
  - o For most Cash Projects it is strongly recommended to place advertisements in newspapers.
  - o Invited candidates must prepare a presentation of their dossiers.
  - o Informally recommended persons should be invited to present their dossier following the same standard recruitment procedure.
  - o Interviews lasting ½ hour should be conducted with the assistance of a person trusted by all parties.
  - o candidates should be clearly informed about project expectations and the limited period of employment.
  - o A candidate's familiarity with the local context, teamwork skills, and professional experience in humanitarian assistance should be assessed.
  - o Staff should be selected by using a simple rating system set up in advance, based on the defined profile and on additional criteria. The "sympathy" criterion alone might become a trap.
  - o All candidates should be informed about the outcome after decisions have been taken.
  - o Part-timers should be selected separately for short-term work and in a more informal manner. They must also be introduced, trained, guided and supervised very closely.

- o **ToRs and contracts**
  - o Terms of Reference (ToRs) are the basis for any recruitment profile.
  - o Local salary scales are to be assessed and taken into consideration. The project's salary system should be based on local standards.
  - o Preparation and signing of employment contract should be done before starting work. ToRs and other relevant documents are to be added as integral parts of the contract.

- o **Work team and teamwork**

Neglecting staff concerns will sooner or later bring about various problems. To get the project to run smoothly, the following points should be observed:
  - o introduction to the cash approach for any new member of staff
  - o familiarisation with the cash philosophy and cash methodology
  - o explanation of office rules and organisational chart
  - o short training according to requirements and general computer work

- o regular team meetings following agreed rules and an agenda prepared in advance
- o regular feedback to staff and periodic qualification of their performance and potentials
- o issuing a work certificate when employment terminates.

- o **Expatriates**
  - o Usually a Cash Project is managed by an expatriate. A deputy in a position to take over management in the case of the project manager's absence must be assured.
  - o **ToRs:** the project document forms an integral part of the project manager's ToRs and constitutes the main, binding point of reference.
  - o **Backstopping:** consulting the chapter 3.4 (External support – backstopping) in this workbook ensures coherence.

(i)	**Lean management by carefully selected and efficient staff** Most Cash Projects can be implemented by one expatriate and up to five national members of staff. Only very large and long-lasting projects will require a big team of more than five or six persons.
(i)	**Salaries, per diem and local context** Designers of Cash Projects strongly recommend that salary scales be adapted to local standards. Most international standards are completely disconnected from local reality, and even per diems are far too high. This may provoke jealousy and distortions, and it may send wrong signals of what the Cash Project is really about. High salaries do not guarantee high commitment.

4.2 Infrastructure

► **In this chapter**

While chapter 2.9, Resources needed for implementation, describes what is needed, this present chapter focuses on how to use the resources.

Efficiently setting up the infrastructure to suit requirements is essential, with project duration being limited and disaster victims being in dire need.

Standard infrastructure consists of an office space with standard office equipment, and possibly a garage for the vehicles.

Lean set-up means keeping it as small and functional as possible, renting existing infrastructure rather than purchasing or building new, opting for good and reliable

equipment, and dispensing with excessively high standards. Infrastructure is costly and needs to be carefully administered.

► Benefits

Well-managed infrastructure facilitates implementation and creates a pleasant working situation. It is surprising to see to what extent the quality of office management and infrastructure is reflected in the quality of project implementation.

► Procedure

Before starting any activity, the assessment report and chapter 2.9, Resources needed for implementation, should be consulted.

o **Equipment**

Purchasing office equipment and furniture on the spot also helps the project team to become familiar with local conditions. It must be kept in mind that goods ordered from abroad may take a long time to arrive. Besides, maintenance problems are easier to solve with goods purchased locally.

- o asking for offers from 3 different suppliers for costly items
- o while selecting equipment, it should be considered that later on it will be handed over to partners or other project teams, and therefore it should meet their expectations as well
- o purchased items are to be entered in an inventory at the same time as in accounting.

o **Transport**

Resources needed for implementation (2.9) should be checked for the most appropriate means of transport in terms of cost, maintenance and reliability.

- o Organisation-specific or standard rules for transportation are to be imposed and must be known and respected.
- o A driver is to be assigned in order to keep the project manager and his/her deputies from having to drive. The driver must assume responsibility for vehicle maintenance, too, as this would consume too much of the project manager's time and energy.
- o A log book for each vehicle should be kept as the best way to control use of the car, costs and maintenance.

o Rules and security aspects are to be strictly respected. People's lives are at stake, and the project may be severely handicapped in the case of accidents or non-functioning vehicles.

o **Office**
  o **Required space:** working space limited to 2 or 3 rooms has proven to be sufficient.
  o **Location:** a Cash Project office should – whenever possible – not be integrated in existing structures. An autonomous status facilitates un-bureaucratic functioning.
  o **Security** is the main concern for a Cash Project. Security guidelines are to be consulted carefully.
  o **Vehicles** used by the Project Team Cash should be stationed safely and nearby. Parking space suitable for emergency departure should be ensured.
  o **Power cuts** are frequent in emergency situations and may block work on computers. Purchasing laptops and emergency generators is indispensable in case the office space is not housed in a building equipped with stand-by sets, such as government buildings or office blocks.

o **Communication**

Once the communication infrastructure is established, good results mainly depend on how communication is organised.
  o **Costs:** clear rules are to be defined to keep costs low. Bills are to be checked regularly.
  o **Access** to communication lines must be guaranteed; having several lines available is recommended. Alternative access to phone and internet services must be investigated and tested. Communication must not be blocked by private communications.
  o **Liaison offices** in the capital or in a bigger town are important for information purposes at national level and facilitate supply under difficult circumstances. This can also be achieved with the help of a like-minded organisation right at the beginning.

o **IT equipment**
  o **Inventory, spare parts and supplies:** One person should be appointed as responsible for the inventory list, including updating. The same person should also be responsible for stock keeping of office and IT supplies (paper, ink and toner cartridges, CDs, floppy disks, etc.).

o **Data management know-how:** Most Cash Projects leave many records on how to implement the project, but very little on how to manage the database. It is to be assured that the data manager keeps a record of his activities, which is especially useful in case of sickness, leave or early termination of contract.

4.3 Contracts and agreements

► **In this chapter**

During the start-up phase there is a special need for contracts and agreements that take account of local legal conditions. It is the project manager's duty to elaborate and sign precise contracts and clear agreements, such as work contracts for recruited personnel, contracts for renting infrastructure or cars, as well as agreements with local cooperation partners.

► **Benefits**

Using templates and existing contracts:
  ▪ reduces the risk of making mistakes or losing sight of relevant topics,
  ▪ saves working time because only key points need to be adjusted.

► **Procedure**

o **Templates for contracts and agreements**

Before the start of the Cash Project it should be ensured that templates of contracts, agreements and other standard documents is at the disposal of the project manager (e.g. access to the toolbox to the SDC Cash Workbook)). A clear distinction should be made between contracts and agreements. Agreements usually have to be negotiated between the partners and their elaboration takes more time. Cash Projects require few agreements only, mostly with implementing partners such as banks, postal services, and monitoring and verification organisations.

  o **Templates:** checking should be done to determine whether there are appropriate documents of previous Cash Projects. They can easily be adjusted to a new context.
  o **If no templates are available:** using a checklist of topics to be stipulated in a new contract or agreement, the backstopper or HQ should be asked for a corresponding template before elaborating a new one.
  o **Elaboration:** usually drafts of agreements negotiated have to be presented to the HQ and backstopper for comments. It is their responsibility to decide whether the

legal department of the organisation also needs to be involved. As this might take a long time, interim solutions should be provided.

- o **Simplicity:** it is important to keep contracts and agreements as simple as possible. Over time, templates become more and more complex without added value. Additional elements should be put in an annex (e.g. procedures, office rules).

- o **Authority to sign:** in most organisations important contracts and agreements need to be approved by the HQ.

4.4 Correspondence

► **In this chapter**

Implementers are practitioners who may sometimes neglect the importance of adequate correspondence with partners, HQ, backstopper and other parties involved. This chapter will give some tips on how to avoid this.

► **Benefits**

- ▪ Standardisation of correspondence and use of project templates contribute to a corporate appearance and reduce loss of time and energy.

- ▪ Correct filing of project correspondence is essential to ensure transparency for the project management, and helps to avoid the trouble of lengthy searching of documents.

► **Procedure**

- o **Correspondence**
  - o **Templates:** these should be developed right at the beginning of the Cash Project and be made available on the server – protected against unauthorised changes. Whenever possible, existing templates are to be used, adapted to current requirements, and translated into the local language if necessary. Translated templates should be named the same way as the original file, with a corresponding suffix.
  - o **Official letters** must be signed by the project manager, except for standard letters sent according to fixed procedures. Once fixed, the logo (corporate design in header and footer) must remain unchanged.
  - o **Filing rules** have to be respected by everybody including the project manager. All staff including newcomers are to be familiar with those rules.

- o **Confidential documents:** sensitive documents and files should be filed in a separate folder accessible only to the project management and protected by a password.

- o **E-mail communication**

E-mail is a very comfortable and efficient way of communicating, but a few important points have to be observed:

- o **E-mails:** Precise formulation in a short and clear style is advisable. Significant designations in the "Subject" line help to retrieve filed e-mails.
- o **Documents:** Longish documents should be properly named and sent as attachments to an e-mail message. Compressing (packing) documents into a zip-file helps to reduce file size and transmission time.
- o **Addressees** should be selected carefully. Cash Projects need to be precise and lean, and this is also valid for the distribution of e-mails and documents.
- o **Periodicity:** Periodic communication is helpful for everybody. Concentration on the weekly report and specifying questions helps to minimise e-mail traffic.

Adjust e-mail content for HQ

Desk officers suffer from a flood of e-mails, documents and papers. They may become overburdened quickly, as they have many projects to attend to.

4.5 Filing system and documentation

► In this chapter

The filing system of a Cash Project is comparable to its warehouse stocking know-how as regards concepts, reports, procedures, tools, templates, etc.

In Cash Projects systematic filing is rare, but much can be improved by strictly applying some basic rules. This is the only way for the project and for later users to capitalise on and share cash know-how as "open source capital". The tools of systematic filing of documents, lists and photos, and regular maintenance of the filing system as a precondition for proper management as well as for knowledge management, are explained later.

► Benefits

- Correct filing makes it possible to find each document immediately for consultation. This saves energy and time for more important tasks than unproductive searching for urgently needed documents.
- The standardised Cash Project filing system allows documents to be filed in a set of folders and has proven its worth. If a check is wanted on how other Cash Projects managed a specific problem, familiarity with the standardised structure will help to quickly find the file on CDs of former projects.
- A good filing system will be beneficial during the closing down phase, too. While writing the final report one will easily have access to all relevant documents.

► Procedure

o **Organisation of computer work and filing of documents at an early stage**

It is up to the project manager to set the rules for all electronic data work. Some of the tasks may also be assigned to the database manager:

- o **PC rules:** Rules for daily PC operations proposed in this workbook should be checked as to whether they suit the planned project.
- o **PC training:** It is useful to organise regular short training courses in computer work for the staff – with a high return on this small investment.
- o **Filing structure:** It is to be ensured that rules and filing structure are visibly placed in the office and known to all persons having access to the computers.

```
FilingSystem Original
    1 Identification
    2 Definition
        21 Assessment
        22 Project design
        23 Credit proposal
    3 Implementation
        31 Project management
            311 Planning
            312 Reporting
            313 Monitoring
            314 Evaluation
        32 Office administration
            321 Personnel
            322 Infrastructure
            323 Contracts
            324 Correspondence
            325 Bookkeeping
        33 Beneficiaries
            331 Main steps
            332 Database
            333 Announcements
            334 Registration
            335 Verifications
            336 Monitoring
            337 Payment
        34 Supporting measures
            341 Small Projects
            342 Public relations
            343 External support
    4 Completion
        41 Documentation
        42 Photos
        43 Closing procedures
        44 Final report
    5 Cash Promotion
        51 Project Team Cash
        52 Backstopping
        53 Cash workshops
        54 Mass media
        55 Cash learning book
        56 Felddossier
    6 Utilities
        61 Software
        62 Templates
    7 Back-up
```

```
FilingSystem Alternativ
    1 Project Definition
        11 Project Documents
        12 Facts & Figures
    2 Project Management
        21 Planning
        22 Monitoring
        23 Evaluation
        24 Reporting
        26 Public Relations
    3 Office Administration
        31 Personnel
        32 Infrastructure
        33 Contacts & Lists
        34 Memos & Minutes
        35 Correspondence
        36 Bookkeeping
        37 Documentation
    4 Beneficiaries Handling
        41 Database
        42 Registration & Verification
        43 Announcement & Payment
        44 Small Projects
    5 Cash Promotion & Tools
        51 Project Team Cash
        52 Backstopping
        53 Cash Workshops
        54 Mass Media
        55 Cash Workbook
        56 Felddossier
        57 Utilities & Tools
        58 Software
        59 Templates
```

The left side shows the basic and original Cash Filing System with 3 hierarchic levels used in many SDC Cash Projects.

The alternative Cash Filing System shown to the right structures the filing in a simpler manner on only 2 hierarchic levels.

o **Filing electronic documents is an ongoing task**

Based on the analysis of many Cash Projects, a standard filing structure was adopted as shown in the graphic above. Use of this filing system is highly recommended.

- o **Filing start-up:** The project manager starts filing by establishing the structure that will be used during implementation and that already integrates all relevant documents.
- o **Correct filing** of documents. Files are named in the form date_projectname_filename (standard format). Alternatively they can be named in the form projectname_filename_date (yymmdd), as preferred by the project manager. No matter which system is chosen, it has then to be used consistently for all documents. New files/documents are to be saved immediately in the correct folder before starting to write.
- o **Filing hierarchies:** The filing structure should not be extended to a third hierarchy, as this might get out of control. If additional folders are really needed, a solution with distinct labelling is to be preferred to an additional hierarchy. Old files can be archived in a sub-folder "history" or "old files", if necessary.
- o **Filing check:** A weekly systematic check regarding duplicates and correct file location is advisable. It is useful to pin a list on the office wall with the dates of filing checks and back-ups performed.

- o **Filing papers and printed documents is important**

If the filing system is set up late, it will cause additional work after much struggling with the paper flood.

- o **Paper filing system:** It is up to the project manager to set a few rules and to initiate a clear filing structure for folders, box files or a similar system.
- o **Check** the paper filing regularly.
- o **Finances:** Keep bookkeeping documents separate in a safe place.

	Project Documentation An appropriate filing system is a precondition for complete final project documentation.
	"In our project everything is different." Sometimes people not familiar with Cash Projects are convinced that profiting from established procedures is too complicated and does not match their needs. Experienced project managers generally appreciate the advantages, and make a selection of tools.

	Rules for PC work, filing and back-ups step-by-step
Open and save a new file	▪ Labelling: The document is labelled with the current date and a meaningful name, or vice versa: e.g. 020902_CfH Backstopping program review mission.doc, or using another format: e.g. CfH Backstopping program review mission_020902.doc ▪ Filing: The correct folder in which to save this new file is identified by consulting the filing structure. A printout must be pinned on a wall of the Cash Project office.
Prepare the file before starting to write	▪ Title: An accurate title must be entered at the top. ▪ Footer: The file name (and possibly the path) should be inserted in the footer, as well as the page number. This allows the document to be located quickly.
Work on an existing document	▪ Re-labelling: The file is saved by changing the date in the file name only, in order to keep the document versions with their original and current dates. This clearly shows the updating of the same document: e.g. 020903 PC filing rules.doc – later: 020910 PC filing rules.doc or using another format: e.g. PC filing rules_020903.doc – later: PC filing rules_020910.doc
Working with Excel worksheets	▪ Merging: Cells should not be merged, otherwise it is no longer possible to sort and filter data. ▪ Formatting: Rows or columns should be worked with, rather than formatted cell by cell. ▪ Concentrating: All information is to be kept in one sheet or several sheets in one Excel file. Remember that unused information (rows and columns) can be hidden.
Filing of pictures	▪ Labelling: Date and name are to be indicated, e.g. 020903 CfH Computer Training. If they are not labelled, the pictures will get lost. It is advisable to select pictures from time to time and keep only the best. ▪ Private pictures: Personnel folders can be set up for each staff member.
Respect the Cash Filing Structure	▪ Avoid documents which are not related to the Cash Project in the filing structure.
Assign responsibilities of the IT-manager	▪ Daily back-up: Every evening a back-up is made on the server. In addition, every day a back-up is burned on CD and stored alternately in the office safe and, the following day, in the project manager's flat. ▪ Filing check: The IT manager checks the proper naming and filing of new files and immediately instructs persons who lack know-how or make mistakes to correct any errors. ▪ Check calendar: The list is to be pinned on the office wall showing date of checking and place of back-up. ▪ Database: Checking the quality of data entry before integration into database. ▪ PC follow-up: Giving periodic feedback to the project manager by suggesting adjustments and proposing up-to-date instructions to the project's IT users.

4.6 Database

► In this chapter

A reliable database constitutes the backbone for every Cash Project. Contrary to other projects using mostly MS Excel tables, Cash Projects should employ professional database software (MS Access, Filemaker).

Taking into account the complexity and the number of data sets needed, such a database is an indispensable and useful tool. A database concentrates all data for all main operational tasks:

- registration data for potential beneficiaries
- screening of data
- random verification
- various lists of payments
- samples and questionnaires for monitoring the use of cash contributions
- export of tables for progress reporting and
- summaries for the final report.

It is very interesting to observe that database managers of Cash Projects usually develop their own databases in spite of well-documented and successfully used databases being available from previous Cash Projects. Local database managers often argue – with some justification – that each previous database was developed for a specific project and its re-use and adaptation would take more time than to develop a new one. Therefore, it is of utmost importance to ensure that the database to be created fulfils a number of quality standards and meets the specific requirements of the Cash Project.

In this chapter information will be provided about the design, set-up and finalisation of a professional database. Database applications are presented later, together with the main steps of implementing Cash Projects.

► Benefits

A well-designed and reliable database will provide various benefits indispensable for professional implementation of Cash Projects, such as:

- Standardised data entry by authorised typists, by using masks facilitating fast entries and minimising errors
- Easy import of existing electronic raw data into the database if registration started earlier using Excel tables, or for comparison with other data sets
- Supported screening of data for easy analysis or visual detection of wrong or double entries: family names, addresses, identification documents, etc.

- Standardised lists for publications and hand-outs, payment lists for bank or postal services
- Random sample for verification, monitoring of impact, etc.
- Easy design of standardised reports for weekly progress reporting, quick print-outs of beneficiary reports with statistical tables
- Options to improve data security such as regulated access and specific authorisation, password protection and other features for professional database management

► **Procedure**

Step 1: Database set-up

Before designing the database, the project manager, the project assistant and the database manager have to identify the main steps in implementing the Cash Project, from registration, screening, verification and payment to progress monitoring and final reporting.

o **Database concept/design**
  o The locally recruited IT specialist is responsible for the database concept and must therefore have at least basic knowledge of MS Access and be able to write the database concept.
  o A coherent database concept requires participation of the database manager at an early stage of the Cash Project design.
  o The database concept has to explain how:
    - to model the main steps of the Cash Project in the database
    - to identify the data required by the implementers
    - to perform data handling, screening and improving
    - to structure and index tables, lists, and samples required
    - to implement the basic table structure (relations)
    - to ensure database interoperability
    - to protect data integrity
    - to ensure data access
  o **Result:** The database concept has to be elaborated in writing. Prior to specification the concept must be discussed and agreed by Cash Project management.

o **Specifications**

- o All requisite data and outputs for every step of implementation have to be designed (e.g. data required for building up the "Preliminary list of beneficiaries": name, first name, passport number or number of identity card, address, town/village and other data relevant for eligibility).

- o Previous Cash Project experiences should be drawn on and, if convenient, extensive use can be made of existing formats, lists, progress monitoring graphics, reports, etc.

- o Data and figures to be collected and verified should be cross-checked with all stakeholders concerned (e.g. registration committee, bank or postal services, head of verifier team).

- o **Result:** A list with all data required, with specification (e.g. language, size, ID variations).

o **Configuration/Set-up**

The following elements have to be developed:

- Introduction to Database Concepts
- Data Modelling
- Conceptual Data Modelling
- The Normalisation Process
- Implementing the Basic Table Structure
- Protecting the Integrity of Your Data
- Securing Access to the Data
- Table Structures and Indexing
- Coding for Concurrency
- Code-Level Architectural Decision
- Database Interoperability

- o To avoid data redundancy, similar data should be grouped in separate tables (e.g. tables regarding beneficiaries, areas, locations, bank data, verification) and corresponding relations between the tables must be established. Instead of creating a system of connected MS Excel sheets, it is highly advisable to make use of all advantages of a professional relational database.

- o The structures of each table must properly be designed and documented (e.g. primary key, reference numbers, field size, field type).

- o User-friendly and standardised data entry masks should be designed.

- o It is useful to prepare a standardised list of reports, taking into account the high number of necessary print-outs.

- o **Result:** Print-outs of all forms, lists and tables for the Project Team Cash, ready to be tested before implementation.
- o Unless they are fully familiar with database design and management, project managers should not ask for feedback from a professional database manager. This will substantially contribute to minimising application problems.
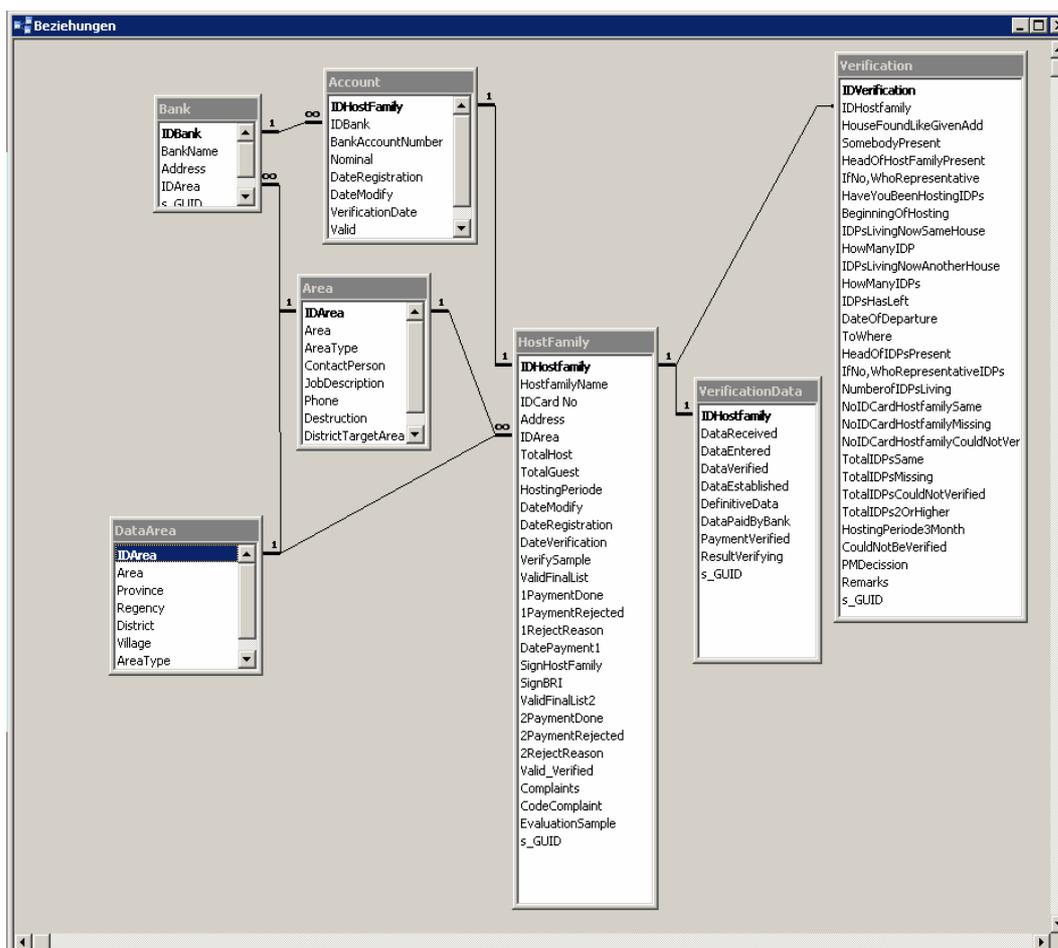
Example of relations between tables in the relational database of a Cash Project

Step 2: Database management

- o **Data entry**
  - o Staff must be trained for the various tasks related to data entry.
  - o Quality of data entry as well as progress and completeness of data must be checked daily.
  - o If the Project Team Cash wants immediately to start with the registration process, MS Excel sheets using a data entry mask may be provided. Data from Excel sheets can easily be integrated into an MS Access database later on. Accepting

such an interim measure might avoid conflicts while building up a professional database.

- o **Database administration**
  - o Fixed rules for database management (e.g. access, security, quality control) are essential.
  - o A data security system must be established, carrying out one back-up daily (while entering data, it may even be useful to have several back-ups a day) and keeping back-ups at 3 safe places. The loss of a database could be disastrous.
  - o Authorisation rules to access the database must be defined: access for reading, for writing (data entry) and for any changes (delete, new categories, etc.).
  - o Involving the staff by giving an overview of database management and regularly asking them for their opinion as users can improve data management significantly.
  - o The database manager has to keep the project management informed about data quality and has to suggest measures to improve this quality.
  - o It makes sense that the database manager participates in all field activities in order to be in touch with beneficiaries and implementers.
  - o Progress monitoring regarding the main steps, in the form of tables and charts, is very useful for adequate reporting to the HQ.
  - o Updating the database concept and related documents after major changes helps to track development of the database. Otherwise, intransparent improvisation might become common practice.
  - o Continuity of database running must be assured by instructing an assistant or deputy accordingly, which avoids any disruptions in cases of sickness or leave.

Step 3: Database finalisation

- o **Closing of database**
  - o A consolidated payment report compares the number of beneficiaries paid with the number of contributions listed in the final account provided by the bank or postal services.
  - o Final statistics contribute to the final report and project presentation by summarising achievements and results in tables and charts.
  - o Finalising the database, with all its elements, documents the project team's work for the organisation. It has to be assured that database versions for external parties respect the obligation of confidentiality regarding beneficiary-related data (e.g. ensuring anonymity of beneficiaries).

o The database report should be finalised based on the regularly updated database concept and tools used. Complemented with some recommendations, it will be helpful for new Cash Projects.

o **Future use of the database**

o A well-documented database is valuable in its own right. It can be very useful for further Cash Projects and their database managers.

o The further use of a database depends on a) accessibility (it must be assured that password protection is removed or at least that the password is provided with the stored database), b) a clear database concept (in order to understand the design and structure of the relational database) and, if ever possible, on c) an address to contact the project manager and/or database manager responsible.

👍	**Responsibility over database** A Cash Project database must have one database manager only who bears full responsibility. Therefore, the concept has to be carefully drawn up, step-by-step follow-up has to be ensured, and there has to be an insistence on clarifying rules and restricting access, which must be limited to authorised user groups only.
👍	**National database manager** A database is usually managed by a local IT specialist and not by an expatriate (foreign expert) because it constitutes quite a heavy workload and perfect knowledge of the local language is indispensable.
👍	**Systematic development of main steps** An early and appropriate design of the cash approach with its main steps forms the basis for any reliable database concept, data modelling and smooth project implementation.
⚡	**Do not use Excel!** It is not recommended to use Excel work sheets for beneficiary data management, because of the danger of data loss.

4.7 Finances and bookkeeping

► In this chapter

In Cash Projects the defined budget is final, determining the number of beneficiaries, the amount of the contribution and the implementation costs. In order to manage the financial

part properly, a Cash Project needs a bookkeeping system to record expenditures and to ensure budget control.

Money transfers and all procedures related to the payment of contributions to the beneficiaries are treated in this chapter.

► **Benefits**

For many project managers, budget control and regular bookkeeping appear to be rather difficult and time-consuming. Therefore, strict application of procedures and tools as provided by the HQ is recommended, as this facilitates:

- **Transparency** regarding the budget: expenditures made and remaining funds.
- **Preparedness** in order to ask for early money transfers from the HQ, considering the time required for transfers from the HQ to the local bank or the postal service.
- **Providing** timely accounts for HQ or local audits. Accurate figures such as overhead costs are also relevant for determining key figures and for budgeting new Cash Projects.

► **Procedure**

o **Financial set-up to be started already at the HQ**
   - **Money transfers:** All steps should be defined with the HQ desk officer in writing. Special attention must be given to institutional requirements concerning bank reliability checks.
   - **Budget management:** A mutual understanding of how the budget has to be used and controlled is indispensable.
   - **Bookkeeping system:** For the project manager, an introduction to the HQ bookkeeping system is essential even if the bookkeeping will later be delegated. The project manager is responsible for the finances.

o **Agreement on steps in money transfers**
   - **Main steps:** Clear definition of the money transfer steps is vital for every Cash Project. The itinerary of the foreseen money transfers should be visualised.
   - **Timing:** The time required has to be estimated and responsibilities should be allocated for each different step.
   - **Test:** It is informative to perform an early test transfer of a moderate amount of money from HQ to the selected national bank. Correctness of conversion into the local currency and the time required for the transfer must both be checked.

- **Forecast:** The details of how to order money in terms of time and quantity have to be fixed clearly. Using a spreadsheet for monitoring and steering money transfers is very helpful.

o **Budget control as the main tool for professional project management**
  - **Summaries:** An overview budget control chart with monthly updates of the main figures has to be prepared after the monthly closure of accounts.
  - **Budget balance:** Before effecting major expenditures, the remaining balance has to be checked and possible suggestions are to be submitted to HQ.

o **Bookkeeping is a daily task**
  o **Petty cash:** Only one staff member is to be responsible for the bookkeeping regarding small expenditures, acting on the principle of good purchasing insisting on receipts to be submitted for all goods. Every advance and expenditure must immediately be entered into the petty-cash book.
  o **Bookkeeping:** Bookkeeping has to be done weekly. All receipts have to be filed, numbered and copied if required. All budget categories should be reflected adequately in the bookkeeping.
  o **Accountability:** HQ has to give instructions to whom exactly the monthly bookkeeping/receipts are to be reported/delivered.

👍	**Responsibility** The responsibility for bookkeeping or petty cash should be assigned to one person only – the same person to whom compliments or complaints are to be addressed.
👍	**Respecting the bookkeeping rules** Several Cash Project managers strictly followed the rules given by HQ. As a result, management was disburdened, accounts were correct and ready in time. Their bookkeeping was done regularly at the end of each week.
⚡	**Too many accounts and petty-cash books** Several Cash Projects used too many bank accounts and cashbooks, and too many persons were involved. At the end, receipts were missing, staff left before the bookkeeping was properly settled, and the final closing of accounts was considerably delayed.

4.8 Closing down office

► **In this chapter**

Cash Projects have a limited duration and normally do not include follow-up activities, which means that each project has to be closed down completely and in good time.

Cash Project managers are under pressure and must maintain a high level of performance until the very end of the project. As a consequence, closing-down operations are often done in a hurried and unstructured way. Thus Cash Project knowledge easily gets lost and there is a danger of valuable information no longer being accessible.

► **Benefits**

- **Expressing appreciation:** Good results should be shown to the public and appreciated by local authorities and employees as well as by HQ during a closing-down ceremony. Thus closing down the project will be perceived as a pleasant final activity.
- **Obligations towards staff:** Fulfilment of all contractual provisions (certificates, payment for holidays not taken, etc.) avoids any expectations of staff beyond the Cash Project, and corresponding disappointment.
- **Disengagement:** All activities and office structures should be closed down in an orderly manner without leaving any obligations open.
- **Documentation finalised:** It is advisable to write the draft final report in time and to select a limited number of documents as a basis for debriefing and for the final report, and as a valuable contribution to the cash knowledge base of the organisation.

► **Procedure**

- o **Schedule:** Existing checklists for the main closing-down tasks are to be adapted to actual needs and local requirements. Time limits fixed in the project document are to be respected, setting both priorities and specific deadlines.
- o **Responsibilities:** It is useful to allocate responsibilities for all tasks, asking for transparency in the detailed planning including essential elements such as: date of start, person responsible and date of execution.
- o **Communication:** Staff and partners are to be informed early and in advance. Enclosing the schedule for closing-down operations with the weekly report to HQ is advisable as the schedule may require HQ approval.
- o **Fairness:** Postponement or unfair delegation of remaining tasks has to be avoided.

Closing-down checklist

Topics	Tasks
Authorisation	o Mandate by HQ o Plan of action / schedule of closing-down operations o Minutes of the final meetings
Rented objects / infrastructure	o Offices o Private accommodation o Other rented objects o Telephone, internet connection o Electricity, water, gas o Equipment (sale or hand-over) based on inventory
Personnel / staff	o Termination of employment o Work certificates o Salary accounts
Finances	o Operating funds o Bank accounts o Petty-cash box o Bookkeeping
Project	o All cash payments o Supporting projects o Hand-over of remaining tasks in writing
Partners	o Local partners o Mass media o International partners
Data / documentation	o Beneficiary data o Implementation: instruments, procedures, administration o Documentation: filing system, photos, presentations o Selected tools for Cash Project know-how sharing o Final report
Debriefing	o Local authorities and partners o Closing-down ceremony o National authorities and humanitarian organisations o Coordination office and HQ

👍	**Using a closing-down checklist…** …prepared well in advance prevents headaches at the end of an intense working period. Any serious involvement deserves a smooth phasing-out.
ⓘ	**Administrative requirements** Both from a cash knowledge and from a purely administrative point of view, a project is only considered closed down once a number of requirements have been met: final bookkeeping, inventory, personnel accounts closed, final report and debriefing at HQ.

5. Cash Project Management

► **In this chapter**

Professional management of a Cash Project seeks to minimise potential errors by making use of existing cash know-how. This chapter will familiarise readers with a step-by-step approach that is applicable to most Cash Projects.

In practice, cash management has to elaborate, apply and steer all activities in a synchronised manner in four main fields:

- Beneficiaries
- Database
- Finances and
- Controlling

The presentation below reflects the preferences of cash practitioners for a step-by-step approach, explaining each activity with related tools and experiences.

Cash Projects in an emergency context require quick and reliable implementation. Therefore realistic planning and scheduling should be based on past experience. Time estimates vary a good deal, depending on whether or not Cash Projects have a complaint phase and on how much time and money are involved.

The following table gives estimates of the overall time required for a project:

Chapter	Main steps of Cash Project	Project with handling of complaints	Project without handling of complaints
2 - 4	Design and start-up	10%	15%
5.1 – 5.5	Management of bulk of beneficiaries: announcement, registration, verification1 and payment1	50%	70%
5.6	Management of complaints (5% – 15% of beneficiaries): collecting, enquiry, verification2 and payment2	30%	0%
5.7 – 5.8	Closing down, monitoring of results	10%	15%
	Total time required to implement a Cash Project	100%	100%

► **Benefits**

o **Optimising benefits**

Implementing Cash Projects based on standards and in a professional manner ensures maximal benefits to the target groups. On average, this limits overhead costs to 10% or 15% at most (for projects with budgets exceeding EUR 500,000.-). Apart from the empowerment of target groups, the favourable ratio between implementation costs and effects for beneficiaries is one of the major advantages of this type of cash approach.

o **Minimising problems**

Well-managed Cash Projects will substantially contribute to reducing frictions, problems and complaints of potential beneficiaries.

o **Contact with beneficiaries**

Well-designed assessment, verification and impact monitoring increase knowledge about the beneficiaries' living situation, their problems, strategies for survival, social structures, needs and vulnerability. It permits complaints to be handled adequately or suitable follow-up Cash Projects to be designed.

o **Standardised implementation**

Using the methodology of this comprehensive approach with its main steps and related activities permits the Cash Project to be steered towards output-orientation and to progress systematically, which is indispensable in case of district-wise implementation.

*Overview table of main steps in Cash Project management*

Ch.	Main steps	Beneficiaries	Database	Finances	Controlling
2 – 4	Design & start-up	▪ Project fact sheet ▪ Press release	▪ Database concept ▪ DB specification inputs and outputs ▪ DB building	▪ Financial flow chart ▪ Money transfer test ▪ Partner for payment	▪ Design main steps ▪ Planning / Schedule ▪ Authorisation HQ: GO
5.1	Announcement of criteria + procedures	▪ Announcement of Cash Project: amount, criteria, registration procedures	▪ Harmonisation ID formats with bank ▪ Table and mask ▪ Progress monitoring	▪ Costs announcement ▪ Contract bank / post	▪ Cross-check acceptance + relevance amount + procedure ▪ Decision GO next step

Ch.	Main steps	Beneficiaries	Database	Finances	Controlling
5.2	Registration of potential beneficiaries	▪ Registration forms ▪ Instructions for team ▪ Registration partner	▪ Data entry ▪ Screening ▪ Incomplete data ▪ Preliminary beneficiary list	▪ Costs registration ▪ Provision of funds	▪ Supervision ▪ Adjustments procedures ▪ Mechanism for complaints ▪ Decision GO next step
5.3	Verification1 of registered persons	▪ Verification concept ▪ Verification forms ▪ Instructions for verifiers ▪ Reports from verifiers	▪ Random sample ▪ Data entry of verification	▪ Costs verification Test payment list	▪ Mandate verifiers ▪ Silent decisions Y/N ▪ Decision GO next step
5.4	Beneficiary list1 for main payment	▪ Public hang-out of beneficiary list	▪ Main beneficiary list	▪ Transfer funds to bank ▪ Test payment	▪ Decision GO next step
5.5	Payment1 by bank or financing bodies	▪ Payment to eligible beneficiaries	▪ Daily follow-up of payment	▪ Bank reporting	▪ Instruction ID acceptance for bank ▪ Decision GO
5.6	Complaints addressed to Grievance Committee	▪ Information on procedures	▪ List for registered complaints ▪ Screening	▪	▪ Concepts for complaints
5.6	Enquiry complaints by Grievance Committee	▪ Categorisation ▪ Face-to-face interviews	▪ Data entry of grievance process	▪	▪
5.6	Verification2 of grievance cases	▪ Verifying unclear cases ▪ Verifier report	▪ Data entry for verification	▪ Transfer funds to bank	▪ Mandate verifiers ▪ Decision: Yes, No, further verification
5.6	Beneficiary list2 based on accepted grievance cases	▪ Public hang-out of beneficiary list or individual letters	▪ Beneficiary list2 (accepted complaints)	▪	▪ Decision: Yes, No
5.6	Payment2 of eligible grievance cases	▪ Payment to eligible beneficiaries	▪ Daily follow-up of payment	▪ Bank reporting	▪
5.7	Result monitoring	▪ Questionnaire ▪ Instructions monitoring ▪ Report of results	▪ Data analysis	▪ Costs monitoring	▪ Monitoring concept ▪ Mandate monitoring
5.8	Closing-down operations	▪ Letter to beneficiaries who failed to appear ▪ Final press release	▪ List unclaimed contributions ▪ Database report + documentation	▪ Redemption by bank to project	▪ Letter fulfilment agreement bank ▪ Closing-down ceremony

► **Procedure**

An overview scheme of the intended Cash Project is useful to visualise any planned activities:
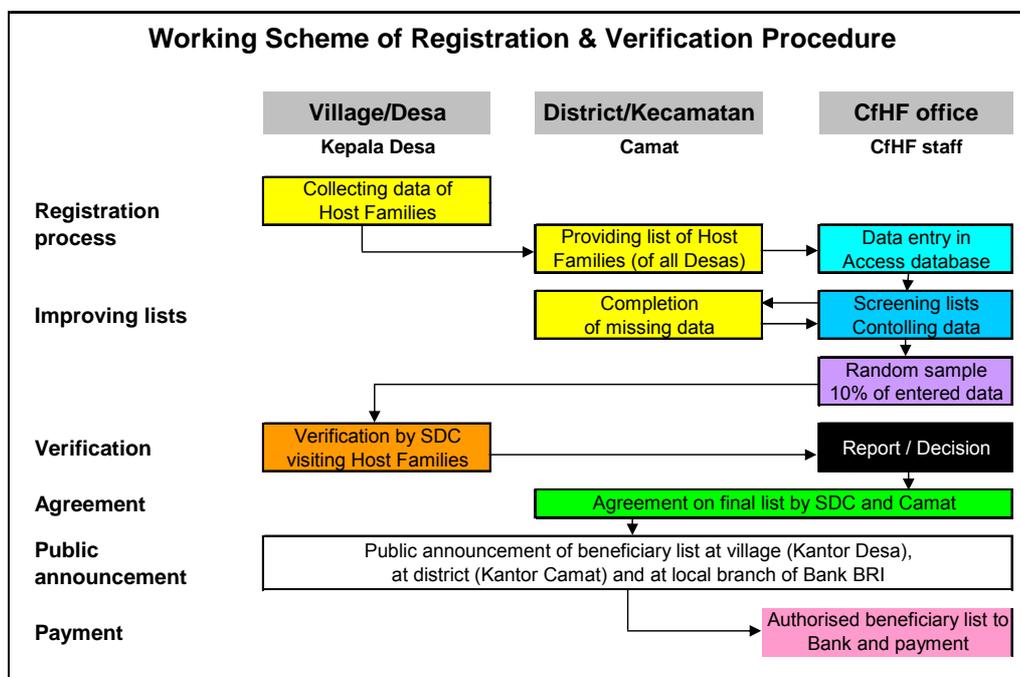
Overview scheme from Cash for Host Families Project Aceh 2005

- Main steps and intended activities have to be elaborated according to the scheme developed.
- Before starting cash management, it must be ensured that the following key elements have been prepared carefully, as described in the chapters 2 - 4:

Design & start-up

Beneficiaries	Database	Finances	Controlling
Project fact sheet Press release	Database concept DB specification inputs and outputs DB building	Financial flow chart Money transfer test Partner for payment	Design main steps Planning / Schedule Authorisation HQ: GO

5.1 Announcement

► In this chapter

Proper announcement of a Cash Project is a key element to ensure its good start. Clear and transparent information has to be provided at all levels concerned. This prevents any ambiguity on the part of local authorities, potential beneficiaries, implementing partners and other local humanitarian actors.

An announcement comprises the most important information on:

- Aims, intentions and duration of the Cash Project
- Beneficiary groups targeted: e.g. IDPs, refugees, vulnerable persons, hosts of IDPs or refugees, victims of natural or man-made disasters
- Criteria of eligibility (only a few, short and easy to understand)
- Procedures of registration, verification, payment and complaints
- Implementing partners

Before any public announcement, controlling has to reconfirm the acceptance and relevance of the cash contribution foreseen and to clarify related procedures. Database and finance activities should be mapped out to ensure that they are ready.

Announcement of criteria + procedures

Beneficiaries	Database	Finances	Controlling
Announcement of Cash Project: amount, criteria, registration procedures	Harmonisation ID formats with bank Table and mask Progress monitoring	Costs announcement Contract bank / post	Cross-check acceptance + relevance amount + procedure Decision GO next step

► Benefits

- **Expectations:** Potential beneficiaries become familiar with what they can, and can not, expect.
- **Understanding:** The general public, local authorities and other humanitarian actors become familiar with the goals and intentions of the Cash Project.
- **Information:** Potential beneficiaries and implementing partners receive basic and timely information about the implementing procedures, the time frame and special tasks of the project.

- ▪ **Risk reduction:** The potential for misunderstandings and rumours is reduced since the source of information is publicly known. Building up public knowledge is a strategy to achieve transparency and to prevent misuse.

► Procedure: Beneficiaries

Different types of public announcement: First of all, comprehensive information has to be obtained on the whole cycle of public announcement and contacts required to implement a Cash Project correctly.

Different types of announcement

Type of announcement	Content, examples
Fact sheet	o Main data and details of the project for PR purposes
First press release	o Intention of the project o General information concerning benchmarks
Public announcement concerning criteria, amount and procedures	o Criteria for eligibility o Categories of beneficiaries o Registration procedures o Size and type of contribution o Method of payment o Payment period, number of payments o Complaint procedures
Public announcement concerning special topics	o Test payments o Small projects o Status of implementation
Final press release	o Announcing the closing down of the project o Results and level of satisfaction o Special presentations for all other actors involved

- o **Information channels:** It has to be decided which mass media are most suitable for the different announcements and groups addressed (e.g. local television and radio, newspapers, government bulletins, public hang-out, loudspeaker announcement with 3-wheelers).
- o **First press release:** In most countries, the general public wishes to be informed about the Cash Project before implementation starts, with all general information being provided in written form concerning organisation, aim, overall budget (without overhead costs), beneficiary groups, region and implementing partners.

o **Public announcement concerning registration:** This is based on the project fact sheet, reflecting the benchmark of the project and with key figures cross-checked by the project management together with the local authorities. The information must be brief and clear, and disseminated in the national language(s). Before any public announcement, HQ might ask for clearance. Drawing on documents from previous Cash Projects may be useful.

o **Contacts with mass media:** It is helpful to establish good contacts with local media right from the beginning. Interviews should always be accompanied by written hand-outs (e.g. fact sheet, press release, public announcement and new topics to communicate).

(i)	**Interviews instead of written announcement** Unverified benchmarks announced during an interview with a journalist may create a lot of confusion within the beneficiary community, if they are incorrectly published and/or mixed up with the information given by other projects or donors.
(i)	**High-ranking public announcement** The Cash for Shelter project manager presented the project aims and procedures together with the President of Ingushetia. This created a great deal of public attention, which supported smooth project implementation.
👍	**Public information** concerning the benchmarks of a Cash Project should always be given in writing only!

► **Procedure: Database**

At this stage, the project management has to expect the database manager to be highly flexible and render exceptional services in order to achieve good results.

o **Harmonisation of beneficiary ID formats with bank:** The bank requirements for identification and payment of beneficiaries have to be in line with cleared standard procedures for payment lists; follow-up of payments and best practices to handle unclear cases have to be adjusted accordingly. It is advisable to fix all technical specifications and procedures agreed in a working paper (e.g. as technical annex to bank agreement). These points should be clarified before finalising the registration form for beneficiaries.

o **Table and mask:** At this stage, the Cash Project database should be ready to start testing data entry of imaginary addresses with typists. The data entry mask should show only those categories in which information is required.

- o **Progress monitoring:** Controlling and steering of Cash Projects is figure-based. Appropriate progress monitoring has to start at this stage already and to be continued weekly, in some project phases even daily.
- o **Data quality control:** The database manager has to control, on a daily basis, all data entries regarding quality and to ensure error checking and correction. To avoid in-house cheating, he should supervise that only authorised data are integrated.

(i) **Already registered beneficiaries**

In most emergency cases, potential beneficiaries have already been registered in some way (e.g. by local authorities, local or international agencies or national emergency organisations). The quality and form of registration varies considerably (e.g. handwritten lists and electronic databases). The correctness of the information is not necessarily correlated with the form of the list.

► **Procedure: Finances**

At this stage the project management has to ensure that all preparatory financial tasks have been completed in order to be operational.

- o **Selection of the most suitable bank or postal services:** This requires a careful investigation and the evaluation of reliability, quality of costumer services, geographical accessibility and number of branch offices, as well as costs and service charges for beneficiaries. Suitable institutions are competent in payment of pensions, social welfare contributions and foreign money transfers of emigrants.
- o **Credit investigation:** Any possible instructions from HQ have to be followed. In post-war and emergency situations, the banking sector is often unstable. It might therefore happen that banks collapse and go bankrupt.
- o **Contract with bank or postal services:** Discussion with the selected bank is best started by giving a clear description of the planned procedures of payment (including the verified beneficiary list, payment list, instructions for payments, reporting by the bank, etc.). Project management and bank have to agree on procedures, responsibilities, transfer of funds, eligibility and evidence of conformity with criteria to be produced by beneficiaries, costs for payment, general costs and reporting. It is advisable to negotiate on 2 levels: the contract or agreement on a management level, and the procedural details on a technical level. Before signing, the project management usually has to present the draft agreement to HQ for approval.

o **Costs of announcement:** Financial management has to standardise mandates for the necessary announcements (e.g. hang-up posters, loudspeaker announcements by 3-wheelers). Based on material and labour required, a cost estimate has to be prepared for the project management. If announcement is (partly) delegated, the contract with the contractor will specify a budget. Before payment of any fixed charge, achievement of expected outputs will be checked.

Authorisation of announcements

The Swiss federal authorities demand an investigation of the reliability of banks involved (credit rating). This check may take 4-8 weeks!

► **Procedure: Controlling**

o **Cross-check acceptance + relevance of amount + procedures:** Up to now, most of the key elements of the Cash Project have been based on assessment and planning. At this stage, acceptance and relevance of the cash contribution has to be checked again.

o **Cross-check procedures:** Foreseen procedures have to be discussed, understood and agreed by all partners and stakeholders. A good presentation will provide them with in-depth information and elicit feedback that may lead to a number of adjustments. This attitude facilitates cooperation, co-ownership and improvements to the approach.

o **Controlling and steering:** All controlling and steering tools required must be available to the project management (e.g. project schedule, weekly progress monitoring, financial transfer monitoring, and weekly meeting for review and task planning).

5.2 Registration

► **In this chapter**

A good registration process is important to ensure selection of those persons only that fulfil the criteria of eligibility for cash contributions within the target group.

Before starting registration, the project management has to clarify whether any lists of potential beneficiaries are available as a basis for registration. If there are such lists, the question is whether – and, if yes, to what extent – they are reliable, and whether they are already in use. To know more about any previous registration and experience can be very helpful in determining the next steps.

In most cases, an independent registration process will be necessary. Often, existing lists can not be shared, quality of registration may be doubtful or criteria used are inconsistent with criteria set for the Cash Project.

The registration process has to meet some standards in order to guarantee transparency and equity, and to minimise misuse:

- Timely and clear announcement of criteria, date, place and persons in charge of registration, documents required
- Well-instructed registration teams or committees
- Proper logistical support before, during and after registration
- Tested registration form based on eligibility criteria (in the field and database)
- Supervision of registration by project management

Related database activities collect and process data in an effort to draw up a preliminary beneficiary list. Finances activities support the process and prepare next steps. Controlling supervises the registration process, corrects the same whenever necessary and adjusts procedures after test run.

Registration of potential beneficiaries

Beneficiaries	Database	Finances	Controlling
▪ Registration forms ▪ Instructions team ▪ Registration partner	▪ Data entry ▪ Screening ▪ Incomplete data ▪ Preliminary beneficiary list	▪ Costs registration ▪ Provision of funds	▪ Supervision ▪ Adjustments procedures ▪ Mechanism for complaints ▪ Decision GO next step

► Benefits

Correct registration is a central element for proper Cash Project management and contributes to:

- **Guaranteed access:** Procedures guarantee transparency and equal access to registration. Every potential beneficiary will be checked based on clear criteria and procedures.
- **Sorting out:** Deciding on the eligibility of candidates based on documents presented and criteria defined.
- **Reducing cheating:** Preventing misuse of the donated funds by inclusion or exclusion of potential beneficiaries.
- **Profitability:** Well-planned and careful registration is a good investment. High quality will definitively reduce the workload for verification and complaints.

▪ **Test registration:** Adjusting the management capacity and time frame required for project implementation. Comparing data with previously collected information or with registrations carried out by other humanitarian actors.

► **Procedure: Beneficiaries**

The registration process comprises several activities and needs to be subdivided into:

o Decision-taking concerning an independent registration process for the Cash Project (unless delegating registration to third party)

o Preparing registration

o Conducting registration

Quality of different beneficiary lists

Type of lists	Example	Quality of lists	Influencing factor
Catastrophe-based beneficiary lists	▪ Flood victims ▪ Refugees ▪ IDPs	**Low**	▪ Quick elaboration of list ▪ Turbulent situation ▪ Target group moving around
Event-based beneficiary lists	▪ Degree of destruction of houses ▪ Number of animals per household	**High**	▪ Hard criteria ▪ Previous support actions in some cases ▪ Based on government statistics
Vulnerability-based beneficiary lists	▪ Widows ▪ Orphans ▪ Single-headed households ▪ Retired persons ▪ Handicapped	**High**	▪ Hard criteria ▪ Can be verified at any time
Temporary vulnerability-based beneficiary lists	▪ Sick persons ▪ "Poor People"	**Low**	▪ Soft criteria ▪ Defined by "social workers", NGOs, etc. ▪ Very difficult to check

o **Status:** First of all, the situation in the target area has to be checked (i.e. who was or is doing what?). In many cases, lists of potential beneficiaries have already been compiled in the area where the Cash Project is to be implemented. However, it is usually not certain that the quality of the information is in line with the standards required.

o **Adequacy and reliability:** Existing registration lists have to be evaluated for reliability and checked against the criteria for eligibility (i.e. whether each potential beneficiary can be identified and traced without any doubt). Adequacy of existing registration lists has to be analysed.

o **Decision on registration:** If evaluation shows that the two elements of adequacy and reliability do not fulfil the Cash Project standards, an independent registration process must be considered. Although it is easier to use existing information, an independent registration process has certain advantages as well.

o **Type of registration:** The next step will be to compare the advantages of registration delegated to a third party (e.g. to local governmental bodies), registration conducted together with a local partner (e.g. NGO, local administration) or stand-alone, independent registration. Experience shows that stand-alone operations by foreign humanitarian projects are rather problematic. Targeted goals (e.g. avoiding bribes, maintaining political neutrality) were rarely achieved in this way, despite high investments of effort and human resources.

Different raw data quality for beneficiary registration

Beneficiary lists	No existing lists	Partly reliable lists	Reliable lists
Criteria for eligibility	▪ Definition of how eligibility criteria should be reflected in the database	▪ Investigation of previous experience ▪ Check of lists available and applicability of defined criteria	▪ Check of applicability of defined criteria
Identification of beneficiaries	▪ Definition of a set of data for unambiguous identification	▪ Adjustment, if possible, of existing procedures and conditions	▪ Application of existing identification criteria
Database	▪ Check of suitability of previous Cash Project databases ▪ If not suitable, adjustment of database or design of new database	▪ Check for existence of any electronic lists ▪ Screening beneficiary list for reliability ▪ Conversion/import of existing lists to database	▪ Entering data, if only lists are available ▪ Conversion/import of electronic lists to Cash Project database
Form of registration	▪ Independent registration process is necessary	▪ Depends on reliability and completeness of information available	▪ No independent registration process is necessary for Cash Project
Verification	▪ Verification procedure according to independent registration process	▪ Verification procedure may turn out to be problematic (lack of reliability and completeness)	▪ Special attention required as to confirmation of reliability of lists

o **Preparing an independent registration process for the Cash Project**

o **Legal considerations:** Collecting data requires the permission of the local government. This permission should be obtained without elaborate procedures, such as government-to-government agreements. During and after a disaster, collecting such information is much easier than in normal circumstances. If good cooperation with the local government can be established right from the

beginning of a project, collecting the necessary data should not be a major problem.

o **Cooperation** with local authorities has to be ensured. In some cases it is advisable to carry out the registration together with the local administration or even on their premises, e.g. for security reasons.

o **Registration form:** It is advisable to develop a format that ensures database compatibility and satisfies bank account requirements as well as national standards regarding identification and registration. The format used must permit easy completion by registration teams. Once tested, the registration form should not be changed any more.

o **Level of information:** The registration form should not be overloaded. Collecting additional information – assuming that it provides extra details on a beneficiary's situation or may serve for a later development project – makes no sense at this stage. Such questions should be asked in the context of a later evaluation, an impact assessment or possibly during the verification procedure.

o **Announcement of registration:** Date and place for the registration must be made known to the target group well in advance.

o **Planning the registration:** The number of beneficiaries that it is possible to register within a given time frame, determines the duration of that process, the space requirements and number of personnel. The time required for the different registration areas has to be scheduled and convenient days for registration have to be checked (official/religious holidays or market days have to be avoided). A small test registration run will help to refine these estimates.

o **Personnel for registration:** Cash Projects usually work with a small number of permanently employed staff. For the registration, additional personnel have to be employed on a part-time basis. Thorough introduction and training are absolutely necessary, regarding how to obtain the relevant information and how to enter the data in the forms. In addition, these part-timers have to be accompanied by an experienced person until the procedure is completely understood.

o **Deadlines:** It is advisable to close the registration after a defined date. Any debates about registration after that date must be avoided. They are too time-consuming and merely offer another opportunity to try to get on the list (by cheating).

o **Conducting an independent registration process for the Cash Project**

o **Preparatory measures:** Appropriate areas with a manageable number of potential beneficiaries have to be defined. Crowd formation, confusion and public pressure can be prevented with organisational measures. Logistical measures based on a checklist must be arranged early on registration day (e.g. preparation

of space where registration is to take place, transport of registration personnel, provision of material and registration forms required, any security issues to be considered).

o **Registration:** Before registration begins, staff must be briefed regarding responsibilities and procedures in case of difficulties, and regarding the schedule. One staff member of the Cash Project should be assigned for support, liaison and supervision of part-timers. Completed registration forms should be collected regularly and monitored/verified for quantity, quality and any possible observations.

ⓘ	**There are always persons who miss the registration** The project management has to be strict about given time frames. Making exceptions extends invitations to find individual solutions. These should be avoided by all means.
👍	**Unreliable IDP lists** It was necessary for a Cash for Shelter project in Serbia to have an independent registration process. This was quite beneficial in several respects: The Cash Project established excellent connections to the local administration, was familiar with the beneficiaries and their problems, and got to know the living situation of the hosts.

► Procedure: Database

o **Data transfer from registration forms to database**
  o **Quick data entry** is called for to check whether the collected data comply with information required or not.
  o **Staff:** Availability of trained staff must be assured at all times. Working with part-time personnel on a contractual basis, with outputs defined in terms of quantity and quality, is usually a good solution.
  o **Completeness:** Data entered in the database are first to be checked visually, then by systematic screening within the database.
  o **Supervision:** Database manager has to supervise data entry and quality.

o **Screening and merging of data**
  o **Screening:** After data entry, each registration list has to be screened in depth (double entries of names, addresses, identification numbers, etc.). By performing a thorough analysis, many mistakes will be found, and so will attempts at incorrect registration. Non-eligible applicants have to be sorted out, but data must be kept in the database to be able to deal with complaints.

- o **Data improvement:** Preparation of a catalogue of missing information (i.e. data sets of potential beneficiaries to be completed, specific information required in cases of doubtful applicants, additional information needed to check for compliance with criteria). Database manager should summarise his analysis in a short report.
- o **Merging different registration lists:** The accuracy of an established beneficiary list can be cross-checked by comparing it with other lists. The degree of correspondence allows for better understanding, in-depth analysis and measures to be taken.

- o **Incomplete data**
  - o **Completion:** Project management together with the database manager must decide how to improve quality and how to complete missing data. This can turn into a time-intensive task.
  - o **Delegation:** In case of delegated registration (e.g. to social committees at village level), a larger share of missing data (5% - 20%) might be encountered. In such cases, data completion should be requested from the person responsible in the respective hierarchical structure or line of command.
  - o **Combination:** In some cases it might make sense to combine verification visits with visits to applicants whose data sets are incomplete, with a view to filling the gaps.

- o **Preliminary beneficiary lists**

The result (output) of these steps is a consolidated "preliminary beneficiary list". This list will serve as a basis for verification. In some cases, the project management selects a limited number of beneficiaries for a test payment (mostly without verification).

► **Procedure: Finances**

- o **Registration costs**
  - o **Budget:** A budget has to be drawn up for all activities involving costs, together with staff responsible for registration.
  - o **Compensation:** Fair compensation of contracted additional staff for registration is essential. A check (e.g. against permanently employed staff) is advisable to ascertain what is considered to be fair and what might conflict with NGO or Government policy.

o **Provision of funds needed for payment**

  o **Test payment:** It is recommended to effect a test payment early on for some 100 beneficiaries. Availability of funds required must be assured in good time (liquidity). This will provide experience as to how, and how well, management of finances works.

  o **Provision of funds:** Funds to be allocated to bank branch offices have to be provided in good time and in accordance with registration figures.

► Procedure: Controlling

o **Registration follow-up**

  o **Registration site:** Attendance by project management during first registration is suitable, as well as follow-ups on site. This will be greatly appreciated and will enable evaluation of the process so as to make any adjustments.

  o **Public relations:** Field visits by "the boss" offer a unique opportunity to get into contact with local administrative officers, sometimes with mass media and with members of target groups.

o **Adjustments to registration procedures**

  o **Bases:** Any adjustment needs to be fact-based. Staff is obliged to give short and standardised reports on registration activities.

  o **Adjustments:** Only major elements (e.g. schedule, organisation) should be changed, and only if really necessary, following discussion with the registration team. Adjustments are best made in writing (e.g. procedures, checklists, organisational charts) and accordingly require a briefing of staff concerned.

o **Elaborate the necessary steps for a complaint mechanism**

  o **Cases:** At this stage, complaints collected may be analysed and categorised – there may be some justified complaints, others related to not meeting project criteria but representing social or hardship cases, and a number of cases may be suspect for cheating.

  o **Mechanisms:** How to resolve complaints is to be discussed and agreed with all partners involved. Depending on the expected number of cases, alternatives might be developed and discussed again.

5.3 Verification

► **In this chapter**

Verification is a control mechanism. Data of potential beneficiaries registered in a list or in a database are compared with reality.

In determining the size of the verification sample, first the risk assessment during the project definition has to be taken into consideration, and secondly database managers' reporting. Generally samples of 5% to 10% of listed beneficiaries are verified. In case of unreliable beneficiary data, doubts or vague information about the status and situation of beneficiaries, more in-depth verification may be necessary. Verification efforts have to be in relation to the expected benefit. The attempt to verify 100 % of beneficiaries definitely makes no sense.

The database manager provides a list with incomplete data sets as well as a random sample for verification. Finances takes care of verification costs. Controlling mandates verification teams and closely supervises operation.

Verification1 of registered persons

Beneficiaries	Database	Finances	Controlling
o Verification concept o Verification forms o Instructions for verifiers o Reports from verifiers	o Random sample o Data entry for verification	o Costs verification o Test payment list	o Mandate verifiers o Silent decisions Y/N o Decision GO next step

► **Benefits**

- **Reliability:** Proper verification reduces mistakes or misuse. On a more psychological level, verification counteracts fears of corruption and prejudice of implicit misuse.

- **Misuse:** In case of significant discrepancies, the project management will be informed before payment to beneficiaries. It can take adequate measures of correction up to postponing payment or excluding individuals who evidently cheated.

- **Equitableness:** Potential beneficiaries take note of what humanitarian projects do and appreciate transparent and strict application of what has been announced. Verification is generally well accepted as it is seen as an effort of equity.

► **Procedure: Beneficiaries**

_____

o **Verification concept**

- o **Mandatory:** Decision has to be taken whether verification should be conducted internally or externally (delegated); this decision is best based on a short list of pros and cons regarding defined alternatives.
- o **Content:** Main elements are to be outlined in a comprehensive manner (i.e. background, aim, guiding principles, mandated staff or organisation, costs, schedule). This will form a very useful basis to discuss steps, feasibility and responsibilities.
- o **Schedule:** Payment depends on prior verification. Therefore a realistic time estimate and rigid time management are crucial. A schedule provides an overview of the main steps of verification and who does what and when.
- o **Guiding principles:**
  - Any questionnaire is to be kept short and simple
  - Details collected should be limited to information that helps to reduce risk of misuse and to verify registered data
  - Use of local field verifiers recruited and supervised
  - Close collaboration between Cash Project and mandatory with clearly defined responsibilities
  - Procedure and questionnaire to be tested before implementation
  - Involving a grievance committee to deal with doubtful cases and complaints

o **Verification forms**

- o **Questionnaire:** A simple questionnaire aiming to verify eligibility and designed in a user-friendly format will be appreciated by verifiers. It has to be congruent with the database for entry of additional verification data.
- o **Testing:** Verification testing should begin immediately after completion of first registrations. This includes not only approval of the questionnaire, but also organisational aspects, time required, problems faced, and data entry.

o **Instructions verifiers**

- o **Understanding:** Awareness and good understanding are to be built up. Verification is a means to reduce the risk of misuse and manipulation during the registration process. Registration data and eligibility criteria are compared with reality in the field.
- o **Training:** Verifiers must receive on-the-job training in how to use the questionnaire. Close follow-up is required, especially in the beginning. Short daily

 meetings should be held to return questionnaires and discuss problems faced, and to share (positive) experience.

- **Organisation:** Alternately composed and, whenever possible, gender-balanced verifier teams should be deployed. Questionnaires should be provided to verifiers as empty forms to be completed, containing no more data than the addresses of applicants to be verified.

- **Cross-check:** Head of mandatory has to compare, on a daily basis, the data of verification questionnaires with the information provided in registration forms. If the verification data do not match the registration data and if there are doubts about the correctness and reliability of the information, the verifiers will be asked to make further inquiries with neighbours and other informed persons.

- **Doubtful cases:** Cases which cannot be clarified are to be forwarded either to the project management or, for final ruling, to the grievance committee.

- **Report of verifiers**
  - **Verification:** Figures on daily verification visits and numbers of returned questionnaires are to be tabled, showing a summary of findings (i.e. eligible, non-eligible, doubtful cases, non-cleared cases for other reasons).

  - **Observations:** Areas with an increased number of incorrectly registered beneficiaries may be compared with others to develop and verify hypotheses to explain this. Difficulties faced and solutions found help to highlight what worked well and what needs to be improved.

  - **Recommendations:** Defining procedures for how to handle doubtful cases and suggestions for changing procedures helps to develop good practices for forthcoming verification jobs.

► **Procedure: Database**

- **Random sample of verification**
  - **Sample size:** Usually between 5% and 10% of applicants (listed beneficiaries) are verified in Cash Projects. From a statistical point of view, this figure is rather high. Nevertheless it might be justifiable to increase sample size by taking into account any warnings from risk assessment as well as the expected degree of reliability of the information gathered during registration.

  - **Database:** It is important for the Cash Project manager to have a professional database at his disposal. A database offers functions such as area-focused random sampling. Randomly selected addresses have a high degree of representativeness.

- o **Randomisation:** Technical details and macros to generate random lists of applicants are proposed in the toolbox or can be found in the MS Access handbook.
- o **Verification list:** Printing 2 types of verification list can be useful: a list with names and addresses of beneficiaries for the verifiers, and a list with all data for the person in charge of managing the verification team.
- o **Completion:** In case of combining verification with completing addresses and other details, the database manager will provide verification lists with all data to the verification team.

- o **Entry of verification data**
  - o **Database:** The data in the verification questionnaires are entered in the project database. A Cash Project should store all data in one database file exclusively.
  - o **Screening:** Data processing to be performed as indicated for registration.
  - o **Report:** The database manager summarises the results of verification and data completion in a short technical report for the project management.
  - o **Result:** This is the main beneficiary list1.

> **Government lists** do not necessarily provide valid verification. An official list may be applicable for government purposes but unsuitable for a Cash Project.

► Procedure: Finances

- o **Costs of verification**
  - o **Budget:** A budget has to be drawn up for all verification activities involving costs, together with a member of staff responsible. If verification is delegated, a realistic budget might help in negotiating the contract with the mandated organisation.

- o **Test payment list**
  - o **Beneficiary list:** The project manager authorises the database manager to select a reliable beneficiary group. A print-out of the beneficiary list has to be done for test payment.
  - o **Procedures:** All procedures fixed for the planned test payment should be checked and agreed with the partners concerned (e.g. preparation of public hang-out of payment lists with test payment names and procedural details, clearance of project manager's participation or assistance to bank for payment).

o **Allocation:** Required funds for payment are usually to be transferred to the bank's main office. Distribution to branch offices is then the bank's duty.

► **Procedure: Controlling**

o **Mandating verification team**
  o **Concept:** The basis for any mandate is formed by the verification concept usually elaborated by the project management and checked thoroughly with the project team.
  o **Mandatory:** Before mandating an external organisation, the project management has to ensure that the candidate enjoys a good reputation. Delegating verification means delegating a key task of the project. Mechanisms for follow-up, adjustment and cooperation in case of difficulties must be defined in advance.
  o **Mandate:** Negotiations in case of delegating the verification process should be based on a written draft mandate with annexed verification concept, schedule and training topics.
  o **Schedule** indicates the main steps with responsibilities. Scheduling should be elaborated in reverse, starting at the end with the date foreseen for announcement of payment.
  o **Supervision:** This is the project management's duty, with support from the database manager.

o **Decision GO next steps**
  o **Test payment:** Next steps may be authorised if staff has produced all documents required.
  o **Beneficiary list1:** Decision to go ahead with producing the main beneficiary list based on the verification report.
  o **Investigations:** Decision on which areas or groups of applicants have to be excluded from payment list. Definition of next steps to deal with fraudulent applicants or cases to review as recommended by the verifier team.

5.4 Beneficiary list

► **In this chapter**

The main beneficiary list forms the basis for cash payments to the beneficiaries. The database manager has to ensure high-quality lists, and perfect technical documents for the bank and appropriate lists for public hang-outs. A joint effort on the part of the project team is necessary to rapidly finalise the main beneficiary list after verification.

Parallel funds have to be transferred to the bank to effect a test payment of contributions to a limited number of beneficiaries. This is to take place in a defined small area for approximately 80 – 150 beneficiaries selected from the verified beneficiary list.

Controlling authorises the payment list and, if necessary, makes adjustments before the main payment to the majority of the beneficiaries.

The public hang-out of the beneficiary list has to include details of procedures open to unsatisfied applicants or beneficiaries.

Beneficiary list1 for main payment

Beneficiaries	Database	Finances	Controlling
▪ Public hang-out of beneficiary list	▪ Main beneficiary list	▪ Transfer funds to bank ▪ Test payment	▪ Decision GO next step

► **Benefits**

- ▪ **Confidence:** Testing transfer of funds to the bank and test payment allows the Project Team Cash to check whether the procedures and mechanisms foreseen function well or need to be adjusted.
- ▪ **Consolidation:** At this stage, the beneficiary list has to be closed, despite pending cases. This step of finalising the main beneficiary list signifies readiness for payment of a cash contribution to the majority of beneficiaries.
- ▪ **Transparency:** Controlled public hang-out of main beneficiary list, with applicants'/beneficiaries' right of complaint, ensures a high level transparency.

► **Procedure: Beneficiaries**

Cash Project announcements of payments have to be adjusted to circumstances:

o **Announcement**

A well-targeted announcement has to be made before any payment. Sometimes press releases or direct announcements on radio or local TV might be called for. In most cases public hang-outs at bank branch offices and buildings of local administration or on public notice boards at market places are sufficient. In other cases, official information by governmental officers or via the governmental radio system or private loud-speaker announcements are more appropriate.

- o **Contents of announcement**
  - o **Payment:** amount, criteria of eligibility, bank branch office, details of payment or transfer to savings account, identification documents required, person authorised to receive the money
  - o **List of beneficiaries:** name of head of family, ID, address, in case of hosts possibly their guests as well
  - o **Complaints:** right to complain, procedures, period, posting address, member of the grievance committee in charge, final decision

- o **Announcement of test payment**

Both announcement and public hang-out have to highlight that this is a test payment which will be followed by the main payment for all beneficiaries.

- o **Announcement of main payment**

This announcement should not be made before having evaluated the test payment and completed any adjustments to procedures.

- o **Individual information**

Only in exceptional circumstances do eligible beneficiaries have to be notified personally (personal letter or even visit). This option might be chosen to avoid any public announcement in order to protect beneficiaries. Nevertheless personal information has two disadvantages: the public can not give feedback on accuracy of the beneficiary list, and the Cash Project will lose transparency and a mechanism of public/social control.

- o **Personal notification is not necessary in the following circumstances:**
  - o Beneficiary list is publicly posted (e.g. in post offices, local administration buildings, bank branch offices)
  - o Local administration confirms that individual notification is not required and public announcement can be done easily and repeatedly through mass media or government channels (e.g. TV or broadcast).

Collective doubts and reservations

In some Cash Projects, doubts and reservations are collected and analysed. If they are justified, they can be really useful and lead to improvements, especially if they relate to the public announcement of the project and to financial matters such as money transfers and handling of payments.

► Procedure: Database

o **Main beneficiary list1**

  o **Finalising:** Finalisation of the main beneficiary list, with a final check together with database manager.

  o **Unclear cases:** All doubtful and incomplete data on applicants must remain separately in database. They will be looked at during the complaint period.

  o **Standardisation:** The database allows for tailor-made print-outs and building up of monitoring and reporting on the basis of consolidated data. In an MS Access database, the "reports" features make it possible to create standard print-outs.

  o **Documents:** Production of the following documents:

   - Beneficiary lists for payment to be signed by project manager

   - Beneficiary lists for public hang-outs in corresponding areas

   - Beneficiary lists per bank branch office for internal payment progress monitoring and for finance management

  o **Special information:** Generation of lists for special information if beneficiaries have to be notified by letter (e.g. for security reasons – frequently the case in towns). Letters have to be prepared either by the Project Team Cash or by bank or postal offices.

► Procedure: Finances

o **Transfer of funds to the bank**

  o **Financial planning:** Scheduling of cash transfers must be based on transfer tests. Safety margins should be set according to estimated minimum and maximum duration for money transfers from the agency's main account to the Cash Project account in the area.

  o **Parallel transfers:** Set-up of a second transfer channel if test transfers turned out to be difficult or too slow. This way, dependency can be reduced in case one of the transfer channels gets unexpectedly blocked.

  o **Risks:** In post-war situations or after a disaster, transfer, administration and distribution of high amounts of cash often involve operational difficulties and considerable risks. Therefore, banking or postal channels are to be used whenever possible. If this is not possible, it should be determined how private persons and institutions handle the situation. A risk assessment should be carried out so that a decision can be taken on discreet and changing cash transfer arrangements.

  o **Currency:** Generally, cash contributions are paid in local currency. Therefore, the currency of payments has to be determined at the beginning of the project.

Likewise, the amounts of the contributions are fixed in the same currency only. Amounts indicated in foreign currencies lead to endless discussions.

- o **Test payment**
  - o **Selection:** Test payment should be limited to a restricted number of beneficiaries in a defined small area. The test group must be verified in advance, and payment list and announcement must correspond to agreed standards.
  - o **Result:** Test payment allows the Cash Project to check whether procedures and mechanisms foreseen work well.
  - o **Bank:** Evaluating, together with bank staff, the test payment and any adjustments required will contribute to a good institutional and personal relationship and enhance smooth and transparent implementation.
  - o **Adjustments:** Finalisation of adjustments before regular payment is made to beneficiaries.

Cash Projects do not handle any cash!

From the beginning, it should be made clear to everybody that the Project Team does not handle any cash. Payments are made only by the bank or postal services contracted to do so. Informing the public accordingly is better than taking out risk insurance.

► **Procedure: Controlling**

- o **Follow-up:** Project management has to be on the spot, closely monitoring the test payment to be able to follow this up. Follow-up of financial transfers is based on transfer monitoring.
- o **Steering:** At this stage, project management is in a position to start steering, based on information regularly provided by field staff, the database and the bank.
- o **Complaints:** Complaints are not to be discussed but always referred to the grievance committee. It is important to bundle them and to insist on using standard procedures for clarification.

5.5 Payment

► **In this chapter**

Payment is the great moment for the beneficiaries. Obtaining their cash contribution is a very touchy moment for many, making it finally possible for them to dispose of an eagerly awaited amount of money.

Sometimes payment becomes difficult or will be refused by the bank because there is a problem with identification documents or because other family members show up instead of the head of family mentioned in the beneficiary list.

Finance has to ensure good contacts with bank branch offices. Daily bank reporting allows payment progress to be followed and gives the names of beneficiaries who were not paid. Database integrates data of payment and produces follow-up lists. Controlling is responsible for supervision of implementation and might instruct the bank to adjust procedures regarding acceptance of identification documents.

Payment1 by bank or financing bodies

Beneficiaries	Database	Finances	Controlling
Payment to eligible beneficiaries	Daily follow-up of payment	Bank reporting	Instruction ID acceptance for bank Decision GO

► **Benefits**

- o **Satisfaction:** Well-organised payment procedures reduce risks of rushes and tensions. Beneficiaries should always be treated with respect and appreciation.
- o **Bank:** A good relationship with the banking institution can help in rapidly correcting wrong beneficiary data and in reducing attempts at misuse.
- o **Financial reporting:** Daily bank status and data-based follow-up will provide requisite information for steering.

► **Procedure: Beneficiaries**

o **Bank payment**
  - o **Procedures:** Bank or postal services have standard procedures in place for payment in branch offices or at the beneficiary's home. Nevertheless special arrangements can be found with mobile payment teams.
  - o **Payment:** Announcement of payment must specify bank branch office, date and possibly hours of receipt so as to prevent crowds or rushes.
  - o **Security:** It is advisable to organise a well-regulated line of beneficiaries waiting outside the payment office. This works best with the help of local administration or police.

o **Identification of eligible beneficiaries**
  - o **ID documents:** Any payment to beneficiaries must be based on proof of personal identity (ID cards or equivalent identification documents).

o **Procedures:** It is common practice that payment can only be made if the beneficiary shows up personally, presenting identity card or passport in accordance with the specifications on the payment list.

o **Authorisations:** If the beneficiary is unable to pick up the cash contribution himself (e.g. due to illness, physical handicap or other reasons), the authorisation of another person is usually regulated by law. Certain institutions, such as postal services, usually have legally checked adequate forms readily available (power of attorney).

o **Complaints:** Rejected beneficiaries have to be informed about next steps (i.e. day on which to appear with correct documents, forms for authorisation and address for complaints).

► **Procedure: Database:**

o **Daily follow-up of payment:** Lists of beneficiaries paid are usually provided daily by banks and weekly by postal services. Comparing the main beneficiary list with the bank payment data will show exactly who did not receive their cash contribution. Database print-outs allow staff to follow up these cases and to take appropriate measures.

o **Regular progress reporting:** An updated database allows for systematic weekly progress reports. Key data for project steering not only include progress of registration and verification, but also progress of payments and complaints.

► **Procedure: Finances**

o **Liaison officer:** A good relationship with the banking institution is important. A designated staff member should be assigned for all contact, reporting verbally to the project management. Direct contact provides insight into difficulties faced by the bank. It also helps in rapidly correcting wrong beneficiary data and in pinpointing early attempts at misuse.

o **Bank report on payments:** A consolidated report on payments to beneficiaries by the bank or postal services must be cross-checked with the figures in the Cash Project database. The project management has to acknowledge and approve the bank report.

► **Procedure: Controlling**

o **Controlling is responsible for several tasks:**
    o Supervision of payments and financial reporting

      o   Instructions to bank for adjusting procedures and handling unclear identification documents or money not received

      o   Analysis of complaints and preparation of guidelines on how to deal with them

      o   Reception of and feedback on progress reports

> **(i)** **Quality of progress reporting:** A major lesson learnt is that Cash Projects without proper progress monitoring usually hide difficulties. This contradicts the quality standards applying to Cash Projects and is not acceptable!

5.6 Complaints

► In this chapter

There is no Cash Project without complaints. Each Cash Project has its own set of criteria that aim to do justice to the precarious or inhuman situation of disaster victims. Along the edges of these criteria, there is always room for misinterpretation and complaints.

Complaints cannot be avoided or ignored, quite the contrary: complaints have to be approached by applying standards such as transparency and equity.

Cash Projects have to deal with complaints lodged by different groups of people:
- those attempting to get money despite failing to meet the criteria
- those who were excluded during registration but would actually be entitled to a cash contribution
- those being disadvantaged because of wrong or late announcement of registration
- those contesting either the amount of the contribution or the presence of certain other people on the beneficiary list

Controlling has to find appropriate ways to resolve complaints, usually in the form of a concept paper for handling complaints. Generally speaking, the main –steps here correspond to the main steps already presented. Therefore, this chapter will concentrate mainly on themes specific to complaints.

Database provides lists of registered complaints, ensures screening, data entry of verification and results of grievance cases, and produces beneficiary list2 for payment.

Beneficiaries' steps highlight procedures for handling complaints, forms for enquiries, verification and information. Finances follows the main steps as presented earlier in this chapter.

Main step: complaints and second payment

Steps	Beneficiaries	Database	Finances	Controlling
Complaints addressed to Grievance Committee	Information on procedures	List for registered complaints Screening		Concepts for complaints
Enquiry complaints by Grievance Committee	Categorisation Face-to-face interviews	Data entry for grievance process		
Verification2 of grievance cases	Verifying unclear cases Reports from verifiers	Data entry for verification	Transfer funds to bank	Mandate verifiers Decision: Yes, No, further verification
Beneficiary list2 based on accepted grievance cases	Public hang-out of beneficiary list or individual letters	Beneficiary list2 (accepted complaints)		Decision: Yes, No
Payment2 of eligible grievance cases	Payment to eligible beneficiaries	Daily follow-up of payment	Bank reporting	

► **Benefits**

- **Similar procedures:** The steps proposed here are congruent with the previous ones. Therefore, explanations seek to avoid redundancy as far as possible and concentrate on topics related to complaints.

- **No backstrokes:** Adequate handling of complaints reduces workload. Experience shows that excluding or ignoring complaints will lead to considerable workload later.

- **No unexpected reactions:** Taking note of any complaints at an early stage and foreseeing possible incidents will put the project in a position to react adequately.

- **Satisfaction:** Strategies for handling complaints prevent a lot of emotional upset, reduce the potential of a negative image, and certainly cut the length of queues of angry persons in front of the Cash Project office.

- **Fairness:** Applying preventive measures against unfair practices during registration or during elaboration of beneficiary lists ensures equity and transparency.

► **Procedure: Beneficiaries**

Project management should describe in a short concept the steps for handling complaints. On the level of beneficiaries, this involves:

- o **Information on procedures and collecting complaints**
  - o **Announcement:** The right to complain and procedures for complaints must be explained in detail on the hang-out list of beneficiaries.
  - o **Complaint forms:** The procedure for people who wish to complain must be clear. If people can make complaints in writing, complaint forms have to be provided. Otherwise, reception has to be organised on the local level.
  - o **Addressee for complaints:** It is helpful to channel complaints to a post-office box or a separate location in order to avoid large crowds of unhappy persons in front of the Cash Project office.
  - o **Hotline:** If it is expected or assumed that many people lack specific information about the Cash Project or will complain, a telephone hotline will improve public information.

- o **Categorising complaints**

First, complaints received must be sorted with those staff members who elaborated the lists or collected complaints; sorting is done according to specific categories:

- o **Related to registration:** In each registration, a certain number of persons are potentially neglected or forgotten who should actually be included in the list.
  - o **Related to misuse:** Many people know that they are not eligible but try to get money anyway.
  - o **Related to screening:** During data processing, some eligible beneficiaries might have been deleted from the list due to double names, wrong addresses or incomplete data. It is possible, however, to add forgotten cases.
  - o **Related to hardship:** Some people may not meet the criteria but should be on the beneficiary list for some other reason. Once the second beneficiary list is ready, the beneficiaries will be paid according to a second payment list, following the same procedures as outlined above.
  - o **Related to staff:** There is a certain potential for complaints directed either against the local administration responsible or even against Cash Project employees.

- o **Enquiry into complaints – Option of appealing to grievance committee**

Organisation: Whenever possible, handling of complaints should be separated from ongoing work. That is really important in case of a region-based approach.

Steps: The following steps are also applicable for other options:
- o Clearing the composition of the grievance committee and willingness of proposed members to participate
  - o Elaboration of a schedule

- o Information on procedures
- o Conducting face-to-face interviews with complaining persons, with grievance committee keeping brief records, also for database
- o Decision as to yes/no/verification and putting any unclear cases on verification list2
- o Verification of these cases by internal or external verification team
- o Basing decision on reports from verifiers
- o Screening accepted cases once again

- o **Principles on handling complaints:**
  - o Each complaint requires verification within a given period.
  - o All complaints must be registered in the database regardless of whether they result from registration or rejected payment, including written complaints.
  - o No reasons for the decision have to be given.
  - o The Cash Project's decision is final; the person complaining must be explicitly informed.
  - o Information of person concerned in writing as to whether the complaint has been accepted or dismissed (e.g. hang-out lists or letters). Direct communication of decisions taken is to be avoided so as to prevent never-ending discussions.
  - o Transferring the final responsibility for the beneficiary list to the local government is possible if the original list was prepared by the local government and good cooperation was achieved. Accordingly complaints have to be filed against the local government.

ⓘ	**The best strategy to minimise complaints** is to have simple, clear-cut hard criteria that are officially announced in the local media!
⚡	**Do not ignore complaints** Reluctance to deal with every single complaint may lead to ignoring justified complaints. In one Cash Project, this resulted in crowds of angry people gathering in front of the office, increasing the need for armed guards. Appropriate dealing with complaints reduces pressure and contributes to equality.

► **Procedure: Database**

- o **List of registered complaints** integrates all complaints, using categories and further analysis.

o **Screening** by applying same procedures as before. Screened complaints are to be compared with accepted beneficiaries in order to avoid double payments.

o **Data entry of grievance process:** After grievance process, decisions taken are to be tracked in the database. Sometimes data on additional persons complaining verbally must also be entered.

o **Data entry of verification list2:** All verified cases have to be entered in database as well, according to verifier's appraisal in the associated categories.

o **Beneficiary list2:** All persons whose complaints were accepted by the grievance committee will be included in the second beneficiary list. This list serves for public hang-outs or individual letters and for payment list for bank.

o **Daily follow-up:** as explained above.

► Procedure: Finances

All steps required follow the procedures explained in chapters 5.1 Announcement to 5.5 Payment (Finances: Procedure).

► Procedure: Controlling

o **Concept for handling complaints**

  o **Brainstorming:** It is helpful to start early by drafting ideas about how to handle complaints. Drawing on previous experience can enlarge the range of possibilities.

  o **Announcement:** The Cash Project's position concerning complaints must be clear before hanging out the main beneficiary list. The right to complain must be declared and the procedures for lodging a complaint explained in detail.

  o **Categorisation:** It is crucial to categorise complaints appropriately. Different reasons for complaints require different solutions.

  o **Options:** The following details have to be checked: expected number of complaints, acceptable decision mechanisms, cooperation of local partners, costs involved and estimated time required. Suitable options for enquiry set-up have to be based on criteria such as these:

    - Handling exclusively by project staff
    - Delegating some tasks, such as verification on the spot, to external staff or organisations
    - Cooperation with local government
    - Outsourcing.

- o **Procedures:** Handling complaints requires sequences for collecting, enquiry, verification and related decisions.
- o **Cooperation:** Especially in rural areas, involvement of local government or administration representatives has proven to be advantageous. They know local people well, apply decision mechanisms that are locally accepted and assume co-responsibility.
- o **Draft concept:** Draft concept of handling complaints should be presented to stakeholders involved and discussed with a focus on lean and efficient management.

- o **Steering and controlling**
  - o **Decision-making:** Every step of handling complaints ends with a tangible result. Project management must decide for each step whether GO or STOP. That is the only way to steer handling of complaints in a strict and transparent manner.
  - o **Mandate verifiers:** New mandates must be established based on the need for support and experience with the verifier team. It must be taken into account that in this phase verifiers might be put under pressure by local authorities or people concerned. Therefore their task must be limited to verifying exclusively what is asked in the questionnaire; the team has to be instructed to avoid any discussion or statement about eligibility. Verification has to be planned discreetly and visits should not be foreseeable.
  - o **Hardship list:** Cash Projects are in close contact with reality, possibly determining that some people are in greater need than the targeted beneficiaries. Some project budgets include a fixed sum for such cases. Project managers are advised to handle such cases separately and discreetly.

5.7 Monitoring

► **In this chapter**

Usually Cash Projects apply three kinds of monitoring:
- Implementation progress (not treated in this chapter),
- Use of the cash contribution, and
- Project results, with a more in-depth analysis.

The main aim of monitoring is to collect reliable information about how the money is used by the beneficiaries. While the focus is on project outcome, the aim is also to gain a better understanding of direct changes in beneficiaries' lives resulting from the cash contribution.

The impact of a Cash Project is usually analysed in an ex post evaluation or review after project conclusion, or before a new project phase if the project is to be continued (cf. chap.).

Monitoring has become a standard in Cash Projects. The results are important for accountability towards donors, ex post comparison to check whether cash support was an adequate answer to humanitarian needs, and to increase knowledge for follow-up projects bridging relief work with rehabilitation.

Monitoring only makes sense if controlling is properly based on a clear methodology elaborated in a monitoring concept paper. Databases and finances provide support for this monitoring.

Result Monitoring

Beneficiaries	Database	Finances	Controlling
Questionnaire Monitoring instructions Report of results	Data analysis	Monitoring costs	Monitoring concept Monitoring mandate

► **Benefits**

- **Better understanding:** Monitoring the project results (i.e. output and outcome) provides representative answers to a number of questions. It is an observation process that facilitates better understanding of what is going on.

- **Insight and feedback:** Data collected need to be carefully analysed. It is important to enlarge perception in order to overcome cultural limitations regarding priorities and concerns. Only consolidated results will ensure improving implementation (steering) or new project designs, or critical discussion of the usefulness and appropriateness of cash approaches.

- **Accountability:** Reliable figures on the use of cash contributions confirm whether scepticism and stereotypes as to misuse or inappropriateness were justified.

- **Lean methodology:** Concentrating on collecting data on a well-chosen sample will minimise time and costs of monitoring.

Three types of monitoring in Cash Projects:

Monitoring during implementation	Monitoring after payment	Result monitoring
Progress monitoring of registration, complaints, payments. This is done using statistics and field/office visits. **Note:** Verification of registered beneficiaries is often called monitoring. In SDC Cash Projects, activities to check eligibility are usually referred to as verification.	**Monitoring** the use of cash contributions aims to gain better understanding of how the money is used and helps: o to evaluate whether support in cash is more appropriate than support in kind, o to find out about the beneficiaries' priorities, also in relation to gender and age, o to prepare significant information on Cash Projects for mass media, HQ and critical debates.	**Result monitoring** is the study of opportunities provided by the Cash Project. Achieving unambiguous results requires: o figures on the beneficiaries' situation and the context before starting the Cash Project, o a very precise definition of the aims, expected changes and impact of the Cash Project, o an adequate sample, professional questionnaire, and scientific data analysis and interpretation.

► Procedure: Beneficiaries

- o **Questionnaires:** Monitoring the use of cash contributions can be done by formulating relevant questions. If there is a focus on project results, monitoring questions have to be related to data collected previously by the project and usually accessible in the database. If the Cash Project was planned with a logical framework grid, all indicators for measuring project achievements (i.e. output, outcome) have to be taken into account as well.
- o **Instruction monitoring team:** It is essential to prepare guidelines for instruction and training of the monitoring team.

► Procedure: Database

- o **Clarification:** Monitoring the use of cash contributions is not the same as verification. Nevertheless, visiting and questioning a random sample of beneficiaries provides indirect answers (e.g. whether beneficiaries received the money, what their experiences with this Cash Project were).
- o **Random sample for monitoring:** It is necessary to have an adequate sample size regardless of who is charged with the monitoring. The monitoring list with names and addresses of beneficiaries must be printed, including an extra 10% addresses in case of absence of beneficiaries (for more details see chap. 6.3 Verification).
- o **Entry of monitoring data:** This is only necessary in case of in-house monitoring. Standard procedures of data entry are to be followed, resulting in Access-based reports (tables and charts). The database manager summarises the results of monitoring in a short technical report for project management.

    o **In-depth analysis:** In cases of familiarity with professional statistical software (e.g. SPSS, SAS), data can also be exported and analysed in-depth.

► Procedure: Finances

o **Costs of monitoring**
    o **Budget:** A budget has to be drawn up for all activities involving costs, together with project staff responsible (e.g. cost of verifiers, grievance committee).
    o **Contract:** If monitoring is delegated to a third party, this budget will form an integral part of the contract. Sound figures will help project management in negotiations with the potential mandatory.

► Procedure: Controlling

o **Monitoring concept:** Writing a short draft concept helps to start discussion with HQ, staff and partners and to involve them in a process. Having cleared and agreed on the points cited below, the project management will have a reliable reference document at its disposal. It makes sense to stratify all questions first, within a comprehensive framework as shown below:

Results	planned	unplanned	▪ Check use of cash contributions against project idea
Processes	furthering	hindering	▪ Indirect verification of a selection of beneficiaries ▪ Indirect information about the implementation process
Impact	desired effects	undesired effects	▪ Analysis of use of cash contributions ▪ Analysis of patterns of spending ▪ Analysis of gender-related spending patterns
Context	furthering effects	hindering effects	▪ Influence of changing context and other support to beneficiaries

o **Questionnaire:** Questions should be restricted to essential points. Every question must be unambiguous and focus on one concern (e.g. no questions like: "have you received the money?" since the possible answers "yes/no" have no validity at all). Translation has to be done properly and it must be ensured that the beneficiary interviewed understands the questions in the way intended by the interviewer.
o **Sample:** The sample size required to be representative must be clarified. Interview partners must be selected at random.

- **Database:** Processing of results must be ensured within the existing database, defining how the results should be presented once the monitoring exercise is completed.
- **Instructions for monitoring:** All instructions must be drafted carefully for trouble-free interviews, first in English and then in the local language.
- **Test monitoring:** Before any interviews take place, monitoring questionnaires and procedures must be tested. Exact instructions must be given about how to complete the questionnaire and how to integrate the answers in the Cash Project database. These instructions have to be tested using a limited sample. If possible, the test monitoring should be conducted in mixed working groups of project staff and future monitors. Experience and suggestions for improvement and for training of monitors should be summarised in a short report.

- **Mandate for monitoring**

Monitoring of the use of cash contributions is largely done by the project team itself and local staff. If an in-depth study of project outcome is intended, it can be advisable to mandate an experienced local organisation. Normally neither project management nor staff of Cash Projects have the specialist knowledge to undertake such a task. Moreover, short-staffed cash teams are not in a position to carry out monitoring of the use of cash contributions.

- **Partner:** An appropriate partner has to be identified. Consulting several partners might be helpful, taking a look at their previous studies and discussing the thematic focus.
- **Mandate:** A written contract fixes the expected outcomes (e.g. number and quality of interviews, schedule, training, supervision of monitors, report).
- **Implementation:** It is useful to prepare a table with all main steps, deadlines, tasks, responsibilities and tools to be used, as an annex to the contract.
- **Training:** Before starting any monitoring, it is important that the monitoring team members understand how to present themselves and how to question beneficiaries in an efficient and respectful way. There has to be supervised training in this respect.
- **Supervision:** Close follow-up and re-checking of monitoring are essential. The quality of the monitoring results is in direct proportion to the quality of supervision.

- **Analysis of monitoring data**

Monitoring figures are not self-explanatory. Data compiled must be analysed and culturally interpreted, if necessary.

- **Data-processing:** Proper data entry must be assured and the database manager should draft tables and charts to be printed out later.

o **Interpretation of results:** All figures have to be analysed and formulated as first findings. It is very helpful to present the results to partners and local administration and to ask for their interpretation. These interpretations can differ to an astonishing degree. Discrepancies among views should be discussed, especially with regard to figures that can not be fully understood at first sight.

o **Monitoring report:** Once cleared, all data, results and findings should be presented in a condensed monitoring report.

o **Publication:** The project results and monitoring findings are usually presented to all partners involved at the end of the Cash Project. This contributes to an interesting and substantial closing-down ceremony.

Side-effects of monitoring the use of cash contributions

- Monitoring also serves the purpose of indirect control (ex post verification) – but steering is no longer possible.
- Monitoring announced early contributes both to greater awareness among everyone involved and to increased self-supervision, including project management. To some extent, it might also imply protection effects.
- Monitoring can contribute to better understanding of survival strategies and gender-related expenditure patterns.

5.8 Closing-down operations

► In this chapter

Proper closing down of a Cash Project is imperative. All complaints and issues regarding non-collected cash contributions must be resolved and brought to an end.

Controlling has to initiate and steer multiple tasks. Often tight deadlines are set for closing down both cash operations and the project office. Therefore output-oriented priorities must be scheduled. This will provide guidance to project staff, who will have to shoulder a heavy workload during the final days of a (successful) project.

Beneficiaries have to be informed about the deadline for collecting cash contributions, and the public should be informed about the results of the Cash Project. Database and finances have to finalise payment list and initiate redemption of remaining funds with bank. Based on this financial report, fulfilment letter to bank and database report and documentation are the last outputs to be produced.

Closing down operations

Beneficiaries	Database	Finances	Controlling
• Letter to beneficiaries who failed to appear • Final press release	• List unclaimed contributions • Database report + documentation	• Redemption by bank to project	• Letter fulfilment agreement bank • Closing-down ceremony

► **Benefits**

- **Transparency:** Rumours as well as new complaints will be avoided by sending individual letters to beneficiaries who failed to appear, or by a public hang-out. People must be informed on final deadlines for collecting the cash contribution.
- **Visibility:** Final press release and closing-down ceremony are acts of appreciation regarding the contributions of all persons and organisations involved. At the same time, it again ensures visibility of the Cash Project, donor and implementing agency.
- **Satisfaction:** The Project Team Cash and the implementing agency will be fully satisfied as soon as they can truthfully say: "Now the job has been done in a professional manner. Everything has been properly brought to an end."

► **Procedure: Beneficiaries**

o **Public hang-out concerning unclaimed contributions:** In all Cash Projects there are a number of unclaimed contributions. Following a disaster, the situation is often unstable; people have to move or are not in a position to come by themselves or to send an authorised person. In these cases a public hang-out is usually sufficient.

o **Letter to beneficiaries who failed to appear:** In cases of cash support to vulnerable people, letters to beneficiaries who failed to appear may make sense. Some may be too weak to appear personally or have passed away. Preparations have to include widows or children who might ask to get the money, or else municipalities will ask for reallocation of the contribution.

o **Final press release:** It is important officially to inform the public as well as other agencies about results, process and stepping-out or new activities intended. Of course, this should be done in a national and an international language.

► **Procedure: Database**

o **Consolidated payment report:** This report compares the number of paid beneficiaries and the contributions listed in the cash database with the figures given in the final report provided by the bank or postal services. Problems and solutions to these problems are described briefly.

o **Final statistics and documentation:** The consolidated data also form the basis for the final statistics and for charts used in the final report and project presentation.

o **Future use of the database:** A database has a value in its own right. It can be useful in case of an audit or for future cash database managers, providing them with insight into design and solutions found. For external use, however, the database should be cleaned and include details of about a hundred anonymous beneficiaries only.

► **Procedure: Finances**

o **Consolidated bank report on payments:** The consolidated report by the bank or postal services on payments to beneficiaries must be cross-checked with the figures in the Cash Project database. The result is included in the final financial report, which is usually annexed to the Cash Project's final report or, if requested, directly addressed to HQ.

o **Redemption:** Left-over funds are returned by bank and postal services based on the consolidated and checked report on payments. Details should be clearly stipulated in the agreement, including the name and number of the appropriate agency account.

► **Procedure: Controlling**

o **Letter fulfilment agreement bank:** This letter acknowledges receipt of redemption and confirms that all services agreed were fulfilled. This letter must be signed by project management.

o **Official closing-down ceremony:** Implementation of a Cash Project depends on the support of many persons. They appreciate very much receiving warm thanks from the Cash Project management. Often this event is split in two parts: the first is a public affair with the mass media present, when results are presented and appreciation is expressed to organisations and individuals; the second part is for specially invited persons only and is combined with a cultural/social event.