



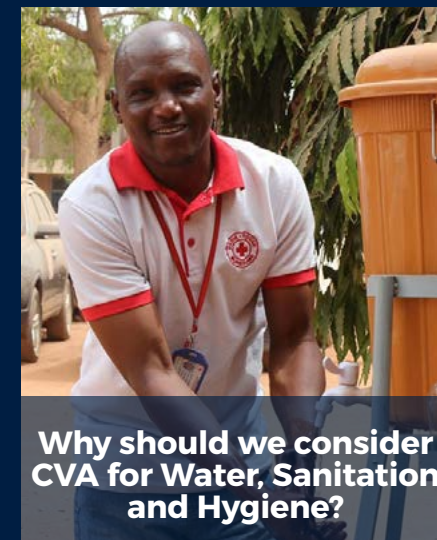
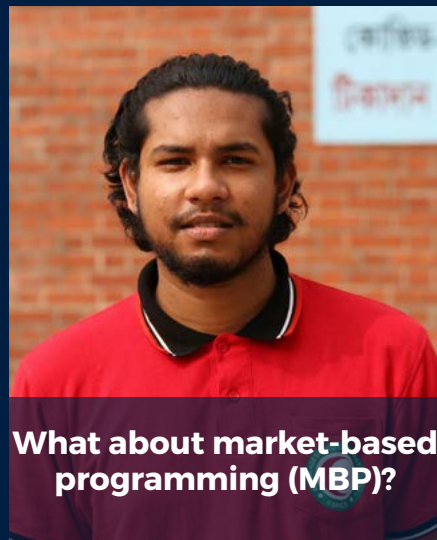
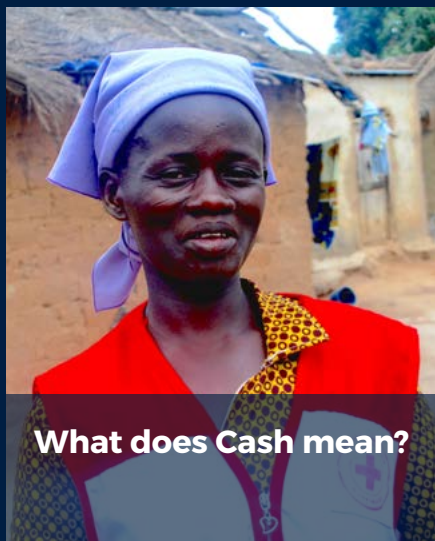
What does “Cash” mean for WASH Outcomes?

Objective and Audience

This document is intended for both WASH and Cash practitioners as well as programme managers who want to understand and explore how cash and voucher assistance can support WASH outcomes.



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Resources and links



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What does “Cash” mean for WASH Outcomes in the Red Cross Red Crescent Movement?



What about market-based programming (MBP)?

“Cash” is a slang expression for Cash and Voucher Assistance (CVA)¹ which is the provision of cash and/or vouchers to individuals, households or communities, to enable them to access the goods and services that they need. In essence it means giving crisis affected people money rather than things, so they can make choices about managing their immediate needs and longer-term recovery.

In the context of WASH, CVA means cash transfers or vouchers given directly to crisis affected people. It does not include financial assistance given to local authorities or other providers of public or private WASH services.



You may have heard the term market-based programming (MBP). In fact the Global WASH Cluster has [guidance on MBP](#) which is one of the core documents for WASH practitioners. The Cash Learning Partnership Glossary gives the following definition: “Market-based programming or market-based interventions are understood to be projects that work through or support local markets. The terms cover all types of engagement with market systems, ranging from actions that deliver immediate relief to those that proactively strengthen and catalyse local market systems or market hubs.” It is important to note that CVA is simply one of the tools that can be used in MBP.



¹ Cash and Voucher Assistance is the recommended term, although other synonyms (Cash Based Interventions, Cash Based Assistance and Cash Transfer Programming) are sometimes used. The Cash Learning Partnership gives the following definition “CVA refers to all programs where cash transfers or vouchers for goods or services are directly provided to recipients. In the context of humanitarian assistance, the term is used to refer to the provision of cash transfers or vouchers given to individuals, household or community recipients; not to governments or other state actors. This excludes remittances and microfinance in humanitarian interventions (although microfinance and money transfer institutions may be used for the actual delivery of cash). The terms ‘cash’ or ‘cash assistance’ should be used when referring specifically to cash transfers only (i.e. ‘cash’ or ‘cash assistance’ should not be used to mean ‘cash and voucher assistance’). This term has several synonyms but Cash and Voucher Assistance is the recommended term.”



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When does it make sense to consider CVA?

There are a few basic questions to ask when considering CVA:

- Do people have identified needs for goods or services?
- Do people normally use money to pay for these goods and services?
- Are the goods and services easily available (and in the appropriate quantity/quality)?
- Is there a safe way to transfer money to people?

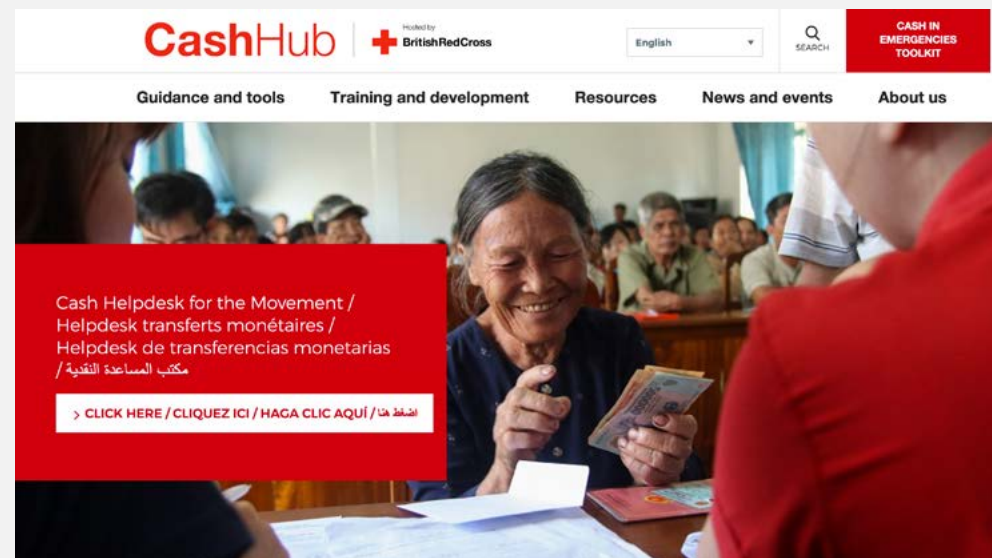
Of course, after these questions comes a more complex needs assessment and analysis of WASH markets, but the basics are that simple.

CVA can therefore be used to support WASH outcomes, normally in a mixed modality response in combination with other activities such as infrastructure support, (hygiene) education/awareness raising etc.



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There will be times when CVA will not be the appropriate modality to use for your WASH intervention. 'In kind' and/or service provision will often still be needed BUT it is important that you start to ask yourself the question about whether CVA is possible or not. To undertake a CVA feasibility study see the [feasibility checklist in cash in emergencies](#).





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Why should we consider CVA, what is the added value of CVA and why is it relevant for WASH?

It is critical to start any response with an analysis of the WASH sector, understanding the markets for goods and services and assessing areas appropriate for intervention. Supporting and reinforcing the WASH sector would be vital, and CVA can be complementary. In analysing the WASH sector and assessing the feasibility for CVA, the quality of WASH services that would be attained, the sustainability of the support and any (indirect) negative impacts need to be considered.

It is important to remember that CVA alone cannot fix issues of lack of access to WASH if other barriers are not addressed. The main benefits of using CVA for WASH programming is to improve timely equitable access to the use of safe drinking water and safe excreta disposal as well as improved and sustained good hygiene practices. At the same time the approach needs to consider the impact on local markets, taking a do no-harm approach. There are very few responses where the market is not impacted (e.g., both CVA and in-kind approaches will impact the market).

CVA is recognised as an important lever in creating transformational change in the humanitarian aid system, in helping and enabling people to overcome crisis with dignity, exercise choice and sustain well-being. CVA has the potential to provide a more timely, efficient, effective, flexible and appropriate form of response, when the conditions are right, including in conflict situations. Hence, in most context, aid recipients indicate a preference for cash to other forms of assistance.

Advantages	Disadvantages
• Saves the time spent on the procurement of big quantities of supplies. • Reduces requirements to manage logistics, warehousing and coordination with suppliers. • Enables shifts of focus from the sourcing and distribution of materials to the technical support, good programming and execution. • Boosts the local economy: Use of CVA and other elements of MBP, if undertaken appropriately, can support and strengthen the local market and support economic recovery.	• The prices of the materials and services might be higher in the retail market compared to the prices offered by the suppliers when purchased in bulk. • Needs extra efforts to monitor the quality of materials and services sourced by the recipients. • For WASH practitioners unfamiliar with cash, CVA specialist support will be needed ahead of being able to implement.



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CVA is not a 'silver bullet' and cannot address all issues; CVA can only address financial barriers to good WASH outcomes, such as by enabling people to pay their utility bills or purchase good quality hygiene items. However, CVA is rarely given in isolation. For example, if people have poor awareness of good hygiene practices, CVA would have to be given in conjunction with hygiene promotion sessions in order to achieve good hygiene outcomes.



CVA: Cash or vouchers?

Cash (given physically or electronically) is unrestricted as it can be spent in any way. However, conditions can be added to cash transfers; prerequisite activities or obligations that a recipient must fulfil before receiving the cash, which can influence behaviour. For example, cash could be given to purchase hygiene items, conditional on attending a hygiene promotion session.

Vouchers – paper or electronic (called e-vouchers) – are by nature restricted. Commodity Vouchers are exchangeable for a fixed quantity and quality of goods or services at a specific retailer or service provider whereas Value Vouchers have a monetary value that can be used to buy any goods or services provided by that specific retailer or service provider. For example, where there are concerns about poor quality services, vouchers could be given for a specific water trucking or desludging service to ensure only those suppliers are used by recipients. Another example may be where target populations consider WASH needs as a lower priority than other needs, vouchers restricting them to specific WASH items and services may be useful. Conditions can also be added to vouchers.

Multipurpose cash transfers (MPC) are designed to cover basic needs (the essential goods and services required by a person) through an appropriate transfer value. The value of transfer of the MPC will be based on a “Minimum Expenditure Basket” (MEB), a list of “basic needs items and services that can be monetized and are accessible in adequate quality through local markets and services”. The MEB may include WASH items such as utilities or hygiene items. MPC for basic needs can contribute to WASH outcomes but is unlikely to achieve these outcomes alone.



The Global WASH Cluster has produced an evidence paper on WASH and MPC named [“Practices related to the use of multipurpose cash for WASH outcome”](#).





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Other important considerations when using CVA for WASH Outcomes?

Timeframe and scale of intervention

In terms of timeframe, modality choices are likely to be different at different phases of the crisis. Multipurpose cash transfers for basic needs can be a fast, effective response to support people, which may include some WASH items and services, and in particular hygiene items. However, it is likely that in kind and/or services (such as water trucking etc.) may also be needed, depending on the type of crisis and the context. CVA is used widely in recovery for multiple objectives including livelihoods and shelter, as in the example of using CVA for latrine construction, below. In terms of scale, cash for work is often used for household and community level construction, but is less appropriate for large scale infrastructure, such as the construction and maintenance of urban water infrastructure.

Practice has shown that CVA can often be delivered very quickly, if CVA preparedness has been undertaken (e.g., a National Society having systems and tools in place, like an agreement with a financial service provider). This is similar to in kind preparedness such as stocking warehouses with commodities.



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Quality control of products and services

Quality control is extremely important in all activities, but when it comes to CVA in the WASH sector, quality control may need to be addressed differently; there can be real risks if people access poor quality goods or services. When quality control risks are related to life and health, for example preferring vouchers instead of cash for access to (private/alternative?) desludging services where public services are weak, this makes sense. However, the ethos of CVA is to give choice to recipients, and so for many humanitarian objectives, unconditional cash transfers are preferred and the humanitarian sector should be more comfortable with 'letting go' of the control of how recipients use the resources we give them. For example, giving people soap when this is available in local markets is no longer justifiable. Further discussion is needed on how best to proceed and clear frameworks and principles must be defined that enable WASH practitioners to manage CVA in their interventions.



How Humanitarian actors are using CVA for WASH Outcomes?

Examples of Red Cross Red Crescent Movement using CVA for WASH Outcomes.

Type of intervention	Year	Context	Country	Modality
Distribution of hygiene kits	2018	Refugee camp	Lebanon	E-voucher
Construction of latrines	2018	Conflict	Myanmar	Conditional cash transfer
Construction of latrines	2018	Earthquake recovery	Nepal	Conditional cash transfer
Construction of community drinking water supply scheme	2018	Earthquake recovery	Nepal	Conditional cash transfer
Construction of latrines	2018	Host community	Bangladesh	Conditional cash transfer

CVA for WASH objectives: A brief summary of the evidence

The use of CVA for WASH outcomes is relatively new, although people have always used cash for buying water and wastewater services, hygiene items or constructing latrines. An example is cash or vouchers given to help people pay utility costs or purchase hygiene items. Another example is incentives paid for recipients to encourage attending vocational training which can then be utilised in WASH projects (e.g., mason, carpenter or pit emptier).

Cash for Work - either directly with communities or obliging contractors to do Cash for Work - is also widely used. Cash for Work is paid at a lower level (often set by the government) than the market rate for labour to avoid humanitarian agencies competing with local employers, with its primary purpose to increase money circulating in the local economy. However, a secondary objective could relate to WASH such as digging of latrine pits or environmental clean-up.

Many organizations are working intensively on filling the evidence gap and developing guidelines to define opportunities and limits for using CVA in WASH activities as well as how to best use it for WASH outcomes and define best practices. For instance, the Global WASH Cluster is currently working on an evidence mapping study for CVA for WASH outcomes as part of a broader study for MBP for WASH in Emergencies. All the Global WASH Cluster evidence documents are in the reading material section at the end of this document.

How other Humanitarian actors are using CVA for WASH Outcomes

Type of intervention	Year	Context	Country	Modality
Access to hygiene items	2010	Earthquake	Haiti	Voucher
Family latrine construction	2016	Conflict	Democratic Republic of Congo	Conditional cash transfer
Desludging services	2017	Conflict	Lebanon	Voucher
Kits for treating and storing water	2010	Flooding	Benin	Voucher
Repair and recovery of piped water network	2012	Typhoon	Philippines	Cash for work
Access to water through water vendors (small shops)	2015	Conflict	Central African Republic	Voucher



What can CVA for WASH Outcomes look like?

An example from Myanmar Red Cross Society

The experience of Cash for Latrines (Community Resilience Programme, CRP) in Rakhine State, Myanmar has shown the following key points. The WASH intervention within the CRP included software activities such as behaviour change through PHAST, health awareness focusing on water and sanitation issues, and capacity building of community institutions like committees, women groups and community volunteers on aspects related to WASH. However, the need for latrine construction was highlighted within the Community Actions Plans as a key priority. The communities were also motivated to use CVA.

Why was CVA used?

The communities themselves highlighted the need for latrine construction and liked the freedom and opportunity to make their own decisions that CVA gave them. The design for the latrines was decided through community consultation. This design was costed and suitable materials were available in the local market (around \$100).

Why were Conditional Cash Transfers used?

Conditional Cash Transfers were used with two instalments to allow monitoring of the progress of latrine and ensure quality standards were met. The first was for the construction of concrete pits and this, once completed to standards, triggered the second instalment for the remaining latrine construction materials. Cash was delivered directly ('cash in envelopes'). In addition, volunteers were regularly monitoring and assisting the construction of the latrines, and therefore there were no cases where the household did not complete construction. As of June 2020, 2,267 latrines have been built through this CVA for latrine programme.



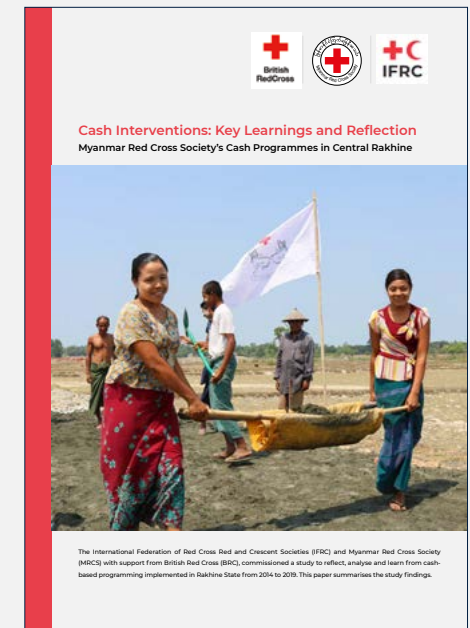
Impact of the Cash for Latrines programme

On a quantitative level this programme has resulted in an increase from approximately 21% to 58% of households having access to a latrine. There has been a drop in the number of people practicing open defecation, from 90% before the intervention to 40%. Discussions with female recipients has shown that they feel more dignified and safer as a result of the intervention and that their social status has improved.

Possible risks/challenges and mitigation measures (related to cash):

Community needs to be completely involved, as with any WASH programme. Potential concerns about the quality of construction were mitigated by using Conditional Cash Transfers which meant the second instalment was only released on the satisfactory completion of the first phase.

NS previous experience of using CVA was a driver, but they had not used CVA for WASH objectives before, meaning further support and training was required.





Resources and links

Websites

[Cash Hub](#) Excellent website resources for all aspects of CVA. Covid 19 specific advice available. Cash Helpdesk staffed by experts available for questions and answers.

[Cash in Emergency Toolkit](#) The Cash in Emergencies Toolkit has been devised by the International Red Cross and Red Crescent Movement to make tools, practical guidance and minimum standards easily accessible to staff and volunteers.

[How is Cash and Voucher Assistance used in the WASH sector?](#) Wash specific Cash and voucher assistance and advice. CaLP website has many resources for implementing Cash programmes.

[Global WASH Cluster \(Cash Technical Working Group\)](#)

Training

WASH Cluster training: [Market Based Programming \(MBP\) for WASH in Emergency](#)

CaLP online training on [CVA basics](#)

IFRC online training - [Introduction to Cash Transfer Programming](#): (can only be accessed if registered, but signing up is easy!)

Reading Material



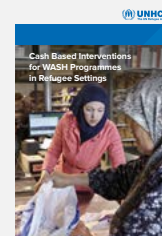
[Guidance on Market Based Programming for WASH Humanitarian practitioners](#)

Step by step document guidance on how to implement market-based programming for the WASH sector. Essential reading if planning WASH MBP.



[Cash for Latrines Key learning and checklist](#)

This document provides guidance on how to use cash for latrines in camp setting. It captures both cash specific recommendations and general guidance on latrine construction. It also technically supports WASH officers on how to best accompany multi-purpose grants should they cover household latrines.



[Cash based Interventions for WASH Programmes in Refugee settings \(UNHCR\)](#)

Step by step document guidance on how to implement market-based programming for the WASH in refugee settings. Good overview of the types of programs carried out before. Essential reading if planning WASH MBP in refugee setting.



[Evidence for Cash and Markets in Wash Emergencies, Summary of Findings](#)

- [Evidence for Water Sub-sector](#)
- [Evidence for the Sanitation Sub-sector](#)
- [Evidence for Hygiene Sub-sector](#)
- [Evidence for use of Multipurpose Cash for WASH Outcomes](#)
- [Evidence Building for WASH Evidence Mapping](#)

The fundamental principles of the International Red Cross and Red Crescent Movement



The International Federation of Red Cross and Red Crescent Societies (IFRC) is the world's largest humanitarian network, with 192 National Red Cross and Red Crescent Societies and around 14 million volunteers. Our volunteers are present in communities before, during and after a crisis or disaster. We work in the most hard to reach and complex settings in the world, saving lives and promoting human dignity. We support communities to become stronger and more resilient places where people can live safe and healthy lives, and have opportunities to thrive.

Humanity

The International Red Cross and Red Crescent Movement, born of a desire to bring assistance without discrimination to the wounded on the battlefield, endeavours, in its international and national capacity, to prevent and alleviate human suffering wherever it may be found. Its purpose is to protect life and health and to ensure respect for the human being. It promotes mutual understanding, friendship, cooperation and lasting peace amongst all peoples.

Impartiality

It makes no discrimination as to nationality, race, religious beliefs, class or political opinions. It endeavours to relieve the suffering of individuals, being guided solely by their needs, and to give priority to the most urgent cases of distress.

Neutrality

In order to enjoy the confidence of all, the Movement may not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.

Independence

The Movement is independent. The National Societies, while auxiliaries in the humanitarian services of their governments and subject to the laws of their respective countries, must always maintain their autonomy so that they may be able at all times to act in accordance with the principles of the Movement.

Voluntary service

It is a voluntary relief movement not prompted in any manner by desire for gain.

Unity

There can be only one Red Cross or Red Crescent Society in any one country. It must be open to all. It must carry on its humanitarian work throughout its territory.

Universality

The International Red Cross and Red Crescent Movement, in which all Societies have equal status and share equal responsibilities and duties in helping each other, is worldwide.

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This document has been prepared by the members of the Cash and Voucher Assistance and WASH Interventions Technical Working Group.

Website - [CASH AND VOUCHER ASSISTANCE AND WASH INTERVENTIONS Technical Working Group](#)

Contact: please send a message using the [Contact/FAQ form here](#).