BETTER THAN CASH ALLIANCE

Cash Digitization: UN Collaboration, Coordination, and Harmonization Opportunities

February 2019
"What are the short, medium and longer term actions that UNHCR, UNICEF, WFP and other agencies can take to improve the collaboration and harmonization on digital payment solutions to beneficiaries in a way that enhances the efficiency of humanitarian assistance, while preserving and enhancing the effectiveness, accountability and management of risk of each agency?"
The following analytical framework to guide our approach

**FIG. 1**

**Analytical framework**

1. **GLOBAL CONTEXT FOR HARMONIZATION**
   - Grand Bargain
   - Digital Transformation
   - UN reform

2. **LOCAL CONTEXT FOR HARMONIZATION**
   - Regulatory environment
   - Supply-side offering
   - Demand-side attributes

3. **AGENCY-LEVEL ASSESSMENTS**
   - Mandate and strategy
   - Business model for cash: positioning, capabilities, economics, risks
   - Operating model for cash: process, people, technology, controls

4. **COLLABORATION/COORDINATION ACROSS UN AGENCIES**
   - Platforms
   - Standards & frameworks
   - Arrangements (e.g., MoUs)
   - Coordination mechanisms

**FINAL OUTPUTS**
- Assessment of barriers and enablers for collaboration/coordination
- Business case for change
- Recommendations
MAJOR POTENTIAL SYNERGIES IN KEY MARKETS

### Top 10 Countries in 2017 by Volume of Assistance (UNHCR, UNICEF, and WFP Combined)

<table>
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<tr>
<th>Country</th>
<th>USD</th>
<th>UNHCR</th>
<th>UNICEF</th>
<th>WFP</th>
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</tbody>
</table>

### CBT Assistance Delivered in 2017 by Agency

- **UNHCR**
- **UNICEF**
- **WFP**

#### Top 9 Countries with Joint Presence - Cash Delivery Provided by the Three Agencies in 2017

- **Turkey**: 403m USD
- **Lebanon**: 393m USD
- **Jordan**: 285m USD
- **Somalia**: 169m USD
- **Iraq**: 90m USD
- **Yemen**: 65m USD
- **Egypt**: 37m USD
- **Congo, DR**: 25m USD
- **Syria**: 19m USD
- **Zimbabwe**: 12m USD

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Combined USD volume of cash-based assistance of all three agencies per country.

Source: Agency data.
Key findings

1. The time is ripe to scale up interagency collaboration on cash-based
2. Collaboration is happening at global and country levels
3. Collaboration brings many benefits
4. Three complementary approaches to scale-up collaboration on cash delivery
5. This report identifies 11 high-level recommendations to drive this process forward.
Recommendations to Drive the Process Forward

“No regret” and “pragmatic” moves

1. Define the minimum set of accelerators for collaboration, coordination, and harmonization on cash delivery, with a focus on procurement and feasibility assessments
2. Drive for concrete scaled-up collaboration in target countries in the short term

Game-changers

3. Further explore the feasibility and value proposition of service provision delivery models
4. Align cash delivery system design and deployment roadmaps
5. Clarify interoperability requirements relevant to cash delivery and define related standards and protocols

Enablers

6. Agree on a decision tree to select collaboration models applicable to a specific context
7. Leverage agency-level institutionalization efforts on cash-based transfers to foster collaboration
8. Implement effective inter-agency cash coordination at global and country level
9. Build the technical, managerial and behavioral capacity to collaborate
10. Enhance collaboration on innovative approaches and market intelligence
11. Align internal and external stakeholders for effective change