

POLICY EVALUATION

WFP's 2008 Cash and Voucher Policy (2008-14):
A Policy Evaluation

Evaluation Report – Volume I

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Executive Summary

Introduction and Evaluation Features

1. The Board approved the policy “Vouchers and Cash Transfers as Food Assistance Instruments: Opportunities and Challenges” in October 2008.¹ Since then, WFP’s use of cash transfers and vouchers (C&V) has expanded considerably. In accordance with WFP requirements that policies be evaluated within four to six years of their approval, this evaluation, commissioned by the Office of Evaluation, provides evidence-based assessment of the policy’s quality and intended and unintended results over the period 2008–2014.²
2. Between April and September 2014, evaluation data was collected at global, regional and country levels through:
 - four case studies – Burkina Faso, Lebanon, Pakistan and Zimbabwe;
 - four desk studies – Ecuador, Ethiopia, the Niger and Sri Lanka;
 - interviews with WFP Headquarters and regional bureaux staff;
 - a global survey of WFP country offices (92 percent response rate);
 - comparator organization analysis: *Action contre la Faim*, International Federation of Red Cross and Red Crescent Societies, Norwegian Refugee Council, Oxfam GB, Save the Children International and the Office of the United Nations High Commissioner for Refugees; and
 - document review of internal and external records, budgets, evaluations and studies.
3. Limitations included the absence of a theory of change for the policy, data limitations in WFP’s monitoring and reporting systems on C&V modalities, and the limited number of stakeholders with clear recollection of the early stages of policy development and implementation.

Context

Global Trends

4. Since the mid-1990s, global use of C&V transfers for assistance and support to those affected by conflict and disaster has increased significantly. The use of such transfers in national social protection programmes to address chronic, cyclical and seasonal poverty has also grown considerably. The most prevalent types of transfers among humanitarian agencies are:
 - a) unconditional cash transfers;
 - b) conditional cash transfers (including cash for work or assets); and
 - c) voucher transfers.
5. Definitions of conditionality differ within the community of practice, illustrated in Figure 1. In its current C&V policy, the Directorate-General for Humanitarian Aid and Civil Protection (DG ECHO) defines conditionality only in terms of requirements.³

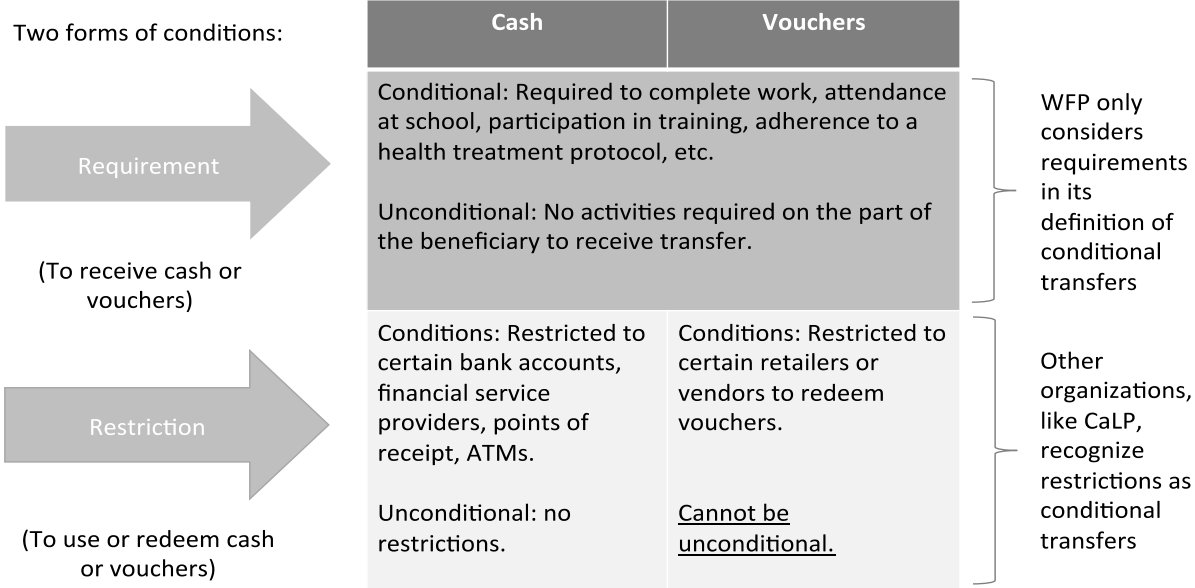
¹WFP/EB.2/2008/4-B

²Quantitative information covers the period 2008–2013.

³DG ECHO, 2013. *Cash and Vouchers: Increasing Efficiency and Effectiveness Across All Sectors*. Thematic Policy Document No. 3. Available at http://ec.europa.eu/echo/files/policies/sectoral/them_policy_doc_cashandvouchers_en.pdf.

Alternatively, the Cash Learning Partnership (CaLP) defines conditionality in two main types: qualifying conditions (requirements) and use conditions (restrictions).⁴

Figure 1: Forms of conditionality



WFP’s 2008 Cash and Voucher Policy and Implementation

6. WFP has implemented C&V interventions for more than a decade. In 2007, WFP published a directive providing interim procedures for developing and approving C&V pilot projects (up to US\$3 million in value), which initiated increased requirements (beyond in-kind food) for assessment and analysis, monitoring and evaluation, and approvals.

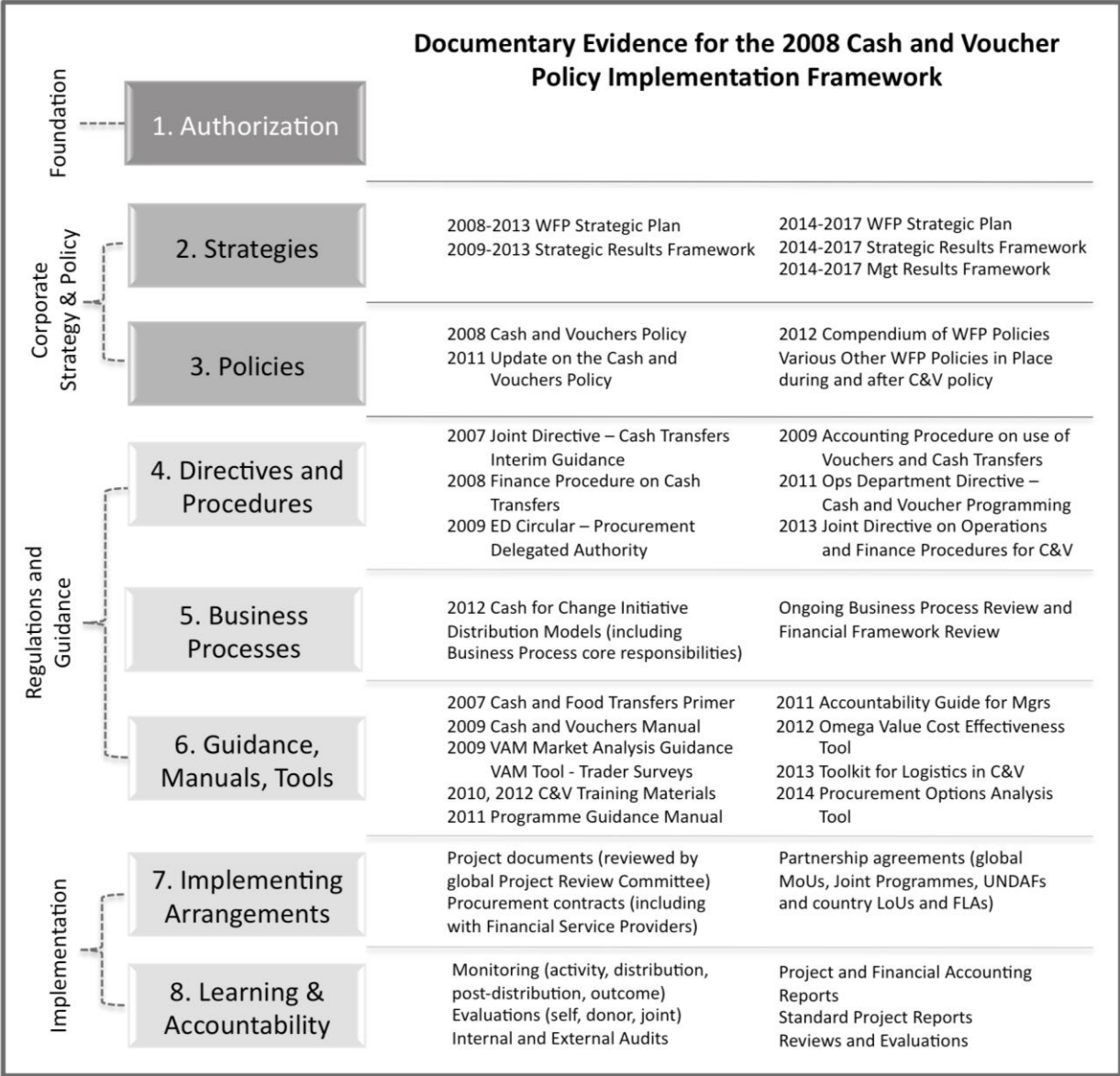
7. The 2008 C&V policy built on the 2007 framework without adjusting the piloting requirements. The policy outlines the rationale and comparative advantages of introducing C&V in WFP projects and programmes. It highlights opportunities and challenges, and explains potential programming, capacity development and partnership implications. It foresees outcomes and impacts at beneficiary and country levels, and for WFP as an organization. While the policy does not include an action plan or implementation strategy, it was broadly supported in WFP’s 2008–2013 and 2014–2017 Strategic Plans as a key element of the shift from food aid to food assistance.

8. From 2007 to 2011, C&V projects were implemented on a pilot basis. The Cash for Change initiative was established in 2010 to consolidate policy implementation efforts related to learning, leadership and coordination across WFP functions. Soon thereafter, the piloting phase was concluded and C&V project approval and budget procedures were normalized.

9. Policy frameworks generally include foundational, normative, regulation, guidance and implementation-support functions. As illustrated in Figure 2, an extensive body of corporate directives, guidance and tools has been developed to implement WFP’s C&V policy.

⁴ The Cash Learning Partnership. 2011. *Glossary of Cash Transfer and Voucher Terminology*. Available at http://www.cashlearning.org/downloads/resources/tools/calp_ctp_glossary-4-april-2011.pdf.

Figure 2: WFP C&V policy implementation framework

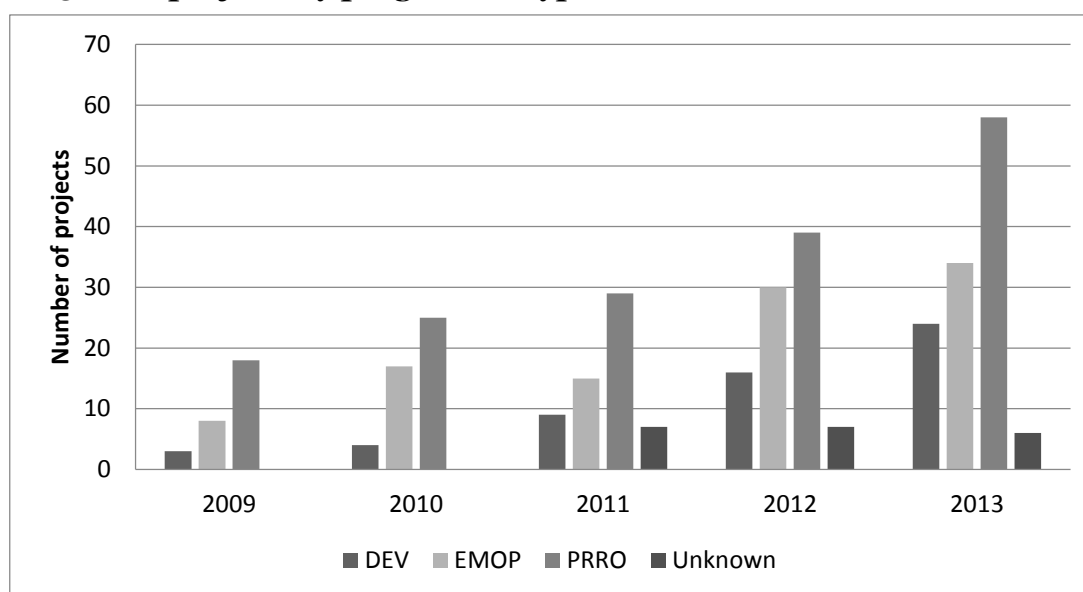


FLA – field-level agreement; LOU – letter of understanding; MOU – memoranda of understanding; OM – Operations Management Department; UNDAF – United Nations Development Assistance Framework; VAM – vulnerability analysis and mapping.

10. The overall trend towards the use of C&V is clear. Over the period 2008–2013 implementation increased steadily; by 2013 actual expenditure on C&V totaled US\$507 million implemented in 52 countries.

11. As shown in Figure 3, C&V use has grown significantly in all WFP programme types. Their use in emergency contexts has also grown significantly even though the policy noted that C&V is more appropriate in non-emergency contexts.

Figure 3: C&V projects by programme type



DEV – development projects; EMOP – emergency operations; PRRO – protracted relief and recovery operations

Source: WFP Information Network and Global System (WINGS)

Findings

12. The C&V policy, guidance and tools sought to expand the project modalities available to WFP to better meet beneficiary needs and context requirements. According to the policy document and key informants, the policy was intended to initiate a change process, and was to be accompanied by capacity development to enable WFP to use C&V for greater effectiveness and efficiency and to match the trends in the international aid community.

13. Documentation review and stakeholder validation revealed the C&V policy's theory of change, with this policy goal: "The use of C&V allows WFP to respond more flexibly and appropriately to identified needs in context-specific situations." Intended outcomes included:

- empowerment of beneficiaries to make choices and prioritize needs;
- greater integration into national social protection schemes;
- increased responsiveness and flexibility to context-specific needs;
- increased school attendance, and attendance in health programmes and improved nutritional status;
- enhanced capacity of people to manage risks; and
- improved livelihoods and income-generation.

Policy Quality

14. Policy quality was assessed based on comparison of the theory of change and C&V directives, guidance and tools (see Figure 2) against similar guidelines from external humanitarian organizations, internal relevance and consistency, clarity of focus on beneficiary needs and reflection of partner interests.

15. The evaluation found that WFP's normative system for C&V was developed earlier and is more comprehensive than that of programmes at its comparator

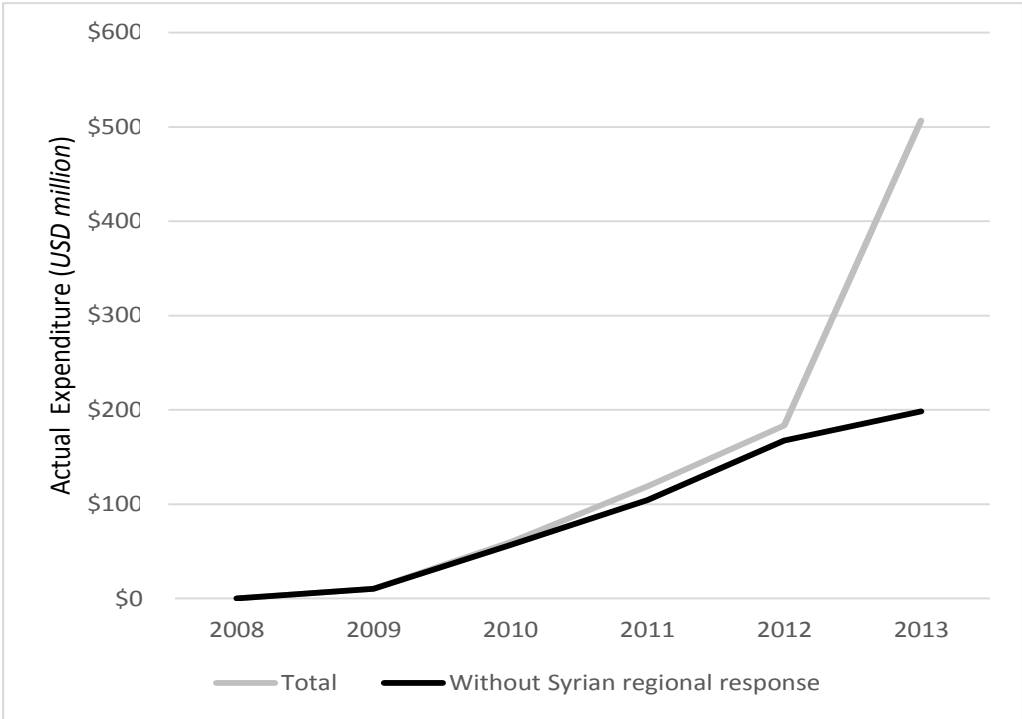
organizations; the system has supported WFP’s use of C&V. WFP is the only organization studied with a formal C&V policy.

16. The policy’s initial relevance was high, and it served to establish a basis for authorizing C&V within WFP’s mandate. However, the policy itself did not include concrete objectives, priorities and actions aligned to a theory of change, and more closely resembled a policy discussion paper. While policy standards and practice are not defined within WFP, review of other policies shows that many do include clear results frameworks identifying expected outcomes for beneficiaries. Subsequent directives, guidance and tools remain relevant but need to be disseminated systematically and updated continuously.

17. The policy identifies potential benefits from greater flexibility and appropriate response to beneficiary needs, including gender-specific and protection-specific considerations, but uses equivocal language to describe outcomes. Subsequent directives, guidance and tools were not found to provide sufficient assurance that project design would result in the suggested benefits. Draft updates to the 2009 C&V manual include much greater detail on designing C&V interventions in ways that address gender and protection needs, but this update is not yet finalized.

18. The ongoing relevance of the policy framework is reflected in the growth of C&V use in WFP projects. While the Syrian regional response accounts for a significant portion of recent growth of C&V use – 61 percent of total C&V spending in 2013 – even without those operations the overall growth is significant: 1,819 percent from 2009 to 2013, as shown in Figure 4.

Figure 4: Growth in C&V projects (US\$million)



Source: WINGS

19. WFP does not have a system to ensure effective dissemination of, and coherence among, policies. In the case of C&V policy and guidance, dissemination was fragmented, inconsistent and sub-optimal. Survey findings, case studies and interviews confirmed that dissemination efforts have not resulted in high utilization of

key policy implementation guidance and tools, except from the Cash and Vouchers Manual from 2009 and the Joint Directive on Operations and Finance Procedures for C&V from 2013 (Table 1).

Table 1: Country Offices Reporting Regular Use of C&V Guidance and Tools (%)

2009 – Accounting procedures	43
2009 – Cash and vouchers manual	73
2011 – Operations Management Department directive – cash and voucher programming	61
2012 – Cash for Change initiative – distribution models	61
2012 – Omega value cost effectiveness tool	31
2013 – Toolkit for logistics in cash and vouchers	27
2013 – Joint directive on operations and finance procedures for C&V	76
None of the above	4

Source: Evaluation survey

20. The policy envisioned only in part the significant changes that implementing C&V would make to the nature of WFP partnerships. Financial service providers and retailers play a critical role in delivering these transfers, and the role of cooperating partners is shifting from delivery of assistance to more limited involvement in registration and monitoring. The implications of these new partnership arrangements have not been fully considered in C&V guidance and tools to date.

Policy Results

21. The results of the policy were assessed for effectiveness and efficiency in achieving results.

⇒ Effectiveness

22. The effectiveness of WFP’s efforts to achieve the operational and institutional results envisioned by the policy was assessed based on: i) alignment with national priorities; ii) monitoring and measurement of results; iii) degree of achievement of intended outcomes; iv) implications for beneficiaries; v) adequacy of organizational capacity development; and vi) adequacy of partnerships.

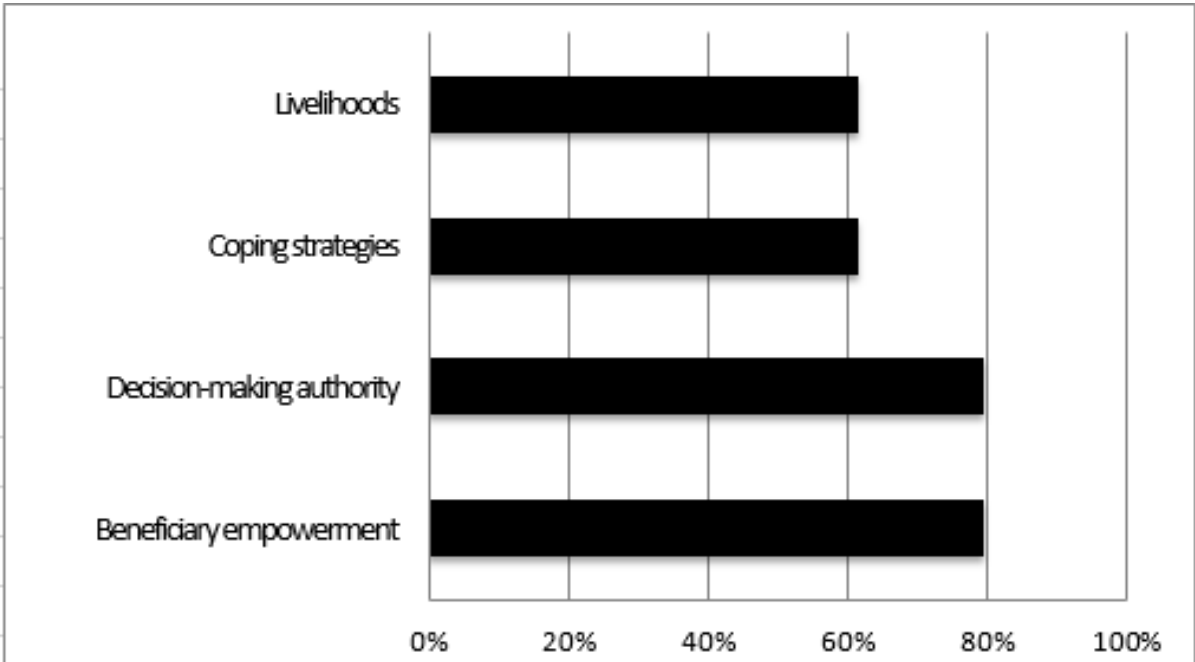
23. *Alignment with national priorities.* WFP involves governments in C&V projects and is broadly but passively aligned with national social protection systems. Case studies showed that WFP is generally aware of national social protection systems but has not often worked to ensure complementarity or integration, due to different objectives, targeting, transfer value and duration. There is little evidence of hand-over or sustainable capacity development due to the short-term design of WFP projects.

24. *Monitoring and measurement of results.* Country offices monitor and report on corporate outcomes, but the data is not disaggregated by transfer modality or activity. As many WFP projects combine a number of activities and/or modalities, it is not possible to isolate the results of C&V transfers from those produced by in-kind food transfers or other activities. Significant data is collected on C&V projects, but it is inconsistent and it is not utilized or analysed in any systematic way.

25. C&V gender and protection implications are not measured consistently, and positive implications cannot be proven based on the systems in place. Interviews and observations showed protection implications to be linked to project design and context rather than transfer modality. Gender implications are only monitored at a very basic level – for example, whether women receive or use a transfer – and no effective mechanisms for monitoring burdens, violence and social status were found.

26. *Achievement of intended outcomes.* To a large degree, C&V projects achieve outcomes included in the Strategic Results Framework, but the outcomes stated in the policy are not monitored because they have not been linked to the corporate monitoring system. The policy’s outcomes may in fact be unrealistic, as they are limited by project design issues such as limited transfer values, short project duration and lack of linkages to complementary assistance. Furthermore, the degree of conditionality applied by WFP, linked to its focus on food assistance, can limit gains in beneficiary livelihoods, choice and empowerment. Figure 5 shows country office responses regarding achievement of intended policy outcomes; yet because monitoring focuses on food security, there is a lack of evidence on achievement of the policy’s broader intended outcomes.

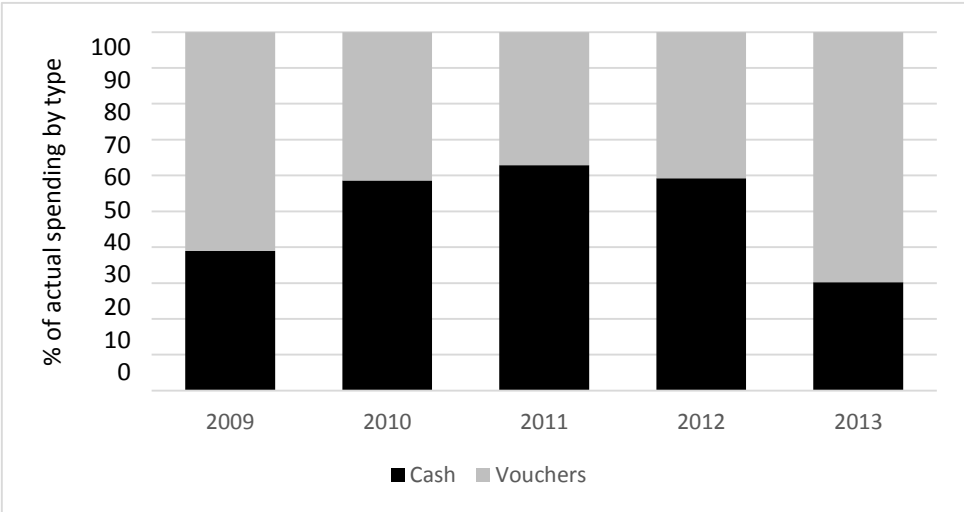
Figure 5: Reported achievement of foreseen policy outcomes (%)



Source: Evaluation survey

27. *Implications for beneficiaries.* C&V policy outcomes related to nutritional status and gender were found to depend more on elements of programme design – such as the diversity and nutritional value of the food basket and monitoring of women’s status in households – than on the use of C&V as opposed to in-kind food transfers. Other policy outcomes were found to depend more on the specific distribution model chosen and the related degree of conditionality. Empowerment of food-insecure people to make choices and prioritize their needs is less likely with conditional transfers than with unconditional cash, and indeed a recent series of International Food Policy Research Institute (IFPRI) impact evaluations found that beneficiaries were most satisfied with cash. However, many key informants noted a WFP leadership preference for the use of conditional vouchers, and Figure 6 suggests a recent decline in the use of cash compared with vouchers.

Figure 6: Transfer modality use by year



Source: WINGS

28. *Capacity development.* WFP has built significant internal process capacity but human resource capacities lag behind – especially skills in market and economic analysis, financial systems and information management. Formal training and competency development systems have not yet been provided, although a corporate C&V training platform is under development. Despite skill gaps, the evaluation found no systematic efforts to recruit external expertise for C&V, although some country offices have done so on an ad hoc basis.

29. *Partnerships with cooperating partners.* Partnerships with cooperating partners have been adapted successfully for the most part, but global corporate partnerships have not proven effective, and implementing arrangements with financial service providers and retailers/shops remain challenging for WFP. WFP staff frequently cited the global corporate partnership with MasterCard as ineffective due to a lack of clarity on the value proposition, roles, responsibilities and methods of engagement. A mid-2014 memorandum from the Executive Director seeks to address these issues by outlining rules of engagement for this partnership.

⇒ **Efficiency**

30. In alignment with the theory of change and policy directives/guidance, the evaluation assessed efficiency in terms of: i) business processes; ii) measurement of efficiency; iii) beneficiary transaction costs; iv) project flexibility; and v) timeliness.

31. *Business processes.* Business processes and guidance have had mixed effects on efficiency, with some bottlenecks that caused significant delays; however, with experience, country offices became more efficient in implementing C&V. Sixty-eight percent of country offices reported that projects involving C&V started later than planned due to a mix of process delays and funding constraints.

32. The processing of service-provider and partner agreements was found to cause significant delays in the current business processes; delays of up to six months were cited for getting contracts in place with financial service providers. This was attributed to capacity in Headquarters units that review and approve these agreements, as well as process design and guidance that has not kept pace with the rapid evolution of WFP C&V programming.

33. *Measurement of efficiency.* Cost efficiency and cost effectiveness have not been measured systematically for C&V, although the recent IFPRI impact evaluations show

that cash and vouchers are more cost efficient than in-kind food. The lack of systematic cost-efficiency and cost-effectiveness measurement undermines the credibility of the C&V business process concerning transfer modality selection, and places WFP at a disadvantage when analysing operational performance trends and making the case for donor support.

34. *Ex-post cost-efficiency measures* (Alpha value⁵) required of all WFP projects did not distinguish between transfer modalities until 2014. New procedures will distinguish between C&V versus in-kind, but will not isolate cash versus vouchers, despite their inherently different cost structures.

35. *An ex-ante cost-effectiveness measure* (Omega value⁶) has been designed within WFP to assess comparative modality costs in relation to nutrient value score. However, its complexity and reliance on a wide range of assumptions was critiqued by country office staff. Thirty-four percent of country offices stated they had no evidence of C&V ex-ante cost effectiveness and 40 percent cited no evidence or major gaps in ex-poste cost effectiveness in survey responses.

36. *Transaction costs for beneficiaries.* Transaction costs for beneficiaries have not been measured and analysed systematically, but anecdotal evidence suggests that C&V modalities do not inherently reduce these costs for beneficiaries. This is confirmed by the IFPRI evaluations. Beneficiaries may incur greater transaction costs, especially in terms of transportation costs, due to the need to travel to registration points, retailers or financial service providers. Thirty-seven percent of country offices surveyed stated they have collected little or no evidence of reduced transaction costs.

37. *Project flexibility.* Fifty-nine percent of country office survey respondents stated that the ability to use C&V transfers has improved the appropriateness and flexibility of their programmes. The policy envisions switching among modalities based on changing circumstances. However, evaluation case studies showed only one project that shifted modalities during a project cycle based on seasonal availability of food in markets. Country offices noted that switching modalities as circumstances change is difficult due to funding and planning constraints. Twenty-one percent of country offices stated that they never reassessed modality appropriateness during implementation.

38. *Timeliness.* The timeliness benefits of C&V were mixed, depending on context and business-process efficiency. Furthermore, interviews with key informants showed that it is not clear to many country offices whether advance funding mechanisms can be used for C&V as they can for in-kind assistance, which means they are missing opportunities to reduce delays. Recent efforts by Headquarters and a few regional bureaux to establish expedited emergency approvals and agreements have the potential to speed implementation.

Explanatory Factors

39. Factors affecting policy implementation and results were assessed through consideration of internal and external factors.

⁵ Alpha value: Measures cost efficiency by comparing local market price to in-kind cost of a particular commodity.

⁶ Omega value: Measures cost effectiveness of different food baskets delivered through different transfer modalities by assessing the full cost of delivering a specific nutrient value using a certain modality or combination of modalities and comparing it with other options.

⇒ **Internal factors**

40. Organizational capacity for implementation of C&V has improved, but the lack of authority of the Cash for Change Service to make decisions affecting other units and the absence of an effective oversight of the change process have hampered further improvements. While the unit has largely succeeded in producing C&V process guidance, it has not been in a position to resolve bottlenecks in the business process.

41. The lack of a competency-development platform, and variable methods of staffing C&V functions, may impede C&V implementation in the future. Current corporate approaches to learning and knowledge management allow for inconsistent methods, despite WFP's significant and growing experience in C&V.

42. Corporate leadership support for C&V has grown, and informal targets for shifting WFP towards greater use of C&V have motivated change. However, WFP's history and structure continue to challenge the change endeavour as the business processes were designed around existing department and functional structures – a fact that has contributed to buy-in, but has resulted in a perceived slowness of some units to adapt to increased demand, including for example: the new retailer assessment and selection role of the Logistics Division, the financial sector assessment and selection role of the Finance and Treasury Division, and the increased number of contracts to be reviewed by the Legal Office.

⇒ **External factors**

43. The external enabling environment for C&V has improved, and WFP has mobilized increasing resources for C&V activities. However, implementation is hindered by donors who oppose their use, funding constraints and lack of advance funding mechanisms for C&V. Increased enabling support for C&V has been accompanied by increased competition. WFP may be at a disadvantage in the future if it is not able to track C&V costs and effects precisely and demonstrate comparable cost effectiveness and efficiency.

44. Donor positions have played an important role in shaping WFP's approach and practice with C&V. Challenges in obtaining long-term predictable funding affect C&V projects, especially where long-term outcomes are sought. Divergent positions and attitudes among key donors regarding conditionality in relation to WFP's mandate to provide food assistance also pose challenges for country offices. A lack of solid evidence on outcomes and perceived drawbacks makes it more difficult for WFP to discuss these questions with donors.

Conclusions

45. The C&V policy identified significant positive effects of introducing C&V more broadly within WFP programmes and sought to increase WFP's flexibility to respond appropriately to context-specific needs. This evaluation has demonstrated that WFP's implementation of the policy has led to progress towards this broad goal.

46. The policy was effective in authorizing C&V use to better meet context-specific needs. However, systems for disseminating and communicating policy and guidance are not sufficient to fully support the change management needs envisioned by the policy. Primary needs for the future relate to focus on implementation capacity and tools rather than policy documents.

47. Measuring the linkages between inputs, activities, outputs and outcomes, and demonstrating cost efficiency by modality, are critical for WFP's competitiveness. Yet,

gaps in monitoring and financial systems currently limit WFP's ability to analyse and report on C&V effectiveness and cost efficiency. These limitations similarly constrain WFP's ability to measure the relative effectiveness of each modality in development, protracted relief and emergency contexts.

48. Some of the intended policy outcomes are unrealistic given WFP's project design and degree of conditionality, both of which are linked to its food assistance mandate. Short duration, low transfer value and more conditional transfers limit achievement of outcomes related to improved livelihoods, better coping strategies, increased decision-making authority, increased choice and beneficiary empowerment.

49. The changes envisioned by the policy were initially hampered by the lack of both an implementation plan and assigned cross-functional leadership, but the development of the Cash for Change Service in 2010 has improved implementation. While institutional process capacity has increased significantly, gaps in human resources and specific functional capacities remain. Traditional WFP partners have adapted to working with C&V, though new global corporate partnerships have not yet proven effective in supporting country offices with C&V implementation. WFP's implementing arrangements with financial service providers and retailers/shops continue to pose challenges that require more support from Headquarters, based on learning from various country experiences.

50. Significant investments in the development of tools and guidance, leadership support and overarching organizational change initiatives have supported the use of C&V. However, gaps remain, including: effective, high-level leadership of the complicated change management initiative for C&V alongside other major change initiatives, and resolution of problems and removal of bottlenecks in business processes.

51. Expected efficiency gains were partly achieved, in areas such as process efficiency, transaction costs for beneficiaries, project flexibility and timeliness. The lack of systematically collected data limited the analysis, but the survey and key informant interviews show that lack of clarity on the use of advance funding mechanisms and bottlenecks in the business process cause significant delays. Anecdotal evidence suggests that transaction costs for beneficiaries are not necessarily reduced. Flexibility in modality choice has of course increased, but only one project was found to actually shift between modalities depending on availability of food in markets. Timeliness improvements were mixed depending on context and business-process efficiency, but efforts to establish C&V emergency readiness may speed future implementation during crises.

52. Cost efficiency and cost effectiveness of WFP's use of C&V has not been measured effectively. WFP may be at a disadvantage in the future if it is not able to track cash or voucher costs and effects precisely, and to demonstrate cost effectiveness and cost efficiency.

53. The external enabling environment has improved, but conflicting donor positions on the use of C&V and conditionality pose significant challenges to WFP. The combination of differing levels and consequences of conditionality and absence of evidence on outcomes by modality carry implications for WFP's competitiveness in an external environment characterized by rapid innovation and use of unconditional transfers.

Recommendations

	Issue	Rationale	Recommendation	Actions and Timeframe	Proposed Responsibility
1	Policy	The evaluation concluded that updating the 2008 C&V policy itself is not in WFP's best interests. Risks in updating the policy include a distraction from focus on capacity development and implementation, when directives and guidance can meet needs. The outcome of a policy update is uncertain given differences in viewpoints on conditionality and WFP's mandate. A new policy that could remain equally ambiguous would not address the weaknesses in the current policy.	Do not update the 2008 C&V policy at this time.		Executive Board and Office of the Executive Director (OED)
2	Guidance and communication	WFP staff appreciate and use key C&V directives, guidance and tools, but cite the need for more timely updates and better tools to help them design and implement C&V interventions.	Continue to invest in the C&V policy framework – directives, guidance and tools – with emphasis on communicating practical implementation guidance that clarifies expected outcomes, indicators and benchmarks. This frames C&V within the shift to food assistance, and continuously builds on internal and external lessons learned.	<p>Urgently complete and release the update to the 2009 C&V manual – immediate.</p> <p>Clarify the expected corporate C&V results framework and outcomes – 1 year.</p> <p>Systematically disseminate C&V policy and guidance – 3-4 months.</p> <p>Disseminate clear summary of relevant policy/procedures to partners – 6–8 months.</p> <p>Add financial service provider and retailer negotiation guidance to the C&V manual and trainings – 6–8 months.</p> <p>Ensure more active sharing and participation in community of practice – 6 months to 1 year.</p>	Policy, Programme and Innovation Division (OSZ), Procurement Division (OSP) and Finance and Treasury Division (RMF)

	Issue	Rationale	Recommendation	Actions and Timeframe	Proposed Responsibility
3	Mainstream C&V in WFP policy and business processes	C&V increasingly represent viable modalities in WFP operations: choosing activities and modalities should always require the same type and level of analysis, even in situations where in-kind food assistance has been the default response.	Update other sectoral and thematic policies to incorporate C&V lessons and reframe business processes to equalize requirements for all modalities.	<p>Integrate C&V lessons into other policies – as policies are revised.</p> <p>Clarify meaning of change to “food assistance” and disseminate to staff – 1–2 years.</p> <p>Reframe C&V business processes as “food assistance modality” processes, requiring the same rigorous analysis as for in-kind food assistance – 6 months to 1 year.</p> <p>Compile lessons on shifting between modalities; adjust process and guidance to support this option – 1–2 years.</p>	OED, OSZ and Logistics Division (OSL)
4	Leadership and change management	Cross-divisional and cross-unit collaboration requires dedicated leadership with the responsibility and authority to lead change processes, monitor progress and resolve bottlenecks stemming from issues related to capacity, resources or institutional culture.	Identify and empower clear change and matrix management leadership for C&V in order to plan and monitor capacity development, resolve bottlenecks and prioritize change processes.	<p>Assign responsibilities and accountability at Headquarters, regional bureau and country office levels to lead C&V change processes and matrix management structures – immediate.</p> <p>Establish timeliness, standards and processes for monitoring and resolving bottlenecks – 3–6 months.</p> <p>Ensure better management of policy coherence and change prioritization – 6 months to 1 year.</p>	OED and OSZ
5	Capacity development	Furthering the growth and quality of WFP’s use of C&V modalities requires dedicated investments to ensure that it has adequate skills, knowledge and resources.	Invest in strategic institutional and personnel capacity development to sustain and increase gains in C&V capabilities.	<p>Develop and disseminate an action plan for key C&V capacity development actions required over the next 1–2 years – immediate.</p> <p>Invest in human resources competency development and recruitment to ensure needed skills and experience are available – immediate and ongoing.</p> <p>Allocate adequate budgetary resources and develop capacity of functional units based on finalized C&V roles and</p>	OSZ, Human Resources Division (HRM), DED/COO and OED

	Issue	Rationale	Recommendation	Actions and Timeframe	Proposed Responsibility
				<p>requirements – 6 months to 1 year); Adjust organization structures to match strategy at Headquarters and country offices to better reflect future food assistance approaches – 1–2 years. Adjust funding, skills and approach to support national capacity development and social protection, if deemed feasible for WFP – 2–3 years.</p>	
6	Funding mechanisms	WFP’s emergency response capabilities have long been strengthened by advance funding mechanisms for in-kind food assistance. As C&V become increasingly viable modalities for emergency response, similar advance funding mechanisms can ensure WFP remains timely and effective in meeting the needs of emergency-affected populations.	Establish an advance funding mechanism for C&V operations – or clarify the eligibility of C&V projects to access current mechanisms – to enable rapid response and bridge gaps in funding to prevent interruption of critical assistance.	<p>Develop a concept note outlining the scope and parameters of a C&V advance funding mechanism – 6 months to 1 year. Identify donors willing to contribute to a revolving fund for C&V emergency response – 1–2 years. Develop and disseminate procedures and guidance governing use of the fund and ways country offices can access it – 1–2 years.</p>	Resource Management and Accountability Department (RM)
7	Measurement	Systematic monitoring of C&V performance and learning from experience requires a more robust WFP-wide accountability framework to enable continuous improvement over time. WFP may be at a disadvantage in the future if it is not able to precisely track C&V costs and effects and demonstrate cost effectiveness and cost efficiency.	Develop robust monitoring and evaluation and financial accounting platforms to systematically track C&V-specific costs, inputs, outputs, outcomes and implications within a framework that facilitates comparison among all modalities over time, across countries and across project/activity types.	<p>Develop required indicators, analysis, reporting and evaluation – 1 year. Build evidence to clarify and strengthen position regarding conditionality in relation to food assistance mandate – immediate start, then continuous. Develop country-level partnerships with academic and research institutions to augment capacity for monitoring and evaluation as well as market analysis – 1 year to ongoing. Determine ways to systematically measure the comparative effects of different modalities on gender and protection dynamics – 1 year to</p>	Performance Management and Monitoring Division (RMP) and OSZ

	Issue	Rationale	Recommendation	Actions and Timeframe	Proposed Responsibility
				<p>ongoing.</p> <p>Systematically measure transaction costs and adjust project design to offset costs – 6 months to ongoing.</p> <p>Separate financial tracking of cash versus vouchers and require ex-post analysis of cost effectiveness and cost efficiency – 6 months to 1 year.</p>	
8	Tools and approach	As use of WFP's C&V modality grows in terms of projects and numbers of people reached, more advanced tools and systems are required to support effective and efficient implementation of projects.	Further develop WFP's critical C&V tools and supporting systems to better enable effective and efficient project implementation.	<p>Develop strategy, guidance and capacity for establishing financial service provider and shop arrangements – 6 months to 1 year.</p> <p>Invest in knowledge and data management systems, including System for Cash Operations (SCOpe) roll-out – immediate start, then continuous.</p> <p>Complete development of emergency standard operating procedures and pre-agreements in high-risk countries – 1-2 years.</p>	OSP, OSZ, Information Technology Division, Emergency Preparedness Division (OME), OSL and RMF
9	Partnerships	WFP depends on its network of partners to deliver food assistance effectively, but it needs to better engage traditional and new partners and determine the best complementary approaches to achieve significant impact, potentially including a role for WFP as a service provider to others.	Enhance current partnership approaches and develop new partnerships to support WFP's implementation of the 2008 C&V policy.	<p>Reassess cooperating partner selection criteria related to C&V projects and encourage openness to non-traditional partners – 1 year to ongoing.</p> <p>Identify ways to better include cooperating partners and other partners in project design stage – 1 year to ongoing.</p> <p>Closely monitor WFP's new experiences in countries where it is providing a C&V platform to other actors, and develop a clear corporate strategy and plans to guide service-provider roles and agreements –1–2 years.</p> <p>Review the relative value proposition for</p>	OSZ, Private Sector Partnerships Division and NGO Partnerships Office

Issue	Rationale	Recommendation	Actions and Timeframe	Proposed Responsibility
			<p>current and prospective corporate sector partnerships – 1 year.</p> <p>Work with cooperating partners to better design projects to address gender and protection concerns, with monitoring and adjustment mechanisms – 6 months and then ongoing.</p>	

1. Introduction

1.1. Evaluation Features

1. **Rationale:** WFP's Executive Board approved the "Vouchers and Cash Transfers as Food Assistance Instruments: Opportunities and Challenges" policy in October 2008. Since then, WFP's use of cash and vouchers (C&V) has expanded considerably. In accordance with WFP requirements to evaluate policies within four to six years of their approval, this evaluation commissioned by WFP's Office of Evaluation (OEV), provides evidence-based assessment of the policy's quality, intended and unintended results over the period 2008-2014⁷. Interest in the evaluation was high and key stakeholders confirmed its relevance and appropriate timing.

2. **Objectives:** As per the Terms of Reference (TOR) (see Annex 1), the evaluation served the dual objectives of accountability and learning:

- a. Assess and report on the quality and results of the 2008 Cash and Voucher Policy, associated arrangements and activities to implement the policy (accountability); and
- b. Determine the reasons why certain changes did or did not occur, to develop lessons that will guide revisions or updates to the policy and its implementation (learning).

3. **Scope:** The evaluation focuses on WFP activities related to cash and vouchers from 2008-2014. The development of C&V normative guidance and tools and their use in implementing projects at field level are covered. Since the 2008 C&V Policy represents a milestone in WFP's use of C&V and the broader shift from food aid to food assistance. The evaluation sought evidence regarding the degree of changes that have taken place since its adoption, and what is needed to further this change process in the future.

4. **Intended users:** The primary intended users of the evaluation are WFP's Executive Board; Headquarters (HQ) and Regional Bureaus (RB) senior management; the Policy, Programme and Innovation (PPI) division including the Cash for Change (CfC) unit; the CfC steering committee and stakeholder group comprised of members from WFP units involved in cash and voucher implementation; and WFP Country Offices (CO).

5. **Methodology:** The methodology for the evaluation is rooted in the objectives, criteria and sub-questions outlined in the ToR developed by the WFP Office of Evaluation (OEV). The following overview of the methodology is further detailed in the evaluation matrix (Annex 2) and methodology description (Annex 3).

6. The evaluation was conducted between April and September 2014. The inception phase of the evaluation included refinement of the sub-questions, development of a theory of change, an analysis of data availability and selection of the countries for case study. Data collection took place at both global and country levels, including four case study countries that were visited by two members of the evaluation team each for one week and four remote case studies which were conducted through desk review and phone interviews. Selection of these cases was completed in partnership with OEV to maximize their diversity and relevance, including a range of

⁷Quantitative information covers the period 2008-13

emergency to development contexts and different C&V distribution models (immediate cash, cash accounts, paper vouchers, electronic vouchers) within the parameters of the schedules of COs (see Annex 3).

7. The data collected was maintained within the ethical parameters of anonymity and confidentiality. The evaluation team used a variety of data collection tools and approaches to maximize usefulness and facilitate triangulation, including key respondent interviews, focus groups, online surveys, desk research and review.

Table 1: Case study key informants⁸

Case / CO	RB	Form	KIs
Burkina Faso	OMD	Visit	22
Ecuador	OMP	Desk	4
Ethiopia	OMN	Desk	2
Lebanon	OMC	Visit	33
Niger	OMD	Desk	3
Pakistan	OMB	Visit	42
Sri Lanka	OMB	Desk	18
Zimbabwe	OMJ	Visit	37

Table 2: CO survey response rates

RB	COs	Response	Rate
OMB	13	13	100%
OMC	15	14	93%
OMD	18	14	78%
OMN	8	7	88%
OMJ	10	10	100%
OMP	11	11	100%
Total	75	69	92%

Source: Evaluation survey

8. The evaluation focused on 3 key questions and 19 sub-questions related to WFP’s 2008 C&V Policy. The 3 key questions were:

- a. What was the quality of the policy?
- b. What were the intended and unintended results of the policy?
- c. What were the factors affecting implementation and results of the policy?

9. Questions were further operationalized into 32 indicators to guide the data collection. (see Evaluation Matrix – Annex 2) Notes from interviews and focus groups were consolidated into data workbooks at the sub-question level and cross-checked by other team members to ensure both the rigor of the process and the reliability of the data. Quantitative survey data was analyzed by two team members and the qualitative survey data by three members to maximize analysis validity.

10. After the initial data review, the evaluation team conducted a four day internal analysis meeting to triangulate qualitative and quantitative findings, conduct cross-case analysis, and identify high-level themes, culminating in a draft of descriptive finding statements and justifications for each sub-question. These draft findings were presented to key stakeholders during a consultation meeting at WFP HQ in Rome on July 28, the feedback from which provided important clarification.

11. Limitations: Specific parameters related to scope, timing, resources and data availability unavoidably create limitations. While the evaluation team does not consider any of the limitations to pose serious threats to the overall validity of the findings, the evaluation should be understood within the context of the following:

⁸OMB – Regional Bureau Bangkok, OMC – Regional Bureau Cairo, OMD – Regional Bureau Dakar, OMJ – Regional Bureau Johannesburg, OMN – Regional Bureau Nairobi, OMP – Regional Bureau Panama City

- a. Time and scope: A timeline of 4 months was allotted for the inception, data collection and analysis phases. The evaluation covered a global scope over a 5-year period. Time constraints for scheduling and scope impacted case selection, involvement of some potential key informants and depth of data collected regarding specific C&V projects. As such, the results of the evaluation provide strong evidence of performance and influencing factors – not conclusive statements of causal impact.
- b. Case selection: Country case studies were purposely selected to maximize diversity and relevance but the web-based survey was sent to all COs. While this sampling approach was appropriate for this evaluation, it was not designed to test for statistical significance.
- c. Data limitations: The lack of a centralized, comprehensive and authoritative database for WFP C&V projects limited the ability to exactly determine trends linked to C&V modalities. The aggregation of C&V inputs with in-kind inputs in project documents, reporting systems and financial records does not allow for causal analysis between modality and outcomes. Variation in monitoring and record keeping between countries and a lack of globally consolidated C&V specific data further limited comparisons.
- d. Unknowns: While the evaluation team recommended key informants, interviews were mostly scheduled by WFP offices and one week country visits precluded seeking out less obvious informants and limited opportunities for field observation for deeper confirmation.
- e. Recollection: The elapsed time between policy activities and projects early in the time period of focus (2008-2013) limited the feedback from some key informants on early stages of the change process.
- f. Candor: Interviews for remote desk studies were conducted by phone, rather than in person, which may have limited candor or detail in some of the information provided for these case studies.

1.2. Context

1.2.1 External trends

12. The last two decades have seen an increase in the use of cash and voucher transfers in programming (often referred to by the community of practice as cash transfer programming) as a means to provide assistance and support to those affected by conflict and disaster – both natural and man-made. There has also been a substantial increase in the use of social protection programs by governments to address chronic, cyclical and seasonal poverty. As such, C&V use has become increasingly relevant to the full range of WFP project types including emergency operations (EMOP), protracted relief and recovery operations (PRRO), development (DEV), and country portfolios (CP).

13. C&V transfers used in programming include a range of intervention types, and different organizations use different terms to describe these approaches. The following types of intervention are generally considered to be the main ones focused upon by humanitarian agencies:

- a. Unconditional cash grants/transfers
- b. Conditional cash grants/transfers (including cash for work or assets)

- c. Voucher transfers
14. Sometimes, combinations of the above transfer/program types are implemented and in conjunction with in-kind support. There is less universal agreement on other forms of assistance which may be considered to fall under C&V:
- a. Insurance schemes
 - b. Micro-finance/credit (provision of loans which require repayment)
 - c. Monetization of food aid (agencies sell food aid and utilize the funds raised for development work)
15. There is a wealth of literature and a growing body of analysis on the importance of C&V for food security and broader multi-sector humanitarian interventions, and increasingly on the important, or potentially important, role that C&V has when implemented as part of, or in conjunction with, a national social protection or safety net system. The effects of using C&V in emergency responses are considered important and an area that needs further research investment.
16. It is more and more accepted within the humanitarian sector that C&V are appropriate in response to both conflict/complex emergencies and natural disasters – sudden onset, slow onset and chronic crises.⁹ Over the years, a number of potential advantages and disadvantages of C&V have been highlighted that agencies continuously aim to verify (e.g. the advantage of choice that cash provides for beneficiaries and the potential disadvantage of inflationary risk from injecting cash into a market).
17. Much debate about the appropriateness, efficiency and effectiveness of C&V has focused upon discussions on cash versus material assistance (particularly food aid), in part because food aid remains the principal response in humanitarian emergencies. However, there is an increasing acknowledgement of the possible complementarity between food and cash assistance¹⁰.
18. Perceived drawbacks of cash transfer programming include (a) security risks when delivering cash (to deliverer and recipient); (b) potential to negatively influence gender relations within recipient households; (c) lack of organizational skills, systems and capacity to effectively implement cash transfer programs; (d) negative reactions from relevant authorities; (e) potential inflationary risks; (f) inappropriate/anti-social use of cash by recipients (e.g. on weapons; drugs; alcohol etc.); (g) targeting difficulties as the assumption/perception is that everyone will be interested in receiving cash; (h) possible seizure of cash by community leaders, elites and militia; (i) the ease of cash being "lost" or misappropriated; and (j) cash programs may not be in line with government led social welfare schemes. Yet, there is a growing understanding that many of the perceived drawbacks of cash-based programs may equally be leveled at in-kind donations. The C&V community is striving to find suitable ways to measure the overall value for money, effectiveness and efficiency of cash and/or vouchers as opposed to food or other in-kind sectoral interventions.
19. After the Indian Ocean tsunami in 2005, the Cash Learning Partnership (CaLP) was created, driven by the will to gather lessons learnt from the tsunami emergency

⁹ As highlighted for example in "Cash and vouchers in emergencies" – HPG Discussion Paper (February 2005)

¹⁰Hoddinott et al. (2004)

response.¹¹ A 2011 study published by CaLP¹² highlighted the key blockages to achieving scale as (i) the lack of documented policies and strategies for humanitarian agencies and donors in terms of direction or formal institutional support for C&V; (ii) the absence of a rapid market assessment tool and of pre-disaster large scale market data which could be used as a baseline; (iii) the lack of systematic processes for contingency planning particularly with a focus on scaling up C&V; and (iv) inefficient coordination processes whether inter-agency, internal, or between implementing agencies and other stakeholders (such as donors and host governments). CaLP and a number of implementing agencies (including WFP) have taken steps to address these issues but as with all institutional and cross-institutional change, this takes time.

20. Over the last few years, changes in technology have delivered new opportunities for governments and humanitarian agencies to transfer cash safely, accountably and at scale. Previously unbanked people, sometimes in remote areas, have benefited from advances in mobile money transfers and the use of point of sale (POS) technology to receive entitlements that offer choice as a consumer and reduce perceived indignities inherent in the mass transfer of goods in-kind. The interface between electronic transfers and an organization's own systems poses challenges that extend into the realm of beneficiary identification and data protection and privacy. In response to the advances in cash transfer technology, the United States Agency for International Development (USAID) – in conjunction with various governments, humanitarian and development actors (including WFP), financial service providers and other donors – spearheaded the formation of the Better than Cash Alliance which “provides expertise in the transition to digital payments to achieve the goals of empowering people and growing emerging economies.”¹³

21. With the increased use of C&V, by WFP and by a large number of other organizations since 2008, there is a large amount of research, analysis and evidence around C&V programming. CaLP recently identified a number of gaps in relation to C&V research; those of main relevance to WFP being: (i) a cost efficiency and effectiveness comparison; (ii) multi-sector cash programming; (iii) links between social protection systems and emergency C&V; and (iv) cash in refugee contexts.¹⁴ Although WFP has already undertaken some work in these areas (i.e. the evaluations undertaken with the International Food Policy Research Institute (IFPRI) looking at cost-efficiency and impact), additional information remains to be gleaned from the work of CaLP and other organizations as well as from WFP's own experience which needs to be captured in order to inform future C&V policy and programming.

22. The ability for humanitarian organizations to more easily consider C&V as an alternative or complement to food transfers was bolstered by the 2012 change when Food Aid Convention rebranded to the Food Assistance Convention (FAC). The changes included the statement that “Eligible Activities for the fulfillment of a Party's minimum annual commitment [...] shall include at least the following activities: (a) the provision and distribution of Eligible Products; (b) the provision of cash and vouchers; and (c) nutritional interventions.”¹⁵ The new text also emphasizes that donors

¹¹ Today CaLP is composed of five steering committee member organizations – the Norwegian Refugee Council, Oxfam, Save the Children, the British Red Cross and Action Against Hunger/ACF who support CaLP in capacity building, research and information sharing to promote cash transfer programming as an effective tool to deliver aid in times of crisis.

¹² Austin, L and Frize, J – “Ready or Not? Emergency Cash Transfers at Scale”

¹³ <http://betterthancash.org>

¹⁴ “Research Gaps in Cash Transfer Programming” (Austin, L/CaLP – 2014)

¹⁵ United Nations (2012), Food Assistance Convention, Article 4(5)

should “increasingly provide untied cash-based food assistance”¹⁶ in a way that does not “adversely affect local production, market conditions.”¹⁷ Part of the relevance of this for WFP has been the real and potential increase of cash contributions. In addition, a number of major donors are increasingly interested in supporting C&V with key players: The European Commission Humanitarian Aid and Civil Protection Department (ECHO), United Kingdom Department for International Development (DfID) and Swiss Agency for Development Cooperation (SDC) are investing in C&V in different ways (from financing through to research).

1.2.2 Internal trends

23. **Internal debate about the use of cash:** For more than a decade, WFP has implemented C&V interventions in a variety of contexts and at different scales. In a 2001 evaluation of the Somalia Protracted Relief and Recovery Operation (PRRO) noted that it was expensive to deliver food aid in Somalia, and identified the need to justify modality choice, since it would likely be more cost efficient to give people money instead. Further evaluations of WFP programming in various contexts since then (e.g. Afghanistan, Rwanda, Southern Africa, Indonesia and Tajikistan) have also noted the potential value and actual appropriateness of implementing cash based interventions. 18 OEV evaluations undertaken between 2001-2009 make mention of the “cash” debate. In 2006 in Ethiopia, WFP held a technical meeting on cash in emergencies and transition; seven country case studies were presented. It was concluded that cash might be appropriate in the first 1-13 months post emergency – although more research was required to support this. In 2007 WFP published a directive providing interim procedures for developing and approving cash or voucher pilot projects (up to US\$3 million in value) which initiated the increased requirements (beyond in-kind food assistance project design) for assessment and analysis, monitoring and evaluation (M&E), and approvals of C&V projects.

24. **Development of the policy:** The 2008 Cash and Vouchers Policy built on the framework of the 2007 directive, though it did not adjust the piloting limitations. It was approved on the basis of WFP’s growing experience in a broad range of operational environments. The policy outlines a number of opportunities, challenges and comparative advantages regarding the use of C&V and highlights the potential programming, capacity building and partnership implications. The policy did not set forth a clear action plan or strategy for its implementation, though it was broadly supported in the WFP’s 2008-13 and the 2014-2017 Strategic Plans, which outline the framework for a shift from food aid to food assistance.

25. WFP has taken a number of actions in order to support the 2008 Cash and Vouchers policy, including: the development of a C&V manual in 2009 (currently in the process of being updated); the creation of specific market analysis guidance; the establishment of the Cash for Change (CfC) initiative whereby a HQ team provides support and advice to WFP regional bureaux and CO on C&V programming in terms of training, quality control of project proposals and surge capacity. Other institutional actions have also supported implementation of the policy: 2011 Operations Department Directive on C&V based operations clarifying the requirements for the C&V project submission approval process; 2011 C&V technology review; the creation of the Omega value tool for comparing cost efficiency, nutrition outcomes and expected spill-over effects of food or C&V programs; the 2012 creation of the

¹⁶ United Nations (2012), Food Assistance Convention, Article 2(b)(iv)

¹⁷ United Nations (2012), Food Assistance Convention, Article 2(a)(v)

distribution models; and the 2013 launch of the System for Cash Operations (SCOpe).¹⁸ Today, each RB and a number of COs have a C&V focal point to help support the policy's vision.

26. **Increased coordination and use of C&V:** WFP's interaction with CaLP has increased over the years, more recently focusing on the delivery of operational and institutionalization updates. Attendance at joint CaLP/WFP technical meetings has provided important opportunities for sharing and learning. At the end of 2013 there was a partnership meeting between CaLP and WFP that considered plans for further coordination and collaboration, although the steps taken to move forward following this meeting are not clear.

27. The overall trend towards the use of C&V is clear. Since 2008 the number of WFP projects using C&V modalities have grown significantly reaching a total actual expenditure of approximately US\$507 million implemented in 52 countries in 2013.

1.2.3 Definitions and Application Approaches

28. Whilst a number of humanitarian agencies have been implementing programs using C&V transfers for years, not all programming to date has been based on institutional policy.

29. Many organizations have focused on piloting, implementation, and more recently drafting operational and support service guidelines to ensure the smooth running of C&V transfers prior to developing institutionally accepted strategies or policies. A number of organizations do not plan to have specific C&V policies, choosing not to create policies for a single tool or modality, but instead incorporating references to C&V in other relevant strategies or policies. WFP also started by piloting and small scale projects using C&V transfers, but the formulation of a policy prior to investing in the creation of detailed guidelines and procedures sets it apart from other operational agencies including other United Nations (UN) bodies such as the Office of the United Nations High Commissioner for Refugees (UNHCR).

30. The most notable difference between WFP's and other organizations' definitions is the strict emphasis on linking C&V to food assistance, and the implied but deemphasized focus on conditionality. Other organizations actively engaged in C&V transfers have mandates that go beyond food assistance, and as a result their definitions often speak to broader livelihoods and purchasing power objectives. The emphasis on conditionality in other organizations' guidance appears to relate more to the types of outcomes that can be achieved with varying degrees of conditionality, and the significantly different level of monitoring and programming effort required for more conditional transfer programs.

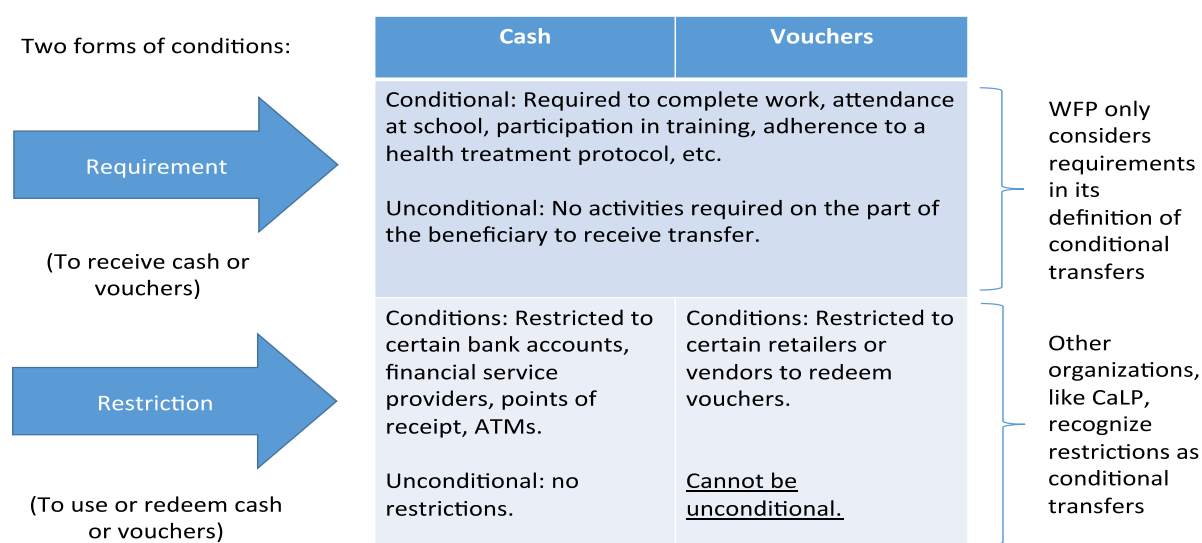
31. As illustrated by Figure 1, definitions on conditionality differ within the community of practice. ECHO defines conditionality only in terms of requirements, not restrictions in its current C&V policy¹⁹. Alternatively CaLP defines conditionality in two main types – qualifying conditions (requirements) and use conditions (restrictions).²⁰

¹⁸ Other complementary actions include the production of a financial procedure "Accounting Procedures on the Use of Cash Transfers to Beneficiaries in WFP Operations" (July 2008) revised in 2009 and superseded in September 2013 by the Joint Directive OS/2013/003; and the Joint Directive on Operations and Finance Procedures for the use of Cash and Voucher Transfers to Beneficiaries (September 2013).

¹⁹DG ECHO "Thematic Policy Document No 3, Cash and Vouchers – Increasing efficiency and effectiveness across all sectors", December 2013.

²⁰The Cash Learning Partnership (CaLP), "Glossary of Cash Transfer and Voucher Terminology", April 2011.

Figure 1: Forms of conditionality



32. Qualifying conditions require that recipients of a transfer also do something to receive the transfer (e.g. work, attend school, participate in training, adhere to a health treatment protocol). Use conditions restrict how a transfer can be collected, where it can be redeemed or what it can be redeemed to purchase. Unconditional cash transfers (UCT) by contrast are generally defined as transfers without restrictions or requirements (beyond basic vulnerability and eligibility criteria used for targeting); whereas vouchers are inherently restricted to particular vendors but are often restricted further by specifying goods that may be purchased.

Figure 2: Pros and cons of types and degrees of conditionality

		Degree of conditionality	
		None	High
Qualifying	Pro:	Inclusive of entire community, faster to implement	Highly targeted and/or leveraging work for other objectives (i.e. disaster risk reduction (DRR))
	Con:	Only general geographic control of targeting	Higher cost/time to manage, risks with equity and inclusion and program focus
Use	Pro:	Enable recipients to meet most pressing needs, dignity of choice, greater marketplace benefits	Ensure transfer is used as program intends, target specific outcomes
	Con:	Higher perceived risk of misuse, less opportunity to target specific outcomes	Diminished benefits of marketplace and empowerment

33. There are some specific terminologies used by WFP such as “cash for assets” (with the focus on qualifying conditions e.g. participating in community asset development work), which other organizations include under the broader banner of conditional cash transfers. WFP’s policy framework also distinguishes between C&V

whereas some organizations use “cash” as a generic term for market based transfers, as though they were interchangeable despite the implicit conditionality of vouchers.

34. WFP focuses upon four distribution models for C&V: cash account, immediate cash, paper voucher and electronic voucher. Although the terminology applied across agencies may differ, these are the same models/approaches adopted by most operating agencies. They encompass all types of cash transfer programs but offer WFP CO clarity on internal administrative/accounting processes.

35. Like other United Nations agencies, WFP holds the responsibility for offering coverage to all of the most vulnerable people, but unlike the others, the organizational mandate has a singular sectorial focus. In order to meet identified needs it is imperative to provide food assistance at an appropriate scale in terms of the number of beneficiaries and geographic coverage.

36. How to achieve scale with C&V has been a growing topic of discussion within WFP and other organizations, although there is no agreed definition of what is meant by “scale.” Though it is beyond the scope of this evaluation to determine WFP’s definition of scale, in this evaluation the design of a project is said to have reached *scale* if it is able to reach a high percentage of beneficiaries across a geographic region that are identified in need of assistance.

37. A detailed glossary of terms found in a selection of C&V guidance for major humanitarian organizations is provided in Annex 4.

1.3. WFP’s 2008 Cash and Voucher Policy and Its Implementation

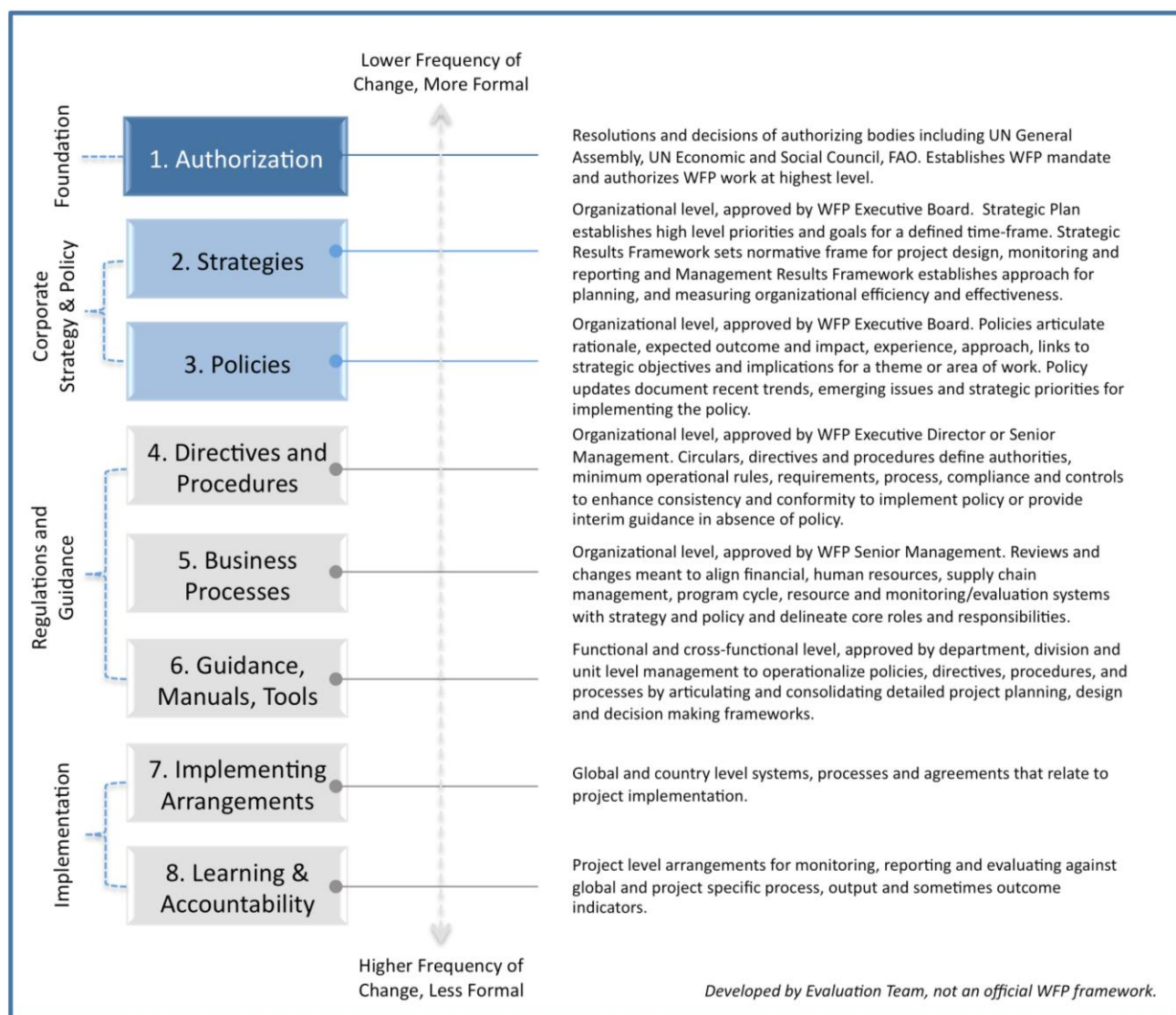
38. The 2008 C&V Policy was the first full policy on the subject within WFP. For 16 months prior to its adoption, a 2007 Operations Department and Policy and External Affairs Joint Directive provided interim guidance for COs wishing to initiate cash transfer pilot projects. Prior to this directive, the only guidance on C&V modalities within WFP was informal papers and policy research.

39. Within WFP, policies along with the Strategic Plan, serve a high-level normative role in shaping the direction and operational activities of the organization. These normative documents are, however, part of a larger “policy ecosystem” or policy framework that provides direction and guidance to operating units. This system can be viewed as a hierarchy based on the level of formal standing serving functions including foundational, normative, regulations and guidance, and implementation as illustrated in **Figure 3**. As this evaluation examined the quality and results of the policy, and the associated activities and operations to implement the policy, it is important to understand the various dimensions of the full system. The evaluation team developed the following hierarchy of this system as a tool for the evaluation.

1.3.1 Content of the Policy

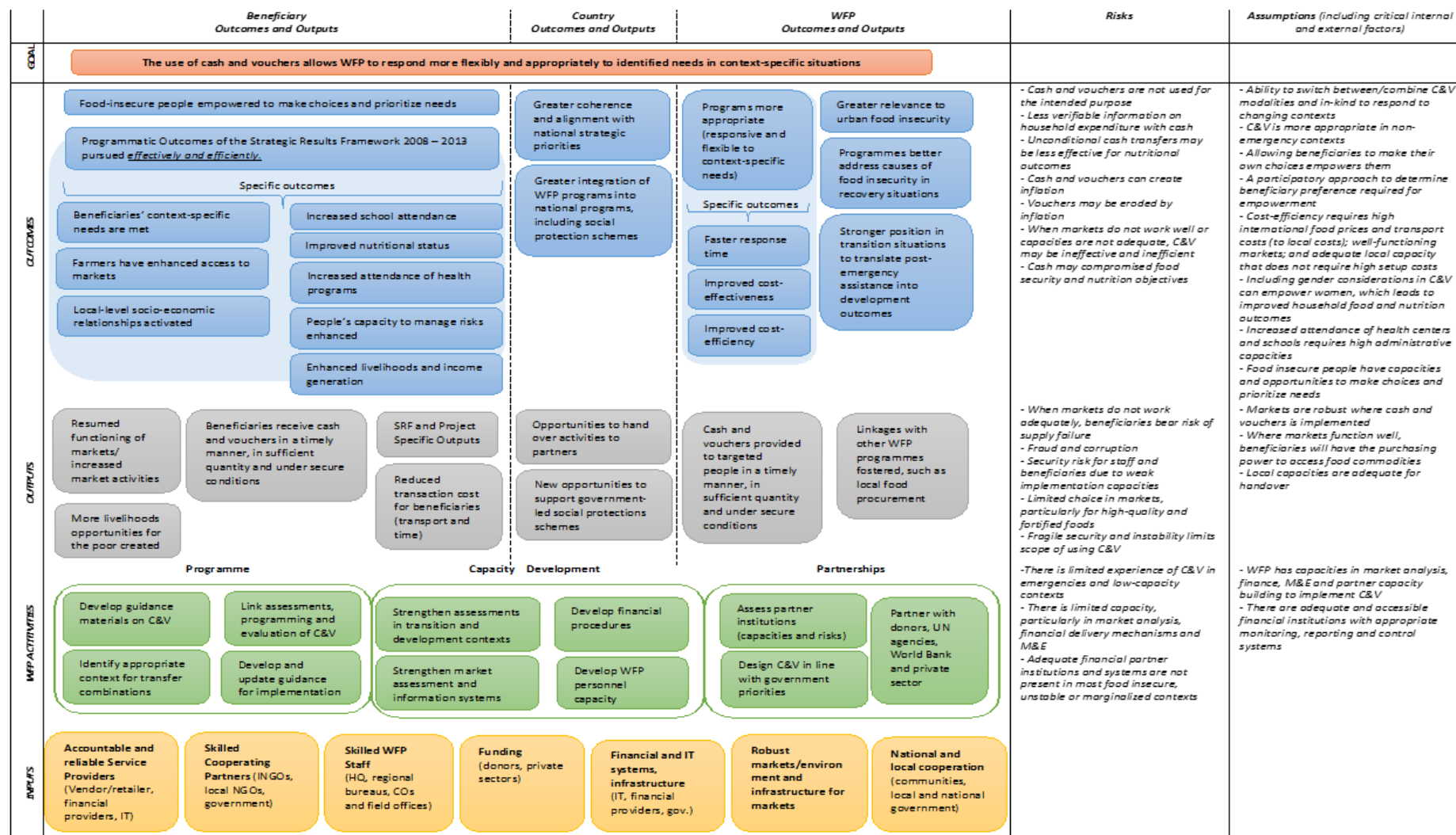
40. The 2008 C&V Policy outlines the rationale for introducing C&V as instruments or modalities for WFP use. It links the use of these modalities to the provision of food assistance, in line with WFP’s mandate and the 2008-2011 Strategic Plan.

Figure 3: WFP policy hierarchy



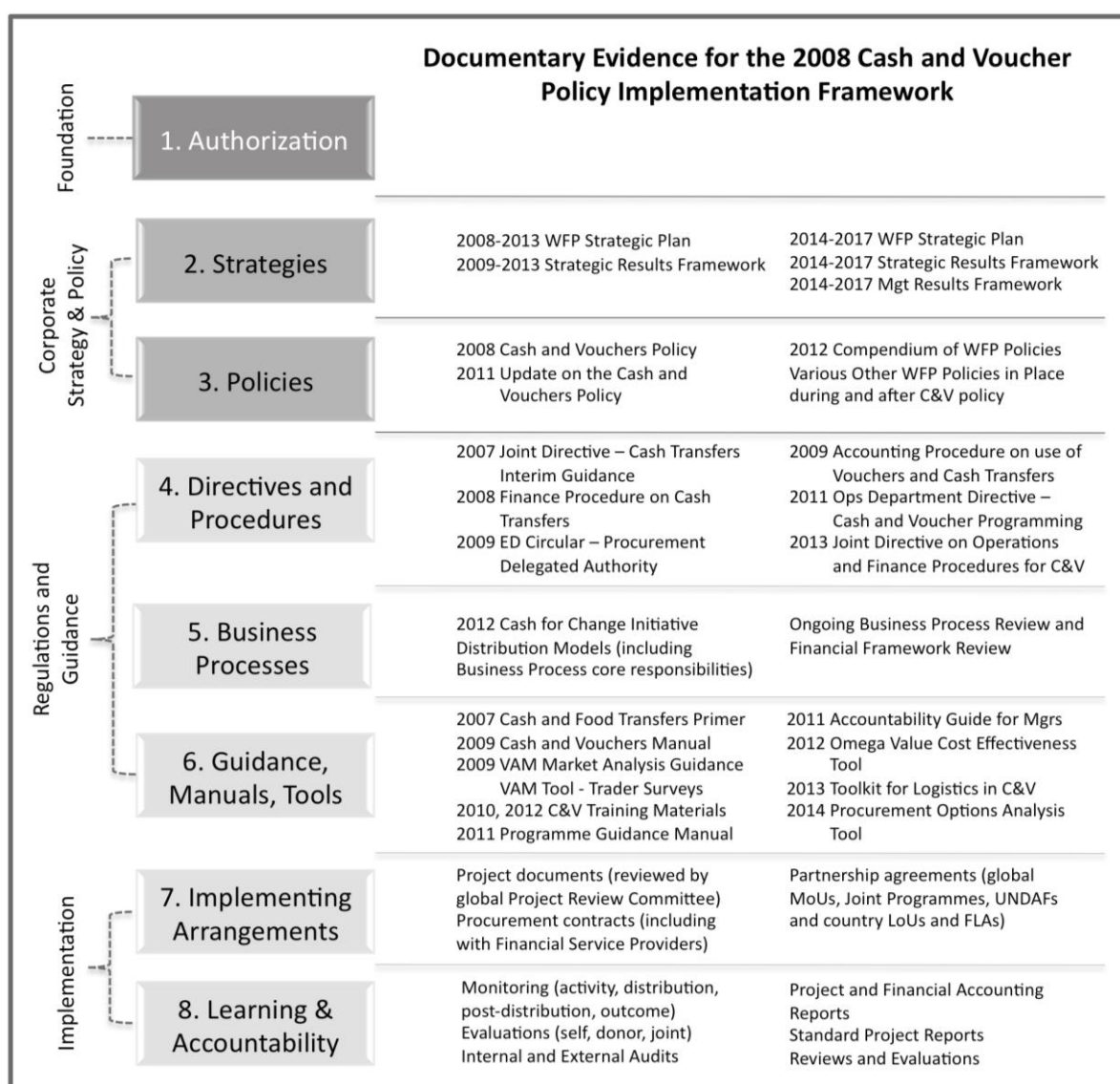
41. The 2008 C&V Policy foresees outcomes and impacts at the level of beneficiaries, countries and WFP as an organization. Trends that favor C&V consideration are identified including: better functioning markets, more integrated food systems, increasing pace of urbanization, more diffused financial systems in rural areas and high international food prices. It presents lessons from pilot projects and highlights opportunities, limitations and comparative advantages before outlining an approach for WFP to introduce and regulate the use of C&V transfers. No formal theory of change however, was found in the policy or WFP. The evaluation team developed a Theory of Change, illustrated in Figure 4, based on analysis of the explicit contents of the 2008 C&V Policy to structure the logic behind the policy, which required transformation of the equivocal language contained in the policy to unequivocal statements. The Theory of Change was validated as representative of the policy during the inception phase of the evaluation, though the evaluation findings demonstrate that not all of the policy outputs and outcomes represent current feasible expectations for current and future WFP C&V projects.

Figure 4: Theory of Change



42. From 2007 to 2011 WFP C&V projects were implemented on a pilot basis. Pilot projects were regulated by the 2007 Joint Directive, which outlined interim procedures for approving and undertaking pilot projects with C&V components. This guidance prioritized projects that could contribute to corporate learning. Projects were limited to US\$3 million in value and required approval by the Executive Director or Senior Deputy Executive Director and submission of a final evaluation report. The CfC initiative was established in late 2010 to help consolidate policy implementation efforts related to learning, leadership and coordination across WFP functions. The initiative included establishment of a HQ unit in early 2011, a steering group and an inter-divisional stakeholder group to look at processes, systems and capacity-development needs. While WFP had articulated some more detailed directives and guidance (most notably the 2009 manual) between 2008 and 2011, key informant interviews and document review show that the CfC initiative invigorated efforts to fully develop the framework necessary for policy implementation and related organizational change efforts. The piloting phase was concluded in December 2011 when a new Operations Department Directive superseded the 2007 Joint Directive, removing the US\$3 million limit on projects and normalizing project approval procedures.

Figure 5: WFP C&V policy implementation framework



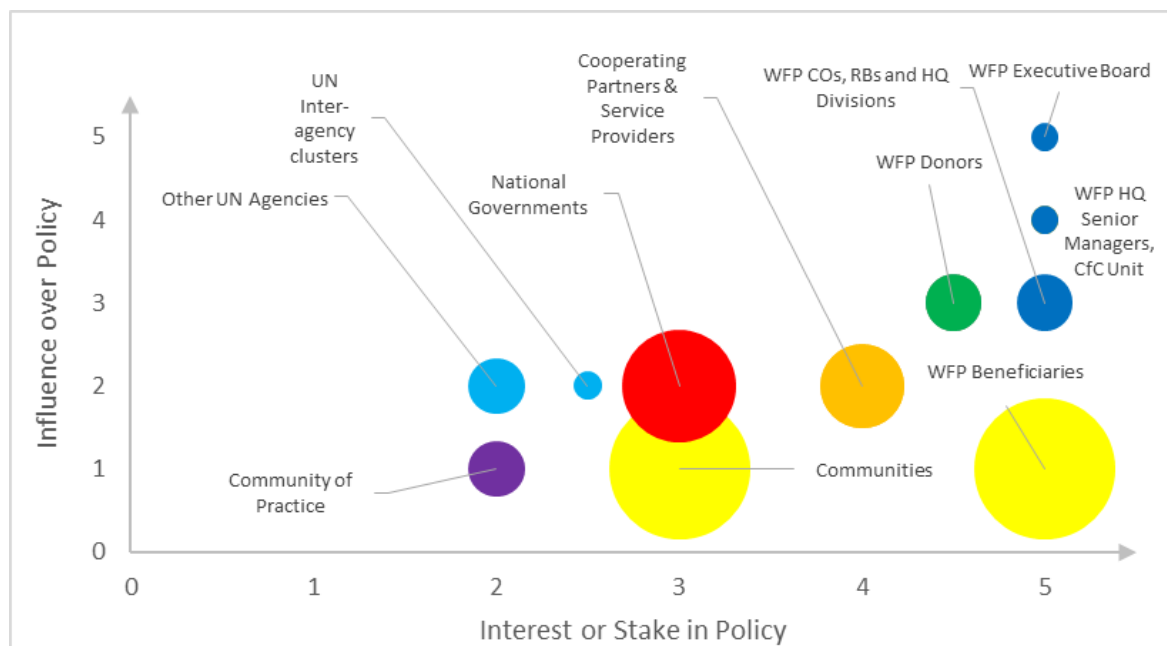
43. In the five years since adoption of the 2008 C&V Policy a significant framework of regulations, guidance and other implementation arrangements have been put into place to enable COs to increase their use of C&V modalities as contexts and capacity allow, while also managing the risks associated with their use. The specific outputs of the efforts to build an institutional policy implementation framework for C&V In the five years since adoption of the 2008 C&V Policy a significant framework of regulations, guidance and other implementation arrangements have been put into place to enable COs to increase their use of C&V modalities as contexts and capacity allow, while also managing the risks associated with their use. The specific outputs of the efforts to build an institutional policy implementation framework for C&V programming is shown above, within the general policy hierarchy developed by the evaluation team.

1.3.2 Stakeholder Analysis

44. The evaluation team confirmed the key stakeholder groups identified in the TOR through consultations during the inception mission and data collection. Detailed stakeholder sub-groups, their interests in the policy and the evaluation and their relative power and influence were analyzed.

45. A wide range of stakeholders were considered: WFP, national governments, cooperating partners (CP) and service providers, donors, other United Nations agencies, the C&V community of practice and WFP beneficiaries and their communities. The full analysis of stakeholder interests in the policy and evaluation is presented in Annex 6. The relative influence and interest of key stakeholder groups is presented in Figure 6 with the color of circles representing different types of stakeholder groups and the size of circles indicating the relative size of the stakeholder group.

Figure 6: Stakeholder influence and interest for C&V policy evaluation



46. WFP’s interest in the policy is high for several reasons. First, the policy and its evaluation holds importance for the WFP Executive Board because of the rapid scale-up of C&V since the launch, particularly in large-scale, high-profile contexts like the

Syrian Regional Response, and C&V's preeminent role in the shift from food aid to food assistance. Second, senior managers have concentrated on high-level conclusions regarding replicability, enabling and constraining factors, and the potential for the organization to scale-up C&V in the longer-term.

47. At the implementation level, HQ units and divisions, RBs and COs have a specific interest in conclusions and recommendations that guide policy approach, implementation, business processes, management, systems and organizational capacity. Overall, WFP has the highest level of control over revisions and updates to the policy, with the Executive Board holding the highest level of control.

48. Donors also wield significant influence over WFP strategic direction by sitting on the WFP Executive Board and also through their support of WFP programs based on criteria determined by their own national aid policies. Donor policies towards C&V are complex and often conflicting, which significantly influences WFP's approach to C&V at both the global and country levels.

49. At the other end of the power spectrum, depending on the country, national governments have comparatively less power to influence WFP global policy-making and implementation, but they have more power over WFP's C&V implementation in their countries. Some countries hope to benefit from C&V capacity building and handover, particularly those with emerging social protection platforms.

50. CPs and service providers are directly affected by WFP policy and strategies in C&V. They have little power over shop strategies that favor certain retailers over others and increased financial scrutiny or different accounting procedures for C&V compared to in-kind. The C&V policy and practice also affects United Nations agencies, clusters and working groups coordinating with WFP on C&V programming. These agencies have a stake in updates to WFP's policy and approach to coordination, partnerships and common-service delivery for C&V but do not have power to influence direction.

51. The C&V community of practice, which represents many of WFP's CPs, has a keen interest in research related to C&V, including this evaluation, in addition to conclusions around improved C&V partnerships, coordination and business practices.

52. WFP beneficiaries and their communities, including political and traditional leaders, local economies, markets, vendors, retailers, and traders are disproportionately affected by the policy and have the least influence over it among all stakeholders. Beneficiary needs and preferences are not systematically taken into account as criteria in modality choice; community-based participatory planning is not always included in WFP program design.

1.3.3 WFP Activities to Implement the Policy

53. Between 2007 and 2013, WFP operational activities demonstrate the significant growth of the use of C&V in its projects. The following section presents the high level statistics gathered regarding these activities.

54. The primary data informing this summary is the 'C&V Report' provided by the CfC unit based on WFP's financial accounting system Wings II.

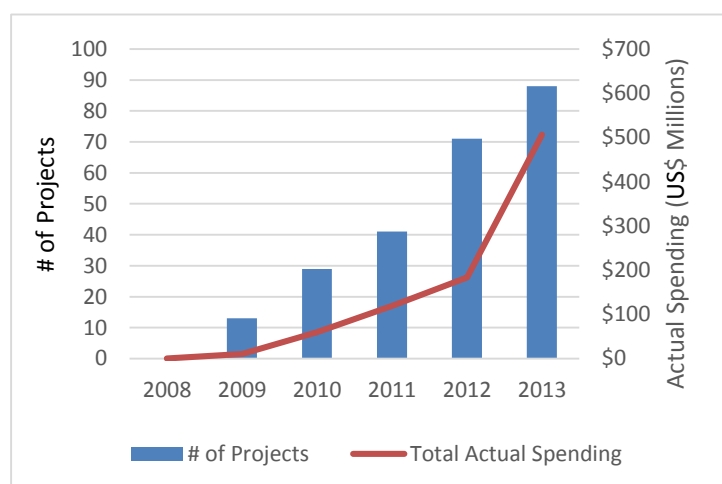
55. **Definitions:** For this analysis, projects that use C&V as an assistance modality are called C&V Projects. WFP projects contain: time-bound objectives; one or several program activities (such as General Food Distribution (GFD), Food for Work/Food for Assets (FFW/FFA), Cash for Work/Cash for Assets (CFW/CFA), School

Feeding/Nutritional Interventions (SF/NUT), and activities addressing Human Immunodeficiency Virus/Tuberculosis (HIV/TB)); transfer modalities for each program activity (food-in-kind, immediate cash, cash account, paper voucher, e-voucher); and budgets. WFP use of C&V transfers falls into one of four program categories: Emergency Operations (EMOPs), Protracted Relief and Recovery Operations (PRROs), Development or Country Programs (DEV) and Trust Funds (TRFU).

56. Growth of C&V projects over time:

While some CO's were experimenting with pilots sooner, the first C&V project is listed in 2005 in Sri Lanka. No projects were started in 2006. Four countries started new projects in 2008 (expenditure was not recorded separately per modality at that time), and by 2010 countries from every region had started a C&V project. From 2008 to 2013 147 projects were initiated in 64 countries. Figure 7 shows the number of active C&V per year (hence some projects are counted twice) as well as actual spending per year. The distribution of those projects across countries varies significantly as Bangladesh started the most (11), Burkina Faso, Kenya, Niger and Syria started 10 each and while 17 countries started only 1 project.

Figure 7: Active C&V projects and transfer value

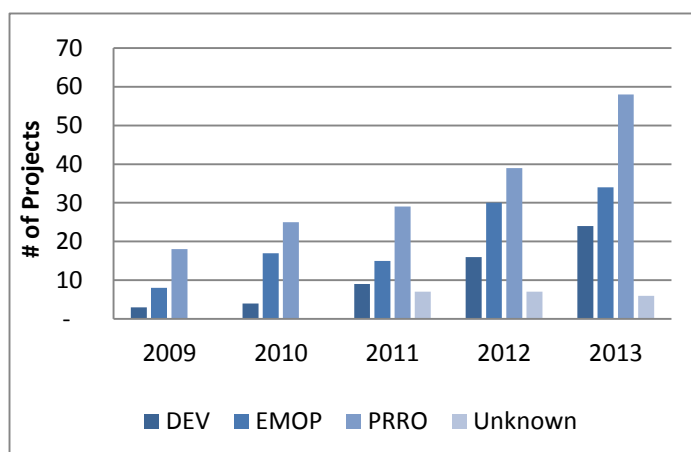


Source: CfC C&V Report (161014) from Wings II

57. These C&V projects have reached a reported total of 24 million beneficiaries. It should be noted however that WFP is still developing consistent and reliable methods for counting beneficiaries.

58. C&V project diversity: As illustrated in Figure 8, all WFP programme types have experienced significant growth in C&V use. The use of C&V within emergency contexts has grown significantly, even though the 2008 C&V Policy noted that C&V is more appropriate in non-emergency contexts. These trends are not affected by the Syria regional emergency response as the majority of those projects fall under a singled WFP project code and are thus counted as one project.

Figure 8: C&V projects by program type



Source: CfC C&V Report (161014) from Wings II

59. In addition to the extensive geographic distribution and broad operation and program activity categories, C&V projects also demonstrate considerable diversity of design. While contextual factors are such that no two projects are identical, this diversity can be summarized within the broad categories of transfer modality, transfer agents, and project conditionality.

60. The evaluation team analysed data regarding transfer modality, transfer agents and project conditionality, but given the data limitations (lack of disaggregated data below project level in WINGS) no firm conclusions can be made about the use of C&V in WFP activities (GFD, SF, CFW, FFA), the transfer agents or the related conditionality. However, analysis of approved project documents showed that while projects providing immediate cash are the largest single category, the combined number of voucher programs (paper voucher, e-voucher, or vouchers in combination with cash) make it the most common. Analysis of the value associated with different transfer modalities shows designs utilizing a combination of cash and vouchers transferred the greatest amount of cash despite the relatively smaller number of projects.

61. Project document data about the use of C&V transfer agents reveals a considerable limitation, as much of the information about transfer agents is 'not available'. While NGO's are frequently listed as transfer agents, project documents show a wide variety of other transfer agents including shops, banks, telecommunication companies, micro-finance agencies, postal services and security companies.

62. While 'unconditional' cash transfers were the largest single category found in the project document data (as expected given the high numbers of EMOP projects), the combination of the other categories (e.g. public work, training, treatment, other work and combinations of conditions) reveals that some level of conditionality is present in the majority of projects.

63. In conclusion, the analysis of WFP's programme activities to implement the 2008 C&V Policy demonstrates that C&V use has grown significantly in terms of the number of projects, number of countries and overall spending. C&V use is increasingly prevalent in all program types (DEV, EMOP, CP) though it is primarily limited to use for GFD and CFW/CFT activities. The means of implementing C&V distribution include many different types of transfer agents. WFP's transfers include some form of conditionality in the majority of C&V projects.

2. Evaluation Findings

64. The evaluation focused on three key questions regarding (i) the quality of the policy, (ii) the results of the policy (in terms of efficiency and effectiveness) and (iii) the factors effecting implementation and results of the policy.

65. Overall the 2008 C&V Policy and related guidance/tools sought to expand the project modalities WFP could use to better meet beneficiary needs and context requirements, within the shift from food aid to food assistance. The policy document and key informant interviews noted the policy was meant to initiate a process of change and capacity building to help WFP expand use of C&V to achieve greater effectiveness and efficiency while keeping pace with external trends.

66. The evaluation found that WFP has succeeded in establishing a strong set of norms and use of C&V has grown considerably. Institutional systems, such as the C&V business processes, have received more attention than human resources or measurement of performance and efficiency. Change management was hindered by a lack of focused leadership and strategy in the first two years of the policy prior to the establishment of the CfC. Internal arrangements to facilitate broad implementation of C&V use are still somewhat ad hoc (e.g. incomplete development and dissemination of

guidance and support for learning), and compete with many other organizational priorities for attention and support.

67. The findings and analysis for each key question is explained in detail in the following pages. A summary table of findings and analysis is presented for each key question, followed by detailed information on each evaluation factor. The key for symbols used in these summary tables is provided below.

Table 3: Key for summary findings tables

Findings									
Progress:									
Overall assessment of degree of achievement or progress towards policy aims.									
complete		mostly met		somewhat met		insufficient		none	

2.1. Quality of the Policy

68. The evaluation team assessed the quality of the 2008 C&V Policy and the subsequent implementation system based on a comparison of the Theory of Change and C&V directives, guidance and tools (as identified in the policy implementation framework – see Figure 4) against external humanitarian organizations, internal relevance and consistency, clarity of focus on beneficiary needs, and reflection of partner interests.

69. The high level findings related to the quality of the policy are shown in Table 4 and explained below.

Table 4: Findings on quality of the policy

Evaluation Design		Findings		
Key Questions:	Evaluation Factors:	What the policy aimed for (or should have):	What was achieved:	Progress:
Quality of Policy	Benchmark	norms as well developed as other organizations	WFP's normative system for C&V started earlier and is further developed than others but has a narrower focus on food assistance outcomes.	
	Relevance	meets WFP needs & provided clarity	The policy's initial relevance was high, while not following good WFP policy practice it established a basis for authorization. Subsequent directives, guidance and tools remain relevant but need to be continuously updated.	
	Consistency	coherent with WFP strategy & other policies	WFP systems for vertical communication and coherence, including disseminating C&V policy and guidance, are fragmented, inconsistent and sub-optimal.	
	Focus	beneficiary needs reflected	The discussion paper format of the policy does not meet good practice for policies in WFP and creates potential ambiguity, but it went as far as it could at the time.	
	Partners	partner interests addressed	The policy only somewhat envisioned the changing types/requirements of partnerships and CPs are not fully aware of the specific implications of WFP C&V policy and guidance.	

Findings: Progress Key									
complete		mostly met		somewhat met		insufficient		none	

2.1.1 Benchmark with external good practice

Key finding: WFP's normative system for C&V started earlier and is further developed than others, which has supported growing use of C&V. WFP's policy and guidance have a narrower focus on food assistance outcomes and less emphasis on important conditionality considerations.

70. WFP’s normative system or policy framework was found to be much more developed than other humanitarian organizations. WFP is the only organization within the group of comparator organizations with a formal C&V policy. WFP’s system is further developed both because it began creating the framework earlier than most organizations and because the degree of change and agreement needed to authorize use of C&V is perceived as more significant than in other organizations working across sectors without a food focused mandate.

71. Other organizations have taken the institutionalization of C&V seriously and are building normative frameworks based on field experience. Yet not all comparator organizations aim to have a specific C&V policy (“avoiding creating a policy for a transfer tool”), but instead include references to C&V in different institutional policy and strategic documentation whilst developing tools, systems and knowledge to ensure C&V is mainstreamed into operational and administrative practice as illustrated in Table 5.

72. The full set of WFP directives, guidance and tools is also much further developed. Other organizations, many long active in the use of C&V for multi-sectoral programmatic purposes, have focused on a "bottom up" approach of experimenting and learning followed by consolidation of these experiences in the development of guidance and manuals. WFP also initially followed a largely “bottom up” approach allowing for CO experimentation through design, setup and work with service providers or CPs according to decisions taken locally. However, WFP has gone a step further since 2011 by operationalizing its policy with development of corporate processes, systems and delivery mechanisms in order to move from the pilot phase to mainstreamed processes and corporate approaches.

Table 5: Normative tools in place in comparator organizations

Norms	Action Contre la Faim (ACF)	Red Cross / Red Crescent (IFRC)	Norwegian Refugee Council (NRC)	Oxfam GB	Save the Children International	UNHCR
Strategies	✓	✓		✓		
Policies			✓ ²¹			
Directives and procedures		✓ ²²	✓	✓		✓ ²³
Business processes		✓ ¹⁶			✓	
Guidance, manuals & tools	✓	✓	✓		✓	✓ ¹⁷
Implementing arrangements	✓	✓	✓	✓	✓	✓

²¹ NRC has drafted cash transfer programming elements to include in different program policies but this has not been finalized.

²²New IFRC Standard Operating Procedures for cash based programming are expected in the second half of 2014, these include business process related guidance, particularly related to finance.

²³The UNHCR “Inter-Office and Field Office Memorandum (IOM-FOM) was finalized in 2013. While UNHCR considers this a policy, it more closely resembles a directive or guidance in comparison to WFP’s policy hierarchy.

73. There are key normative differences between WFP and other organizations. WFP is distinct due to its focus on use of transfers for food (while others tend to have multi-sectoral programs) while other organizations emphasize conditionality considerations, rather than transfer modality.

2.1.2 Relevance to organizational needs, priorities and project implementation

Key finding: The policy's initial relevance was high, and while it did not follow WFP policy practice, it established a basis for authorization. Subsequent directives, guidance and tools remain relevant but need to be systematically disseminated and continuously updated.

74. The 2008 C&V Policy was considered highly relevant at the time of its adoption among those familiar with it. Internal stakeholders felt it was necessary to reduce ambiguity about whether C&V instruments were allowed under WFP's mandate and that it officially allowed for their use.

75. The structure and wording of the document itself is not considered to be reflective of expected policy formats, instead it follows a more tentative “policy discussion paper” format. It is not titled a “policy” like WFP’s School Feeding, Gender, HIV/AIDS, Disaster Risk Reduction/Management (DRRM) and Capacity Development policies. It fails to lay out the concrete objectives, priorities and actions provided in other WFP policies, and it lacks a logical framework as found in the School Feeding and HIV/AIDS policies. Key informants noted that these differences are explained by the delicate balance WFP had to strike in 2008 to reach consensus among Executive Board members and other authorizing stakeholders to allow it to formally expand its modality options.

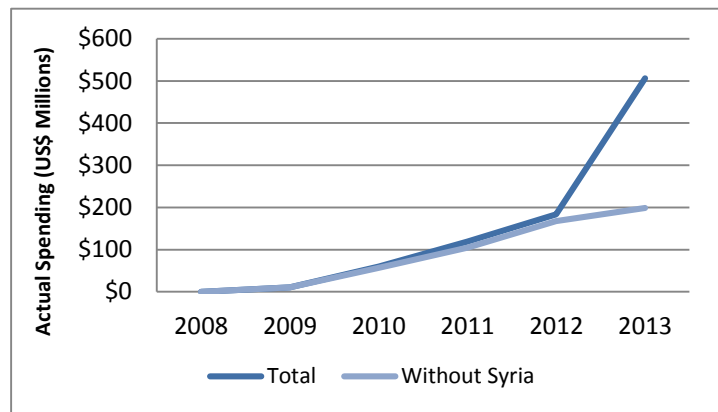
76. The policy itself is considered less relevant today, with only 13 percent of COs stating that they reference it regularly. It also contains outdated and little evidenced concepts and assumptions based on cases studied, such as references to C&V as more appropriate in non-emergency operations and the belief that use of C&V will lead to empowerment of beneficiaries.

77. The directives, guidance and tools that have emerged since 2008 are considered mostly relevant internally with 70 percent of COs stating guidance and tools have been relevant in the evaluation survey. The 2009 C&V manual and the 2013 Joint Directive on Operations and Finance Procedures received the most use by COs according to the survey (73 percent and 76 percent respectively). Internal stakeholders noted that such guidance is in constant need of updating to remain relevant in a fast changing operating environment and as experience with C&V grows. The draft update to the 2009 manual is in high demand by COs, but key informants report it has been delayed over the past year as HQ units reconsider respective roles and responsibilities.

78. Following adoption of the policy, a period of rapid C&V growth began in WFP (fig. 6, p. 15). The relevance of the policy is partly demonstrated by this growth in WFP use of C&V modalities in terms of beneficiaries reached, number of projects started, number of COs using these new modalities and the value of projects.

79. In 2009, WFP reached only 1 percent of its total beneficiaries with activities using C&V transfers. This number has steadily grown to 10 percent of WFP's beneficiaries in 2013 (with the progression as follows: 2009 – 1.1 million beneficiaries, 2010 – 3.1 million, 2011 – 4.4 million, 2012 – 6 million, 2013 – 10 million).²⁴ The number of C&V projects started has also grown: four new C&V projects began in 2007, three in 2008 and 25 in 2009. The number of projects started annually has grown steadily to a peak of 80 in 2012, representing 20 times more projects started over the course of five years.²⁵

Figure 9: Growth in C&V projects by value



Source: CfC C&V Report (161014) from Wings II

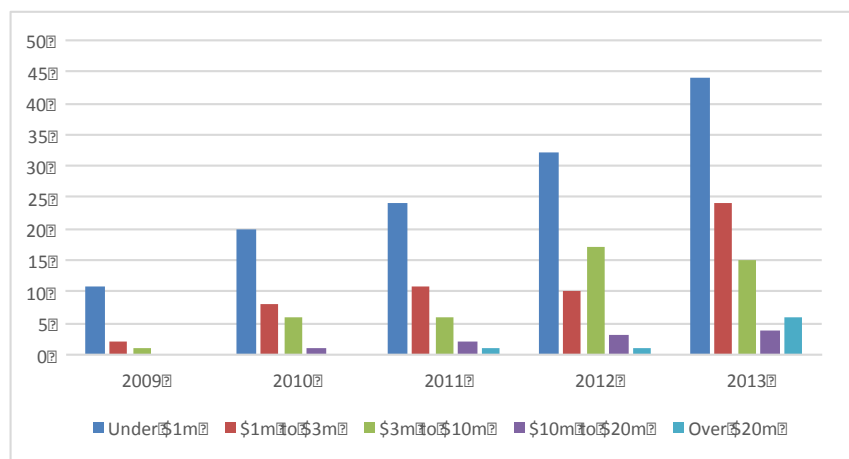
80. The number of COs using C&V modalities has also grown steadily. In 2007, four COs were known to be using C&V modalities. Between 2008 and 2013, 64 COs used C&V modalities in one or more of their projects.¹⁹ 78 percent of COs responding to the evaluation survey stated they had implemented C&V projects (54 COs).

81. As shown in Figure 9, the actual value of projects using C&V has also climbed significantly from 0 in 2008 to a peak of US\$507 million in 2013.¹⁹

82. When the cost for the Syria response is removed, the total value growth of C&V is significantly lowered beginning in 2012.

83. The growth in total C&V programming is also skewed by a relatively small number of COs that have implemented larger projects as illustrated in Figure 10. Only 11 COs²⁶ have implemented C&V projects with a total value more than US\$20 million (excluding the Syria emergency). While the percentage of new projects with total value over US\$10 million continues to grow, a significant proportion of WFP's C&V project experience remains focused within relatively smaller budget projects.

Figure 10: C&V projects by cost range



Source: CfC C&V Report (161014) from Wings II

84. Based on findings from the survey, case studies and key informant interviews, the dissemination of policy and guidance within WFP was found to be a clear weakness

²⁴WFP, "Annual Performance Reports" 2010-2014

²⁵ WFP, from Wings II

²⁶ Democratic Republic of Congo, Haiti, Kenya, Mali, Niger, Palestine, Pakistan, Somalia, South Sudan, Sudan, Zimbabwe.

as illustrated in Table 6. Many key informants cited “vertical communications and coherence” as a weakness for WFP. Virtually no formal dissemination efforts were found for the 2008 C&V Policy, beyond its availability on the WFP Executive Board sections of the public website. The 2008 C&V Policy is also not explicitly referenced in subsequent C&V. Based on document review and key informant interviews the policy itself was devised as a tool to communicate upwards and seek authorization from governance rather than communicating out to field-based WFP staff and partners.

85. In contrast, dissemination of directives and guidance takes place, though approaches differ by HQ division or unit. Some internal stakeholders critiqued the distribution of guidance primarily by email (“one of hundreds per day” according to some key informants) and noted distribution of guidance is often not systematically followed-up with support. The CfC unit has published quarterly newsletters since 2011 to provide updates on the initiative, share new learning and practices, though few staff in case study countries noted awareness of it.

Table 6: Regular use of C&V guidance and tools by COs

2009 Accounting procedures	43%
2009 Cash and vouchers manual	73%
2011 Operations department directive – cash and voucher programming	61%
2012 Cash for Change initiative – Distribution Models	61%
2012 Omega Value cost effectiveness tool	31%
2013 Toolkit for Logistics in cash and vouchers	27%
2013 Joint Directive on Operations and Finance procedures for C&V	76%
None of the above	4%

Source: Evaluation survey

86. However, the evaluation found that certain units like finance organized more follow up through RB finance officers to ensure receipt and awareness. Logistics has recently completed a consultative assessment of WFP CO logistics involvement in different stages of the C&V business process. The assessment concluded that logistics has been involved in the business processes but “much lighter than potential feasible and less than currently assigned as per the corporate business model.”²⁷ As a result, the HQ logistics division has developed a new value proposition, presentations explaining logistics roles, e-mail updates on corporate C&V developments for logistics staff, and an initiative to exchange lessons among logistics field staff on C&V development.

87. CfC and RBs have organized a variety of workshops and initial “training” to raise awareness of processes and tools. However, the limited number of staff reached, the lack of national staff included, and turnover in COs has limited the impact of these efforts. RB staff cite the lack of a corporate investment in training for C&V as a substantial obstacle to related change efforts, though the CfC unit has been developing a training platform expected to launch in 2015.

88. Accessing policy and guidance on the website was also cited by COs as a challenge. The Programme Guidance Manual (PGM) content was noted to be outdated and difficult to follow if/when it was updated by any function lead. WFPgo as an

²⁷WFP, “Cash and Voucher Supply Chain, OSL Concept Paper”, May, 2014

internal web portal for information was critiqued for not having a clear updated and easy to find central hub for all C&V policy, directives, guidance, tools and potentially external links/resources.

2.1.3 Consistency and coherence with WFP strategy and other policies

Key finding: WFP systems for vertical communication and coherence, including disseminating C&V policy and guidance, are fragmented, inconsistent and sub-optimal.

89. The 2008 C&V Policy and subsequent normative documents were seen as generally consistent with WFP strategy and other policies with no major points of conflict. Some stakeholders viewed the policy as more restrictive than the 2008-2013 WFP Strategic Plan in that it did not expand on the 2007 directive that only authorized pilots for C&V up to US\$3 million in value while the strategic plan suggested a more substantial shift.

90. Across WFP, staff feel that C&V is held to a higher standard and receives more scrutiny than in-kind projects. While the policy suggests an aim of choosing the most appropriate modality based on assessment of “program objectives, market functioning, implementation capacities, cost efficiency and beneficiary preferences” practice in evaluation case study countries showed COs only need to produce justification of project modality choice when the use of cash or vouchers is proposed, not in-kind food. The business processes established to support modality choice since 2012 are labeled “C&V Business Processes,” implying they do not apply to projects that pre-select in-kind modalities and no policy guidance was found that requires in-kind projects to assess markets and context to prove in-kind is the best modality. However, key HQ leaders noted that the Project Review Committees (PRC) are beginning to ask COs questions about whether they have undertaken similar analysis to select in-kind modalities where C&V assistance may be feasible.

“I think we have double standards when it comes to requirements on intervening with C&V vis-a-vis intervening with in-kind food. With C&V one has to 'prove' much more, i.e. assessments and monitoring requirements are much higher...It is much more bureaucratic and requires close follow up going through a lot of approvals etc.”

Source: Evaluation survey

91. Within WFP some questions remain somewhat unresolved regarding whether UCT are potentially at odds with WFP's mandate. There were varying beliefs and practice evident in case study countries. The policy and distribution model guidance suggest openness to unconditional cash. However, internal and external key informants in some countries suggested WFP was required to design conditionality into projects to ensure outcomes are focused on food assistance. These stakeholders cited WFP's mandate and concerns that fungible cash will be used to meet non-food needs as the rationale for conditionality requirements. Alternatively, other case study countries have been using unconditional cash for many years and noted no major internal obstacles to doing so. It is unclear if these divergent beliefs are due to a lack of policy dissemination and coherence across HQ, RBs and COs, or if different beliefs among WFP leaders and donors are creating them.

92. Field visit observations raised questions around the aspirations of the C&V policy and guidance and their consistency with the nutritional and food security

objectives set out in other WFP policies and strategies. In particular, while livelihoods, resilience/disaster risk management, and cash for work or training programs are clearly valuable in a broader developmental context, these programs involve goals that are distinct from food security and nutrition and require different funding models, staff expertise and communications.

93. Key informants noted that WFP is just recently realizing the implications of C&V use for different activities and project types. While sectoral or thematic policies (such as the School Feeding and Nutrition policies) include brief references to C&V, key informants and survey respondents noted that C&V implications should be better integrated into other activity focused policies in the future based on organizational learning from project implementation.

94. There is currently no corporate mechanism for ensuring policy coherence in WFP. A policy committee at senior management level previously met to review draft policies, consider policy coherence and consistency and to prioritize policies for updating. Around 2012 the committee was eliminated and key informants at HQ feel a gap has emerged. Senior management is considering ways to re-institutionalize policy coherence and prioritization issues, either as a role for the Executive Management Group or possibly a new policy committee.

2.1.4 Demonstrated focus on beneficiary needs

Key finding: The discussion paper format of the policy creates ambiguity regarding expected outcomes for beneficiaries but provided as much clarity as it could at the time it was written. It does not match good practices of other WFP policies that include clear results frameworks.

95. Good policy practice is not defined within WFP. A review of other sectoral and thematic policies shows that many do include clear results frameworks identifying expected outcomes for beneficiaries. The 2008 C&V Policy puts emphasis on the potential benefit of allowing greater flexibility and appropriate response to beneficiary needs, including gender and protection specific considerations but uses speculative language to describe outcomes (e.g. “could”, “would”, “can”, “may”). The directives, guidance and tools approved since 2008 were not found to provide sufficient assurance that

“While a lot of work has been done on gender mainstreaming in food distribution, it is often unclear, or not mentioned in C&V. There are no standard processes on the investigation and monitoring of gender based violence, which is often raised as a potential consequence of cash transfers.”

Source: Evaluation survey

project design would result in the suggested benefits.

96. The draft update to the 2009 C&V Manual does include much greater detail on designing C&V interventions in ways that address gender and protection needs, but is still awaiting finalization.

2.1.5 Relevance to partner needs and interests

Key finding: The policy only somewhat envisioned the changing types/requirements of partnerships and CPs are not fully aware of the specific implications of WFP C&V policy and guidance.

97. The 2008 C&V Policy is little known among WFP partners, though many are aware WFP adopted a policy encouraging a shift to food assistance including use of C&V. Partners are sometimes generally familiar with one or more of the subsequent directives, guidance or tools put in place by WFP to operationalize the policy, especially some elements of the C&V distribution models business process. Negotiated adjustments to the field level agreements (FLAs) between WFP and CPs include the most relevant form of normative changes for partners since 2008. The revised FLAs outline different roles for C&V partners depending on the distribution model with greater emphasis on monitoring functions and less of a role in delivery.

98. CP selection guidance has not changed substantially and partners did not raise concerns with this process. The changing nature of CP roles in C&V projects has raised questions of incentives and interests that could represent a gap in policy/guidance. Some United States based international non-governmental organization (INGO) partners have raised particular concerns regarding financial regulations for C&V projects: the inability for INGOs to account for the full value of implemented projects²⁸ hinders their ability to secure matching funds from donors. WFP's Legal office and NGO partnership unit have been working with CfC to develop a mutually beneficial solution to this incentive dilemma.

99. Partners also raised concerns regarding mandatory expenditure on food, differing interpretations on restrictive use of transfers between WFP HQ and COs, and lack of visibility for CPs in C&V projects. Some also noted complications with use of the Omega value for measuring cost effectiveness. This was both due to complexity and its focus solely on food/nutrition and efficiency rather than more holistic view of Value for Money taking into account more qualitative factors such as dignity, choice and social aspects of beneficiary connections to markets.

100. While the 2008 C&V Policy did include discussion of implications of C&V for partnerships, it only provides a basic discussion of private sector partnerships with financial institutions and implementing arrangements with retailers. CO key informants reported learning much about how to structure and manage these implementing arrangements since 2008, but it is uncertain whether these lessons will be consolidated and reflected in the updated C&V manual.

2.2. Policy Results

101. The results of the policy were assessed for effectiveness and efficiency in achieving results. While the evaluation found unmet outcomes related to the policy (see Figure 4– Theory of Change), the stage of the change process and the vague and ambiguous nature of the 2008 C&V Policy itself did not support identification of unintentional results.

²⁸With in-kind food modalities food commodities are transferred from WFP to CPs and CPs record the financial value of these commodities as a contribution and expense once transferred, allowing CPs to record the full financial value of their components of a project. With C&V modalities the financial value of transfers remains in the custody of WFP until it is transferred to beneficiaries or shops. In this arrangement INGOs have not previously been able to account for the full project value in their financial accounts, which diminishes their visibility for having a role in the full scale of C&V projects.

2.2.1 Policy Results – Effectiveness

102. The effectiveness of WFP efforts to achieve the operational and institutional results envisioned by the policy as per the Theory of Change (see Annex 5) was assessed based on alignment with national priorities, achievement of intended outcomes, implications for beneficiaries, measurement of results (M&E), adequacy of organizational capacity building, and adequacy of partnerships.

103. The high level findings related to the effectiveness of WFP efforts to achieve results are shown in Table 7 and explained below.

Table 7: Findings on effectiveness

Evaluation Design		Findings							
Key Questions:	Evaluation Factors:	What the policy aimed for (or should have):	What was achieved:	Progress:					
Results - Effectiveness	Alignment	support national priorities and capacity development	WFP involves governments and is broadly but passively aligned with national social protection systems, with little evidence of handover or sustainable capacity building due to short-term food security design of projects.						
	Outcomes	substantial effects beyond immediate food security	C&V projects mostly achieve activity based outcomes in the SRF but not outcomes stated in the policy due to project design, preference for large scope and scale, and degree of conditionality.						
	Implications	positive implications enhanced, negative minimized	Gender and protection implications of C&V are not measured consistently and positive implications can not be proven based on systems in place.						
	M&E	results measured, analyzed and reported	Monitoring efforts for C&V projects collect significant but inconsistent data that is not utilized and outcomes stated in the policy are not systematically measured, analyzed and reported.						
	Org Capacity	adequately built to manage growing C&V portfolio	WFP has built significant institutional process capacity but human resources (especially new skills in market and economic analysis and information management) and some specific functional capacities lag behind.						
	Partnerships	enhanced and built to meet implementation needs	Partnerships with CPs have been mostly adapted successfully but global corporate partnerships have not proven effective and implementing arrangements with FSPs and retailers/shops remain challenging for WFP.						
Findings: Progress Key									
complete		mostly met		somewhat met		insufficient		none	

2.2.1.1 Alignment with national priorities and involvement of governments

Key finding: WFP involves governments and is broadly but passively aligned with national social protection systems; there is little evidence of handover or sustainable capacity building due to short-term food security design of projects.

104. CO projects that use C&V modalities are broadly, but largely passively, aligned with national strategic priorities in social protection and with national food policies. National governments are often consulted and informed, and 69 percent of COs with C&V projects noted in survey responses that they mostly or fully involve governments in the C&V project cycle.

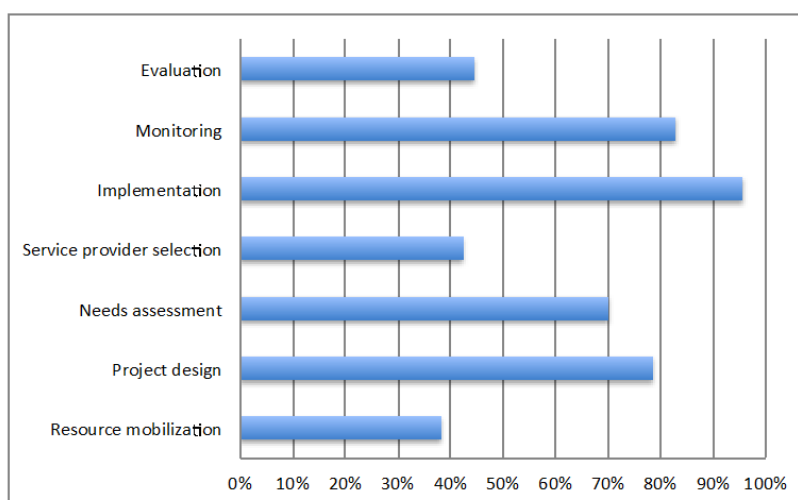
105. Case study interviews and observations show WFP is aware of the general nature of national social protection systems and government policies and often closely collaborates on vulnerability analysis. In some cases, WFP is in the process of supporting governments to develop systems and technologies in support of their social protection programming, although on a small scale (i.e. Burkina Faso, Lebanon). Yet WFP projects are often not integrated into national social protection frameworks due

to their objectives, targeting, transfer value and duration. Ethiopia is an exception to this with WFP’s long-standing inclusion in the national Productive Safety Net Programme (PSNP).

106. Compared to other actors like United Nations Children’s Fund (UNICEF) and the World Bank, internal and external key informants reported that WFP lacks key attributes to contribute significantly to national social protection discussions. These include programmatic capacity such as experience in social protection design and adequate long-term funding, interests – such as humanitarian vs. development objectives, and broader social protection expertise and knowledge related to policy and economics.

107. Government ministries/departments are involved in a variety of ways, ranging from being consulted and informed about project design and targeting to participating in project implementation and monitoring as shown in Figure 11. Three case examples (Sri Lanka, Ethiopia and Burkina Faso) demonstrated a significant role for national government in determining the planning and design, and the Ecuador case study demonstrated significant involvement of local government.

Figure 11: Involvement of governments in C&V projects



Source: Evaluation survey

108. Governments can also formally or informally set the parameters that can enable or limit WFP project design (e.g. targeting preferences/restrictions, positions against UCT, labor wage policies, positions on assistance to refugees). In some cases the evaluators observed that COs struggle with understanding where WFP would and wouldn't want to work with government and when to challenge national government positions that restrict cash or voucher project implementation. In some case study countries, external key informants also challenged some WFP assumptions that government policy prevented use of cash or vouchers.

109. The policy notes that the use of C&V will create new opportunities to hand over activities to partners and governments as beneficiaries improve their livelihoods and capacities are built. No evidence of these potential effects was found in the case studies or survey of COs, though this statement may still have some long-term face validity, especially if C&V projects begin to reach scale and are sustained for a longer duration in more countries.

2.2.1.2 Evidence of achieving outcomes noted in the policy for beneficiaries

Key finding: C&V projects mostly achieve activity-based outcomes in the Strategic Results Framework (SRF) but not outcomes stated in the policy due to project design, preference for large scope and scale, and degree of conditionality.

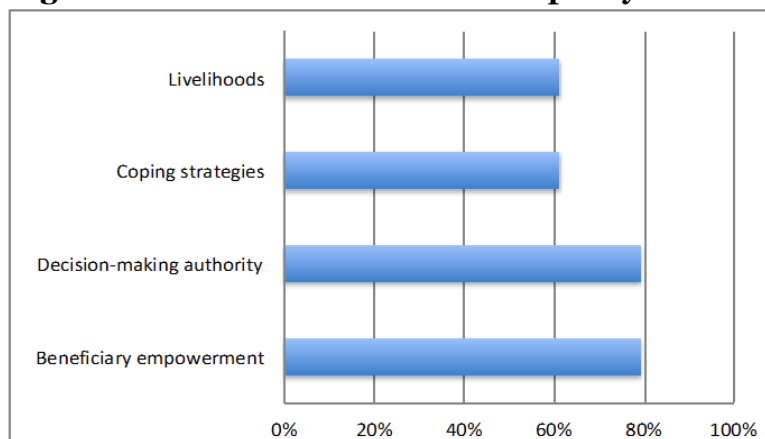
110. At its core, the 2008 C&V Policy sought to contribute to the shift from food aid to food assistance by changing WFP's automatic approach of using in-kind food to one where the most "appropriate" tool/modality is used to meet needs within a context. In the first five years of policy implementation, progress was seen towards this objective – but was somewhat undermined by emphasizing requirements to justify the use of C&V but not in-kind food. This has begun to change with WFP leadership stressing the need to show evidence of analysis when COs propose in-kind food (i.e. in Project Review Committee (PRC) meetings).

111. The specific outcomes listed in the policy are often stated with caveats or in terms of possible outcomes rather than certain expectations. Many outcomes are phrased as "could, may, can". This creates an impression that there are no predictable outcomes expected from the use of C&V modalities. While this lack of clarity does impact the policy quality (allowing ambiguity) many stakeholders believe this is appropriate as C&V "is just a tool" not a program or activity.

112. COs design projects to achieve outcomes linked to the SRF. As the policy outcomes are not clearly linked to the SRF outcomes, it is not surprising that the intended outcomes of the policy were largely ignored in the C&V project design in case studies. Hence the projects using C&V transfers did not set out to create an evidence base regarding the achievement of the intended policy outcomes. As a result, there is an overall lack of evidence on the effectiveness of achieving the intended policy outcomes.

113. Many outcomes and objectives in the policy were found to depend more on design than on modality (e.g. improved nutritional status, the mainstreaming gender and empowerment of women). Some of the objectives and assumed outcomes were determined to be ambitious or aspirational for WFP given its mandate, project design, funding, preference for scale over supporting fewer

Figure 12: Achievement of foreseen policy outcomes

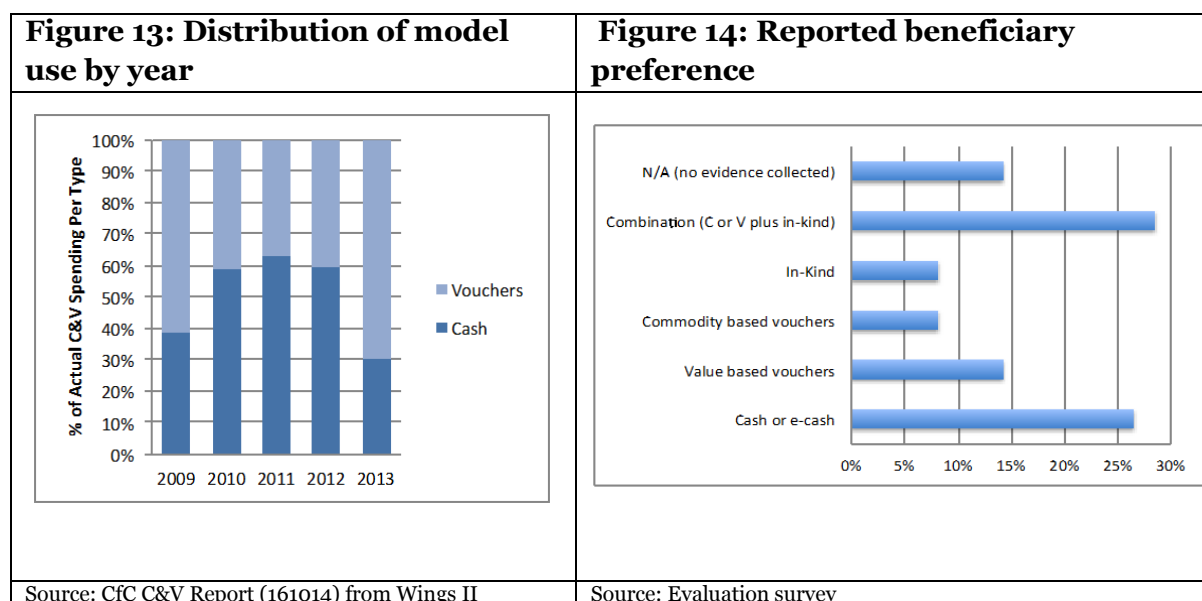


Source: Evaluation survey

beneficiaries with more assistance (e.g. enhanced livelihoods, increasing people's ability to manage risks, coping strategies) and systems for follow-up. According to survey responses, only 61 percent of COs that have implemented C&V projects believe these projects have achieved objectives related to coping strategies and livelihoods as illustrated in Figure 12.

114. Achieving other outcomes depends more on the specific distribution model chosen. Vouchers are inherently conditional either by requiring certain actions or restricting use (whether in terms of the commodities purchased or the locations in which they can be used). When emphasis is placed on restricting use, achieving the outcomes noted in the policy regarding empowering food insecure people to make choices and prioritize needs is less likely than with UCT. Though, if vouchers are well designed they can increase beneficiary choice and ability to prioritize compared to in-kind food assistance. Nevertheless, in some cases studied, COs believe WFP leadership seems to be gravitating towards use of conditional vouchers instead of unconditional cash, although attitudes towards conditionality and the use of cash versus vouchers differed between regions and operational contexts.

115. Figure 13 shows a clear offsetting trend in C&V distribution models: cash has decreased from a peak of 63 percent in 2011 to 30 percent in 2013, while voucher projects have increased from a low of 37 percent in 2011 to 70 percent in 2013. This stands in contrast to survey responses that suggest COs have found beneficiaries prefer cash (27 percent) to vouchers (22 percent) as shown in Figure 14. The use of a combination of distribution models has also reportedly grown though it is not disaggregated in WINGS, which complements survey findings showing 29 percent of COs have found beneficiaries prefer a combination of cash or vouchers plus in-kind food.²⁹



116. The one outcome statement in the policy that appears to have strong support in the evidence collected was that adding cash and vouchers to WFP's toolkit enhances its ability to tailor its approach based on context thereby allowing it to more appropriately address beneficiary needs. 59 percent of COs surveyed believe the introduction of C&V has significantly improved the appropriateness and flexibility of projects and an additional 33 percent believe C&V has somewhat improved these

²⁹WFP monitoring and external studies also show that beneficiary preference regarding transfer types is influenced by the types of transfers they have received before.

factors. However, this component of the policy also states this will lead to meeting needs in a more timely and flexible fashion, for which the evidence was mixed. (see Section 2.2.2)

117. A series of impact evaluations³⁰ conducted by IFPRI also found that beneficiaries were most satisfied with cash, whereas vouchers were least satisfactory.

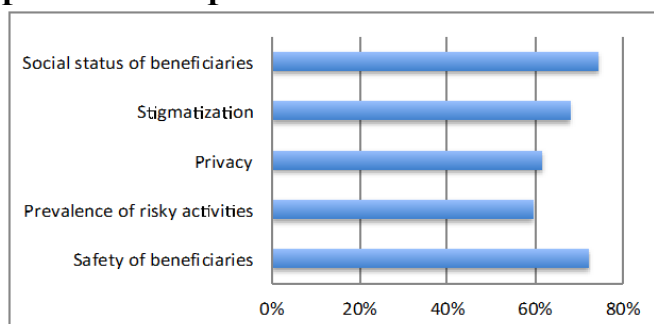
2.2.1.3 Evidence of positive and negative implications for beneficiaries

Key finding: Gender and protection implications of C&V are not measured consistently and positive implications cannot be proven based on systems in place.

118. The use of C&V instruments is widely perceived among CO staff to have positive effects on gender and protection, yet this is not necessarily evidenced in case study interviews and records except anecdotally. Survey data shows both positive and negative effects.

119. Protection implications raised by key informants did not produce a coherent trend and appear to be context and project design specific rather than explicitly linked to C&V and depend on effectively addressing concerns raised through monitoring or in a baseline established before a project began. This was also found in the 2013 joint WFP/UNHCR study on protection and gender in cash and voucher transfers.³¹ Figure 15 shows that CO survey responses suggest that C&V projects have had positive and negative protection implications, with fewer reporting positive implications for the prevalence of risky activities, stigmatization and privacy concerns, though evaluation case study visits found this information is not systematically measured and analyzed.

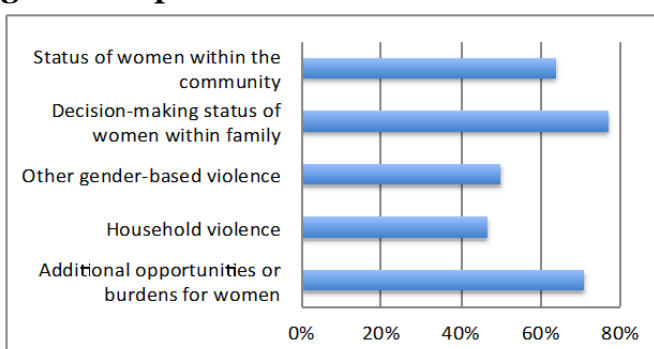
Figure 15: COs reporting mostly positive protection implications



Source: Evaluation survey

120. Gender implications were found to be monitored at a very basic level (i.e. whether women receive or use a transfer) and mechanisms for measuring the implications related to burdens, violence and status were weak. Figure 16 illustrates survey data showing that COs have greater doubts about the positive implications of C&V projects related to household violence, gender-based violence and status of women within the community. Literature reviewed for the evaluation also showed no clear evidence one way or another regarding the C&V

Figure 16: COs reporting mostly positive gender implications



Source: Evaluation survey

³⁰Hoddinott, J. Et al. *Enhancing WFP's Capacity and Experience to Design, Implement, Monitor and Evaluate Vouchers and Cash Transfer Programmes: Study Summary* p.8. IFPRI. June 27, 2013

³¹WFP and UNHCR, "Examining Protection and Gender in Cash and Voucher Transfers", September 2013

transfer specific effects on gender based violence. Decision-making status of women was thought to be positively affected by C&V projects by 71 percent of COs surveyed, however no meaningful monitoring or analysis of such factors was found in case studies beyond non-systematic monitoring focus groups and assumptions linked to whether women receive or spend a transfer.

121. The 2008 C&V Policy also expresses an expectation that transaction costs for beneficiaries will be reduced based on use of cash and vouchers. While this will be covered further in section 2.2.2.3, there was no clear or consistent evidence that the C&V modality in itself reduced beneficiary transaction costs; transaction costs, like empowerment or other beneficiary outcomes, are more related to overall program design and contextual factors than modality.

2.2.1.4 Extent that M&E systems have captured information on effectiveness

Key finding: Monitoring efforts for C&V projects collect significant but inconsistent data that is not utilized or analyzed and outcomes stated in the policy are not systematically measured, analyzed and reported.

122. WFP monitoring, evaluation and reporting systems were found to focus primarily on C&V process and outputs, though projects do analyze and report on corporate outcome measures in the SRF for annual reporting. As many WFP projects combine a number of activities (or sub-projects) it is currently not possible to disaggregate and isolate the effects of C&V transfers from those produced as a result of in-kind or other project activities.

123. WFP has not endeavored to measure, analyze and report on the outcomes suggested in the policy in a systematic way. The latest WFP M&E standard operating procedures (SOPs) only reference C&V twice, and in reference to output reporting for project beneficiaries. Other M&E guidance for C&V programming follows the same M&E standards and procedures as in-kind.

“Objectives of the voucher program are not uniquely defined and contextualized, and ways to measure progress have not been clearly and/or systematically identified. In the absence of a comprehensive market impact analysis, it is difficult to establish a direct cause-effect relationship between the voucher program and some of the supposed benefits this is having on the local markets, particularly in relation to improvements in local production.”

Source: Evaluation survey

124. Most COs do not know what the policy states, nor was a results framework included to guide monitoring. However some key factors related to policy outcomes are measured, albeit differently across COs, in the post-distribution monitoring (PDM). Close monitoring of C&V does not translate into analysis though, and no corporate reporting framework is in place to consolidate such data. Little evidence was found of these data points being analyzed to make adjustments to projects. Not surprisingly, only 56 percent of COs surveyed believe they have good M&E tools to track C&V outputs and outcomes.

125. The 2007 Joint Directive on the use of cash (and voucher) transfers required conducting and submitting final evaluations of all C&V pilot projects to a HQ cross-divisional steering committee. The subsequent 2011 Operations Department Directive

requires evaluations of “any intervention using cash and/or vouchers for the first time in the CO.” By 2011, 16 CO reviews or evaluations of C&V pilot activities were conducted and the CfC unit utilized their results to design subsequent guidance, including four standard distribution models. At least 23 additional evaluations or reviews of projects using C&V have taken place from 2011 to 2013. The evaluation found that these reviews and evaluations were of limited quality and depth. The lack of a common evaluation framework is notable in the reports, which do not include similar indicators or evaluation questions. As such, it was not possible to draw meaningful conclusions on C&V effectiveness or identify patterns across projects.

126. As the results of the IFPRI evaluations were only being disseminated at the time of this evaluation, it is unclear whether they will lead to systemic utility and learning.

Box 1: IFPRI Impact Evaluations of WFP C&V Projects in Four Countries

A series of four rigorous impact evaluations were conducted by IFPRI of WFP C&V projects in Ecuador, Niger, Yemen and Uganda between 2009 and 2013. Designed as randomized controlled trials, these evaluations were envisioned to provide WFP with clear evidence of the effects of cash or voucher instruments compared to in-kind food.

The IFPRI evaluations sought to “test the relative costs and benefits of alternatives to food aid and to learn which modalities are most effective in different contexts”. The individual studies shared three core research questions: 1) how do the benefits of C&V compare to food transfers? 2) does the delivery of C&V cost less than food transfers? and 3) what are household preferences related to modalities?

The evaluations provided the evidence intended at a high level. The benefits of C&V relative to in-kind food assistance were measured by comparing impacts on food security using the Food Consumption Score. Meta-analysis of the country evaluations determined that there was no one “right” transfer modality and relative effectiveness depended on contextual factors including severity of food insecurity, and depth of availability of food in local markets. “Across a range of interventions in a variety of settings, cash transfers generally but not always proved more effective in improving WFP’s core food security indicator – Food Consumption Score (FCS).” However, the synthesis of evaluations also reported, “Food recipients experienced larger positive impacts on food security as measured by the Dietary Diversity Index (DDI) and the FCS than those receiving cash....Households receiving food resorted to fewer coping strategies, such as consuming less preferred foods, reducing portion sizes served to children, or buying food on credit. This effect was more pronounced during the height of the lean season than during the growing season.”

The relative cost analysis found that when food procurement costs are excluded C&V transfers are always cheaper to deliver than food by a significant magnitude. The study also suggested that WFP can further reduce the costs of delivering C&V as it gains further experience. Household beneficiary preferences were found to be context dependent with no one clear preference for food or C&V in the country evaluations.

The evaluation meta-analysis also found no systematic evidence that beneficiaries sell their food rations or use C&V transfers for “undesirable purposes such as buying beer or qat.” No systematic evidence was found suggesting a clear pattern of effects on transaction costs to beneficiaries because such costs are “largely driven by decisions by program staff regarding the siting of payment points.”

Source: Hoddinot, J. et al, “Enhancing WFP’s Capacity and Experience to Design, Implement, Monitor, and Evaluate Vouchers and Cash Transfer Programmes: Study Summary”, IFPRI, June 2013

127. Because of the rigor of these studies, partially replicated design across multiple contexts and the potential for COs involved to share lessons with other COs, the findings can provide WFP useful guidance at several levels of the policy implementation framework. These include: learning and accountability and business process, and can inform future corporate strategies.

128. The Ecuador CO appeared to benefit significantly from the capacity gained during these pilots, though the sustainability of M&E capacities to monitor effects for C&V were not certain. In a number of external stakeholder interviews a concern was raised about the validity of conclusions from the evaluation given the small scale of the projects studied compared to the need to learn lessons about C&V at scale.

129. In Jordan and Lebanon, country operations have commissioned another rigorous evaluation in collaboration with the International Initiative for Impact Evaluation (3ie) to be designed and conducted in tandem with the implementation of unconditional cash pilots. While yet to be designed the scope of work suggests an effort to measure the differences in effects between unconditional cash vs. the e-voucher/card systems in place in each country. Though critiqued by some external stakeholders for the scale of the pilots being evaluated, this evaluation is promising. HQ key informants are hopeful that elements of these evaluations may inform the future design of WFP operations and project evaluations for C&V projects, which could produce an evidence base to compare effects over time.

130. Open-ended survey responses showed a pattern of CO concerns and interest in information management and database gaps under the topic of M&E. The absence of a dedicated information management function in most COs may explain this gap as concerns centered on the requirements (functional utility) and use of systems (including data protection and privacy) not just their technical design.

131. Although not specific to C&V, livelihood and resilience projects did not monitor or evaluate livelihoods outcomes, only short-term food security outcomes that could not be clearly linked to livelihoods activities (Niger, Burkina Faso, Sri Lanka).

2.2.1.5 Sufficiency of organizational capacity built to manage C&V assistance

Key finding: WFP has built significant institutional process capacity but human resources (especially new skills in market and economic analysis and information management) and some specific functional capacities lag behind.

132. WFP has built significant organizational capacity since 2008 but gaps remain. Significant advances have been made in developing processes and guidance, though these have been somewhat hindered by lack of resources for some functions (VAM, legal), disagreement on roles among some HQ divisions and units (logistics and procurement regarding retailer assessment and selection) and slow uptake of roles (logistics).

133. Many COs have developed their own guidance/standard operating procedures (SOPs) to fill gaps. Some developed SOPs before HQ guidance was shared (Niger 2010,

“At the beginning of the C&V project implementation, there was limited clarity on the process - that created stress; now, as the guidelines are more developed, the negative stressful factors are balanced with the confidence and motivation developed by effective implementation.”

Source: Evaluation survey

Burkina Faso 2009), resulting in reconciliation challenges between countries and HQ once corporate guidance emerged. Significant CO capacity and learning has been developed through bilateral network with CO-to-CO support. COs have perhaps unsurprisingly and by necessity tended to take the HQ-generated programmatic guidance and adapt it to their own context, or develop additional guidance to fill gaps (e.g. e-card SOPs) sometimes with the support of RBs but at times on their own. Despite these efforts CO technical capacity was the second most frequently cited problem (35 percent vs. 58 percent for funding) in achieving planned outputs and outcomes of C&V projects.

134. WFP has not yet deployed formal training or competency development systems to increase capacity for C&V programming, though a corporate training platform is under development currently. No systematic effort to recruit external C&V expertise was

"We have de-mystified C&V more than built capacity."

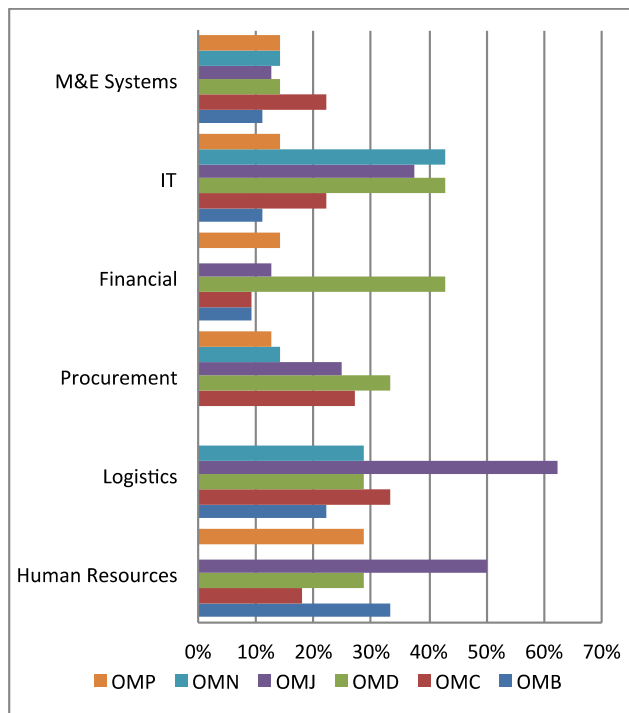
Source: Evaluation interview

identified, despite commonly identified capacity gaps in market analysis and financial systems, though some COs were able to access staff from stand-by-partners with a C&V profile. Less than half of CO's with C&V projects surveyed report mostly adequate (37 percent) or completely adequate (4 percent) skilled human resources to implement C&V projects. Most staff cite learning by doing, not training, as the primary way they have developed capacity. 25 percent of COs also report in survey responses that staff had no prior C&V skills and competencies before starting their position and 38 percent state staff had very few prior C&V skills and competencies. Informal networking, CO to CO or elsewhere has also played a significant role in capacity building, often based on personal relationships among WFP staff. Case study observations and key informant interviews at all levels pointed to the reliance on consultants and junior professional officers to manage C&V projects as further evidence of gaps in effective human resources institutionalization for C&V.

135. CO capacity currently remains more dependent on individuals than institutionalization. Case study key informants and observation found that where there are good people who take initiative to learn or bring prior skills and experience to a C&V project, the CO tends to work more efficiently and effectively. However, case studies also demonstrated that this does not result in a sustainable effect on the CO as such temporary capacity is threatened by frequent turnover.

136. The clarity of functional roles and in-country functional capacity also shape C&V project implementation. The survey of COs found significant reported variance across regions related to functional capacity as shown in Figure 17.

Figure 17: COs reporting inadequate capacity by function



Source: Evaluation survey

(see Section 2.2.1.4). The capacity of logistics was more difficult to determine as logistics has not played a significant role in C&V projects in numerous case study countries or has only recently begun to do so (Lebanon, Zimbabwe, Burkina Faso, Niger).

140. Logistics capacity to support C&V projects lags behind others given a reportedly late acceptance/acknowledgement of their roles in the C&V business process. The logistics roles established in the 2012 CfC Distribution Models included local retail supply chain assessments, operational risk analyses, retailer selection, monitoring FSPs, invoice verification and retailer/FSP payment requests.

141. The recent global logistics assessment found the reasons for this delay related to 1) “incomplete understanding of the supply chain aspects related to C&V operations”, 2) “how Logistics (in collaboration with VAM, Procurement and IT) can help reduce operational risk and sensitivity to fraud”; 3) “lack of appropriate tools and technical guidance”; and 4) “lack of staff time to dedicate to new responsibilities”³². Recent efforts suggest that the logistics division at HQ is moving fast to develop guidance and capacity. This includes integrating C&V specific competency building into core logistics trainings, but these efforts had not yet influenced capacity or clarity of roles as observed in the field during the timeframe of the evaluation.

137. COs from West Africa (OMD) and Southern Africa (OMJ) reported the highest levels of functional weakness, followed by those from the Middle East and North Africa (OMC). OMD COs reported the greatest weaknesses in financial and information technology (IT) capacities. OMJ COs reported greatest weaknesses in human resources and logistics.

138. Over 25 percent of COs identified the capacity of human resources, logistics and IT as being inadequate.

139. Triangulation of the survey results with other data sources yielded mixed results on these questions. While other data sources confirm the relative strengths and clarity of current financial capacities and weaknesses in human resources and IT, they do not confirm the strength of M&E systems

³²WFP, “Cash and Voucher Supply Chain, OSL Concept Paper”, May, 2014

142. The capacity of IT was frequently raised in case study interviews. COs have identified a need for more robust data management solutions as C&V projects reach greater scale and need to be tied into banking and retailer systems electronically. The corporate System for Cash Operations (SCOpe) initiative is building a common platform for beneficiary registration, distribution planning, tracking of redemptions, and standardizing transfer delivery mechanisms. In 2013 WFP's corporate IT department piloted different SCOpe modules in selected COs with plans to fully deploy the system in up to 20 countries by the end of 2014. However, full roll-out only began in late 2013 and relies on only four HQ staff. SCOpe had not been deployed in any of the case study countries by the end of data collection for this evaluation. In some of the cases COs invested in their own solution prior to SCOpe (Lebanon, Zimbabwe, Ecuador, Burkina Faso). In one RB (OMJ) an on-going regional procurement process is underway for a contract to provide transfer and payment service providers that could link to the beneficiary information and distribution management capabilities of SCOpe when it is ready. In Ethiopia the CO stressed that SCOpe was not appropriate given the PSNP developed data management systems.

“The lack of capacity from HQ to support the implementation of the IT Corporate Solution (SCOpe) has been a key limiting factor for the adoption of electronic vouchers.”

Source: Evaluation survey

143. CO key informants also frequently cited HQ procurement and legal capacities as a weakness based on their challenges in securing timely review and approval for new service provider agreements and contracts. The legal unit in particular was often mentioned as a bottleneck. The evaluation found that no additional budgetary resources or staff have been added to the legal unit for C&V work since 2008, despite the highly contextualized and more complicated negotiations required to establish implementation agreements with these commercial providers.

144. Program capacity has been central to the growth of C&V implementation in WFP at the CO level. Until the C&V business processes were established CO program staff often led most if not all stages of the assessment and design process up to modality selection. HQ program capacity is more difficult to access beyond that of the CfC unit itself since other units are organized by activity type (e.g. School Feeding, Nutrition) rather than modality.

145. The capacity for Vulnerability Assessment and Mapping (VAM) was explored and the evaluation found that while significant efforts have been made at HQ to develop market analysis tools and offer trainings, a reduction in corporate resources for VAM constrains the effective building of such capacities. At the CO level, case study countries frequently cited weaknesses in market analysis as a capacity gap.

146. Some COs have deliberately deviated from the normal WFP functional structures to best implement C&V projects, especially where it makes up the majority of their work. In Ecuador vouchers currently comprise 80 percent of the CO's total programming; the office plans 100 percent use of C&V within the year. To better manage this different portfolio, CO leadership initiated a broad restructuring in response to the findings of the IFPRI evaluation. The CO reduced or eliminated distinct functions it found to be no longer relevant while appointing the head of logistics to become the head of an integrated operations team.

147. In Lebanon, the CO structure relies primarily on three program units to implement WFP's largest voucher project. This structure includes a three person

C&V/e-card group (including a database manager), a one-person partnerships function and a one-person field coordination function. Finance and administration, M&E, and a food security analysis team support these functions. Logistics is not present in the CO and procurement has not yet been engaged. The evaluators found this structure to be well adapted to the C&V focus of WFP operations in Lebanon.

148. HQ support to COs was cited as a weakness for building organizational capacity. Only 35 percent of COs surveyed said that HQ has provided mostly to completely adequate support. The problems cited in open-ended responses closely paralleled the gaps noted by function above. Nevertheless, RBs noted that clear lines of communication have been established between HQ, RBs and COs and support has been strengthened through this chain.

149. RB support to COs is considered much stronger based on survey responses, possibly reflecting the CfC strategy to establish capacity at the RB level and make the RB the “first port of call”. 63 percent of COs surveyed said that RBs have provided mostly to completely adequate support. Gaps in RB support cited by COs emphasized the turnover and gaps in focal points, which is being somewhat addressed by converting short-term positions into fixed term positions for regional C&V focal points.

150. Perceived capacity challenges have led to a mid-2014 set of adjustments to the CfC Steering Committee and stakeholder group. The WFP Associate Executive Director has charged the new Steering Committee and new cross-functional task team with developing a corporate financial, digital and supply platform by mid-2015. This platform is expected to contain both centralized “back office” components (systems and support) as well as “front end” components to be performed by COs. These efforts will be complemented by the training platform under development.

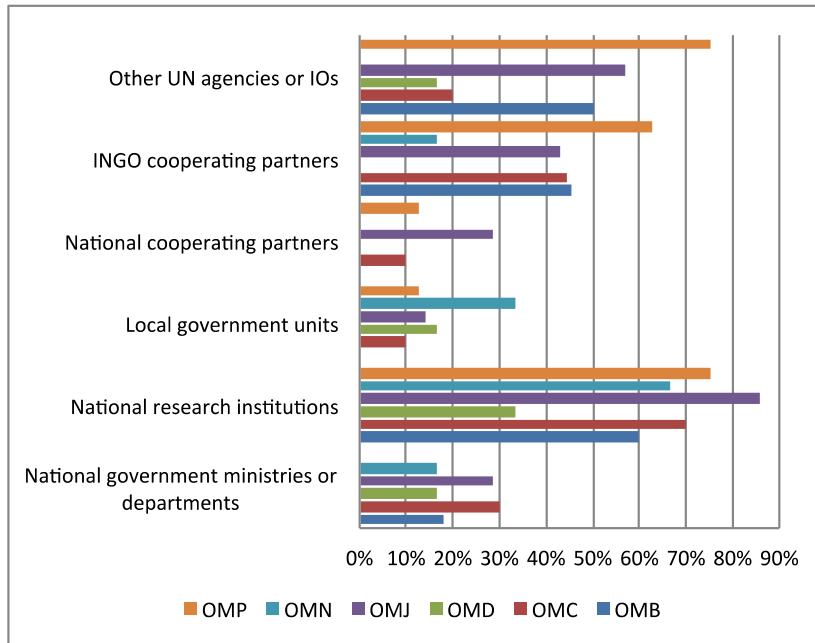
2.2.1.6 Sufficiency of partnerships for implementation

Key finding: Partnerships with CPs have been adapted successfully for the most part, but global corporate partnerships have not proven effective and implementing arrangements with FSPs and retailers/shops remain challenging for WFP.

151. C&V implementation requires a much more diversified and differentiated set of implementing arrangements than the INGO CPs that WFP has traditionally used to implement in-kind projects. C&V projects require focus on identifying and building agreements with a range of CPs, FSPs (including banks, mobile phone companies and/or micro-lending organizations), other service providers (e.g. database contractors), delivery agents (e.g. security companies) and retailers/shops depending on the exact context, distribution model and modality combination.

152. Agreements with CPs are stable, and although incentives and roles have changed and some issues around accounting are still being worked out, these remain relatively strong. However, as illustrated by Figure 18, field visit interviews and case study documentation show WFP still relies largely on the same mix of INGOs for C&V

Figure 18: COs reporting slight to no partner involvement in C&V projects



Source: Evaluation survey

projects and the development of standard operating procedures for implementation.

153. Partnerships with national research and academic institutions are an untapped area of potential based on survey data. 66 percent of COs surveyed that have implemented C&V projects noted slight to no involvement of academic/research partners in project design, implementation and monitoring. This appears to be an important unexplored area for partnerships, especially given the gaps in market analysis and M&E capacity.

154. Partnerships with other United Nations agencies and international organizations (IOs) represent another underexplored area of potential. In most cases studied, WFP is operating its C&V projects with only basic coordination with other United Nations and IO actors (with the exception of UNHCR in Lebanon). If WFP continues to seek the outcome impact suggested in the 2008 C&V Policy language, complementarity and even more integrated programming with other actors is likely necessary. Yet, 38 percent of COs stated slight to no involvement of other United Nations agencies in the C&V project cycle (though OMC, OMD and OMN report much higher involvement of other United Nations agencies).

155. Experience with the range of other implementing partners or service providers is mixed by country. WFP is still learning how to negotiate with commercial service providers. Expectations that SCOPE and the MasterCard relationship would provide global solutions for (or at least dramatically simplify) securing needed back-end services have not yet materialized, such that COs continue to seek solutions locally

as they have for in-kind. While this is not a problem in itself, it was not complimented with an observed effort to identify new organizations with deep global and local knowledge of C&V. Because of these factors, only 48 percent of COs surveyed state that CP capacity is mostly a positive influence and 38 percent state that INGOs have had slight to no involvement in the full project cycle (though OMD and OMN report much greater involvement of INGOs than other regions). It seems that CPs are rarely involved in the design of

and/or with increasing help in some regions from RBs. While WFP has eventually succeeded in lining up these implementing agreements, the current time to do so and to maintain them is much greater than expected, leading to delays in project implementation and tradeoffs on program monitoring vs. process (e.g. shop strategy/monitoring/maintenance). For example, WFP is in a unique position to set up common C&V systems for a wide range of humanitarian partners in Lebanon, but is at risk of losing this opportunity due to significant delays in finalizing agreements for implementing arrangements.

156. The MasterCard/WFP corporate partnership was frequently cited by COs and other staff as a frustration rather than a net benefit. The exact role and mutual benefits for MasterCard and WFP under this partnership agreement are not widely understood or agreed. Furthermore, concerns about conflict of interest have arisen, rendering the potential use of MasterCard expertise less useful. Experience in COs where electronic vouchers or cash are being utilized suggest that the needed financial sector expertise sought through this agreement could be acquired more simply and better by recruiting for the expertise or hiring consultants. In mid-2014 the WFP Executive Director issued a new decision memo outlining the terms of engagement with MasterCard under this partnership.

157. A variety of approaches were found for retailer/shop selection and contracting for vouchers. Some COs have contracted many small shops, either in order to reduce beneficiary transaction costs or to better support the local economy. Other COs have contracted large shops and chains, usually to control quality and reduce their transaction costs. There does not appear to be consistent guidance to COs on the approach to retailer/shop selection and contracting, including weighing the trade-offs for potential livelihoods, local market support and beneficiary costs vs. quality, project management complexity and costs. A shop strategy is in development in Lebanon with support from HQ, which might provide lessons on these tensions and lead to an analysis framework.

158. Community of Practice –Various coordination, standards and knowledge sharing partnerships exist to share good practice on the use of cash and vouchers. There has been collaboration with CaLP, but WFP key informants believe this could take the form of more systematic participation. WFP is noted as a development community member of the Better than Cash Alliance, which focuses on electronic payment solutions and learning. Country level cash working groups were in place in most case study countries, but WFP participation was irregular in most cases.

2.2.2 Policy Results – Efficiency

159. The efficiency of WFP in achieving results envisioned by the policy was assessed based on process efficiency, measurement of efficiency, reduction of beneficiary transaction costs, project flexibility, and timeliness, as per the Theory of Change and subsequent policy directives and guidance. The high level findings related to the efficiency of WFP in achieving results are shown in Table 8 and explained below.

Table 8: Findings on efficiency

Evaluation Design		Findings							
Key Questions:	Evaluation Factors:	What the policy aimed for (or should have):	What was achieved:	Progress:					
Results - Efficiency	Process	systems enhance project cycle efficiency (time/cost)	Business processes and guidance have had mixed effects on efficiency, with some key bottlenecks causing significant delays, but COs become more efficient in implementing C&V with experience.						
	Measurement	comparative and absolute costs measured	Comparative and absolute cost efficiency and effectiveness have not been effectively measured for C&V.						
	Beneficiaries	transaction costs reduced	Transaction costs have not been systematically measured and analyzed but anecdotal evidence suggests C&V modalities do not inherently reduce these costs for beneficiaries.						
	Flexibility	increased ability to meet context driven needs	Flexibility has broadly increased with new modalities but few examples were found of projects shifting modalities during a project cycle.						
	Timeliness	improved timeliness of assistance	Timeliness benefits of C&V were mixed, based on context and business process efficiency but efforts to establish expedited emergency approvals and agreements have potential to speed implementation.						
Findings: Progress Key									
complete		mostly met		somewhat met		insufficient		none	

2.2.2.1 Guidance and business process support for operational efficiency

Key finding: Business processes and guidance have had mixed effects on efficiency, with some key bottlenecks causing significant delays, but COs become more efficient in implementing C&V with experience.

160. As illustrated in Table 9, the evaluation found mixed results on whether guidance and business processes have provided the basis for operationally efficient food assistance programs. Survey data shows that most projects started later than planned (68 percent of COs), though this was due to a mix of funding constraints and process delays. CO staff interviewed presented mixed perspectives. Some noted that the guidance and business processes are supportive, clarify roles and expectations and generally lead to greater efficiency. For some COs, (Burkina Faso, Zimbabwe) the production of business processes clarifying functional roles has been welcomed by Program units as it has relieved some of the burden on them. Others stated that guidance and business processes hinder, with the totality of the process steps being overwhelming and time consuming and certain functions and approvals not proceeding in an expeditious way leading to delays.

"As guidance has been developed, emphasis has been on the quantity rather than usefulness to the field. As a result, guidance is really complex and confusing."

Source: Evaluation survey

Table 9: Effects of business processes and guidance (evaluation survey)

COs reporting C&V guidance and business processes impact on efficiency:	
Hindered	12%
Somewhat helped	55%
Substantially helped	18%

Source: Evaluation survey

"Guidelines in 2009, 2011 and 2013 have facilitated the design and implementation of activities cash and vouchers. However, the requirement is much higher for cash transfers compared to food aid and the implementation of these guidelines should be much more gradual to encourage more countries to join this dynamic."

Source: Evaluation survey

161. Establishing new types of service provider and partner agreements was found to be a particular bottleneck in the current business processes. Delays of up to six months were cited by key informants in two regions for getting a contract in place with a FSP. These types of sub-process review and approval requirements

"The weight of certain procedures may delay implementation - especially in an emergency. Pretty frequent change of operational procedures may also hamper the continuity of operations already initiated."

Source: Evaluation survey

were not initially covered in the business process design and have become more critical as WFP increasingly explores more financial sector and technology dependent transfer models. While HQ procurement and legal units are most often cited for contributing to the delays, these units stress the challenges inherent in negotiating these types of context specific commercial agreements where the contractor has its own interests, and the failure to scale up the needed sophisticated legal capacity.

162. Lessons learned from the response to Typhoon Haiyan in the Philippines and other emergencies illustrated the importance of preparedness measures to use C&V for emergency response. While the Philippines has a relatively developed market and financial system, the lack of pre-agreements with service providers was seen as slowing the response to some extent. WFP's learning in the Philippines is complemented by that of other organizations. An ACF study³³ in the Philippines found that the overall response could have been improved through better preparation in the form of pre-assessments of markets, FSPs, retailer capacity and contingency planning including standard contracts for C&V.

163. Based on this learning, a corporate initiative has been launched to identify high-risk countries and establish pre-agreements with FSPs to facilitate rapid response. OMP is also working on context-specific SoPs to increase deployment speed of C&V tools during emergencies, with a goal of launching C&V operations within few weeks of a sudden onset emergency.

164. Document review and interviews showed that CO and HQ emphasis has been placed on the first two stages of the overarching business process: the assessment phase that feeds decisions on the appropriate transfer modality; and the initial set up phase where project agreements and implementation arrangements are established.

165. COs report receiving piecemeal guidance (e-mail often with little follow-up support). Therefore, there is high variability in the guidance and business processes

³³Smith, G. *Electronic Transfers Scoping Study and Preparedness Plan ACF Philippines*, December 2013.

that COs are familiar with, understand, and use (i.e. almost all COs use the 2013 Financial Directive, few to no COs use the Omega tool).

2.2.2.2 Measurement and learning about comparative cost efficiency

Key finding: Comparative and absolute cost efficiency and effectiveness have not been effectively measured for C&V, but recent rigorous impact evaluations conducted by IFPRI show that cash and vouchers are more cost efficient than in-kind food.

166. The Alpha value³⁴ has been measured within WFP from before the introduction of C&V modalities but has not yet provided value in comparing C&V to in-kind. All case study countries collect and report on basic Alpha value cost efficiency on an ex-post basis. However, prior to 2014, there was no way to distinguish between modalities when there was a mixture within a project due to financial systems. From 2014 forward, the costs of in-kind will be separately tracked from C&V and consolidated for all WFP projects. Despite this progress, these changes to the financial framework are seen as a half-measure because they will not separately track cash versus voucher project costs. This limits the individual project and global analysis of comparative cost efficiency using Alpha values to a blunt comparison and ignores the potentially significant differences in cost efficiency for cash vs. voucher distribution models.

167. Some efforts to monitor "cost per beneficiary" of C&V versus in-kind began in 2012 (i.e. WFP Annual Performance Report and some CO donor reports such as the Lebanon USAID project report). However, this metric was not overly informative as it simply gives a ratio of total project costs to number of beneficiaries. Without knowing the distinction between transfer value and cost to deliver that transfer value this metric is comparing widely different values without explanation.

168. Omega Value³⁵ – Significant rhetorical attention is given in C&V business processes and more recently corporate reporting to this more advanced metric that attempts to measure nutrient cost effectiveness by including a Nutrient Value Score. The challenge found with the Omega value is the emphasis on using the metric in ex-ante analysis to guide modality choice.

169. Ex-ante use of the Omega value relies on a wide range of assumptions about what people will use a transfer in the form of cash or a value voucher to purchase (including potentially subsidized products) and compares it to WFP's usually fortified in-kind food basket. The Omega value could potentially be "used to estimate the worst and best possible food basket purchases, from the range available using the value-based voucher, to give a range of Omega Values."³⁶ COs have been challenged in making these assumptions and feel the output of the metric is potentially misleading. The few COs that have received the spreadsheet calculation tool feel it is highly complex given the lack of guidance and training on its use.

³⁴ *Alpha value*: Measures cost efficiency by comparing local market price to in-kind cost of a particular commodity.

³⁵ *Omega value*: Measures cost effectiveness of different food baskets delivered through different transfer modalities by assessing the full cost of delivering a specific nutrient value (NVS) using a certain modality or combination of modalities and comparing it with other options.

³⁶ Rykembusch, D. et al. *Enhancing Nutrition: A New Tool for Ex-Ante Comparison of Commodity-based Vouchers and Food Transfers*. World Development Vol. 49, p. 65, 2013

170. Among COs surveyed 34 percent cited having no evidence of ex-ante cost effectiveness evidence and 8 percent cited major gaps in such evidence. 40 percent also cited no evidence or major gaps for ex-post cost effectiveness evidence.

171. Factors that affect cost efficiency were also found to vary across stages of the C&V business process and project cycle (e.g. higher start-up costs for a new C&V project in a place with existing in-kind projects); at different levels of scale (e.g. more cost efficiency for larger scale C&V projects); and by location/duration (e.g. potential cost efficiencies in urban vs. rural locations and economies for projects that are kept in place over time rather than start/stop/re-start in a different location).

172. The IFPRI evaluations concentrated attention on modality specific costs, and found, “In all countries, cash transfers were less expensive than food transfers.³⁷” This was primarily due to greater costs for in-country transport, ration preparation and distribution. IFPRI was not able to assess comparative procurement costs, which may affect overall costs but they concluded that “as WFP obtains further experience with cash transfers, the costs of providing cash transfers will be significantly reduced, which will instead widen this cost differential.”

2.2.2.3 Evidence of reduced transaction costs for beneficiaries

Key finding: Transaction costs have not been systematically measured and analyzed but anecdotal evidence suggests C&V modalities do not inherently reduce these costs for beneficiaries.

173. The 2008 C&V Policy states an assumption that the use of cash and/or vouchers will often lead to reduced transaction costs (“for example in transportation and time”). Transaction cost implications are monitored in PDMs in the evaluation country cases, usually in terms of time and/or cost to travel to a distribution point, but are not systematically analyzed and used to make adjustments in project design. However, in one case the implications of increased transaction costs was recognized and a \$5 cash back transfer was added to a voucher to offset transportation costs and in others the implications of transport distance/time were a key factor in designing a retailer strategy (Zimbabwe).

174. 37 percent of COs surveyed that have implemented C&V projects said they have little to no evidence of reduced transaction costs to beneficiaries. There was a lack of comparable quantitative evidence on transaction costs that could be used to evaluate a change in transaction costs between in-kind, cash and vouchers and no comparative analysis was found among CO case studies.

175. The evidence gathered in the evaluation suggests that transaction costs may be reduced for WFP (especially if implemented for a long time) but may increase for beneficiaries with voucher transfers, though potentially not for cash transfers.

2.2.2.4 Extent the policy has facilitated flexibility

Key finding: Flexibility has broadly increased with new modalities but few examples were found of projects shifting modalities during a project cycle.

³⁷Hoddinot, J. et al, “Enhancing WFP’s Capacity and Experience to Design, Implement, Monitor, and Evaluate Vouchers and Cash Transfer Programmes: Study Summary”, IFPRI, June 2013

176. C&V is seen by key informants as “providing another tool to the toolkit”, which provides for flexibility at a high level. 59 percent of CO survey respondents with C&V projects stated that C&V modality use has improved appropriateness and flexibility and an additional 33 percent said it has somewhat.

177. The policy seems to suggest a vision for being able to mix and match tools and many projects studied include a combination. A few examples were found where projects were designed to switch back and forth between cash and in-kind for a particular population during implementation. A project in Niger switches between cash and in-kind based on seasonality driven availability of food in the market. Other projects have been designed to complement cash and vouchers with an in-kind distribution. Examples include Zimbabwe with a corn soya blend (CSB) ration complementing a commodity voucher with a “cash back” component for transport costs, and Ethiopia, Burkina Faso and Niger (just starting) using a combined food and C&V basket for refugees. However, survey responses suggest that a significant number of projects are fixed in modality once approved, with 21 percent of COs stating they never reassessed modality appropriateness during implementation or prepared to switch modalities.

178. C&V can also provide beneficiaries with more flexibility to time the use of their transfers to better match their needs. For example, some e-cards that allow multiple uses within a month, but this is dependent on project design (including timing of distribution and transfer value) and culture/context (e.g. beneficiaries used to getting paid once per month and their related shopping habits).

2.2.2.5 Extent the policy has facilitated timeliness

Key finding: Timeliness benefits of C&V were mixed based on context and business process efficiency, but efforts to establish expedited emergency approvals and agreements have potential to speed implementation.

179. Timeliness factors related to C&V implementation are reportedly based on context and the ability of a CO to navigate business processes and put implementation arrangements in place. There is mixed evidence whether C&V response times are more or less timely compared to food in the same operational contexts. Some limited evidence from two countries (Niger and Burkina Faso) shows that cash may be less timely to “release” because of financial regulations, but faster to distribute to beneficiaries, compared to food that is prepositioned in country. In OMP key informants noted that use of C&V in emergencies can be much more timely as setting up a new food pipeline can take 2-3 months.

180. HQ, some RBs and COs are working to get C&V implementation arrangements in place prior to emergencies in high-risk natural disaster countries, with pre-selected service providers, assessments and other capacities. This is viewed as having a high likelihood of enhancing timeliness and parallels similar preparedness efforts underway in the Red Cross/Red Crescent system.

181. Some case studies showed long lead times for C&V project start up – including assessments and contracting /agreements with retailers and/or FSPs. Yet in Sri Lanka, vouchers were cited as providing a reliable alternative to food distributions that had been hampered by pipeline breaks; OMP noted that C&V presented more timely response options in COs where no significant food pipeline is in place.

182. As noted above, a number of COs have experienced delays in C&V programming due to broader institutional problems in accessing timely and predictable funding as opposed to having a specific link to the transfer modality. The evaluation noted a gap between financing approaches for in-kind and C&V in terms of advance funding mechanisms. In-kind projects and the Global Logistics Cluster have relied on such advance funding mechanisms to “jump start” operations and ensure continuity of services when funding spikes and shortfalls make cash-flow difficult. While some key informants stated there is currently no similar mechanism in place for C&V projects, others noted that current WFP advance funding mechanisms are “transfer modality neutral”.

2.3. Factors Explaining Results

183. The factors effecting implementation and results of the policy were assessed through consideration of internal and external factors. The factors included the influence of organizational capacity, processes and guidance, organizational motivation and external environmental factors.

184. The high level findings related to the factors effecting implementation and results of the policy are shown in Table 10 and explained below.

Table 10: Findings on influencing factors

Evaluation Design		Findings							
Key Questions:	Evaluation Factors:	What the policy aimed for (or should have):	What was achieved:	Progress:					
Factors	Org Capacity	positive influence on C&V implementation	Organizational capacity factors have increasingly supported implementation of the C&V policy, especially since 2011 but gaps in effective matrix management and change management hinder implementation.						
	Process/Guidance	aligned to support C&V implementation	Business processes have enhanced buy-in but gaps and lack of agreement on some functional roles has hindered implementation.						
	Org Motivation	positive influence on C&V implementation	Organizational motivation has increasingly supported C&V implementation but WFP's history and structure continue to make a comprehensive shift from to food assistance a complicated change management endeavor.						
	Environment	positive effects on C&V implementation	The external enabling environment for C&V has improved and WFP has mobilized increasing resources for C&V projects. Implementation is hindered by opposing donor attitudes, funding constraints and lack of advance funding mechanisms for C&V.						
Findings: Progress Key									
complete		mostly met		somewhat met		insufficient		none	

2.3.1 Influence of organizational capacity factors

Key finding: Organizational capacity factors have increasingly supported implementation of the C&V policy, especially since 2011 but gaps in effective matrix management and change management hinder implementation.

185. Overall, WFP has demonstrated a strong interest in building organizational capacity to increase its ability to employ C&V, especially since the establishment of the CfC unit in 2010-2011. Different divisions have dedicated significant time, even without new resources, to ensure C&V projects can work.

186. The CfC unit benefits from the inclusion of staff loaned from various divisions and units. C&V change initiatives have required cross-functional input and the business processes developed since 2011 depend on a complex matrix of roles and

responsibilities across units. This “matrix management” approach to developing C&V guidance and designing and implementing C&V projects is necessary given the complicated requirements (with 5 or more key functions involved in each stage of the business process) and degree of changes necessary within WFP. The CfC unit plays a facilitation role however and has no authority to make or enforce decisions related to other units. Such a matrixed approach appears to be lacking a clear guiding force to manage these complicated roles and interests.

187. Organizational leadership has been supportive of institutionalizing C&V but evidence was found of gaps in the ability to resolve issues between silos and ensure integration across roles delegated by function both at HQ and CO levels. The Executive Director and senior leaders are reportedly supportive of C&V though numerous key informants noted leadership preference for vouchers over UCT.

188. Broader organizational change initiatives in WFP such as Fit for Purpose, the Framework for Action, the Financial Framework Review and Business Process Review (BPR) have started to make some significant changes to organizational structure and business processes that can support C&V. The initial integration of Policy and Programme divisions under the Fit for Purpose/Framework for Action is seen as enabling CfC to better effect change and reduced one organizational silo. Changes in the Financial Framework have adjusted the financial reporting structure in ways that will enable somewhat better cost efficiency analysis. Human Resources elements of the BPR could address challenges around fit of current staff with C&V competency/experience needs but this process is just beginning.

189. The overall lack of a competency development platform and variable approach to staffing, promotion and career paths may impede better implementation of C&V in the future. This was found to be particularly true for national staff with C&V expertise and experience, though some key informants noted this problem is not specific to C&V. Learning and knowledge management platforms for C&V are still being developed and this gap has left CO staff to learn by doing or learn through their own informal networks leading to some inconsistencies in approach.

2.3.2 Alignment of business processes and guidance in support of implementation

Key finding: Business processes have enhanced buy-in across functional units but gaps and lack of agreement on some functional roles has hindered implementation.

190. The business process for C&V emphasizes a matrixed management of tasks based on the pre-existing structure at HQ level. Numerous key informants noted the trade-offs in this approach.

191. Most internal key informants stressed that this was essential to ensure buy in for change but also question whether structure has driven strategy versus strategy driving structure. After two years of implementing the distribution model business process, some stakeholders question whether the effort to give each pre-existing function a role in

“The pre-existing institutional framework (e.g. existing divisional silos) is not in a position to fully respond to this new programming modality and further, the links between and roles of programme, procurement, finance and legal would need to be clarified.”

Source: Evaluation survey

C&V processes makes sense, or whether the business process should focus more on the functional necessary tasks then identify the skills and competencies needed to implement. COs have sometimes addressed this question by assigning roles to match their structures, especially where a CO does not have a dedicated logistics or procurement function. CO key informants also noted that some functional units need clarity from their HQ counterparts about if and how they should undertake responsibilities in the business process.

“The most significant element is the “defined” roles and responsibilities of the respected units and particularly that of logistics. It would rather make more sense for a CO to determine what is the internal capacity to undertake various tasks/assessments and assign them accordingly rather than creating an artificial arrangement in which a unit is expected to undertake an assessment for which they have no real experience or capacity.”

Source: Evaluation survey

192. Gaps were identified in business processes and guidance around how to weigh different factors in making a modality choice. However, many key informants believe this should be a matter of good management and judgment left to the CO and linked to a check/balance in PRC.

193. COs surveyed noted the following degree of benefits for each assessment required by the C&V business process:

- a. 63 percent said the information and communication technology (ICT) capacity assessment and risk analysis step was beneficial and 21 percent said they were not familiar with it.
- b. 59 percent said the procurement options and risk analysis step was beneficial and 14 percent said they were not familiar with it.
- c. 63 percent said the effectiveness, operational risk and externalities analysis step was beneficial and 22 percent were not familiar with it.
- d. 58 percent said the cost efficiency/effectiveness analysis (including Omega value) was beneficial and 22 percent were not familiar with it.

194. Additionally, approaches to market assessment were found to be heavily focused on price monitoring for traditional WFP in-kind staples rather than a more robust and comprehensive market system analysis. Furthermore, retail and supply chain assessment approaches varied considerably. Together this suggests that the full business process has not been employed in many locations partly due to underdeveloped tools, and lack of awareness and agreement on roles.

2.3.3 Effects of organizational motivation factors

Key finding: Organizational motivation has increasingly supported C&V implementation but WFP’s history and structure continue to make a comprehensive shift from food aid to food assistance a complicated change management endeavor.

195. **Bottom up motivation:** Impetus for the 2008 C&V Policy was initially highly supported by COs that were already using C&V but felt they were taking risks in doing so without authorization, supporting systems and frameworks within WFP. The rapid growth in number of projects (if not scale) suggests that there remains a significant bottom up, CO driven motivation to embrace the practice.

196. **Targets:** When asked if COs were aware of any corporate target related to C&V 83 percent of survey respondents stated yes. When asked to specify what the target was, 28 of 34 COs provided a reference to reaching a percent target of all WFP programs by 2015 (ranging from 20 percent to 66 percent). Documentary evidence and key informants suggest this “target” was based on a projection developed for the 2011 update on the policy for the Executive Board and subsequently taken out of context. Based on key informant interviews the role of this “target” in motivating the organization to move forward – even if never formally decided – seems to have been significant in reinforcing that the shift to enable use of C&V was not a temporary one. External key informants also often referenced this “target” as embodiment of policy and suggested it showed WFP was serious about its change efforts.

197. **History:** WFP organizational history has continued to play a significant role in the implementation of the policy and institutionalization of C&V, especially around logistics, but also the shift from support service role for procurement, finance, legal into a much more operational role. The historical strength of logistics has been a complicating factor as key informants note that leaders and staff have been concerned about potential negative effects on logistics capacity, resources and structure, as reflected in the late efforts of the logistics division to develop C&V tools.

198. **Culture:** Internal key informants report that WFP culture has been slow to change towards food assistance away from food aid. Systems, staff and partners have historically aligned around a business model where different functions deal with each other on a more transactional basis rather than an integrated programming approach. This has been underpinned by a strong cultural belief in delivering at scale (high percentage of beneficiaries with identified needs across a geographic area) rather than more targeted, consistent, predictable and adequate forms of assistance potentially better able to achieve the objectives of the policy.

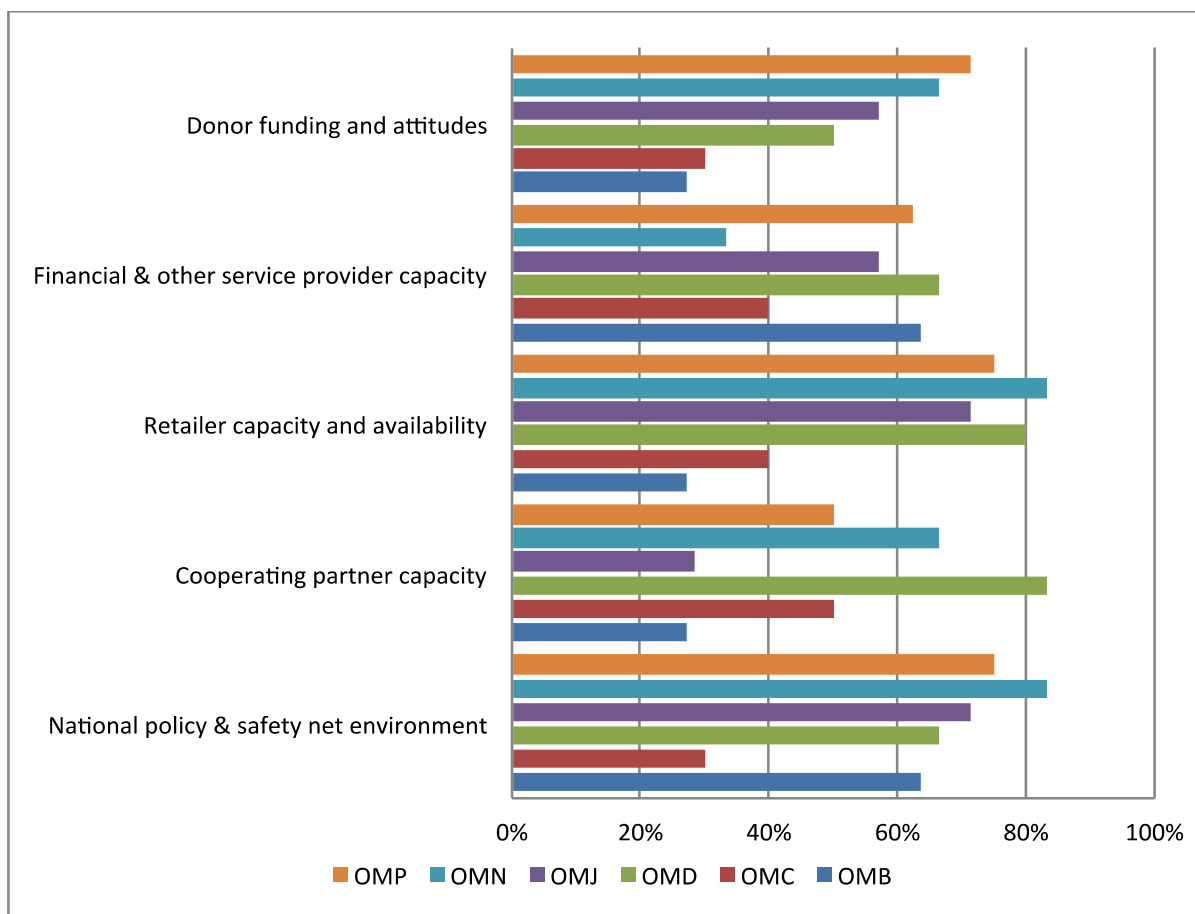
2.3.4 Effects of the external enabling environment

Key finding: The external enabling environment for C&V has improved and WFP has mobilized increasing resources for C&V projects. Implementation is hindered by opposing donor attitudes, funding constraints and lack of advance funding mechanisms for C&V.

199. The growing C&V community of practice and increasing industry use of C&V have provided evidence of the validity of cash-based approaches and increased opportunities to share learning. While this has created more space and greater acceptance of C&V, it has also increased competition. As industry use of C&V increases WFP may be at a disadvantage if it cannot precisely track cash or voucher costs and demonstrate that its cost structures are as efficient as other organizations.

200. Overall, COs generally believe the positive impact of external factors outweighs the negative according to the evaluation survey as illustrated in Figure 19. Slightly less than half feel donor funding and attitudes and cooperating partner capacity are more supportive than hindering. Regional variance in survey responses was notable on the effects of the external enabling environment with OMC and OMB noting the greatest concerns.

Figure 19: COs reporting positive impact of external factors outweighs negative



Source: Evaluation survey

201. From the beginning, donors have significantly shaped the 2008 C&V Policy and practice, both motivating the shift and constraining it. Funding for C&V projects has grown significantly since 2008; most stakeholders believe these trends will continue even if not at the same pace. Yet the funding system in WFP makes it difficult to design, implement and monitor long-term and consistent C&V projects. This in turn makes it very difficult to achieve higher order outcomes related to livelihoods and capacity building. According to COs surveyed, funding remains the most significant problem in achieving planned results for C&V projects (58 percent). The funding flow from donors to WFP HQ released as available and needed to COs creates a number of challenges ranging from raised beneficiary expectations to meeting contractual obligations with services providers.

“All evaluations found the need for a funding system that better assures predictable, long term funding to support the type of activities undertaken in the food assistance approach. The inadequacy of the processes available to WFP to acquire multi-year, predictable funding was found to be a significant operational barrier, creating a cascade of undesirable effects for effective programming.”

Source: WFP Synthesis of Four Strategic Evaluations on the Transition from Food Aid to Food Assistance, May 2012

202. However, a split between major donors continues to put WFP in a difficult position. The United States, WFP’s largest donor, reportedly remains reluctant about the use of C&V (especially cash) due to its

own legal and funding mechanisms, which stress the need to insure transfers from WFP are used for food. Two of the next largest donors (the European Union and the United Kingdom) have been consistently urging much greater use of C&V, and increasingly unconditional cash transfers. Current fault lines focus on conditionality. Together with the cost-effectiveness evidence challenges noted, WFP's variable beliefs, practice and statements by context, places it in a more difficult position to coherently articulate its stance in the face of divergent donor standpoints. (e.g. Why can WFP do UCT in West Africa but not Lebanon?)

203. The relative cost efficiency of C&V compared to in-kind food as found in the IFPRI impact evaluations (see Section 2.2.2.2) will likely have long term implications related to donor expectations of WFP's cost base. Current direct and indirect support costs are based on an in-kind food delivery model and key informants believe donors will increasingly expect WFP to reduce its costs in line with C&V cost efficiencies.

204. Operating context and complexity drives options for different modalities. WFP and partner staff cite factors including national government policy, cooperating partner capacity, market functionality, availability of FSPs and cultural context as enabling or constraining.

3. Conclusions and Recommendations

3.1. Overall Assessment

205. The C&V Policy identified significant positive effects of introducing C&V more broadly within WFP programmes. Through the policy, WFP sought to increase its flexibility and appropriateness to respond to context-specific needs. This evaluation has demonstrated that WFP's implementation of the policy has led to progress towards this broad goal.

206. The policy was effective in authorizing C&V use to better meet context-specific needs. However, systems for disseminating and communicating policy and guidance are not sufficient to fully support the change management needs envisioned by the policy. Primary needs for the future relate to focus on implementation capacity and tools rather than policy documents.

207. Measuring the linkages between inputs, activities, outputs and outcomes and demonstrating cost efficiency per modality is critical for WFP's competitiveness. Yet, gaps in monitoring and financial systems currently limit WFP's ability to analyze and report on C&V effectiveness and cost efficiency. These limitations similarly constrain WFP's ability to measure relative effectiveness of modality in development, protracted relief and emergency contexts.

208. Some of the intended policy outcomes are unrealistic given WFP's project design and degree of conditionality, both of which are linked to its mandate for food assistance. Short duration, low transfer value and more conditional transfers limit achievement of outcomes related to improved livelihoods, better coping strategies, increased decision-making authority, increased choice, and beneficiary empowerment.

209. The changes envisioned by the policy were initially hampered by the lack of an implementation plan and assigned cross-functional leadership, but the establishment of the CfC unit in 2011 has improved implementation. While institutional process

capacity has significantly increased, gaps in human resources and specific functional capacities remain. Traditional WFP partners have adapted to working on C&V, though new global corporate partnerships have not yet proven effective in supporting COs with C&V implementation. WFP's implementing arrangements with FSPs and retailers/shops continue to pose challenges that require more support from HQ based on cross-country learning.

210. Significant investments in the development of tools and guidance, leadership support and overarching organizational change initiatives have supported the use of C&V. However, gaps remain: effective high-level leadership of the complicated change management initiative for C&V alongside other major change initiatives; successful day-to-day management of the matrixed roles and responsibilities; and resolving problems and removing bottlenecks in business processes.

211. Expected efficiency gains such as process efficiency, transaction costs for beneficiaries, project flexibility, and timeliness were partly achieved. The lack of systematically collected data limited the analysis, but the survey and key informant interviews show that lack of clarity on the use of advance funding mechanisms and key bottlenecks in the business process cause significant delays. Anecdotal evidence suggests that transaction costs for beneficiaries are not necessarily reduced. Flexibility in modality choice has of course increased, but only one project was found to actually shift between modalities depending on changes in availability of food in markets. Timeliness improvements were mixed based on context and business process efficiency but efforts to establish C&V emergency readiness may speed future implementation in crises.

212. Cost efficiency and cost effectiveness of WFP's use of C&V has not been effectively measured. WFP may be at a disadvantage in the future if it is not able to precisely track cash or voucher costs and effects and demonstrate cost effectiveness and cost efficiency.

213. The external enabling environment has improved, but conflicting donor positions on the use of C&V and conditionality pose significant challenges to WFP. The combination of differing levels and consequences of conditionality and absence of evidence on outcomes by modality, carry implications for WFPs competitiveness in an external environment characterized by rapid innovation and use of unconditional transfers.

3.3. Recommendations

214. Based on the findings and analysis of implications, nine key recommendations have been developed. These are based on the actions identified to improve the policy or its implementation. Priorities were assessed based on the anticipated benefits and risks of not addressing the needs for the future. Timelines were considered based on those that offer short-term opportunities vs. those that require more consistent long-term investment of effort. The recommendations were informed by input from key WFP staff during two rounds of discussion and briefings at HQ as well as formal written feedback.

215. The 2008 C&V Policy is only one element of the overall C&V policy framework and enabling environment within WFP. As shown in the findings of this evaluation, C&V directives, guidance and tools are better known and more frequently used by WFP staff and serve a critical function.

216. If WFP decides to update the 2008 C&V Policy it should: add certainty to the language; identify C&V specific outcomes (vs. activity related outcomes); include a clear theory of change and implementation strategy; update the evidence base regarding what works, risks and assumptions; clarify beliefs on conditionality vis a vis its mandate; and consider reframing the policy within an overall food assistance modalities framework to ensure in-kind is analyzed under the same criteria as C&V.

217. The recommended actions have been grouped based on overall strategic themes and are presented in Table 11.

Table 11: Recommendations

#	Issue	Rationale	Recommendation	Specific Actions	Responsible
1	Policy	The evaluation did not conclude that updating the 2008 C&V Policy itself is in WFP's best interests. Key risks in updating the policy include a distraction from focus on capacity building and implementation when directives and guidance can meet needs. The outcome of a policy update is uncertain given differences in viewpoints on conditionality and WFP's mandate. A new policy that remains ambiguous would not address the weaknesses in the current policy.	Do not update the 2008 C&V Policy at this time.		Executive Board and Office of the Executive Director (OED)
2	Guidance and Communication	WFP staff appreciate and use key C&V directives, guidance and tools but cite the need for more timely updates and more developed tools to help them design and implement C&V interventions.	Continue to invest in the C&V policy framework (directives, guidance and tools) with emphasis on communicating practical implementation guidance that clarifies expected outcomes, indicators and benchmarks frames C&V within the shift to food assistance, and continuously builds on internal and external lessons learned.	<ul style="list-style-type: none"> a. urgently complete and release the update to the 2009 C&V manual (immediate), b. clarify the expected corporate C&V results framework and outcomes (1 year), c. systematically disseminate C&V policy and guidance (3-4 months), d. disseminate clear summary of relevant policy/procedures to partners (6-8 months), e. add FSP and retailer negotiation guidance to the C&V manual and trainings (6-8 months), and f. ensure more active sharing and participation in community of practice (6 months to 1 year). 	Policy, Programme and Innovation Division (OSZ) and Procurement Division (OSP) Finance & Treasury Division (RMF)

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3	Mainstream C&V in WFP Policy and Business Processes	C&V increasingly represents a viable modality in WFP operations and activities and modality choice should require the same types and level of analysis even where in-kind food assistance has been the default.	Update other sectoral and thematic policies to incorporate C&V lessons and reframe business processes to equalize requirements for all modalities.	<ul style="list-style-type: none"> a. integrate C&V lessons into other policies (as policies are revised), b. clarify “food assistance” change meaning and disseminate to staff (1-2 years), c. reframe C&V business processes as “food assistance modality” processes, requiring same rigorous analysis for in-kind food assistance (6 months to 1 year), and d. compile lessons on shifting between modalities, adjust process and guidance to support (1-2 years). 	Office of the Executive Director (OED) and Policy, Programme and Innovation Division (OSZ), Logistics Division (OSL)
4	Leadership and Change Management	Cross-divisional and cross-unit collaboration requires dedicated leadership with the responsibility and authority to lead change processes, monitor progress and resolve bottlenecks stemming from issues related to capacity, resource or institutional culture.	Identify and empower clear change and matrix management leadership for C&V to plan and monitor capacity development, resolve bottlenecks, and prioritize change processes.	<ul style="list-style-type: none"> a. assign responsibilities and accountability at HQ, RB and CO levels to lead C&V change processes and matrix management structures (immediate), b. establish process, timeliness, standards, and process for monitoring and resolving bottlenecks (3-6 months), and c. ensure better management of policy coherence and change prioritization (6 months to 1 year). 	Office of the Executive Director (OED) and Assistant Executive Director (AED)

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5	Capacity Development	Furthering the growth and quality of WFP's use of C&V modalities requires dedicated investments to ensure adequate skills, knowledge and resources.	Invest in strategic institutional and personnel capacity development to sustain and increase gains in C&V capabilities. ³⁸	<ul style="list-style-type: none"> a. develop and disseminate an action plan for key C&V capacity building actions required over next 1-2 years (immediate), b. invest in HR competency development and recruitment to ensure needed skills and experience are available (immediate, carried out perpetually), c. allocate adequate budgetary resources and build capacity of functional units based on finalized C&V roles and requirements (6 months to 1 year), d. adjust organization structures to match strategy at HQ and COs to better reflect future food assistance approaches (1-2 years), and e. adjust funding, skills and approach to support national capacity building and social protection if deemed feasible for WFP (2-3 years). 	Policy, Programme and Innovation Division (OSZ), Human Resources Division (HRM) and Senior Management
6	Funding Mechanisms	WFP's emergency response capabilities have long been strengthened by advance funding mechanisms for in-kind food assistance. As C&V becomes an increasingly viable modality for emergency response similar advance funding mechanisms can ensure WFP remains timely and effective in meeting the needs of emergency affected populations.	Establish an advance funding mechanism for C&V operations, or clarify the eligibility of C&V projects to access current mechanisms, to enable rapid response and bridge gaps in funding to prevent interruption of critical assistance.	<ul style="list-style-type: none"> a. develop a concept note outlining the scope and parameters of a C&V advance funding mechanism (6 months to 1 year), b. identify donors willing to contribute to a revolving fund for C&V emergency response (1-2 years), and c. develop and disseminate procedures and guidance governing use of the fund and ways COs can access it (1-2 years). 	Resource Management and Accountability Department (RM)
7	Measurement	Systematic monitoring of C&V performance and learning from	Develop robust M&E and financial accounting platforms	<ul style="list-style-type: none"> a. develop required standard indicators, analysis, reporting and evaluation (1 year), 	Performance Management and

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		experience requires a more robust WFP-wide accountability framework to enable continuous improvement over time. WFP may be at a disadvantage in the future if it is not able to precisely track cash or voucher costs and effects and demonstrate cost effectiveness and efficiency.	to systematically track C&V specific costs, inputs, outputs, outcomes and implications within a framework that facilitates comparison between all modalities, over time, across countries and project/activity types.	<ul style="list-style-type: none"> b. build evidence to clarify and strengthen position regarding conditionality vis a vis food assistance mandate (immediate start then continuous), c. develop country-level partnerships with academic and research institutions to augment capacity for M&E as well as market analysis (1 year to ongoing), d. determine ways to systematically measure the comparative effects of different modalities on gender and protection dynamics (1 year to ongoing), e. systematically measure transaction costs and adjust project design to offset costs (6 months to ongoing), and f. separate financial tracking of cash vs. vouchers and require ex-post analysis of cost effectiveness and cost efficiency (6 months to 1 year). 	Monitoring Division (RMP) and Policy, Programme and Innovation Division (OSZ)
8	Tools and Approach	As WFP C&V modality use grows in terms of projects and scale of people reached more advanced tools and systems are required to support effective and efficient implementation of projects.	Further develop critical WFP's C&V tools and supporting systems to better enable effective and efficient project implementation.	<ul style="list-style-type: none"> a. develop strategy, guidance and capacity for establishing FSPs and shop arrangements (6 months to 1 year), b. invest in knowledge and data management systems, including SCOpe roll-out (immediate start then continuous), and c. complete development of emergency SOPs and pre-agreements in high risk countries (1-2 years). 	Procurement Division (OSP), Policy, Programme and Innovation Division (OSZ), Information Technology Division (OST) and Emergency Preparedness Division (OME), Logistics Division (OSL) Finance & Treasury Division(RMF)

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9	Partner-ships	WFP depends on its network of partners to effectively deliver food assistance but needs to better engage traditional and new partners and determine the best complementary approaches to achieve significant impact, potentially including a role for WFP as a service provider to others.	Enhance current partnership approaches and develop new partnerships to support WFP's implementation of the 2008 C&V Policy.	<ul style="list-style-type: none"> a. reassess CP selection criteria related to C&V projects and encourage openness to "non-traditional" partners (1 year to ongoing), b. identify ways to better include CPs and other partners in project design stage (1 year to ongoing), c. closely monitor WFP's emerging experiences in countries where it is providing a C&V platform to other actors and develop a clear corporate strategy and plans to guide service provider roles and agreements (1-2 years), d. critically review the relative value proposition for current and prospective corporate sector partnerships (1 year), and e. work with CPs to better design projects to address gender and protection concerns with monitoring and adjustment mechanisms (6 months to continuous). 	Policy, Programme and Innovation Division (OSZ), Private Sector Partnerships Division (PGP) and NGO Partnerships Office (OSR)

Acronyms

ACF	Action Contre la Faim
BPR	Business Process Review
CALP	The Cash Learning Partnership
CFA	Cash for Assets
CfC	Cash for Change
CFT	Cash for Training
CFW	Cash for Work
CO	Country Office
CP	Cooperating Partner
CSB	Corn Soya Blend
C&V	Cash and Vouchers
DDI	Dietary Diversity Index
DEV	Development Operations
DFID	United Kingdom Department for International Development
DRR	Disaster Risk Reduction
DRRM	Disaster Risk Reduction Management
ECHO	European Commission Humanitarian Aid and Civil Protection Department
EQAS	Evaluation Quality Assurance System
EMOP	Emergency Operations
FAC	Food Aid Convention
FCS	Food Consumption Score
FFA	Food for Assets
FFW	Food for Work
FLA	Field Level Agreement
FSP	Financial Service Provider
GFD	General Food Distribution
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immune Deficiency Syndrome
HIV/TB	Human Immunodeficiency Virus / Tuberculosis Intervention
HQ	Headquarters
ICT	Information and Communications Technology
IFPRI	International Food Policy Research Institute
INGO	International Non-Governmental Organization

IO	International Organization
IT	Information Technology
M&E	Monitoring and Evaluation
N/A	Data Not Available
NGO	Non-Governmental Organization
NUT	Nutrition Intervention
OEV	WFP Office of Evaluation
PDM	Post-Distribution Monitoring
PPI	Policy, Programme and Innovation Division
PRC	Project Review Committee
PRRO	Protracted Relief and Recovery Operation
PSNP	Productive Safety Net Programme
RB	Regional Bureau
SCOpe	System for Cash Operations
SDC	Swiss Agency for Development and Cooperation
SF	School Feeding
SOP	Standard Operating Procedure
SPR	Standard Project Report
SRF	Strategic Results Framework
TBC	Data To Be Confirmed
TOR	Terms of Reference
TRFU	Trust Fund Activities
UCT	Unconditional cash transfer
UN	United Nations
UNHCR	The Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WFP	World Food Programme

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