

# Cash-Based Transfers

*Latest Developments and Emerging Opportunities*

January 2017

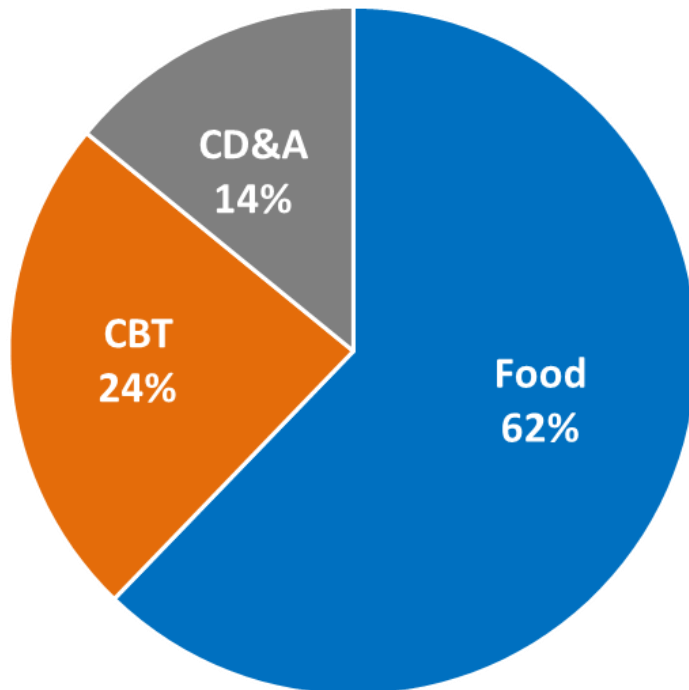
1

# FACTS AND FIGURES & ONGOING INITIATIVES

# Global Coverage

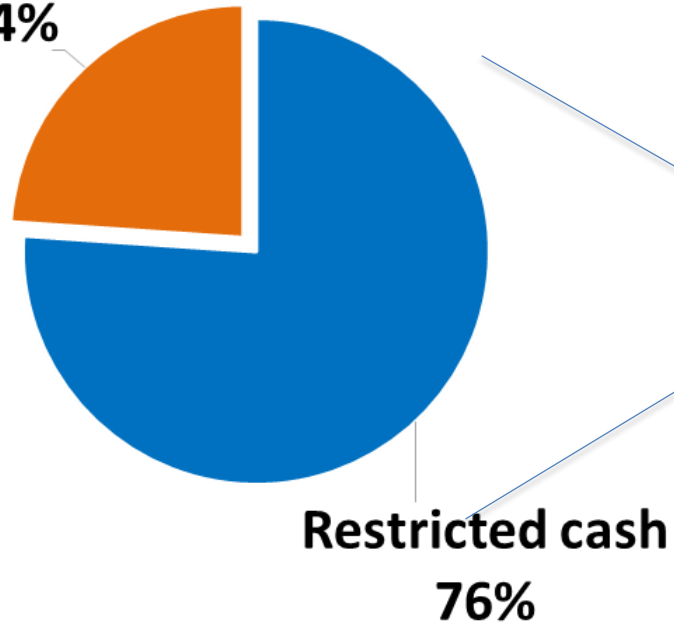
- ✓ WFP accounts for an estimated **60%** of all cash transactions in the entire humanitarian sector<sup>1</sup>
- ✓ Active in **84 projects** across **54 countries** (2016)

## CBT Percentage share WFP Global Food Portfolio (2015)



# Restricted / Unrestricted Cash

Unrestricted  
cash 24%



Unrestricted cash

50%



Restricted cash  
50%

High allocation of restricted cash due to Syrian EMOP requirements

# Transfer Value

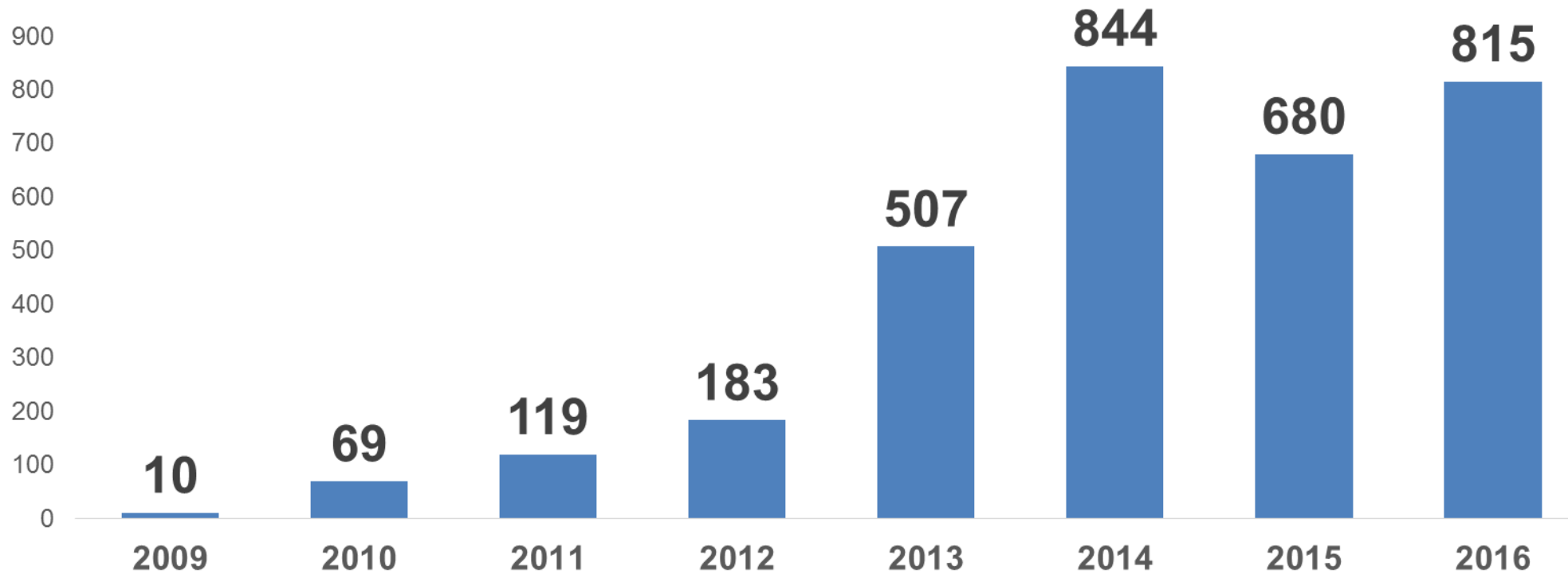


In 2015, WFP transferred USD 680 million to beneficiaries via CBT

As of 23 November 2016, USD 733 million have been transferred via CBT

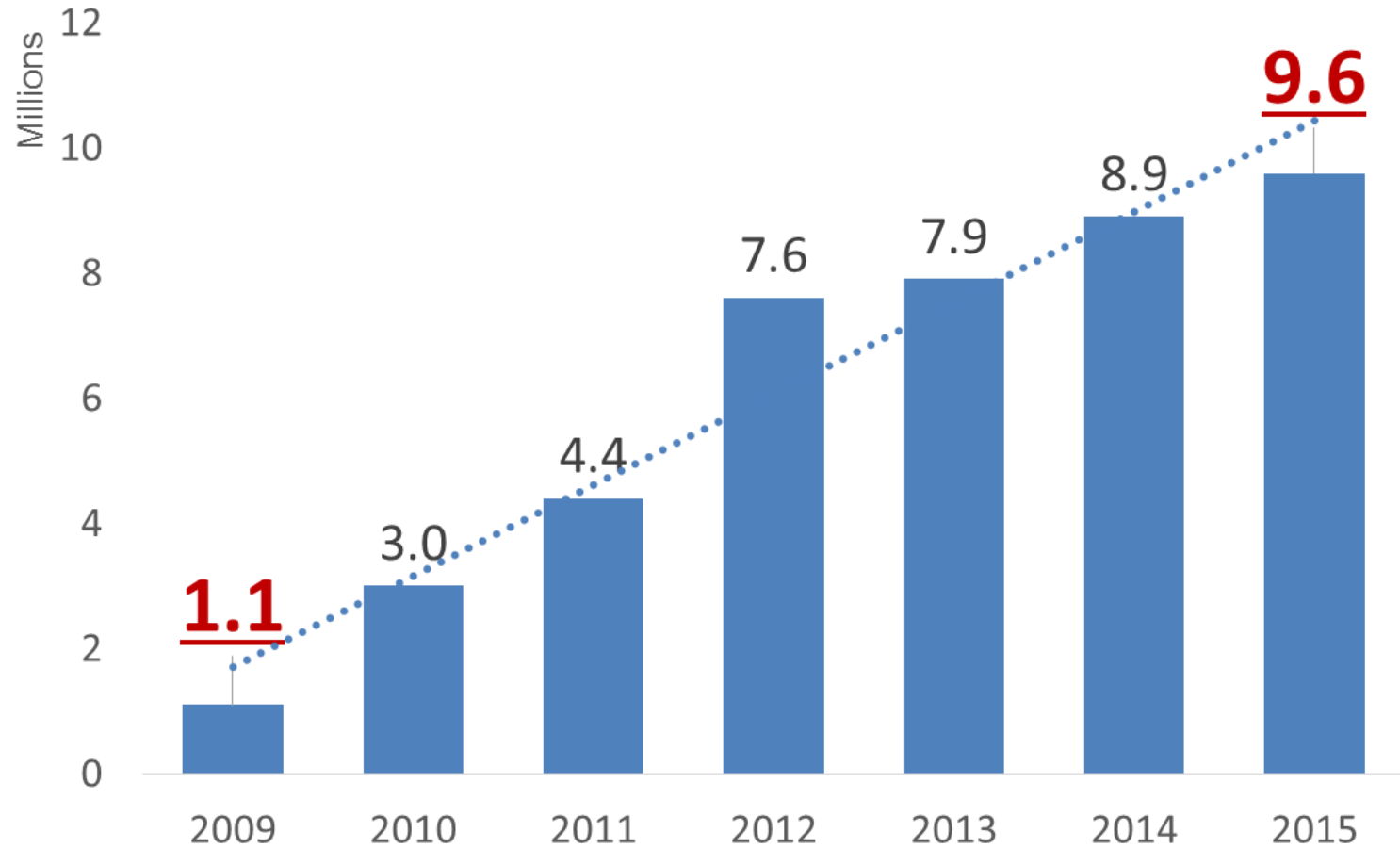
### CBT Actual Transfer Value 2009 - 2016

in million USD



\*2016 figure estimated based on current trends

# Direct CBT Beneficiary Scale-Up



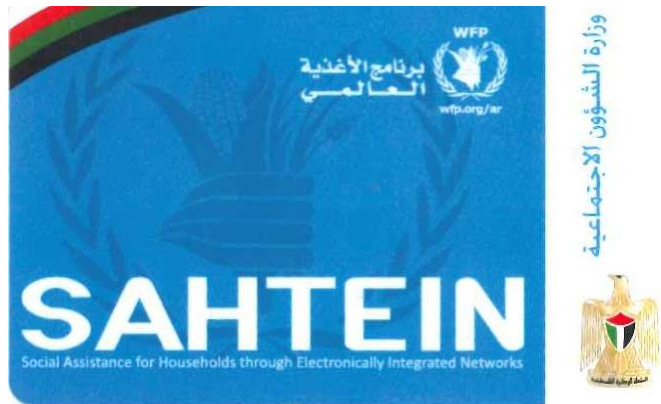
Average yearly growth of 150% since 2009

# Services Providers and Partners

Service Provider type	Active in 2016
Banks	32
Cooperating Partners	20
Micro Financial Institutions	16
Mobile Network Operators	24
Remittance	3
Retailer – providing delivery mechanism	7
Security Company	1
Technology Company	1

In total 104 Service Providers active in 2016

# Local, Regional and Global solutions



**LOCAL SOLUTION**



**REGIONAL SOLUTION**



**GLOBAL SOLUTION**



# Field Capacity Building/Partner support



Team of Trainers in place for all regions (pool of 140 staff)



73 country offices & regional bureaux already reached



2,300 WFP staff trained globally



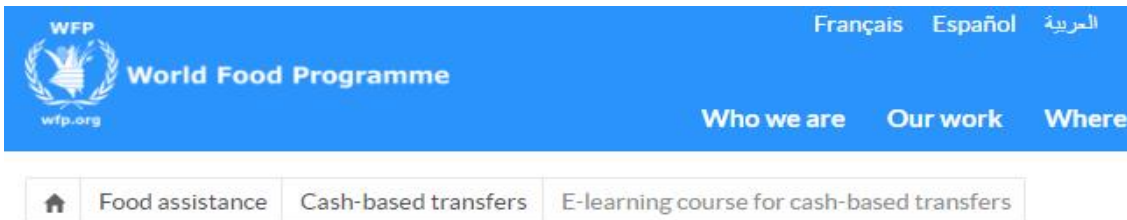
CBT-Advisors in all WFP Regional Bureaux



150 staff trained from external partners, including other UN agencies, national administrations  
and NGOs

# CBT E-learning

- ✓ Internal CBT E-Learning course is the most popular online course at WFP
- ✓ External CBT Online Course launched in November 2016



The [Cash-Based Transfers E-Learning Course](#) developed by the World Food Programme (WFP) is designed to help humanitarian workers understand the

# Shock responsive Safety Nets



## Increase of CBT within Social Safety Nets (SSN)

- ✓ **Philippines / Haiyan Typhoon:** 500,000 people reached through '4Ps'
- ✓ **Lebanon / Syria Crisis:** Development of Lebanese SSN through cash assistance
- ✓ **Jordan / Syria Crisis:** Current exploration with government of Jordan
- ✓ **Fiji / Tropical Cyclone Winston:** 72,000 people targeted via government SSN
- ✓ **Sri Lanka / Floods:** 60,000 people reached via SAMURDHI SSN
- ✓ **Ecuador / Earthquake:** Reliance on GoE Bono de Desarrollo Humano cash to 105,000 people
- ✓ **Haiti/ Hurricane Matthew:** WFP and CARE supporting the Ministry of Social Affairs and Labour

2

## STRATEGIC DIRECTION

# Standards and Principles



- ✓ Select payment mechanisms for **recipient empowerment**
- ✓ Collect data that is **relevant** and proportional
- ✓ Safeguard the **right to data privacy** and protection
- ✓ Facilitate pathways to **financial inclusion** when possible and appropriate
- ✓ Prioritize and build on **existing local systems** and infrastructure
- ✓ Invest in organizational **preparedness** to quickly leverage digital payments, when appropriate
- ✓ Develop institutional and collective capacity for effective **humanitarian-private sector** engagement
- ✓ Better coordinate use of **multipurpose** and **shared payment systems**

# Opportunities for Financial Inclusion - Standardization

WFP and partners have the ability to reach millions of households and connect them to:

- ✓ **financial services** (& support building-up of local financial ecosystem)
- ✓ **opening bank accounts and e-wallets**
- ✓ **accessing services** (incl. mobile money, card services, ATM, transfer services, weather insurance)
- ✓ **financial literacy/ consumers protection** (i.e. help desk, active role for “clients”)

# Opportunities for Financial Inclusion - Standardization



... continues:

- ✓ **WFP connects thousands of retail shops to commercial financial systems and services**
- ✓ **WFP has on-going contracts with more than 70 domestic commercial financial services**
- ✓ **Standards for better interoperability** among Humanitarian/Development actors & Financial

Service Providers / Private Sector

# Beneficiary Data at the Centre of Assistance

## The power of transfer / itemized sales data

Beneficiary communication

Monitoring and targeting

Spending patterns

Retailer development

Food security

Tax calculation

Local market impact





# ARIF - Making sense of e-card transaction data

- ✓ ARIF, the **Automated Real-time Information Feed**, is a digital monitoring and analysis tool
- ✓ Automated and **real-time anomaly detection** will strengthen the current manual fraud detection systems
- ✓ Thanks to millions of transaction records we know **where people shop and how mobile they are**
- ✓ An **advanced prototype** is available for piloting in Lebanon

# Card Holder Mobility: Patterns

This map shows where transactions occur, the location is based on payment terminals. Beneficiaries living in Beirut/Saida and the Tripoli area tend to gravitate around the same network of local shops.



# ARIF Dashboard



ARIF



Dashboard

DATA

General

Transactions

Retailers

Cases

Alerts

SYSTEM

REST API Doc

Details

DECEMBER 1, 2015 - DECEMBER 31, 2015

## Dashboard & statistics

415  
Active Retailers

VIEW MORE

194,384  
Transactions

VIEW MORE

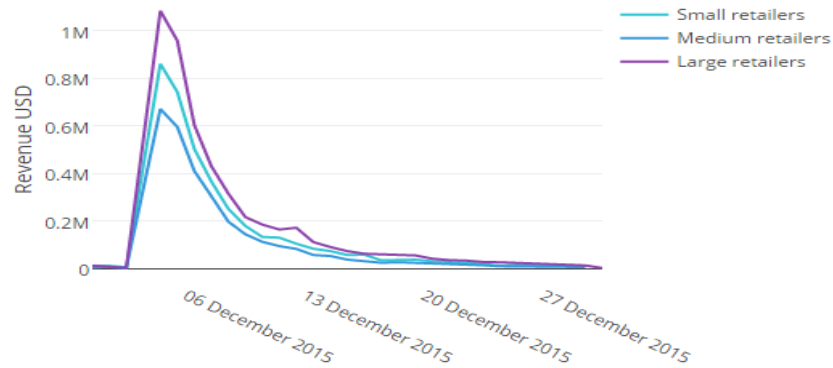
373  
Alerts

VIEW MORE

132,513  
Cases

VIEW MORE

### RETAILER REVENUE totals per size category



### ACTIVE RETAILERS



3

## NEXT STEPS

# Challenges



## Focus on overcoming certain restraints

- **Global need for more capacity** at country level to elevate the cash transfers and financial inclusion beyond the payment gateway and the cash advocacy.
- Necessity for WFP and partners to escalate these discussions at government as well as regulator level to **optimize transfer of benefits** and potential financial inclusion of individuals
- Based on the above, **build and strengthen country systems**

## Tackling these challenges and prepare the path forward that WFP has identified:

- ✓ **Proactively pursue new partnerships, and build on existing ones**
- ✓ **Systemic digital identification** to build country systems, and linked with KYC requirements
- ✓ Engage further with national government to advance **financial hub services**
- ✓ Building-up expertise on “**Big Data Transaction Analysis**” to deliver new insight in programme operations and build further expertise on pre/post transfer
- ✓ Taking advantage of both government existing structures, digital data and identification to better understand the needs of the communities assisted

# Goal: Build, Support and Leverage Country Systems

## Host Governments have a central role to play in the scale up of cash transfer

- Further investment in linking existing SSN to **preparedness**, and creating an **enabling regulatory environment** that supports rapid action to meet urgent humanitarian needs
- Close **collaboration** with Private Sector Financial Service Providers
- **Strengthened pre & post cash transfer capacity** among UN, IOs, (I)NGOs, Communities to better reach vulnerable population



As part of Agenda 2030 (SDG 2 and SDG 17) WFP's ultimate objective is to enable country systems to manage risks, better absorb shock, and better respond to crises

# Q&A Session

## World Food Programme

Learn more:

<http://www.wfp.org/cash-based-transfers>

<http://go.wfp.org/web/cash-based-transfers>



**World Food Programme**

November 2016