

Background/Purpose

The purpose of this guiding principles is to ensure a coherent approach to the CVA programing compliancy while developing proposals for AHF funding. This note presents technical guidance, on minimum standards that should be adopted by the partners, using cash/voucher as the implementation modality.

The minimum criteria to be considered and listed below aims ONLY to support the process of response analysis on implementation modality, and to ensure the CVA programing compliancy for the submissions; and does NOT cover other programmatic aspect of the proposals, i.e. sector specific appropriateness, technical feasibility or financial review, etc. However, it is tight to the overall design making tree that is connected to thorough situation analysis, including a preliminary market analysis, and needs assessment, intended to promote the use of a consistent logic when identifying the most appropriate transfer modality, i.e. in kind, cash or vouchers, or a combination.

The criteria for CVWG compliancy review:

CVA implementation technical competency aspects, considered for the endorsement:

- **Market assessment:** the result of market assessment that supports the market functionality, its accessibility (both socially and physically), the availability of good /services (both in quality and quantity) and prices forecast should be indicated in the proposal¹.
- **Transfer Mechanism:** the proposal should mention the identified context-specific criteria to support delivery mechanism selection; this section should include a comparative information on selected delivery mechanisms which support decision-making for mechanism choice.
- **Financial Service Provider:** at the proposal submission stage, FSP should be identified and mentioned. This part should consider the beneficiary preferences and familiarity with the selected FSP
- **CVA Risk Assessment:** in the relevant section, CVA key risks, and suggested mitigations should be described; this includes identification of security controls for physical cash movement and distribution; operational risks associated with CVA and contingency options; the distribution and encashment risks and mitigation/contingency measures; financial risks related to CVA and compliance requirements that have been foreseen. This section may include and list protection risks to beneficiaries relating to CVA, and mitigation methods; describe how to analyze and monitor protection risks and benefits for CVA by applying guidelines and resources on protection and CVA to program design and implementation (the later part also could come under protection mainstreaming section).

¹ The CVWG review committee may ask for the full report, and the assessment tool, as an annex to the proposal

- **CVA feasibility:** this is an analysis of the multiple elements defining CVA feasibility and how to use findings from needs assessment, market assessment, the risk analysis and the FSP assessment to decide on feasibility for CV, considering the preconditions and key criteria to determine whether cash is feasible for the specific project you are proposing.
- **Transfer Value:** there should be description of the meaning of transfer value by referring to key considerations by which a transfer value is determined and justified as well as the relationship between transfer value and expected outcome
- **Vulnerability and targeting:** there should be explanation relating to targeting CVA towards individuals, households, groups and communities by referring to the tools² to be used.
- **Communication and accountability:** in the project there should be an indication on a two-way proactive communication with beneficiaries, including considerations for beneficiary communication mechanism and accountability as they relate to CVA
- **Distribution and encashment:** Outline the key elements of the distribution process, including beneficiary registration, set-up and management of the distribution site and encashment process
- **Monitoring:** Provide an overview of monitoring and evaluation, including progress and performance monitoring, market monitoring, output tracking, post distribution monitoring (PDM), and process monitoring
- **Data Protection:** Outline project CVA information management system and identify key concerns around data protection (beneficiary privacy) and how data protection issues may affect beneficiaries and propose ways to mitigate the negative impact, especially operational requirements for beneficiary data protection, including any FSP data protection issues.
- **Protection mainstreaming in CVA:** Proposal should ensure that protection risks and benefits are considered and monitored throughout the CVA program cycle, using a community-based approach and participatory methods as much as possible. i.e security of beneficiaries, agency staff and communities, beneficiary preference, needs and risks of specific vulnerable groups (such as Pregnant and Lactating Women, elderly, child headed households etc), safety and equality in access, different needs and vulnerabilities of women, men, boys and girls.

²CVWG may ask for the tool as an annex