

# €CASH INNOVATION LEARNING PAPER

**Project title:** Cash Innovation Pilot Project

**Duration:** June 1, 2023 - December 31, 2023

**Total budget:** € 343,400

**No. of households reached:** 600

**Geographic Location:** North Wollo, South Wollo, and North Showa zones, Amhara region, Ethiopia

**Type of support:** Multi-purpose cash modality

**Amount of money:** 7,000 ETB/Household/Round

## PROJECT NARRATIVE

The Cash Innovation pilot project aims to improve the timeliness and efficiency of cash transfers in a complex humanitarian context in Ethiopia by applying the 121 platform.

In the current humanitarian aid context timely response is one of the CHS quality standards (Commitment 2) that all humanitarian actors need to comply with. People in need of humanitarian assistance which involves cash transfers are affected because they receive their money with significant delay. This hampers their survival and triggers negative coping mechanisms.

Cash administration process is mostly done manually and in excel spreadsheets. Beneficiary lists are shared with Financial Service Providers (FSPs) by email with verifications in email exchanges of lists. The process is time consuming and the risk of making mistakes is high. As a result, it delays cash transfers or reduces effectiveness of response to the costs of beneficiaries in need of assistance.

The Cash Innovation pilot project targets disaster affected people such as Internally Displaced Persons (IDPs), host communities, and refugees. The innovation project addresses the needs of both men and women by prioritizing pregnant lactating women, children, elderly, disabled people, and women-headed households. Target users of the data platform include finance and program personnel of (i)NGOs and the FSP (a bank).

FUNDED BY

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PROJECT LEAD

**Cordaid** 

PROJECT CO-LEAD

  
**ANPPCAN - Ethiopia**

SERVICE PROVIDER

  An initiative of the Netherlands Red Cross

IMPLEMENTING PARTNERS

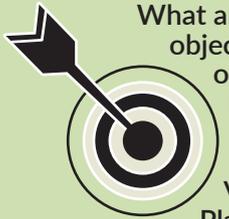
 ACTION FOR THE NEEDY IN ETHIOPIA HUMANITARIAN ORGANIZATION



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# LEARNING QUESTIONS & THE LESSONS



What are the primary objectives and intended outcomes behind initiating the pilot project incorporating the 121 Cash and Voucher Assistance Platform for humanitarian aid?

The key objective behind the cash innovation pilot project is to address the key barriers towards timely cash transfer. These barriers include:-

- Limited digital platforms and Internet connectivity.
- High costs of data platforms that streamline the cash process.
- Lack of sufficient staff that can work with data platforms.
- FSPs and Humanitarian organizations all use their own administrative systems and not willing to integrate.
- FSP not able to integrate due to technological challenges.



How was the structure and execution of the pilot project designed within the broader framework of humanitarian aid operations?

The pilot project is designed in a way it uses 121 platform from the 510 - data and digital initiative within the Netherlands Red Cross. 121 is a platform co-designed with the end-users (people affected, aid worker, humanitarian organization). The 121 platform takes consideration of its applicability to the Humanitarian context in Ethiopia where there is limited digitalization and access to network. These key barriers make it hard for timely and effective service delivery in the humanitarian framework.



What notable impacts and insights were observed because of implementing the 121 platform during the pilot phase of the project?

The 121 platform provides solution to chosen problem in such a way that using it:-

- Results in lower administrative burden as it minimizes mistakes,
- Reduces time for registration of people affected,
- Creates payment files for existing FSPs in one click,
- Monitors a program at level,
- Improves communication and collaboration among partners,
- Provides more visibility on the process (registration, validation, inclusion, payment), and
- Can easily be integrated with KoboToolbox, which is a tool that also works offline.



What are the significant lessons learned and key recommendations?

The lessons learned include that the platform is user-friendly, reduces time and speeds up cash transfer. In addition, the platform comes with an accessible dashboard which can easily be used to export and analyze data for reporting and decision-making process in an organization. For future use, it is recommended that the platform integrates with multiple financial service providers to meet the interest of the people affected.



How can the lessons and outcomes from the pilot project influence future strategies and decisions regarding the integration of technology in humanitarian aid efforts?

From this pilot project, it is seen that the use of advanced technologies contributes towards provision of timely support to people affected and complies with Core Humanitarian Standard. Moreover, we learned that, for effective use of the 121 platform, it is essential to work with various stakeholders and bring in more efforts to scale up the pilot project.



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