

**SESSION REPORT**  
**THE POWER OF BUSINESS FOR HUMANITARIAN CASH TRANSFERS**  
**14 October 2015; 15:15-17:00**

The Office for the Coordination of the Humanitarian Affairs (OCHA) facilitated a breakout session *The Power of Business for Humanitarian Cash Transfers* on 14 October 2015 during the Innovation Marketplace at the World Humanitarian Summit Global Consultation. The session reflected on some of the challenges the humanitarian community is facing as it increasingly moves towards cash as a modality for providing assistance and presented pilot activities to be implemented in collaboration between the private sector and the humanitarian actors to address some of these challenges.

**I. Introduction**

1. As part of the WHS consultation process, businesses working in the digital payments industry were consulted at a two-day Learning Event on Cash Coordination, co-hosted by OCHA, the Cash Learning Partnership (CaLP) and the Swiss Development Corporation that brought together more than 80 participants from donors, UN agencies, NGOs and the private sector. The private sector participants committed to engage in a series of pilot activities together with humanitarian actors before May 2016.<sup>1</sup>
2. The breakout session *The Power of Business for Humanitarian Cash Transfers* was a continuation of the WHS consultation process with the digital payments industry. The session was attended by approximately 20 participants including payments operators, industry association representatives, NGOs, academia, governments and the humanitarian community. It was facilitated by Andrew Andrea, Officer in Charge of OCHA's Private Sector Section, and was opened by addresses from Loretta Hieber-Girardet, Chief of OCHA's Inter-Cluster Coordination Section, and Tahir Nour from the World Food Programme. Ms. Hieber-Girardet emphasized the need to scale up the use of cash as a modality for delivering humanitarian assistance, while Mr. Nour focused on the potential for cash transfers to empower affected people and support the local market. Both opening addresses noted the importance of partnerships with the private sector in effectively implementing cash transfers.

**II. Key messages by the private sector**

1. Panelists expressed a need for the humanitarian community to:
  - a. view the private sector as 'long term partners, not just partners of the moment';
  - b. recognize and accept that engagement is a long term investment strategy for the private sector; and
  - c. recognize that the private sector is already present and operating in places where emergencies occur and that, even though the private sector wants to collaborate with humanitarian actors, the private sector will also continue to take action in this area independently.
2. The humanitarian community and the private sector need to find a model that will enable them to work together as partners and also allow companies to act as commercial service providers. Areas for collaboration may include:
  - a. creating a common understanding of cash transfers (including a common vocabulary) which could be done through joint training and capacity-building activities;
  - b. pre-preparing for the use of cash as a response modality, for example by collaborating on identity and data protection issues as well as conducting joint market assessments and regulatory analyses, as a prerequisite to building the humanitarian digital payments ecosystem;

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<sup>1</sup> Report of the WHS Business consultation on cash transfers is available at [https://www.worldhumanitariansummit.org/whs\\_business/europe/switzerland](https://www.worldhumanitariansummit.org/whs_business/europe/switzerland)

- c. engaging several companies as commercial digital payments solution providers.
3. The potential for companies to be engaged as commercial service providers should not prevent the humanitarian community and the private sector from collaborating to create a common understanding and pre-preparing for the use of cash as a response modality. Private sector participants reiterated that companies are driven by a common agenda of implementing digital solutions to humanitarian challenges.
4. The current approach to delivering humanitarian assistance by way of cash transfers is fragmented, with many humanitarian agencies often approaching the private sector looking for similar solutions. Private sector panelists called for a more coordinated approach.

### III. Recommendations and practical initiatives

1. The humanitarian community should invite the private sector to work collaboratively as partners in building a common digital payments ecosystem.
2. The digital payments industry should develop a set of voluntary humanitarian principles and guidelines for the industry to adhere to.
3. Humanitarian agencies and the payments industry should establish platforms for more formal engagement and dialogue in order to contribute to innovation and knowledge transfer.
4. The digital payments industry is heavily dependent on national regulation. Local digital payments service providers should be engaged in preparedness activities and in the process to create a humanitarian digital payments ecosystem.
5. Humanitarian actors and the payments industry should work together to create a common understanding of cash transfers (including a common vocabulary). This could be achieved through joint training and capacity-building activities.
6. The private sector and humanitarian organisations could work together to undertake market readiness assessments and regulatory analyses to prepare for emergencies in high risk countries. A coordinated process for conducting market assessments in high risk countries is required in order to avoid duplication. The private sector will only participate if such a coordinated process is underway.
7. The private sector can work with humanitarian agencies to improve their data privacy standards and data management processes. The private sector can also learn from humanitarian agencies on issues related to affected populations and their sensitivities regarding data protection.
8. The payments industry could establish a non-competitive forum for companies to work together to set the industry standards that are a prerequisite to building the humanitarian digital payments ecosystem. The payments industry has experience working in non-competitive standard setting forums. For example, Visa, Mastercard and American Express worked together on building a framework for a new global commercial data protection standard to enhance the security of digital payments.
9. United Nations agencies should enter into pre-positioned agreements with payment providers to deliver cash in the event of an emergency. This will mean that a lengthy procurement process does not delay delivery once an emergency has occurred.
10. Humanitarian agencies need to get better at working together to deliver cash transfers and jointly engage payment service providers. Increasing the scale of transfers would result in lower transaction costs. This could potentially be done via a payments network. Such a network would connect payment service providers with donors, NGOs and United Nations agencies to pre-position agreements to deploy cash in emergencies.

### IV. Participants

#### Panelists:

Paul Musser, Vice-President, International Development, Public Private Partnerships, MasterCard

Chris Williamson, Senior Manager, Mobile Money (New Products), GSMA

Adam Smith, CEO, sQuid Ltd

Svend Janssen, Director Germany, Austria & Switzerland, Western Union

Jeremy Cole, Co-founder and Director, Red Rose

#### Facilitator:

Andrew Andrea, Officer-in-Charge, Private Sector Section, OCHA

Participants:

Catherine Bragg, Adjunct Professor, UCD Ireland,  
former Deputy Emergency Relief Coordinator  
(2008-2013)

Cecilia Rosell, Sociedad Nacional de Industrias  
Charlotta Benedek, OCHA

Corin Morcom, OCHA

Cyril Ferrand, Global Food Security Cluster

Hans-Peter Glanzer, Ministry for Foreign Affairs,  
Austria

Kaan Saner, Turkish Red Crescent

Katy Barnett, Child Protection Working Group

Kristen Knutson, OCHA

Loretta Hieber-Girardet, OCHA

Mamissa Mboob, OCHA

Manja Vidic, OCHA

Marcy Vigoda, OCHA

Marcos Neto, UNDP

Paul Spiegel, UNHCR

Peter Van Acker, Ministry of Foreign Affairs, Belgium

Robert Meloche, Visa Inc.

Sahba Sobhani, UNDP

Sara Murray, Mercy Corps / ELAN

Tahir Nour, WFP