

## Step 1: Cash Feasibility Assessment

---

As EAPs are conducted at the national level, choose your assessments target areas (communities, and markets) wisely, ensuring they are representative of particular enabling/disabling conditions of the country or EAP area as a whole. You might need to select a few communities (i.e. urban, rural; near markets, away from markets; easy to access, remote, etc.) to conduct the community, market and financial service provider assessments.



© GRC

### Conduct a Cash and Vouchers focused Community Assessment

Cash, like any humanitarian assistance, should be needs-based. Assess whether cash is the preferred early action and feasible in the defined contexts will depend also on the lead time the forecasts can provide and anticipated needs based on past impact. Understanding communities' priority needs, their preferences regarding type of self-help by early action sector, distribution modality (cash, vouchers, in-kind, combination), access to financial services and financial literacy. Understanding their perceived risks associated with receiving Cash and Voucher assistance, and traditional coping capacities based on historical data. [TOOL 1: Is Cash Feasible Checklist]

## Conduct a Market Assessment

Market assessments reveal the enabling environment for CVA. Specifically, a market assessment baseline examines access, commodities availability, quality, quantity, prices, supply chain and trends. It is achieved during the EA planning and testing process well in advance of seasonally expected hazards, allowing the FbF team to understand the market environment, performance and what impact similar shocks had in the markets in the past. When assessing markets, you will need to consider the local and regional markets most used by the target population groups to access the intended commodities or services required and their integration to national supply market chains. Market data research is often available from the Government statistics office. [TOOL 2: RAM Rapid Assessment of Markets]



Ensure you involve Logistic stakeholders in the assessment phase, especially for markets and voucher provider assessments!



If there are no technical capacities to conduct a market assessment in country, consider mobilizing regional or global support!



### Markets and vendors scale-up

Important to know the lead time/notice for restocking or scale-up for traders/services. Make sure to include notifying markets/traders/services in your activities once action is triggered. This will also be strongly linked to corresponding early actions identified and prioritized within the EAP, related to for example, shelter, livelihood or health.

[ Case Study: PTE Feasibility (ES)]

## Conduct a Financial Service Provider Assessment

Carefully consider the capacity and accessibility of potential service providers (bank, remittance office,

mobile money transfer company, post office, etc.) to handle cash transfers ad-hoc, in a short time frame and in not predefined areas. [TOOL 3: FSP Mapping]

There may be only a few viable service providers from which to choose. Consider the following to help narrow down your choice:

- Availability and readiness to act upon trigger in an agreed time frame
- Their geographical coverage and familiarity among the community
- Compliance with minimum requirements for cash distribution and financial reconciliation



Ensure you involve the relevant authorities – especially the Finance Department in the assessment phase especially in the finance service provider assessments!



Know the lead time/notice needed for FSPs to scale-up. Also, make sure to include notifying FSP and service provider local branches in your activity plan, once early action is triggered.

---

## Key Considerations

- Nominate or work closely with the Host National Society Cash Focal Point
- Work closely with the FbF EAP sectoral team, as well as logistics and finance stakeholders to plan and implement the assessments
- Conduct a community cash and vouchers rapid assessment
- Conduct a market assessment for commodities/services linked by the potential Early Action
- Link up with you FbF Cash Focal Point
- Collaborate with PNS and Movement Partners on cash preparedness



**There are other funding streams than FbA by the DREF providing cash assistance:**

The Hunger Safety Net programme for example does provide cash assistance in times of drought, funded through the Kenyan government. Donors such as DG ECHO provides funds for EA in

Malawi to enhance resilience of communities towards natural hazards through providing cash-based assistance.