Cash and/or carry? - Cash based programming and its implications for humanitarian logistics

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The Humanitarian Logistics and Supply Chain Research Institute (HUMLOG Institute) is a focal point for researchers in humanitarian logistics. Its two founding universities are the Hanken School of Economics (Hanken) and the National Defence University of Finland (NDU).

The aim of the HUMLOG Institute is to “to research the area of humanitarian logistics in disaster preparedness, response and recovery with the intention of influencing future activities in a way that will provide measurable benefits to persons requiring assistance”. The HUMLOG Institute serves as a platform and physical place for researchers in the field of humanitarian logistics to exchange ideas. The institute is also involved in publishing the Journal of Humanitarian Logistics and Supply Chain Management.

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The **HUMLOG Institute** – what do we do?

» Hub for humanitarian logistics research (in Helsinki, Finland)
  » Fellowships and visitors
  » Alliance network

» Research with and for humanitarian organisations
  » Co-defined research questions
  » Housing and co-editing the *Journal of Humanitarian Logistics and Supply Chain Management*
  » Publications from research

» Education
  » MSc track in humanitarian logistics
  » PhD education
  » Customised training programmes
Market-based approaches: what’s new?

» What’s new
  » Financial service providers as new supply chain members (financial service providers, e.g. banks, credit card institutions, telecom)
  » Generating a pull instead of push
  » Changing the role of the beneficiary (purchasing power, dignity) as well as of other supply chain members

» While
  » Monitoring local markets
  » Facilitating supply and access to supply (e.g. retailers)

» In the hope to
  » Stabilise local markets & build resilience
  » Reduce total costs
### Changing roles of supply chain members

<table>
<thead>
<tr>
<th>Actor</th>
<th>Role(s) in traditional modality</th>
<th>Role(s) in CTPs</th>
</tr>
</thead>
<tbody>
<tr>
<td>End user</td>
<td>Beneficiary / receiver of goods and services</td>
<td>Beneficiary / receiver of cash, vouchers Consumer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Producer</td>
</tr>
<tr>
<td>Humanitarian</td>
<td>Distributor</td>
<td>Cash/voucher provider</td>
</tr>
<tr>
<td>organisation</td>
<td>Logistics service provider (transportation, warehousing)</td>
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<tr>
<td>Government</td>
<td>Co-ordinator</td>
<td>Co-ordinator</td>
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<tr>
<td></td>
<td>Distributor</td>
<td>Monetary system regulator (inflation, financial flows etc.)</td>
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<tr>
<td></td>
<td>Logistics service provider (transportation, warehousing)</td>
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<td>Import regulator</td>
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<tr>
<td>Donor</td>
<td>Evaluator of material and financial flows</td>
<td>Evaluator of financial flows</td>
</tr>
</tbody>
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The need for a supply chain understanding

- A supply chain understanding is needed to
  - Assess markets and market chains
  - Evaluate the appropriateness of various modalities
  - Switch between modalities if markets fail

In-kind humanitarian supply chain
CTP humanitarian supply chain

Figure 1: Changing paradigm of humanitarian supply chain – before and after CTPs
Discussing the implications for humanitarian logistics

» Important questions remain for the workshop:

1. How and when to switch between delivery modalities (esp. cash vs. in-kind)?

2. How to organise a hybrid response?

3. How do CTPs alter the skills requirements for humanitarian logisticians?
Publications and contacts

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