Cash and Voucher Assistance and Risk

Perception vs Reality

DATE: 24 July 2020
Housekeeping

The webinar will last 60 minutes

Submit questions to the Q&A box and general comments in the chat

Your mics are muted.

Use the thumbs-up to up-vote questions in the Q&A box

Webinar will be recorded & recording shared.
Speakers & Moderators

Nana Amoah  
Dr Nisar Majid  
Oliver May  

Moderated by: Anna Kondakhchyan (CaLP) and Suzanne Van Ballekom (WFP)
HOW HAS CASH AND VOUCHER ASSISTANCE CHANGED SINCE 2018?

▪ Huge developments in cash and voucher assistance since the first report, published in 2018.

▪ Use of CVA has increased and we deliver it more effectively.

▪ Continued increase in the scale driving changing roles and partnerships.

▪ Increasing emphasis on quality as understood by recipients.
CVA is an increasingly common and well-understood tool in humanitarian response, but barriers remain to its use.

### Main challenges to scaling up CVA

- Limited capacity of processes / systems: 42%
- Managing risks associated with CVA: 40%
- Lack of implementing agency capacity: 35%
- Mandates of donors / agencies: 32%
- Lack of multisector assessments: 29%

% of practitioners ranked as a top 3 challenge
2 MAINSTREAMING CASH AND VOUCHER ASSISTANCE

PERCEIVED RISKS

▪ Perceived risk of fraud/corruption and aid diversion hinder effective scale up

▪ Digital and data management risks have increased in prominence. We need to work quickly to agree what ‘doing no digital harm’ looks like.

Main perceived risks of scaling up CVA

% practitioners ranked as top 3 risk

- Scaling up at the expense of quality 51%
- Difficulty in ensuring AAP 50%
- Protection risks for recipients 45%
- Fraud/Corruption 36%
- Sector outcomes not achieved 33%
CaLP and WFP Webinar: Cash and Voucher Assistance and Risk: Perception vs Reality

Perspectives of risks and challenges in the field (West and Central Africa)

Presentation by: Nana Amoah, Senior Development Advisor (Independent Consultant)
What are some of the risks that CVA field practitioners must manage?

- Abuse of power (extortion, bribery, exchange rate manipulation)
- Fraud risks in the targeting and identification of beneficiaries
- Monopoly of FSP
- Collusion between staff and beneficiaries
- Misuse of beneficiary personal data/Theft and cyber attacks/hacking of online transfer system
- Gender issues, and the protection of women in particular
- Insecurity and access to the area of intervention
What needs to happen next to help address the challenges faced?

- Develop a strong risk assessment protocol for each modality and delivery mechanism.
- Diversifying Financial Service Providers (FSPs) and Complaint Mechanisms
- Build the capacity of cash beneficiaries in financial/digital literacy and on their consumer rights vis-a-vis FSP/SP field agents
- Encourage information sharing across implementing agencies and authorities
- Structure and improve the framework and role of CVA coordinating bodies.
- Strengthen project communication and sensitization with beneficiaries and partners.
- Clarify roles and responsibilities within the implementing agency and develop an accountability matrix
### Key resources

- Take a look at CaLP [Yemen](#) and [Mali](#) case studies on CVA in challenging contexts for evidence that CVA is not riskier than other modalities.
- For the latest analysis of risks and barriers in CVA, read [Chapter 2](#) of [State of the World’s Cash 2020](#) report.
- Listen to CashCast, CaLP podcast [Episodes I](#) & [Episode II](#).
- Continue to share, engage and learn in the CaLP [discussion groups](#).
Key messages

- In mitigating one set of risk, a new set of risks may be created
- For safe programming, clear accountability matrix needs to be in place
- Manipulation of aid often blamed on local actors – NOT the case
- M&E is not enough, culture needs to change; remote monitoring in COVID-19 context requires MORE effort not less
- Actors are fraud aware, but focus on 3rd party risk, not own staff
- The language needs to change: from zero tolerance to residual risk management; each operation will have a risk profile