Busting myths and addressing assumptions against CVA in the region in the COVID context

1) **Beneficiaries will use CVA to buy alcohol.**

Alcohol represents 1 to 2% of average food expenditure. Out of 6 country studies, not one has demonstrated increased expenditure on these items. Actually in Lesotho, it decreased. (FAO)

2) **Cash is a vector for COVID propagation.**

Current research has shown that cash may be a potential vector of transmissible diseases, such as bacteria and viruses; however, no research has been done on COVID-19 virus specifically. For this reason, the World Health Organization (WHO) recommends thoroughly washing hands after handling money (standard good hygiene practice) and moving towards cashless payment methods when possible.

3) **If markets do not function perfectly, CVA is not appropriate.**

There are many ways in which market systems can dysfunction. It is important that assessments analyze causes of disruptions to identify appropriate solutions. In many ways, CVA can support and strengthen market systems and stimulate the local economy. As such, Market in Crises recommended, during the COVID crisis that "*humanitarian actors should be delivering assistance in a way that supports local markets (i.e. through cash or vouchers) as much as possible*." In Ethiopia, for every dollar transferred by the programme, about $1.50 was generated for the local economy. The Global Food Security Cluster also warns, in recent recommendations shared in the COVID context: "*It is key to recognize that most actions we do as humanitarians impact markets. In the wake of the COVID-19 crisis, markets are being impacted and in-kind food assistance can have a negative impact on food supply chain market actors' ability to cope and recover. Therefore, it is essential that humanitarian response, using a market's lens, contributes to the Do No Harm principle."*

4) **CVA creates inflation.**

Out of 6 case studies, not one detected inflation due to CVA. Beneficiaries are a small share of community, typically 15-20 %. They come from poorest households, with low purchasing power and thus don't buy enough to affect market prices. Local economies can meet the increased demand. (FAO)

5) **CVA creates dependency.**

In several countries, including Malawi and Zambia, research finds reduction in casual wage labour, shift to on-farm and more productive activities. In Zambia, evidence shows cash transfers increased farmland by 36% and the use of seeds, fertilizer, and hired labor. As more agricultural inputs were used, overall production increased by 36% and farmers engaged more in markets. Majority of programmes show significant increase in secondary school enrolment and investment in uniforms and shoes. (FAO) Even with a one-off low cash transfer, there is a proportion of recipients investing in livelihoods, as demonstrated in the recent CaLP's case study in Mali and post distribution monitoring.

6) **Once social safety nets are scaled up, it is impossible to withdraw the complementary assistance after the post-emergency assistance period.**

Short period assistance is common in the region – like during the lean season or for specific crises, as experimented during the Ebola outbreak in West Africa. Clear communication strategies avoid long term social safety net beneficiaries to have false expectations, and more and more governments (Togo, Benin) are turning to graduation systems.

7) **We are not ready to deliver CVA.**

In the last decade, organizations have considerably increased their capacity to design and implement CVA. Part of CVA in global humanitarian assistance is thought to have increased from 1% in 2004 to 10% in 2016. Humanitarian agencies now have internal guidance on CVA, training opportunities

multiply (including on line free trainings) and CWGs are in place in most countries of the region. Readiness does not come easily; it requests will and investment (of time and resources) to build capacities.

8) Financial Service Providers and governments do not have the capacity.

Governments and FSPs in the region are progressively strengthening their capacity to deliver cash transfers. Though this remains limited, humanitarian actors can contribute to strengthen national systems by connecting humanitarian CVA with national safety nets and developing common platforms where appropriate. In specific contexts such as COVID, some FSPs are proposing alternative options that can be quickly set up (evouchers and digital payments) as mapped out by the RCWG. BCEAO has also published guidelines to encourage MNOs to lower fees to support electronic payments.

9) Donors are not willing to fund CVA.

In recent years there has been increasing support from donors vis-à-vis CVA, with concrete commitments as part of the Grand Bargain and clear recommendations shared during the COVID crisis to increase uptake of the modality.

10) CVA generates tensions within households.

A growing evidence base demonstrates that cash transfers have potential to reduce IPV. In a mixed-method review of rigorous studies from low-and middle-income countries (LMICs), eleven out of fourteen quantitative studies (79%) and five out of eight qualitative studies (63%) demonstrated that cash transfers decrease IPV (Buller et al. 2018). In explaining the impacts, studies generally relied on three hypothesized pathways through which cash could affect IPV: Economic security and emotional wellbeing, intra-household conflict, and women's empowerment. (IFPRI)

Program framing and complementary activities, including those with the ability to shift intra-household power relations are likely to be important design features for understanding how to maximize and leverage the impact of CTs for reducing IPV, and mitigating potential adverse impacts. (UNICEF Innocenti)

Even with a one-off cash transfer as in CaLP's case study in Mali, 85% of women and almost 40% of men in Koulikoro declared that tensions in the households decreased following the transfer. It was the same trend in Gao, in lesser proportion (10% of women and a bit beyond 20% of men).

11) CVA increases early marriage and fertility.

Early pregnancy reduced by 34% in Kenya with CVA, and by 10.5% points in South Africa. (FAO) Though there is limited evidence available on CVA impact on early marriage, there is proven impact of CVA on reducing poverty and improving schooling outcomes—two main pathways for safe transitions as reported in the literature (UNICEF Innocenti).

12) CVA does not work for health and nutrition outcomes.

Evidence and knowledge are developing in those two sectors as Global Clusters strengthen their capacities on CVA. Based on analysis, CVA can be an effective way to overcome some barriers to access health services. Similarly, several studies have shown a positive impact of CVA when combined with other modalities to prevent malnutrition. Recently, several webinars, research pieces and tools were published, including a WHO guidance in the beginning of the COVID crisis.

13) Who to target and how to assess vulnerabilities in COVID?

The webinar series on COVID organized by socialprotection.org includes guidance on targeting and vulnerability assessments in the COVID crisis. A dynamic guidance compiling expertise on social protection for COVID was also published.