



# THE PROVISION OF CASH AND VOUCHER ASSISTANCE IN THE RESPONSE TO THE VENEZUELA REFUGEE AND MIGRANT CRISIS: FINDINGS AND LESSONS LEARNED

## EXECUTIVE SUMMARY



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## ACRONYMS

<b>APC</b>	Presidential Agency for International Cooperation - <i>Agencia Presidencial de Cooperación Internacional</i>
<b>CaLP</b>	Cash Learning Partnership
<b>CCD</b>	Collaborative Cash Delivery Network
<b>CRC</b>	Colombian Red Cross
<b>CVA</b>	Cash and Voucher Assistance
<b>CWG Colombia</b>	Cash Working Group (Colombia) ( <i>Grupo de Transferencias Monetarias</i> )
<b>CWG Ecuador</b>	Cash Working Group (Ecuador) ( <i>Grupo de Trabajo de Programas de Transferencias Monetarias</i> )
<b>DRC</b>	Danish Refugee Council
<b>DTM</b>	Displacement Tracking Matrix
<b>ERC</b>	Ecuadorian Red Cross
<b>FGD</b>	Focus Group Discussion
<b>FSP</b>	Financial Service Provider
<b>GIFMM</b>	Interagency Group for Mixed Migration Flows (Colombia) ( <i>Grupo Interagencial sobre Flujos Migratorios Mixtos</i> )
<b>GTRM</b>	Working Group on Refugees and Migrants ( <i>Grupo de Trabajo sobre Personas Refugiadas y Migrantes</i> ) (Ecuador)
<b>HCT</b>	Humanitarian Country Team
<b>HIAS</b>	Hebrew Immigrant Aid Society
<b>HNO</b>	Humanitarian Needs Overview
<b>HRP</b>	Humanitarian Response Plan
<b>IFRC</b>	International Federation of Red Cross and Red Crescent Societies
<b>IOM</b>	United Nations International Organization for Migration
<b>JMMI</b>	Joint Market Monitoring Initiative
<b>KI</b>	Key Informant
<b>MEAL</b>	Monitoring, Evaluation, Accountability and Learning
<b>MIES</b>	Ministry of Economic and Social Inclusion
<b>MPC</b>	Multipurpose Cash Transfer
<b>NGO</b>	Non-governmental Organisation
<b>NRC</b>	Norwegian Refugee Council
<b>OCHA</b>	United Nations Office for the Coordination of Humanitarian Affairs
<b>OFDA</b>	Office of Foreign Disaster Assistance
<b>PDM</b>	Post-Distribution Monitoring
<b>R4V</b>	Response for Venezuelans Coordination Platform for Refugees and Migrants from Venezuela
<b>RMRP</b>	Refugee and Migrant Response Plan
<b>ToR</b>	Terms of Reference
<b>ToT</b>	Training of Trainers
<b>UN</b>	United Nations
<b>UN CCS</b>	UN Common Cash Statement
<b>UNHCR</b>	United Nations High Commissioner for Refugees
<b>VenSit</b>	Venezuela Migrant and Refugee Situation
<b>WFP</b>	World Food Programme

## BACKGROUND

The crisis in Venezuela has caused significant migration - both temporary and permanent - to other countries in Latin America and the Caribbean (LAC). It is estimated that the number of Venezuelans living in other LAC countries increased from 695,000 in 2015 to more than 4.3 million in 2020. In this context, cash and voucher assistance (CVA) has been a key component of the humanitarian response. This is largely due to the widely diverse needs of the Venezuelan *caminantes*, pendular migrants and those looking to settle in host communities, among others; as well as the existence of financial infrastructure and the adequate functioning of markets in host countries.

This study, for which data was compiled between March and April 2020, seeks to document lessons and good practices in the delivery of CVA in Ecuador and Colombia by humanitarian organisations and governments, in response to migrants and refugees from Venezuela. The purpose of this analysis is to catalyse the knowledge generated to date with an aim to improve current and future humanitarian responses in the region. This mainly qualitative analysis takes into account eight thematic areas that seek to cover different aspects of humanitarian response: meeting needs and preferences of affected populations, monitoring, MPC design and coordination, risks, data management, alignment with national social protection systems, Know Your Customer (KYC) and financial regulations, and lastly, coordination. More than one hundred concrete examples of good practices have been identified, along with the factors that hinder and enable results in each one of the thematic areas, as well as suggestions to strengthen them.

Cover photo:  
Venezuelans vendors selling  
crafts made of Venezuelan currency.

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# SUMMARY OF THEMATIC AREAS

## I. MEETING THE NEEDS AND PREFERENCES OF AFFECTED POPULATIONS

**What good practices and lessons have been identified in order to meet the needs and preferences expressed by affected populations, including host communities?**

The need to attend to the massive migratory flow comprised of people with very diverse profiles and a wide range of needs is a challenge to which actors committed during the response. There is no single package that covers the needs of all categories of mobile populations, as needs change over time, and according to their specific situations.

### KEY FINDINGS

- There is a progression in the use of assessment tools in the two countries: from the use of rapid assessment tools for global needs with a case management approach, to the harmonisation of tools and analysis and exchange of results among actors.
- Humanitarian actors sought complementarity in the use of CVA together with other types of services and in-kind assistance.
- Cash working groups (CWGs) prioritised the harmonisation of needs analysis which inform humanitarian needs reports, such as the Humanitarian Needs Overview (HNO), as well as inter-agency response plans, such as the Humanitarian Response Plan (HRP) and Refugee and Migration Response Plan (RMRP).
- The humanitarian community strived to implement various tools to receive feedback from the recipient population, both during needs assessment exercises and after CVA delivery.

### ACTIONS TO STRENGTHEN THIS THEMATIC AREA

- Promote the continued use of cross-sectoral assessment tools, while acknowledging that sectors require detailed information on existing needs for their sectoral activities.
- Increase feasibility analysis on the use of CVA in terms of: 1) the market functionality and access of the different groups to those markets 2) the operational and institutional risks regarding the use of CVA in different contexts and 3) the regulatory legislation of the country, for better decision-making respecting the design of CVA activities and the package of associated services.



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## 2. MONITORING – CVA RELEVANCE

### To what extent does CVA, as currently designed, meet the basic needs of the target populations?

Monitoring systems allow for the assessment of CVA design and implementation relevance, with multiple internal and external purposes. Monitoring systems were harmonised with the prioritisation of relevant indicators to measure the use of CVA during the response.

#### KEY FINDINGS

- The monitoring of programmes with CVA components emerges as one of the most complex issues in this response, as monitoring has multiple internal and external purposes.
- There were multiple efforts to harmonise monitoring systems and prioritise relevant indicators to measure CVA use, which makes it possible to document the extent to which project objectives are being achieved.
- In Ecuador, although each organisation has monitoring responsibilities according to the requirements of its donors, there is a set of five questions that can be incorporated by all actors in their monitoring activities.
- In Ecuador, CVA is reported in all relevant sectors and not just as multipurpose cash transfers (MPC), so that CVA use and impacts can be monitored at the sectoral level.
- In Colombia, two NGO consortia have moved forward together to design compatible MPC monitoring systems. Each organisation has staff dedicated to monitoring, accountability and learning.
- Cash Working Groups (CWGs) participated in the conceptualisation of the Refugee Coordination Platform for national-level refugee and migration monitoring systems platform, in order to have reporting systems aligned with CVA needs.

#### ACTIONS TO STRENGTHEN THIS THEMATIC AREA

- Continue to strive for consensus on minimum standards for measuring the efficiency and effectiveness of the use of CVA in the response.
- Ensure that the range of selected indicators covers the range of CVA in use at the inter-sectoral and sectoral levels.
- Conduct a technical assessment of CVA impact indicators during the response, differentiating between multi-sectoral activities and MPC, with their respective objectives.



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### 3. MPC DESIGN AND COORDINATION

**What good practices and lessons have been identified to ensure that MPC is coordinated with relevant technical sectors and through inter-sectoral mechanisms?**

MPC are designed to cover basic needs, fully or partially, and are, by nature, cross-sectoral. MPC should not be restricted, although in practice they are actually restricted by agencies that want to provide CVA in line with their sectoral objectives.

#### KEY FINDINGS

- The spaces for inter-sectoral coordination that are conducive to better use of methodologies for calculating CVA are still very limited in this response.
- The design of sector-specific CVA appears to be more prominent in the food security and shelter sectors.

#### ACTIONS TO STRENGTHEN THIS THEMATIC AREA

- Continue to compile information on the needs of different target groups in order to agree on advocacy messages for the scaling up of CVA.
- Consider developing a document detailing targeting strategies and use of sectoral CVA and MPC.
- Increase the contribution to the needs and gap analysis of sectors that provide services and in-kind assistance, with an aim to achieve strategies on the use of sectoral CVA and MPC according to feasibility criteria and the preferences of those affected.
- Increase impact measurement capacity of CVA with an aim to improve their design in terms of targeting, frequency and referral to other assistance services, especially health, education and protection.
- Acknowledge that much of CVA assistance is in fact multi-sectoral in nature by combining two or three sectors in accordance on the mandate and targeting systems of each agency. Prioritise the development of guidelines and tools for the use of CVA with multi-sectoral objectives.
- Reinforce the link between the use of CVA in the shelter and food security sectors with the use of MPC, in order to obtain a coherent design that addresses the potential duplication of assistance between the different sectors.



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## 4. CVA RISK MANAGEMENT

### What good practices and lessons have been identified for the effective assessment and management of risks related to CVA?

Many of the actors share the operational risks related to CVA delivery and recipient security and safety, and the transition from the use of cash-in-hand to delivery systems by financial service providers (FSPs) has limited the risks of theft and loss. Risks linked to fraud and corruption are addressed according to agency standards and donor requirements.

#### KEY FINDINGS

- Implementing organisations used risk mapping developed by one organisation or jointly through coordination groups.

#### ACTIONS TO STRENGTHEN THIS THEMATIC AREA

- Continue to implement good practices in risk identification and mitigation and promote a culture of knowledge sharing and prevention and mitigation measures, under the leadership of the Cash-Based Interventions - Regional Working Group (CBI-RWG), as a priority issue of the workplan.
- Enhance information sharing and jointly address the analysis of specific risks related to the use of CVA, and the mitigation strategies related to the operational context by the members of the CWGs.



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## 5. DATA MANAGEMENT AND PROTECTION

### What good practices and lessons have been identified to ensure that recipient data is effectively managed and protected?

Good practices have been incorporated from other refugee, migration and displacement crises where data protection has been critical. In Colombia and Ecuador, there has been acknowledgement that a registration system of CVA recipients reduces the risk of duplication. Both countries have been involved in processes to determine how to data exchange in ways that uphold data protection principles.

#### KEY FINDINGS

- Data protection good practices have been incorporated from other refugee, migration and displacement where data protection is paramount. In both countries there has been acknowledgement of the challenge to maintain efficient data management without losing control, and that a recipient registration and data exchange system reduces the risk of duplication.
- The ban on duplication of CVA imposed by the Government of Colombia (GoC) encourages members of the CWG to seek joint solutions. Most of these solutions focus on the creation of records of the population served and on the management of data exchange agreements.
- The use of a single implementing partner by UN agencies in Ecuador creates a filter in the management of CVA recipient data registration and limits the risk of duplication.

#### ACTIONS TO STRENGTHEN THIS THEMATIC AREA

- Focus the search for technological solutions centered on the well-being of people affected by the crisis.
- Explore innovations to support CVA recipient registration in line with humanitarian protection principles, and systematically collect the views of affected persons, given the challenges of implementing data sharing agreements.
- Identifying risks of different groups of migrants and refugees (including pendular migrants, populations with the intention to remain, caminantes, returnees and displaced persons) linked to data protection and analysing the protection needs for each group.



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## 6. COHERENCE AND ALIGNMENT WITH SOCIAL PROTECTION SYSTEMS

### What good practices and lessons learned have been identified for the alignment of humanitarian CVA with government policies and programmes?

The use of CVA in the response implies an inherent tension between the assistance offered to the host communities and refugee and migrant populations. The alignment of humanitarian aid is defined according to the social protection system of the host country.

#### KEY FINDINGS

- Good practices suggest a dialogue between the actors providing CVA in the country's social protection systems and in the humanitarian response is needed, during the design as well as during the response and exit strategy. In the case of Colombia, national authorities have been actively involved in the CWG since migration flows first started increasing in 2018; while in Ecuador, the authorities have issued a decree excluding foreigners from government social assistance delivering CVA, thus the systems follow parallel lines, despite outreach efforts.
- Shock-responsive social protection allows for improved entry points and linkages of emergency activities with national social protection systems.

#### ACTIONS TO STRENGTHEN THIS THEMATIC AREA

- Contribute to the goals of the 2016 Grand Bargain agreement by enhancing the engagement between humanitarian and development actors aiming to achieve greater coherence and consistency in the use of CVA.
- Humanitarian country teams (HCTs) transitioning to using the UN Sustainable Development Goals Framework, and the piloting of the UN Common Cash Statement in Ecuador in 2020 provide opportunities to leverage initiatives that contribute to a common goal in the use of CVA at the strategic level, without negatively impacting the speed of R4V response implementation.
- Encourage a regional meeting between state institutions implementing social assistance programmes and humanitarian actors, to share challenges and coherent solutions based on ongoing work in the region and new approaches to the use of CVA developed at the global level. This should take place with the involvement of development and humanitarian donors.



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## 7. KYC AND FINANCIAL REGULATIONS

**What good practices and lessons learned have been identified in the interaction between humanitarian actors and financial and/or government service providers with respect to KYC policy and financial regulations?**

KYC regulations for the delivery of cash through FSPs is subject to national banking and trust legislation, and it is relevant because of its linkages with the registration of individuals and data protection. The issue of personal documentation is ever-present in the migrant and refugee crisis, and there is some tension between registration of personal data, duplication and data protection.

### KEY FINDINGS

- In both countries, the use of FSPs for response has been an important issue, and the CWGs have created sub-groups to work on the issue.

### ACTIONS TO STRENGTHEN THIS THEMATIC AREA

- Create concerted advocacy messages to include more flexibility by banking authorities in terms of KYC standards when it comes to mobile populations.



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## 8. COORDINATION

### What best practices and lessons have been identified in coordinating CVA to maximise the potential of CVA?

Coordination is the thematic area that elicited the most feedback during the study. In Ecuador and Colombia, coordination is characterised by the need to maintain technical collaboration between agencies and operational coordination within the framework of the crisis response platform and the HCT, and to promote the use of coordination platforms with governments.

#### KEY FINDINGS

- Globally, and in both countries, the workload associated with coordination is significant. The importance of having staff dedicated to this function has been documented as a good practice in multiple humanitarian responses and recognised in both countries. This represents an impartial and technical contribution to the group, as full-time coordinators have an inter-agency mandate and do not represent the interests of any agency.

#### ACTIONS TO STRENGTHEN THIS THEMATIC AREA

- Continue to harmonise and simplify the use of terminology and acronyms related to CWGs, and the role of group and sub-group coordinators, taking into account the historical path of each group, and at the same time the need to use common terminology for better socialisation of CVA.
- Continue financing positions to lead CWGs and identifying experienced personnel, who will coordinate the activities of the group as their primary role.
- Support systematic and regular engagement of the CWGs in humanitarian response analysis strategies in-country among government actors, donors, and HCT actors beyond the R4V response. Consider the concrete possibility of the role of the CWGs with an inter-agency and inclusive mandate, with a work plan that upholds the objective of improving the use of CVA in humanitarian response, while creating spaces within its work plan for sustainability and alignment of CVA coordination in country. This would encourage better use of human and financial resources in the country, and the medium- and long-term impact of humanitarian activities.



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This study is made possible by the generous support of the American people through the United States Agency for International Development (USAID). The contents are the responsibility of the authors and do not necessarily reflect the views of USAID or the United States Government.

