



CASH & VOUCHER ASSISTANCE

WITHIN SOCIAL PROTECTION PREPAREDNESS

IN CENTRAL AMERICA,
MEXICO, AND
THE DOMINICAN REPUBLIC



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THE CALP NETWORK BRINGS TOGETHER ORGANIZATIONS TO STRENGTHEN POLICY, PRACTICE AND RESEARCH RELATED TO CASH AND VOUCHER ASSISTANCE (CVA).

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EXECUTIVE SUMMARY

There are a range of options for integrating social protection programming linked to humanitarian cash and voucher assistance (CVA). This continuum moves from governments taking the lead in developing social protection systems that can respond to large-scale shocks (shock responsive social protection systems) to humanitarians driving the process (described as linking humanitarian CVA with social protection). Consequently, preparedness should include the reinforcement of shock responsiveness in social protection systems and of how humanitarian and social protection systems may be linked for a more effective, efficient, and equitable response.

The inclusion of CVA – whether via social protection, humanitarian response, or a blend of the two - in preparedness work in LAC is only beginning to gain traction. In Latin America and the Caribbean (LAC) governments have long used CVA successfully in various social protection programs. However, CVA for humanitarian response at scale is much more recent in the region.

The region is highly vulnerable to multiple and cyclic hazards such as droughts and hurricanes, which are increasingly causing displacement and poverty. One factor that inhibits using CVA in disaster response is that traditionally disaster management response in LAC favored in-kind assistance by default; this limited further investment in preparedness to use CVA in emergency situations.

The COVID-19 pandemic, however, has proved a driver of change through a greater focus on CVA as a main tool to address increasing poverty and vulnerability. Governments in the region have begun to strengthen emergency preparedness using humanitarian CVA and through links to existing social protection programs. These new practices and learning can offer a sort of a road map in preparing to respond to other complex crises with humanitarian CVA connected to existing national social protection systems.

This study maps and analyzes programs starting from 2016 in which humanitarian CVA was linked to, or built on, national social protection programs, primarily for preparedness in a disaster but also for direct response to disasters, throughout Central America, Mexico, and the Dominican Republic. The study draws on an analytical framework of five key “building blocks” of social protection systems to help unpack the main parameters for work on preparedness: i) Stakeholders and Institutions; ii) Data, and Information Systems; iii) CVA Design; iv) Delivery Systems; and v) Coordinating and Financing. Companion in depth case studies from the Dominican Republic and Honduras complement the study. climate change is looming ever-larger as the major humanitarian issue for the years ahead.



FINDINGS

Many governments in the region are interested in using and are innovating with CVA in humanitarian response and social protection: The study finds that recent pilots using humanitarian CVA in government-led social protection programs offer valuable learning; the COVID-19 pandemic proved an opportunity to pilot the use of the CVA in new ways and drew on the expertise of different actors. Many governments in LAC have demonstrated an openness to experiment with the use of humanitarian CVA (El Salvador), engage non-governmental organizations (NGOs) and the United Nations (UN) to use existing programs (Dominican Republic), seek out technical support (Honduras), and learn from Cash Working Groups (CWGs) to design new programming (Guatemala). In Mexico and the other Central American countries featured in this study, strong foundations in social protection programming allow the relatively easy use of humanitarian CVA. Governments were able to adapt targeting mechanisms, streamline databases, expand vendor systems, and evolve accountability and transparency mechanisms—elements which have enhanced national social protection programming overall. Some of this flexibility was possible partly because partners who worked with governments had funding which could be deployed in support. However, there is an obvious role for donors—humanitarian and development—in funding and investing in preparedness as an anticipatory action through both humanitarian CVA, linking humanitarian CVA with social protection programs and/or systems and through making existing social protection systems more shock responsive.

National policy and regulatory frameworks limit options for CVA preparedness for emergencies: One of the biggest obstacles in the region are regulatory frameworks; existing laws actually limit options for governments in the region to employ CVA in emergencies in a sustained manner. However, there are some successful examples: in the Dominican Republic, the President was able to take advantage of flexible laws to immediately deploy additional humanitarian CVA when a shock occurred. Even with more flexible regulatory frameworks, governments need to make formal agreements that are agile and not tied to one type of crisis or timeframe, for example, through a Memoranda of Understanding as was the case in Honduras. A lack of coordinating institutions is a further major challenge. Common across the countries of study is the need for at least one national ministry with the authority to plan for and use humanitarian CVA in preparing for shocks within national social protection programs.

Coordination roles, responsibilities, and reach among government ministries and humanitarian and civil society organizations should be planned in the preparedness phase: In each context, the study found uneven or absent national humanitarian CVA and social protection coordination mechanisms. In some cases, CWGs have taken strides to try to improve this gap, such as in Guatemala where there is a sub-working group on the topic. In the Dominican Republic, the government's role in the roundtable on social protection provides another promising example of coordination on the topic. Coordination between different government ministries, humanitarian agencies and, potentially, local civil society, should fit the context and be organized in advance. This coordination should include clarity on which agency is responsible for which people of concern so that vulnerable populations not covered by national mandates, such as migrants, refugees, and stateless people, receive support through the appropriately mandated partner—whether government, international agencies, or civil society. Better coordination and acknowledgement of agency mandates will facilitate preparedness across governmental agencies and humanitarian stakeholders, including donors, and other local actors. Such regular and predictable coordination will allow actors to harmonize and consolidate responses ahead of a crisis. Critical topics to unpack in coordination include identification of capacity gaps, the use of relevant response mechanisms, and delivery mechanisms.

Clear messaging and effective communication channels and feedback mechanisms for affected communities and recipients are essential: The need to create and use strong information and data management platforms for clear messaging to recipients is another emerging thread in the study. Stakeholders consulted for this study strongly indicated that they face barriers in joint data sharing, in particular between governments and humanitarian agencies. This is an especially sensitive issue for those organizations working with the undocumented and/or in mixed migration settings, where the humanitarian mandate goes hand in hand with both protecting and serving the most vulnerable populations. The UN and NGOs are often held to General Data Protection Regulations (GDPR) or other agency-level data protection policies, which prohibit sharing. Recipient identification by

NGOs and the UN programming may be different from that used in national social protection programming, which can contribute to duplication of recipients, exclusion errors, or confusion by the population. However, such obstacles can be overcome if data protection protocols can be clearly outlined in accompanying agreements and these agreements are written so that they anticipate and allow for crisis response. For true preparedness, data management platforms will need to be adaptive and flexible. Examples include a single social and economic registry and increasing linkages and interoperability between different databases.

International NGOs and UN agencies should collaborate to share their expertise and strengthen government capacities: Capacity-building and training in partnership with NGOs, CWGs, and the UN, should continue to be provided to ministries, agencies, and civil society engaged in social protection to develop technical and institutional knowledge. NGOs and the UN have growing capacity to deliver humanitarian CVA in LAC. They are in a good position to support governments to build their capacity through technical accompaniment and financial support to ensure more flexible humanitarian CVA delivery, including through better targeting, and identification mechanisms. This technical support will require engagement with donors to help secure funding for sustained support and building capacities especially with governments at national and regional levels and with locally based NGOs.

Regional bodies such as CEPREDENAC have a critical role to play: Building on the nascent capacity in LAC, many opportunities exist for strengthening the links between humanitarian and social protection CVA, reforming existing social protection to use humanitarian CVA in LAC or, ultimately, to become more shock responsive social protection systems. Various preparedness measures are already underway, from an Emergency Subsidy and Emergency Preparedness Plan in the Dominican Republic to legal mandates for transparency and accountability accompaniment to CVA in social protection in Honduras. To continue strengthening preparedness measures, national governments will need to i) overcome continued challenges, such as reaching stateless and undocumented individuals, ii) build trust with NGOs coordinating national messaging related to humanitarian CVA alongside CVA in long term social protection, and iii) continue to harmonize national CVA delivery and targeting mechanisms with civil society approaches. This requires a deeper level of relationship-building between various key CVA and social protection stakeholders. There is existing sub-regional/national capacity and experience that can provide a basis for a preparedness framework; for example, rapid response mechanisms that integrate humanitarian CVA within their existing social protection systems or a regional mechanism to support national CVA delivery and transparency. An entity like the Coordination Centre for the Prevention of Natural Disasters in Central America (CEPREDENAC) has the potential to generate regional buy-in for linking UN, NGOs, and civil society for humanitarian CVA social protection preparedness.

CONCLUSION

Climatic, socioeconomic, and epidemiological shocks will continue to impact the emergency response landscape in LAC and this study shows national social protection systems are increasingly equipped to respond. However, strengthening shock responsiveness, not least through further inclusion of humanitarian CVA within national systems and programs to prepare for inevitable shocks could provide more flexibility, effective and adaptive responses in complex contexts, ensuring support to the most vulnerable populations. The emergency situation posed by COVID-19 highlights relevant experiences that can be learned from and built upon from Central America, Mexico, and Dominican Republic. These experiences can likely show the way forward to the region overall and the world.



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