

Donor Cash Forum: Humanitarian Cash Transfers in the Response to COVID-19

Humanitarian cash transfers have a critical, complementary role to play in the response to COVID-19, supporting continuity and safety in the delivery of humanitarian assistance. The most vulnerable will likely be hardest hit by the economic consequences of the pandemic and cash can help meet basic needs as incomes fall. Cash provides the opportunity for coherent, efficient and effective assistance to those who need it most.

Prepared by the Donor Cash Forum, including the EU (DG ECHO), Denmark, Germany, Norway, Sweden, Switzerland, the United Kingdom and the United States of America, this paper is intended to serve as a basis for engagement with our partners on how they deliver cash programmes and alignment of our funding and engagement, where appropriate. Building on our [Joint Donor Statement on Humanitarian Cash Transfers](#), including our efforts to pilot its principles in Bangladesh, Ethiopia, Nigeria and Somalia, we recommend that those funding and delivering cash programmes in the global response to COVID-19 should:

- **Consider preparedness measures and anticipatory action before the full economic impacts of the pandemic are felt.** This includes ensuring existing programmes can continue to deliver and considering expediting assessment and registration of new beneficiaries or front-loading payments.
- **Target based on need alone.** Support to those already receiving assistance should be maintained and targeting should be based on impartial needs assessments across sectors. Disease status is not necessarily correlated with a need for cash and targeting on this basis may create stigma.
- **Continue to select the assistance modality according to the affected population's choice, consistent with what local markets will support and whilst managing public health risks.** While cash is preferred in many contexts by the affected population, some might choose in-kind assistance in certain circumstances, for example, those who are affected by market disruptions or are shielding.
- **Encourage partners to consider expediting the adoption of cash transfers where it could help contain and delay the transmission of the virus.** Conditionalities for cash transfers, particularly those that involve gatherings of beneficiaries should not be introduced or maintained, unless deemed essential or directly related to reducing the spread of COVID-19.
- **Undertake continued regional, national and local analyses of supply chains and price monitoring for food and essential commodities to ensure the cash modality and transfer value remain appropriate.** This should be done in concert with national authorities.
- **Champion humanitarian diplomacy to safeguard the movement of food, essential goods and humanitarian personnel and supplies within and between countries.** This is especially important in countries that are heavily reliant on food imports and primary commodity exports, and where access constraints may hamper the effective delivery of cash transfers.

- **Switch to digital solutions, including the use of mobile money and mobile banking, to manage the risk of the transmission of the virus.** When possible, providing digital cash can offer a safer option by reducing risks related to people gathering to receive assistance and the use of physical cash as a vector. Data protection and assessment of digital risks remain essential.
- **Consider adapting payment cycles, increasing transfer values and decreasing the regularity of transfers.** Distributions can be brought forward or staggered to reduce physical contact and transmission of the virus. The use of biometrics should be re-assessed, with biometric verification suspended or switched to contactless solutions where possible.
- **Monitor protection risks and promote inclusion.** Continued monitoring is needed to ascertain whether all vulnerable groups can access and use the modality of assistance equitably and to manage protection risks. Assessing gender dynamics through inclusion of affected populations in the decision-making processes remains essential to reduce gender-based violence, including intimate partner violence, and promote women's empowerment.
- **Harness remote management systems where required.** Remote systems may be needed for feasibility and risk assessments, programme monitoring, community engagement and accountability and market monitoring. Collective approaches and systems should be used where possible.
- **Advocate with national authorities to address policies that impede the use of cash transfers.** Such policies include Know Your Customer regulations, limitations on using cash as a modality of assistance and licensing requirements.
- **Advocate for financial service providers to increase the number of cash-out agents or bank branches, where possible, in order to limit travel time and overcrowding.** Increased access to point of sales devices and enablers of the use of digital cash should also be promoted.
- **Partner with national and local organisations that play a vital role in the of delivery humanitarian cash transfers, alongside international agencies.** Local actors, including the private sector and financial service providers as well as humanitarian partners, should be considered to maintain business continuity as much as possible.
- **Link to and expand national social protection mechanisms to respond to the COVID-19 shocks, as feasible.** Wherever possible, programmes should include internally displaced persons, asylum seekers, refugees and migrants. Where national systems are not present or still limited in scale, humanitarian cash programmes can provide the building blocks for longer-term assistance. This may help improve outcomes, reduce social tensions and save scarce resources over what will be a long-run global crisis.