



COVID-19 Cash Assistance for Livelihoods

Experience of Namibia Red Cross Society

April 2021

Background:

In March 2020 Namibia reported its first cases of COVID-19 and on the 17th March the Government of Namibia declared a state of emergency; triggering a nationwide lockdown from March to May 2020 which included restrictions placed on large gatherings, schools, places of worship, and informal markets. The closure of markets as a result of the lockdown compromised many people's ability to buy and sell food, affecting the livelihoods and food security of households throughout the country.

In response to the pandemic the Namibia Red Cross Society (NRCS) activated teams through its 9 country branches, supporting the government in their effort to control the spread of the COVID-19. The National Society (NS) initially focused on a set of community outreach and hygiene promotion activities in their COVID-19 response, including raising public awareness of COVID-19, engaging in community hygiene promotion and media relations, and in distributing Information, Education and Communication (IEC) materials in strategic areas.

With these activities in place the NS then turned to creating a COVID-19 response strategy, building on the activities set up in the first phase of their operation. The response strategy rested on five operational areas: water, sanitation and health (WASH); risk communication and community engagement; livelihoods and basic needs; protection, gender and inclusion; and NS development.

The NS's decision to include livelihoods and basics needs in their COVID-19 response was due to the several factors. With the on-going food crisis in southern Africa a significant proportion of Namibia's population are already food insecure, placing them at greater risk of COVID-19 infection due to the effects of malnourishment on the immune system. In addition, the government lockdown restrictions put in place from March severely impacted the livelihoods of many of the country's most vulnerable households, negatively impacting their income generation abilities. Therefore, the focus on providing basic needs and livelihoods support to vulnerable communities was a priority for the NS from the start.



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Impact of COVID-19

Assessment

Whilst a thorough impact assessment is an important step in any emergency response the nature of the COVID-19 pandemic has forced NS around the world to adapt their programmatic ways of working. With Namibia's national lockdown restrictions in place NRCS were unable to complete a detailed cash feasibility assessment, instead they were only able to carry out a small-scale needs assessment which would inform the design of a livelihoods programme.

This assessment was carried out in Walvis Bay, the second largest city in Namibia, and was chosen because it had some of the highest rates of COVID-19 in the country. The city itself remained in lockdown for around 6 months, the longest period of lockdown of any city or region in the country. The initial needs assessment sought to determine the localised impact of the pandemic on communities and the effect it has had on household livelihoods, focusing on individual household's temporary or permanent loss of livelihoods.

The assessments carried out by NRCS were linked with the ongoing country level assessments being led by the national Cash Technical Working Groups (CTWG). NRCS coordination with the CTWG included monthly national disaster management coordination meetings and monthly regional coordination meetings, within which assessment data and programme design plans were shared.

Analysis

The information from the NRCS needs assessment, community stakeholders, government data, and the assessments shared from the CTWG, confirmed increased levels of need within communities which had emerged because of COVID-19. The data clearly demonstrated that the primary and secondary effects of the COVID-19 resulted in higher numbers of households classified as vulnerable and food insecure. The national lockdown meant many households had lost

their source of income which resulted in increased levels of homelessness, food insecurity and practice of negative financial coping mechanisms (eg the selling of valuable household assets). The assessment data also highlighted that the most likely groups to be affected by the pandemic and the government's restrictions were households in urban, peri-urban and informal settlements.

The diverse needs related to homelessness, food insecurity and loss of household livelihoods were key factors in NRCS' consideration of using cash and voucher assistance (CVA) in their programme response. One of the greatest advantages of using CVA within this programme was its flexibility, as using cash transfers would enable the NS to meet diverse needs within the complex urban and peri-urban settings.

The markets analysed in Walvis Bay were confirmed as being stable and suitable to meet the needs of the affected population. Importantly, the NS also took into account whether the markets would be able to maintain good standards for crowd management and social distancing in adapting the response to COVID-19 risks.

NRCS Cash Capacity

NRCS was able to explore the potential use of CVA in this COVID-19 because of their previous commitment to CVA and their ongoing engagement in cash capacity activities as a NS. In 2016 the NS began to engage in cash and voucher assistance preparedness (CVAP), believing in the role CVA can play in providing efficient, effective and empowering support to the most vulnerable in times of crises. Since then the NRCS has invested in a series of CVAP activities, including a pilot cash distribution in Kunene Region to drought affected communities (1204 households); a cash and voucher programme in Zambezi from August 2019 to March 2020 (1200 households); and this most recent CVA programme in Walvis Bay implemented from December 2020 to March 2021 (1440 households).



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Design and Implementation

Using the primary and secondary assessment data collected, NRCS chose to develop a livelihoods response, addressing the effects of COVID-19 on food security and livelihoods in the Erongo region. The programme would deliver assistance via mobile money, which was the communities preferred payment mechanism and one of the most flexible and viable options available to the NS.

NRCS' tender for a Financial Service Provider (FSP) to partner with did not initially attract any companies therefore the NS turned to working with their own bank for this programme. NRCS already use Standard Bank and the FSP agreed to the use of their Paypulse system to pay the recipients as part of the overall service they provide to NRCS. Paypulse allowed the NRCS to send money directly from the NS' account to the recipients cellphone numbers.

Standard Bank agreed to the following in supporting this programme:

- Upload the recipient's cellphone numbers on the Paypulse portal;
- Send a push message to the recipients with instructions on how to withdraw the money from the Paypulse account, as well as who to contact in case of technical issues;
- Provide technical support to the recipients;
- Provide the NS with a Paypulse balance statement which would allow the NS to see which recipients had withdrawn their funds.

This programme was designed in collaboration with the Government of Namibia, aligning to their social safety net programme which was already in place. The NS was required to coordinate with the government in the registration of any individuals, ensuring that there was no duplication between the programme's recipient lists and the government's social protection recipient lists. The NS completed the verification of recipients with the assistance from the social workers from the Ministry of Health and Social Services as well as the administrators from the two constituency offices who were already registering households for the food assistance under the government's livelihood intervention.

NRCS ensured that community members and key stakeholders were involved in discussions regarding the selection criteria and the identification of recipients, working with community groups in 8 of the targeted communities. The final eligibility criteria for this programme included:

- Family size of more than 5 dependents (exception will be made to other critical families);
- Women or child headed households;
- Households not benefiting from any social programs e.g. pension, OVC grants, food distribution;
- Victims of house fires.

Some exceptions to these criteria were made for smaller families (with less than 5 people per household) depending on their vulnerability status, for families who were evicted as a result of loss of livelihoods, and for homeless people. The recipients were cross-checked with the following stakeholders: social workers from the Ministry of Health; urban constituency office admin personnel; rural constituency office admin personnel; community leaders; community members; and the office of the Mayor of Walvis Bay.

NRCS used the data management system KoBo Collect to identify and register individuals into the programme, the NS were already experienced at using this software in previous programmes. 1,440 individuals were identified in need of support within the area of Kuisebmond, Nampot, Narraville and Town. The programme aimed to deliver 500 NAD (approximately 35 USD) monthly to each recipient for three months, November 2020 to January 2021, receiving a total of 1,500 NAD over the programme. This amount was based on the average government social safety net transfer value, which the NRCS aligned their programme to. NRCS planned for each tranche of payments to be disbursed on one day of each month, expecting recipients to withdraw their funds from the Pay Pulse account within days of the transfer taking place.

Due to the close coordination with both the Namibian Government and the FSP on this programme it was important to set out a clear list of responsibilities. NRCS on this programme were responsible for:

- Ensuring proper communication with the intended recipients about the distribution plan;
- Providing the FSP with a distribution plan with the recipient phone numbers and NRCS reference numbers;
- Identifying and registering recipients;
- Informing the FSP about any problems reported by the community on the use of Pay Pulse e.g lost numbers and provide FSP with an updated list of proxies;
- Following up with recipients who have not cashed out their grant within a week from the transfer.

Monitoring and Evaluation

From the outset NRCS were required to adapt their standard monitoring and evaluation activities to the government's COVID-19 restrictions, in particular their approach to conducting monitoring at a community level and accessing households for Post Distribution Monitoring (PMD) activities. For instance, the NS were required to adapt their approach by collecting additional feedback through the community leaders and conducting PDM via the telephone to avoid gatherings and face-to-face interviews.

Some monitoring was completed remotely with the support of Standard Bank. The FSP enabled NRCS to monitor the withdrawals made, completing a financial reconciliation each month before the next distribution which allowed NS staff to follow up with recipients on any technical problems they were having if the withdrawal had not been made. NRCS also arranged for a final reconciliation to be completed at the end of the programme which included the return of any remaining funds.

At a community level the NS worked to ensure that the distribution process was well communicated to all stakeholders, sharing the information on final recipient lists, transfer dates and how to access the mobile money transfers.

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Post Distribution Monitoring

The NS collected PDM data using the Kobo collect tool from 131 recipients in 7 communities in the Erongo Region: Narravile, Kuisebmund, Otweya, Twaloloka, Tataleni, Namport and Land Grabbers.

Community engagement







The data from the PDM showed that 90% of respondents had heard about the programme from NRCS staff and volunteers or from their community leaders. This indicated the strength of NRCS engagement at the community level and that their inclusion of community leaders was a crucial factor in the dissemination and engagement of individuals in programme.

The survey also revealed that recipients were happy with the communication methods used by the NRCS throughout the intervention period; respondents commended the NS staff for their helpful responses to the queries and complaints they submitted.

Use of cash grants

When asked which were the top three items that recipients spent their money on the majority reported food, clothing, and school items as the most important. Respondents shared that most of the items they needed to purchase were available in their local markets.

Table 1: Purchased items, recipients fed back the top three items they spent funds on.

Purchased items	Number of recipients
Food 	121
Clothes 	37
School Items 	27
Cosmetics 	18
Medicines 	5
Settling debts 	4

Timings of the cash transfers

On the timeliness of this programme around 90% of recipients interviewed believed the assistance was given at the right time. Respondents also indicated that the cash grants had targeted and benefitted the right people, with the majority of the respondents (91%) believing that it was their lack of income and lack of access to existing programmes which made them eligible to benefit from this COVID-19 livelihood intervention.

Payment mechanism

In relation to the payment mechanism chosen for this response, Standard Bank's Paypluse mobile money transfer, more than 80% of the interviewed recipients were happy with this payment mechanism. Interviewees indicated that it took them less than 30 minutes to retrieve their money from the Standard Bank ATMs. Community preference for this form payment mechanism had been a key factor in choosing mobile money as the modality for this response at the design stage.



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Programme Outcomes

Once the final distribution had been made and the PDM completed NRCS ran a lessons learnt workshop with the support of the IFRC. This exercise allowed the NS to reflect on the areas of success and the challenges faced in implementing this programme, as well as providing an opportunity to reflect on the next steps in their CVAP journey.

Main factors of success:

- **Staff and volunteers' dedication;** from the outset of the pandemic NRCS staff and volunteers showed great dedication and commitment to responding to the effects of COVID-19. Implementing this response required the NRCS team to be resourceful and flexible in the way in which they designed and ran the programme. The commitment of staff and volunteers, and the subsequent effect that had on morale, was identified as a key factor of success in this programme.
- **Cooperation between NRCS and Standard Bank Namibia;** the close collaboration with Standard Bank was identified as being an area of success in this cash response. By partnering with a FSP with whom they already had a working relationship in place with, NRCS were able to build on a pre-existing level of trust and cooperation. The benefits of this included Standard Bank waving the ATM withdrawal charges for the recipients when they received their transfers.
- **Collaboration between NRCS and government offices;** the NS were required to work closely with their relevant government and district counterparts to ensure the smooth alignment of this programme alongside the government's social safety net programme. During the implementation of this programme NRCS cooperated with the Office of the Governor of Erongo Region, Mayor of Walvis Bay's office and the Municipality of Walvis Bay, and constituency offices.
- **Collaboration between NRCS and the community leaders;** the NS worked closely with the different community leaders in identifying recipients. Collaborating with community leaders was made all the more important because of the COVID-19 restrictions related to NRCS' access to communities.
- **NS cash capacity;** NRCS staff and volunteers' CVA competencies were enhanced through the implementation and practical activities related to the delivery of cash to the communities.

Main constraints and challenges

- **The NRCS experienced several delays throughout this programme;** the NS had planned to distribute in the three months from November to January 2021, however delays meant that a double distribution of two months' worth of cash was distributed at the end of February and the second distribution took place in early March. These delays were due to a range of factors:
 - Problems in the contracting of an FSP, due to the initial failed tender and then further delays in the approval of Standard Bank once it was selected.
 - The NS experienced delays in the transfer of funds from the IFRC which prevented the first distribution from taking place in November.
 - The COVID-19 travel and social-distancing restrictions presented a challenge for the NRCS in selecting and verifying recipients for the programme.
 - The NRCS did not have a branch or any presence in the targeted region of Erongo and this meant most communities did not know about NRCS. The implementing teams therefore had to first explain to communities what the Red Cross Red Crescent Movement does, including the Movement mandate and the fundamental principles. This was important to do as some of the community members thought the money was coming from the government or from a political party.
- **The NS were faced with constraints regarding the scale of need and resources available to support;** the primary and secondary effects of COVID-19 have affected the livelihoods and food security of so many households in Namibia this year. Many families were already in situations of severe need and the pandemic has made them even more vulnerable to health problems, loss of livelihoods, and food insecurity. Faced with responding to these widespread needs the NRCS was forced to make difficult targeting choices with the resources made available to them.

- **COVID-19 restrictions;** the government's lockdown restrictions limited the movement and interactions the NS staff could have with the recipients, because of this most communication was done with the community leaders and through mobile phone conversation with NRCS staff.
- **Complications as a result of the regional elections;** the registration of recipients took place during the election campaign period which resulted in both programmatic delays and reputational risks for the NS. There were days where recipient registration could not happen as there were campaign rallies taking place and challenges arose from communities accusing NRCS of trying to bribe them by giving them the cash transfers to vote for a particular party.
- **Safety of NRCS staff;** the NS needed to protect the safety of their staff and volunteers on this programme from both COVID-19 health risks and security risks at the registration stage. In some areas, the NRCS staff had to be accompanied by police officers and protection support when registering recipients because some community members were becoming violent towards the staff and volunteers, this was often correlated with individuals being told that they did not meet the eligibility criteria for the programme.
- **Lack of community hotline;** the majority of the communication with communities took place through NS staff and volunteers working directly with the recipients and the community leaders. There was not a community hotline set up, so staff were required to provide their own personal mobile numbers as a contact point. Whilst this meant that recipients had easy access to the NS staff problems later emerged with recipients and community members regularly calling staff outside office hours and on weekends.



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Lessons learned and recommendations

The NS reflected on the lessons learnt from this programme which serve as recommendations for themselves in the running of future CVA responses and advice for other sister NS who are looking to implement a mobile money response.

- **Importance of accurate recipient registration;** when using mobile money as the modality for a CVA response it is crucial that the recipient's information is accurately captured during the registration phase. NS should ensure that duplicate phone numbers are checked, that there are no errors when entering the mobile number of recipients, and that the individual's mobile phone number is active in the FSP's Paypulse payment system. Problems with mobile number registration can lead to delays or failures in payment transfers.
- **Awareness of the technical challenges of mobile money transfer;** NRCS were faced with several technical challenges in their use of mobile money transfers in this programme. For example, the Paypulse transfers relied on an SMS pin code being sent to the recipient's mobile phone, however many recipients experienced problems with this as they were using feature phones which could not store more than 30 SMS messages at a time. Basic technical problems like this resulted in delays in households receiving their funds. NSs must be aware of these potential technical blockers early on in their programmes so that they can support communities with information and solutions before the transfers are made.
- **Work with the FSP to monitor payments;** NRCS highlighted the importance of working with the FSP to track when recipients withdrew their payments and to monitor which households had been unable to do so. The NS also checked the balance on their Paypulse accounts after each payment to ensure that no transfers had failed to go through. This level of oversight enables NS to ensure payments are being made correctly to the right households.
- **Community engagement mechanisms are crucial;** for a CVA programme to operate smoothly, particularly when using a payment mechanism which requires various steps of information and validation, the NS must have strong community engagement mechanisms in place. In this programme NS staff and volunteers relied heavily on the support of community leaders and use of their personal phones, whilst this enabled recipients to receive the information they needed on payment dates and Paypulse processes, it would have been quicker and more efficient for the NS to have a centralised hotline or engagement mechanism in place.
- **Run small scale pilot distributions before scaling up;** the NS reflected that they would have benefitted from running a small-scale cash distribution simulation of 50 households before expanding. This would have allowed them to detect small errors in the process and correct them before scaling up to pay all recipients at once.

Next steps in building CVA capacity

The NS reflected on their learnings from this programme and the next steps in their CVAP journey.

NRCS CVAP next steps:

- NRCS to work towards further investment in mobile money as a payment mechanism. This CVA for COVID-19 response provided NRCS with an opportunity to respond to the needs of an urban population using mobile money, a modality they had not previously used. The NS stated that they were encouraged by the ease and speed of using mobile money and are ready to use this modality again in future responses. NRCS are interested strengthening their CVA capacity with this modality, looking to engaging with more FSPs on other mobile wallets and mobile money options.
- Increasing NRCS staff and volunteer skills and knowledge on CVA by conducting a range of CVA trainings, including strengthening the basic understanding of CVA throughout the organisation.
- NRCS will enhance their collaboration and partnership with key stakeholders, using their role as an auxiliary to the Government of Namibia in order to better integrate CVA with government social protection systems.
- NRCS will work towards developing a CVAP roadmap, outlining how the NS will increase its cash capacity in order to be able to deliver CVA safely, accountably and quickly at any scale.
- As a result of the learnings from this response, NRCS will also endeavour to develop further CVA operational tools and guidelines to fit the local context, building on existing Movement existing tools. This will ensure that key documents, such as CVA standard operating procedures, are developed and that CVA is integrated and incorporated into the NS' strategic plans and systems. The Movement's existing Cash in Emergencies toolkit will be adopted to support NRCS in delivering quality CVA programming.

Contact information

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