

Cash and Voucher Assistance (CVA) in Recovery



Cash and Voucher Assistance (CVA) in Recovery



Summary

- Define your recovery objectives (which are often integrated, and may include livelihood, shelter, WASH, health, resilience and community governance objectives) following a recovery assessment.
- Using response option analysis consider what modalities (likely to include CVA but not only CVA) will best meet these objectives.
- Communities must be at the centre of leading their recovery, and therefore community engagement and accountability throughout the programme cycle is essential. The dignity and choice that comes with CVA can be one part of supporting people to lead their own recovery.
- When providing CVA in any of the response, recovery and resilience contexts, the same CVA project cycle steps should broadly be followed, as provided by the **RCRC Movement Cash in Emergencies (CiE) toolkit** and other **RCRC Movement CVA guidance**.
- The draft IFRC Recovery Framework (latest draft dated 13th Jan 2021) and the **IFRC Recovery Programming Guidance** are key resources when considering Recovery. At January 2022, the draft IFRC Recovery Framework is currently not published but available from the IFRC Geneva Recovery focal point upon request.



Cash and Voucher Assistance (CVA) in Recovery

- When using CVA for recovery it is highly likely that you will take a far more targeted approach, this is because some households will need minimal assistance to recover while more vulnerable households will need significant assistance. This is also because your recovery interventions are likely to be of a much higher budgetary value per household to adequately support recovery and have a sustained recovery impact.
- If CVA is used it, is highly likely there will be conditionality or restriction to support the recovery objective to be achieved. For example, if shelter recovery is part of a multi-sector recovery objective, tranches of cash may be given at stages in the programme (after training, after foundations checked etc.) to ensure “build back better” and resilience is part of the programme.
- As with all programmes (and more so when supporting recovery) it is essential to understand what others are planning and implementing (government and humanitarian agencies), and work as collaboratively as possible to maximise impact.
- We often hear “recovery starts from day 1”, and people will be at different points on their recovery pathway at anyone time. Even when multi-purpose cash assistance (MPCA) is being used to support basic needs in the acute phase post-crisis, targeting top-up CVA for specific recovery objectives can still be used to help support recovery.

Background

CVA has a long history of being used to support recovery, particularly livelihoods and shelter reconstruction. In more recent years, CVA has also been used extensively in the initial response as a replacement for in-kind relief and food distributions; as a modality for supporting basic needs. There is a currently a focus on increasing the use of CVA, and as a result many of the Red Cross Red Crescent (RCRC) Movement’s CVA guidance focuses on implementing effective multi-purpose cash (MPC) in the initial response. This tip sheet provides basic guidance on the use of CVA to support Recovery post-crisis.

CVA is frequently used and a valid modality to support a range of programmatic contexts in response, recovery and building longer-term resilience. This is especially true when we want to support the function and recovery of markets that people depend on to meet their needs and that provide livelihoods, and also to give people the dignity of choosing how they lead their own recovery.



Cash and Voucher Assistance (CVA) in Recovery



Objectives of tip sheet




The tip sheet has the following objectives:

1. Technical tips and considerations to apply when using CVA to support recovery
2. Programme examples of when CVA has successfully promoted recovery

Additionally:

3. To highlight some advocacy messages that reinforce the relevance and appropriateness of CVA in National Society assistance to post-crisis recovery.

Definitions

-  **Cash and voucher assistance (CVA)** refers to all programmes where cash transfers or vouchers for goods or services are directly provided to recipients. (CALP Network Glossary 2018)
-  **Recovery**, in the context of a disaster or crisis, is a transformative process that results in the restoration or improvement of livelihoods, wellbeing, services, individual, household and community assets, and social cohesion, so that the lives of affected people and communities are not only restored but are more resilient to future crises. (draft IFRC Recovery Framework 2021)
-  **Self-recovery** refers to the continuing efforts of affected people and communities to cope, recover and restore their lives and livelihoods, and rebuild after a disaster or crisis. Peoples' ability to self-recover is affected by the vulnerabilities that they, their households and communities face, the capacities they have, and the coping mechanisms that are available to them. (draft IFRC Recovery Framework 2021)

Cash and Voucher Assistance (CVA) in Recovery



Why use CVA in recovery?

1

CVA and recovery: a shared approach

The Movement, as a global leader in CVA, is well positioned and prepared to deliver cash assistance in a range of contexts. Many National Societies (NS) are investing in CVA preparedness and mainstreaming cash delivery mechanisms across sectors in their response to crises and disasters.

CVA can provide strong support to the broad recovery approach because it is such a flexible option to provide assistance which can also support local markets to recover and give targeted populations the dignity of choice.

“

Cash assistance promotes dignity, flexibility and recovery. These response options should be considered in all needs assessments, programme design and planning, and used where appropriate and feasible. There will be opportunities during recovery to link National Societies cash interventions to social protection systems, or to advocate for new shock responsive social protection mechanisms”

(IFRC Recovery Framework, 2021 draft)

Aligned principles of approach:

There are several points of alignment between the Federation-wide Recovery and Movement CVA approaches, and these include:

- **Assessing of recovery needs and supporting self-recovery should start early**, within the immediate humanitarian response. CVA can support an early recovery response. If the NS has undergone cash preparedness (CVAP) or has prior CVA experience and capacity, CVA can be a relatively quick set-up to implement that may help NS support recovery earlier, also directly building on recipients’ self-recovery. In particular, early CVA can reduce the sale of productive-assets essential to people’s ability to support themselves post the immediate crisis or the adoption of harmful coping strategies that could have long-term impact.
- **Communities should be at the centre of their recovery**. This directly ties in with the transformational nature of CVA to promote **dignity and choice** and being people centred, allowing people to meet their own needs and priorities. Genuine Community Engagement and Accountability is crucial.
- **National Societies should support Build Back Better** and work towards safer, more resilient communities. CVA can directly support this with its ability to promote market strengthening and bring increased benefits to local economies and potential improvements for financial inclusion.

Cash and Voucher Assistance (CVA) in Recovery



- **National Society preparedness is central to both recovery and CVA approaches.** Recovery principles should inform National Society preparedness and preparedness actions should be integrated into recovery by National Societies. Cash preparedness for effective response (CVAP) can be a core component of this preparedness.
- **Multi-sector and integrated approaches** are the recommended standard within recovery contexts and multi-sectoral recovery strategies are being developed to support community driven recovery. CVA is flexible enough to support multi-sectoral objectives. Responses should however, consider the use of mixed modalities that will have the most impact.
- **Both recovery and CVA approaches create opportunities for partnerships.** To have the most impact in supporting recovery it is necessary to understand what others, including government are planning and how the National Societies work can be part of the wider recovery efforts.
- **Coordination and partnerships with national Governments are key in recovery programming.** National Societies support community recovery as an auxiliary to Government. CVA in recovery brings opportunities to engage with Governments through linking with national social protection programmes.

2 Implementing CVA in recovery

Guidance across the project cycle

The Movement's [Cash in Emergencies \(CiE\) toolkit](#) provides a step-by-step guide for using CVA and the toolkit is designed around the humanitarian programme cycle, the toolkit is still very relevant for recovery, and the following sections highlight some key additional considerations.



2a. Preparedness

In order to deliver CVA at scale in any response including a large recovery programme, the National Society should invest in CVA preparedness (CVAP) as part of their Preparedness for Effective Response (PER).

See [RCRC Movement Guidance for Mainstreaming Cash and Voucher Assistance: Cash Preparedness for Effective Response](#)



2b. Assessment

- **Understanding the recovery needs of the crisis-affected population** assessments to determine recovery needs will be more in-depth and integrated across sectors with an emphasis on using participatory tools and approaches and over a longer time period.

Cash and Voucher Assistance (CVA) in Recovery



- **In addition to assessing needs, CVA feasibility and markets assessments will continue to be updated.** Initial CVA feasibility and market assessments may also include projected recovery needs. These should be revisited and updated in the multi-sectoral in-depth assessment, which will look in detail at recovery needs and inform the response option analysis and the planning for recovery.
- **Ensure the wider context is assessed**, including plans of other stakeholders/actors and Government, as well as the social and political context. In some contexts, governments and multi-lateral development banks may establish recovery programmes for households and businesses. These programmes can take time to establish, but we must be aware of them to avoid duplicating or worse giving people a lower level of support that subsequently makes them ineligible for further government assistance.
- Market assessment for CVA in recovery **will focus in more depth on broader recovery related market systems such as livelihoods, shelter and WASH**, going beyond basic commodities and services that may have been assessed previously for CVA in the initial response.
- When assessing FSPs, **consider including FSPs that could create opportunities for financial inclusion (e.g. banks)**, even if these are not already part of NS existing pre-agreements/MoUs.



2c. Response Analysis and Response Planning

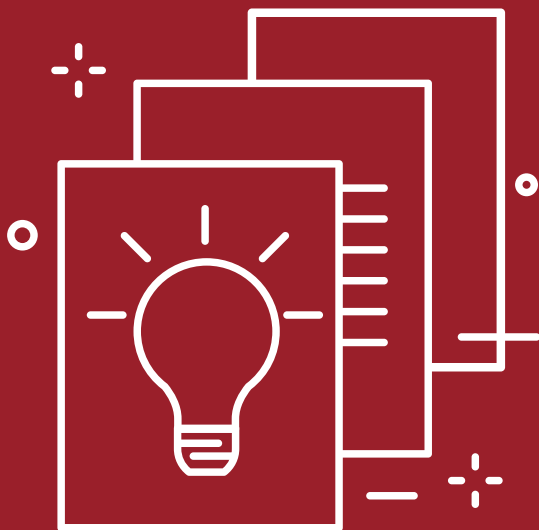
Following assessments related to recovery a number of objectives may be defined which could be supported through CVA modalities and other modalities (for example, direct service provision such as technical assistance or in-kind). If CVA is considered appropriate to support recovery, this should always be followed up with response analysis related specifically to the CVA, in line with the identified needs and recovery objective (as per the ENA process). As the objective and specific CVA modality/delivery mechanisms may be different for the recovery programme compared to any CVA already undertaken for initial emergency response, a new response analysis to help plan the use of CVA will be needed and this step should not be skipped.

CVA and the IFRC Emergency Needs Assessment and Planning (ENAP) Approach

The revised IFRC ENAP approach sets out a wider assessment methodology within which consideration of CVA must be integrated. Assessment of markets, cash feasibility etc. should be done within the overall assessment framework, and not as standalone exercises.

The ENAP approach sets out three assessment phases: the initial, rapid and the in-depth multi-sector assessment. Normally, in rapid onset emergencies, the analysis required for MPC assistance would be part of the initial and rapid assessments. The in-depth assessment, usually taking place in the window of 30-90 days post-crisis, is this is where the recovery context and needs are properly considered, and where additional analysis of the potential role of CVA to support self-recovery is critical

Cash and Voucher Assistance (CVA) in Recovery



Technical components of response analysis, when designing of CVA in recovery:

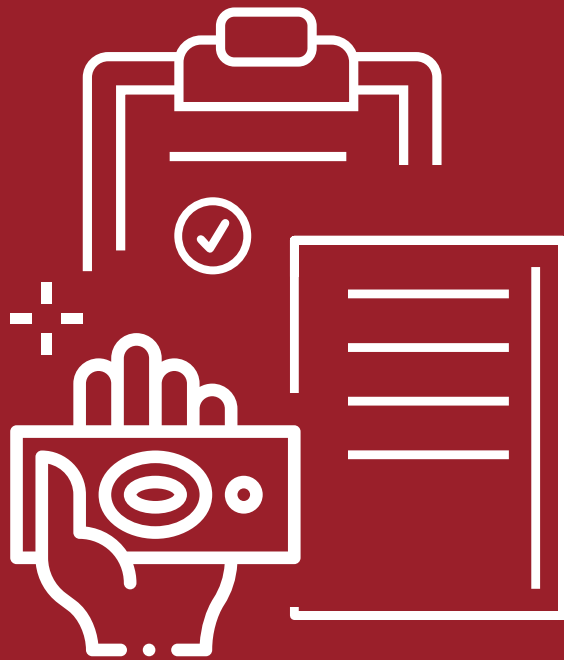
- Timing - Consider any **seasonality factors** when designing recovery CVA, in particular for livelihoods.
- Modality selection –The recovery objective will ideally be multi-sector, there may be **options to combine different CVA modalities and other modalities (e.g. direct service provision)** to best address each sectoral objective if necessary, based on a ROA modality analysis (e.g. vouchers for WASH, conditional cash for shelter and technical assistance, unconditional cash for livelihoods) Analyse, select and design CVA modalities in an integrated way, where possible, comparing their individual effectiveness for the relevant sectoral objective/s, as well as together.
 - When selecting CVA modalities, **recipient preferences should remain a key criteria** in order to keep a community-led recovery approach central.
 - **Combining cash grants with service delivery** is often proven to be effective in reaching outcomes such as livelihood strengthening in many recovery contexts.
 - **Providing training alongside CVA** (either as a complementary activity or as a condition for receiving the cash) can maximise impact of the CVA, and potentially strengthen ties with relevant local government offices or business owners when involved in training.
 - In cases where there is a co-existence of basic needs and longer-term recovery issues, CVA is a flexible approach that can cover both aspects. Consider if additional small **unconditional cash grants (or MPCs) can be provided as top-ups for the most vulnerable**, which can help prevent resorting to negative coping mechanisms before recovery starts.
- A list of CVA modality options for early recovery and recovery per sector can be found in [CiE Tool M3_1_1_1 Response Intervention Options](#)
- Conditionality and Restrictions – **Appropriate conditionality or restrictions may be necessary to ensure sectoral outcomes are met.** However, this should be balanced against the flexibility that unrestricted cash provides in allowing recipients to drive their own self-recovery and promoting a people centred response. Recovery programming involves an element of increasing resilience to future shocks or “build back better” and conditionality can also be an opportunity for programming to support this. Restriction and conditionality may also allow risk considerations of the implementing Movement actor to be managed.
- Delivery mechanism – **Consider giving greater weighting to FSPs that can create financial inclusion opportunities (e.g. the “un-banked” opening bank accounts or gaining a mobile money wallet) in delivery mechanism selection criteria.**
- Transfer values – Overall, **the amount of CVA provided to recipients for recovery is typically larger than for CVA in emergencies (e.g. MPCs).** Calculating an adequate transfer value is critical to ensure sectoral recovery outcomes can be effectively met.

Cash and Voucher Assistance (CVA) in Recovery



- Consider whether it is necessary to have **one cash transfer value for all the targeted recipients vs. varied amount per household or e.g. type of livelihood, shelter construction etc.**
- When calculating the transfer value, in addition to sectoral expenditures **always consider the gap between recipients basic-needs and their capacity to provide for themselves before resorting to negative coping strategies.** This is a good means to help understand current levels of self-recovery within households.
- For multi-sector recovery projects, one transfer value per sector should be calculated. If integrated (i.e. one household is receiving multiple sector support), a combined transfer value may be more helpful.
- The transfer value calculated to meet recovery needs are likely to have **more one-off expenditures (e.g. small business costs or shelter reconstruction) than monthly recurring costs (e.g. food)**, although both recurring and one off costs may need to still be considered in the transfer value calculation, depending on the recovery objective and ability of recipient to start recovery activities.
- Risk analysis – **Consider new risks in relation to the recovery context, rather than only relying on already established CVA risk analysis.** For example, CVA recovery risks may include different protection or gender-based concerns, particularly if higher amounts of CVA are being provided or new FSPs are being used. In addition, a more in depth consideration of community relationships, dynamics and structures involved in the recovery support should be considered (e.g. greater involvement of community committees could pose risks, as well as benefits). Involve communities in CVA risk analysis as much as possible.
- Targeting –**New targeting will be necessary** (whereas previous CVA may have been more broadly targeted or even blanket) and different eligibility criteria will be used.
 - Do not underestimate how long it may take to appropriately target and the sensitization needed. Communities must understand it is a new programme that may utilise CVA rather than connected to a previous MPCA grant.
 - Since recovery is a **community-based process, community based targeting is the ideal approach for utilising CVA in recovery** and should be used where appropriate.
 - **A Do No Harm approach should be applied in all forms of CVA, but is particularly important in recovery.** It is important to understand the potential implications of CVA interventions on community dynamics and social cohesion. This can inform targeting strategy.
 - **Integrate protection, gender and inclusion minimum standards,** starting at assessment, through design and later in monitoring.
 - **Consider also using common government definitions/targeting criteria** and creating links to Government support programmes (e.g. social protection)
 - **Consider levels of self-recovery and types of livelihoods supported** – some households may wait until receiving CVA to conduct recovery activities or resume livelihoods, others may have re-started before receiving. This does not make them less eligible, but that some may spend money differently depending on whether expanding or restarting livelihoods.

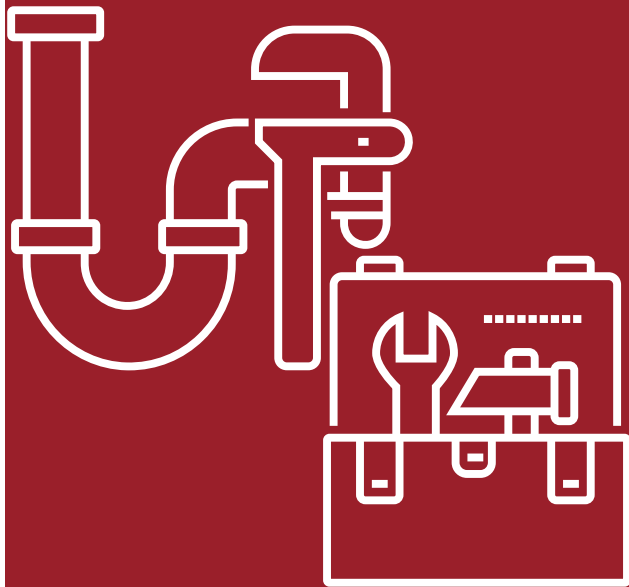
Cash and Voucher Assistance (CVA) in Recovery



2d. Set up and Implementation

- **Consider designing additional SOPs for CVA in recovery or adjusting existing.** This could include some recovery-specific operational considerations for each delivery mechanism.
- CVA in recovery programming brings opportunities for partnerships and working with a different, or more diverse, group of stakeholders, particularly in urban areas.
 - **Seek to align CVA recovery programme objectives with the Government's relevant recovery objectives** (e.g. economic recovery, livelihoods, reconstruction, health) where feasible, as well as linking with the Government's recovery plan or framework.
 - National Societies should seek to **participate in relevant CVA and recovery forums**, which may include recovery working groups, as well as Government coordination meetings.
 - **Seek to align CVA recovery programme objectives with the Government's relevant recovery objectives**
It is important to understand the potential implications of CVA interventions on community dynamics and social cohesion. This can inform targeting strategy.
- National Societies are encouraged to coordinate and partner with other organisations to address identified community needs they cannot support directly. **Consider if new approaches in CVA such as cash collaborative platforms can be set-up** and if such opportunities and relationships exist to maximise collective outcomes and impact, as well as providing access to a range of skills and resources.
- National Societies as auxiliaries to Government, should work closely with relevant Governments agencies to **identify if CVA can be linked with any existing or planned social protection programming for recovery ('shock responsive social protection')**. This could include support to social assistance, social care, social insurance or labour market measures. Where there is no shock responsive social protection, consider advocating for this to support recovery and resilience building.
- **The community engagement and accountability (CEA) plan should be developed** and CEA should be fully mainstreamed throughout. CEA is of critical importance during recovery not just for a community-led approach but also because a new CVA modality, targeting, delivery mechanism is likely and using CVA may even be completely new.
 - To enable participation, **community committees or similar structures should be engaged, or established if they do not exist**, with appropriate gender, age and socio-economic representation. This can have broader impacts on community resilience.
 - **Referral systems may need to be put in place with relevant sectoral authorities**, if conducting CVA multi sector programming that have complementary activities, such as training and service provision.

Cash and Voucher Assistance (CVA) in Recovery



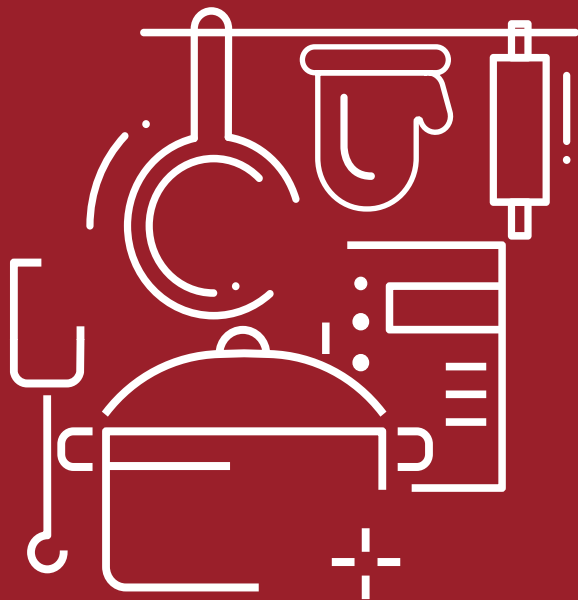
- **When contracting or setting-up FSPs and service providers, appropriate training and sensitization for recipients should be designed and planned for.** Training could be provided directly by the FSP or the NS.
- **Implementation of activities at field level across sectors should be joint and integrated where possible.** This could include: joint registration, CEA activities, distribution, or monitoring. Having a shared common FSP contract across the CVA modalities may be appropriate, but it may be necessary to have separate ones, based on the modalities used (e.g. one FSP could provide all the cash grants, but traders may be contracted for vouchers)
 - **Consider contracting FSPs who have flexibility and willingness to open services in new areas, to expand financial coverage and access.**
 - **Consider using new technology and innovative delivery mechanisms,** that can be more viable to adopt and trial during longer term recovery interventions and that also provide learning and resilience building for future. These will need recipient sensitization and capacity building alongside.
- The **registration process for CVA in recovery should be as community-led as possible** and key roles given to community committees, local officials and leaders, as appropriate.
 - Depending on eligibility criteria and who is targeted for recovery, it may be possible to use a subset of existing CVA registration lists. However, recipient data should be checked and updated as time may have passed and recipient data consent also renewed.



2e. M&E (including Exit and Transition)

- For CVA in recovery, ensure there is a **more in depth focus on outcome monitoring, rather than just process monitoring**, to understand to what extent recovery has been supported through CVA. M&E logframes and PDM tools should therefore include more outcome indicators.
 - **Community level** indicators can be established for each CVA sectoral programme, that can go further than just measuring sector specific outputs.
 - **Joint indicators at community level** can also be established, to measure how well different combined CVA modalities were a means for contributing towards community resilience
- Conducting **monitoring at field level should be as joined up and integrated as possible across the sectors**, to avoid the same households being visited multiple times, for efficient sharing of volunteer time and resources, and an integrated data analysis.
- Ensure enough time after disbursement of final CVA instalments before undertaking final data collection (either monitoring or evaluation), this can help to enable understanding of the extent to which CVA enabled recovery.

Cash and Voucher Assistance (CVA) in Recovery



- In addition to price monitoring, **market monitoring for livelihoods**, in particular, should focus on beneficiaries' ability to sell goods in markets.
- Design monitoring in a way that allows for the **ability to adjust/change the choice, design and implementation of modalities over time** to reflect changes in context or recovery.
 - For example, for livelihoods using CVA that has a strengthening or improving income generation objective, consider collecting data on seasonal variation of incomes, which can be used to directly inform ongoing transfer value calculations.
- Transition from initial response to recovery can sometimes expose NS to reputational risks, because of perceived delays or poor performance around community expectations. **The use of CVA can often help ensure the transition from the initial response to medium term operation is more efficient and does not lead to delays in providing assistance. It can also help build trust of communities.**
- Links to social protection mechanisms or other Government programmes can be considered as ways to support recovery CVA exit strategies.

3 Programme examples of CVA in recovery (Livelihoods, Shelter, WASH, Health)



Using CVA for Shelter and Settlements Recovery

Traditionally Shelter and Settlements programming have used CVA in recovery extensively for many decades. Examples include: Nepal 2015 Earthquake response where Nepal Red Cross gave CVA in tranches (in-line with the [Housing Recovery and Reconstruction Platform's](#) guidance) to allow approximately 10,000 households to rebuild incorporating more seismically resilient construction techniques. This was an integrated programme incorporating Shelter, WASH, Health and Livelihoods. For the Shelter four tranches were given of approximately 2000 CHF in total. This was conditional CVA with the stages of construction and the quality of construction assessed prior to the next tranche of CVA being released. There were also elements of mason training, and training with the recipient household on how to best manage construction contractors. The final tranches of CVA also related to WASH access and the promotion of a solar panel to allow some modest lighting at night.

The Bahamas 2019 Dorian response is another good example of recover shelter interventions utilising CVA, specifically for repairs, a case study on this can be found here (pages 22 to 30 specifically deal with the repairs).

Cash and Voucher Assistance (CVA) in Recovery



Using CVA for WASH Recovery

Traditionally Water Sanitation and Hygiene Promotion (WASH) programmes have used CVA in recovery and resilience particularly to support people to rebuild or build their latrines (and associated handwashing facilities). This is normally accompanied by hygiene promotion activities. An example of this occurred in Myanmar between 2014 and 2019 (see page 8). In this example a ‘cash for latrine’ grant was provided, with WASH awareness activities and latrine construction demonstrations, with support and construction supervision provided by Myanmar Red Cross, this greatly reduced the practice of open defecation in the community. This activity was part of a much broader integrated programme.

Other projects undertaken by Movement actors CVA for WASH in recovery has been used to:

- Provision of cash for work to clear drainage. Although often carried out in the acute phase of the response this clearly supports early recovery WASH objectives, as well as injecting cash into the local economy.
- CVA for desludging of latrines services
- CVA to support the repair and recovery of a piped water network, particularly the “last-mile” connection
- CVA to support the repair of WASH facilities in damaged homes, whether this be support to rehabilitate the bathroom, the water tanks on the roof, or drainage around the home.

CVA interventions can relate to protecting livelihoods (for example reducing the sale of productive assets, multi-purpose cash assistance can assist with this), replacing assets, restarting livelihoods, strengthening livelihoods and also diversifying livelihoods. Various resources are available on using CVA to support Livelihoods such as can be found [here](#).

Using CVA for Livelihoods Recovery

CVA has been used in Livelihoods recovery for many decades. Interventions can include (and are normally part of a multi-sectorial programme):

- Clearing land of debris post-crisis through cash-for-work payment, enabling the reestablishment of access, re-establishment of market places, the reconstruction of housing and community infrastructure.
- CVA to access seeds and tools for farmers in time for the next planting season, or CVA to allow fisherfolk to replace boats and nets post disaster for example.
- Micro-business grants to allow the purchase of items to allow a business to recover post crisis. For example the Tanzania Red Cross in 2020/2021 provided support to small business associations which allowed small business owners to purchase equipment to help their businesses recover and grow.
- CVA support to allow people to access livelihoods training from government and private training providers. For example, where a disaster has caused a need for significant construction capacity, this can help to increase skilled labour.

CVA interventions can relate to protecting livelihoods (for example reducing the sale of productive assets, multi-purpose cash assistance can assist with this), replacing assets, restarting livelihoods, strengthening livelihoods and also diversifying livelihoods. Various resources are available on using CVA to support Livelihoods such as can be found [here](#).