

## Encashment Process for Cash Transfers

This document is intended to provide guidance to country programs and partners to minimize the spread of COVID-19 during cash transfer disbursement and encashment when working with a third party or Financial Service Provider (FSP). It is a complement to the existing *CRS Recommendations – Guidance on Cash and Voucher Assistance (CVA) for COVID-19* posted on the [CRS COVID-19 Resources for Partners web page](#).

## PRINCIPLES FOR COVID-RELATED GUIDANCE

In undertaking programming activities, CRS project staff and partners should:

► *Ask ourselves how critical it is* to carry out the activity against risk to staff, partners and participants.

► *Adopt a “Do No Harm” approach.* CRS and partners need to understand how COVID-19 is transmitted and implement general basic preventative measure to both protect themselves and reduce the risk of spreading the virus during program implementation (See [WHO, COVID 19](#)). These measures include the following for all people with whom we work, including CRS staff, partners, volunteers, program participants and community members, service providers, vendors, etc.

- ♦ **Maintain physical distancing.**
- ♦ **Follow recommended hygiene practices**, especially hand washing, cough etiquette and not touching your eyes, mouth and nose.
- ♦ **Do not participate in program activities when feeling unwell.** Anyone who is feeling unwell should stay home; if exhibiting signs/symptoms of COVID-19, they should follow Ministry of Health (MOH) protocols for seeking medical support/advice (e.g., calling before seeking medical care).

People should operate under the assumption that anyone they encounter is a suspected COVID-19 case. Maintain transparent communication with communities about activities, changes, and the community’s comfort level and needs related to the health implications of continued programming.

► *Keep up-to-date on and follow WHO and Government/Ministry of Health (MOH) protocols and messaging around COVID-19.*

- ♦ **Follow government restrictions** and request authorization for carrying out essential services/activities, as needed;
- ♦ **Work with local health actors/cluster** to ensure health messaging related to COVID-19 is consistent and contextualized.

► *Adapt programming guidance to your context and be ready to further adjust as the situation evolves.* Elements of the guidance may need to be modified based upon community risk levels, types of programming undertaken, perceptions, local capacities, operating environment and feedback from donors.

This document provides additional recommendations from CRS, to be used in conjunction with and to supplement guidance provided by Inter-Agency Standing Committee (IASC), WHO and the local MOH as relevant. **Please note that this guidance may be updated periodically and check on [CRS Covid 19 Resources for Partners](#) website to ensure that you have the latest version.**

**Disclaimer:** CRS COVID-19 program resources and guidance are developed after consideration of international guidance from relevant international organizations such as the World Health Organization (WHO), Inter-Agency Standing Committee (IASC), and other humanitarian bodies. CRS COVID-19 program resources and guidelines are updated regularly as new information becomes available. Partner and peer organizations wishing to refer to and use CRS resources and guidance should ensure that they are also referring to the latest information available from WHO and IASC.

## GENERAL

► This guidance should be used to *adapt the encashment process of ongoing or planned cash transfers that use a Financial Service Provider (FSP)* to deliver cash to participant households to minimize COVID-19 risks and keep recipients safe.

► Follow the *CRS Recommended Guidance for Distributions* posted on the [CRS COVID-19 Resources for Partners web page](#) for cash in envelope distributions organised by CRS staff or partners.

► Consult with government to *understand the restrictions in place* in your local context related to physical distancing, movement, hygiene and prevention, and gatherings. This should include any changes to the rules governing financial service providers in terms of their daily operations and the regulatory environment (e.g. transaction ceilings, fees, Know Your Customer (KYC) requirements etc.).

► Adapt this guidance based on *the particulars of the delivery mechanism used and the local context*. Cash transfers can be delivered through a range of methods and the disbursement and encashment process will differ depending on context and the FSP used.

► *Use this guidance in conjunction* with the following guidance documents posted on the [CRS COVID-19 Resources for Partners web page](#):

- ♦ **CRS Recommended Guidance for Distributions**
- ♦ **CRS Recommended Guidance for Cash and Voucher Assistance (CVA) in COVID-19** for programmatic adaptations of your cash transfer program (e.g. related to needs, transfer values, targeting etc.)
- ♦ **CRS Guidance on Safe and Dignified Programming under COVID-19** to maximize access while avoiding harm

► *Consider the category your current operating context falls in in relation to COVID-19 risks (moderate or high risk), and select your program adaptations accordingly\**

- ♦ **High Risk:** Large-scale community transmission; healthcare staffing or supplies significantly impacted; multiple cases within communal settings (Outbreak context)\*\*
- ♦ **Medium Risk:** Widespread and/or sustained community transmission with high likelihood, or confirmed exposure within communal settings with potential for rapid increase in suspected cases\*\*
- ♦ **Low Risk:** Evidence of isolated cases or limited community transmission with case investigations underway; no evidence of exposure in large communal settings (e.g., healthcare facility, school, etc.)\*\*

\*When determining the level of risk that your current operating context falls in, consider that testing capacity often does not meet needs for testing and that known or reported cases are much lower than actual case numbers.

\*\* Adapted from [CDC Guidance: Implementation of Mitigation Strategies for Communities with Local COVID-19 Transmission](#)

## PRIOR TO DISBURSEMENT AND ENCASHMENT

### ► *Coordinate with your Financial Service Provider (FSP) at National/ Central Level*

- ◆ Talk to your contracted FSP to understand a) how their business is being impacted by the COVID-19 pandemic and b) the measures they have put in place to reduce risk. This should include the following:
  - Current government advisories or regulations related to COVID-19 impacting their operations
  - Any changes in the number of staff available to work (illness, self-isolation or travel restrictions may have impacted their capacity)
  - Operating days and hours
  - Physical distancing between staff and customers inside the branch, and while queuing outside
  - Hygiene measures – handwashing facilities and practices among staff and customers, cleaning frequently touched surfaces etc.
  - Current capacity in terms of # of customers, and liquidity
- ◆ Agree the measures that the FSP will put in place, including any adapted procedures at cash out locations, to reduce COVID-19 risks. This might include increasing the number of staff, agents and/or cash out points in target locations to help maintain physical distancing and manage crowds.
- ◆ Discuss the financial implications of your FSP introducing risk critical mitigation measures. You may need to reflect these measures in the fees and charges payable to your FSP.
- ◆ Document the updated procedures and new measures in writing, and consult with Operations on how to incorporate into your existing contract.
- ◆ Ensure programs and operations teams work together on coordination and negotiation with FSPs.

### ► *Coordinate with your FSP at Local Level*

- ◆ Talk to the agents and/or staff of your contracted FSP at the cash out point or branch level where the encashment by program participants will take place to understand a) how their business is being impacted by the COVID-19 pandemic and b) the measures they have put in place to reduce risk.
- ◆ Develop a plan for each location that outlines the measures they will put in place to reduce risk through hygiene, physical distancing and other risk mitigation measures.
- ◆ Considering the participant caseload, develop a plan jointly with the FSP for disbursement to maintain physical distancing at the cash out location, and ensure liquidity.
- ◆ Ensure there are sufficient agents/staff available at cash out locations to eliminate crowds and enable encashment in line with physical distancing measures.
- ◆ If needed, provide items for basic hygiene and prevention measures to FSP agent branches and locations for program participants and FSP staff to use before and after the transaction process.
- ◆ Train FSP staff and agents on COVID-19 prevention messaging on hygiene, physical distancing, sanitation of surfaces etc. in line with Government and/or WHO recommendations.

► *Coordinate with the Cash Working Group and other Cash Actors, if existing*

- ♦ Consult with the regional or national Cash Working Group and/or other Cash actors to harmonise messaging and recommended risk reduction measures at FSPs in the local context.
- ♦ If multiple agencies are using the same FSPs to deliver cash assistance, ensure efforts are not duplicated or conflicting. For example, provision of handwashing materials at branch level, physical distancing measures/recommendations should be the same etc.
- ♦ Coordinate your disbursement schedules if multiple international and/or local NGOs/UN agencies/government are using the same FSP in the same geographic areas to minimise risk of crowds at cash out points. Share anonymised reports of any unsafe service provision experienced by program participants.
- ♦ Track and engage in advocacy efforts as relevant that might encourage up take of digital cash delivery mechanisms, including reducing or waiving transaction fees, increasing transaction ceilings, relaxing KYC requirements (particularly those that require physical verification of ID, or exclude certain populations, e.g. refugees, or displaced populations).

► *Plan your disbursement and encashment schedule*

- ♦ Prioritise the use of digital mechanisms to disburse cash wherever feasible and appropriate. If the infrastructure is present and participants are familiar with these delivery mechanisms, deliver cash using digital methods, e.g. mobile money, ATM cards, that reduce the need for in person contact to disburse/receive entitlements.
- ♦ Based on the number of program participants, geographic spread of participants and the amount to be disbursed, revise your disbursement schedule to reduce crowds at cash out points (e.g. limit the number of people trying to cash out at the same time/day).
- ♦ Inform your FSP of this approach and any revisions to the schedule to manage communication with program participants (e.g. if FSPs inform participants of cash entitlements being disbursed or loaded)

► *Support for high risk Households (HHs)*

- ♦ Determine methods for protecting high risk HHs, such as:
  - HHs where elderly, persons with pre-existing medical conditions and/or persons who are immuno-compromised would be collecting their cash transfer
  - HHs where any member of the HH is showing signs/symptoms of COVID-19
  - HHs that have difficulty accessing information or distribution points, such as people with disabilities and people with other medical conditions.

This may include allowing these HHs to send a substitute person to receive or collect cash on their behalf or having FSPs provide home delivery. Home delivery would require additional protection measures, such as having female staff or female community leader(s) present.

- ♦ Publicize these methods prior to the distribution to ensure that those showing symptoms know they can still receive their disbursement without coming to the distribution.

### ► *Health and hygiene*

- ♦ FSPs should prepare to have handwashing stations/materials available at every cash out location (See [WFP guidance on preparation of hand wash solution](#).)
- ♦ Have cleaning/disinfectant supplies available for FSP staff/agents to wipe down surfaces, furniture, equipment/materials, etc. at branch level
  - For equipment/materials, including mobile devices and writing implements, use of 70% isopropyl alcohol (rubbing alcohol typically available from pharmacies) is recommended. For mobile devices, do not pour or spray the isopropyl alcohol directly on the device; always use a damp (not wet) cloth. Bleach should not be used on mobile devices.
  - For floors and surfaces, use of 0.5% bleach solution is recommended (see [CDC guidance for instructions on preparation](#)).
- ♦ Have FSPs display IEC materials that are appropriate to the local context and audience with key COVID-19 related prevention messaging. Ensure messaging methods are varied to account for any barriers according to age, gender, literacy levels etc.

### ► *Protocols for HH-level verification and receipt of assistance*

- ♦ See CRS Distribution Guidance posted on the [CRS COVID-19 Resources for Partners web page](#) for appropriate methods for verifying receipt of assistance in light of COVID-19 risks.

## DURING DISBURSEMENT

► If your delivery mechanism requires the distribution of a PIN code or unique transaction reference number to participants (e.g. to cash out at a remittance agent, or to access a mobile wallet) *distribute this digitally* (e.g. through SMS) wherever possible. Make arrangements for those unable to use technology or who are unable to receive their PIN code by SMS, by arranging for physical distribution of the PIN code following the CRS Distribution Guidance posted on the [CRS COVID-19 Resources for Partners web page](#).

► If participants need to receive a physical item (e.g. ATM card, or printed PIN number), *follow the CRS Distribution Guidance* (see section 'II. During Distribution') posted on the [CRS COVID-19 Resources for Partners web page](#).

► *Provide program participants with remote feedback mechanisms* so they can report any safeguarding/fraud/abuse issues or other problems that occur connected to the disbursement.

## DURING ENCASHMENT

► *FSPs should ensure that appropriate measures are in place* to reduce risk of COVID-19 spread, including:

- ♦ Maintain physical distancing for customers (based on local government/MoH requirements and/or WHO recommendations) queuing outside the cash-out location, and inside the cash-out location.
- ♦ Encourage the FSP to mark out (with chalk or tape) outside and inside their branch/shop/ATM the appropriate distance (1.5–2 meters) to maintain physical distance.
- ♦ Handwashing stations with soap and water, or alcohol rub should be in place at all agents/ATMs/cash out points

- ♦ Common surfaces (e.g. desks, pens, door handles, ATM or other PIN devices) should be cleaned with anti-bacterial solution frequently. Disinfect these surfaces between each customer's use or encourage customers to properly wash/clean their hands before and after touching common surfaces.
- ♦ Customers and staff/agents should be cleaning their hands before and after every transaction (e.g. if using pens to sign sheets, entering PIN codes to devices or ATMs, biometric readers)
- ♦ Install physical barrier (e.g., transparent plexiglass) between agents/tellers/staff and customers to act as a physical barrier. This barrier should be cleaned frequently—particularly on the customer side, and customers should be instructed to avoid approaching the plexiglass too closely and shouldn't touch it.
- ♦ Staff/agents wash hands regularly and have sufficient information to use Personal Protective Equipment (PPE) appropriately based on WHO/MoH recommendations. If physical distance and personal measures are to be maintained, there is generally no need for PPE. For additional guidance on recommended use of Personal Protective Equipment (PPE), see [Guidance on PPE from WHO](#) and [Guidance on use of masks from WHO](#).

► *FSP staff/agents should pre-prepare cash amounts in envelopes* where applicable/appropriate.

► If ID cards need to be shown upon cash out, *these should be held up and visible for FSP staff* to check without touching them.

► *Cash should be placed on a surface for the participant to then pick up*, without physical contact.

► *Consult your donor to check if alternative verification measures can be used* to avoid the need for participants to sign, thumbprint, enter PINs or use biometrics to record receipt of cash thereby avoiding touching common surfaces. This is most critical where full compliance with hygiene practices by all program participants is not possible.

► If FSP systems and procedures require touching shared surfaces, *consult with FSPs if requirements can be adjusted to reduce risk*, or ensure adequate mitigation measures to reduce risk of transmission. Where it is not possible to waive signature, biometrics, or PIN entry at FSPs, ensure common surfaces are disinfected between each customer (pens, tables, biometric devices, ATM buttons).

► *Conduct spot checks of cash out locations* during cash out to monitor their implementation of agreed measures. If physical visits (even if infrequent) by staff are not possible, identify focal points in the community or local authorities to be responsible for monitoring cash out locations and reporting compliance (including sending photos at regular intervals).

## RECONCILIATION AND FOLLOW-UP

► *Use digital transaction records from FSPs wherever possible* (rather than paper-based reporting) to reconcile disbursements

► *Proactively call program participants as part of your monitoring activities* to confirm receipt of their full entitlement, monitor challenges with cash out and ask about FSP compliance with agreed COVID-19 prevention measures.

► *Encourage program participants and community members to report any non-compliance of FSPs* with agreed COVID-19 prevention measures, as well as any other issues encountered, to your organization via the Feedback and Response Mechanism (FRM).