We, representatives of donors, UN agencies, the Red Cross and Red Crescent Movement and INGOs listed below, recommend that governments, donors, development and humanitarian partners increase provision of cash assistance, where appropriate, to help populations directly or indirectly affected by the COVID-19 pandemic. We also recommend that the cash response of humanitarian organisations consciously aligns with, builds on, complements and fills gaps in national social protection programmes and systems, where appropriate, taking into account humanitarian principles, to mitigate the socio-economic impacts of COVID-19 on the most vulnerable, leaving no one behind.

RATIONALE FOR THESE RECOMMENDATIONS

i) Access to adequate social protection\(^1\), especially cash transfers where these are appropriate, is essential at times of crisis and must be part of national responses to this pandemic: social protection instruments are proven to help households reduce risks and manage shocks. Globally, cash transfers are the most common government led social protection instrument and are widely used by international humanitarian actors. Especially when combined with other services and support, cash transfers help people to reduce the negative impacts of crises. Evidence from the global financial crisis, previous epidemics, conflicts, forced displacement and a range of natural disasters shows that cash transfers help to maintain access to healthcare, protect consumption, support protection and recovery of livelihoods, and sustain investments in human capital.

Beyond health impacts, the COVID-19 pandemic represents an economic and human capital crisis of global proportions: as a result, around 500 million more people could be living in poverty. The pandemic is impacting households by reducing incomes and purchasing power, increasing unemployment, increasing expenses for health, increasing prices of critical commodities due to disruption of markets, as well as increasing psychosocial and protection risks including violence against women and girls. Negative impacts will be disproportionately higher for poor households, women, children, people living with disabilities, older people and the chronically ill, and groups and communities already affected by hunger and other crises such as the forcibly displaced, migrants and households recovering from humanitarian crises. Better-off sections of the population not typically covered by national assistance may also need support\(^6\).

In the poorest countries, and those dealing with existing

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1. Within the context of Inter Agency Social Protection Assessments (ISPA), social protection refers to the set of policies and programs aimed at preventing or protecting all people against poverty, vulnerability, and social exclusion throughout their lifecycles, with a particular emphasis towards vulnerable groups. Social protection can be provided in cash or in-kind, through non-contributory schemes, providing universal, categorical, or poverty-targeted benefits such as social assistance, contributory schemes with social insurance being the most common form, and by building human capital, productive assets, and access to jobs. [https://ispatools.org/tools/CODI-What-Matters.pdf](https://ispatools.org/tools/CODI-What-Matters.pdf)
crises, the impact of the pandemic threatens to create humanitarian catastrophes and reverse recent gains\textsuperscript{\textit{i}}. Where markets and services are functioning, social assistance and humanitarian cash transfers are essential to avoid a catastrophic drop in living standards, meet basic needs, maintain dignity, protect livelihoods and prevent a deepening of poverty and inequalities. They are essential to help prevent further spread of the disease, by providing income to those who would otherwise be forced to continue to work. Furthermore, advances in digital payment systems mean cash can be quicker and, importantly in the COVID-19 context, safer to deliver than other forms of assistance while doing no harm (especially ensuring data protection and dignity).

As of 1\textsuperscript{st} May 2020, 159 countries have planned, introduced or adapted social protection programmes in response to COVID-19, with cash transfers being the most used measure. While the speed and magnitude of national responses is unprecedented, much more is needed.

\textbf{ii) Aligning the international humanitarian cash response to COVID-19 with, and building it on, national social protection programmes and systems\textsuperscript{\textit{ii}}, where feasible and appropriate, can contribute to an efficient and effective response and achieve lasting results: humanitarian action to address the health and economic impacts of COVID-19 is being planned in many countries. Globally there is growing commitment to build humanitarian cash responses upon and complement existing national social protection systems\textsuperscript{\textit{iii}}. Almost all countries where humanitarian responses to COVID-19 are being planned have existing or emerging national cash transfer schemes. This is an opportunity to plan humanitarian cash transfers which take account of, build on and strengthen these institutions and systems where possible.

Where national cash transfers exist, humanitarian organisations can help ensure continuity of this support for some of the most vulnerable. They can also help adapt and expand government-led schemes to reach more of those in need, including newly vulnerable groups and those harder to reach. Where government programmes do not have the capacity to cover all of the most vulnerable, or where people are excluded from national systems, humanitarian assistance can be aligned to fill critical gaps based on humanitarian needs in a coherent and systemic way and can be implemented using common systems and processes. Aligning with and building national systems holds potential to improve timeliness and reduce costs of the response, reduce fragmentation of aid and create sustained impacts by contributing to longer-term national social protection system development.

\textbf{WHAT SHOULD BE DONE NOW}

Decision makers have a small but rapidly closing window of opportunity for urgent action in the coming weeks. These actions can support timely, nationally owned cash responses to the crisis and lay the groundwork for developing longer term social protection systems.

We Recommend That National Governments:

1. **Ensure a timely, effective and inclusive social protection response for those in need and help leave no one behind:** we recommend that national governments immediately make fiscal space available where possible and request any support needed from development and humanitarian partners. We encourage governments to urgently take contingency planning measures to allow continuity of existing social protection delivery during the crisis. They are encouraged to immediately enact policy measures as needed to expand coverage of and adapt national cash transfer schemes, to ensure the most vulnerable, including those affected by government containment policies, non-nationals and displaced populations, are protected. Appropriate actions can include measures enabling continued access to social protection and increased support for existing beneficiaries, temporarily including new beneficiaries, and developing new programmes to reach excluded groups in an inclusive and gender sensitive way. We recommend that governments waive conditionalities where needed for an inclusive response, communicate adequately all changes to affected populations, and maximise access and reduce costs of digital payment services (including for at risk groups, non-nationals and displaced populations). We recommend that actions are coordinated as part of a holistic government-wide response, to ensure synergy with all social protection efforts (such as subsidies, labour market interventions and instruments increasing access to health care), with actions of national disaster response units, and with policy measures that reduce barriers for displaced populations to access social protection.

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\textsuperscript{\textit{ii}} What these linkages look like will vary depending on context. For further details please see: https://socialprotection.org/linking-cash-and-voucher-assistance-and-social-protection-demystifying-entry-points-humanitarians.
2. Create an enabling environment for humanitarian actors to complement the national response: we recommend that national governments urgently enact policy measures enabling humanitarian actors to align with, build upon and strengthen any national response through government systems, and fill critical humanitarian gaps based on humanitarian needs as necessary. This includes removing restrictions on the use of cash modalities in humanitarian response where cash is feasible, developing or leading coordination structures that bring together government departments with development and humanitarian partners, granting access for humanitarian actors, and enabling access to social protection systems and data through data sharing protocols which safeguard beneficiaries and uphold humanitarian and data protection principles.

3. Facilitate the smooth functioning of critical markets within and beyond national borders: we recommend that governments, in collaboration with donors and other actors including the private sector, implement policy measures to ensure food and other critical markets continue to function, to avoid stock-outs, price inflation and disruption to imports.

We Recommend That Humanitarian Organisations:

1. Include social protection in needs assessments and response analysis: humanitarian organisations should assess what national policies, programmes, systems and institutions exist, their strengths and constraints, and carefully analyse the feasibility and appropriateness of linking humanitarian cash with these. They should also take account of wider social protection measures planned by governments, and the preferences and constraints of different vulnerable groups, to ensure that humanitarian cash is part of a multi-sectoral response in line with social protection floors. Assessment, analysis and response design should be coordinated across clusters and organisations, by the inter-sector/cluster groups with technical support from the Cash Working Groups (CWGs) or similar structures, to accommodate needs across sectors, avoid duplication and formulate a strategic approach.

2. Work together to align with, build upon, and strengthen, existing social protection systems where this is appropriate: depending on the context this can include strengthening capacity of the national social protection systems to support existing and new beneficiaries, and providing coverage for excluded groups. Humanitarian organisations can support vulnerable and excluded populations to overcome barriers to accessing social protection, promote accountability to affected populations, ensure that the response does not place undue strain on existing social protection systems and is responsive to needs, ensure that delivery approaches use technology to mitigate the propagation of COVID-19 and collect and share evidence to make the investment case for social protection. Any response aligned with or building with interventions through national systems, including by helping resource structures such as humanitarian cash or social protection working groups. Where national cash transfers are not well developed, or where displaced or other vulnerable populations are actively excluded, emphasis should be put on coordinating a multi-sectoral and harmonised humanitarian response. This can enhance collaboration between national governments and humanitarian actors and build future national systems.

We Recommend That Humanitarian Organisations:

1. Support national governments to adapt, strengthen and scale up social protection wherever possible, in a timely and inclusive way: Donors should promote the inclusion of vulnerable populations in a social protection response. Donors should be ready to provide support to governments to undertake assessments of its cash transfer programmes and systems and make immediate investments in the capacities needed for a strong social protection response. Donors should rapidly mobilise financing to support new needs. They should support the continuation and expansion of existing national cash transfers and roll out new programmes as needed for vulnerable groups. This must not divert critical resources from elsewhere in the response, including maintaining core support to existing programmes and funding a robust public health and livelihoods response.

2. Systematically promote linkages between development and humanitarian partners, while addressing critical gaps: when appropriate, donors can support implementing partners to link humanitarian cash with social protection. Donors should also make resources available to developmental and humanitarian organisations to help address gaps in national implementation capacity. Donors have a role to play in ensuring this response is coordinated with interventions through national systems, including by helping resource structures such as humanitarian cash or social protection working groups. Where national cash transfers are not well developed, or where displaced or other vulnerable populations are actively excluded, emphasis should be put on coordinating a multi-sectoral and harmonised humanitarian response. This can enhance collaboration between national governments and humanitarian actors and build future national systems.

3. Coordinate humanitarian and development finance for an inclusive response: this is needed to ensure a coherent cash response which supports immediate needs while also assisting in longer-term recovery of affected populations. Experiences should feed into and influence global discussions about future global financing of social protection and humanitarian cash.

We Recommend That Donors:

1. Include social protection in needs assessments and response analysis: humanitarian organisations should assess what national policies, programmes, systems and institutions exist, their strengths and constraints, and carefully analyse the feasibility and appropriateness of linking humanitarian cash with these. They should also take account of wider social protection measures planned by governments, and the preferences and constraints of different vulnerable groups, to ensure that humanitarian cash is part of a multi-sectoral response in line with social protection floors. Assessment, analysis and response design should be coordinated across clusters and organisations, by the inter-sector/cluster groups with technical support from the Cash Working Groups (CWGs) or similar structures, to accommodate needs across sectors, avoid duplication and formulate a strategic approach.

2. Work together to align with, build upon, and strengthen, existing social protection systems where this is appropriate: depending on the context this can include strengthening capacity of the national social protection systems to support existing and new beneficiaries, and providing coverage for excluded groups. Humanitarian organisations can support vulnerable and excluded populations to overcome barriers to accessing social protection, promote accountability to affected populations, ensure that the response does not place undue strain on existing social protection systems and is responsive to needs, ensure that delivery approaches use technology to mitigate the propagation of COVID-19 and collect and share evidence to make the investment case for social protection. Any response aligned with or building with interventions through national systems, including by helping resource structures such as humanitarian cash or social protection working groups. Where national cash transfers are not well developed, or where displaced or other vulnerable populations are actively excluded, emphasis should be put on coordinating a multi-sectoral and harmonised humanitarian response. This can enhance collaboration between national governments and humanitarian actors and build future national systems.
1. Actively engage in efforts to maintain, adapt and fill critical humanitarian gaps in national systems, to help ensure no one is left behind: where national systems exist, it will not be possible for these to meet all needs. With buy-in from the host government, humanitarian organisations should design and implement gender sensitive humanitarian cash responses that complement and fill humanitarian gaps in social protection systems based on needs, ensuring that groups who are excluded from national social protection due to capacities, location, political, legal or other reasons can still receive support, this includes strengthening of social accountability mechanisms. This will be especially important where displaced populations such as migrants and refugees cannot access nationally-led initiatives. Where governments cannot yet meet their commitments to social protection, humanitarian organisations will continue to provide essential support. Where appropriate and in accordance with humanitarian principles, organisations can align humanitarian cash with emerging national programmes and systems, in ways that contribute to future national system development.

4. Invest in market and context-monitoring and adapt responses as needed: setting up collaborative real-time monitoring of critical markets and exchange rates, especially in countries where value chains for food and core relief items are fragile and labour markets in danger of collapsing, is needed to monitor the continued appropriateness of a cash response. Organisations should make joint decisions to adapt responses, including combining or switching to alternative modalities, if cash is no longer feasible.

**Notes**

i. Directly affected: those diagnosed with the virus or who have been in contact with people diagnosed and quarantined; indirectly affected: those affected by measures taken by governments to prevent the spread of COVID-19 in the country and by the economic instability resulting from the pandemic.


iv. For example, as set out in the Grand Bargain commitments on cash, conclusions of the Council of the European Union on operationalizing the humanitarian-development divide and enable an effective social protection response. They should participate in relevant forums such as the CWG, encourage coordination with social protection working groups, and leverage expertise and influence as needed.