TIPSHEET: CVA Payments & Digital Data Management

Deep Dive - COVID-19 and CVA No2

Building off the [COVID-19 and CVA tipsheet](#), this guidance helps you think through considerations to be making alongside your current payment providers now. This also includes tips on if / when / how to anticipate transitions to newly viable forms of transfer mechanisms / technologies in a given context.

This is a living document and subject to change and adaptation**.** We recommend frequent checks on the Digital Library and Hub COVID Info Center for the most up-to-date information. Since this guidance is generalized, we are ready to work with you to tailor advice. If you have questions or need support, please contact us:

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In addition, there is more specific CVA guidance on Door-to-Door Distributions [here](#), and Social Protection Systems [here](#). There is also a tipsheet on Group Distributions for CVA and Goods [here](#).

As a final reminder, all team members must be sure to follow Mercy Corps' general COVID-19 guidance carefully, including: <u>Annex 11 Working in the Field During an Infectious Disease Outbreak</u>. This is intended to keep you, other team members, and program participants safe and healthy.

CVA Payments / Transfer Mechanisms

Financial Service Providers (FSPs)

- **Start conversations with your FSPs now.** No matter type: bank, hawala, mobile operator, etc. Have their official responses on hand and keep updated, in order to communicate with participants, donors, and whoever else. Contingency planning with existing FSPs is priority, incl. the following questions, as relevant:

    - *What are any immediate changes to services? (e.g. sanitization of ATMs / cash out points, reduced hours, access to certain geographic zones, etc.) Will there be less service points? Increased service rates?*

    - *How will your current contract be affected? (i.e. potential inability to fulfil)*
      If working with formal FSPs, *force majeure* clauses may be enacted e.g. the contract clause that relates to unforeseen circumstances; the exact terms will be stipulated in your service contracts, though generally means a provider is not obligated to fulfil a contract as originally stipulated. Revisit and clarify those terms with your provider just in case.

    - *Have you considered scenarios if your FSP's liquidity is suddenly limited? If capital controls are put into place? Or banks are closed?*

    - *What are their contingency plans if client movement is limited? (i.e. limited access to cash out points, KYC checks / enrolment points, etc.)*

    - *What are the triggers - if any - to relax KYC? (Some countries already have these in place.) What are alternative forms of accepted verification besides physical verification?*
      Your ability to verify individuals to open new accounts or enrol into your programming may be limited. Think through this scenario with your payment provider as soon as you can.

- **Anticipate increased caseloads and potential adjustments to transfer dates / amounts**. Talk through scenarios if your caseload rapidly increases (enrolment / verification processes, liquidity capacity). Reconfirm lead times and request processes related to the triggering payments. Remember most FSPs manage liquidity and support resources based on routine transfer schedules; flag potential changes to your transfer dates, values, or any other logistics as early as possible.

- **Keep up-to-date on shifting government regulations or mandates** coming from Ministries of ICT or Central Banks, including what services (and providers) are deemed **essential** -- as this may affect KYC requirements, promotion of cashless payments, adjusting transaction limits, etc. These are indications that infrastructure AND regulatory environments are shifting to become more favourable for digital payment options, including mobile money and new digital financial services. (See [Kenya](#), [others](#).) As always, continue monitoring small merchants' activity as they are a helpful indicator to gauge how widespread new payment forms are becoming. We are in regular contact with [GSMA,](#) peers, and other industry groups regarding advocacy or coordination efforts that may also affect this space.

- **Be prepared to incorporate new transfer mechanisms with local FSPs**. This includes potential adoption of digital payments or wallets. Now more than ever *contextual fluency* and ability to quickly *localize services* is key. Maintain consistent communication with your FSP so you can both adapt together if situations necessitate. Also keep abreast of new products/services that your FSP *and other local actors* in the wider ecosystem may bring to the market. Remember that the rapid adoption of digital payments has often come as result of a shock, like in India or Zimbabwe. As such, many Central Banks have already established underlying infrastructure & regulations to support digital payments (via sanctioned mobile networks operators, banks, fintechs, or otherwise). Contact us if you are scoping **new transfer mechanisms** or want to discuss preparedness for them**.** Peers are doing similar scoping so we can also share what we have.

- **Revisit what you already know** -- this includes past assessments on payment providers (CMS #1), regulations (CMS #2), infrastructure (CMS #1), PDM data (CMS #10), etc. Do you have a sense of participants' literacy levels? Current payment preferences? What FSPs are currently available in the market? Enhancing your baseline understanding will help you prepare in case you need to transition to a new (or unfamiliar) modality or transfer mechanism.

- **Forecast <u>with</u> your local FSPs, small businesses, etc.** Products and services will likely change in the coming months, so ask to be kept up to date as much as you can. Be smart about market assessments if you're doing them - take advantage of any opportunities you have to continually check the pulse of local businesses as related to their infrastructure, business practices. These market actors will be the first to transition & adopt new payment types, out of necessity. Also, as more governments leverage their safety nets, note any changes to payment infrastructure and/or regulations in order to support these mass payments at scale.

    For Local FSPs:
    - *What digital banking / payment / Point-of-Sale (POS) services do they currently offer local businesses or small merchants? What is the scope and scale of that network?*

    - *Do they have an established POS network with merchants? What about other digital products?*
    If they have small business offerings, this means they also have a standing network of merchants already enrolled with these products / services. Understanding more about this existing network of businesses and the infrastructure / products that currently support them will help you better prepare if you need to quickly pivot to a new transfer mechanism that is already familiar to merchants.

Electronic Vouchers

- Mercy Corps holds master-level service agreements (MSAs) with two e-voucher providers; teams do not need to do a tender process to procure these products. See the MSA Engagement Guidelines for more.
- As of **18 March 2020**, both global providers have confirmed continuity of services, including hardware stocks on hand and ability to ship them if required. Both are prepared for remote startup / scaleup requests, and also available to help you think through necessary workflow / operational adjustments to enable use of their systems for the first time. They currently support teams in CAR, Iraq, Myanmar, Nigeria, Syria, and Yemen.
- **Consider prepositioning.** Remember that new technologies take time to procure, setup, and build capacity around. Start preparing now if you anticipate requiring an e-voucher or commodity tracking platform in coming months. This includes accounting for new platform costs within new proposals or budget reallocations. Reach out if you need support with this forecasting.

Digital Data Management

- *See PaQ Tipsheet for **Remote MEL** and **CARM** guidance.*

- **Ask for support before getting in too deep**. Many teams are already using various digital tools within existing programmes. Avoid starting from scratch and learn from their experiences. Reach out to us and we can help you navigate existing resources, templates, etc. from other active CVA instances.

- **Be prepared to incorporate new transfer mechanisms or data sources**, if needed. Plan for adjustments to your workflow and approval processes that may require revisiting your SOPs. In certain cases, you may be able to directly integrate your digital data platforms with new digital payment services or other registries -- if the provider is agreeable to this and you see value in doing so. We have resources and capacity to explore these requirements and are happy to help facilitate any technical conversations with providers if useful.

- *If you <u>already use</u> Ona, CommCare, or another form of digital data collection, consider extending your use of available features and services.*
    - Consider adding additional communication components to reach your participants; many of these platforms support multimedia content so can be quickly adapted to support mobile audio / video campaigns.

    - Understand your options to add two-way SMS, Interactive Voice Response (IVR), or other direct messaging capabilities to keep in contact with participants. See PaQ and T4D Tipsheet for more. (***NB**: Many countries have restrictions on the volume and frequency of mass messages sent from a single account. Some countries may even require direct coordination with Ministries and/or sanctioned third-parties if you need to send above a certain threshold of messages. Keep in mind current restrictions may also change in coming weeks.)*

    - Refamiliarize with the user management features of your platform. These systems are made to manage extended frontline workforces. Use their workforce management features to their fullest especially if you move into remote management models.

- *If you are NOT currently using Ona, CommCare, or another form of digital data collection, explore if/how you could transition.*
    - Digital data systems are relevant for <u>all programmes</u>. Moreover, digital data systems will enable easier case management and integration with various messaging/communications systems. So, if you have capacity/time, think about exploring a transition to digital now. Consult with other programmes in your office to see if anyone else is also considering transitions from paper to digital (or has already done so). Consolidate resources when able!
    - Reach out for more support. Budget templates, startup materials, and other capacity building resources are readily available.