

Why is it important?

- Cash transfers are increasingly used by humanitarian actors to meet the basic needs of the most disadvantaged. While **regular customers can usually choose among several financial service providers**, people assisted by humanitarian agencies **don't often have this freedom of choice** and cannot use this as leverage to demand improved service provision.
- This **power imbalance can result in abuse and exploitation**. Many payment recipients are new to financial services, may lack digital/financial/general literacy skills, making them susceptible to exploitation during transactions.

What does abuse of power mean in practice?

- Abuse of power occurs when an individual **exploits his position** of authority, hierarchy, or advantageous standing **to coerce, harm, or deprive others of their rights or entitlements**. Such misuse of power can manifest in **various forms of abuse**, including psychological, physical, financial, and sexual abuse.

Examples of reported risks identified during field missions include:

"I am sometimes worried that my money will get stolen on my way home. I have heard that sometimes the bank agents collude with the thieves."

"I'm worried that agents charge me extra fees or asking us for favours to compensate for low commissions, transportation costs, liquidity issues, or security risks."

"I am not familiar with these digital tools... I really don't feel comfortable using them!"

"Some agents give us poor quality banknotes or lack small change, so we don't get the full value of the transfer."

"I am not sure where to go if I need help, want to report fraud. I am also worried what will happen to me or my family if I express my grievances."

"Some agents do not treat our personal information confidentially."

"I've seen instances where private sector agents encourage people to use their date of birth as a PIN. Sometimes they even ask directly for the PIN code. I do not want to tell this information, as they could carry out fraudulent transactions with it!"

"I've noticed some agents showing disrespect towards us with rude attitudes, impatience. Sometimes they also let other people skip the queue."

"I was not able to cash out the total value of my assistance payment because the agent did not bring enough bills. When there are liquidity issues, the agents sometimes ask us for a fee or gift."

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