



VIET NAM RED CROSS SOCIETY HEADQUARTERS



**CASH TRANSFER PROGRAMME BOOKLET
BY THE VIET NAM RED CROSS SOCIETY**

OVERVIEW OF CASH TRANSFER PROGRAMMING

This booklet can be used as an introduction to the cash transfer in emergencies of the Viet Nam Red Cross Society (VNRC).

This is not a technical guidance. The purpose of the booklet is to increase the awareness and general knowledge of cash transfer programming.

This booklet is meant to be used by Red Cross staff and volunteers at different levels and local authorities and government staff during preparation as well as implementation stages.

WHAT IS INCLUDED IN THIS BOOKLET?

- Provide an overview of VNRC's cash transfer programme
- Why is cash transfer programming chosen?
- The beneficiary selection process
- Frequently asked questions in beneficiary selection process
- A few stories on the cash transfer programme following Typhoon Wutip/ Nari operation in 2013

CASH TRANSFER PROGRAMME: OVERVIEW

Relief activities following a disaster can be carried out in numerous ways including through the provision of household kits and food and non-food relief items. Cash transfer programming is another approach that the VNRC has implemented successfully in recent years.

In Vietnam, cash transfer programming is still new and is only carried out by some organizations such as the Red Cross, Oxfam, Save the Children or Plan. The VNRC has implemented the cash transfer programme in the following scenarios:

- Unconditional cash grants for 8,582 households affected by Typhoon Ketsana in 2009
- Unconditional cash grants for 4,947 households affected by flooding in the Mekong Delta region in 2011
- Unconditional cash grants for 3,143 households affected by Typhoons Wutip/ Nari in 2013, and conditional cash grants for livelihood recovery for 800 households affected by Typhoons Wutip. Nari in 2013.

Cash transfer programming (unconditional and conditional) is considered an appropriate approach in emergency relief given the flexibility in the use, management and distribution of the cash. In

specific circumstances, cash might be a better alternative to other forms of support, helping the communities to recover quickly once the market is functional again.



WHY CASH TRANSFER PROGRAMME

Cash transfer is an effective approach to emergency relief. In Vietnam, evaluations by organizations such as the Red Cross, Plan or Save the Children have pointed out the following advantages of the approach:

- Cash helps beneficiaries meet their basic demands. Unlike in-kind support, which only help meet specific demands (such as food or water), cash gives beneficiaries the opportunity to decide what their most pressing need is in order to spend the money in meeting this need.
- Conditional cash grants (for shelter or livelihood) enables the accountability and ownership of the beneficiaries in how they use the awarded cash to achieve the interventions' goal
- The fact that the beneficiaries spend the cash will support the development of the local market (for example, through the purchase of pigs, shelter materials, foodstuff, etc. from the local market) instead of purchasing and transporting from another market.
- Cash support helps save transportation, logistics, warehouse and warehouse management costs.
- Cash transfer programming can be carried out quickly without delays.

Nevertheless, below are some considerations that the agency implementing cash transfer programming should keep in mind:

- Have a standard operating procedure fully understood by the project staff in place will help implement the cash transfer programme more efficiently.
- Be aware of the possibility of local authorities requesting the beneficiaries to redistribute the cash for others, or contribute to a common fund, in order to mitigate the risks.

- Even though the beneficiary selection process of the cash transfer programme is not much different from in-kind distribution, given the utility of cash, local authorities might impose a beneficiary list.
- Cash transfer programme might push the price of local goods, affecting surrounding communities. Therefore, conducting a market assessment and monitoring the price before, during and after the cash distribution is very important.
- Donors are usually concerned about ensuring beneficiaries receive the cash they are meant to receive. Therefore, monitoring before, during and after distribution has to be carried out in a stringent way. The beneficiary selection process has to be transparent and ensures community participation.



THE BENEFICIARY SELECTION PROCESS

During emergencies, the selection of beneficiaries is very important to ensure that the worst affected, most vulnerable and unable to meet basic needs such as food, clean water, sanitation, shelter, education and healthcare, or those who are not able to recover in terms of livelihood have access to relief goods or humanitarian assistance.

The selection of beneficiaries needs to be transparent, in which the community can participate in the selection process based on criteria that they have agreed upon. This is one of the basic factors in humanitarian assistance. Community participation in the beneficiary selection process will help negate potential conflicts or the imposition of certain individuals that might lead to the selection of the wrong beneficiaries.

The VNRC always tries to ensure that all emergency relief operations, including cash transfer programming, incorporate the right of the community to participate in the beneficiary selection process.





THE BENEFICIARY SELECTION PROCESS

STEP 1: VILLAGE MEETING TO SELECT BENEFICIARIES

1. Consolidate existing information:
 - _ List of households in the community
 - _ List of poor/ near-poor households
 - _ List of affected households
 - _ List of vulnerable households
2. Organize village meeting to select beneficiaries
3. Publicize:
 - _ The objective of the programme
 - _ The expected number of beneficiary households
 - _ The amount received by each household
 - _ The beneficiary selection process and criteria
4. Evaluate each household and select those that meet the selection criteria

NOTE:

- At least 60% of households in the village are present
- Encourage diverse participation of male, female, youth, children, the elderly and respected individuals in the community
- The redistribution of the distributed cash is impermissible under any circumstances
- The collection of any fee from the beneficiaries before, during and after the distribution is impermissible
- During emergencies, if there is not sufficient time, the village meeting can be replaced with a meeting among representatives from local authorities, mass organizations and the community to ensure a democratic beneficiary selection process.

STEP 2: PUBLICIZATION OF BENEFICIARY LIST AND COLLECTION OF FEEDBACK

1. Post the beneficiary list in public place for 3 days at least
2. Announce the beneficiary list on loud speaker for 3 days at least
3. The Red Cross is responsible for responding to feedback (verifying households that don't meet the criteria, omitting or adding beneficiary households)
4. Announce the results to the community within 7 days after receiving feedback

NOTE:

- Feedback received will be processed by the designated staff and the information is secured within the Red Cross

STEP 3: VERIFICATION AND APPROVAL

Red Cross staff at the commune and district levels send the list to Red Cross at the higher level and donor for approval

NOTE:

- Depending on the scale of the relief and the amount of support per household, Red Cross staff will need to carry out random monitoring of selected households (at least 10% and at most 100%)

BENEFICIARY SELECTION CRITERIA



1

Question:

If a community member feels that the beneficiary selection process is not clear and transparent, what feedback mechanism can he/ she use?

Answer:

All of the emergency operations implemented by the VNRC clearly mention the contact information so community members can provide feedback. The hotline telephone number helps verify and resolve feedback in a timely manner. The person who provides the feedback can rest assured that his/ her feedback will be secured with the Red Cross to protect him/ her from troubles. In addition, the Red Cross will also try to inform the person who provides the feedback about the feedback will be resolved.

2

Question:

Why do we need to have a village meeting to select beneficiaries?

Answer:

One of the principles of humanitarian assistance is to ensure equal participation from the community and that they are able to decide who will receive the support. Community members understand best who are the most affected in a disaster and what difficulties they face in recovery. Full participation by the community in the selection process will help avoid unfair imposition of a beneficiary list.

3

Question:

How is the beneficiary selection process different between cash support and in-kind support?

Answer:

In emergency relief, the beneficiary selection process is transparent and fully participated by the community. The beneficiary selection process in cash transfer is not much different from the process in in-kind support. However, cash is normally more feasible than in-kind, therefore it receives more attention from the community. Therefore, VNRC has to ensure the process is clear and transparent.

ON BENEFICIARY SELECTION

4

Question:

In case the beneficiaries are required to redistribute the cash before and after receiving it, what should be done?

Answer:

In all humanitarian assistance activities, by no means can the Red Cross request the beneficiaries to redistribute the given cash or goods. This is mentioned clearly on the envelop or announced to all of the community and local authorities before or during the distribution.

5

Question:

How should we understand the criteria "receiving little support from other sources?"

Answer:

Immediately following a disaster, many organizations and individuals want to support. However, some support is only on a small scale because individuals and organizations cannot guarantee the minimum standards. For example, if the amount of support is too small, it will not be enough to buy food for a month, or insufficient for livelihood recovery. Receiving little support from other sources can be understood that the previous supports have not been sufficient to meet the basic needs.

6

Question:

What are the roles of local authorities and Red Cross staff in beneficiary selection?

Answer:

Local authorities and Red Cross staff are responsible for informing the community so they have the right to participate in the beneficiary selection process. The staff involved need to discuss and reach a consensus with the community on the criteria and facilitate a participatory selection process. The local staff and the Red Cross staff are not to decide the beneficiaries.

7

Question:

What should we do when a household is not in the poor/ near-poor list but really needs help?

Answer:

In certain cases, some households are severely affected and are vulnerable but are not in the poor/ near-poor list. The basic principle in humanitarian assistance is to support those without the ability to meet their basic needs. In that case, if the community agrees, these households can be selected to be beneficiaries.

8

Question:

When receiving feedback, what can the local project management unit do?

Answer:

The local staff needs to inform the district and provincial Red Cross branches in order to verify the information and come up with the necessary solution if the feedback is valid. Because the Red Cross is responsible for reporting to the donor, all of the feedback received needs to be reported to the Red Cross.

9

Question:

How do we calculate the household size if some of the family members are currently not living in the community (working or living in another locality)?

Answer:

Humanitarian assistance is meant to assist those directly affected by the disaster to meet their basic needs. Therefore, if some members in the household are not residing in the community, they will not be factored into the household size calculation.

**BENEFICIARY STORIES
ON THE CASH TRANSFER PROGRAMMING**

CASH IS APPROPRIATE

We visited Lien's family in Vinh Giang commune, Vinh Linh district, Quang Tri province. Lien's family was one of the beneficiary households of the unconditional cash grants of the Viet Nam Red Cross Society after Typhoon Nari in 2013. After years working in the south, she and her husband returned to merely be able to build a temporary house. They have two kids. When the storm came, the little one was only five months old. Lien is currently a housewife, taking care of a pig and nearly 100 pepper trees. Her husband is a construction worker, a job that is not stable as he only gets to work when being called upon, so his income is also irregular.

She still remembers that night, when the storm came, the two of them only had enough time to quickly dig a storm shelter right in front of their house. They had very few belongings, and there wasn't enough time to put the belongings away. That night, from the storm shelter where she was staying with her two children, she could hear the tin roof being flown away because of the strong wind. The next morning, the house was all empty because tens of pieces of tin were thrown off by the wind. Tens of pepper trees fell "Looking at the devastation, I couldn't help but cried,"

Lien recalled.

Lien said she was very lucky to be selected as one of the beneficiaries of the cash transfer programme by the Red Cross following Typhoon Wutip/ Nari. She said there were also objections but everyone could see the family was poor, their children were only seven years old and five months old, respectively, and their income was unstable. Like some other households, her family had to borrow their neighbours to buy some tin for temporary protection for their house. Her family were soon supported with VND 2 million, just in time for them to pay the debt, brought additional tin for the roof and spent and had VND 300,000 left to buy rice. She said: "Had I been supported with goods such as tin for roof, I wouldn't have known what to do with them because we had already borrowed to buy these."

"Lien's family was one of the beneficiary households of the unconditional cash grants of the Viet Nam Red Cross Society after Typhoon Nari in 2013."

CASH GETS TO BENEFICIARY, SUPPORTING LIVELIHOOD DEVELOPMENT

In October 2013, when Typhoon Nari hit Huong Giang commune, Huong Khe district, Ha Tinh province, followed by flash flood, the house of Tran Van Hieu of ward 12 subsided and was completely unroofed. Four months later, his family was one of the ones receiving VND 3 million from the Viet Nam Red Cross Society as part of the conditional cash for livelihood recovery programme supported by the International Federation of Red Cross and Red Crescent Societies (IFRC). His family of five was selected as one of the beneficiaries by the commune authorities as they are among the worst affected in the village and in the near-poor list at the same time.

“Hieu’s family is one of the beneficiary households of the cash transfer programme of the Viet Nam Red Cross Society following Typhoon Nari in 2013 that used the hotline number. Though the programme received very little feedback on wrong selection and request for redistribution, it helped ensure a channel through which the community can share their feedback on the programme.”

“The programme directly supports the beneficiaries and emphasizes that they have the right to keep all of the grant and are not supposed to redistribute, and even provides a contact number.” Hieu said the project staff emphasized that everyone kept the cash envelop with the hotline number to contact in case they have any question. Thanks to the hotline, Hieu was able to contact the Ha Tinh Red Cross Chapter and the IFRC to inform them about the village head requesting all of the beneficiaries to return VND 2.5 million a few months after the project ends in order to redistribute to other poor households, and the problem was resolved in a timely manner.

“I’m very thankful and happy with the way the Red Cross handled the matter,” Hieu said. “They were very helpful and followed up with us. The cash gets to beneficiary, supporting livelihood development.” With the cash grant, his family discussed and decided to invest in a cage and two pigs. This was the first time his family had such an amount of cash in hand that is enough for them to buy pigs. Previously, they lived mostly on crops planting. Along with cash distribution, the Red Cross also supported his family and others to complete a livestock development plan, raised their awareness about livestock related diseases and provided them with prevention as well as curative methods. After a year, his pigs already gave birth once, helping his family to recover the investment and continue to invest. He said now he has had more experience so he would be more productive.



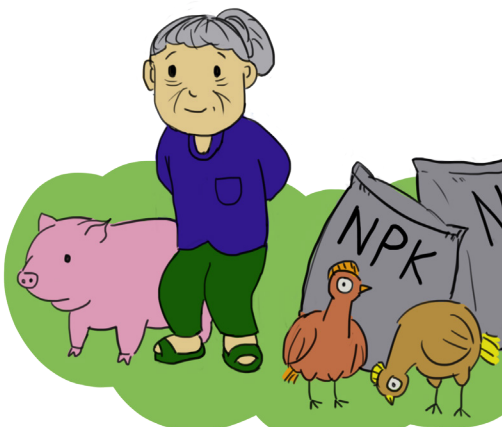
BENEFICIARY SELECTION

Mrs. Thuong, 65, lives in a family of seven in Trieu Ai commune, Trieu Phong district, Quang Tri province. She lives with her younger sister who suffers from chronic illness and is therefore unable to work. Her son works as a mechanic fixing fans. “I work whenever people come find me, but nowadays not many people fix their fans. They throw them out if they are broken. So I hardly have any income.”

After Typhoon Nari hit her hometown in November 2013, the front part of her house was unroofed. The pig cage and kitchen were also completely unroofed. Being poor with an elderly and a chronically ill person, her family is very vulnerable and was selected as one of the beneficiaries for the conditional cash for livelihood recovery initiative in 2013. Thuong recalled: “I don’t know how it is in other places, but in my village, most people participated.

Everyone wanted to take part in the selection process. People will raise their opinion immediately if someone is selected who doesn’t meet the selection criteria.” When asked what she would do if someone disagrees, she said: “I saw the hotline for feedback. I still keep the cash envelop, the phone number is on it.”

With VND 2.5 million supported by the programme, Thuong was able to purchase two pigs, 50 chickens and some fertilizers for five hectares of rice. The rest was used to buy medicine for her sister. She eagerly said: “We got nearly VND 3 million from selling the pigs, and over VND 1 million from the chickens. I think it’s better to receive cash like this rather than pigs. My family was able to allocate the grant to see how much to invest in pigs, how much in pig food, how much in chickens. Pigs brought from other locality might not survive here.” Her son added: “The revenue from pig and chicken selling also gave me the money to purchase electronic equipments to fix TVs.”



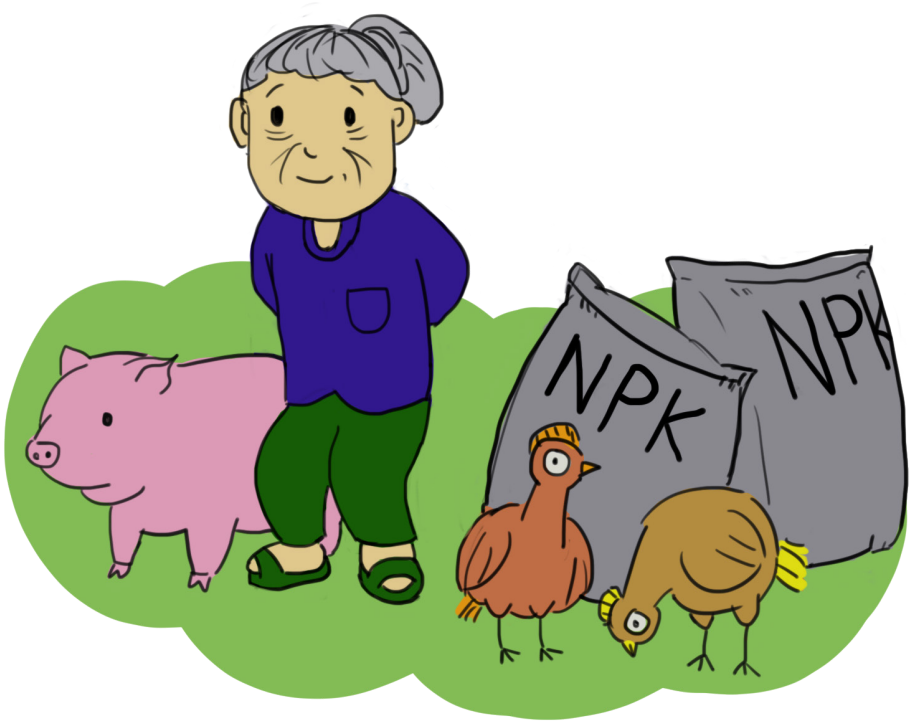
THE GRANT WAS ENOUGH FOR THE FAMILY TO GENERATE ADDITIONAL INCOME

The family of Luong, 35, Huong Giang commune, Huong Khe district, Ha Tinh province was severely affected by the flooding that followed Typhoon Nari in 2013. Since then, they still haven't been able to rebuild the old wooden house and instead, have a tarpaulin to cover the bed and other belongings. Luong said: "The water rose nearly 5 meters, submerging the roof. We were lucky that every family here has a raft that we could use for evacuation. We were only able to grab a few belongings, the rest were swept away. It took a week for the water to recede. We could only keep what was still there when we came back."

Luong's family was selected as one of the beneficiaries of the conditional cash for livelihood recovery programme of the Viet Nam Red Cross Society. Her poor family of three children received VND 3 million from the programme. "My husband and I calculated very carefully. The district and commune Red Cross staff came to talk with us and provided us with instructions on what we can invest in. We wanted to buy some pigs and chickens since we will make some profit from selling them. But the cage was broken after the flooding. So we decided to use the money to buy a cart that could be pulled by the cows to carry rice and fertilizers. We have a rice field but it's 5 kilometers away. This cart has helped my husband and I save a lot of time. Sometimes we pull cart for others, which helps bring in additional income."

"Thuong and Luong's families are two among the beneficiary households of the conditional cash for livelihood recovery programme by the Viet Nam Red Cross following Typhoon Nari. The project encourages beneficiaries to develop a plan on how to use the grant given, whether to buy seeds, fertilizer or tools for labour in order to recover their livelihoods."

When asked about the cash supported, Luong said: "This is enough for affected families like us do something for additional income. Had we received a couple hundred thousand Viet Nam dong or a few instant noodle boxes, it would have fed us for only a week. It's also great to receive cash. Some bought chickens, some bought ducks, others bought pigs. Though it wasn't a large amount, it helped us develop a plan to invest in livelihoods for the family."



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Published

June 2015



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