

Case Study: Position Paper on Cash-Based Interventions by Viet Nam Red Cross

Background

The Viet Nam Red Cross Society (VNRC) is one of the leading humanitarian organization in Viet Nam with clear roles in responding to disaster and emergency situation. As an auxiliary to the government, VNRC works closely with the government structures at national, provincial and community level to provide assistance to vulnerable household affected by disasters. In this capacity, it is recognized as the first agency to deliver much needed relief and support the long-term recovery of disaster affected populations in the areas of food, non-food items, water, hygiene and sanitation, livelihoods and shelter.



Distribution of unconditional cash grant to support basic needs of people affected by flood in Lai Chau province, Viet Nam

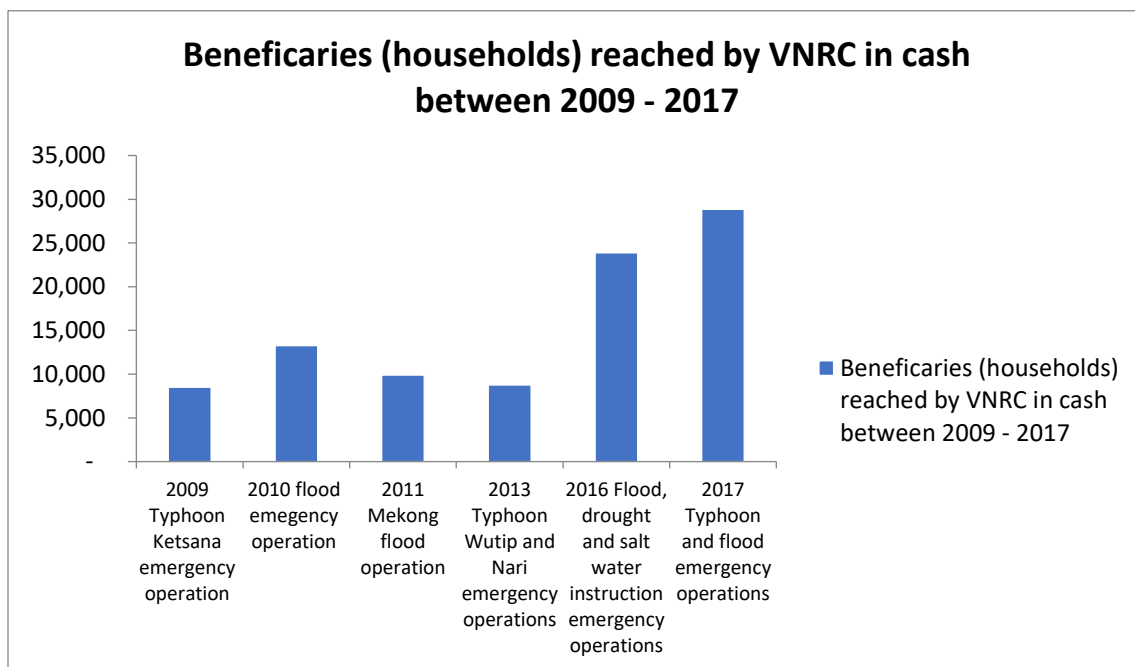
The use of cash has a long history in humanitarian development and emergency programming in Viet Nam. It has increasingly become a preferred emergency response option in addition to distribution of household kits and provision of food and non-food items. There is a growing evidence that cash-based intervention (CBI) is an effective modality to meet humanitarian needs of the disaster affected communities. However, there is still much scope for improvement of CBI approaches in Viet Nam.

This paper provides an overview of the increasing use of CBIs by VNRC in emergency operations and highlights the current initiatives taken by VNRC to improve capacity of the National Society for future large-scale responses.

VNRC Experience with Cash-Based Interventions

Over the past few years, VNRC has shifted beyond traditional distribution of in-kind relief items to increased use of cash assistance in emergencies. Within the VNRC, CBIs have been used since Typhoon Damrey in 2005. However, it was not on a large scale until Typhoon Ketsana in 2009.

In response to devastating tropical cyclones, VNRC started increasing cash assistance rapidly with support from the American Red Cross and further upsurged the use of cash in 2012 in response to the Mekong flooding. VNRC has been distributing cash grant to cover food, non-food, shelter and agriculture in forms of unconditional and conditional cash grant directly through cash in envelopes or paper vouchers.



Apart from distribution of cash in emergency response operation, VNRC -- with the support of IFRC as part of emergency preparedness -- has also developed a range of policies and guidelines to support CBI implementation, including:

- *Guideline on implementing unconditional cash grant*
- *Guideline on implementing conditional cash grant for livelihood recovery*
- *Guideline on implementing conditional cash grant for reconstruction of typhoon-resistant houses*
- *Guideline on implementing conditional cash grant for construction of latrine*

Delivery of Cash in Partnership

Increased use of cash transfers has also improved VNRC's profile and partnerships with other agencies. The year 2017 marked dramatic use of cash in emergencies, particularly with the partnership of United Nation agencies including the UN Development Programme (UNDP), Food and Agriculture Organization (FAO) and International Organization for Migration (IOM) for effective and timely cash and voucher responses after the Typhoon Damrey.

Recently in 2018, as a step toward diversification of delivery mechanism through the third-party, a Financial Service Provider (FSP) assessment has been carried out with the support of the International Federation of Red Cross and Red Crescent Societies (IFRC), Swiss Red Cross and American Red Cross. These joint approaches facilitate effective coordination and help to timely set-up and implementation of cash response operations. VNRC looks forward to strengthening and expanding internal and external partnership at all levels.

VNRC Position Paper on Cash-Based Interventions

While there has been progress in CBI in emergencies, despite this, there is currently no strategy to guide VNRC direction into the CBI area. To address this issue, VNRC, with the support of IFRC and Swiss Red Cross, are in the process of developing the CBI Position Paper (framework) for the period of 2019 – 2021. Furthermore, the need for the development of a strategic paper to guide cash-based approaches was identified in the National Society's self-assessment and was included in VNRC 2018 plan of action for CBI.

The Position Paper which is still in its development phase, aims to provide practical guidance on CBI in emergencies outlining past experiences and current approaches while also highlighting the opportunities that exist for scaling-up of cash programme in the future. Furthermore, the Cash Position Paper complements the VNRC Development Strategy 2020 and is aligned with the Movement's global commitments to enhancing national society capacity to deliver more effective and efficient cash-based interventions.



Workshop on Cash Position Paper at VNRC

Joint Initiative for Development of Cash Position Paper

The development of the Position Paper started with desk review of similar experience from other National Societies. It was first drafted by VNRC, IFRC and Swiss Red Cross. In September 2018, a workshop was organized by VNRC to collect inputs from representatives of various departments including disaster management, health and care, finance, communications, logistics, resource mobilization and international relations. Representatives who are chapter leaders or CBI focal persons from selected Red Cross provincial chapters as well as Participating National Societies were also invited to the workshop.

Following the workshop, a second draft was produced and shared with wider Red Cross provincial chapters for their feedbacks. The Paper is now pending final review before adoption by the VNRC leadership.

Why Cash Position Paper?

The paper is expected to provide synergy and coordinated approach to the National Society.

“VNRC has wealth of experience in cash transfer programming with the support of Red Cross and Red Crescent Movement and non-Movement partners. The use of cash in humanitarian response is increasing both locally and internationally. Despite this fact, VNRC does not yet have strategic paper guiding its CTP (Cash Transfer Programme) interventions. The introduction of CTP framework is critical at this stage. The paper entails VNRC priorities on CTP in coming years to make the NS respond timely, efficiently and effectively through use of cash assistance” - Ms. Pham Thi Thanh My, VNRC Disaster Management Officer

At the chapter level, the paper is viewed to be accommodating a timely response using by cash as a tool.

“We carried out cash distribution. However, this paper will provide us platform both in CBI response and preparedness. VNRC is looking for new delivery mechanism of cash assistance. I think that it will ensure security for CBI” - Cam Thi Chuyen, President of Son La provincial Red Cross chapter

Additionally, for the Movement and the non-movement partners the Cash Position Paper promotes a holistic approach in delivering cash aid for future responses whilst supporting the National Society to develop its capacity.

“If utilized effectively, the position paper has the potential to facilitate greater understanding amongst VNRC’s partners of two key things. Firstly, it will support greater understanding of the overall benefits of Cash Based Interventions, for increasing the effectiveness, efficiency and responsiveness of humanitarian response efforts in the country as well as how CBIs can substantially increase the dignity and capacity of beneficiaries to support their own recovery. Secondly, it will support greater understanding of why VNRC is promoting CBIs as one of the modalities of choice for humanitarian response efforts and what they are proactively doing to be effectively positioned to respond to the humanitarian challenges that Viet Nam will face in the coming years due to climate change and disasters”- Ruth Lane, Country Representative, Swiss Red Cross.

Moving Forward

VNRC is committed to scaling up the use of cash in the coming years. As part of commitment, a number of initiations have been planned which have been outlined below:

- VNRC will be investing considerable human and financial resources and making marked efforts to increase their technical and human resource capacity to be better positioned to deliver cash at scale.
- As part of institutional preparedness, VNRC plans to adapt and translate training packages and tools from the Red Cross Red Crescent to local language.
- Preparedness activities will include mainstreaming cash into existing Contingency Guidelines.
- VNRC aims to significantly deliver cash to a much larger number of affected people using electronic cash transfer.
- During cash distribution beneficiary data will be managed by using technology such as RedRose to improve accountability and reporting,
- VNRC seeks to explore and develop stronger partnership with local agencies and humanitarian actors to become partner of choice in CBI.