***TITLE OF SUCCESS STORY:* Cash Transfer Programming in Emergencies – a Story of Success from Viet Nam Red Cross**

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*“Cash is most helpful because there are so many livelihood activities in my community. With cash support, the beneficiary can decide (what they want) to invest in such as farming, livestock or fishing.” Phan Huu Dao, a community member who received a cash grant from Viet Nam Red Cross after the 2010 floods devastated his commune in Nghe An province.*

*IMAGES OF THE STORY: Please share as attachment separately high resolution  
(above 1 MB) images to support the success story.*



Credit© Viet Nam Red Cross

**THE PROBLEM:**

Typhoon Ketsana caused widespread destruction and the most serious disaster damage in Viet Nam in more than 40 years. Three million people were affected; nearly 305 million US dollars worth of crops and infrastructure were damaged or destroyed.

For the first time, cash transfer programming was implemented as part of a humanitarian disaster response, supported by the International Federation of Red Cross and Red Crescent Societies (IFRC) and various partner National Societies (PNSs).

LINK TO CASE STUDY: http://www.ngocentre.org.vn/webfm\_send/3753

*IMAGES OF THE STORY: Please share as attachment separately high resolution (above 1 MB) images to support the success story.*

**THE ACTIVITIES**

Cash transfers are intended to assist beneficiaries to meet immediate basic needs, as well as to begin to stabilize or rebuild livelihoods – as well as to re-stimulate local economies.

Often, cash is cheaper and faster to distribute than alternatives such as animal restocking, and seed and food distribution.

In addition, Red Cross procurement requirements, which make a competitive bidding process compulsory for purchases above a certain value, also gain with cash transfers as it speeds up the implementation time and frees up much needed human resources for monitoring.

Cash is very flexible and can be spent on both food and non-food items, such as transport, medication, education and debts. In addition, it is easily invested in restoring livelihoods disrupted by a disaster.

The variety of livelihood activities that can be found in communes and even within households suggests that unconditional cash grants are the preferred option for livelihood recovery, because targeting only a specific livelihood activity might not be sufficient.

Using cash grants maintains people’s dignity, by giving them choice and not treating them as passive recipients of relief. It also promotes respect and appreciation of the National Society because it can meet a wide variety of people’s basic needs quickly following a disaster.

Furthermore, injections of cash have potential benefits for local markets and trade

**THE OUTCOMES**

In spite of the scale of Typhoon Ketsana, once the market had restored itself, cash proved a good alternative to relief and early recovery items. It offered immediate advantages in terms of flexibility, quicker implementation and was also cheaper.

Ultimately, cash transfer programming helped the National Society reach over 8,500 families in four provinces with flexible assistance that met their immediate needs.

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**WAY FORWARD**

Viet Nam Red Cross has developed certain ways to mitigate the risks of redistribution through ensuring close participation of local authorities and beneficiaries to define programme objectives and conduct the selection process; strong monitoring; and real time evaluations and feedback mechanisms.

Key lessons learnt gathered are:

1. Cash transfers should not be implemented too early or too late after a disaster (ideally within one month).

2. Targeting beneficiaries with people’s participation ensures ownership, transparency and relevance.

3. The implementing agency must have suitable technical capacity to ensure the programmes effectiveness and efficiency.

4. The commitment of local authorities in implementing cash transfer programming is crucial to ensure success. 5. Awareness raising and information sharing are essential to raise public understanding of cash transfer programming.

6. Monitoring and evaluation plays a crucial role to avoid redistribution and improve future cash transfers.

IMPLEMENTING AND PARTNER AGENCIES LOGOS:

