

**BUREAU FOR DEMOCRACY, CONFLICT, AND HUMANITARIAN ASSISTANCE (DCHA)
OFFICE OF U.S. FOREIGN DISASTER ASSISTANCE (OFDA)**

**SUCCESS STORY:
CASH TRANSFER PROGRAM MEETS NEEDS IN VIETNAM**

On September 29, 2009, Typhoon Ketsana, the largest tropical storm to strike Vietnam in 45 years, swept across coastal and central highland provinces, hitting Quang Nam, Quang Ngai, Kon Tum, and Gia Lai provinces. Typhoon Mirinae followed a month later, striking once again the coastal provinces of Vietnam. Torrential rains, flash floods, landslides, and high speed winds resulted in 286 deaths and caused widespread destruction and devastation across 16 provinces in central Vietnam, sweeping away houses, personal property, and schools; inundating crop fields; and disrupting access to markets. An estimated 4 million people were affected by the storms, including thousands of families displaced from their homes.



Flash floods and landslides damage crop fields in Quang Ngai Province (Heather Huppe, USAID).

The evacuation of hundreds of thousands of people carried out by the Government of Vietnam (GVN) prior to each of the typhoons, along with other preparedness measures, contributed to saving many lives. However, populations still faced the overwhelming and lingering effects of the tropical storms in the weeks and months ahead. As part of the wider relief effort, USAID/OFDA provided more than \$500,000 to the American Red Cross (ARC) to implement a cash transfer program in partnership with the Vietnam Red Cross (VNRC). The program was a component of the livelihoods objective of the International Federation of Red Cross and Red Crescent Societies (IFRC) emergency appeal.

TARGETING PRIORITY NEEDS OF THE MOST VULNERABLE

Days and weeks after Typhoon Ketsana, the ARC, in coordination with GVN authorities and VNRC and international non-governmental organization (NGO) staff, conducted rapid assessments in the coastal provinces of Quang Nam and Quang Ngai. The extent of the damage caused by the storm became apparent. To that end, ARC designed a cash transfer program that sought to assist the most vulnerable families who had



Mrs. Y Xeng, a beneficiary in Kon Ray district, Kon Tum Province, receives 1 million Vietnam Dong with the support of the USAID/OFDA-funded cash transfer program (Photo courtesy of ARC).

lost their homes and livelihoods through cash distributions to address emergency gaps. In close consultation with the VNRC and based on national level damage assessments, the ARC targeted four of the hardest hit provinces in central Vietnam, including Quang Nam, Quang Ngai, Kon Tum, and Gia Lai. The VNRC was the lead implementer, with technical support provided by the ARC throughout the duration of the program. This was the first time that the VNRC had implemented a cash transfer program for a large-scale emergency response, providing a unique opportunity to learn about the benefits and challenges of this type of assistance for a humanitarian response in Vietnam. The ARC relied on the strong and far-reaching network of the VNRC at the village, provincial, and national levels, thus ensuring that the program would reach the most vulnerable families. The ARC also garnered the support of local GVN officials by closely working with appropriate individuals at the planning and implementation phases of the program.

Following the selection of the targeted provinces, the VNRC conducted thorough orientation workshops at the provincial level, targeting GVN officials and district and commune Red Cross chapter staff and volunteers. During the workshops, VNRC staff explained the cash program's goals and guidelines of the beneficiary selection criteria and monitoring and evaluation. Trained district and commune Red Cross chapter staff held meetings with village chiefs and Red Cross volunteers who then informed village communities of the program. The cash transfer program's design included a bottom-up approach for the selection of beneficiaries, which provided villages with the opportunity to select the most vulnerable households within the targeted communities through participatory and transparent village consultations. Throughout the selected villages, there was generally a strong consensus on the selection of beneficiaries. In a few villages where disagreements occurred, Red Cross chapter staff and volunteers held additional meetings to review criteria and come to an agreement.

Following careful targeting and adjustments to allocate resources according to family size, the program's reach was extended to benefit more than 8,500 families, or approximately 30,000 people, compared with the 6,900 families the program had originally planned to assist. ARC and VNRC jointly decided to allocate between the equivalent of \$16 and \$54, depending on family size.

The majority of the beneficiaries reported that families utilized the cash to purchase food, while others used the money to purchase fertilizer, farming tools, and household items such as beds and mosquito nets, or to restore agricultural land and repair houses. "Cash is an effective intervention because it allows people to procure exactly what they need, while fostering local market recovery," noted Rebecca Scheurer, ARC Regional Representative. Beneficiaries in most villages considered that cash was best since it allowed them to cover what was not met through other assistance provided in the aftermath of Typhoon Ketsana. In the short term, the cash transfer program provided vulnerable families the means with which to meet their basic needs. In the medium term, the program supported livelihoods recovery by allowing communities to buy farm tools and restore cropland in advance of the next planting season.

"The storm covered my crop field with sand. I used the money to hire workers to help me restore my land for planting."

— Cash transfer program beneficiary,
May 2010

LOOKING AHEAD

Between February and March 2010, an independent consultant conducted a survey with program beneficiaries to assess findings and the program's impact in Quang Nam, Quang Ngai, Kon Tum, and Gia Lai. The evaluation validated the program's success in filling important gaps in affected communities' recovery, as also observed by USAID/OFDA staff who conducted follow-up monitoring visits to the four provinces between December 2009 and May 2010.



Representatives from USAID/OFDA, USAID/Vietnam, ARC, and VNRC meet with beneficiaries in Kon Tum (Liza Mantilla, USAID).

The cash transfer program demonstrated that cash does not necessarily need to follow immediately after a disaster. Cash can complement relief supplies, which are usually provided within the critical time period following a disaster, and help meet household needs during the gap period between the initial distribution of relief supplies and longer-term recovery. In addition, part of the success of the program resulted from the thorough front-end preparation to ensure transparency and effective communication at all levels. The program's considerable success has influenced the design of other implementing partner activities and has generated great enthusiasm within the GVN, international Red Cross societies, and the NGO community to replicate aspects such as the tools developed to extend the program to other regions of the country and in future disaster responses.

To date in Fiscal Year 2010, USAID/OFDA has provided more than \$1 million to implementing partners ARC, IFRC, and Save the Children to support relief activities in the aftermath of typhoons Ketsana and Mirinae.