



# Using Cash (Vouchers and Other Modalities) for NFI

A Case Study from Nepal

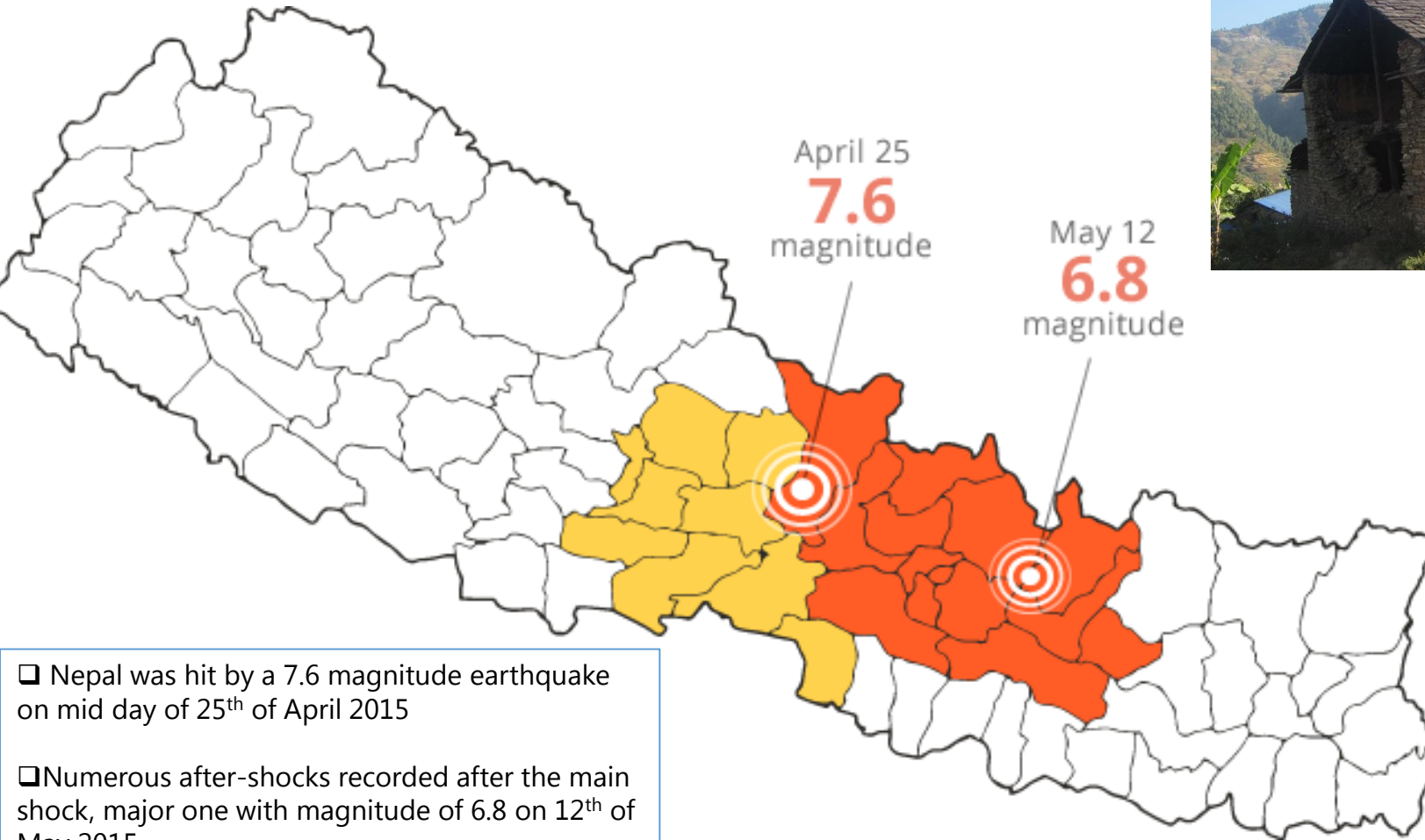
May - 2018



# Background and Context



**Save the Children**



❑ Nepal was hit by a 7.6 magnitude earthquake on mid day of 25<sup>th</sup> of April 2015

❑ Numerous after-shocks recorded after the main shock, major one with magnitude of 6.8 on 12<sup>th</sup> of May 2015

❑ It caused casualty of 8856 and injury of 22309 people.

❑ 602,257 Houses were fully damaged and 285,099 Houses were partially damaged

# NFI – In Emergency Response



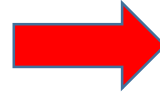
❑ Non Food Item distribution in the form of gift in kind was only the way in emergency due to:

- ❑ Roads were blocked or non functioning for movement of people to market
- ❑ Most of the local market were very much affected and closed
- ❑ The emergency need NFI was not sufficient to fulfil the bulk need



❑ Starting within 48 hours of the disaster, Save the Children reached to 172,200 families with different NFIs.

# NFI – Early Recovery



- ❑ People started to sift to makeshift sheds leaving the tarps and tents
- ❑ Need of advance NFI such as roofing and other construction materials for transitional shelters

- ❑ Recovery materials in GIK was distributed by agencies for the people – specially roofing kits



- ❑ Save the Children distributed roofing Kits to 9944 families in different 3 districts

# Cash for NFI - Early Recovery

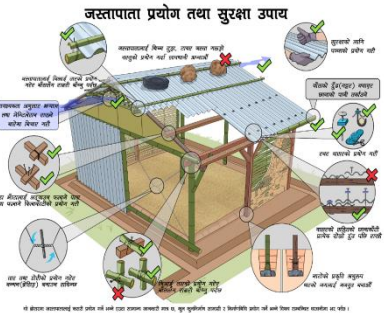


क्र.सं.	नाम	पता	उमेर	लिंग	शिक्षण	व्यवसाय	संकेत
1	सुन्दर शर्मा	...	...	...	...	...	...
2	...	...	...	...	...	...	...
3	...	...	...	...	...	...	...
4	...	...	...	...	...	...	...
5	...	...	...	...	...	...	...
6	...	...	...	...	...	...	...
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8	...	...	...	...	...	...	...
9	...	...	...	...	...	...	...
10	...	...	...	...	...	...	...

- ❑ Government initiated to provide direct cash NPR 15000 (USD 145) for the NFI for early recovery.
- ❑ Earthquake affected families were identified and properly recorded by government.



- ❑ Save the Children provided cash support to 4,772 families in 2 districts early recovery
- ❑ Cash was distributed by transfer agency a d bank directly to the beneficiary in their location
- ❑ Cash was distributed to those who had not received early recovery support from Government or other agencies.



- ❑ Provided IEC materials and technical support with cash

# NFI Support for Winter



- Area affected by earthquake were mostly higher hill and mountain that remains very cold in winter season
- The makeshift sheds were not enough to resist the harsh situation
- The vulnerable groups of children, elderly people, lactating and pregnant women, people with chronic illness were on risk.
- To support the people in need, government appealed for the support
- People living in the altitude more than 1500m elevation were focused for support
- Save the Children expressed commitment to support 12,970 HHs in different 5 districts**

# Winter support – GIK for Remote Communities



- ❑ 18 Items were included
- ❑ Equivalent to NPR 13000 (USD 126)
- ❑ Items focused for Children
- ❑ Reached to 5169 families in different 3 districts

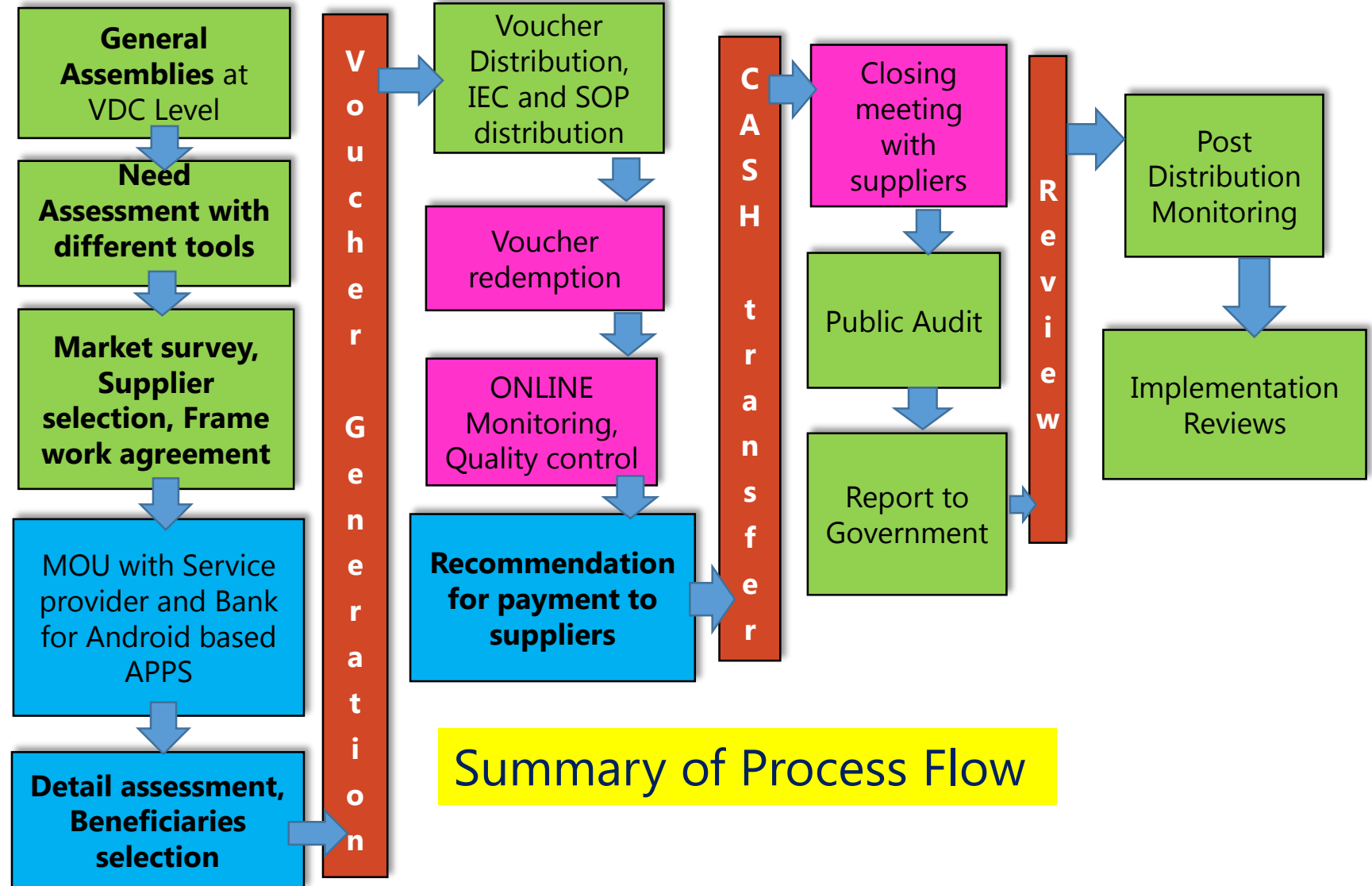
- ❑ Geographically remote area
- ❑ Nearby Market is very far
- ❑ Market is not sufficient to fulfil the need
- ❑ Transportation facility was not available



# Winter Support – Major cash intervention for NFI

## Essentials for NFI Through Voucher:

- Functional Market
- Market have capacity to fulfil need in short period
- Market timely accessible to beneficiaries
- Market legally registered
- Availability of agency to transfer the cash
- Availability of technology for transaction through electronic media
- Market conscious beneficiaries
- Supportive and transparent market



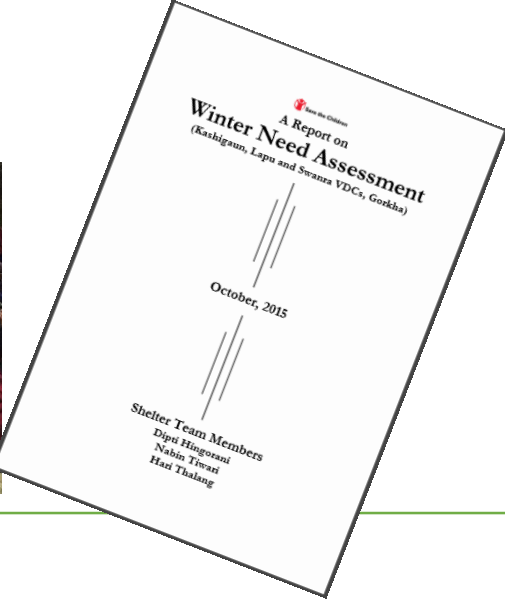
Summary of Process Flow

# NFI – Through Cash Voucher Initial Steps in Ground



### Need Assessment

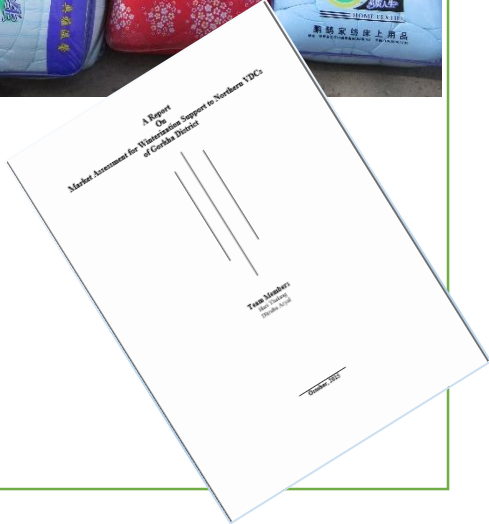
- ❑ Participatory method to identify the need
- ❑ SCI Staffs and volunteers conducted FGD and used the stone picking tools
- ❑ Items with higher scores were considered to include in standard list



### Market Assessment



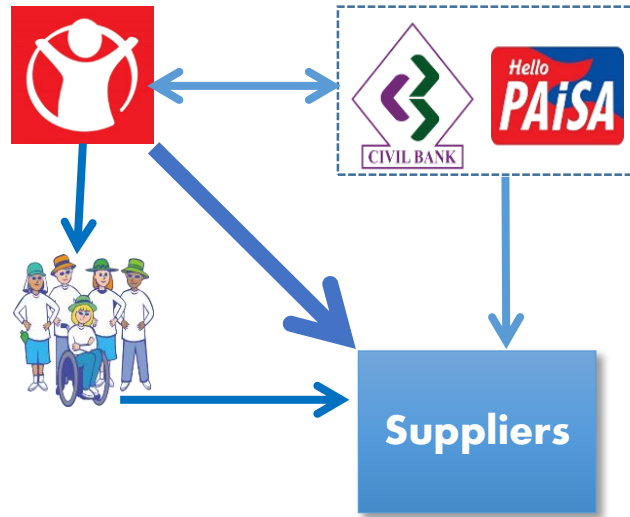
- ❑ For the commodities identified by market assessment
- ❑ Conducted by SCI logs team in standard survey format
- ❑ Focused for feasibility of the market for target population



# NFI – Through Cash Voucher Background Preparation



## Agreement with service provider and Bank



- Service provider – to develop apps, print the vouchers and transaction tracking
- Bank – to maintain ESCROW account, transfer of funds to merchants
- supplier – framework, ceiling price of materials

## Develop Mobile Apps

- Service provider developed android application based on SMS
- Registered merchants with their mobile number and keep record for each beneficiary, item and merchant



## Vouchers and pin codes

- Voucher includes ID number, voucher number and name of beneficiary to identify
- 10 secret PINs to maintain the security
- Mandatory to match the parameters for transaction



## IEC materials



- Developed for vital information about voucher system, materials allowed to purchase and quality, using techniques for the materials

# Cash Voucher – Steps for Beneficiaries



**1.** Receives voucher, IEC and orientation



**2.** Goes to nearby market and select the shop of their need



**3.** Choose the items and bargain



**4.** Receives the bill and provide voucher for necessary entry



If still balance in voucher

If voucher is empty

**5.** Goes to home – uses NFI happily 😊



# Cash Voucher – Support During Redemption



## Volunteers in each shop

- ❑ One volunteer in each shop
- ❑ Facilitation of Beneficiaries on materials selection and price
- ❑ Enters PINs on behalf of beneficiaries
- ❑ Keeps record in register



## Help Desk

- ❑ Identify the beneficiaries
- ❑ Enquiry of voucher amount
- ❑ Complaint and Feedback
- ❑ Facilitation for effective monitoring
- ❑ Coordination for logistics and other support



## Arrangement for monitoring

- ❑ Administration Office
- ❑ Security bodies
- ❑ Local government
- ❑ Management Team of SCI and PNGOs



- ❑ Online tracking for the transactions
- ❑ Each transactions need to be verified from the field
- ❑ Follow up with the beneficiaries not using full voucher or not going to market on time

## Online Tracking

Beneficiary ID	Beneficiary Name	Pa ID	Beneficiary Mobile No.	Location	Voucher No.	Amount	Transaction Date	Tran St.	Agent Id	Merchant Mobile No.	Merchant M	Product M	Quantity	Rate	
1	Budha Mera B.K.	1325-23672	8053	ekaminal, 132614	1800	110	2015-11-20	PAI	000112190	000001259	9810387869	0000000120	1.5	1.12	150.0001200
2	Nabila Tamang	1001-1-20	8047	ekaminal, 132614	1800	110	2015-11-20	PAI	000112190	000001259	9810387869	0000000440	1.1	10.20	100.200
3	Suman Mera Group	112-10421	8056	ekaminal, 132795	1900	110	2015-11-20	PAI	000112190	000001259	9810387869	0000000120	4.427	1.112	28.1501200
4	Budha Mera B.K.	1325-23672	8053	ekaminal, 132614	1800	110	2015-11-20	PAI	000112190	000001259	9810387869	0000000120	27	12	20

# Cash Voucher – Post Implementation Activities



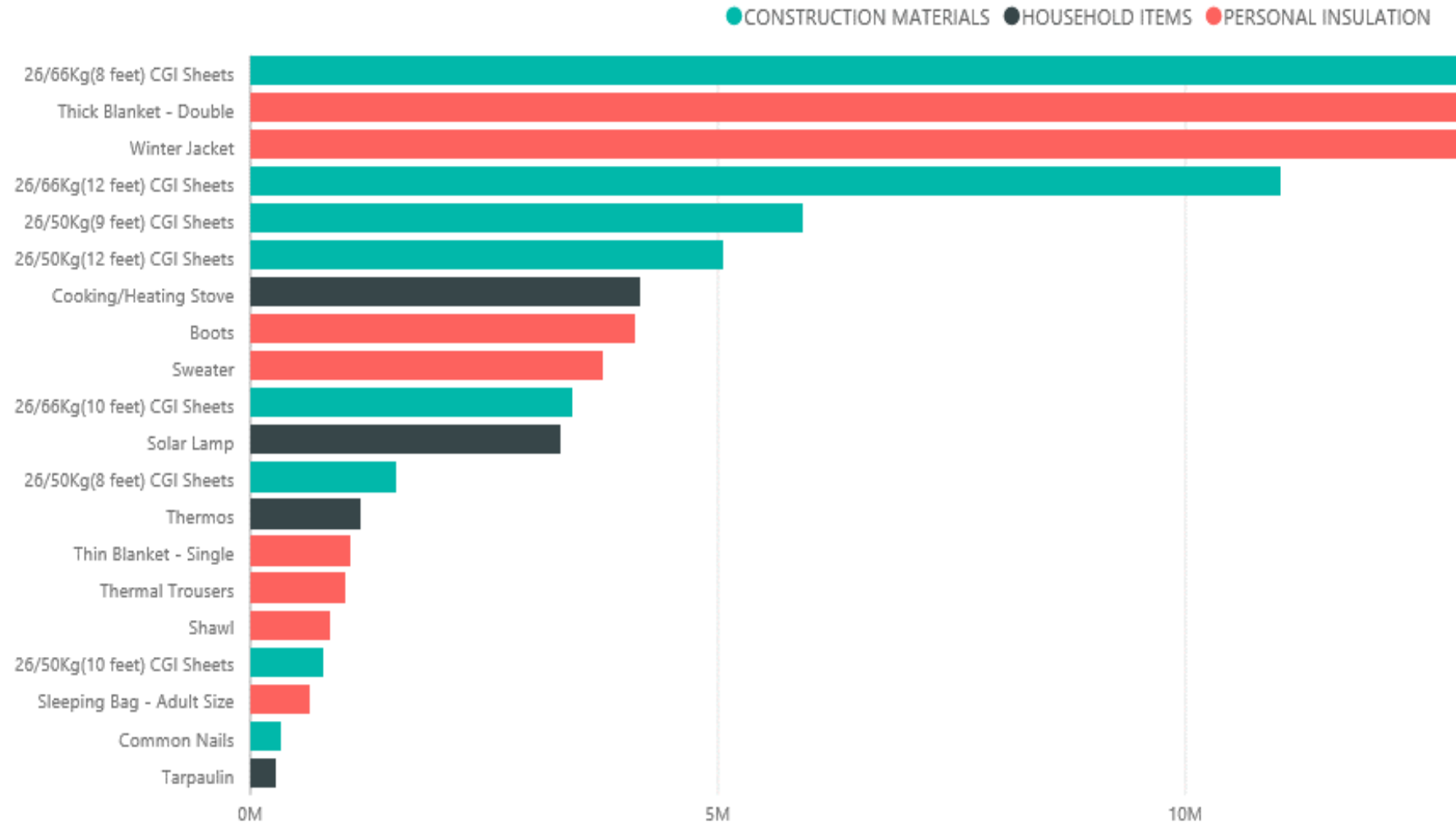
## Reporting

Up-to-date and accurate reporting system:

- District based report
- Market based report
- Category based report
- Sub-category based report
- Merchant based report
- Graphical presentation

## PDM

- PDM was conducted after 1-2 month
- 91% of respondent expressed their satisfaction for such modalities



# Cash Voucher – Good Practice, Lesson Learnt and Challenges



## Good Practices:

- ❑ Assurance to fulfil specific need of people
- ❑ Flexibility on size and specification as per beneficiaries' choice and ability
- ❑ Addresses the issue related to taste of materials such as color, texture, material only.
- ❑ Beneficiary can prioritize their need themselves.
- ❑ Binding for specific items
- ❑ Easier to keep, maintain and refer the report and data during its transaction in market
- ❑ Market got good opportunity for revival

## Lesson Learnt:

- ❑ More effective to involve government bodies in monitoring.
- ❑ Federation of Traders need to be consulted and build formal/informal partnership.
- ❑ Other stakeholders such as political leaders, local government need to be taken in faith
- ❑ Post distribution technical support is important, specially for construction material
- ❑ It is important and effective way to support local market for their recovery after disaster.

## Challenges:

- ❑ Beneficiary awareness for value of voucher (less interest for bargain)
- ❑ Selection of Market and Merchants
- ❑ Material availability and transportation (due to limited time intervention)
- ❑ Merchants tendency for the to cartel and price fixing in some cases
- ❑ Quality control for some materials specially personal belongings (clothes etc.)
- ❑ Ambiguities is policy – considered as material distribution or cash.

# Cash Voucher: Continuation

## Monsoon Support – EQ affected family

- ❑ 3,665 Families in 4 VDCs of Gorkha
- ❑ Received monsoon support items such specially CGI and other construction material
- ❑ On August of 2016



## Support for Enhancement of Shelter – Flood

- ❑ For 955 flood effected families in Banke
- ❑ Voucher of NPR 20,000 (USD 192) for shelter materials, household items and children's item
- ❑ Ongoing from 8<sup>th</sup> May till 22<sup>nd</sup> May 2018



# RECOMMENDATION:



**Based on the our good experience in NFI distribution through cash voucher, we strongly recommend e-cash voucher modality.**



# Thank you!



**Save the Children**