



# CASH TRANSFER PROGRAMS IN EMERGENCIES

In the wake of an emergency, cash transfer programs have proven to be an effective and quick way to respond to the needs of those affected by disasters – both giving people much needed cash while also injecting money into local economies. Cash transfer programs also place decisions about recovery priorities in the hands of affected populations, ensuring that response efforts uphold dignity and are responsive to individual household needs.

In response to recent natural disasters in the Philippines, Lutheran World Relief (LWR) has successfully implemented various types of cash transfer programs to best meet the needs of disaster-affected communities.

LWR follows best practices in the sector, coordinates with the Cash Learning Partnership (CaLP), and works to ensure that cash programs meet international humanitarian standards, particularly Sphere minimum standards for disaster response. To ensure its programming is most effective, LWR has conducted evaluations to measure the impact of the organization’s work in this sector. Overall, LWR has found that cash transfer programs are an effective method to get needed money in the hands of disaster-affected populations, allowing them to best determine and meet their own needs while also maintaining dignity in a time of great uncertainty.

## TROPICAL STORM WASHI

On December 16, 2011, Tropical Storm (TS) Washi struck the Philippines, resulting in more than 1,200 deaths and damaging agricultural land, infrastructure and livelihoods. After assessing the needs and the markets, LWR decided on several cash transfer program modalities, including the use of pre-paid debit cards. Through the distribution of automated teller machine (ATM) cards, LWR helped affected populations quickly access funds to meet immediate household needs, including food, medicine and school fees. Many of the areas in which LWR responded were cash-only markets, which limited the use of vouchers or other types of cash transfer modalities. Using ATM cards allowed program participants to immediately access cash for relief purchases. To implement the program, LWR worked with an experienced local partner that had existing technology for producing and managing ATM cards, as well as relationships with local banks. Through this partnership, LWR provided cash assistance to 3,144 affected households in Cagayan de Oro and Iligan cities on the island of Mindanao. Overall, this cash transfer program quickly met needs in urban areas and introduced program participants to financial services they may have not considered using prior to the project.

In addition to ATM cards, LWR worked with local partners in other storm-affected areas of the Philippines to provide cash through remittance centers and bank checks. Through these transfers, program participants purchased food, shelter materials and inputs to recover and repair their livelihoods. In total, LWR’s cash transfer programs following TS Washi reached 5,212 households, composed of 26,060 people.

## TYPHOON BOPHA

On December 4, 2012, Typhoon Bopha struck the Philippines, triggering flooding and landslides in Mindanao. The storm resulted in nearly 1,150 deaths, damaged or destroyed houses and infrastructure, and affected at least 6.2 million people. Due to the large amount of debris left by the storm and the need for cash in affected communities, LWR implemented a cash-for-work (CFW) project that benefited both local communities and project participants. Through this project, 6,000 people whose livelihoods were affected by the typhoon participated in CFW projects that cleared debris from public areas, including schools, farm-to-market roads, bridges, irrigation canals and other public spaces in Davao Oriental’s Cateel, Boston and Baganga municipalities. Grouped into clusters of 30, LWR gave CFW participants tools and safety gear to conduct debris removal for six days each. To support the work, area coordinators monitored CFW activities, gathered feedback from participants and addressed concerns. Initial project monitoring indicates that program participants used cash received to buy food, materials to rebuild or repair their houses, or other essential household items.

## TYPHOON HAIYAN

In the most recent typhoon, LWR will use cash transfer modalities as the preferred mechanism of relief. However, because of severely affected markets and security concerns, cash transfer will not be possible in all cases. LWR is working closely with the Department of Social Welfare and the Philippines Cash Working Group to ensure compliance with government regulations and protocols. New guidance on cash for work has been released which includes daily wage rates and occupational safety standards. LWR will also work with the Philippines Cash Working Group to research available cash delivery mechanisms in the affected areas.

