

Cash transfer programme fact sheet

Red Crescent Society of Kyrgyzstan

Earthquake recovery programme 2011–2012

Humanitarian context



July 2011 ■ Earthquake

July 2011 ■ Rapid emergency assessment and coordination team assessment

August 2011 ■ Recovery assessment

December 2011 ■ Phase 1: Beneficiary selection and cash distribution for rental support

January 2012 ■ Beneficiary selection for vouchers support

February 2012 ■ Heavy rains and mudslides

Late-February 2012 ■ Second recovery assessment and beneficiary selection modification

March 2012 ■ Phase 2: Voucher distribution and exchange

June 2012 ■ Phase 3: Voucher distribution and exchange



Humanitarian Aid
and Civil Protection



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of Red Cross and Red Crescent Societies
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Project details

National Society	Red Crescent Society of Kyrgyzstan
Appeal code	No appeal launched
Objective(s)	Support earthquake affected households to meet shelter needs
Duration	June 2011 – October 2012
Location	Kan and Pulgon village in Batken region
Cost	20,000 Swiss francs (CHF) (1,040,000 Kyrgyzstani som (KGS)) ¹
Main sectors	Shelter support
Number of households	16 households in Pulgon village 134 households in Kan village
Selection criteria	Community-based targeting of the most vulnerable earthquake affected households
Main activities	<ul style="list-style-type: none"> • Meet emergency and basic needs • Conduct recovery and detailed assessments • Agree and coordinate the cash transfer programme with local authorities • Make agreements with construction material suppliers • Household selection • Distribute cash grants for rental support • Distribute shelter vouchers for house rehabilitation support • Monitor selected household progress
Key outcome(s)	<ul style="list-style-type: none"> • Support the recovery of earthquake affected households • Shelter and housing for affected households
Number of staff involved	Total: 25+ (International Federation of Red Cross and Red Crescent Societies (IFRC): 3, Red Crescent Society of Kyrgyzstan: Staff 12, Volunteers 10+)
Other Red Cross Red Crescent Movement involvement	<ul style="list-style-type: none"> • Technical support: IFRC • Funding: DFID through IFRC
Assessment information used	<ul style="list-style-type: none"> • Rapid emergency assessment and coordination team report • Red Crescent Society of Kyrgyzstan and IFRC recovery assessments report (August 2011 and February 2012 after floods and landslides)

1. Average exchange rate over the programme period: CHF 1 = KGS 52 (www.oanda.com)

Project description

Context

On 20 July 2011, a 6.1 magnitude earthquake struck parts of Kyrgyzstan, Uzbekistan and Tajikistan. The epicentre was located in the Batken oblast² in western Kyrgyzstan where the earthquake caused significant destruction damaging 4,323 houses, which accommodated 4,502 households.

The Ministry of Emergency Situations coordinated the initial relief response, which consisted mainly of distributions of food and non-food items as well as tents by different UN organizations and non-governmental organizations (NGOs). The Red Crescent Society of Kyrgyzstan's immediate response was to provide blankets, quilts, mattresses, hygiene kits and kitchen sets to the affected households in the village of Kan where houses were completely destroyed.

Assessment and programme design

In July 2011, the rapid emergency assessment and coordination team conducted an initial emergency needs assessment. Following this assessment in August 2011, the Red Crescent Society of Kyrgyzstan and IFRC conducted a recovery assessment to evaluate the main needs and potential recovery opportunities. Reviewing the results of the assessment, The Red Crescent Society of Kyrgyzstan decided to focus its support on the villages of Kan and Pulgon in the Batken region. This region is home to a large group of extremely vulnerable households and had been hit hard by the earthquake. After conducting a cash viability analysis, which includes consideration and assessment of market conditions, preferences of the affected communities and the capacity to deliver support in a timely way, cash transfer programming was considered an appropriate response to address the shelter needs. This was the first time that the Red Crescent Society of Kyrgyzstan implemented a cash transfer programme.



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A man loads corrugated galvanized iron roofing that he purchased using a voucher to repair his home.



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The 6.1 magnitude earthquake caused significant destruction damaging households in the Batken region.

². Oblast is a type of administrative division, often translated as an "area", "zone", "province" or "region".

In February 2012, seven months after the earthquake, the affected Batken region faced heavy rains and mudslides. The Red Crescent Society of Kyrgyzstan conducted another recovery assessment to evaluate the impact of the disaster on the earthquake affected households. Thereafter it was decided that the households in Pulgon village would receive a cash grant for rental support and those in Kan village would be provided with shelter commodity vouchers.

Household selection

After taking the response decisions based on the assessment results, the Red Crescent Society of Kyrgyzstan contacted local leaders and authorities to facilitate community-based targeting. This community-

based targeting focused on the affected households. Vulnerability was defined in terms of the number of dependants in the household (children, older persons, persons living with disability), female- or child-headed households and those households with only one income stream.

Programme implementation

The implementation of the programme was conducted in three phases. During the first phase, the Red Crescent Society of Kyrgyzstan's disaster management team distributed cash grants to 16 vulnerable households in Pulgon that lived in apartment buildings that were severely damaged or rendered as unrepairable. These displaced households received a one-time cash grant



A man receives his cash value voucher to buy shelter materials from partner local shops.

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Cash-based programming facts

	Phase 1	Phases 2 and 3
Transfer amount per household	KGS 6,000 (CHF 115)	KGS 6,000 (CHF 115)
Number of payments	First instalment for rental support: <ul style="list-style-type: none"> • Three monthly transfers of KGS 2,000 	One voucher
Payment mechanism	Direct transfer into household bank account	Shelter commodity voucher distributed by the National Society and redeemable in partner local shops
Method of setting value of cash transfer	Average rental costs	Cost of one ton of cement determined to be the most appropriate support
Modality	Conditional cash grant <ul style="list-style-type: none"> • Rent 	<ul style="list-style-type: none"> • Cash value voucher for buying shelter materials
Service provision charges	No charges	Transportation charges: <ul style="list-style-type: none"> • KGS 400 (CHF 7.70) for cement • KGS 300 (CHF 5.80) for corrugated galvanized iron roofing • KGS 190 (CHF 3.70) for paint
Partners/service providers	<ul style="list-style-type: none"> • Local authorities and administration • Construction material suppliers 	
Value of cash transfers as percentage of total project cost	80 per cent	

of KGS 6,000 (CHF 115) to cover rental and utility costs for six months until alternative housing became available. This value was based on the average rental of KGS 1,000 (CHF 20) per month. Each beneficiary was requested to open an account in a designated bank, free of charge, to receive the cash grants.

The second and third phase of the programme was based on the assessment that took place after the heavy rains and mudslides in February 2012 with distributions of commodity vouchers in Kan village. The second phase of distribution was carried out in March 2012 followed by the third phase in June 2012. Based on the learning from the initial phase regarding the importance of good communication with the local authorities and the stakeholders involved in the programme the Red Crescent Society of Kyrgyzstan improved the timeliness of its distributions. They were able to distribute vouchers to all 134 households in two days by visiting each family at their home, handing over the shelter commodity voucher and filling in a beneficiary form provided by the local authorities.

Cement was the priority shelter item requested by the affected population during the assessment. The value of the grant was based on the prevailing price of a ton of cement which was set at KGS 6,000 (CHF 115). Although cement was determined to be the main material of choice, the voucher exchangeable in partner shops enabled households with other priorities to obtain construction materials as per their needs (paint, roofing materials, etc.). The vouchers not only introduced a level of flexibility and freedom of choice but also provided ownership of the recovery process, whilst ensuring the quality in materials. The households were given instructions on how and where to exchange the vouchers including a list of partner shops where they could redeem the vouchers.

The Red Crescent Society of Kyrgyzstan and the cement suppliers signed an agreement on a price of KGS 6,000 (CHF 115) per ton of cement. This price included the cost of delivering the cement to the household. The local cement factories and construction material shops were unable to increase their supply quickly enough. Consequently, the increased demand drove up the market price for one ton of cement from KGS 6,000 (CHF 115) to KGS 7,200 (CHF 138). The cement suppliers were unwilling to honor the signed agreement once the market price of cement increased. Subsequently, the Red Crescent Society of Kyrgyzstan negotiated a price of KGS 6,400 (CHF 123) per ton of cement including transport – a price at which the producers said they would not make any profit. Due to budget limitations and having already selected the households, it was not possible to increase the voucher value therefore, the Red Crescent Society of Kyrgyzstan negotiated that the transport costs would have to be borne by the households. The Red Crescent Society of Kyrgyzstan sensitized the households for an improved understanding of the process.

Programme outcome

The contribution from the Red Crescent Society of Kyrgyzstan for cement, roofing and paint was complemented in many cases by provisions from other NGOs that supported households with bricks and tools. This complementarity supported a boost for the households to complete the repairs. All households found the shelter commodity vouchers useful, appreciated the timely support and were interested in maintaining close collaboration in the future. They were supported by branch visits every two to three weeks where they could discuss challenges and progress as well as to disseminate instructions on how to build back safer so that the houses rebuilt were more earthquake resistant.

Reflecting on our learning...

The key learning points from this programme for the National Society can be summarized as follows:

1. A good relationship with local authorities is of great importance. Initially the local authorities tried to control the beneficiary selection process and only after extensive and lengthy discussions with the Red Crescent Society of Kyrgyzstan did they agree to support the programme and the National Society's household selection methodology.
2. It is important to understand the governments' attitude towards cash transfer programming, to effectively advocate for it and ensure that government procedures and rules relevant to cash transfers are considered in the initial programme design.
3. The cash transfers motivated and stimulated most of the affected households to repair or rebuild their houses before the onset of next winter while not having a negative impact on the local traders since they were included in the voucher scheme.
4. On-going understanding of markets through monitoring of key commodities and prices is important to keep the programme relevant and to ensure that it can meet its outcomes.



Damaged houses affected by the earthquake are rebuilt using materials purchased with shelter commodity vouchers.

The implementation provided valuable learning and the creation of tools, skills and knowledge that can be used in future emergency response operations.. The learning through the IFRC CTP [cash transfer programming] experience-sharing workshop in 2012 was very useful as cash transfer experiences from other countries that were discussed during the workshop can be adapted to strengthen future interventions in Kyrgyzstan.

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