



CASH AND VOUCHER ASSISTANCE

ECONOMIC SECURITY





H.Y. Eain/ICRC

INTRODUCTION

The International Committee of the Red Cross (ICRC) uses cash and vouchers to help people affected by armed conflict and other violence cover their most urgent needs and to support their recovery over the long term.

In an emergency, giving people money is often the best way to help them. So long as people have access to markets that are functioning, cash enables them to make

their own decisions about what they need most, which can help restore a sense of agency and dignity to people who have lost nearly everything.

As a response to a crisis, cash is fast and flexible. And when people spend the money in local markets, it can help stimulate economic recovery – making markets work and benefiting the entire community.

ICRC CASH AND VOUCHER ASSISTANCE

In the short term, cash grants can help people cover their essential needs when a crisis strikes. They can also be used to rebuild, protect and strengthen livelihoods, making communities more resilient in the long term.

How we get money to people depends both on what they prefer and the circumstances – for example, whether banks are open and working properly or whether the security situation makes transporting large amounts of cash unsafe. We may give cash to people directly as hard currency, send it via banks or money dealers, or distribute it using debit cards or mobile

phones. To do this, we partner with banks, mobile phone companies, microfinance institutions, remittance companies, post offices and local money handlers.

In some circumstances, we give people electronic or paper vouchers that they can exchange in specific shops for pre-selected goods and services, ensuring that what they get is of a certain kind or quality.

The ICRC also uses cash outside of EcoSec programmes, for example, to help people build homes or visit family members in detention.



EMERGENCY RELIEF

In an emergency, cash grants not only pay for what people most urgently need – food, water, clothing and medicines – they also cover the longer-term costs – rent, school fees, medical bills, legal fees and debt repayments. An injection of cash can help people weather a crisis without resorting to desperate measures, such as skipping meals, pawning tools, selling livestock they need to support themselves or withdrawing their children from school and sending them to work.

During the drought in Somalia in 2017, the ICRC used cash to help more than half a million people over several months. Because local markets continued to function, hundreds of thousands of people were able to buy food and other essentials, reducing the risk of famine.



LIVELIHOOD GRANTS

Once the crisis has passed, we shift our focus from providing emergency relief to restoring people's livelihoods. With livelihood grants in the form of cash or vouchers, people can invest in assets that will help them feed themselves or generate an income. This might mean seed and tools for farmers, livestock and feed for herders, or fishing tackle for fishermen.

For traders and shop owners, cash can provide the start-up money they need to buy stock and set up or relaunch a small business. The size of the grant varies with what they need. In the aftermath of a conflict, relaunching production and commercial activity can have an immense positive impact on a community's well-being – ensuring that people have enough to eat, creating opportunities for work and galvanizing the overall economy.



CASH FOR WORK

Cash-for-work projects have two objectives: to offer people cash to get them back on their feet and to provide communities with what they need to recover and thrive, including by preparing farmland for use and rebuilding vital infrastructure. People receive a daily wage, based on market rates, to build or repair facilities and infrastructure that benefit the community as a whole.

Not only do they receive a temporary income, but participants get to put their skills to use or learn new ones, potentially improving their job prospects. As the work is usually manual labour, it may not be

suitable for the elderly, disabled people or other physically vulnerable groups, so we find other ways that they can contribute.

The projects, selected with the community's input, may target irrigation canals for farming, water pumps or pipes, livestock fences, community centres or schools; they may also include work on access roads and marketplaces, which are particularly important for the community's economic recovery. EcoSec staff work closely with the ICRC's water and habitat teams to ensure that the work meets technical standards.





J. Candon/ICRC

WHAT IS ECONOMIC SECURITY?




Economic security is the ability of individuals, households and communities to cover their essential needs and unavoidable expenses in a sustainable way. When assessing economic security, we consider people's physical requirements, the environment and cultural norms.

Essential needs include food, basic shelter, clothing and hygiene. Any expenses related to these needs are considered unavoidable, as are taxes and the costs of health care, education and the assets people need to support themselves and their families.

The ICRC's Economic Security (EcoSec) teams work to bring victims of armed conflict and other violence rapid and flexible assistance in order to meet their essential needs and unavoidable expenses in ways that are sustainable and respect their dignity.

As part of our mandate, the ICRC helps not just civilians but people deprived of their liberty too, so we also do economic security work for detainees.

We help people around the world affected by armed conflict and other violence, doing everything we can to protect their lives and dignity and to relieve their suffering, often with our Red Cross and Red Crescent partners. We also seek to prevent hardship by promoting and strengthening humanitarian law and championing universal humanitarian principles.

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 twitter.com/icrc
 instagram.com/icrc

International Committee of the Red Cross
19, avenue de la Paix
1202 Geneva, Switzerland
T +41 22 734 60 01
shop.icrc.org
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