



# NATIONAL SOCIETY PREPAREDNESS & CASH AND VOUCHER ASSISTANCE

Guidance note

January 2024



PREPAREDNESS OF EFFECTIVE RESPONSE

## **Mainstreaming Cash and Voucher Assistance Preparedness within the National Society Preparedness for Effective Response Approach**

The IFRC's National Society Preparedness and Cash and Voucher Assistance teams have developed this guidance note with the purpose of providing options for mainstreaming Cash and Voucher Assistance (CVA) into the Preparedness for Effective Response (PER) Approach. This aims to strengthen National Societies' overall response capacities.

The guidance note is intended for National Societies who are engaged in enhancing, or planning to enhance, their CVA capacities in line with their Preparedness for Effective Response Mechanism. It can guide National Society teams on how to mainstream CVA initiatives into National Society Preparedness and Response Plans. This guidance can be expanded in the future to include best practices and lessons learned from National Societies, capturing their experiences in mainstreaming CVA into PER.

### **What is the National Society Preparedness for Effective Response Approach?**

The increasing frequency, scale, duration, and complexity of humanitarian crises has put a spotlight on, and further reinforced, the critical role of local actors in disaster preparedness, response, recovery, and risk reduction. Evidence shows that investing in the long-term capacity of local actors is not only cost-effective, but also has significant potential to ensure more effective, appropriate, accountable, and sustainable humanitarian actions.

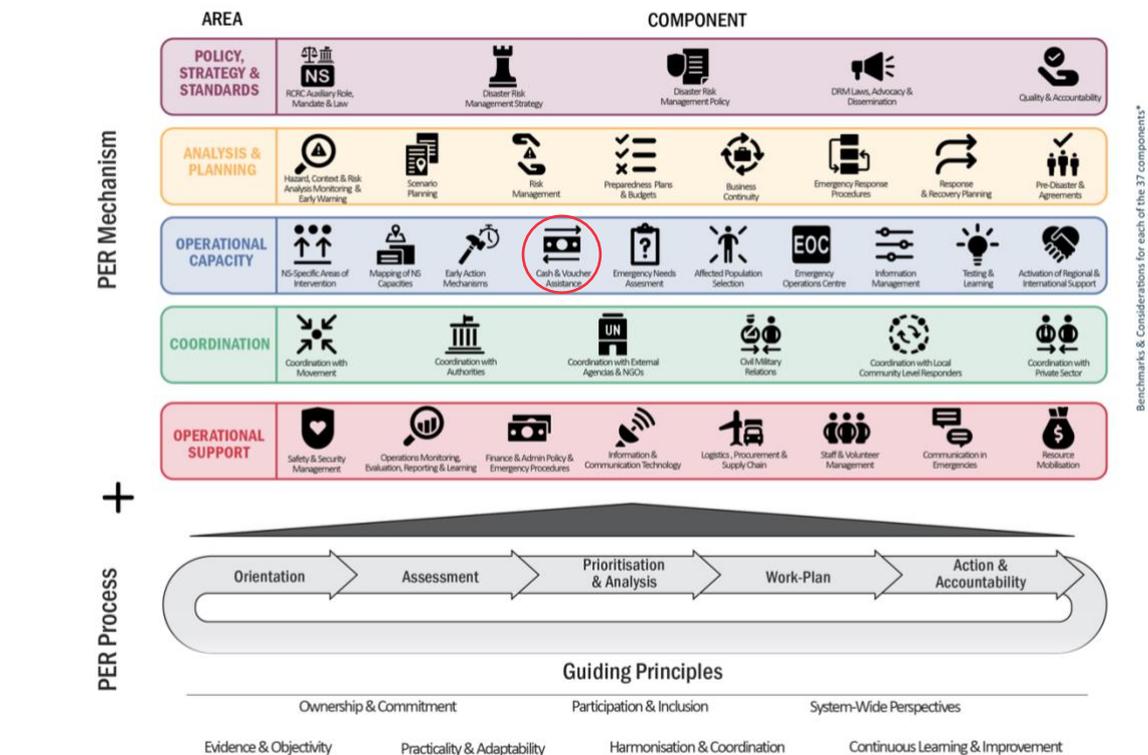
The [National Society Preparedness for Effective Response \(PER\) Approach](#) encapsulates this idea, aiming to strengthen National Society response capacities and ensuring that they are timely, well-coordinated, and relevant. It derives its impetus from decades of collective experience and learning from the Well-Prepared National Society (WPNS), Disaster Response Capacity Evaluations/Enhancements, and National Disaster Preparedness and Response Mechanism.

The PER Approach is a holistic, cyclical approach, which unpacks the different elements that make up a National Society's preparedness, anticipatory action, and response systems, and provides it with the tools to carry out a deep dive analysis of existing capacities, strengths, and gaps. This macro-level analysis also provides National Societies with key insights and opportunities to examine their existing processes, systems, and teams, and helps them assess how they prepare for and respond to disasters and crises. It also informs the development of subsequent work plans aimed at strengthening response capacities.

In turn, the [PER Mechanism](#) contains a set of common standards, components, and benchmarks designed to help National Societies determine the best way to achieve their Preparedness for Effective Response objectives. The Mechanism also includes specific considerations for Epidemics, Climate and Environment, Urban Resilience, and Migration and Displacement. It consists of five interrelated Areas, which are subsequently divided into 37 Components and represent the core building blocks of the PER Approach. These 5 Areas make up the main elements of any National Society's response mechanism; they reflect:

- The National Society's identity (policy, strategy, and standards),
- The efforts that a National Society undertakes to be prepared, well-informed and able to engage within its own operating context (analysis and planning),
- How the National Society functions in anticipating and responding to emergencies (operational capacity),
- A set of components that describe how National Societies can coordinate and collaborate with communities, public authorities, humanitarian actors, and RCRC Movement actors (coordination). And,
- The extent to which the National Society's support services team contribute in providing efficient responses (operational support)

Figure 1: National Society Preparedness for Effective Response Approach (Mechanism, Process and Guiding Principles)



Cash and Voucher Assistance is one of the PER Mechanism's components; it was integrated into the Mechanism in 2017 as part of the IFRC's ambition to scale up CVA to reach the most vulnerable populations through cash or vouchers in a timely manner and at scale. Inherently, the PER Mechanism fosters and catalyzes an evidence-based, cross-sectoral, and integrated systems approach.

## What is Cash and Voucher Assistance Preparedness?

The IFRC has been implementing [Cash and Voucher Assistance](#) and investing in CVA preparedness for over two decades. There is a wealth of experience within the Movement about the use of CVA to respond to the impacts of shocks and to support resilience strengthening initiatives for individuals and households. CVA programmes implemented by National Societies have ranged from meeting basic needs to providing assistance in shelter, livelihoods, and other sectors.

With a commitment to deliver 50 percent of its humanitarian assistance through CVA by 2025, the IFRC is at a critical juncture, seeking to ensure that CVA continues being delivered through strong, locally accountable systems, and in accordance with its Grand Bargain commitments.

Cash and Voucher Assistance Preparedness (CVAP) is a key component in increasing National Society capacities to implement scalable, better quality, and timely CVA, thus ensuring that crisis-affected populations meet their needs in a dignified, appropriate, and effective manner.<sup>1</sup> CVAP contributes to the overall organizational development of the National Society, as it has the two-pronged objective of enhancing a National Society's technical CVA skills while strengthening operational capacity and systems (e.g., procurement and data management systems, internal and external coordination, etc.).

CVAP is designed around five key Areas:

- **Leadership commitment:** to ensure that National Society leadership actively supports CVA as a response option and supports its mainstreaming, based on a realistic understanding of their levels of current and updated CVA capacity, and on the likely financial, human resource, and time investments required for CVAP.
- **Processes, systems and tools:** to ensure that National Society CVA implementation is guided by up to date CVA Standard Operating Procedures (SOPs) and to mainstream CVA into all disaster management cycle processes, systems and tools.

---

<sup>1</sup> Theory of Change – Cash and Voucher Assistance Preparedness <https://cash-hub.org/resource/theory-of-change-cash-and-voucher-assistance-preparedness/>

- **Financial and human resource capacities:** to ensure that National Society funding available for CVA is released in a timely manner and that staff and volunteers' CVA capacity development needs are identified and addressed with appropriate levels of funding.
- **Community engagement and accountability, coordination, and partnership:** to ensure that CVAP and CVA implementation keeps the needs of affected populations at the forefront of the National Society's response, and that the capacity of the multiple CVA stakeholders is maximized through coordination and partnership mechanisms that strengthen the National Society's CVA response.
- **Test, learn and improve:** to put CVAP investments to the test and document progress and priority areas for further CVAP investment, and to ensure that CVA implementation feeds into learning.

It should be stressed that CVAP is an ongoing initiative that aims to integrate CVA into National Society tools, systems, and procedures, as well as to increase organizational buy-in and support for CVA at both headquarters and branch levels.

It is recognized that CVAP has enhanced the overall capacities of National Societies that undertook this journey and positioned them well within their countries. This includes the following examples:

- The Kenyan Red Cross co-chairing the national cash working group,
- The Lebanese Red Cross being the lead agency on CVA in Lebanon,
- The Bangladesh Red Crescent Society implementing multiple CVA interventions simultaneously,
- The Philippines Red Cross having CVA as a key response option,
- The Kyrgyz Red Crescent supporting neighbouring National Societies on CVA Preparedness.

A number of National Societies are also considered to be strong cash actors within their countries, and some of them have strengthened their roles as auxiliaries to their respective governments by aligning their humanitarian assistance with national social protection systems. Some of these National Societies have already embarked on their journey to enhance their overall PER capacities (more information can be found [here](#)).

## How to mainstream CVAP into the PER Approach?

The National Society Preparedness for Effective Response Approach is a holistic and comprehensive approach to enhance **organizational response capacities**. Whereas CVAP provides more **in-depth** and **specialized support** to National Societies in delivering CVA with speed and at scale.

Preparedness efforts carried out within the scope of CVA and/or PER strengthen internal and external coordination mechanisms, build individual and organizational capacity to ensure high quality, technically sound programming, and contribute to integrated systems. It is crucial that all preparedness actions related to CVA are in line with the National Society's strategic and operational plans.

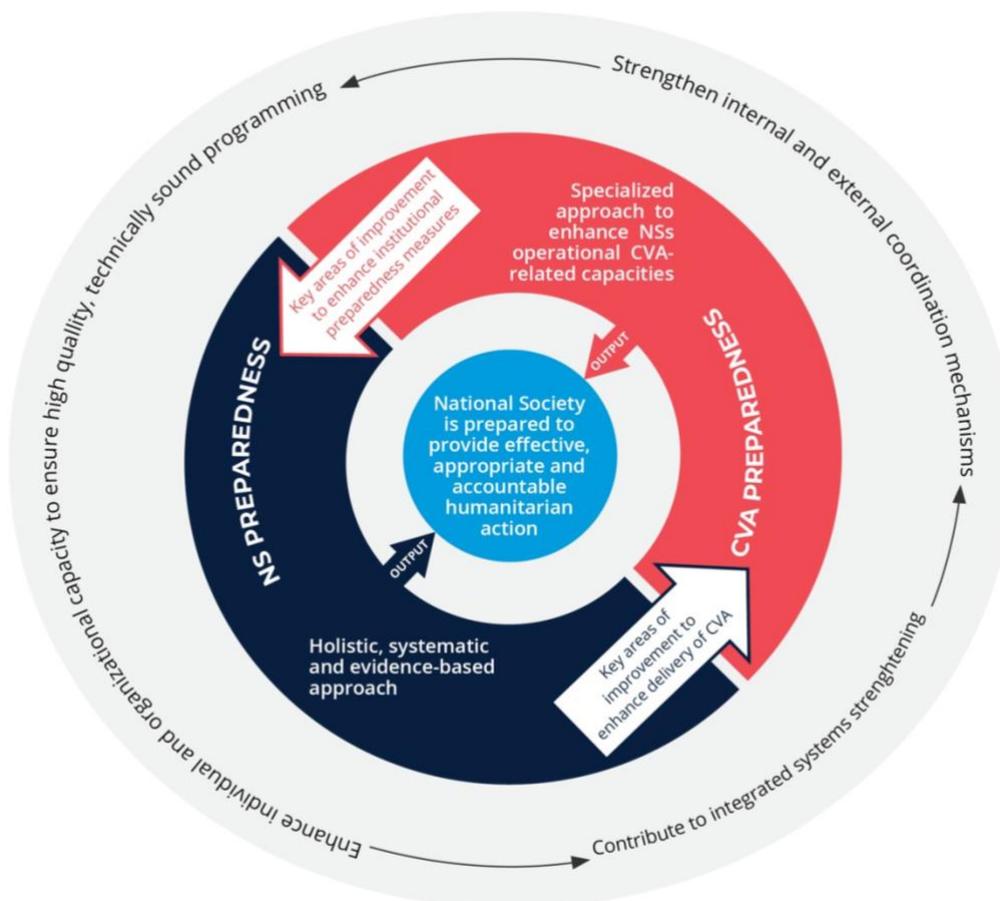
The PER Mechanism is the centrepiece of the PER Approach. It provides a structural representation of the systems and processes that enable a National Society to function in times of crisis and, more specifically, to respond to emergencies. The CVA component within the Mechanism benefits from the interrelation of different components, which allows National Societies to deliver CVA with speed and at scale.

The Mechanism allows for a standard language to be used to discuss, prioritise, and invest in the core components of National Society preparedness and response capacity, and supports continuous learning. These considerations are equally relevant with regards to the CVA preparedness actions that a National Society will need to become cash ready.

Whether a National Society is engaging with the PER Process to conduct a full capacity enhancement (longer-term planning) or prepare for seasonal disasters readiness (shorter-term planning), or to identify critical actions needed for immediate decisions within a response operation (of any scale), engaging with the PER Mechanism can provide invaluable support identifying NS response capacity strengthening priorities.

Both PER and CVAP rely on diagnoses to assess National Society response capacities, using attribute-based scoring systems and allowing results to be quantified and validated. The accuracy of these diagnoses, which include objective inputs and qualitative assessments, is critical for National Societies to identify priority areas and, subsequently, carry out the necessary investment of resources to ensure continuous organizational improvement.

Figure 2: Cash and Voucher Assistance Preparedness within National Society Preparedness



At the outcome level, low performing components identified within a National Society's PER process can serve as red flags that need to be heeded and, therefore, receive additional analysis and potential support when conducting CVAP. Likewise, scores derived from the CVAP assessment can be used as further validation for the PER outcomes, to ensure consistency and/or to indicate variance in terms of the National Society's overall capacity.<sup>2</sup>

## How to implement CVAP in line with the PER Approach?

The following section provides an overview of possible scenarios to integrate CVAP into the entire PER process (from orientation to implementation/action and accountability). Considering that in most cases, and depending on the National Society's priorities, CVAP and PER are carried independently of one another, these scenarios provide broad guidance to ensure that the outcomes of both capacity strengthening processes inform one another.

<sup>2</sup> It should be noted that challenges faced in CVAP – such as lack of human resources, finance systems, equipment, and infrastructure – often reflect wider organizational gaps necessitating funding outside of the scope of CVAP. PER allows for opportunities to raise these issues and create broader links to National Society Preparedness and Development.

*Scenario 1: A National Society has started CVAP and will be embarking on the PER process OR a National Society has started the PER process and will be initiating CVAP.*

The following points should be taken into consideration and implemented in this scenario:

- Ensure strategic buy-in from National Society (NS) leadership and ongoing commitment to CVAP and the PER process.
- NS CVA focal point should actively participate in the PER orientation, assessment, development of the Plan of Action (PoA), and implementation of the identified preparedness measures OR National Society Preparedness focal point should actively participate in the assessment and development of the CVAP PoA.
- Respective CVA and NS Preparedness focal points should identify key areas where either the PER or CVAP assessments could benefit from PER or CVAP plans or activities while developing the PoAs. Existing assessment report (CVAP/PER) should be reviewed for the analysis of existing data/evidence. Additionally, learning from operations should also be considered.
- NS Preparedness focal point, in close consultation with CVA focal point, mainstreams CVAP PoA into the National Society's strategic and operational plans or specific PoAs when necessary to be able to monitor progress.
- NS Preparedness focal point remains responsible for monitoring preparedness actions, while the NS CVA focal point holds overall responsibility for CVA Preparedness within the National Society's plans.
- NS Preparedness focal point should be included as a member of the CVA technical working group and vice versa. Both should receive relevant inductions and regular information.
- NS CVA focal point should actively participate in preparedness meetings and identify areas where CVA could be mainstreamed.
- NS Preparedness focal point should ensure that CVA is mainstreamed in national disaster contingency and response plans, in national response team trainings, and in any other relevant preparedness action.
- Both CVA and NS Preparedness focal points should ensure participation in periodic reviews and evaluations to provide their respective inputs and feedback to the studies/reviews.

## *Scenario 2: A National Society is embarking on both CVAP and PER processes simultaneously*

The following points should be taken into consideration and implemented in this scenario:

- Ensure strategic buy-in from National Society (NS) leadership and ongoing commitment to CVAP and PER processes, in line with existing NS strategies and plans.
- When and if there are different focal points for each process, carry out initial coordination meeting to facilitate planning of joint actions that allow them to combine and streamline the two preparedness processes.
- It is important to keep in mind that the PER process seeks to enhance a National Society's overall response capacity, while CVAP focuses on enhancing existing capacities to deliver CVA with speed and at scale. While preparing for the assessments phase, the NS must decide on how to best organize these two types of diagnoses simultaneously, in order to have adequate time to identify relevant strengths and gaps and achieve its preparedness objectives.
- A CVA Preparedness Self-Assessment workshop can be organized separately, but it is important that CVA Preparedness results are incorporated into the National Society's overall plans.
- In case the NS has different focal points for CVA and NS Preparedness, the Preparedness focal point should be a member of the CVA technical working group, and vice versa. NS Preparedness and CVA focal points should actively participate in relevant preparedness initiatives throughout the journey. Both should receive relevant inductions and periodic information.
- The NS Preparedness focal point maintains overall responsibility for the PER process, while the CVA focal point still holds overall responsibility for CVA Preparedness.

Follow-up activities for both scenarios, which provide opportunities for greater complementarity and coherence, include:

- Establish CVA as a cross-cutting component (e.g., including cash feasibility within emergency needs assessment, CVA considerations during distribution sessions, market monitoring, CVA considerations for information/data management, etc.) while organizing preparedness for response trainings.
- Promote CVA as one of the response options when developing response and/or contingency plans.
- Develop assessment and M&E tools that include CVA considerations.
- Consider data management solutions that can also serve CVA responses.

- When developing disaster risk management, communications, and resource mobilization strategies and policies, ensure that CVA is included as a key component.
- Ensure that preparedness for response actions take into consideration data protection and security as well as linkages with financial service providers when assessing the National Society's information and data management capacities.
- Take into consideration financial service provider agreements during pre-disaster meetings and agreements.
- Have both CVA and NS Preparedness focal points actively organize/participate in relevant preparedness meetings and identify areas where CVA could be mainstreamed and vice versa (i.e., NDRT/BDRT and other relevant CVA trainings and orientations).
- Ensure the participation of both CVA and NS Preparedness focal points in periodic reviews and learnings from operations, as well as in operation evaluations, to provide their perspectives.

### *Scenario 3: A National Society initiating a PER Rapid Response Capacity Check and implementing CVA Preparedness – Minimum Requirements*

In times of emergencies, National Societies (NS) should check their current response capacity status and identify strengths and potential blockages that could impact Cash Assistance or any other intervention. Complementing both processes in a NS that is responding to a disaster or crisis is key.

#### **What is a PER Rapid Response Capacity Check?**

The [PER Rapid Response Capacity Check](#) consists of 19 key questions designed to address critical systems and processes needed for a NS to be functional and respond effectively during the initial phases of an emergency.

#### **What is CVA Preparedness – Minimum Requirements?**

The [CVA Preparedness – Minimum Requirements](#) are an adapted version of the RCRCM standard for CVA Preparedness. Its aim is to support National Societies who are considering a CVA response in meeting the minimum requirements to deliver CVA in a timely, accountable, and effective manner. The initial focus should be on ensuring that the NS has **“good enough” capacity** to conduct a CVA feasibility assessment, design, implement, and monitor the program, and ensure that the required systems are in place.

The following points should be taken into consideration and implemented in this scenario.

Before or during the initial phase of the response:

- Ensure strategic and operational buy-in from National Society leadership, as well as approval to conduct both checks (PER Rapid Response Capacity Check and CVA Preparedness – Minimum Requirements survey).
- Conduct Rapid Response Capacity Check and CVA Preparedness – Minimum Requirements survey in order to identify the gaps and immediate actions required.
- Create a small action plan for the NS to address the gaps identified in the Rapid Response Capacity Check and CVA Preparedness – Minimum Requirements survey; the resources required for this must be integrated into the DREF, EA, or any other emergency funding mechanism.
- In case of having different focal points, the NS preparedness/response capacity focal point should be a member of the CVA technical working group, and vice versa. NS Preparedness and CVA focal points should actively participate in relevant preparedness/response initiatives throughout the journey. Both should receive periodic information about the response.

During the response:

- The NS response capacity focal point and CVA focal point should support the NS or Operations team in implementing the key action points to address the gaps or identify alternative solutions (quick fixes) to ensure the effectiveness and quality of response.
- The NS Response capacity focal point remains responsible for monitoring response strengthening actions with the response coordinator or operations manager, while the NS CVA focal point holds overall responsibility for the CVAP component within the National Society's response plan.

After the response is completed or the Emergency phase is over:

- Ensure that NS Preparedness and CVA Preparedness are reflected in operation learning reviews.
- Revisit the action plan and identify actions that require management support in longer-term preparedness activities.
- If the NS has engaged in PER and CVAP initiatives, its preparedness work plan and CVA preparedness plan of action must be adapted to reflect the corresponding learnings and integrate key longer-term actions.
- If the NS has not engaged in PER and CVAP initiatives, the operational learnings will need to be reflected and used for advocacy within the NS's leadership, so as to engage in the PER and CVAP processes.