

Cash and Voucher Assistance (CVA) Newsletter

January - June 2026

Cash Preparedness

CVA Strategy 2024-2025 Review

In March, Nepal Red Cross Society (NRCS) reviewed progress against its CVA Strategy 2024–2025 and used the findings to shape the next strategy 2026–2028. Since adopting the strategy in 2024, NRCS has consolidated CVA as a response modality, integrating it into disaster policies, SOPs, sectoral programmes, recovery, development, and anticipatory action. Leadership commitment has remained strong, CVA focal persons are in place in all 77 districts, and partnerships with the RCRC Movement partners, government, and financial service providers have been strengthened. NRCS has increased experience in delivering CVA with integrated CEA, PGI, and AA approaches.



CVA Strategy Review Workshop Group
Photo

By end of 2028, NRCS will be able to demonstrate the following:

1. Enhanced NRCS Response Guidelines for CVA distribution including cash preposition fund delivered through digital frameworks:
2. Increased use of CVA uptake across emergency responses:
 - a. 30% by 2026
 - b. 40% by 2027
 - c. 50% by 2028
3. Reduced response time to 2 weeks (14 days) after disaster/emergencies
4. Empowered CVA team to coordinate all CVA related activities across NRCS
5. 50% of all districts will have the capacity to deliver CVA

Despite progress, NRCS has not yet reached its ambition of delivering 30% of overall response through multipurpose CVA. Around 28% of IFRC-supported responses use CVA through sectoral programmes. Readiness remains at Level 2, with constraints in activation, branch delivery, and financial systems. Key challenges include slow cash delivery, limited framework agreements, and low branch coverage. The 2026–2028 ambition is to institutionalize CVA as an efficient modality, enabling dignified assistance at scale with less reliance on headquarters and surge support.

Cash Assistance at the Forefront of Heat Wave Monsoon Preparedness

As Nepal faces increasing risks from floods, landslides, and extreme heat, NRCS is strengthening preparedness by placing Cash and Voucher Assistance (CVA) at the centre of anticipatory and emergency response. The Monsoon and Heat Preparedness and Response Plan 2026 positions multipurpose cash assistance as a key humanitarian modality, enabling disaster-affected families to meet urgent needs with dignity, flexibility, and choice while supporting local markets. The plan strengthens anticipatory action through Flood and Heatwave Simplified Early Action Protocols (sEAPs), enabling NRCS to provide timely support to vulnerable communities before disaster impacts intensify. Guided by NRCS Cash SOP, trained CVA personnel, rapid needs assessments, market analysis, and strong coordination with government and Red Cross Movement partners, NRCS aims to deliver timely, accountable, and people-centred assistance. Through anticipatory action, NRCS aspires to support 5,000 households during heatwaves, while in the response phase it aims to reach 5,000 households affected by floods and landslides, in line with established indicators.

Cash Assistance for Livelihood Support

Cash Assistance Empowers Climate-Resilient Livelihoods in Tanahun District

NRCS, in partnership with the Irish Red Cross, supported CVA to strengthen livelihoods and build long-term resilience. Under the Community Livelihood Promotion Project, 488 vulnerable beneficiaries in Suklagandaki Municipality, Tanahun, received cash grants through direct bank transfers to expand climate-resilient livelihood activities. A total of NPR 14,152,000 was provided, with each beneficiary receiving NPR 29,000 following the preparation and approval of their business plan. The cash support enabled households to invest in productive assets, agricultural inputs, and small-scale enterprises based on their priorities, promoting dignity, choice, and flexibility. Combined with technical training and business planning, the initiative strengthened income opportunities, food security, and resilience to climate-related risks. Through integrated cash and livelihood support, NRCS continues to promote locally led, climate-resilient solutions that place communities at the centre.



NRCS supported livelihoods by distributing and transporting beehives to beneficiaries in Suklagandaki Municipality, Tanahun

Climate-Smart Livelihood and Home Gardening Support in Kailali District

NRCS, Kailali District Chapter, through the ECOLAB Project, provided cash and in-kind assistance to vulnerable households to strengthen climate-resilient livelihoods and food security. A total of NPR 18,720,000 in cash assistance was provided to 468 households, with each household receiving NPR 40,000 as a livelihood cash grant to establish or expand climate-smart livelihood activities. In addition, 2,340 households received home gardening support, including agricultural inputs and NPR 1,150 in cash-equivalent assistance for seasonal vegetable seeds and inputs. By combining cash with essential gardening materials, the initiative enabled households to invest according to their priorities, diversify livelihoods, improve access to nutritious food, and strengthen resilience to climate-related risks.

Cash -for-Work Support in Kailali District

NRCS, under the Nature-based Solutions (NbS) Programme, supported 25 vulnerable households in Bhajani Municipality, Kailali, with cash seed support of NPR 30,000 per household to establish riverbed farming. Beneficiaries developed Business Development Plans and utilized the cash according to their own priorities. In total, NPR 750,000 cash assistance was provided to these vulnerable households.

To maximize the impact of the cash assistance, the programme combined financial support with technical coaching on riverbed farming, crop management, and enterprise development. Although unseasonal flooding affected crop production, beneficiaries strengthened their knowledge, skills, and confidence to sustain future livelihood activities. The initiative demonstrates how integrating CVA with Nature-based Solutions can support climate adaptation, promote sustainable livelihoods, and enhance community resilience. By placing affected people at the centre of decision-making, NRCS continues to advance people-centred humanitarian action while institutionalizing CVA as a strategic approach for recovery, resilience, and long-term development.



Tilak Bahadur Bista has established a riverbed farm, strengthening his livelihood and resilience to climate risks after receiving NPR 30,000 from NRCS

Cash Assistance Builds Climate-Resilient Livelihoods in Sankhuwasabha District

NRCS, with support from the Korean Red Cross, is using CVA to strengthen livelihoods and build resilience under the Integrated Water, Sanitation, Hygiene and Disaster Risk Reduction (IWASHDRR) Project. During the reporting period, cash assistance was provided to vulnerable households in Savapokhari Rural Municipality, Sankhuwasabha, to support commercial vegetable farming and livestock rearing. Eleven households received NPR 25,000 each through bank transfers, while 20 trained farmers received NPR 4,000 in cash to initiate their livelihood activities.

The initiative demonstrates how cash assistance can effectively complement climate-smart WASH, disaster risk reduction, and sustainable livelihood interventions. By allowing households to invest according to their priorities, CVA promoted dignity, choice, and local ownership while supporting resilient recovery. The programme reflects NRCS's commitment to integrating cash assistance across humanitarian and development programming, helping vulnerable communities enhance food security, strengthen adaptive capacity, and build resilience to the growing impacts of climate change and recurrent disasters.

Cash Capacity Building Activities

Cash for Health Outcome Training

NRCS participated to the Asia-Pacific Regional Cash for Health Training along with other 24 participants from other National Societies. The training was held in May 2026 hosted by the Hong Kong Red Cross and Norwegian Red Cross. The training strengthened participants' skills in designing and implementing cash interventions to improve access to health care, covering financial barriers, health market assessments, CVA modalities, and outcome monitoring. Key discussions highlighted how CVA can help overcome financial obstacles to health services in crises, the importance of collaboration between health and cash teams, and the integration of Cash for Health approaches into emergency health responses.



NRCS CVA Coordinator sharing CVA experiences of NRCS in Hong Kong

Strengthening Cash Preparedness through Refresher Orientations



CVA Refresher Orientation Group Photo

To strengthen institutional readiness for future emergencies, NRCS, through its Cash and Voucher Assistance Preparedness Programme, conducted two CVA Refresher Orientations in Sudurpaschim and Madhesh Provinces in June 2026. The two orientations brought together 40 previously trained staff and volunteers from 17 districts of these provinces, providing an opportunity to refresh technical knowledge, share operational experiences, and strengthen deployment readiness for cash-based humanitarian responses.

Using interactive learning approaches, including quizzes, group work, practical exercises, and action planning, participants enhanced their understanding on CVA. Through practical exercises on developing CVA Plans of Action, participants strengthened their capacity to design and implement cash responses based on assessments, market functionality, risk analysis, and accountability standards. During the refresher orientations, participants expressed a strong commitment to future emergency deployments, guided by the Red Cross Fundamental Principles in providing humanitarian CVA.

Strengthening Surge Capacity: NRCS National Response Team Training (NRT) and District Disaster Response Team (DDRT)

NRCS, with support from the IFRC and British Red Cross, strengthened its emergency response capacity through NRT and DDRT trainings. The NRT training in Kavrepalanchowk brought together 24 participants from NRCS headquarters, provincial and district chapters. The training enhanced participants' capacity in disaster risk management, emergency needs assessment, information management, WASH, shelter, health, CVA and community engagement, enabling teams to better assess risks and develop coordinated, operational response plans.



NRT Training Group Photo

DDRT trainings in Koshi and Madhesh Provinces reached 49 participants from 14 districts. Dedicated CVA sessions strengthened understanding of cash feasibility, implementation, and timely, dignified assistance during emergencies. Integrated into District Emergency Operations Centers (DEOCs) and NRCS district response rosters, DDRTs are positioned for rapid deployment to conduct assessments, support coordination, and deliver emergency response. Embedding CVA within national and district response mechanisms reinforces cash assistance as a core, accountable, and people-centred humanitarian modality, strengthening coordinated emergency action across Nepal in times of crisis.

Strengthening Cash for Support Services (CfSS) Capacity



Group photo of CfSS Training

NRCS conducted a three-day CfSS training in February 2026 with technical and financial support from the American Red Cross and British Red Cross. 22 participants from NRCS headquarters, provincial warehouses, and 15 district chapters participated the training. Through interactive sessions, practical exercises, simulations, and role-play, participants strengthened their knowledge and skills in financial controls, procurement procedures, risk mitigation, encashment planning, reconciliation, and monitoring systems essential for effective CVA operations.

The training strengthened the capacity of finance, logistics, procurement, and administrative teams to provide timely and accountable support to cash programming. By institutionalizing CfSS, NRCS is reinforcing support functions as critical enablers of dignified, timely, and accountable cash assistance, strengthening Nepal's humanitarian response capacity.

Provincial Workshops: CVA Preparedness

NRCS, with support from the IFRC and the American Red Cross, organized four provincial-level workshops on the Early Warning for All (EW4All) initiative, Anticipatory Action (AA), and CVA in February and March. These workshops provided an interactive platform for NRCS leadership and staff to share strategic directions and build a common understanding across district chapters. A total of 150 participants from all seven provinces and their district chapters attended the workshops. CVA was one of the key technical sessions, highlighting the importance of cash assistance, the pre-positioning of funds, and the essential steps in CVA implementation. The session strengthened participants' understanding of integrating CVA into emergency preparedness and response efforts. By clarifying the roles of district chapters and provincial structures, the workshops strengthened NRCS's capacity to deliver timely, accountable, and people-centered cash assistance during emergencies.

Cash and Voucher Assistance (CVA) Trainings in Lumbini and Sudurpaschim Provinces

NRCS strengthened its CVA capacity by organizing two CVA trainings in Lumbini and Sudurpaschim Provinces. With financial and technical supports from American Red Cross and British Red Cross, these trainings equipped district and provincial responders with the skills to deliver timely, accountable, and people-centered cash assistance. Altogether, 51 participants attained in the trainings.



Group photo of CVA Training in Lumbini Province

Main sessions of the trainings were on market assessment, beneficiary targeting, CVA delivery mechanisms, monitoring, and accountability. Facilitators emphasized NRCS's Cash SOPs, anticipatory action, and the integration of PGI and CEA. Participants gained practical experience in digital data collection, risk analysis, financial reconciliation, and simulation exercises replicating real emergencies. Pre- and post-tests showed significant improvements in knowledge and confidence, enabling responders to assess feasibility and implement dignified cash interventions. These trainings mark a vital step in institutionalizing CVA across NRCS structures, reinforcing its commitment to resilient, locally led humanitarian action in Nepal.

Community Engagement and Accountability (CEA) for Cash and Voucher Assistance (CVA)

Community Engagement and Accountability (CEA) for Cash and Voucher Assistance (CVA) Guideline



NRCS has developed CEA for CVA Guideline to strengthen people-centred humanitarian action. The guideline integrates CEA throughout the CVA programme cycle, ensuring communities are informed, consulted, and meaningfully involved in decisions affecting their lives. It promotes transparent communication, inclusive participation, accessible feedback, and effective grievance handling. Designed for development and emergency responses, the guideline provides practical tools for staff, volunteers, and partners to engage diverse groups, strengthen trust, improve programme quality, and deliver dignified, accountable, and inclusive CVA assistance.

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Coordination

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Total Cash Distributed Amount
NPR 36, 668, 000

3,352
Households



16,760
People

