

BUREAU FOR HUMANITARIAN ASSISTANCE



Multipurpose Cash Assistance

OVERVIEW

Populations affected by displacement or natural disasters often have a variety of needs, including access to food, household goods, safe drinking water, and shelter. When local markets are functioning and goods are available in sufficient quantity and quality, providing cash allows individuals the flexibility to choose how to cover their own needs. Distributing cash can also be faster and more efficient than providing in-kind commodities while simultaneously supporting local markets. USAID's Bureau for Humanitarian Assistance (USAID/BHA) supports multipurpose cash assistance (MPCA) activities in many disaster-affected communities. Cash distributions are either one-time or monthly transfers that partially or fully cover the cost of an average household's basic needs, such as food, household items, rent, transport, and water during an emergency. The intent and calculation of the cash transfer are based upon specific needs identified by implementing partners in consultation with affected households, although beneficiaries ultimately decide how to use the money based on their priorities.

USAID/BHA supported MPCA to help households flexibly respond to their immediate needs in more than 30 countries in FY 2022.

USAID/BHA MPCA
Funding in FY 2022

\$545,173,310

Helping Conflict-Affected Families in Ukraine Meet Immediate Needs

Russia's full-scale invasion of Ukraine in February 2022 marked a major escalation of hostilities in the country, causing extensive population displacement and widespread damage to infrastructure, particularly in Ukraine's eastern *oblasts*. The conflict had internally displaced an estimated 6.9 million people in Ukraine and prompted more than 7.4 million people to seek refuge across Europe as of September 2022, the Office of the UN High Commissioner for Refugees (UNHCR) reports.

Despite the prolonged conflict, markets in Ukraine remained largely functional, and humanitarian organizations identified MPCA as the preferred form of humanitarian assistance. In response, USAID/BHA partners, including the International Organization for Migration (IOM), the UN World Food Program (WFP), and nongovernmental organizations (NGOs), provided affected families with cash assistance sufficient to support household needs for three months beginning in April 2022. USAID/BHA partners coordinated with local banks and money transfer agents to deliver the payments—approximately \$70 per person per month—to vulnerable families experiencing displacement or residing near frontline areas of the country. In addition, USAID/BHA partners collaborated with the Government of Ukraine's Ministry of Social Policy, which provides similar cash transfers to displaced households, to prevent duplication of recipients and ensure coverage for those eligible for assistance.



IOM staff discusses cash-based interventions with a conflict-affected family in Ukraine's Zakarpattya Region. *Photo courtesy of IOM.*

Enabling a Flexible Response to Instability in Afghanistan

Economic and political instability following the Taliban's takeover of Afghanistan in August 2021 resulted in the deterioration of access to basic services across the country, increased staple food and fuel prices, and reduced household purchasing power. This context—compounded by the effects of conflict, the coronavirus disease (COVID-19) pandemic, internal displacement, as well as drought and other natural disasters—hindered many Afghan households' ability to meet their basic needs. Notably, WFP reported that more than 90 percent of households in Afghanistan struggled to meet their food needs between October 2021 and June 2022, reflecting the highest prevalence of insufficient food consumption globally.

In response, USAID/BHA supported international NGO partners, the UN Children's Fund (UNICEF), and the UN Food and Agriculture Organization to deliver more than \$35 million of MPCA in FY 2022 to assist vulnerable households in meeting basic needs, including food, medical expenses, winter clothing and shoes, and other necessities. Nearly 80 percent of MPCA recipients reported greater access to goods and services for their children than before receiving MPCA, according to a USAID/BHA partner.

More information on USAID/BHA sectors can be found at [usaid.gov/humanitarian-assistance/what-we-do/humanitarian-sectors](https://www.usaid.gov/humanitarian-assistance/what-we-do/humanitarian-sectors)