

CASH ASSISTANCE IN 2023

Main Outcomes from Post
Distribution Monitoring





Mauritania. UNHCR delivers cash-based interventions (CBI) through prepaid cards to refugees in urban areas
© UNHCR/Bechir Malum

Summary

This document presents the results and main outcomes of UNHCR's Post Distribution Monitoring (PDM) of Cash Assistance in 2023. Cash continued to be effective in responding to people's needs, improving their living conditions and overall well-being, including in emergencies. Cash remained the preferred modality of assistance by displaced populations as compared to in-kind across the surveyed operations. The findings also highlight sustained needs and exacerbated protection risks among the displaced and stateless populations, which require continued care and attention by both humanitarian and development actors.

The findings in this report are based on UNHCR's Post-Distribution Monitoring data. In total, 73 countries conducted PDM in 2023, and the data analysed in this report was collected through 31,524 household interviews between January and December 2023. Some comparisons are made between 2022 and 2023 findings. These comparisons remain strictly indicative and can only be used to depict tendencies, given the different operational environments and sampling methodologies.

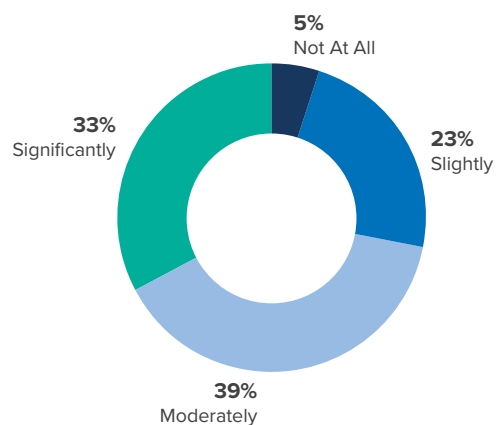
UNHCR’s Cash Assistance in 2023

In line with the **Policy on CBI**, UNHCR delivered USD 762 million of cash assistance to 7.3 million people in need in over 100 countries. UNHCR used cash for a wide range of purposes, including protection, basic needs, education, shelter, health, and livelihoods, in line with UNHCR’s approach to cash and protection. 95% of the cash was disbursed without restrictions, meaning that refugees chose how to spend it. With over two thirds of cash delivered through digital means, including personally owned bank or mobile money accounts, cash was a vehicle for digital and financial inclusion and empowerment. Where national regulations did not allow refugees’ access to formal financial services, UNHCR achieved alternative formal means for delivering cash, such as pre-paid cards. In many countries, UNHCR’s assistance complements governments’ social assistance efforts by contributing an additional safety net for refugees and other vulnerable displaced and stateless people.

Cash improved living conditions and well-being

Cash assistance continued to be critical for the wellbeing of displaced and stateless people in 2023. 95% of the respondents reported that cash improved their living conditions, which is in line with the findings in 2022 (93%). Of these, 33% stated that cash assistance significantly improved their living conditions as compared to 28% in 2021. 62% reported moderate or slight improvements. Cash assistance also helped to reduce feelings of stress for 95% of the surveyed households (92% in 2022), highlighting an important, positive psychosocial effect by cash assistance on their well-being.

Percentage of households reporting improved living conditions



* The sampling methodologies vary, and the data is not strictly comparable or representative between countries. Countries covered : Afghanistan, Australia, China, Indonesia, Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Malaysia, Myanmar, Nepal, Pakistan, Tajikistan, Thailand, Albania, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Hungary, Poland, Romania, Serbia, Slovakia, Turkey, Ukraine, Algeria, Egypt, Iraq, Kuwait, Mauritania, Morocco, Syria, Tunis, Yemen, Botswana, Democratic Republic of the Congo, Malawi, Mozambique, South Africa, Zambia, Burundi, Djibouti, Ethiopia, Somalia, South Sudan, Sudan, Uganda, Burkina Faso, Cameroon, Côte d'Ivoire, Mali, Niger, Nigeria, Rep. of Chad, Argentina, Aruba, Belize, Bolivia, Brazil, Chile, Colombia, Cuba, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, Uruguay. Overall, UNHCR's corporate PDM tool has been rolled out to 93 countries worldwide.

Cash for rent in Ukraine using digital wallets and blockchain

Due to widespread destruction in the shelter and housing sector, UNHCR and partners delivered cash assistance to affected households through the Rental Market Initiative consisting of a holistic package of services including cash assistance, legal support, and protection. The majority of UNHCR payments are managed through digital currency and blockchain. Recipients use digital wallets to cash out the money in USD or local currency, or to transfer it to their own bank accounts. Individual monitoring shows that the assistance is used for intended purpose, with the majority reporting housing-related expenses. Cash assistance recipients reported that it is easy to install the app and register the wallet, indicating smooth onboarding process. The wallet has also provided greater flexibility for cash recipients, reducing the reliance of the physical infrastructure and the freedom to choose where to withdraw the money from.

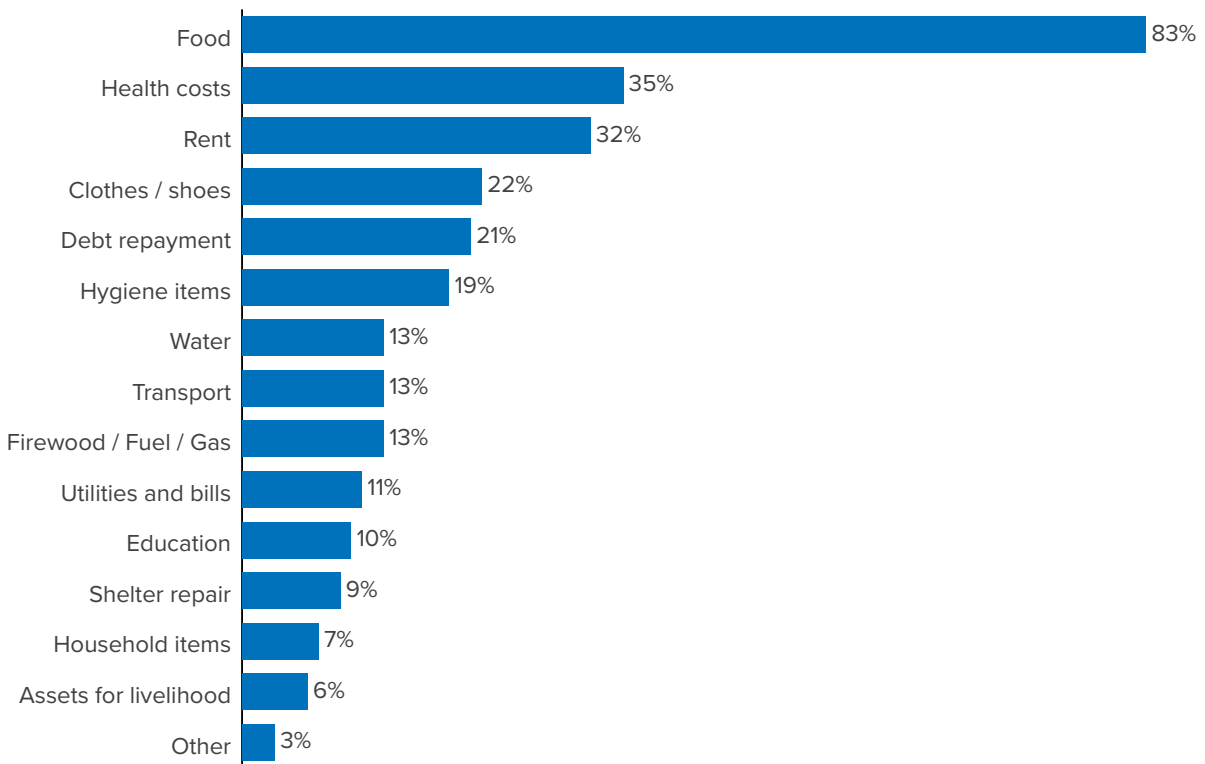


Eastern Ukraine. Ukrainian IDPs enrolling for cash assistance in Zaporizhzhia. © UNHCR

Cash was used to meet protection and basic needs

Cash assistance was a crucial safety net for displaced and stateless people, allowing them to meet their immediate basic needs. As in 2022, food, health, rent, and clothes/ shoes were the largest expenditure categories in most operations, as shown in the graphic below. 21% of the interviewed households also used cash assistance to reimburse debt, which increased from 14% in 2022. Investment in livelihood assets and productive capital decreased to 6% in 2023 from 9% in 2022.

Use of cash assistance, per expenditure category



Items and services were readily available in the markets

85% of the households reported having access to key services and goods they needed in the local markets and shops. This points to a minor decrease as compared to last year (89%). In line with global tendencies, UNHCR saw price fluctuations in various operations. Issues with access and availability were also noted in some conflict situations, such as Yemen and Somalia.

Cash was the preferred modality of assistance

A clear majority of UNHCR's cash recipients preferred cash or a combination of cash and in-kind as assistance modalities, and only 4% indicated a preference for in-kind assistance. 11% of surveyed households reported some challenges in receiving, keeping, or spending cash assistance, which marks a clear decrease from 18% in 2022. Of these, most challenges related to the registered person not being available to access the cash assistance (49%) and/or poor service by the Financial Service Provider (39%).

A small proportion of households reported feeling at risk when withdrawing, spending, or keeping the money at home. This was most common in operations with overall security risks, such as Afghanistan, or where the target population live in high-risk areas, such as in Mexico, Nicaragua and El Salvador.

Emergency cash assistance to Sudanese new arrivals in Egypt

UNHCR provided emergency cash assistance to new arrivals from Sudan. The PDM results show how emergency cash can efficiently meet the needs of forcibly displaced people. Almost 40 % of the respondents reported that cash allowed them to meet all their priority needs while another 36% stated that it covered more than half of their needs. Further, it enabled 99% of the recipients to afford items and services which they could not afford before, including purchasing more diverse and nutritious food, pay rent and avoid eviction, as well as pay utility bills. Items and services were readily available in the markets, although many of the households reported price increases. Satisfaction was high overall, and over 90% of the recipients were satisfied with the cash assistance and felt safe throughout the process.

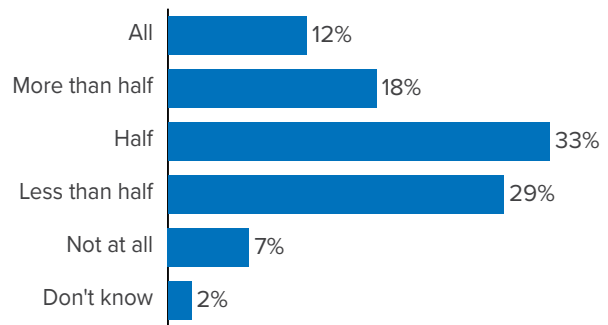


Egypt. A recently arrived refugee from Sudan, mother of three children, is a recipient of UNHCR's cash assistance. The assistance will enable her to take her daughter, who has respiratory problems, to see a doctor. © UNHCR

Needs and protection risks remained significant

While cash assistance has undeniably helped refugees and others of concern to cover their basic needs, major gaps and protection risks remain. Overall, almost 70% of the interviewed households could meet only half or less of their basic needs, while 30% reported that they could meet more than half of or all their basic needs. This shows an improving trend from 2022, where only 25% of respondents said they could meet more than half of their basic needs.

Ability to meet basic needs, percentage of households



60% of the surveyed households engaged in one or more negative coping mechanisms to meet their basic needs, which shows an improvement from 2022 when 72% of respondents reported using negative coping mechanisms. There was some variation in the use of negative coping strategies, ranging from less than 10% to 100% in some countries. The situation is particularly concerning for refugees due to limited rights (i.e., freedom of movement, right to work, access to land etc.), affecting their ability to engage in sustainable livelihoods.

Cash for protection and financial inclusion in Uganda

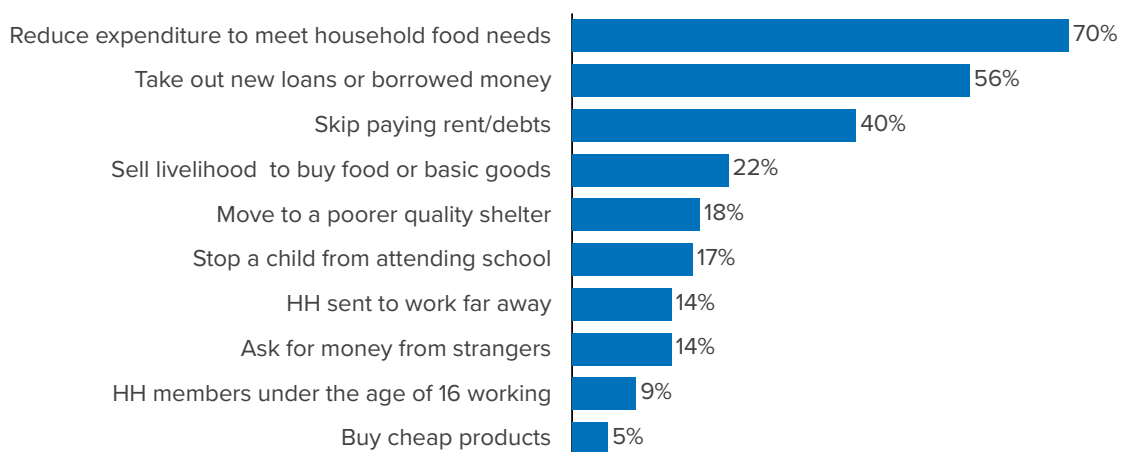
PDM results from Uganda, where UNHCR provided unrestricted cash grants to women at risk and GBV survivors, show positive outcomes from a specific, well-targeted cash-for-protection intervention. The recipients received a one-off cash grant to a personal mobile money account. All recipients also received a SIM card, which promoted their financial and digital inclusion and encouraged them to apply for ID documents that they might not have applied for otherwise. The women also received a training in financial literacy, to enable them access and use of the assistance safely and sustainably. All recipients also benefitted from ongoing case management. Despite the cash being unrestricted, the findings highlight that it was used to cover basic needs (food 78%, clothes/shoes 44%, health/medicines 43%). 48% of the respondents also used it for livelihoods assets. Only 1.3% of recipients required support to withdraw the assistance and just 2.6% reported problems receiving or withdrawing assistance, even if the delivery mechanism was new to the recipients. An overwhelming majority preferred cash as opposed to in-kind assistance.

Cash for basic needs in conflict affected zones in Myanmar

UNHCR scaled up cash transfers in Myanmar to provide basic needs support to internally displaced people via multi-purpose grants. Calculated with the Cash Working Group, the grants proved to be particularly critical in high conflict zones where humanitarian access is limited due to movement restrictions and insecurity. Given limited financial services in the country, UNHCR initially provided cash in hand distributions, but contracted later a mobile money company to improve delivery. PDM results show that 98% of the surveyed households could find what they needed at local markets despite the impact of the conflict. Beneficiary satisfaction was high, with some 90% expressing a moderate to significant relief of stress and improved living conditions. Over 85% of the recipients preferred cash. None reported problems in receiving, keeping, or spending the assistance. The cash, however, proved to be insufficient with 55% of the recipients indicating that they could meet only half or less of their basic needs.

Displaced and stateless persons engaged in various coping mechanisms to make ends meet. While reducing spending to buy food was the most common coping strategy (70%), up to 56% of surveyed households took out new loans which shows an increase from 52% in 2022. 40% skipped payments, including rent, placing them at the risk of eviction, 18% moved to a poorer quality shelter, and 22% of the respondents reported sales of livelihoods assets. Such actions have negative, long-term socio-economic consequences. Begging reduced from 18% in 2022 but remained high at 14%, and 9% of households engaged in child labour.

Use of coping strategies, percentage of households (top 10)



Despite the positive impacts of cash assistance, these protection risks demonstrate a need for continued investment in humanitarian assistance coupled with robust protection interventions and case management as well as significant investment in displacement settings by development actors.

Cash and long-term integration in the Southern Cone of Americas

In the southern Cone of Americas (Argentina, Uruguay, Paraguay, Chile, Bolivia), UNHCR provides cash assistance to refugees to cover their basic needs while they wait to be included in the national social protection schemes. Households also receive individual case management and counselling, including orientation and assistance for applying for national services. The project had a significant impact in improving refugees' lives with 70% of the assisted households able to stabilize their housing situation for over six months, thus avoiding eviction and securing a sense of wellbeing. The overall use of coping strategies was also reduced by at least 30%, and of extreme coping strategies, such as begging or collecting food scraps, by over 65%. The use of exchange and sale of sex and child labour was eliminated. Cash assistance also promoted overall inclusion and access to financial services - 38% of the recipients reported opening a bank account thanks to cash assistance and over 30% obtained official documentation. The results highlight how the strategic use of cash can bring benefits beyond immediate provision of basic needs, empowering refugees for a more secure and stable integration process.



Chile. Recently arrived displaced family receiving cash assistance for basic needs in Santiago. © UNHCR

COUNTRIES:

Afghanistan, Australia, China, Indonesia, Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Malaysia, Myanmar, Nepal, Pakistan, Tajikistan, Thailand, Albania, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Hungary, Poland, Romania, Serbia, Slovakia, Turkey, Ukraine, Algeria, Egypt, Iraq, Kuwait, Mauritania, Morocco, Syria, Tunis, Yemen, Botswana, Democratic Republic of the Congo, Malawi, Mozambique, South Africa, Zambia, Burundi, Djibouti, Ethiopia, Somalia, South Sudan, Sudan, Uganda, Burkina Faso, Cameroon, Côte d'Ivoire, Mali, Niger, Nigeria, Rep. of Chad, Argentina, Aruba, *Belize*, Bolivia, Brazil, Chile, Colombia, Cuba, Ecuador, El Salvador, *Guatemala*, Guyana, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, Uruguay.

In italics – only pilot of new questionnaire so not included in 2023 dashboard. Also Iraq + Sudan but had several samples incl 2023.

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FRONT COVER: Afghanistan. UNHCR's
cash-based assistance a lifeline for women
in need © UNHCR/Samand Ibrahim



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