Cash Assistance in 2022
Main Outcomes from Post Distribution Monitoring
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This document presents the results and main outcomes of UNHCR’s Cash Assistance Post Distribution Monitoring in 2022. Cash assistance continued to be effective in responding to people’s needs and helped improving their living conditions and overall well-being, including in emergencies. Cash remained the preferred modality for assistance as compared to in-kind assistance 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 (PDM) data. In total, 52 countries conducted PDM in 2022, and the data analysed in this report was collected through 28,192 household interviews between January 2022 and March 2023. Some comparisons are made between 2021 and 2022 findings. These comparisons remain strictly indicative and can only be used to depict rough tendencies, given the different operational environments and sampling methodologies.

In 2022, UNHCR delivered USD 969 million of cash assistance to 9.8 million people in need in over 100 countries. A significant part of the cash was disbursed in Ukraine and surrounding countries where UNHCR delivered emergency cash assistance as quickly as in a week after the start of the war. UNHCR used cash for a wide range of purposes, including protection, basic needs, education, shelter, health, and livelihoods. A large part of the cash was dedicated to meet specific protection purposes. 95% of the cash was disbursed without restrictions, meaning that refugees chose how to spend it. Cash assistance was increasingly used as a vehicle to promote financial and digital inclusion, with some 80% of UNHCR’s cash recipients receiving their entitlements through digital means including some 32% through their own bank or mobile money accounts. In many countries, UNHCR’s assist-tance complements governments’ social assistance efforts by contributing an additional safety net for refugees and other vulnerable displaced and stateless people – those left behind.

CASH IMPROVED LIVING CONDITIONS AND WELL-BEING

Cash assistance continued to be critical for the wellbeing of displaced and stateless people in 2022. 93% of the respondents reported that cash assistance has improved their living conditions, which is in line with the findings in 2021. Of these, 28% stated that cash assistance has significantly improved their living conditions as compared to 23% in 2021. 65% reported moderate or slight improvements. Cash assistance has also helped to reduce feelings of stress for 92% of the surveyed households, showing that cash assistance can have an important, positive psychosocial effect on the well-being of individuals.

% of households reporting improved living conditions

- Not At All 7%
- Slightly 26%
- Moderately 39%
- Significantly 28%
CASH WAS USED TO MEET BASIC NEEDS

Cash assistance was a crucial safety net for refugees and IDPs, allowing them to meet their immediate basic needs. As in 2022, food, rent, health, hygiene items, and clothes and shoes were the largest expenditure categories in most operations. 14% of the interviewed households also used cash assistance to reimburse debt, and some 9% invested in livelihood assets and productive capital.

Top expenditures, per % of households doing the purchase

<table>
<thead>
<tr>
<th>Item</th>
<th>% of Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>84.70%</td>
</tr>
<tr>
<td>Rent</td>
<td>38.20%</td>
</tr>
<tr>
<td>Health costs</td>
<td>33.91%</td>
</tr>
<tr>
<td>Hygiene items</td>
<td>22.90%</td>
</tr>
<tr>
<td>Clothes / shoes</td>
<td>22.65%</td>
</tr>
<tr>
<td>Education</td>
<td>15.69%</td>
</tr>
<tr>
<td>Transport</td>
<td>15.23%</td>
</tr>
<tr>
<td>Firewood / Fuel / Gas</td>
<td>14.15%</td>
</tr>
<tr>
<td>Dept repayment</td>
<td>13.96%</td>
</tr>
<tr>
<td>Water</td>
<td>11.71%</td>
</tr>
<tr>
<td>Utilities and bills</td>
<td>11.31%</td>
</tr>
<tr>
<td>Assets and livelihood</td>
<td>8.90%</td>
</tr>
<tr>
<td>Household items</td>
<td>6.80%</td>
</tr>
<tr>
<td>Shelter repair</td>
<td>6.56%</td>
</tr>
<tr>
<td>Other</td>
<td>5.47%</td>
</tr>
</tbody>
</table>

ITEMS AND SERVICES WERE READILY AVAILABLE IN THE MARKETS

89% of the households reported having access to key services and goods they needed in the local markets and shops. This shows a minor increase as compared to last year (86%), despite commodity shortages experienced across the globe. In line with global tendencies, UNHCR saw price fluctuations in various operations.

CASH WAS THE PREFERRED MODALITY OF ASSISTANCE

A clear majority of UNHCR’s beneficiaries preferred cash or a combination of cash and in-kind as assistance modalities (89%). 18% of surveyed households reported some challenges in receiving, keeping, or spending cash assistance. Most of these challenges related to the registered person not being available to access the cash assistance and/or poor service by the Financial Service Provider. 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 or where the target population live in high-risk areas.
Zoom on Ukraine and the Surrounding Countries

UNHCR provided unrestricted cash assistance to war-affected persons in Ukraine and in the surrounding countries since shortly after the onset of the war. In total, over USD 450 million was provided in cash assistance to some 1.6 million displaced people in Ukraine and refugees in Moldova, Poland, Romania, Bulgaria, and Slovakia. PDM results from these countries show that cash was an essential lifeline for the newly displaced populations and was used to cover immediate basic needs such as housing and food. Only a minority of respondents (6%) reported challenges with receiving, keeping, or spending the assistance. Equally, only a minority (6%) reported feeling at risk when receiving or spending the assistance, although this was mostly reported by recipients in Ukraine rather than refugees (7% vs. 1%). Cash was by far the preferred assistance modality in all countries. Despite assistance, use of coping strategies was relatively high, in particular in Ukraine where 64% of the surveyed households reported engaging in negative coping strategies as compared to 28% in the surrounding countries.

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 three quarters (74%) of the households could meet only half or less of their basic needs, while only 25% reported that they could meet more than half of or all their basic needs. This shows a deteriorating trend as compared to 2021 data, when 31% of the households reported meeting over half or all their basic needs.

Ability to meet basic needs, per % of households

<table>
<thead>
<tr>
<th>Ability to Meet Basic Needs</th>
<th>% of Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at all</td>
<td>8,84%</td>
</tr>
<tr>
<td>More than half</td>
<td>15,49%</td>
</tr>
<tr>
<td>Less than half</td>
<td>33,40%</td>
</tr>
<tr>
<td>Half</td>
<td>51,37%</td>
</tr>
</tbody>
</table>

72% of the surveyed households engaged in one or more negative coping mechanisms to meet their basic needs. In some countries, as much as 98% of the interviewed households resorted to negative coping strategies. 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.

Use of coping strategies

% of households using negative coping strategy in the last 4 weeks 72,20%

Coping strategies used (out of households using coping strategies, top 10)

- Reduce expenditure to meet household food needs: 73,54%
- Take out new loans or borrowed money: 51,61%
- Skip paying rent/depts: 44,78%
- Sell livelihood to buy food or basic goods: 23,49%
- Move to poorer quality shelter: 20,71%
- Ask for money from strangers: 17,63%
- Stop a child from attending school: 17,62%
- HH sent to work far away: 10,81%
- Reduce the number of quality meals/Prefer cheaper food: 9,18%
- HH members under the age of 16 working: 6,70%
While reducing spending to buy food was the most common coping strategy (74%), up to 52% of surveyed households took out new loans. 45% skipped payments, including rent, placing them at the risk of eviction, 21% moved to a poorer quality shelter, and 23% of the respondents reported sales of livelihoods assets. Such actions have negative, long-term socio-economic consequences. Begging remained high at 18%, which is comparable to 2021 (16%) and 7% of households engaged in child labour.

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.