Cash-based humanitarian assistance approaches can increase food security and are more cost effective than in-kind food transfers.

Cash-based approaches have become an increasingly common strategy for the provision of humanitarian assistance. Both cash-based approaches and in-kind food assistance can be effective means of increasing household food security among conflict-affected populations and maintaining household food security among food insecure and drought-affected populations. Cash transfers are more cost effective than vouchers which are more cost effective than in-kind food assistance.

What did the review study?
This review assesses the effects of cash-based approaches on individual and household outcomes in humanitarian emergencies. It also assesses the efficiency of different cash-based approaches and identifies factors that hinder and facilitate programme implementation.

What studies are included?
Studies assessing effectiveness of cash-based approaches were experimental and quasi-experimental studies. Studies analyzing efficiency were experimental, quasi-experimental or observational studies with a cost analysis or economic evaluation component. Studies examining barriers and facilitators included these study types as well as other qualitative and mixed methods studies.

What are the main results in this review?
Unconditional cash transfers and vouchers may improve household food security among conflict-affected populations and maintain household food security among food insecure and drought-affected populations. Unconditional cash transfers led to greater improvements in dietary diversity and quality than food transfers, but food transfers are more successful in increasing per capita caloric intake than unconditional cash transfers and vouchers. Unconditional cash transfers may be more effective than vouchers in increasing household savings, and...
equally effective in increasing household asset ownership. Mobile transfers may be a more successful asset protection mechanism than physical cash transfers.

Cash transfers can be an efficient strategy for providing humanitarian assistance. Unconditional cash transfer programmes have a lower cost per beneficiary than vouchers which, in turn, have a lower cost per beneficiary than in-kind food distribution. Cash transfer programs can also benefit the local economy. Voucher programmes generated up to $1.50 of indirect market benefits for each $1 equivalent provided to beneficiaries and unconditional cash transfer programmes generated more than $2 of indirect market benefits for each $1 provided to beneficiaries.

Intervention design and implementation play a greater role in determining effectiveness and efficiency of cash-based approaches than the emergency context or humanitarian sector. Factors which influence implementation include resources available and technical capacity of implementing agencies, resilience of crisis-affected populations, beneficiary selection methods, use of new technologies, and setting-specific security issues, none of which are necessarily unique to cash-based interventions.

What do the findings in this review mean?
Unconditional cash transfers and vouchers can be effective and efficient ways to provide humanitarian assistance.

Each assistance modality has different advantages and disadvantages that should be considered in the design of future interventions. However, no definitive conclusions on the effectiveness of cash transfer or voucher programmes could be drawn that are universally applicable for humanitarian policy.

Development of the evidence base, with more rigorous evaluations comparing the effectiveness of different cash-based approaches and transfer modalities, as well as approaches to comparing costs and benefits of cash-transfer and voucher programmes, is needed to further strengthen the evidence base.