

Overview

Cash and Voucher Assistance¹ (CVA) – particularly when provided with minimum restrictions – is an effective people-centered modality that provides dignity, choice and empowerment to affected populations. CVA can be conditional or unconditional², restricted or unrestricted³, and may be used to achieve specific objectives within a particular sector. Multipurpose Cash (MPC) is a form of cash intervention that is recognized by the Inter-Agency Standing Committee (IASC) as a carefully designed 'package' of unrestricted and unconditional CVA aimed at addressing an individual or a household's basic or recovery needs.

The Secretary-General's Agenda for Humanity and the 2019 [Common Donor Approach](#) call for CVA to be used as the preferred, default modality for assisting vulnerable people where markets and operational contexts permit. Moreover, the Grand Bargain calls for increased use and coordination of cash-based programming, while the [IASC's new cash coordination model](#) and related guidance⁴ underscore the crucial role and accountability of Humanitarian Coordinators (HCs) in CVA, with guidance on wider adoption of CVA and its effective coordination.

OCHA's Pooled Funds – the Central Emergency Response Fund (CERF), Regional Pooled Funds (RPFs), and the Country Based Pooled Funds (CBPFs) can play a critical role in the provision of CVA. The [CERF Handbook](#) encourages Resident Coordinators/Humanitarian Coordinators (RC/HCs) “to lead on cross-cutting programmatic priorities, including CVA and especially MPC”. Similarly, the [CBPF Global Guidelines](#) promote “the use of CVA as the default modality” and encourage “consideration of CVA, including MPC for all projects, taking into account country-specific conditions and associated risks”.

Purpose

This guidance note aims to support field offices in operationalizing provisions of the CERF Handbook and the CBPF Global Guidelines that pertain to the use of CVA. It provides an overview of strategic approaches and desirable good practices related to CVA. It also contributes to advancing CERF- and CBPF-supported CVA and to more harmonized approaches across the Funds.

Strategic Approach

While efforts of each Fund are context-specific, they adhere to the following strategic approaches:

1. **Champion and promote the use of cash and voucher assistance as the default modality through a “why not cash?” approach.** CVA fosters cross-sectoral collaboration and cost-effective outcomes. The Funds adopt a “why not cash?” approach, prioritizing CVA—particularly MPC—as the primary delivery approach wherever feasible and appropriate. Partners are required to provide a rationale for not utilizing CVA in their proposals, ensuring alignment with broader strategic objectives and promoting the most effective and efficient response approaches.
2. **Draw on results achieved and lessons learned in supporting cash-based programming through the Funds, to advocate for the greater use of cash and voucher assistance, particularly multi-purpose cash,**

¹**Cash and voucher assistance** refers to the direct provision of cash transfers and/or vouchers for goods or services to individuals, households, or group/community recipients. In the context of humanitarian response, CVA excludes payments to governments or other state actors, remittances. Cash-based programming, instead, refers to the programmatic approach that integrates cash into the overall humanitarian strategy, including CVA as one of its tools.

²**Conditionality** refers to prerequisite activities or obligations that a recipient must fulfil to receive assistance. Conditions can be used with any kind of transfer (cash, vouchers, in-kind, service delivery). Some interventions might require recipients to achieve agreed outputs (e.g. purchasing specific goods/services) as a condition to receive subsequent tranches. Cash for work/assets/training are all forms of conditional transfer. Unconditional transfers are provided without the recipient having to do anything to receive the assistance, other than meet the intervention's targeting criteria. Conditionality is distinct from restriction (see below) and targeting (criteria for selecting recipients). For more, see: [Glossary of Terms - The CALP Network](#)

³**Restriction refers to limits on the use of assistance by recipients.** Restrictions apply to the range of goods and services that the assistance can be used to purchase, and the places where it can be used. The degree of restriction may vary – from the requirement to buy specific items, to buying from a general category of goods/services. Vouchers are restricted transfers by default since they are inherently limited in where, when and how they can be used. In-kind assistance is also restricted. Cash transfers are unrestricted and can be used as recipients choose.

⁴ IASC guidance on MPC Section and CVA Overview in HNRPs.

where possible and advisable. The Pooled Funds will leverage their support to cash-based programming to advocate for broader use of CVA, including MPC, where appropriate.

- 3. Under the leadership of the RC/HC, leverage pooled fund allocations strategically to support in-country HCT-agreed CVA strategies and priorities,** in coordination with relevant in-country coordination bodies. This may include for example aligning humanitarian cash programming under allocations with existing or planned social safety nets, piggybacking on elements of existing systems, or fully integrating, where possible, with local or national mechanisms.

Practices

The practices are presented under five sections: Fund and Allocation Strategies; Project Design, Implementation, and Monitoring; Capacity Assessment and Capacity Development; Governance and Partnerships; and Communication and Visibility.

Fund and Allocation Strategies

- 1. Prioritize, where possible, the use of cash and voucher assistance, particularly multipurpose cash, in allocation strategies.** Allocation decisions are informed by priority needs – as well as by local market analysis and cash-based programming feasibility assessments. Analysis will draw on existing data, provided by the Cash Working Group (CWG) and in collaboration with in-country expertise⁵. This approach ensures tailored, efficient, and transparent resource allocation that effectively addresses the needs of affected populations.
- 2. When relevant, leverage pooled fund allocations strategically to support in-country HCT-agreed CVA strategies and priorities.** Under the leadership of the RC/HC and relevant in-country coordination bodies, identify ways to align pooled fund allocation strategies and programming with broader in-country CVA priorities.

Applicable only to CBPFs/RPFs⁶

- 3. Integrate the use of cash and voucher assistance, including multipurpose cash, in the Fund's strategic planning.** Where relevant, consider this a priority area within the HC's Vision Paper, and champion progress and innovation on it in all allocations.
- 4. When relevant and possible, set context-appropriate targets for cash-based programming for a given allocation.** These targets can be met across prioritized cluster interventions and/or by establishing dedicated envelopes for MPC. These targets should align with context-specific CVA goals, global benchmarks, the HNRP, or Flash Appeals.

Project Design, Implementation, Monitoring

- 5. Assess the proposed use of cash and voucher assistance in projects, asking that this be the default approach.** This includes requiring partners to provide a rationale and explain 'why not', if CVA is not used, while considering the feasibility and local context.
- 6. Be guided by affected people's preference, access and context-specific considerations in designing allocations with cash-based programming.** This includes adhering to 'do no harm' principles, acknowledging the diverse needs within affected communities and promoting the use of vulnerability criteria during the project design and targeting process.
- 7. While focusing on saving lives, when relevant, promote approaches that leverage cash and voucher assistance to build the resilience of affected people** by fostering partnerships across various sectors and supporting targeted investments such as sector-specific CVA or MPC.
- 8. Emphasize the importance of localization by supporting** cash-based programming initiatives programs led, designed, and implemented by local organizations, including women's organizations and organizations of persons with disabilities (OPDs), particularly those that can directly address age, gender and disability-specific challenges.

9. **When relevant, use the Pooled Funds to introduce and advance efficiencies and innovations in cash and voucher assistance delivery**, including a) exploring micro-grants to community-based organizations and informal volunteer groups that can quickly release cash to people in need b) promoting standardized post-distribution monitoring tools for consistent beneficiary tracking and reporting, and c) promoting innovations by leveraging digital platforms, mobile services, and private sector collaboration to improve transparency and reduces transaction costs in delivering CVA.⁷

Applicable only to CBPFs/RPFs

10. **Prioritize funding for projects that use cash and voucher assistance, including multipurpose cash, when this is the most effective approach for assistance.** Incorporate adequate parameters in scorecards for vetting of projects. CWG co-chairs shall participate in Review Committees to assess the programmatic soundness of MPC projects⁸, and they or similar cash experts may provide guidance on all other CVA projects as needed.
11. **When required, identify and mitigate potential risks associated with cash and voucher assistance**, particularly in volatile markets with unpredictable inflation and currency depreciation which may impact transfer values. Close coordination with CWG or similar in-country bodies is recommended to ensure appropriate mitigation measures, including, when necessary, the amendment of projects.

Capacity Assessment and Capacity Development

12. **Contribute to the dissemination of existing country-level guidance/strategies on cash and voucher assistance, including multipurpose cash.** In collaboration with relevant in-country coordination bodies, this entails promoting the use of common analyses and approaches and annexing relevant references to the allocation strategy document.

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13. **Review the capacity of partners in cash-based programming delivery during allocations**, ensuring that they have the necessary expertise and capacities, including adequate experience, systems and human resources for effective delivery of CVA.
14. **When relevant, provide support and disseminate existing training materials on cash and voucher assistance to partners.** This involves collaborating with in-country coordination mechanisms (e.g. CWG) and subject matter experts to develop the capacity of partners, especially local and national actors, through trainings, dedicated CVA induction sessions, etc. Partners and their relevant staff are also encouraged to use self-assessment tools to identify areas for improvement.
15. **Facilitate peer-to-peer learning and knowledge sharing to encourage adoption of good practices.** This may include, for instance, joint monitoring of CVA projects, particularly MPC projects, with cluster/sector coordinators and co-chairs of the CWG, sharing capacity assessment findings to inform mapping of humanitarian actors, and incorporating insights from monitoring reports⁹ into market assessments, analyses on commodity availability, socio-economic dynamics and risks.

Governance and Partnerships

16. **When relevant, include the use and scale-up of cash and voucher assistance, including multipurpose cash, as a recurrent item for discussion by pooled fund governance.** This includes sharing analysis of trends, taking stock of learnings, and identifying opportunities for further enhancements.

Communication and Visibility

17. **Where appropriate and with sensitivity to the context and issues of confidentiality, promote visibility of CVA related initiatives**, demonstrating its transformative potential to create further donor support and adoption by partners. This includes promoting CVA projects in high-level field missions and sharing positive “human interest stories”, particularly of local and national partners, including women’s organizations and OPDs.

⁷ These efforts must not compromise data protection and privacy as per the IASC Operational Guidance on Data Responsibility in Humanitarian Action.

⁸ As per the usual practices of coordination and engagement with the cluster coordinators, the CWG co-chairs shall be granted access to OneGMS.

⁹ This shall be aligned with data protection and sharing policies.