

BUREAU FOR HUMANITARIAN ASSISTANCE



Multipurpose Cash Assistance

OVERVIEW

Populations adversely affected by climatic shocks and complex emergencies often require support to meet their basic needs, including food, household items, rent payments, transportation, and safe drinking water. When local markets are functioning and goods are available in sufficient quantity and quality, providing cash allows people the flexibility and dignity to determine how best to meet their needs. Distributing cash also supports local markets and is often faster and more efficient than providing in-kind commodities. Accordingly, USAID's Bureau for Humanitarian Assistance (USAID/BHA) supports multipurpose cash assistance (MPCA) activities in many disaster-affected communities. Cash distributions can be provided once or on a recurring basis to support acute needs. The amount of the cash transfer is based upon the gap between the cost of households' basic needs and their own income, which is identified by humanitarian partners in consultation with affected households. Ultimately, participating households decide how to use the money according to their most urgent needs.

USAID/BHA MPCA
Funding in FY 2023

\$522,081,072

USAID/BHA provided MPCA to help vulnerable households flexibly respond to their immediate needs in nearly 40 contexts in FY 2023.

Assisting Conflict-Affected Households in DRC to Meet Basic Needs

Renewed clashes between several armed entities in eastern portions of the Democratic Republic of the Congo (DRC) since 2022 have resulted in the displacement of several hundred thousand people within and from Ituri and North Kivu provinces. Moreover, the ongoing hostilities and related displacement have disrupted access to livelihoods and left displaced households with few possessions, generating significant humanitarian need.

While conflict has reduced access to traditional markets in eastern DRC, in areas of Ituri and North and South Kivu provinces where markets continue to function, USAID/BHA partner Mercy Corps utilized MPCA to assist households to meet their basic needs in FY 2023. The USAID/BHA partner provided one-time disbursements of MPCA to recently displaced households and host community members across ten internally displaced person (IDP) sites and host communities, reaching nearly 450,000 people with approximately \$10.5 million in total cash assistance during the fiscal year. In three distribution areas, Mercy Corps coordinated with local sellers to stage temporary markets at the time of the MPCA disbursements, allowing participants to purchase needed items while supporting the local economy. Following the MPCA distributions, 87 percent of participating households reported the capacity to meet all or most of their needs compared to just 11 percent of households prior to receiving MPCA.

Supporting Households Vulnerable to Food Insecurity in Guatemala

Recurrent drought in Guatemala has diminished crop yields and contributed to rising food prices, exacerbating food insecurity in the country, particularly among already vulnerable households. In response, USAID/BHA supported nongovernmental organization partner World Vision during FY 2023 to provide three MPCA transfers of approximately \$110 to nearly 4,400 households during Guatemala's March-to-October 2023 lean season, when access to food and agricultural livelihood opportunities were most scarce. The USAID/BHA partner prioritized MPCA—which was distributed via local banking systems—to households most at-risk of food insecurity, including households headed by women; households unable to afford a diverse diet; and those containing children ages five years and younger, persons with disabilities, or older people. In addition to providing cash transfers to households vulnerable to food insecurity, World Vision partnered with local market committees to host nearly 160 community markets at the time of the cash distributions, bolstering access to nutritious foods and supporting the local economy. Additionally, World Vision held training sessions promoting enhanced nutrition and water, sanitation, and hygiene practices for participating households and reinforced these practices via follow-up text messages, further promoting improved nutrition outcomes and decreasing vulnerability.



A woman utilizes USAID/BHA-funded MPCA to purchase nutritious food at a community market. *Photo courtesy of World Vision.*

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)