



Cash-based transfers

Tools for providing support in the form of cash and vouchers to men and women who are food insecure, living in poverty or experiencing other forms of vulnerabilities.

FAO implements various types of programmes, including: **cash transfers, cash for work, cash+, input trade fairs** and **voucher programmes**.

BENEFITS



Food security

Cash increases household expenditures on food and basic goods



Financial inclusion

When provided through electronic payment systems (mobile money, smartcards, etc.), cash can facilitate access to financial services



Agricultural production

Cash increases investment in inputs and ownership of productive assets, and encourages the adoption of improved agricultural practices



Cost-efficiency

Compared with in-kind assistance, administrative and overhead costs to implement cash-based programmes are often significantly lower



Recipients' dignity and choice

Cash empowers men and women by allowing them to prioritize and address their own needs



Transparency

When disbursed through electronic payments, cash-based programmes are easier to track reducing the risk of misappropriation of funds



Risk management

Cash-based programmes can reduce the risk of resorting to negative coping mechanisms during crises and mitigate the impacts of shocks



Economic multipliers

The injection of cash stimulates local markets and economies thus benefiting communities as a whole

FAO is committed to using cash-based programmes as the preferred type of assistance to support vulnerable populations, including in emergencies.

Cash-based programmes are appropriate if:



basic goods and services are locally **available** and physically **accessible** to both men and women



markets are **functioning**



there is **no risk of inflation**

The decision to opt for cash-based programmes should always be context-specific and based on local market analysis