

Unlocking the Full Potential of Cash Assistance

Reflections from the DG ECHO Partners' Dialogue 2026

1. Introduction

Cash assistance has become an established and increasingly important modality of humanitarian response, recognised for its potential to deliver more effective, efficient and people-centred assistance. At the same time, humanitarian organisations are operating in increasingly complex environments, characterised by market disruptions, financial and regulatory constraints, shrinking humanitarian budgets and growing expectations to deliver greater impact with limited resources.

Against this backdrop and following the publication of the [European Commission's Joint Communication on Humanitarian Action](#), VOICE organised a dedicated session during the 2026 Partners' Dialogue to explore what unlocking the full potential of cash assistance means in practice. Building on the ambitions set out under the *Perform* pillar of the Joint Communication, the session brought together DG ECHO and its partners to reflect on how different cash modalities can contribute to more effective humanitarian responses across diverse contexts.

Rather than debating whether cash assistance works, the discussion focused on how different approaches to cash programming can best respond to humanitarian needs, the conditions that enable successful implementation, and the operational considerations that should shape future policy and practice.

2. Cash assistance in practice: diverse approaches to common humanitarian objectives

The session brought together three operational experiences illustrating the diversity of humanitarian cash programming across different sectors and contexts.

Medair presented its Cash for Health programme in Jordan, where sectoral cash assistance enables vulnerable refugees and Jordanians to access essential healthcare services. In a context where medical services exist but remain financially inaccessible for many households, cash assistance removes financial barriers to care while being embedded within broader referral systems, case management and protection services.

Plan International shared lessons from an ECHO-funded Multi-Purpose Cash Assistance (MPCA) pilot in Ethiopia supporting education outcomes for conflict-affected children. Rather than focusing solely on programme achievements, the presentation reflected on the operational questions that emerged during implementation regarding conditionality, attribution and efficiency.

FAO presented its experience implementing conditional cash assistance for livestock-owning households in Gaza. The intervention responded to an extremely severe emergency context: famine had been declared in Gaza Governorate in August 2025; sheep and goat populations had fallen by 80% and 67% respectively by November 2025; and FAO's regular emergency agricultural assistance had been blocked between March and October 2025. In this context, conditional cash provided the speed and flexibility needed to protect productive assets and support early recovery. The intervention demonstrated the role of cash in protecting livelihoods and supporting local market recovery in highly fragile contexts.

Together, these experiences demonstrated that humanitarian cash assistance is not a single intervention or delivery mechanism, but a flexible programming tool that can be adapted to different humanitarian objectives, operational environments and population needs.

3. Key reflections from the discussion

Cash is a flexible tool supporting diverse humanitarian objectives

One of the strongest messages emerging from the session was the versatility of cash assistance across different humanitarian sectors and objectives.

The three case studies illustrated how cash can facilitate access to healthcare, improve education outcomes, protect livelihoods and support early recovery, depending on the context in which it is applied. While each intervention pursued different objectives, they all demonstrated that cash assistance can strengthen humanitarian responses by enabling households to make decisions based on their priorities while addressing the financial barriers that prevent access to essential services and opportunities.

Rather than promoting one particular approach to cash programming, the discussion highlighted the breadth of humanitarian challenges that cash can help address when designed according to the needs of affected populations.

Context should determine the choice of cash modality

A recurring theme throughout the session was that no single cash modality is appropriate for every humanitarian context.

The Jordan experience demonstrated the value of sectoral cash where functioning health services are available and financial access represents the principal barrier to care. In Ethiopia, Multi-Purpose Cash Assistance responded to households facing multiple, interconnected needs, while complementary education and child protection interventions addressed barriers that cash alone could not resolve. In Gaza, conditional cash transfers supported livelihood recovery by enabling households to protect productive assets while stimulating local markets.

Together, these experiences illustrated that multi-purpose cash assistance, sectoral cash and conditional cash should not be viewed as competing approaches. Rather, they represent complementary tools that respond to different humanitarian objectives and operational realities. Choosing the most appropriate modality therefore requires careful analysis of context, market functionality, service availability and programme objectives.

Cash delivers the greatest impact when embedded within broader humanitarian responses

Across all three presentations, speakers emphasised that cash assistance is most effective when integrated within wider humanitarian programming rather than implemented as a standalone intervention.

In Ethiopia, strong education outcomes were achieved through a combination of cash assistance, teacher support, school rehabilitation, psychosocial support and child protection services. Similarly, Medair highlighted that its Cash for Health programme extends well beyond financial transfers, incorporating referral systems, case management, follow-up support and links to complementary health and protection services.

FAO's experience in Gaza further reinforced this message through its "cash-plus" approach, combining conditional cash assistance with livestock feed, veterinary kits and technical

assistance to help households protect their remaining assets and restore livelihoods. Between November 2025 and May 2026, sheep and goat populations increased by 33% and 8% respectively, the first recorded increase since the October 2023 escalation.

Across the different contexts, the discussion suggested that cash should not be understood as a substitute for humanitarian services, but rather as a complementary modality that can enhance the effectiveness of broader humanitarian responses when integrated with sector-specific interventions.

Unlocking the full potential of cash requires looking beyond delivery mechanisms

Another key discussion focused on how humanitarian actors assess the effectiveness and efficiency of cash programming.

Speakers challenged the tendency to associate efficiency solely with lower delivery costs, faster implementation or reduced administrative burden. Instead, they highlighted that quality cash programming requires sustained investment in accountability systems, community engagement, household verification, referral mechanisms, follow-up and continuous adaptation to changing contexts.

The Ethiopia experience illustrated the importance of community validation, appeals mechanisms and accountability processes in ensuring appropriate targeting and meaningful outcomes. In Jordan, referral pathways, medical verification and case management were presented as essential components of effective sectoral cash programming. FAO similarly demonstrated the value of continuous market monitoring and adaptive programming.

Collectively, these experiences suggested that unlocking the full potential of cash assistance requires looking beyond the transfer mechanism itself. Effective cash programming depends not only on delivering financial assistance efficiently, but also on investing in the systems, partnerships and complementary interventions that enable cash to produce sustainable humanitarian outcomes.

4. Looking ahead

The session demonstrated that humanitarian discussions on cash assistance have evolved beyond questions of whether cash works. Instead, attention is increasingly focused on how different cash modalities can be designed and combined to maximise humanitarian impact across diverse operational contexts.

The three operational experiences highlighted the adaptability of cash assistance to different humanitarian objectives while reinforcing several common principles. Cash programming should remain context-driven, integrated within broader humanitarian responses and implemented in ways that balance flexibility with accountability. At the same time, discussions on efficiency should extend beyond delivery costs to recognise the importance of programme quality, adaptive implementation and meaningful outcomes for affected populations.

As DG ECHO moves forward with the implementation of the *Perform* pillar of the Joint Communication on Humanitarian Action, the session underscored the value of continued dialogue between donors and operational partners to ensure that humanitarian cash assistance remains people-centred, responsive to context and capable of addressing increasingly complex humanitarian needs.