How cash transfers can improve the nutrition of the poorest children

Evaluation of a pilot safety net project in southern Niger

Save the Children
UK

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We're the world's independent children's rights organisation. We're outraged that millions of children are still denied proper healthcare, food, education and protection and we're determined to change this.

Save the Children UK is a member of the International Save the Children Alliance, transforming children's lives in more than 100 countries.

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Introduction

This report presents key findings from an evaluation of Save the Children's pilot project to give cash transfers to 1,500 of the poorest households in Tessaoua district, Maradi region, Niger. Its findings will be of interest to NGOs, governments and donors involved in planning and implementing food security and safety net programmes.

Every year, at least 200,000 children under five are treated for acute malnutrition in Niger. Despite concerted efforts by the government and aid agencies to tackle the problem since the 2005 food crisis, one in seven children under three years of age is still acutely malnourished. And half of all children under five are chronically malnourished, which hinders their physical and mental development.

The impact of food price rises

Frequent, sudden rises in the market value of staple foods, and seasonal fluctuations in the price of staple foods, combine to increase poor households'

Niger at a glance

- One of the poorest countries in the world, Niger is ranked 174 out of 179 countries on the Human Development Index.* 66% of people live below the international poverty line ($1.25 a day).**
- One in every five children dies before they reach their fifth birthday. Nearly half of the country's 14 million people are under 15 years of age.
- The country does not grow enough food to meet the needs of its rapidly expanding population. About one in five people face extreme food insecurity.
- In 2005, lack of rain, swarms of locusts and abnormal market trends caused severe food shortages. The price of staple foods rocketed, sparking a major food crisis. More than 3.6 million people needed food aid.

* UNDP Human Development Index 2008, http://hdr.undp.org/en/statistics/
** UNICEF The State of the World's Children 2009, www.unicef.org/sowc09/

vulnerability. In 2008, global food price rises and local economic problems in neighbouring northern Nigeria (leading to price rises of staple foods) put even greater pressure on the purchasing power of the poorest households in southern Niger. At the beginning of the 2008 'hunger gap', or lean season (which starts in April and May but intensifies and peaks during July, August and September), when the pilot cash transfer project started, the price of millet, the main staple, was about 20% higher than the average for the last five years. This is a major contributing factor to the rising number of malnourished children in the area.

A recent Save the Children survey conducted in southern Niger[1] found that half of the population could not afford a balanced diet in a 'typical' year. Their limited income means they are unable to meet their minimum food needs for some of the year. But many programmes and policies aimed at preventing malnutrition do not sufficiently take this economic dimension into consideration. Similarly, programmes to tackle food insecurity in Niger that are not effectively targeted have failed to improve the poorest households' access to food.

What is Save the Children doing to help?

Save the Children has been treating acutely malnourished children in the southern districts of Maradi and Zinder since 2005. We want to reduce the number of children who die needlessly from malnutrition and other preventable causes. Our aim is to build a hunger reduction strategy that tackles the root causes of malnutrition, rather than just treating the symptoms.

Studies show that malnutrition in Niger is linked to food security and livelihoods, lack of water and sanitation, and constraints on families' ability to care for very young children.[2] However, while there are a number of programmes that seek to tackle some of these issues, the economic causes of malnutrition (ie, lack of household income, particularly when the hunger gap reaches its peak) are generally overlooked. So in 2008, Save the Children, in partnership with the CSR/PGCA[3] of Tessaoua district, decided to implement a pilot cash transfer project targeting the poorest households. The project was funded by the European Commission Humanitarian Aid department (ECHO), and is part of a series of studies, also funded by ECHO, on the links between household food insecurity and malnutrition.

This report sets out what we learned through our evaluation of the cash transfer pilot project. The report findings show how targeted cash transfers can affect the food intake and earning power of the poorest households. The evaluation also looked at the links between increased income during the hunger gap, and young children's food intake and nutritional status (see Section 5).

Although lack of income among poor households is an important cause of malnutrition, there is no guarantee that increasing income will automatically lead to an improvement in children's nutritional status. That is why there was a strong evaluation element to the project.

Box 1: The cash transfer pilot project at a glance

- **Number of beneficiaries**: 1,500 very poor households.
- **Targeting criteria**: Very poor households (based on data from a Household Economy Approach (HEA) analysis and wealth ranking), and households with widows and people with disabilities.[4] Priority was given to mothers and carers of children under five. Cash transfers were only distributed in areas declared by the government as severely food insecure.
- **Coverage**: Approximately one-third of the population.
- **Distributions**: A total of 60,000 CFA francs, split into three distributions, during the 'hunger gap', of 20,000 each (about $40) per household, regardless of size of household (average household size of the targeted population is seven). The cash was distributed to women.
- **Conditionality**: Households benefiting from the project were required to take part in awareness sessions on malnutrition and other public health activities (including setting up community health committees).
- **Monitoring and evaluation**: Monitoring of 100 households using HEA methodology at three key points: before the project started (baseline), a month after the first cash distribution (at the peak of the hunger gap), and a month after the third distribution (evaluation). Monitoring included anthropometric follow-up of children under five, before the project and after each distribution.
- **Partnership**:
  - CSR/PGCA of Tessaoua district (at the design and implementation stages)
  - European Commission Humanitarian Aid department (ECHO) (funding).

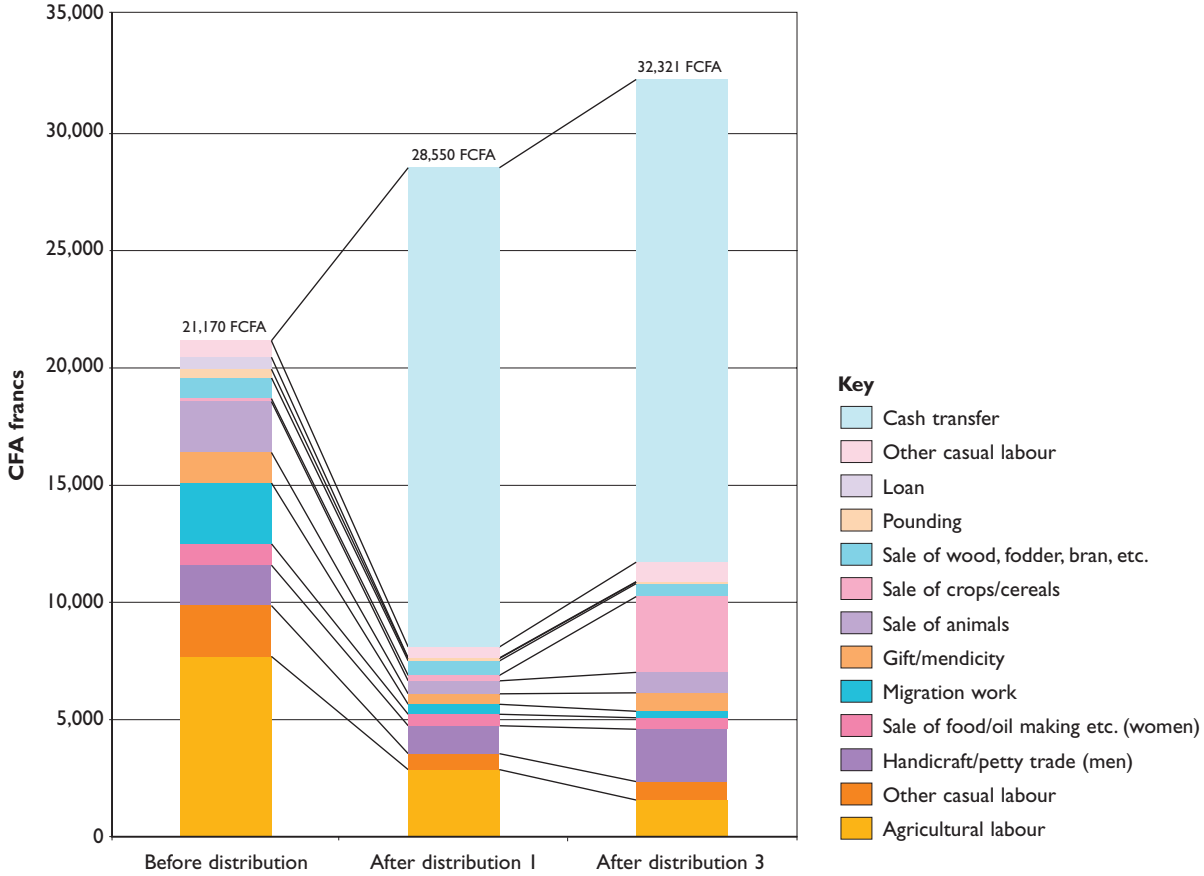
1 How did the cash transfer change the economic status of targeted households?

According to reference data collected the previous year (judged as a typical year), the total amount of the cash transfer (60,000 CFA francs) is equivalent to an annual increase in household income (cash and in-kind) of about a third. However, according to data collected before the project (the baseline), the transfer would almost double the cash income available at the time of distribution (see Figure 1 below).

After receiving the cash transfer, beneficiary households gave up or reduced their reliance on certain sources of income. These tended to be sources of income they used as coping mechanisms – such as credit, migration, or sale of animals.

During the peak of the hunger gap (July and August), the poorest households in the area normally have to work on the fields of better-off households to

Figure 1: Monthly household cash income before and after distributions



earn enough cash to get by on a daily basis. This means they have little time to tend to their own crops,[5] which further compromises their longer-term food security.

There are social as well as economic factors behind these households choosing to invest in their own fields as a result of the cash transfer. For instance, working as day labour for low wages in other people's fields is perceived as very low status, and therefore brings shame within the community, further marginalising the poorest households.

During the project, the fact that households chose to spend more time in their own fields, combined with good rainfall, resulted in a significant increase in their agricultural production (as declared by the beneficiary communities themselves). Compared with what they would produce in a typical year, beneficiary households produced the equivalent of two more months' worth of millet – ie, 50% more than they produced before. This represents a substantial gain for their food security after the programme ended.

Key finding

Giving 20,000 CFA francs to poor households did not automatically mean their income increased by 20,000 CFA francs. This is because when they received the cash transfer, they would reduce income-generating activities that have a high social cost (eg, migration), and long-term costs (eg, taking credit or selling animals).

Key finding

Providing agricultural inputs alone is not sufficient to help the poorest households increase their food production. These inputs must be accompanied by economic support (cash or food), so that able-bodied adults can spend sufficient time working in their own fields.

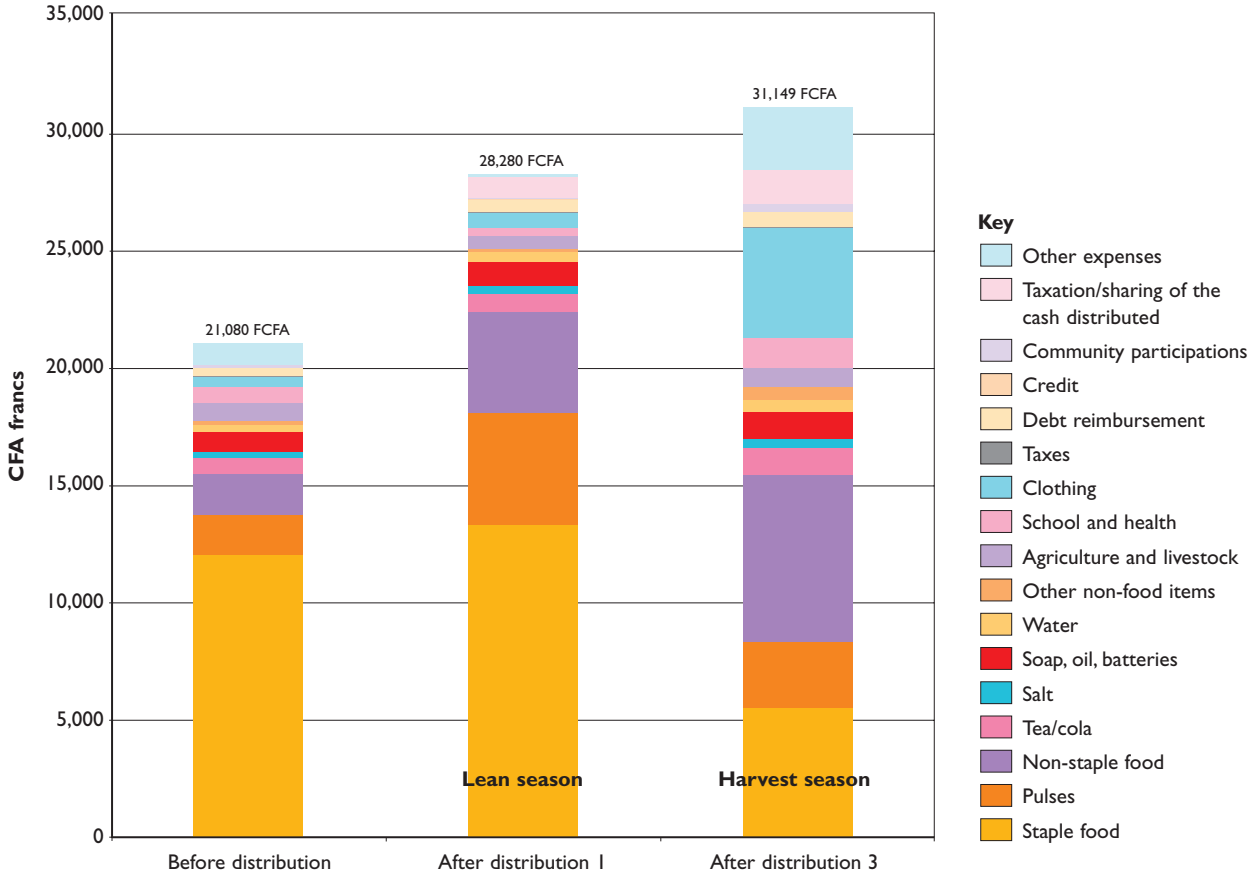
2 How did beneficiary households spend the cash transfer?

The increased income available to beneficiary households through the cash transfer led to a significant change in their expenditure patterns, which also evolved according to seasonal needs (see Figure 2 below). Generally, the cash was spent on buying food: millet (the staple), and also other products available locally (cow's milk, meat, groundnut oil, cowpeas and pancakes).

Food

During the hunger gap, there was a slight increase in the purchase of staple food items, compared with before the distribution, but the difference is even greater for non-staple foods. After the distribution, spending on nutritious foods represented no less

Figure 2: Monthly household expenditures before and after distributions



than a third of total expenditure (it had represented only half of that before the cash transfer). Other expenditure items remained almost unchanged.

Non-food items

During the harvest period, the cash transfer tended to be spent on items other than food, such as clothing, festivities and ceremonies. This was because households could cover most of their food needs from their own production.

Healthcare

While the household monthly budget increased by about 50% during the harvest season, all expenditures increased too. For instance, spending on healthcare almost tripled compared with the baseline – probably because diarrhoeal diseases and malaria are most prevalent during this time.

Water

There was also a notable increase (69%) in spending on water, as some households could now afford to get water from the borehole, which they had to pay for. Previously, they had to collect water from open wells, which were free of charge but were possibly contaminated. This example, and the increase in spending on soap (25%), shows how cash inputs can also improve the underlying health-related causes of malnutrition.

It is important to note that the project did not generate inflation over the price of staple products. Even though the poorest households bought more millet, it was not significant compared to the total volume purchased by the entire population. There was also a reduction in the number of in-kind loans taken out by traders that in times of crisis can contribute to rising costs of staple products.

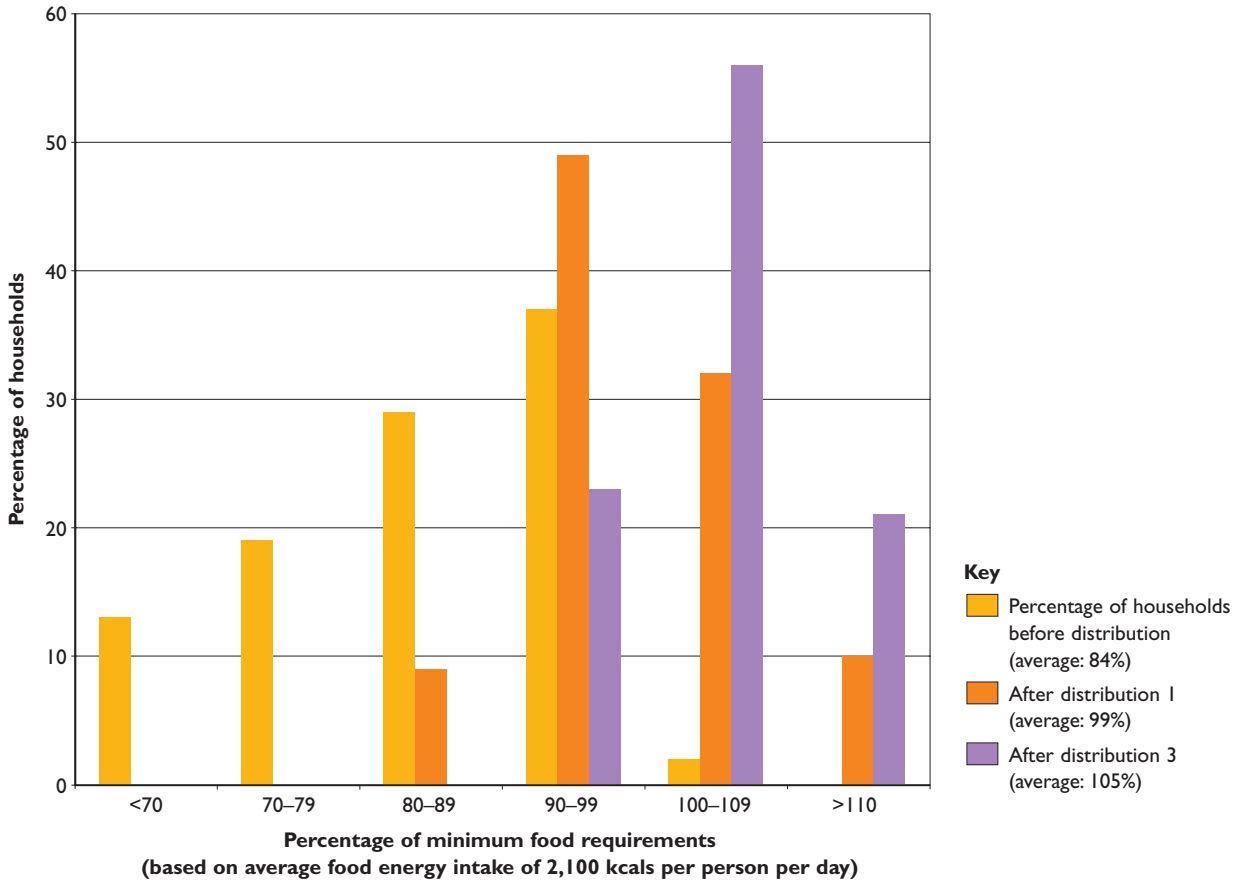
3 Coverage of basic food needs

Before considering any other expenses, beneficiary households aimed to cover their basic food needs first – ie, to cover their immediate physiological needs in terms of calories.

The month before the first distribution, households could only cover 84% of their minimum calorie needs, on average (on the basis of a recommended daily amount of 2,100 Kcal). A third of these households could not even cover 80% of these minimum needs.

The month after the distribution, households were able to cover 99% of their minimum energy needs, and none of them covered less than 80%.

Figure 3: Coverage of food energy needs of beneficiary households before and after distributions



The food situation continued to improve during the project. In October, after the third distribution at the end of September, households were able to cover – on average – 105% of their minimum calorie needs.

The improvement in households' ability to cover their minimum energy needs following the first distribution is likely to be attributable to the cash transfer; no other event explains such an increase at a time when the hunger gap was beginning to peak. This was confirmed in interviews with beneficiary households.

Key finding

Targeted cash transfers are a cost-effective way of enabling poor households to access food and cover nutrition gaps, where a good range of food products are available locally. By comparison, a food aid intervention (with millet) would have cost an extra 6,340 CFA francs ($12.5) per beneficiary, to cover logistics for all three distributions.

4 Evidence of improved diet among poorer households

Cultural habits and mothers' low levels of education are often seen as the main obstacles to children in poor, rural communities having a diverse diet – with programmes predominantly focusing on these obstacles. However, this evaluation shows that increased income enables the poorest households to access an improved diet.

The range of foods consumed substantially increased as a result of the cash transfer, giving households greater purchasing power. During the hunger gap, nutritious food items (mainly milk, cowpeas, groundnut oil and meat) were the second biggest item of expenditure for beneficiary households after the purchase of the staple – millet.

After the first distribution, but still during the hunger gap, about 50% of targeted households could afford pulses, oil, milk and meat, while only a minority of those households could afford these items before the project.

Figure 4: Percentage of households buying food items with high nutritional values

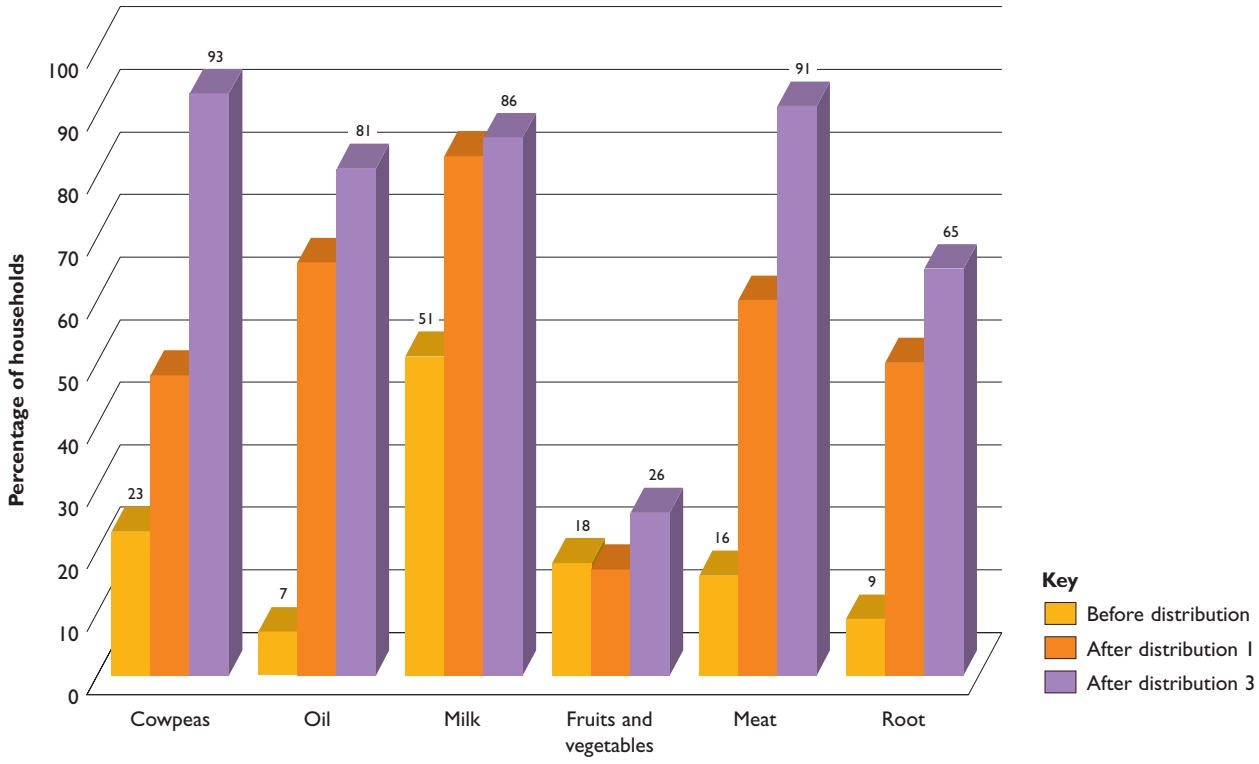


Table 1: Average household monthly food consumption estimated (typically for a household of seven people)

	Before distribution	After distribution 1	After distribution 3
Cereals/cassava flour	99 kg	114 kg	109 kg
Cowpeas	1.9 kg	5.5 kg	16 kg
Curdled milk	1.2 kg	2.9 kg	3 kg
Meat	90 g	290 g	950 g
Oil	40 g	420 g	1 kg
Fruits and vegetables	90 g	100 g	947 g
Tuber	40 g	240 g	400 g
Green leaves	++	++	++
Pancakes	0	+	++

The fact that the poorest households were able to afford a wider range of nutritious foods meant that children's food intake improved. After the first distribution, 80% of households were able to enrich the millet-based gruel usually given to young children (notably during the weaning period) with milk. Before the project, only 50% of households could afford to do so.

The additional spending on food led to a substantial increase in intake of fats, proteins and micronutrients (calcium, folic acid, vitamin C, etc.).

However, households may still lack micronutrients, particularly those found in animal products. These are expensive and, therefore, consumed in small quantities, and only infrequently.

A larger cash transfer might have increased consumption of animal products. Micronutrient supplements could also be considered, and may actually be more cost-effective in the short term to fill any micronutrient gaps.

5 Change in the nutritional status of targeted children

In order to assess any change in the nutritional status of children in the beneficiary households, weight-for-height z-scores were calculated for each monitoring session (at baseline, and then one month after each of the three distributions), using the 2005 WHO Growth reference. Table 2 (below) shows the mean z-score, and Table 3 shows the percentage global acute malnutrition (GAM), and the severe acute malnutrition (SAM) at each monitoring session. Figure 5 shows the mean change in weight-for-height z-score between each monitoring session. The change in z-score reflects the change in nutritional status of an individual child. Unfortunately, due to concerns about the reliability of the age data, height-for-age and weight-for-age indices have not been presented.

The results of this analysis show that the nutritional status of children under five in targeted households improved after the first distribution, but this was not sustained for the duration of the project. As shown in Table 2, the average weight-for-height increased between the baseline and the second monitoring session, but then declined again between the second and third monitoring session. Although the mean z-score was slightly lower than the baseline at the end of the project (the fourth monitoring session), this difference was not statistically significant. The deterioration of nutritional status (as indicated by the reduction in mean z-score between the second and third monitoring sessions) coincided with the rapid escalation of child illness, which is common during this period.

In the same way, although the prevalence of global acute malnutrition (GAM) fell between the first and third distributions, it was not a statistically significant drop. The fact that GAM remained lower during

Table 2: Mean z-score of children under five benefiting from the cash transfer

	Monitoring 1 = baseline Before the distribution (beginning of the lean season)	**Monitoring 2 After distribution 1 (middle of the lean season)**	**Monitoring 3 After distribution 2 (end of the lean season)**	**Monitoring 4 After distribution 3 (harvest season)**
n	127	148	150	154
Mean z-score	-0.828	-0.586	-0.705	-0.805
Confidence interval	-1.128 to -0.528	-0.821 to -0.350	-0.927 to -0.484	-0.998 to -0.613

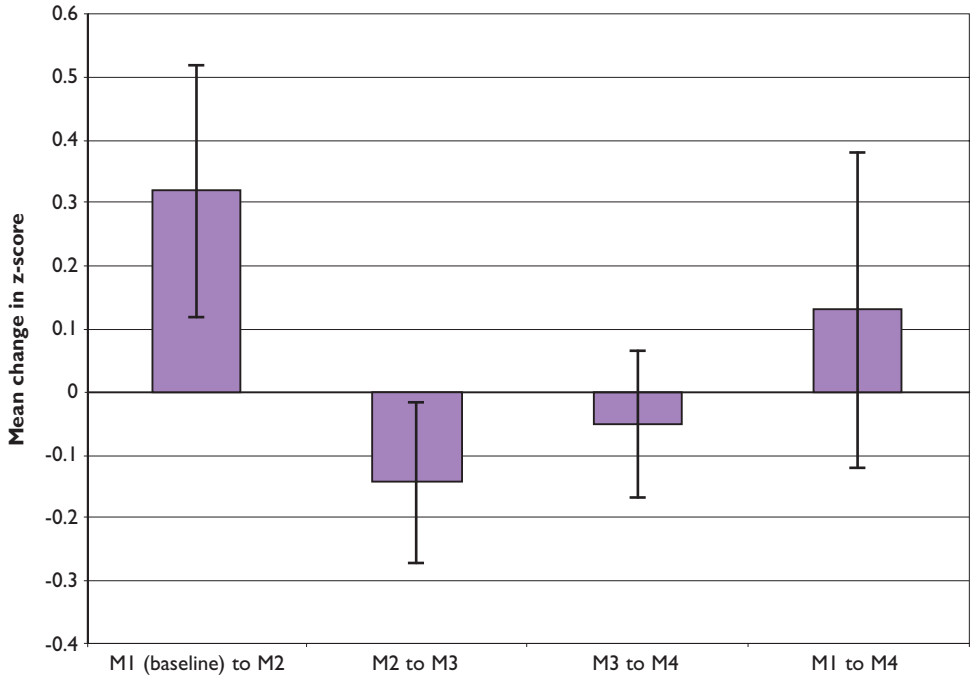
Table 3: Global acute malnutrition (wasting) rate of children under five benefiting from the cash transfer

	Monitoring 1 = baseline Before the distribution (beginning of the lean season)	Monitoring 2 After distribution 1 (middle of the lean season)	Monitoring 3 After distribution 2 (end of the lean season)	Monitoring 4 After distribution 3 (harvest season)
GAM	21.3%	14.9%	16.0%	13.6%
Confidence interval	(14.2–28.4%)	(9.2–20.6%)	(10.1–21.9%)	(8.2–19.0%)
SAM	9.4%	3.4%	4.7%	2.6%
Confidence interval	(4.4–14.5%)	(0.5–6.3%)	(1.3–8.0%)	(0.1–5.1%)

the subsequent monitoring sessions may well reflect the fact that children who were identified as acutely malnourished during the baseline monitoring session were then given treatment. Hence, although the overall nutritional status of the children deteriorated, it does appear that the treatment programme was helping to protect the most severely malnourished children.

The comparison of the mean change in z-score (comparing between children) reveals quite an interesting pattern (see Figure 5). Between the baseline and the first monitoring session, children had a mean change in z-score of just over 0.3, and this improvement was statistically significant (ie, the majority of children experienced an improvement in weight-for-height from baseline to the second

Figure 5: Mean difference in weight-for-height z-score comparing baseline (M1) with M2, M2 with M3, M3 with M4, and baseline (M1) with M4



monitoring). However, between the second and third monitoring sessions, there was an overall deterioration in z-scores. As mentioned above, this pattern is likely to be related to the deterioration of the children's general health status. Although the diet of children was improving, their health deteriorated as the prevalence of malaria and diarrhoeal diseases increased.

These data suggest that the cash transfers led to a decrease in the number of children who were acutely malnourished, but only to a certain extent. Further research is needed to see how larger-scale and repetitive interventions could have a greater impact on reducing child malnutrition.

Key finding

It is likely that in this setting, cash transfers need to be complemented by interventions such as disease prevention and micronutrient supplements, so as to better protect children's nutritional status.

6 Changes in livelihoods and longer-term impacts

Avoiding damaging coping strategies

One of the objectives of the cash transfer project was to protect livelihoods by preventing depletion of productive assets, which many households resort to as a coping strategy amid the ongoing food crisis. The evaluation showed that the cash transfers considerably decreased, and even removed, the need for households to resort to these damaging distress strategies. For instance, 10% of households had to mortgage their land, and 7% had to sell their land in the three months prior to the project. Only 1% of households mortgaged their land, and none had to sell land, during the timeframe of the project. Similarly, households' levels of debt decreased, although the reasons behind this, and the way people use credit and access other coping mechanisms, requires further investigation.

Restarting income-generating activities

The evaluation found that the cash transfer also enabled no less than 21% of beneficiary households to restart income-generating activities such as small-scale trade, selling cooked meals, butchery, and making and selling oil. These were activities that beneficiary households did in the past, but had to stop because of a lack of capital.

Effects on the local economy

More broadly, the money invested in the local economy had a positive effect on all local trade, particularly in milk and oil. However, at the end of the project, with the extra demand linked to the harvest period, a shortage of supply of milk and oil led to price increases for these products. It is likely

Key finding

Cash transfers can stimulate production of food products but, to meet the new demand for food, it is necessary at the same time to support the development of the supply chain.

Key finding

Recipients were less desperate to earn money – and so could work in their own fields. The drop in competition for paid work pushed up the local wage rate. As a result, the very poorest people in the community, who did not receive cash transfers through the project, benefited from higher rates of pay.

that longer-term support to the poorest families, resulting in an increase in their income, would increase the demand for certain products. This could encourage development of other livelihoods sectors, such as the milk chain.

Unexpected outcomes

The project had one significant, unanticipated impact in areas where it covered a fairly large proportion of the population. The cash distributions were made during the crop season (July, August and September), when the poorest families are usually employed in the fields of better-off families. The cash transfers gave families the option of choosing to invest their labour in their own crops and fields. This reduced the available labour force and, therefore, pushed up the local wage rate, which in some areas rose from 650 to 1,000 CFA francs a day (see Box 2 below).

Box 2: Effects on local daily wage rates and food security

A worker earning 650 CFA francs a day in July, when the price of millet was 200 CFA francs per kg, could only afford 3.25 kg of millet a day (4 kg are needed just to cover minimum energy needs for a typical household of seven people). Low wages are partly responsible for insufficient food intake among the poorest households, which makes them resort to harmful coping mechanisms (such as their children having to earn money instead of go to school, sale of productive assets, debt, etc.).

With the same worker earning 1,000 CFA francs a day, the household can afford 5 kg of millet. Although still limited, the additional wages enable the household to cover not only its basic food needs, but some other expenditures, potentially diversifying the family diet.

The effects of the cash transfer on local trade, and the development of certain livelihoods sectors, as well as the knock-on effect on local wage rates, show that using safety nets (such as cash transfers) to help the poorest households could be a lever of change and development for the wider community. This would have even greater potential if the safety nets were in place on a regular and predictable basis.

7 The challenge of accurate targeting

This section discusses the main constraints of the most challenging component of the project: targeting the poorest households.

The acceptability of targeting within a community

As mentioned earlier, the area chosen for the project had been declared by the government as food insecure. The HEA reference study (see Box 1) captured data on poverty and wealth, based on community perceptions. These were then used to determine targeting criteria to identify the poorest households.

On the one hand, the criteria were easily accepted by communities, as they recognised that the criteria reflected the status of the poorest households. However, it was difficult for community leaders to accept that only households meeting these criteria would be entitled to direct support through the project, especially as targeted aid was a new concept in the area of intervention. When the cash distributions took place, it was difficult for some people, especially women, to accept that they would not receive anything, while their neighbours did.

The feeling that the targeting was 'unfair' was also linked to the project's coverage, which included the poorest households only, while many other households faced hardship during the hunger gap. Project resources did not allow for broader inclusion criteria.

Working with traditional safety nets and solidarity systems

Targeting raises the issue of social norms within a community – in this setting, the complex power relationships and influence of patronage and the tradition of 'solidarity'. Although the solidarity system seems to function quite well for 'social cases' such as widows and people with disabilities, the support from the better-off to the poorest is often motivated by economic interests. The system serves to keep the poorest people poor, while guaranteeing those who are better-off certain 'advantages', such as more advantageous access to loans and employment. However, traditional safety nets have been eroded in recent years, due to recurrent climatic and market shocks, the drastic increase in population and, more broadly, the market economy becoming more embedded in rural society, as people become less self-sufficient for food and more reliant on the cash economy for their survival.

During implementation of the project, several checks were necessary to ensure that beneficiary lists were accurately targeting the poorest households. This caused tensions in some villages, and required strong negotiation skills to reduce envy and, in some cases, to protect leaders' status. An important learning point here is that traditional community leaders cannot be held fully accountable for the targeting; government authorities should officially validate and be accountable for targeting.

Box 3: Working with local communities: options for redistribution and taxation

In many villages, households that received the cash transfer were taxed by the head of the village or the person in charge of writing the list. These taxes were low (500 to 1,000 CFA francs – ie, 2.5% to 5% of the amount distributed). In a few cases, villagers asked for the money to be redistributed across the whole community, although the initial beneficiary still received more than others.

These mechanisms of taxation and redistribution seem important for the acceptability of the project within rural communities. The different models adopted by communities show that there is no one preferred method of targeting; it depends on the complex power relationship that exists within a village or community.

Although the targeting process was controversial, all beneficiary communities agreed that the support provided was effective in helping the poorest households to increase their food intake, while at the same time improving the general conditions of the entire community.

Targeting on the basis of economic criteria or social criteria, or both?

Another major issue raised during the project evaluation was the relevance of targeting according to economic criteria versus social criteria. The Nigerien government's recent Poverty Reduction Strategy Paper (PRSP) includes support for socially marginalised groups (such as people with disabilities and widows, among others). Some social protection schemes also target according to social criteria, as these are relatively easy to implement.

But are these groups the poorest, and those most in need? They tend to benefit from informal solidarity mechanisms, whereas very poor households, with two productively active members but a high number of dependants, do not.

Key finding

Contrary to popular belief, the 'social cases' (households headed by widows or people with disabilities) were not necessarily the poorest or the most vulnerable to malnutrition.

Table 4: Total monthly income (cash and in-kind) per capita according to the type of households before and after distributions

	Widows and disabled households (CFA francs)	Women headed households (CFA francs)	Typical households* (CFA francs)
Before the project (June 2008)	4,200	3,767	3,880
After distribution 1 (August 2008)	5,779	4,726	5,359
After distribution 3 (October 2008)	6,547	5,962	5,543

* With at least one active male in the household

The total income (cash and in-kind) for widows and disabled households is slightly higher than for very poor households.

Before the distributions, the monthly income per capita for households headed by a widow or a person with a disability was actually 8% higher than in households where there were two able-bodied adults.

Moreover, if the objective is to prevent child malnutrition, it may be more effective to target those households with very young children. These are likely to be households headed by two adults, and not those headed by widows, who are usually older.

Targeting on the basis of social criteria alone would exclude households with the lowest income per capita. This type of targeting is, therefore, difficult to justify when trying to address household food insecurity and economic causes of malnutrition.

Evidence suggests that interventions need to strike a balance between:

- providing the right level of resources (hence, reducing tensions when targeting)
- using criteria that are easily acceptable by communities
- using criteria that are easy to implement
- using criteria that will ensure that those most in need are reached.

Some less subjective criteria could also be considered, such as children under two.

8 Safety nets in Niger: which way forward?

Short-term safety net: a targeted response to food insecurity

This pilot project provides further evidence that targeted cash transfers are an efficient response to food insecurity. The transfers can prevent the poorest households experiencing a deterioration of their livelihoods status in the event of price rises and food crisis, as long as food is available at local markets. Our evaluation shows that the beneficiary households used the cash transfers to cover their basic food needs, diversify their diets, and protect their longer-term survival. Their ability to use the cash transfer to diversify the family diet appears to be the most forceful advantage of cash over food aid. It also highlights that lack of cash is one of the main constraints to poor households accessing a diverse, nutritious diet.

Conditionality and choice

The cash transfer meant that economically active adults in poor households could choose to spend time on activities that go beyond immediate survival needs, such as childcare (which can have an impact on levels of child malnutrition), and investing in their own fields or starting up other income-generating activities like petty trade. This needs to be recognised as an important economic and social benefit of such schemes, and ought to be taken into account when deciding upon conditionality in emergency support. Cash for work is one of the main components of the DNPGCA's (the National Food Crisis Prevention and Mitigation Mechanism) response to food crises. But while these labour-intensive schemes certainly provide some employment, and therefore income, to the poorest households, they might actually prevent them from investing in rebuilding their own livelihoods. The conditionality attached to this project was minimal: participation in information sessions and weekly activities to improve sanitation. The conditionality did not prevent households from engaging in activities of their own choice.

Cost-effectiveness

The targeting process contributed to the project's cost-effectiveness. Giving a smaller amount to a greater number of households would have had less of an impact, bearing in mind the significant differences in wealth between the different groups. If the same amount of money had been transferred equitably to all households, each would have received about three times less. The poorest would have potentially been able to meet their minimum energy requirements, but would not have been in a position to improve or diversify their diet, invest in rebuilding their livelihoods, or spend time looking after their children, which would make their children less vulnerable to malnutrition.

There is still a need to further investigate and pilot different approaches to targeting that are easier to implement and more readily acceptable to communities. However, the criteria of targeting should continue to be economic rather than social. Targeting based on social criteria alone would undermine the potential of safety net interventions to prevent malnutrition and the erosion of livelihoods in times of crisis.

Could it be scaled up?

Although cash transfers appear to be an efficient way to tackle food insecurity among the poorest households in Niger in the short term, would their cost allow implementation on a larger scale? To provide 20% of the poorest rural Nigerien population – ie, 2 million people – with the same amount of cash transfer, it would cost about 21 billion CFA francs[6] (US$41 million). That is almost equivalent to the amount spent by the European Union (EU) and USAID (United States Agency for International Development) on humanitarian assistance in Niger during the 2005 food crisis ($46 million).[7] It is also just under half of the Nigerien government's 2008 budget to support the vulnerable population (48.3 billion CFA francs). But it is important to note that only 6.6 billion CFA francs were actually authorised for food security interventions last year, and that government plans to address food insecurity remain under-funded almost every year. Large-scale cash transfers would only be feasible for the Nigerien government if donors substantially increased their financial support.

Long-term safety net: regular, predictable support to reduce poverty and child malnutrition

The project evaluation shows that giving substantial amounts of cash directly to the poorest households not only enables them to meet their minimum food needs and access a more diverse diet, it creates – unsurprisingly – a certain economic dynamism, favouring reflation and strengthening petty trade and other livelihood activities. This, in turn, creates wealth in the villages where the intervention took place. Cash transfers can also have unanticipated knock-on effects, such as increasing local wage rates (see Box 2 on page 16).

During the project, although targeted households were not given direct support to improve their livelihoods, they spontaneously sought to do so once their basic food needs (and sometimes social contributions) were met. This further suggests that lack of income may be the major bottleneck to economic development for the poorest groups, in the same way that lack of cash restricts access to a more diverse diet.

However, all these gains are likely to be reversed when the next food crisis occurs. In order for the poorest populations to build a solid resilience to face shocks, and to lift themselves out of the poverty trap, regular and predictable support is required. At the same time, it is important that complementary measures (such as appropriate agricultural and rural development policies) are in place, and appropriately funded.

Endnotes

Introduction

[1] Rapport sur le coût d'une alimentation équilibrée dans le département de Tessaoua et la capacité des ménages à se l'offrir – Département de Tessaoua, Région de Maradi (Niger), C. Chastre, A.M. Dodo, et al., April 2008.

[2] Enquête Démographique de Santé au Niger (EDSN)-Multi Indicators Cluster Survey (MICS) Niger 2006.

[3] Comité sous regional de prévention et de gestion des crises alimentaires (Sub-regional committee for prevention and management of food crisis).

[4] According to the HEA analysis, very poor households are those with less than 1 hectare of land, and no cattle, though they may have a few sheep and goats they own or look after thanks to a local credit/gifting system. Households with widows and people with disabilities were included as beneficiaries at the request of the communities involved.

1 How did the cash transfer change the economic status of targeted households?

[5] To maximise their harvest, farmers need to carry out certain tasks (weeding, harrowing, etc.) at key points in time. If they cannot carry out these tasks when they need to be done, productivity is likely to fall considerably.

8 Safety nets in Niger: which way forward?

[6] Based on 20% of all households receiving 60,000 CFA francs each, plus 25% to cover administration and logistics.

[7] F Mousseau and A Mittal, *Sahel: A prisoner of starvation? A case study of the 2005 food crisis in Niger*, The Oakland Institute, 2006, www.oaklandinstitute.org/?q=node/view/379

Save the Children
UK

How cash transfers can improve the nutrition of the poorest children

Evaluation of a pilot safety net project in southern Niger

The rising cost of food around the world is hitting poor families hard. More children are likely to be malnourished. And, as a result, more children are likely to die, to get sick or to fail to grow and develop fully.

It's vital that we act quickly to prevent an increase in child mortality and suffering. Cash transfers to poor families are part of the solution.

This briefing presents key findings from a pilot project, run by Save the Children and supported by the European Commission Humanitarian Aid department (ECHO), to give cash transfers to 1,500 of the poorest households in Tessaoua district in southern Niger in 2008. Up to half the population of southern Niger can't afford a balanced diet in a 'typical' year; and with the global food crisis, their financial situation is even tougher. Yet many programmes and policies aimed at preventing malnutrition do not take this economic dimension sufficiently into consideration.

This briefing draws on findings from this pilot project to look at how targeted cash transfers can affect the food intake and earning power of the poorest households. Its findings will be of interest to NGOs, governments and donors involved in planning and implementing food security and safety net programmes.

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