

## Conference Infopoint External cooperation

# Promoting Access to Food and Social Transfers to fight extreme poverty

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## Purpose of the infopoint conference

Understand the logic behind the support to Access to Food and Social transfers in order to support innovative responses to fight extreme poverty and food insecurity:

1. Rehabilitate Access to Food and promote social transfers approaches?
2. Conclusions and recommendations of the seminar

## Rehabilitate Access to food?

- MDG 1 : « Hunger and extreme poverty »
- 160 mln ultra poor ( $< \frac{1}{2}$  USD/day)
- Unbalanced strategy between Food Security pillars (availability, access, use)
- « Lack of food » is not the cause of food insecurity

## Rehabilitate Access to Food? (2)

- Problem of distribution and equitable growth
- Link Access to food and ST: the poorest have the higher share of food in the household budget
- Pro-poor household strategy oriented
- Compensate/mitigate weaknesses when market regulation does not work properly

# Definition

- «Social transfers can be defined as regular non-contributory\_payments of money provided by government or non-gouvernement organisations to individuals or households, with the objective of decreasing chronic or shock-induced poverty, addressing social risk and reducing economic vulnerability » (OECD/Povnet, Feb 2008)

## EC intervention

- From lower developed countries (Bangladesh, Ethiopia, Malawi, etc.)
- ...to transition countries (Eastern Europe, Caucasus, Central Asia, etc.)

# Key words of the Seminar

- Country specific
- Institutionalisation
- Graduation
- Linkage
- Impact indicators
- Targeting

## Conclusions and Recommendations

- Social transfers endorsed by government
- Prioritization of ST based on current budget expenditures
- Mid and long term strategy (not a crisis response)
- Proper sequencing in social assistance reform
- Budgetary support is adapted to social transfers



Where to find the documents of the seminar?

[http://www.cc.cec/dgintranet/europeaid/activities/thematic/e6/training\\_2008/fsaprilaccess\\_en.htm](http://www.cc.cec/dgintranet/europeaid/activities/thematic/e6/training_2008/fsaprilaccess_en.htm)

Additional complementary slides

# Social transfers and inflation

- Inflation is not the problem but purchasing power
- ST programmes exist for a long time, no particular inflation was noticed
- « Arbitrage » between food aid and cash support to the household income: WFP and inflation
- Level of social expenditures/GDP in lower developed countries =1%, sweden =32%

# Current challenge to reduce poverty and hunger

- 1 billion people absolutely poor <1USD/day
- 162 million live with <1/2 USD/day
- 800 million are hungry, lacking sufficient access to food

(IFPRI 2007)

# Current challenge to reduce poverty and hunger

- Poverty and hunger reduction has been slower among the poorest causing extreme poverty to be increasingly concentrated in these groups
- The poorest increasingly concentrated in Sub-Saharan Africa and South Asia.
- New risks: climate change, health crisis, increase in food prices, etc.