

Food assistance as a safety net

Programs, choices and evidence

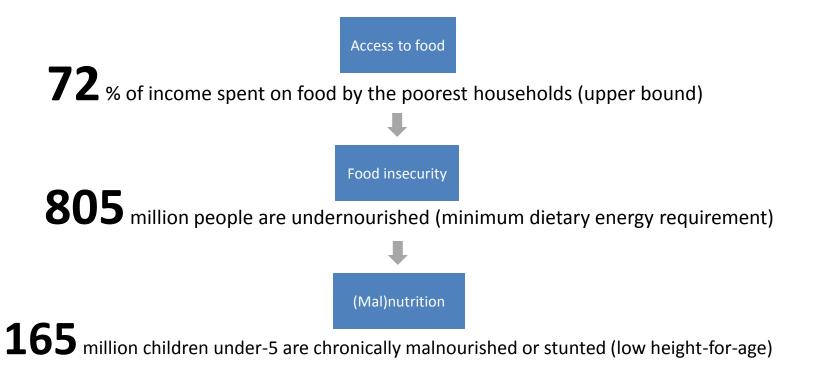
Social Safety Nets Core Course 2014

Ugo Gentilini World Bank, GSPDR

- Concepts and definitions (what is 'food assistance')
- Food assistance programs (what forms does it take)
- Making choices (comparing impacts and costs; issues to consider)
- Wrap-up

- Concepts and definitions
- Food assistance programs
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Food as a critical part of a broader equation. A few numbers...





45 % of child mortality caused by malnutrition (3.1 M/year)

Mortality

46 % higher hourly wages among Guatemalan adults due to better nutrition in childhood

Economic investment

Unbundling 'food assistance'

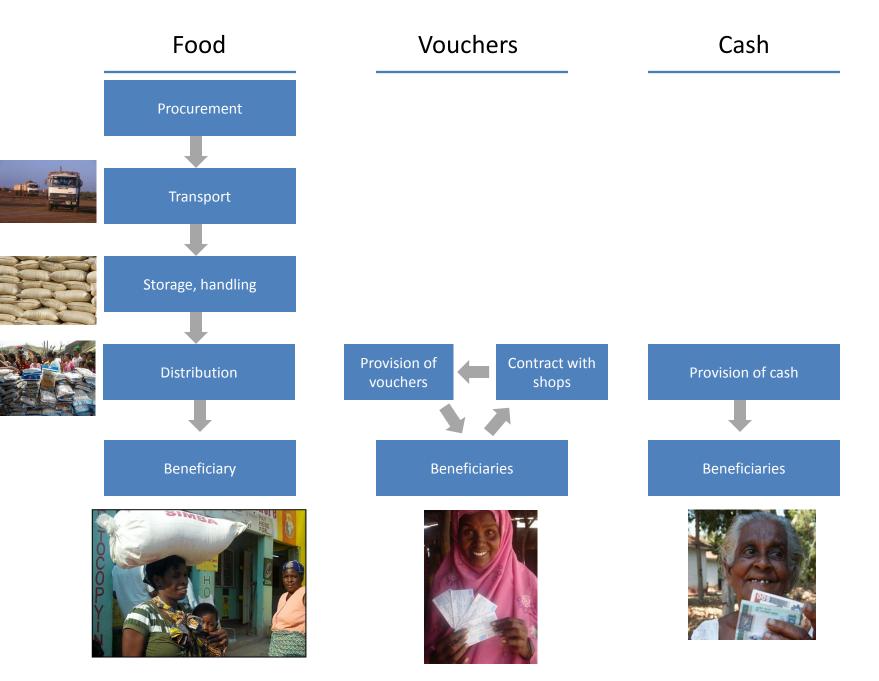


What it includes

- Measures that "... improve access to, and consumption of, adequate, safe and nutritious food"
- Cash transfers, vouchers, food transfers (if with external assistance = 'food aid')
- Design devised accordingly (e.g., transfer size, M&E)
 - (Hint: we do not here consider large cash lump grants or similar, but transfers for an amount to access a basic food basket + little top-up)

Programs

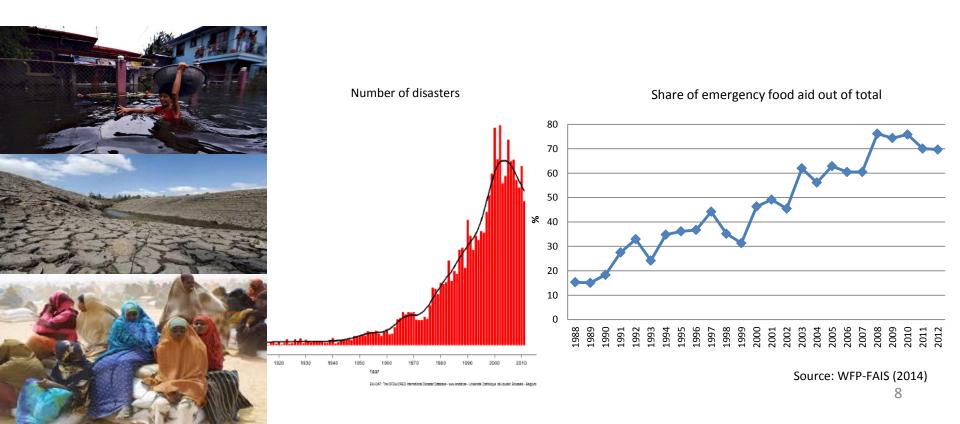
- Unconditional, conditional, public works
- Formally provided by governments
- Fully or partially subsidized



- Concepts and definitions
- Food assistance programs
- Making choices
- Wrap-up

Unconditional food programs

- Bulk of response in early phases of natural disasters and conflict
 - Emergency programs now 70% of international food aid (tot: 4.7 M tons; 0.2% of global production)
 - 'General food distribution': reaching 43.7 million people in 2012
 - Some 14.5 million people received 'nutritional supplementation'
 - Currently: 6M Syrian displaced; 1.5M for ebola crisis; 2.5M in South Sudan; 500,000 people in C.A.R



A food transfer consist of commodities of various quantity and quality

- Traditional cereals, pulses and oil
- 'Ready to Use Therapeutic Foods', lipid-based products for treatment of severe acute malnutrition
- Costs higher for high-quality products (R&D, imported, shelf life, etc.)

			Fortified Blended Food (100-200g)	(FBF)	LN5 Small Quantity (<20g)	Micronutrient Powders (1g) Micronutrient Powders (MNP)	
Plumpy'doz® (Peanut-based)	eeZeeCup TM (Peanut-based)	Wawa Mum (Chickpea-based)	Super Cereal Plus	Super Cereal ²	Nutributter® (Peanut-based)		
Stampy for	rezoccup	Wawa mum	SUPER GEREAL plus SUPER GEREAL plus SUPER GEREAL plus SUPER GEREAL plus	SUPER SUPER CEREAL SUPER CEREAL CEREAL	nutributter	雪量	
Children 6-23 months	Children 6-23 months	Children 6-23 months	Children 6-23 months	Pregnant and Lactating Women	Children 6-23 months	Children 6-59 months School age children	
Vegetable fat, peanut, sugar, milk powder, whey, V&M, cocoa	Vegetable fat, peanut, sugar, skimmed milk powder, V&M	Chickpeas, vegetable oil, milk powder, sugar, V&M	Corn/wheat/rice soya, milk powder, sugar, oil, V&M	Corn/wheat/rice soya, V&M	Peanuts, vegetable fat, sugar, skim milk powder, whey, V&M	Vitamins and minerals (V&M)	
46g portion (1/7 portion of a pot)	46g portion (1/7 portion of a pot)	S0g sachet	100-200g (200g includes provision for sharing)	100-200g (200g includes provision for sharing)	20g sachet	1g sachet every second day	
247 kcal, 5.9g protein (10%), 16g fat (58%). Contains EFA, meets RNI and PDCAAS	253 kcal, 6.0g protein (10%), 15g fat (56%). Contains EFA, meets RNI and PDCAAS	260 kcal, 6.5g protein (10%), 14.5g fat (50%). Contains EFA, meets RNI and PDCAAS	394-787 kcal, 16-33g protein (17%), 10- 20g fat (23%). Contains EFA, meets RNI and PDCAAS	376-752 kcal, 15- 31g protein (16%), 8-16g fat (19%). Meets RNI and PDCAAS	108 kcal, 2.6g protein (10%), 7g fat (59%). Contains EFA, meets RNI and PDCAAS	Meets RNI (No energy, fat or protein content)	
			tions, contexts and objective	s (e.g. prevention of acute	vs. prevention of stunting)	as well as target group.	
24 months	18 months	24 months	18 months	12 months	24 months	24 months	
Primary packaging: 325g pots. Carton: 12.7kg (gross) and 11.7kg (net) has 36 pots	Primary packaging: 325g pots. Carton: 12.7kg (gross) and 11.7kg (net) has 36 pots	Carton: 10.5kg (net) has 210 sachets	Primary: 1.5kg (net) bag; Secondary: 15kg (net) carton has 10 bags; or 18kg sack has 12 bags	25kg (net) bags	Carton: 11.95kg (gross) and 10.92kg (net) has 546 sachets	Carton: 14kg (gross) has 240 boxes; 30 sachet in each box. *Packaging varies with supplier	
	Medium Quantity (20- Plumpy'doz® (Peanut-based) Children 6-23 months Vegetable fat, peanut, sugar, milk powder, whey, V&M, cocoa 46g portion (1/7 portion of a pot) 247 kcal, 5.9g protein (10%), 16g fat (58%). Contains EFA, meets RNI and PDCAAS Duration will be aligned of Please refer to programm 24 months Primary packaging: 325g pots. Carton: 12.7kg (gross) and 11.7kg (net) has 36	Children 6-23 months Children 6-23 months Children 6-23 months Vegetable fat, peanut, sugar, milk powder, whey, V&M, cocoa 46g portion (1/7 portion of a pot) 247 kcal, 5.9g protein (10%), 16g fat (58%). Contains EFA, meets RNI and PDCAAS Duration will be aligned with national guidelines and Please refer to programme design guidance for more 24 months Primary packaging: 325g pots. Carton: 325g pots. Carton: 12.7kg (gross) and 11.7kg (net) has 36	Plumpy'doz® (Peanut-based) Plumpy'doz® (Peanut-based) Children 6-23 months Children 6	Plumpy'doz® (Peanut-based) eeZeeCup™ (Peanut-based) Children 6-23 months Corn/wheat/rice soya, milk powder, sugar, v&M sugar, v&M sugar, v&M 46g portion (1/7 portion of a pot) Portion of a pot) 247 kcal, 5-9g protein (10%), 15g fat protein (10%), 15g fat (56%). Contains EFA, meets RNI and PDCAAS Duration will be aligned with national guidelines and will vary with different situations, contexts and objective Please refer to programme design guidance for more information. Primary packaging: 325g pots. Carton: 12.7kg (gross) and 11.7kg (net) has 36 11.7kg (net) has 36 India Pounds Children 6-23 months Corn/wheat/rice soya, milk powder, sugar, oil, v&M 100-200g (200g includes provision for sharing) I (10%), 14.5g fat (10%), 14.5g fat (50%). Contains EFA, meets RNI and PDCAAS PDCAAS Duration will be aligned with national guidelines and will vary with different situations, contexts and objective Please refer to programme design guidance for more information. 24 months 18 months Primary packaging: 325g pots. Carton: 10.5kg (net) has 210 sachets bag; Secondary: 15kg (net) bag; Secondary: 15kg (net) bag; or 18kg sach	Plumpy'doz® (Peanut-based) Plumpy'doz® (Peanut-b	Plumpy'doz® (Peanut-based) (Peanut-based) (Chickpea-based) Children 6-23 months (Children 6-23 months Super Cereal Plus Super General Super G	

Source: WFP (2014)

Domestic, institutionalized programs

 Specific risks in lifecycle, e.g. Chile's PNAC (2kgs of powdered milk per month from birth to two years of age, i.e. 8.9 M children) and PACAM (4.7 M senior, +60-70)

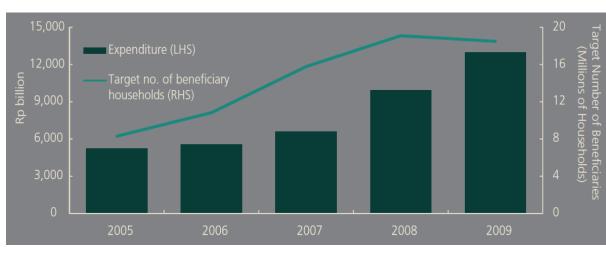
Various models of 'public distribution systems'

- Evolved from price stabilization functions to safety net programs
- Often as partially subsidized commodities
- Substantial scale: at least 850 million individuals; ~\$18 billion

Country	Program	Beneficiaries (M)	Cost (\$ Bill)
India	TDPS	180*	7
Iraq	PDS	32	5
Mexico	Diconsa	0.67*	0.37
Egypt	Baladi	70	3.64
Indonesia	Raskin	18.5*	1.4

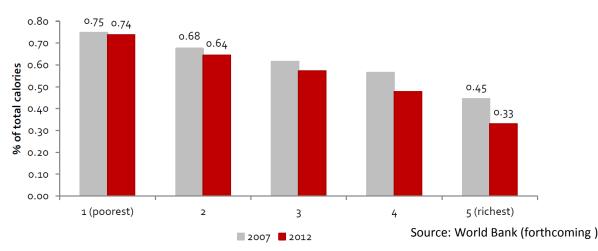
^{*}households. Source: internal work in progress, LAC SP database , ASPIRE

Indonesia





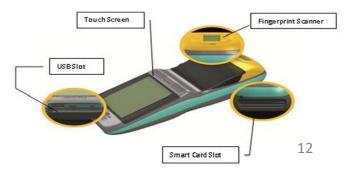
Source: World Bank (2012)



- Lots of ongoing innovations
 - E.g., India's Chhattisgarh state...

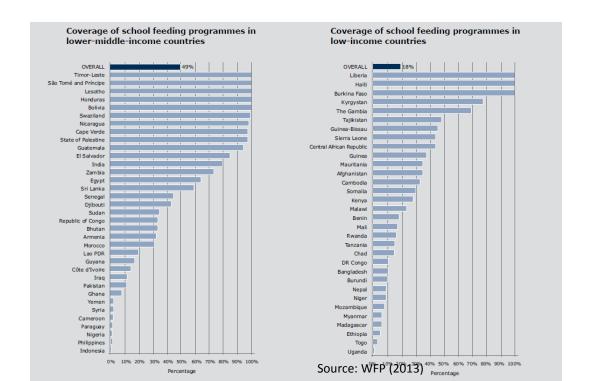
Targeted Public Distribution System in Chhattisgarh state (more in BBL next week!)

- From pre-assigned 'fair price shops'...
 - 'Leakages' at various points; multiple visits to the shop, possible mistreatment of beneficiaries, overcharges, long waiting hours (i.e., 4-5h)
- ... to competition and reform
 - Increase in the number of shops
 - Decentralized procurement schemes
 - Portability: choosing shops, COREPDS
 - Per capita access increased 5-fold, from 600 grams/month in 2004-5 to 3.2 kg per month in 2007-8. Calories soared by 880%



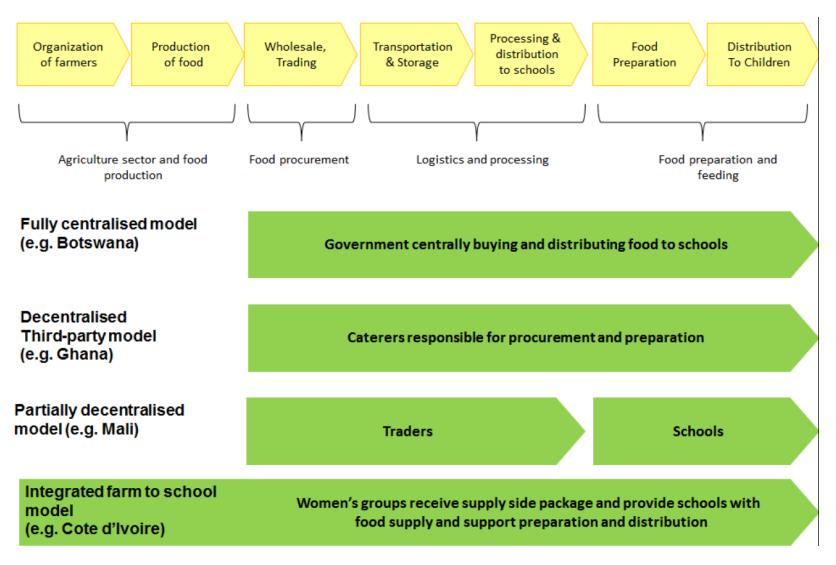
Conditional food transfers: school feeding

- Provision of food to children conditional to attendance
- Two basic modalities
 - On-site meals and take-home rations (and snacks)
- Coverage of 368 million children worldwide, \$75 billion/year (2011)
- Admin costs: 10-20% depending by model
 - Could peak to 42% in less-mature programs





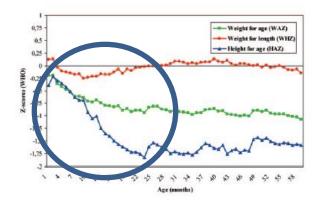
School feeding models



Impacts on nutrition

Highly debated issue

- Missing critical age window of 0-24m
- Possible indirect effect through THRs (e.g. Burkina Faso: weight for age increased by 0.38 sd for children 12-60 m whose sisters were eligible for THRs, Kazianga et al. 2009)



Source: Shrimpton et al. (2001)

Micronutrient status

- Biscuits fortified with iron and iodine reduced absenteeism and some dimensions of cognitive function (Alderman and Bundy 2011)
- When locally-procured, role for fortification using prepackaged mixes
- Anemia (e.g. Uganda)
- Deworming (common to include in planning)





Considerably effective in enrolment

- Uganda: 9% increase in children aged 6–13 who started school (Alderman et al 2010)
- Bangladesh: 14% difference (in communities with and without SF (Ahmed 2004)
- Burkina Faso: new enrollment of girls by about 5-6% (Kazianga et al. 2009)
- Kenya: 30% increase (pre-school) (Vermeersch and Kremer 2005)

Cognitive skills

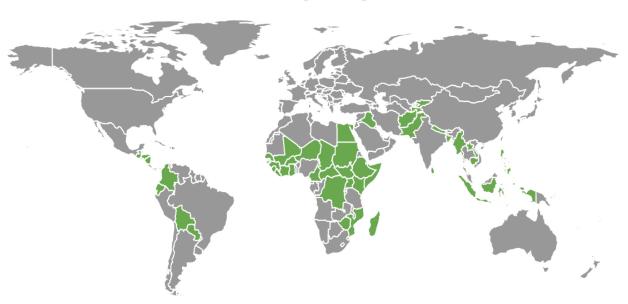
- Mixed evidence on learning (supply-side, quality of education as key, e.g. Pritchett 2013...)
- E.g. Uganda impact on math test scores (children aged 11-14), but not test of literacy

Targeting

- School-targeted as generally progressive (Lindert et al. 2010)
- THRs as gender-targeted (double in transfer size, e.g. Gelli et al. 2009)
- Expanded in crises, but where existed (e.g., Burundi, CAR, Ghana, Liberia, Togo, and Philippines)

Food for work

• In a nutshell, provision of food commodities for labor-intensive activities

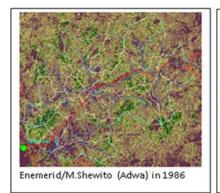


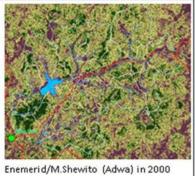
- Reaching about 15.1 million people in 2013
 - Sudan about 1M people, Kenya 158,000
- Various design issues
 - Wage setting, self-targeting, etc. (more from Subba tomorrow)
 - Non-food costs: 30-40% when 'safety net oriented'

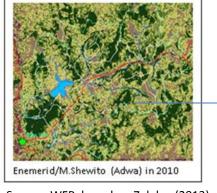


Food for work

- Different models, e.g. Ethiopia
 - Long history for FFW before PSNP (EGS)
 - PSNP and MERET



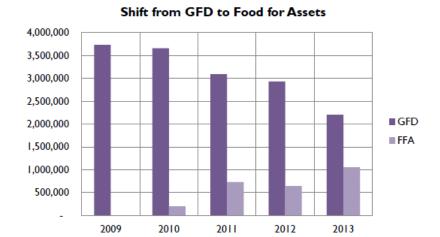






Source: WFP, based on Zeleke (2013)

- Changing composition in early-recovery
 - E.g. Sudan



Vouchers

- Usually unconditional; can be quantity or value-based
- Different ways of provision/payment...

Paper-based





Pakistan (1990s) Burkina Faso

Semi-paper





Zambia Zimbabwe

Phone-based





Syria

Swipe-cards





Palestine Lebanon

Integration and multipliers

Gaza

- Crisis in 2014, voucher platform used to channel humanitarian assistance (300,000 people)
 - Cards uploaded to serve 84,000 people with water and sanitation items, and 14,000 children received school uniforms

Lebanon

- Coverage 882,850 people in October 2014 alone (75% of refugees)
- US\$30 per person, US\$345M in 2014 (expected to generate US\$517 M in the economy)
- 416 shops; +1,300 jobs and US\$3M in capital investments (space and storage)
- Vouchers delivered with Mastercard®; online monitoring; payment of merchants within 48h
- Informing the Emergency National Poverty Targeting Programme (E-NPTP) in Lebanon





Ms Mabel McFiggin of Rochester, New York



First printing of SNAP (food stamps), Washington D.C., April 20, 1939

Introduced in waves ...

Pilot 1939-43...









... then stopped. No program between 1943-61...

... then pilot again (1961) and eventually enshrined into law (1964)





Participation Growth after Act of 1964

1965: 561,261

1966: >1,000,000

1977: 2,000,000

1971: 10,000,000

1974: 15,000,000

Food stamp act of 1977 (S. 275)



- Most importantly, eliminated purchase requirement (like food stamps today)
- Got rid of categorical eligibility, requirement that houses have cooking facilities
- · Established eligibility at the poverty line
- Reduced the amount of deductions included in computing net income
- Raised the limit to \$1,750/household
- Penalized families whose head quit job
- Restricted eligibility for students & aliens
- Fraud Disqualification
- Also created many new and effective ways to manage and apply for the program

Early 1980's



Under President Reagan, major cuts were made via these changes:

- More penalties for those who quit their jobs
- State option to require recipients to search for jobs
- Counting retirement accounts as resources
- Looking at gross income rather than just net income
- More adjustment periods

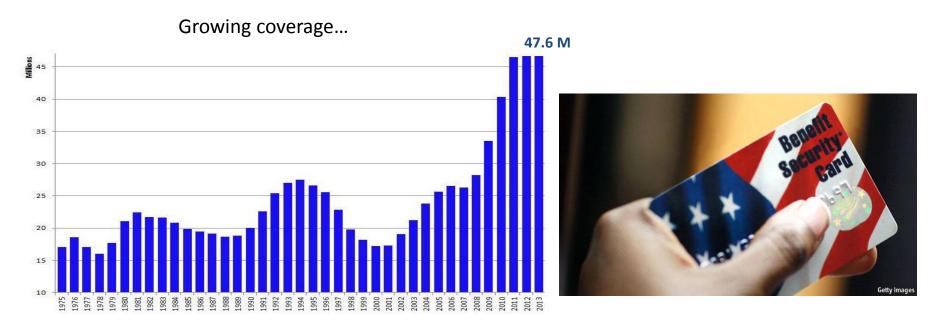
1984- EBT starts (Electronic Benefits Transfer)

1990's

Due to the increasing amount of hungry Americans, a large amount of funding was reinstated.

- Elimination of Shelter Deduction Cap
- Establishing deductions for those who owe legally required child support
- Raising the amount of money allotted per child
- Expansion of EBT

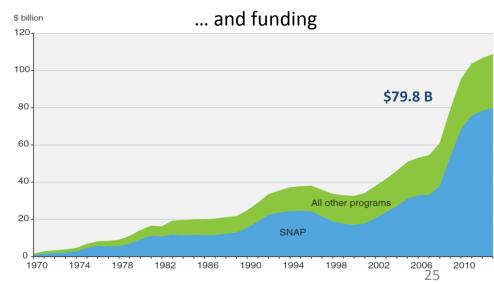




Source: Oliveira (2014)

- Means-tested, below poverty line (\$1,628/month for a 3-person family in 2014)
- Monthly transfer of \$148 \$563 (pending on HHs size)
- Admin cost: 8%
- 246,000 retailers; generated \$1.7 in economic activity for \$1 injected (Moody's Analytics)

Source: Center on Budget and Policy Priorities



Source: Oliveira (2014)

















Quasi-formal food assistance: food banks

Country	Number of beneficiaries
United States	37,000,000
France	3,642,991
Italy	3,380,000
Poland	3,200,000
Spain	1,667,770

Country	Beneficiaries as share in total population (%)
Lithuania	14.9
Slovakia	13.1
Slovenia	12.5
United States	11.9
Romania	11.1

Source: Gentilini (2013)





the last year, up from 347,000 the year before.

Related Stories

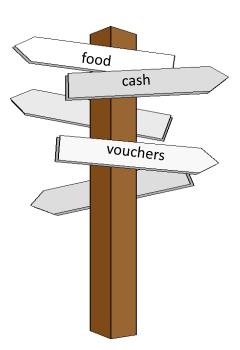
Range of other models: e.g., Brazil's restaurante popular







- Concepts and definitions
- Food assistance programs
- Making choices
- Wrap-up



What do we know about cash versus food?

Can be ideological and polarizing...

"[T]he big reason poor people are poor is because they don't have enough money. (...)
So let's abandon [vouchers and in-kind transfers] and just give money to those we
should help out." (C. Kenny, CGD)

"The economist's traditional, normative dictum on benefits in-kind may be analytically elegant (...) but practically dead wrong." (U. Reinhardt, Princeton University)

- Political economy can play an important role
 - Constituencies
 - Perceptions
 - Paternalism vs fungibility

What do we know about cash versus food?

- Lots of evidence on *individual* cash, food and voucher programs
 - Comparisons somewhat 'by inference'

- But little about about *relative* performance? In other words, deliberate comparisons...
 - Same context
 - Equal objectives
 - Consistent design (transfer size, frequency)
 - ... and using RCTs/quasi-experiments

SNAP evidence

- "... virtually every study finds food stamps increase household nutrient availability at 2 to 10 times the rate of a like value of cash income" (Barrett 2002)
- Explaining the "cash out puzzle"
 - 'Labeling' effect inducing a sense of moral obligation to use in-kind transfers for their intended food consumption purpose (Senauer and Young 1986)
 - Gender and decision-making behaviors in multi-adult households (Breunig and Dasgupta 2005)
 - Alterations in household budgeting and planning of monthly purchases (Wilde and Ranney 1996)
 - Others...

New generation of comparative evaluations

Program	Country	Program type	Modality	Cash (\$)	Food (n)	Size as % of ore-program HH exp.	Transfer frequency	Exposure	Delivery mechanism
PAL	Mexico	Ст, UТ	Cash, Food	13	7	11.5	Monthly (cash), bi- monthly (food)	trial 1 year	Biometric debit cards
Zinder project	Niger	PW, UT	Cash, Food	50	5	11.5	Bi-weekly	6 months	Mobile ATMs, smart cards
PSNP	Ethiopia	PW, UT	Cash, Food	16.2	3	N/A	Monthly	6 months per year	N/A
Early Childhood Development	Uganda	СТ	Cash, Food	10.2	3	12.7	6-8 week cycle	12 months	Mobile money cards
Colombian refugees project	Ecuador	СТ	Cash, Food, Vouchers	40	V=9 F=4	10	Monthly	6 months	ATM card

Program	Country	Program type	Modality	Cash (\$)	Food (n)	Size as % of ore-program HH exp.	Transfer frequency	Exposure	Delivery mechanism
IDPs project	Democratic Republic of Congo	UT	Cash, Vouchers	18.5	V=10	18.96	Bi-monthly	7 months	Bank accounts
Unconditional safety net	Yemen	UT	Cash, Food	49	2	N/A	Bi-monthly	6 months	ID card via Postal Savings Corporation
Scholarship pilot program	Cambodia	СТ	Cash, Food	5	1	2.5	Monthly	10 months	On-site manual distribution
СТРР	Sri Lanka	UT	Cash, Food	9.8	6	26.3	Bi-weekly (cash), bi-monthly (food)	3 months	Samurdhi Bank
IGVGD, RMP	Bangladesh	UT, PW	Cash, Food	19.7	1	30 (cash) 15.5 (food)	Bi-monthly (cash), monthly (food)	2-4 years	Public banks

What do they tell us?

- Impacts
- Other related findings
- Costs

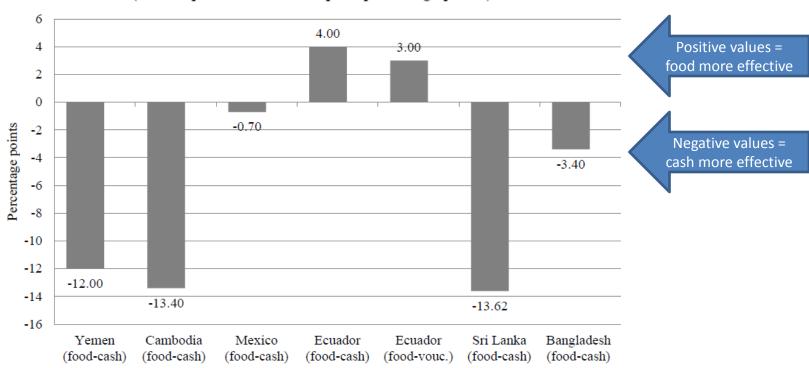
Impacts



	Mexico	Niger	Ethiopia	Uganda	Ecuador	Congo, DR	Yemen	Cambodia	Sri Lanka	Bangladesh
Total Consumption	✓						✓	✓		✓
Food Consumption	✓	\checkmark			✓		✓	✓	✓	✓
Non-food consumption	✓	✓			✓		\checkmark	✓	✓	
Food gap			✓	\checkmark						
Food diversity		✓		✓	✓	✓	✓	✓	✓	
Caloric in-take					✓		✓		✓	✓
Anthropometric								✓		
measures										
Income			✓					✓		✓
Assets								✓		
Poverty headcount	✓									✓
Labor market	✓									
participation										
Anemia	✓			✓						
School dropout rates								✓		
Cognitive development				\checkmark						

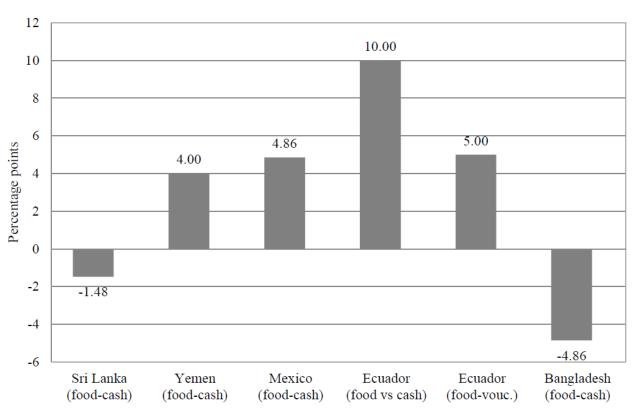
Emerging insight: cash used for food of higher value...

Difference in impact between food and cash transfers on food consumption (food impact minus cash impact, percentage points)



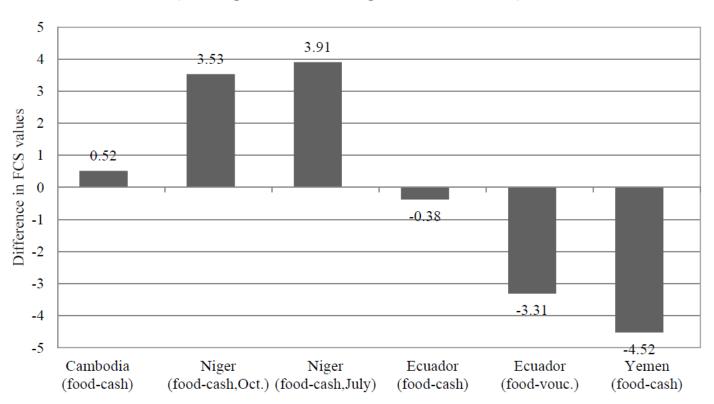
Emerging insight: food augments calories intake...

Difference in impact between food and cash transfers on per capita calorie in-take (food impact minus cash impact, percentage points)



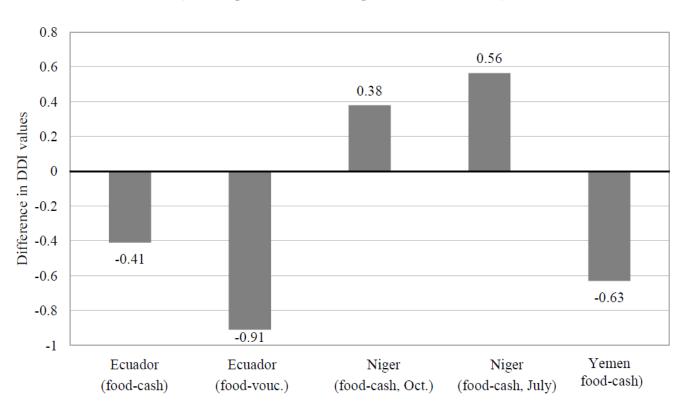
Emerging insight: mixed impacts on diversity (i)...

Difference in impact between food and cash transfers on Food Consumption Scores (food impact minus cash impact, indicator values)



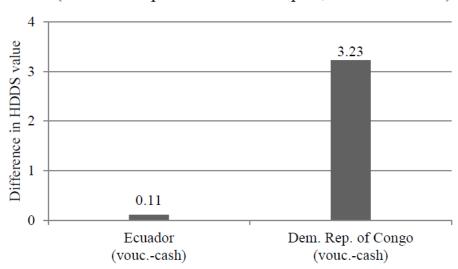
Emerging insight: mixed impacts on diversity (ii)...

Difference in impact between food and cash transfers on the Dietary Diversity Index (food impact minus cash impact, indicator values)



Emerging insight: mixed impacts on diversity (iii)...

Difference in impact between vouchers and cash transfers on Household Dietary Diversity Scores (vouchers impact minus cash impact, indicator values)



Some other findings and implications

Markets and implementation capacity

- Approaches to markets can vary
 - A working markets as prerequisite
 - ... or a working market as an outcome, i.e. transfers attracting markets (e.g. fairs)
- General consensus to use in-kind food programs when/where markets are not 'functioning'
 - Integration, competition, availability
 - Different actors in the supply chain
 - Assessment tools (MIFIRA, EMMA...)
- Price dynamics can alter program performance and people's preferences
 - Two scenarios....

Price dynamics (unpredictable shocks)

Ebola in West Africa

- Monrovia: in 2 weeks (August), cassava prices increased by 30%
- Sierra Leone: in 6 months prices for local rice ranged from -20% to +42%

PSNP in Ethiopia

High food prices in 2008 increased market value of food transfers was between 1.4 - 3
 times the value of cash transfers

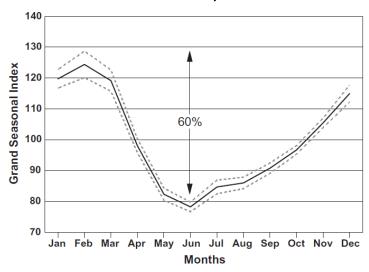


Transfers	Received		Stated Preference		
	2006	2008	2006	2008	
Cash only	15%	21%	9%	3%	
Food only	19%	26%	55%	84%	
Mixed (cash + food)	66%	53%	36%	13%	
Total households	100%	100%	100%	100%	

Source: Sabates-Wheeler and Devereux (2010)

Price dynamics (seasonal/predictable)

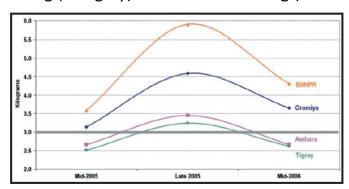
Mean seasonal price change in the Malawi maize market, 1989-2009



Source: Ellis and Manda (2012)

The PSNP payment rate was set at 6 Birr per day in 2005-06 to purchase 3 kg of cereals

- 2.5 kg (in Tigray) to as much as 5.9 kg (in SNNPR)

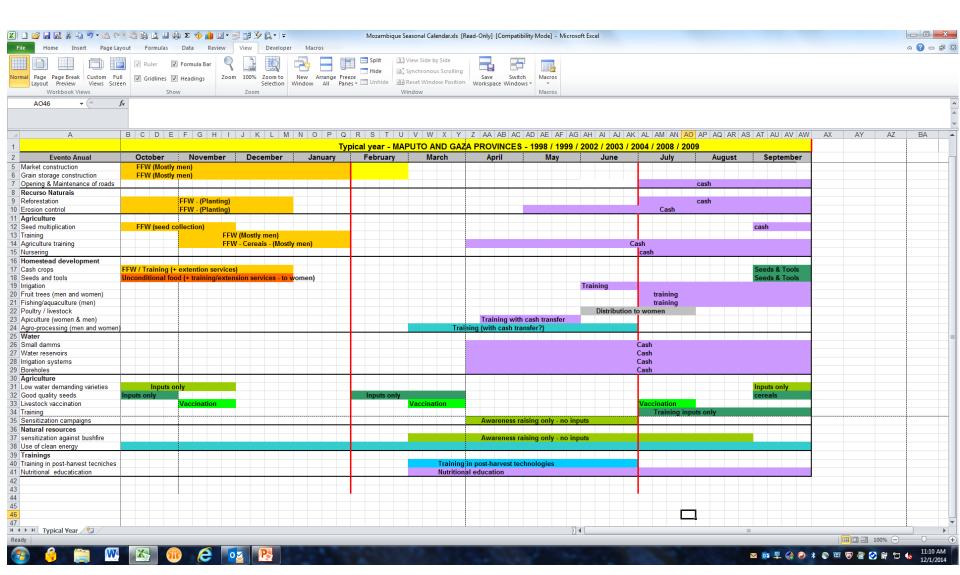


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What to do about it?

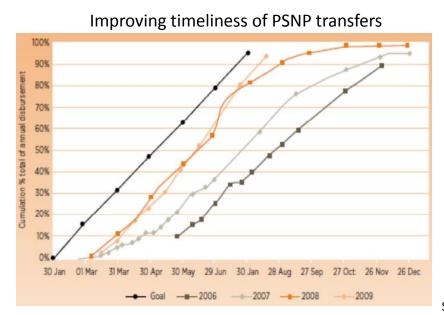
- Switch from cash to food transfers
 - At what point? Identifying benchmarks (e.g., Malawi 2008-09, MKW63/kg)
 - Contingency plans established and triggered rapidly
- Extend the duration of transfers when food prices rise
 - For how long? 3 months in Ethiopia 2011
- Index-link cash transfers to the cost of a basic food basket
 - E.g., FACT and DECT
 - Which commodities?
 - Price observed at measurement stations vs periphery (basis risk?)
 - Relatively easy to increase transfer size; less so to reduce it?
- Provide a combination of cash plus food
 - Simultaneous provision, e.g., Swaziland's 'Emergency Drought Relief' programme.
 Operationally challenging
 - Seasonal planning when possible

Snapshot of cash-food seasonal planning in Mozambique



What to do about it?

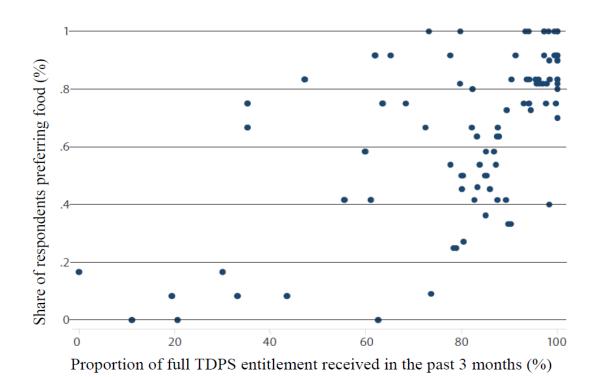
- Provide transfers in the form of commodity-denominated vouchers
 - Transfer risk to retailers; their interest to participate may vary
- Each options suggests that... operational capacity is key
 - Availability of pre-existing systems
 - Logistics, partnerships, coordination, delivery building blocks
 - And takes time to build and enhance...



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Source: Wiseman et al. (2010)

Pragmatic preferences in India



Source: Kheera (2011)

Costs



- In general, costs lower for cash (and vouchers) than food
 - At least about 2 times lower
 - Less logistics (transport, storage, etc.)

Costs (USD) per transfer and transfer ratios

Country	Food	Cash	Vouchers	Food-cash ratio	Food-vouchers ratio	Vouchers-cash ratio
Dem. Rep. of Congo	-	11.34	14.35	-	-	1.2
Ecuador	11.46	2.99	3.27	3.8	3.5	1.09
Mexico	2.29	0.31	-	7.3	-	-
Niger	10.27	2.89	-	3.5	-	-
Uganda	6.41	3.24	-	1.9	-	-
Yemen	9.84	2.65		3.7	-	-

Source: Cunha (2014), Margolies and Hoddinott (2014), Aker (2013)

• BUT....



- Diverse analyses methods, breadth and depth
- Often they may not disaggregate by...
 - Set-up (fixed) vs. running (variable) costs
 - Planned (design) vs. actual implementation costs (e.g., Zambia)
 - Emerging of more nuanced tools (VFM, Ryckembusch et al., Gelli et al., etc.)
- Consider beneficiary transaction costs (time and money)
- Beyond delivery cost: account for cost of food basket
 - Cost of food often assumed to be = local market value of food, not procurement cost
 - Procurement cost can be higher/equal/lower than local market value, altering results

Example: Yemen

- Cost for the agency: food 4 times higher (food \$9.84; cash \$2.65)
- Cost for people: cash 4 times higher

Why? Location of distribution points matter:

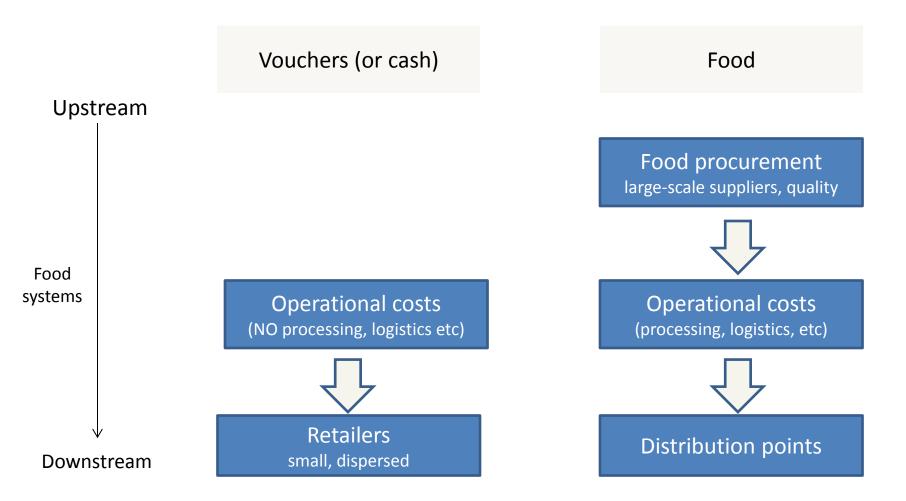
- Food trucked into the villages: high cost for agency, little for beneficiaries
- Cash through (limited) local post offices: low cost for agency, high for beneficiaries

Beneficiary transaction costs for obtaining transfers (time and monetary)

		-							
Cost	Ecuador		Niger		Uganda		Yemen		
	Food	Cash	Vouchers	Food	Cash	Food	Cash	Food	Cash
Time for travel and waiting (hours)	2.2	1.2	1.8	1	1	2.6	2.6	1.9	2.7
Transport costs (% of transfer value)	5.3	3.7	4.1	0.8	0	0	0	2	8.6

Source: Margolies and Hoddinott (2014)

Stylized supply chain



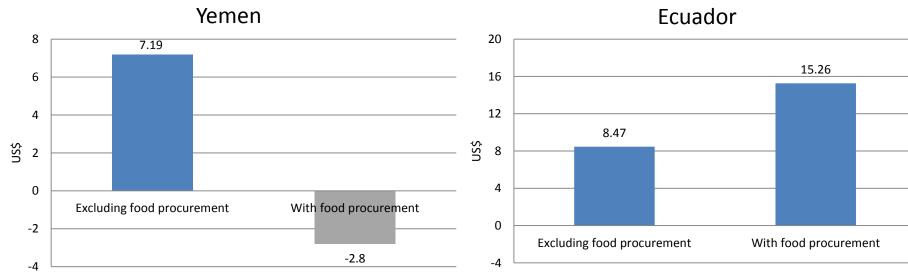
Economies of scale in food procurement *may* offset savings from less logistics for vouchers (and cash)

Example: Yemen

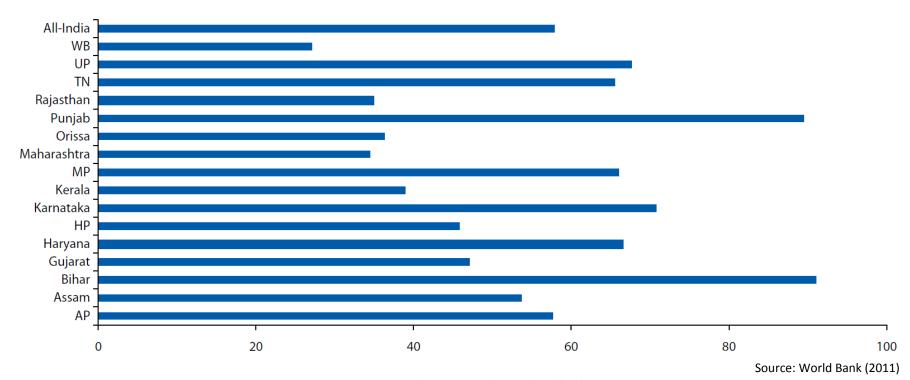
- Cost for the agency: food 4 times higher (food \$9.84; cash \$2.65)
- Difference = \$7.19 (cash more efficient)

What if we include cost of food?

- Procurement cost: \$39.01; local market value: \$49
- So total cost for cash: \$51.65 (\$49+\$2.65); for food: \$48.85 (\$39.01+\$9.84)
- Difference = \$2.8 (food more efficient)



- Averting (dis)economies of scale: large procurement and logistics space demands investment in adequate accountability and transparency
 - Avoiding 'leakages', or diversion and losses of food at various points in supply chains, hence not reaching intended beneficiaries
 - E.g., TPDS in India: around 58% of grains 'leaked' in early 2000s (Planning Commission)
 - May need to consider possible leakages in efficiency analysis



- Concepts and definitions
- Food assistance programs
- Making choices
- Wrap-up

Take-aways

- Taken individually, both food and cash transfers work
 - Plenty of supportive evidence on each
 - What about *relative* performance?
- Good news: less ideology, more comparative evidence
 - Deliberate evaluations based on counterfactuals
 - Gradual building of evidence base to inform future choices (but lab-type evaluations...)
- Be specific about objectives and their measurement
 - 'Food security' objectives as too generic
 - Food consumption, calories, dietary diversity...
- Understand and tailor program to context
 - Assessing markets and operational capacities

Take-aways

- Impacts not stemming from inherent merits of cash or food. How they are designed matters greatly
 - Target group, transfer size (and how it is used), frequency, food basket composition, etc.
- High standards for impact evaluations; now raising the bar for costs
 - Big agenda for standardization of practices (evaluations and institutions)
 - Cost-effectiveness as ideal comparative metric, "... \$ to achieve objective X in context Y"
 - Dilemma? High-efficiency & low-effectiveness; high effectiveness & low-efficiency...
- Beginning of an agenda, not the end of it
 - Results revolving on food security, little on other dimensions
 - Not much on longer-term effects (e.g., chronic malnutrition, morbidity, cognitive dev.)
 - More on challenging contexts (e.g., first phase of a disaster)
 - Combinations? (Langendorf et al. 2014 somewhat on all of the above...)
 - Urban areas?
 - Vouchers as underexplored?
 - Intra-community effects and social relations?
 - Others?

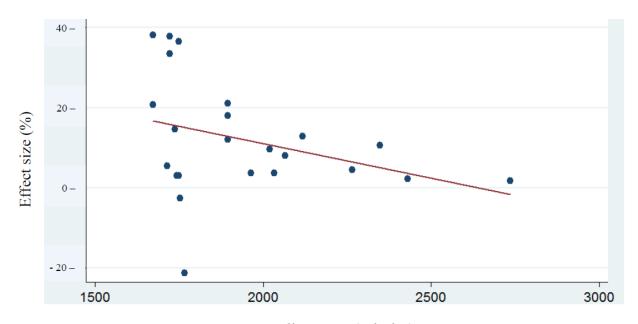


Thanks!

Ugentilini@worldbank.org

Initial conditions matter

Impacts decline by 2 percentage points very 100kcal – i.e. more effective when initial calories are low



Baseline mean (calories)

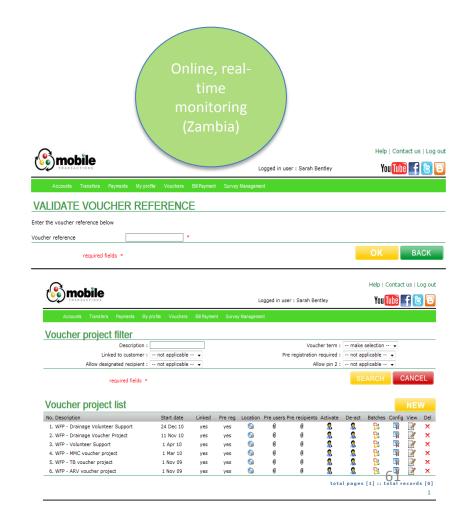
Source: Hidrobo et al. (2014)

Across the board for implementation processes

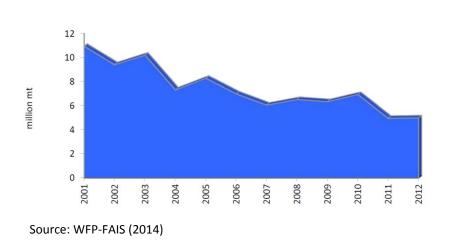


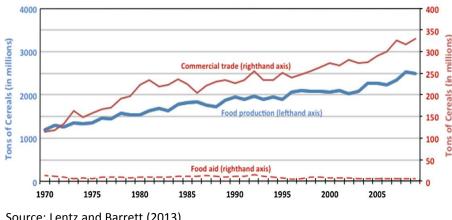






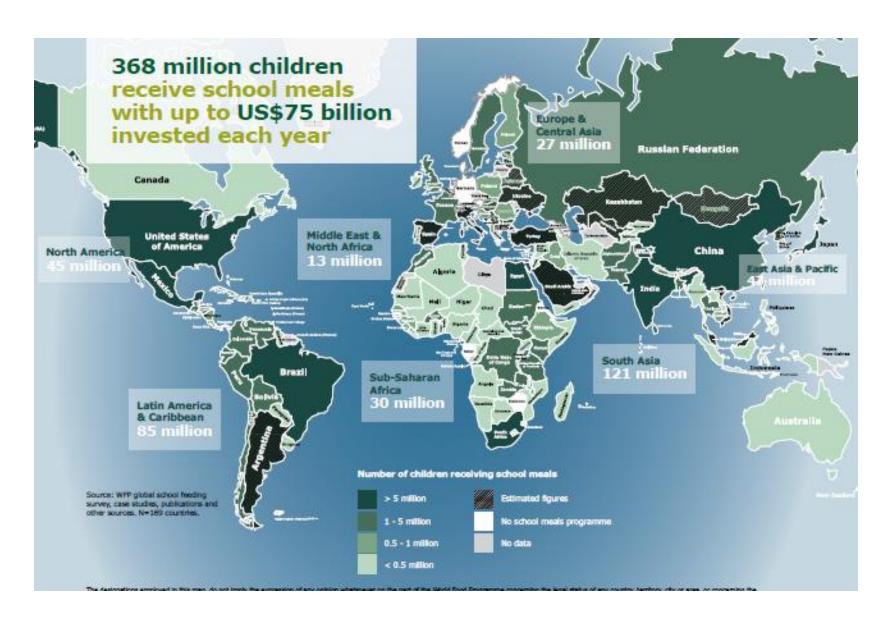
International food assistance (food aid)



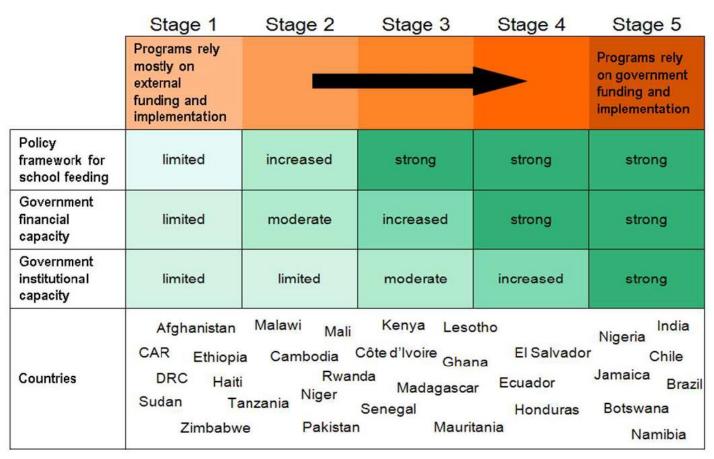


Source: Lentz and Barrett (2013)

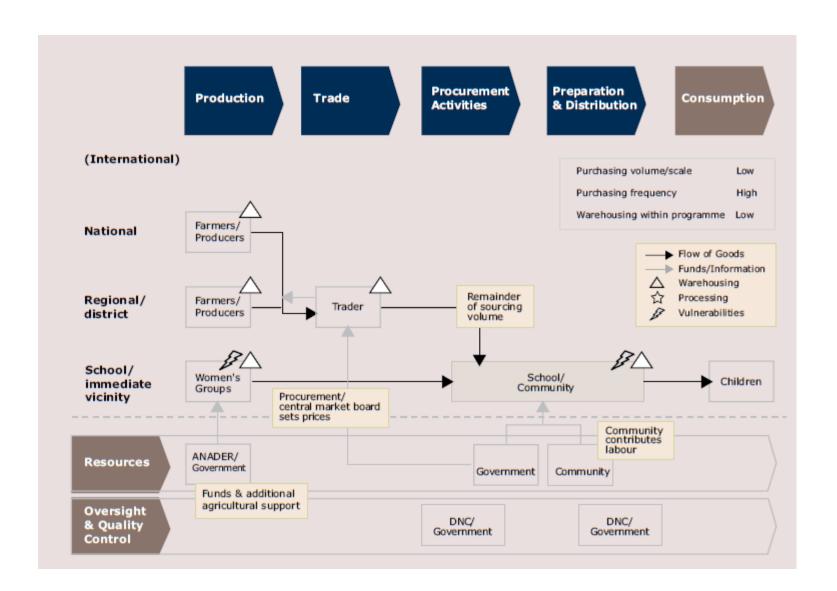
- Less volume
 - Decline by 66%; 0.2% global trade
- Local procurement
 - From 1% to 19.4% of total programs



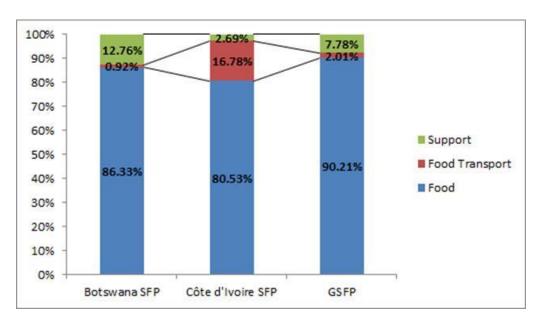
Stages in program practice



Source: Bundy et al. (2009)



SF models and cost structures



Source: PCD (work in progress)

Social relations (intra-community-level)

ZECT in Zimbabwe

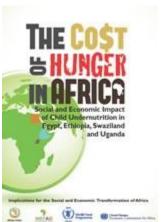
Respondent type Scores out of 10	Food	Cash+food	Cash	Importance weighting
Recipients (standing from sharing)	7.3	6.8	2.6	8.6
Non-recipients (amount received sharing)	from 8.5	5.1	0.6	9.6

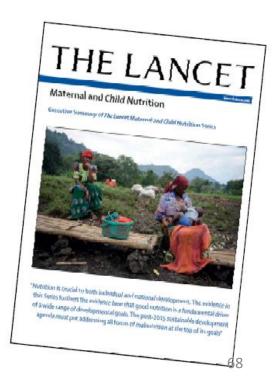
Source: MacAuslan and Riemenschneider (2011); Kardan et al. (2010)

Nutrition as an economic investment

- Direct channels: early child nutrition, cognitive skills, education attainment, labor productivity
 - E.g. Guatemala: +46% in average wages (Hoddinott et al. 2008)
- Savings in GDP





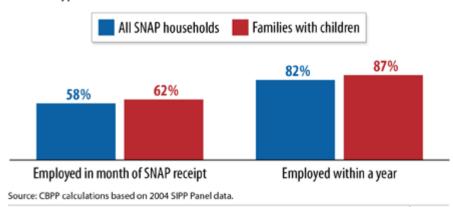


Measuring food security

FAO undersnourishment
Caloric intake/Food quantities
Food expenditures
Dietary Diversity/Food Consumption Score
HFIAS/Hunger Scale
Coping Strategy Index
Qualitative, e.g. food adequacy
Anthropometrics

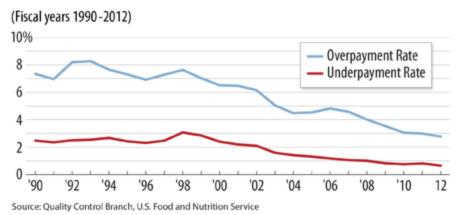
SNAP Households with Working-Age Non-Disabled Adults Have High Work Rates

Work participation during the previous and following year for households that received SNAP in a typical month



Center on Budget and Policy Priorities | cbpp.org

SNAP Error Rates Are at an All-Time Low



Center on Budget and Policy Priorities Sppp.org

Food assistance as an important factor in food security and nutrition

