The Impact of Cash Transfers on Food Consumption in Humanitarian Settings: A review of evidence

Sarah Bailey
Study for the Canadian Foodgrains Bank
May 2013
Acknowledgements

Thank you to the Canadian Foodgrains Bank, particularly Akililu Yohanis, for commissioning this study and to those who took the time to provide comments on the initial draft.

About the author

Sarah Bailey is an independent consultant. She has designed, managed and evaluated cash transfer programmes, and has written widely on this topic.

The views expressed in this study are the author’s alone and the author accepts sole responsibility for any factual inaccuracies.
Contents

Acronyms .......................................................................................................................... 3

1. Introduction .................................................................................................................. 4
   Scope, methodology and structure.................................................................................. 4

2. Cash Transfers and Food Assistance ...................................................................... 6

3. Evidence on the comparative impacts of cash, vouchers and food aid................ 8
   Pilots and studies comparing cash, vouchers and food aid ........................................ 8
   Evidence on food consumption .................................................................................. 9
   Dietary energy intake (kilocalories) ........................................................................ 9
   Dietary diversity ....................................................................................................... 10
   Food Consumption Score ....................................................................................... 11
   Meal frequency ......................................................................................................... 12
   Coping Strategies Index ......................................................................................... 12
   Self-reported food insecurity .................................................................................. 12
   Use of transfer ......................................................................................................... 13
   Timeliness and reliability ....................................................................................... 13
   Transfer size and food prices ................................................................................ 14
   Conditions ............................................................................................................... 14
   Bringing cost into the picture ................................................................................ 14
   Conclusion .............................................................................................................. 15

4. Evidence from other programmes using cash and vouchers............................... 17
   Evidence from humanitarian programmes ............................................................. 17
   Evidence from long-term cash transfer programmes ............................................. 18
   Conclusion .............................................................................................................. 18

5. Conclusion ............................................................................................................... 19

Annex 1: Summary Table – Programmes and research comparing cash, vouchers and food aid...... 21
References .................................................................................................................. 28
### Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACF</td>
<td>Action Contre la Faim</td>
</tr>
<tr>
<td>ALNAP</td>
<td>Active Learning Network for Accountability and Performance</td>
</tr>
<tr>
<td>CaLP</td>
<td>Cash Learning Partnership</td>
</tr>
<tr>
<td>CCT</td>
<td>Conditional Cash Transfer</td>
</tr>
<tr>
<td>CFGB</td>
<td>Canadian Foodgrains Bank</td>
</tr>
<tr>
<td>CFW</td>
<td>Cash for Work</td>
</tr>
<tr>
<td>CSI</td>
<td>Coping Strategies Index</td>
</tr>
<tr>
<td>DDI</td>
<td>Dietary Diversity Index</td>
</tr>
<tr>
<td>FAO</td>
<td>Food and Agricultural Organisation of the United Nations</td>
</tr>
<tr>
<td>FCS</td>
<td>Food Consumption Score</td>
</tr>
<tr>
<td>FFW</td>
<td>Food for Work</td>
</tr>
<tr>
<td>HDDS</td>
<td>Household Dietary Diversity Score</td>
</tr>
<tr>
<td>HEA</td>
<td>Household Economy Approach</td>
</tr>
<tr>
<td>IDDS</td>
<td>Individual Dietary Diversity Score</td>
</tr>
<tr>
<td>IFPRI</td>
<td>International Food Policy Research Institute</td>
</tr>
<tr>
<td>ODI</td>
<td>Overseas Development Institute</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNHCR</td>
<td>Office of the United Nations High Commissioner for Refugees</td>
</tr>
<tr>
<td>UNICEF</td>
<td>United Nations Children's Fund</td>
</tr>
<tr>
<td>WFP</td>
<td>World Food Programme</td>
</tr>
</tbody>
</table>
1. Introduction

For decades, humanitarian agencies have responded to the food needs of people suffering the effects of disasters and war by providing them with in-kind food aid. This is changing. It is now accepted that cash can be an alternative or complement to in-kind assistance. Where markets are functioning and cash transfers are the most suitable response, people can purchase what they need according to their own priorities. Cash transfers are not a panacea; nor are many of the concerns that still accompany their use in humanitarian response realised in practice. Aid agencies and donors have accepted that cash and vouchers can be appropriate and effective tools to address a wide variety of needs, from accessing food to rebuilding homes to supporting livelihoods.

A firm signal of the acceptance of cash and vouchers as mainstream humanitarian tools is the Food Assistance Convention. Through this international treaty, which entered into force in January 2013, countries commit to providing certain amounts of annual food assistance. Unlike its predecessor the Food Aid Convention, food aid is no longer the only tool through which countries can achieve their commitments; cash and vouchers are considered as contributions. This transition from ‘food aid’ to ‘food assistance’ poses unique opportunities for the Canadian Foodgrains Bank (CFGB), which is a key instrument through which the Canadian government meets its obligations under the Food Assistance Convention.¹

In order to make informed decisions on when to use cash, vouchers and food aid, it is important to understand evidence on their appropriateness and effectiveness in achieving certain objectives. A main objective of the Canadian Foodgrains Bank is to improve food consumption in emergencies, and this paper reviews evidence on the impact of cash and vouchers in achieving this result. While this review focuses on food consumption, there are many other factors that are important in considering the appropriateness of cash, vouchers and food aid in a given context, including markets, cost, risk, gender and the impacts of different transfers on households, communities and markets.

Scope, methodology and structure

This study examines evidence on how interventions using cash and vouchers affect food consumption. It does this by reviewing studies, pilots and evaluations that compare the effectiveness of cash, vouchers and food aid, as well as evaluations of programmes using cash and vouchers that do not draw comparisons between different food assistance transfers. It focuses on humanitarian contexts but also briefly examines findings on the impact of longer-term cash transfer programmes on food consumption in development contexts, which have been subject to extensive research.

This paper draws from and builds upon The Impact of Cash Transfers on Nutrition in Emergency and Transitional Contexts: A review of evidence (Bailey and Hedlund, 2012), which examines evidence on the impact of cash transfers on nutrition, including on dietary intake. This paper is based on a review of 43 evaluations and reports on humanitarian programmes since 2006. Of these, 18 drew direct or indirect comparisons between different types of transfers, while 25 examined cash or vouchers alone (i.e. no comparisons with food aid). Only studies with analysis related to food consumption were included. It should be kept in mind that most evaluations of humanitarian assistance are not rigorous by academic research standards and are done with limited time and resources. Literature on cash transfer programmes was obtained via web searches, the Cash Learning Partnership (CaLP) D-Group², the CaLP web library and correspondence with aid agencies and think tanks. The paper

---

² The Cash Learning Partnership D-group is an electronic forum for sharing information and discussing cash transfers in emergencies.
also relies on evaluations that have been used in previous reviews of emergency cash transfer programming (e.g. Bailey and Hedlund, 2012; Harvey and Bailey, 2011).

The paper is structured as follows. Section 2 provides background information on the evolution of cash and vouchers in general and as food assistance tools. Section 3 examines evidence on food consumption from studies and evaluations that compare cash, vouchers and / or food aid. Evidence from interventions using only cash or vouchers is explored in Section 4, along with findings from longer-term cash transfer programmes. Section 5 provides conclusions.
2. Cash Transfers and Food Assistance

Cash transfer programming refers to the provision of cash and vouchers in humanitarian and development contexts to meet a variety of objectives. As a humanitarian tool, cash transfers were pioneered as an alternative to food aid in response to the 2004 Indian Ocean tsunami. A 2005 review by the Overseas Development Institute (ODI) found that cash transfers were under-utilised but that the provision of cash by aid agencies was on the rise (Harvey, 2005). In less than a decade, and amidst much research and debate, cash transfer programming shifted from small-scale pilots to mainstream acceptance. It was established that cash and vouchers, where appropriate, could be used as alternatives and complements to most types of in-kind assistance, including food aid, shelter materials, non-food item kits, seeds and tools and livestock. This shift is outlined in Box 1.

Box 1: Cash transfer programming: from pilots to acceptance

Before 2005. *Cash-based responses have a long history, but are not a key feature of international humanitarian programming, policy and debate.* Cash as a form of assistance is not new: Clara Barton, one of the founding figures of the American Red Cross, helped to organise cash relief following the Franco-Prussian War of 1870–71 and in response to the Galveston floods in Texas in 1900 (Harvey, 2007). Some humanitarian responses in the 1990s and 2000s have cash for work components, but the use of cash transfers as an alternative to in-kind assistance is rare. There are exceptions; for example, UNHCR uses cash to assist with reintegration in multiple contexts.

2005–2006. *The potential for cash transfers becomes a more important issue for the humanitarian community, and research and debate on the appropriateness of cash-based responses increases substantially.* Following the 2004 Indian Ocean tsunami, there is a proliferation of small-scale projects and pilots using cash transfers. Learning flourishes around these projects as well as ones in other contexts, and numerous case studies and evaluations of cash programmes are published. The focus is on establishing whether cash can be an appropriate response and whether potential risks are realised. Oxfam publishes its guidelines *Cash Transfers in Emergencies.*

2007–2008. *The ‘case’ for cash is made through evaluations, guidelines and research.* Numerous guidelines and key reports are published, including guidelines by the International Red Cross and Red Crescent Movement, Action Contre la Faim and Horn Relief (now Adeso). The conclusion of *Cash-based Responses in Emergencies* is that cash transfers can be an appropriate and effective alternative or complement to in-kind assistance; they are not a universal solution but neither are many of the concerns (e.g. antisocial expenditures, inflation, disadvantaging women) realised in practice (Harvey, 2007). The need to better understand markets moves even higher up the humanitarian agenda, and work begins on the initiative Emergency Market Mapping and Analysis (EMMA). Major donors and UN agencies increasingly look at how cash transfers fit in with their respective policies, missions and mandates.

2009 – 2013 *It is generally accepted that aid agencies and donors should have the capacity to determine the appropriateness of cash-based responses and implement them.* CaLP and select donors and aid agencies drove continued interest in cash transfer programming. Some donors, such as ECHO, create specific policies and guidance. More specific studies are undertaken on delivery mechanisms (Harvey et al., 2010), gender (Brady, 2011), scaling up cash transfer programmes (Austin and Frize, 2011), nutritional impact (Bailey and Hedlund, 2012) and comparative impacts of food aid and cash transfers (Hidrobo et al. 2012; Hoddinott et al., 2013, Schwab et al., 2013, Gilligan et al., 2013). Cash transfers are characterised as a key innovation in humanitarian response in reports by the Active Learning Network for Accountability and Performance (ALNAP) and DFID

---

3 Programmes using cash and vouchers are also referred to as ‘cash-based responses’, ‘cash-based interventions’ and ‘cash and voucher programming’
(Ramalingam et al., 2009; Ashdown, 2011). The response to the 2011 Somalia famine breaks the ‘scale barrier’ – it is the first time that international aid agencies use cash and vouchers at scale in a humanitarian response (as of May 2013 it is the only such example). The Food Aid Convention is modified so that responses using cash and vouchers can be considered as contributions. ECHO’s €100,000 limit on funding NGOs to undertake unconditional cash transfers is lifted. Even though cash transfer programming continues to increase, it is still a small proportion of overall humanitarian aid, and large-scale cash programming remains exceptional. There is more uptake of cash transfer programming by UN agencies within their sectors and mandates, and World Food Programme (WFP) creates the ‘Cash for Change’ unit. While cash programming is generally accepted, there will always remain certain humanitarian actors (local, national and international; informal and formal) that prefer to provide aid in-kind or that do not believe in providing cash for cultural, philosophical and political reasons.

A wide variety of actors fund and implement cash-based interventions, including governments, UN agencies, international NGOs, Red Cross and Red Crescent societies and national civil society organisations. Several NGOs, such as Oxfam, Save the Children UK, Adeso and Action Contre le Faim (ACF), played a crucial role in promoting cash and voucher-based responses and developing guidelines. UN agencies such as WFP, UNICEF, UNHCR and FAO are rapidly expanding their provision of cash and vouchers (Harvey and Bailey, 2011). UNICEF and FAO played major roles in supporting cash and voucher interventions in response to the 2011 famine in Somalia.

Cash and vouchers are a major reason why an increasing number of governments, donors and aid agencies have adopted the concept of ‘food assistance’ instead of ‘food aid’ (Harvey et al., 2010). While definitions of food assistance vary, they all refer to a broader set of tools than food aid (Ibid.). The WFP 2008-2013 strategic plan describes WFP as a food assistance agency, and WFP has stated that it intends to provide 30-40% of its assistance in the form of cash and vouchers by 2015 (WFP, 2008; WFP, 2012). In a communication on humanitarian food assistance, the European Commission describes an important shift over the last 15 years from using in-kind food aid as a default response towards considering a wider and more effective set of food assistance tools (European Commission, 2010; Harvey et al., 2011). The CFGB draws a distinction between food aid and food assistance and strongly advocated for the renegotiated Food Aid Convention to include broader food assistance tools.4

The shift of major humanitarian actors from food aid to food assistance is unlikely to be reversed; cash and vouchers have irretrievably joined the humanitarian ‘toolbox’. This makes it imperative that food assistance actors are able to judge the appropriateness of different tools. The next section takes a small step in supporting this process by analysing evidence on the effectiveness of cash transfers in improving food consumption.

---

4 http://foodgrainsbank.ca/
3. Evidence on the comparative impacts of cash, vouchers and food aid

Evidence has played an important role in establishing that cash transfers can be appropriate and effective instruments for meeting humanitarian needs. Because of their novelty, programmes using cash and vouchers have been heavily researched, monitored and evaluated. ALNAP concluded that research and evaluation have been instrumental in the acceptance of cash transfers (Darcy and Knox Clarke, 2013; Ramalingam et al., 2009).

Pilots and studies comparing cash, vouchers and food aid

Research and pilots were initially undertaken to determine whether cash transfers could be a feasible response in emergencies. Amidst debate and a certain amount of scepticism, these initiatives addressed basic concerns, such as whether recipients would spend the money for the good of their family and whether cash could be provided securely. Pilots were also designed to compare cash transfers with in-kind assistance, namely food aid, to understand their comparative advantages. These studies and evaluations collectively established that cash transfers could be feasible, appropriate and effective.

This review identified 18 studies and evaluations that compared cash, vouchers and/or food aid to analyse the appropriateness and impacts of these different tools on food consumption. There are three types of studies:

- **Rigorous research comparing cash, vouchers and/or food aid**: Seven of the interventions reviewed were designed and implemented according to a randomised design, whereby households are randomly assigned to different ‘treatment’ groups (e.g. cash, vouchers, food aid).\(^5\) This methodology is widely considered the ‘gold standard’ for evidence because differences in outcomes can be attributed to the different interventions. However, randomised studies and evaluations involve significant time and resources, and the results are not necessarily applicable to other contexts. Also, any variations in how assistance is provided (e.g. timing) may affect the results. Of the seven interventions, four were part of a multi-country study undertaken by the International Food Policy Research Institute (IFPRI) for WFP to analyse the effectiveness and efficiency of cash, vouchers and food aid; the countries selected were Ecuador (Hidrobo et al. 2012), Niger (Hoddinott et al., 2013), Uganda (Schwab et al., 2013) and Yemen (Gilligan et al., 2013). IFPRI/WFP research in Malawi (Audsley et al., 2011) and Sri Lanka (Sandström and Tchatchua, 2010; Sharma, 2006) and Tufts/Concern Worldwide research in DRC (Aker, 2012) also used randomised study designs.

- **Pilots that directly compare cash, vouchers and/or food aid**: Other pilots were designed to compare different types of transfers of the same value, with less rigorous methodologies than the above studies. These pilots were undertaken by aid agencies including WFP, GIZ, World Vision, Save the Children UK, CARE and Oxfam. Research and evaluation of these pilots often involved partnerships with research institutions and think tanks, including the Institute of Development Studies, Oxford Policy Management and the Humanitarian Policy Group at ODI. A limitation of these studies is that they are done in complex settings with limited resources and their rigour varies. Also, confounding variables (e.g. differences in how transfers are provided, differences in the characteristics of households receiving assistance) may affect the ability to compare directly the impacts of transfers. Seven of the studies and evaluations fell into this category.

---

\(^5\) In some cases, ‘treatment’ groups are also compared with control groups that receive no assistance. This enables an understanding of the impact of assistance but raises ethical issues.
‘After the fact’ comparisons: Some interventions providing cash and vouchers were not designed for the purpose of comparison, but studies drew comparisons based on data from other interventions in the same context. There are important weaknesses to these comparisons as they often do not compare ‘like for like’. The type of transfer provided is only one variable that might influence differences in food consumption indicators and other measures of effectiveness. Other variables include differences in how programmes were designed and implemented (e.g. transfer value, transfer frequency, time of year implemented, quality of implementation), factors external to the programme (e.g. food prices) and differences in the characteristics of beneficiary households. While this review includes certain findings from these studies (e.g. percentage expenditure of cash on food), it does not use any findings on the relative effectiveness and impacts of different transfers owing to the significant limitations of drawing comparisons. Four of the studies fell into this category (Longley et al., 2012; Harmer, 2012; Brouwer, 2012; Poulsen and Fabre, 2011).

Only the IFPRI / WFP study in Ecuador compared all three types of transfers (cash, vouchers and food aid). Most compared cash and food aid⁶ (nine compared cash and food aid; three compared cash, food aid and a cash / food combination; one compared a cash / food combination with food aid), two compared vouchers and food aid, one compared cash and vouchers and one compared cash, vouchers and livestock. Annex 1 summarises key information from each study / evaluation.

Evidence on food consumption⁷

Cash transfers might directly impact food consumption in various ways. Households might use the additional income to improve the quantity, quality and diversity of food that they consume. Cash transfers might prevent or mitigate negative responses to food insecurity, such as skipping meals. Vouchers for food rich in micronutrients might increase micronutrient intake. Cash transfers might increase dietary diversity when compared to food rations because cash can be used to purchase any type of food available. Cash transfers might indirectly improve food consumption through investment in livelihoods that increase income.

There are several indicators that could be used to analyse whether these changes take place. Diet quantity can be measured by calculating the kilocalories consumed by beneficiary households. Collecting data on the actual amounts of food consumed is challenging and recall might not be accurate. Other measures are becoming standard proxy indicators of food consumption, including the Food Consumption Score (FCS) and Household or Individual Dietary Diversity (HDDS and IDDS). Less perfectly, aid agencies can measure meal frequency, as well as analysing how transfers were used. There are also indicators for food security based on asking questions about negative strategies adopted in response to food insecurity and feelings of anxiety, such as the Coping Strategies Index and Household Food Insecurity Access Scale.

Dietary energy intake (kilocalories)

Only four studies calculated kilocalorie consumption. In Ecuador, cash, vouchers and food aid all led to significant increases in the value of per capita calorie consumption (ranging from 12-15%). The impact of food aid was significantly larger than that of the cash transfer (Hidrobo et al., 2012). Similar findings came from Yemen, where households receiving food appeared to consume four percent more calories than those receiving cash transfers (Schwab et al., 2013). In both cases the increase in calorie consumption was driven by increased staple food consumption. In Sri Lanka, baseline data on calorie intake data was collected during holidays, which affected consumption patterns. However, for one intervention region the decline in calorie intake was less for households

---

⁶ Or commodity vouchers, which offer no choice in the type or quantity of food received

⁷ This section draws from Bailey and Hedlund, 2012
receiving food aid compared to those receiving cash, indicating that food performed better than cash on this measure (Sharma, 2006). A different picture emerged in Uganda, where cash transfers increased daily kilocalorie intake by nearly 20%; and food had no effect (Gilligan et al, 2013). However, the amount of time that had lapsed between the food distribution and data collection might have affected the findings on food aid. These limited examples suggest that all types of transfers can be effective in increasing calorie consumption, but that transfers that lead to large increases in staple food consumption may have the most significant impact on this measure. In three of the four cases, food aid had the greater impact.

**Dietary diversity**

Dietary diversity is widely accepted as a key aspect of diet quality. Some research has found a strong correlation between dietary diversity and caloric consumption (Hoddinott and Yohannes, 2002). Household dietary diversity score (HDDS) is commonly used as an indicator of household food consumption. HDDS is calculated by summing the number of food groups consumed in the previous seven days from 12 food groups (Kennedy et al., 2011). Fifteen of the studies analysed an indicator relevant to dietary diversity (e.g. HDDS, IDDS, DDI, FCS).

Where measured, cash transfers usually resulted in the purchasing and consumption of more diverse foods compared to food aid (Gilligan et al., 2013; Schwab et al., 2013; Hidrobo et al., 2012; GIZ, 2012; Audsley et al., 2011; Glombitza, 2010; Sharma, 2006). For example, the dietary diversity of households in Malawi increased by 24% for households receiving cash and by 12% for those receiving a cash / food transfer, while the change for those receiving food aid was not statistically significant (Audsley et al., 2011). Only one of the voucher interventions measured HDDS. The IFPRI study in Ecuador found that vouchers resulted in greater improvements in dietary diversity compared to both food aid and cash (Hidrobo et al., 2012).

Cash transfers did not always lead to stronger improvements in dietary diversity compared to food aid. In Kenya, monitoring found little divergence between households receiving cash and those receiving food aid; the former ate slightly more sugar and less fresh food (WFP Kenya, 2012). In Niger, households receiving cash opted to buy ‘cheap’ calories through the bulk purchase of staple grains (Hoddinott et al., 2013). While there was no difference in HDDS between households receiving cash and those receiving food, the comparative impacts of the transfers on FCS were striking (see below).

Household dietary diversity does not reflect how food is distributed within households, which is better captured through individual dietary diversity (IDD) or calculating the frequency of consumption of different food groups by individual household members. Only two evaluations undertook such analysis, and both focused on children. In Swaziland, children in households that received a cash / food transfer experienced immediate and sustained improvements in dietary diversity and consumed more diverse diets than children in households that received only food aid (Devereux and Jere, 2008). In Uganda, cash increased children’s consumption of starches, dairy (by 66%) meat (by 100%) and eggs; whereas food had no impact in the frequency of consumption of any of the food groups (Gilligan et al., 2013).

---

8 In a review of data from 10 countries, a one percent increase in dietary diversity was associated with households experiencing between a 0.65% - 1.11% increase in household per capita consumption; 0.37% - 0.73% increase in household per capita caloric availability; 0.31% - 0.76% increase in caloric availability from staples; and 1.17 - 1.57% increase in caloric availability from non-staples (Hoddinott and Yohannes, 2002)

9 The 12 food groups are cereals, roots/tubers, vegetables, fruits, meat/poultry/offal, eggs, fish/seafood, pulses / legumes / nuts, milk / milk products, oils / fats, sugar / honey and miscellaneous

10 As previously stated, data on the impact of food aid from the Uganda study might have been affected by data collection timing.
Food Consumption Score

FCS is an indicator that measures dietary diversity and food frequency. It is intended to capture both diet quantity and quality. FCS has thresholds for ‘poor’, ‘borderline’ and ‘adequate’ food consumption. There are ongoing debates on refining this indicator.\textsuperscript{11}

As with HDDS, cash and vouchers tended to result in larger improvements in FCS than food aid (Schwab et al, 2013; Gilligan et al, 2013; Hidrobo et al., 2012; Audsley et al., 2011; Creti, 2011). In Yemen, the impact of cash transfers on FCS was 9% greater compared to food aid (Schwab et al., 2013). In Malawi, FCS increased from baseline levels by approximately 50% for those receiving cash, 33% for those receiving a cash / food combination and 20% for households receiving food aid (Audsley et al., 2011). The FCS of households in Gaza receiving food vouchers (redeemable for ten items) improved considerably more compared to those receiving in-kind food assistance of the equivalent value (Creti, 2011).

Again, there were exceptions. In Niger, households receiving food transfers had much stronger improvements in FCS and were 11-12% more likely to have an ‘acceptable’ score compared to those receiving cash transfers. The increase in FCS for ‘food’ households was driven by increased consumption of items provided in the food basket (cereals, pulses and oils); whereas cash-receiving households opted to purchase staple grains in bulk, and also invested in agricultural activities and repairing houses ahead of the rainy season (Hoddinott et al., 2013).

In Kenya, the mean FCS was same for households receiving cash and those receiving food, but they each had slightly higher scores at different periods (WFP Kenya, 2011). This suggests that, amongst other contextual factors, seasonality influences the effectiveness of different types of transfers in improving food consumption, at least in certain contexts. In the case of Kenya, one possible explanation is that households receiving cash used a portion of the transfer to pay for school fees at the beginning of the school year.

### Table 1: Changes in Food Consumption Scores

<table>
<thead>
<tr>
<th>Intervention</th>
<th>% with adequate FCS baseline</th>
<th>% with adequate FCS after intervention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh Food Vouchers in oPT, Gaza (Oxfam / WFP)</td>
<td>55%</td>
<td>89% (voucher), 53% (food), 47% (no aid)</td>
</tr>
<tr>
<td>Cash transfers, cash + food, food aid, Zimbabwe (Concern Worldwide)</td>
<td></td>
<td>57% (cash), 33% (cash + food), 18% (food)</td>
</tr>
<tr>
<td>Cash + food and food aid, Swaziland (SCUK / WFP)</td>
<td>33% children</td>
<td>80% (cash + food), 60% (food)</td>
</tr>
<tr>
<td>Increase in FCS from baseline</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash, vouchers and food aid in Ecuador (IFPRI / WFP)</td>
<td>15.6% (voucher), 10.8% (cash), 10.1% (food)</td>
<td></td>
</tr>
<tr>
<td>Cash and food aid in Uganda (IFPRI / WFP)</td>
<td>2.99 points (cash), no impact (food)</td>
<td></td>
</tr>
<tr>
<td>Cash transfers, cash + food and food aid in Malawi (World Vision / WFP)</td>
<td>50% (cash), 33% for (cash + food), 20% (food)</td>
<td></td>
</tr>
<tr>
<td>Cash and food aid in Yemen (IFPRI / WFP)</td>
<td>Cash resulted in 9.2% greater increase in FCS than food aid</td>
<td></td>
</tr>
</tbody>
</table>

\textsuperscript{11} According to IFPRI, the FCS improves on HDDS; however, IFPRI notes that the thresholds used by WFP are too low and thus can underestimate food insecurity. The issue of different cut-offs for different cultures has also been raised in evaluations, such as African compared to Middle Eastern populations (Hedlund and McGlintchy, 2009).
Adapted from Bailey and Hedlund, 2012

The findings on HDDS and FCS suggest that households receiving cash and vouchers often achieve greater dietary diversity than those receiving food aid. This finding may seem unsurprising given that food rations only add two or three food groups. However, providing a staple food ration releases income that could be spent on other food items. While intuitive, the probable impact of cash and vouchers on dietary diversity, or the comparative lack of impact of food rations, is worth highlighting.

At the same time, it is important to keep in mind that cash and vouchers will not always lead to improved dietary diversity compared to food aid, as poor households might use them to purchase staple foods. It would be useful to have more analysis on reasons why households use cash transfers to diversify their diets in some contexts and not in others. Possible reasons include the level of poverty of households, seasonal expenditure priorities, knowledge of nutrition, food preference and risk (e.g. food price fluctuations).

The impacts of transfers on indicators of dietary diversity also might vary among beneficiaries in the same context. For example, when IFPRI compared cash, vouchers and food aid in Ecuador, vouchers had the largest impact for Ecuadorians for all three measures of dietary diversity used in the study (FCS, HDDS, DDI). For Colombian refugees, however, vouchers had the largest impact on FCS, but food had the largest impact on HDDS and DDI. The impact of cash on HDDS was also significantly larger for Colombian households (Hidrobo et al., 2012). Thus, not only did impacts diverge across different groups, indicators relevant to dietary diversity did not always yield consistent results.

**Meal frequency**

Meal frequency is a crude indicator of food consumption because households might adjust the quantity and quality of their food. There are limited examples from evaluations with varying results. Monitoring data from Zimbabwe showed that meals per day in the beginning months of the programme fell for households receiving food or a cash / food combination, while it remained constant for those receiving cash (Roman, 2011). In South Sudan, 50% of Food for Work (FFW) and 40% of Cash for Work (CFW) participants reported consuming more meals per day as a result of the intervention (Metz et al., 2012). In Pakistan, an evaluation found no significant difference between households receiving cash and those receiving food (Glombitza, 2010).

**Coping Strategies Index**

The Coping Strategies Index (CSI) measures the frequency and severity of behaviours that people undertake when they cannot access enough food (Maxwell and Caldwell, 2008). Five studies looked at CSI, and the results are mixed. In Swaziland, a high proportion of households receiving cash and those receiving cash / food adopted negative strategies, implying that neither approach fully protected them from the consequences of the drought (Devereux and Mhlanga, 2008). Households receiving cash in Niger resorted to more negative strategies than those receiving food, such as consuming less preferred foods, reducing portion sizes and buying food on credit (Hoddinott et al., 2013). In Lesotho, both households receiving cash and food were less prone to undertaking damaging strategies compared to non-beneficiaries, but cash households were more likely to adopt certain strategies (dietary adjustments, migration, adverse impacts on children) than those receiving food, suggesting that food provided marginally better protection (Devereux and Jere, 2008). Both cash and voucher households in DRC decreased their use of coping strategies, though cash households were more likely to send a household member to migrate (which requires money) and less likely to sell off assets (Aker, 2012). These findings suggest that different transfer modalities might enable households to pursue and avoid different strategies in response to food insecurity.

**Self-reported food insecurity**
Asking people about their food insecurity provides some insight on food consumption, but self-reported data runs the risk of bias and measurement error. Keeping in mind the weaknesses of this indicator, findings for cash and cash / food transfers were very positive in the three instances it was used (Aker, 2012; Devereux and Jere, 2008; Devereux and Mhlanga, 2008).

Use of transfer

Fifteen of the 18 documents included analysis on how cash, vouchers or food was used by recipients. Aid agencies and donors previously have raised two concerns about how cash transfers are used. The first is that recipients might not spend responsibly. This concern has been debunked by numerous evaluations and studies (Harvey, 2007; Bailey et al.; 2008; Harvey and Bailey, 2011). While there will always be a small number of people who are irresponsible, any form of assistance can be wasted by those intent on doing so. The second concern is that money might not be spent in the way that the agency intended.

Tracking the use of cash is tricky. Unless baseline and monitoring data are collected on overall household expenditure, it is not possible to know precisely how household spending patterns changed. Agencies usually ask how the cash was spent, but cash is fungible, meaning that it is not possible to separate out the use of cash provided by aid agencies from other sources of income.

Bearing in mind the challenge of fungibility, for programmes with objectives related to food access and food security, the purchase of food was consistently the largest use of the transfer. This ranged from 41% of the transfer being spent on food in Somalia to 82% in Somalia and Ecuador (Longley et al., 2012; Hidrobo et al., 2012). The fact that the examples of the lowest and highest proportional expenditure on food both come from Somalia, where transfers were provided over a 16 month period in response to the 2011 famine, is instructive. It demonstrates that the use of the transfer changes according to changing needs, seasonality, livelihoods and the objective of the programme. In this case, the first transfer had the highest proportion spent on food, and transfers towards the end of the intervention were more geared toward supporting recovery (Longley et al., 2012).

Where the use of food aid was explored, beneficiaries indicated that they consumed the food and in several instances shared it (Schwab et al., 2013; Hoddinott et al., 2013; Hidrobo et al., 2012; Roman, 2011; Devereux and Jere, 2008; Devereux and Mhlanga, 2008). In fact, most experience suggests that food aid is shared more than cash. This has implications for targeting because exclusion errors for programmes providing cash potentially become more damaging as fewer non-beneficiaries will benefit (Harvey and Bailey, 2011).

Intra-household dynamics and decision-making may affect the way that transfers are utilised. A commonly held perception is that women have more decision-making power over food, while men have more over cash. The study in Sri Lanka undertook analysis on how decision-making varied between households receiving different transfers. Of those that received food, 54% indicated that they made decisions on how to use the food ration jointly. In cash-receiving households, over 60% of couples said that decisions on how to spend the cash transfers were taken jointly (Sandström and Tchatchua, 2010). Although a limited sample, these results challenge the assumption that women lose decision-making power when cash is distributed rather than food (Bailey and Harvey, 2011).

Timeliness and reliability

Cash, vouchers and food aid are different tools that rely on different delivery systems. This can impact the timeliness and dependability of assistance and therefore its effectiveness in improving food consumption. This issue was not raised in most of the studies. However, an evaluation of CFW and FFW in Uganda found significant problems in the timely delivery of food rations, whereas cash payments were on time or faced minor delays. In addition, some rations were incomplete and recipients reported quality problems, such as food being old and infested by insects. FFW
participants also complained about shortfalls in the quantity of food received (project staff claimed that this was due to 'natural' losses during handling and storage) (Metz, 2012). Presumably these were all management and programme quality problems that should have been resolved. Nonetheless, cash transfers can circumvent some of the well known challenges of procuring, storing, transporting and delivering food aid. Where aid agencies are new to cash transfer programming, this too might result in delays.

Transfer size and food prices

The size of cash and voucher transfers determines how much food can be purchased. This obviously is critical to the effectiveness of the transfer in improving consumption. The evaluation of cash and voucher interventions in response to famine in Somalia undertook analysis on transfer size, finding that it did have an effect on dietary diversity and on reducing negative coping mechanisms (Hedlund et al., forthcoming).

The amount of food that can be purchased by cash transfers is also influenced by price movements. Increases in food prices erode the real value of the transfer; decreases in food prices mean that recipients can purchase more with the money provided. Changes in exchange rates also affect the value of the transfer when it is provided in a foreign currency, which was the case in Somalia (Longley et al., 2012).

Aid agencies can help ensure that recipients consistently access the intended amount of food by linking the size of the transfer to the prices of key commodities in local markets. In Zimbabwe, which had experienced hyperinflation, Concern Worldwide adjusted the monthly transfer according to market prices. The evaluation found that there were considerable changes to market prices by district and month that would have substantially eroded the value of the transfer had these variations not been made (Kardan et al., 2010). However, adjusting transfer sizes during the life-cycle of the programme is easier in theory than in practice, particularly when agencies have fixed budgets.

Conditions

Any type of food assistance transfer can be provided with or without conditions. Conditions are actions that must be taken in order to receive the transfer (e.g. attending trainings, getting children vaccinated), usually with the intention of changing how households care for children. Conditions are common in longer-term social protection interventions and rarer in humanitarian settings, as promoting behaviour change is often not appropriate in the midst of a crisis. None of the interventions reviewed for this section attached conditions to transfers. While discussion of conditional and unconditional transfers is beyond the scope of this paper, more analysis on the appropriateness and effectiveness of using conditions to promote food consumption outcomes would be valuable.

Bringing cost into the picture

Resources for humanitarian action are limited. Discussions on food consumption impacts therefore should consider the relative cost of different transfers in improving food consumption (i.e. cost-effectiveness). Analysing cost-effectiveness, however, is easier said than done. Not only do many evaluations leave out such analysis, it is impossible to make blanket statements about the cost-effectiveness of cash, vouchers and food aid in improving consumption because cost-effectiveness is

12 Programmes with work requirements (i.e. Food for Work, Cash for Work, Food for Assets, Cash for Assets) are considered by some as conditional transfers because work must be completed prior to receiving the transfer. Five of the interventions reviewed in the section had work requirements. Documentation of those interventions did not discuss links between work requirements and food consumption outcomes.
specific to individual contexts, and calculations to date have considered different costs. Additionally, as the IFPRI study in Ecuador demonstrates, conclusions on cost-effectiveness change according to the specific goal of the programme and the indicators used (Box 2). They also change according to the costs considered. The key message is that aid agencies should at least consider the potential cost-effectiveness of different transfers when making decisions, even though precise calculations are often not possible and might be misleading.

Box 2: Conclusions on cost-effectiveness depend on the specific goal of the programme (IFPRI blog by Sara Gustafson)13

IFRI compared the impact and cost-effectiveness of cash transfers, in-kind food transfers, and food voucher programmes in several urban and peri-urban Ecuadorian communities. Although all three types of programmes increase both the quality and quantity of food consumed by recipients, significant differences appear in the types of food consumed, the cost of implementing the programmes, and recipients’ preferences and willingness to use the programs. Understanding such differences can help policymakers effectively tailor assistance programmes to meet the needs of varying locations and populations.

Food transfers resulted in the largest increase in calories consumed, with the majority of these calories coming from cereals. Food vouchers, on the other hand, led to a larger increase in dietary diversity - households receiving food vouchers consumed vegetables, eggs, meat, and dairy products on a more regular basis. This might be attributable to marketing efforts surrounding the use of vouchers, as well as nutrition guidelines that limit how vouchers can be spent. Differences were also found regarding how each type of programme benefited poor households compared to more well-off households. Food transfers, by generating higher food consumption and caloric intake, led to significantly larger impacts for the poorest households. Food vouchers and cash transfers had generally similar impacts across all households.

Significant differences were found in the cost of implementing all three programs. The marginal cost of each program was $11.50 for a food transfer, $3.03 for a cash transfer, and $3.30 for a voucher. Looking at both the costs and impacts, food transfers appear to be the least cost-effective way of improving food consumption levels and dietary diversity across the board. The cost-effectiveness of cash transfers and food vouchers, however, is not as straightforward and ultimately depends on the specific goal of the programme. If the desired outcome is an improvement in food consumption, then there is no significant difference between cash transfers and food vouchers. Food vouchers, on the other hand, may be better for achieving improved dietary diversity. Finally, if the goal is to improve overall welfare, cash transfers may be the most effective. The report found that, in addition to being the cheapest means of providing assistance, cash transfer programmes are also generally more preferred by recipients; this preference may be due to the increased freedom felt by recipients of cash transfers, as well as the potential for cash transfers to generate household savings and improve overall welfare.

Conclusion

The evidence shows that cash and vouchers can be as effective, and in some cases more effective, than food aid in improving certain measures of food consumption, and specifically that cash and vouchers tended to show stronger improvements in measures of dietary diversity than food aid. However, cash transfers did not always outperform food aid in improving dietary diversity, and the examples on calorie intake found that food aid tended to have the largest impact on diet quantity. This suggests that the effectiveness of cash, vouchers and food aid in improving food consumption

might vary for different aspects of consumption (i.e. diet quantity, quality and diversity). There may be trade-offs between improving diet quantity and quality, as transfers that increase the availability of calories may be less effective in improving diet diversity and vice versa.\textsuperscript{14} Evidence on coping strategies suggests that cash transfers and food enable different types of strategies in response to food insecurity, highlighting the importance of understanding the different potential impacts of cash, vouchers and food aid, including for different groups. An important conclusion is that no tool is universally appropriate, and aid agencies must determine the most suitable approach according to the context and the objective of the intervention.

\textsuperscript{14} A key finding of the IFPRI studies in Ecuador, Yemen, Uganda and Niger is the need to consider trade-offs between increasing the quantity of food available and the quality of diet when assessing different transfer modalities (Hoddinott, 2013).
4. Evidence from other programmes using cash and vouchers

This section reviews evidence from evaluations of programmes using cash and vouchers where comparisons were not made between different types of assistance. It also provides an overview of findings from long-term social protection interventions. This section draws heavily from Bailey and Hedlund (2012).

Evidence from humanitarian programmes

There are important limitations to consider when reviewing evidence on impact from programmes that do not compare different types of transfers. These often rely on ‘before and after’ comparisons of food consumption indicators, which do not show what would have happened in the absence of the intervention. This leaves substantial room for interpreting impact (Hall et al., 2012). For example, if FCS is measured before and after an intervention, improvements can be mistakenly attributed to the intervention when other factors were responsible, such as harvests or changes in the price of food. It is good practice to identify the role of other possible variables, as Longley et al. do when they note that the Deyr rains in Somalia were almost certainly contributing to improvements in household dietary diversity that were observed following cash and voucher distributions (2012). Similarly, if indicators are static or worsen, this does not mean that the intervention failed, as they could have been worse still without it.

Many evaluations of programmes using cash and vouchers do not draw conclusions about their impact on food consumption. For some, increasing access to food was not the main or only goal of the programme. Even in cases where this was the objective, some evaluations omitted this question, and others pursued it but lacked the necessary data to draw conclusions.

Keeping in mind the limits of ‘before and after’ comparisons, evaluations of all types of cash-based responses (cash transfers, vouchers, with and without conditions) typically found improvements in dietary diversity. After the receipt of cash transfers, recipients usually consumed diets of a better quality and greater diversity, particularly increasing the amount of fresh foods, animal proteins and fats. Vouchers that limit purchases to fresh foods and animal proteins unsurprisingly led to increased consumption of these foods (Hedlund, 2012; Creti, 2010; Dunn, 2010; Hedlund and McGlintchy, 2009). Three studies measured the impact of cash-based interventions on IDDS, and all of them found improvements (Otter and Cortes, 2011; SCUK, 2011; Devereux et al., 2007). For both cash and vouchers, there were exceptions to improvements in dietary diversity (IRD and WFP Senegal, 2012a, 2012b; MacAuslan and Schofield, 2011; Kameli et al., 2010).

Meal frequency also increased in several instances compared to before the intervention (Longley et al., 2012; MacAuslan and Schofield, 2011; Devereux et al., 2007; Mattinen and Ogden, 2006; Harvey and Marongwe, 2006). Where coping strategies were measured, recipients reported a decline in taking actions that could have negative consequences, such as skipping meals (Devereux et al., 2007).

Similar to findings in the previous section, households receiving cash reported spending 45–90% of the money on food. Other uses of the transfers were for household items, debt repayment, school fees, clothing and livelihoods. An evaluation of programming in Tessoua, Niger, measured changes in overall expenditure and consumption through the Household Economy Approach (HEA). It found that the income spent on staple foods decreased and corresponded with an increase in dietary diversity (SCUK, 2010c). However, HEA methodology is rarely used by aid agencies to track changes in expenditure patterns, with the exception of Save the Children UK.

15 Truelove and Watson, 2012; SCUK, 2010a, 2010b, 2010c; Sandström and Tchatchua, 2010; Devereux et al., 2007; Adams, 2007; Concern Universal, 2006
Finally, cash and vouchers in some instances resulted in increased availability and diversity of foods in local markets, potentially benefitting people not targeted by the assistance. The provision of cash transfers in Somalia led to greater quantities and diversity food in areas that had previously lacked availability (Truelove and Duncalf, 2012). In Kenya and Nepal, vouchers increased the demand, and subsequently the supply, of foods that were eligible for purchase (SCUK, 2011; Dunn, 2010).

**Evidence from long-term cash transfer programmes**

Cash and vouchers might be relatively new to humanitarian actors, but they are long established social protection tools, from conditional cash transfers to unemployment benefits to food stamps. Such programmes are common in the developed world and are increasingly appearing in low- and middle-income countries. They have mainly taken the form of conditional cash transfers (CCTs) in Latin America, but cash transfers (conditional and unconditional) and public works programmes are also being implemented and piloted in Africa, Asia and the Middle East.

In Africa, cash transfer programmes are on the rise, often with the objective of improving food consumption. Countries undertaking or piloting cash transfer programmes include Ethiopia, Kenya, Ghana, Malawi, Mozambique, Tanzania, Zimbabwe, Niger, Rwanda, Senegal, Burkina Faso and South Africa. Evaluations of unconditional cash transfer programmes have found positive impacts on food consumption (Garcia and Moore, 2012). For example, in Malawi, households experienced dramatic gains in dietary diversity compared to non-intervention households (Miller et al., 2008).

There are at least 28 CCT programmes globally, mostly in Latin America (Fiszbein and Schady, 2009). They range from small-scale projects to programmes in Mexico and Brazil that reach millions of households. These programmes transfer cash to poor households on the condition that they do certain things, such as vaccinate children and attend health information sessions. The theory is that CCTs ultimately reduce poverty by increasing investment in children. CCTs around the world have been subject to extensive research, which finds that participating households spend more on food and on food with higher-quality sources of nutrients than other households of comparable income (Ibid.). Data from Mexico found that a 10% increase in income translates into a 3–4.5% increase in available calories for the household (Hoddinott and Weismann, 2008). Evidence is inconclusive on whether the positive benefits of CCTs result from conditions placed on the grant or simply from the fact that households have more money with which to buy food, pay for education and go to health centres. Arguments for and against placing conditions on the receipt of cash transfers are abundant and also specific to individual contexts (Adato and Bassett, 2008).

**Conclusion**

The findings from humanitarian programmes are consistent with those in the previous section. Evidence shows that, when provided cash transfers, households tend to increase the amount and diversity of food that they consume, and that exceptions exist for improving diversity. Similarly, households participating in social protection programmes use the additional income to improve their food consumption. While evidence from social protection cannot be directly applied to humanitarian situations because the interventions and the contexts differ substantially, these findings remain relevant. Governments and humanitarian actors are increasingly considering how long-term social safety nets might play a role in addressing acute needs, either by using these systems to deliver humanitarian responses or to promote resilience in advance of crises.
5. Conclusion

Humanitarian agencies and donors more and more are turning to cash-based responses to meet the food needs of households affected by crisis. As for the effectiveness of cash transfers in improving food consumption, the conclusion of this review is that cash transfers can be appropriate and effective in achieving this result. Cash and vouchers specifically have often performed better than food aid at improving measures of diet diversity, though this is not universal as households might use the transfer to increase staple food consumption. The limited data on calorie consumption makes it difficult to draw conclusions, but suggests that food aid tends to have larger impacts on this aspect of food consumption. Regardless of the type of transfer provided, there may be trade-offs between increasing the quantity of calories through staples and improving diet quality through increased diversity. Evidence from humanitarian settings, even if far from perfect, is adequate to draw these conclusions.

That cash and vouchers can be effective in improving food consumption is logical. In situations where people have faced a food security shock and the problem is one of access and not availability, cash transfers enable people to purchase the food that they need (indeed, there should be a justification for not opting for cash or vouchers in such circumstances). Food is consistently the largest reported expenditure of cash transfers, and cash and vouchers enable recipients to purchase a wider variety of commodities than they would have received in the form of in-kind food aid.

However, the appropriateness and effectiveness of cash, vouchers and food aid in improving food consumption depends entirely on the context and the objectives of the intervention, and decisions on which transfer to use must consider the cost of achieving outcomes, as well as other factors, such as risk, the preference of beneficiaries and potential trade-offs between improving different outcomes. The evidence also suggests that different types of transfers enable households to pursue different strategies – positive and negative – in response to food insecurity. No form of transfer is universally more appropriate or more effective, which underscores the importance of understanding the context and analysing different response options. Decision-makers should keep in mind that cash, vouchers and food aid can be used in combination, and that the type of transfer provided is only one element that will influence food consumption outcomes. Other factors, such as the value of the transfer and the quality of implementation and targeting, may be of equal or greater importance.

The focus of this review is on food consumption. This is a useful frame because improving food consumption is at the heart of food assistance. Nonetheless, an important advantage of cash transfers is that they enable households to meet multiple priority needs – not just food – that contribute to their welfare. Where cash transfers are determined to be the most appropriate food assistance response, a sensible approach is to ensure that the value of the cash transfer is sufficient to enable beneficiaries to purchase their missing food entitlements while also providing a margin for other essential expenditures.

With cash and vouchers firmly established as food assistance tools, donors and aid agencies need to have the capacity and incentive to use cash-based approaches where they are appropriate. There are several humanitarian actors with useful experiences from which aid agencies newer to cash transfer programming can benefit. These include WFP, which has made a visible shift to considering cash and vouchers in recent years; NGOs such as Oxfam, ACF, Save the Children UK and Adeso; and donors like ECHO, which created guidelines on funding cash and voucher programmes.

With these conclusions in mind, it is recommended that CFGB continue its efforts to incorporate cash and vouchers amongst its food assistance tools. Potential ways forward include promoting internal dialogue about cash transfers, compiling existing resources for staff, providing training on response analysis and on cash transfer programming, developing an internal policy and advocacy
position, and reviewing administration and financial procedures to ensure they can accommodate programmes using cash and vouchers. Experience has shown that buy-in and leadership from senior decision-makers is critical. Mainstreaming cash and vouchers will be an important step in CFGB’s efforts to advocate for and provide appropriate food assistance for vulnerable populations.
Annex 1: Summary Table – Programmes and research comparing cash, vouchers and food aid

Note: this table only includes programmes where evaluations or other documentation were available that included analysis relevant to food consumption.

<table>
<thead>
<tr>
<th>Project</th>
<th>Objectives</th>
<th>Type of comparison</th>
<th>Transfer details</th>
<th>Location, target group</th>
<th>Findings on food consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash, vouchers and food</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>1. IFPRI / WFP research comparing cash, vouchers and food aid, Ecuador, 2011-2012</strong></td>
<td>Compare impact and cost-effectiveness of cash, vouchers and food aid on HH food security indicators of refugees and host population HH</td>
<td>Research undertaken by IFPRI using randomised study design to compare impact and cost-effectiveness of cash, vouchers and food aid</td>
<td>Each transfer worth $40; vouchers for approved foods; food ration was rice, oil, lentils, sardines; 6 monthly transfers</td>
<td>Ecuador, Carchi and Sucumbíos; Colombian refugees and Ecuadorian host HH</td>
<td>Kilo-calorie (kcal) intake: impact of food on per capita caloric intake is significantly larger than that of the cash transfer. Household Dietary Diversity Score (HDDS): increased by 5.6% for the food and voucher group and by 4.4% for the cash group. Dietary Diversity Index (DDI): Vouchers had a 16.7% increase compared to 11% and 14% increase for the food and cash group respectively. Food consumption score (FCS): Vouchers had 15.6% increase compared to 11% and 14% increase for the food and cash group respectively. Frequency of consumption of 11 food groups (for children): food had no impact; cash increased consumption of starches, meat and eggs. Frequency of HH consumption of 13 food groups: cash caused increases in cereals, meat, fish, dairy and fats (doubling of meat consumption). (Gilligan, et al., 2013)</td>
</tr>
<tr>
<td><strong>Cash and food</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2. IFPRI / WFP research comparing cash and food aid, Uganda, 2011-2012</strong></td>
<td>Compare impact and cost-effectiveness of cash and food on HH food security indicators and on early childhood development</td>
<td>Research undertaken by IFPRI using randomised study design to compare impact and cost-effectiveness of cash and food aid</td>
<td>Cash (~$12) or food (fortified ration based on 1200 kcals, including CSB) / month; 7 total transfers</td>
<td>Uganda; Karamoja. Transfers to HH with children attending Early childhood Development Centres</td>
<td>K-cal intake: Cash increased HH kcal ~20%; food impact not significant. DDI: Cash increased DDI relative to control group by .925 points; relative to cash group by 1.13 points. HDDS: food had no impact relative to control group; cash improved HDDS by .55 points relative to control group and .698 relative to food HH. FCS: Food had no impact; cash improved by 2.99 points. Frequency of consumption of 11 food groups (for children): food had no impact; cash increased consumption of starches, meat and eggs. Frequency of HH consumption of 13 food groups: cash caused increases in cereals, meat, fish, dairy and fats (doubling of meat consumption). (Gilligan, et al., 2013)</td>
</tr>
<tr>
<td><strong>3. IFPRI / WFP research</strong></td>
<td>Compare impact and</td>
<td>Research undertaken by</td>
<td>$49 bi-monthly for 6</td>
<td>Yemen; Hajjah and Ibb</td>
<td>Calories: Food HH appeared to be consume 4% more calories than cash group; but calories from different sources (8-31% more kcals from meat and eggs). (Hidrobo et al., 2012)</td>
</tr>
<tr>
<td>Study</td>
<td>Design/Methodology</td>
<td>Country</td>
<td>Period</td>
<td>Key Findings</td>
<td></td>
</tr>
<tr>
<td>-------</td>
<td>--------------------</td>
<td>---------</td>
<td>--------</td>
<td>--------------</td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Comparing cash and food aid, Yemen, 2011-2012</td>
<td>Cost-effectiveness of cash and food aid on HH food security indicators for vulnerable HH during lean period</td>
<td>IFPRI using randomised study design to compare impact and cost-effectiveness of cash and food aid</td>
<td>50 kg wheat flour and 5 l oil</td>
<td>Governorates cereals/oils; while cash recipients had 27% more kcal from animal products and 40% more from non-cereal starches compared to food HH</td>
</tr>
<tr>
<td>2. IFPRI/WFP research comparing cash and food aid, Niger, 2011-2012</td>
<td>Compare impact and cost-effectiveness of cash and food aid on HH food security indicators of Nigerien HH in lean period</td>
<td>Research undertaken by IFPRI using randomised study design to compare impact and cost-effectiveness of cash and food aid</td>
<td>Phase 1: 1000FCA/day @75 days of work or equivalent food basket; Phase 2: 24,000 FCA/month or full ration</td>
<td>Niger; Mirrah District, 5670 HH HDDS: no difference in the impact of food v. cash DDI: small positive impact of food relative to cash FCS: Likelihood of having an ‘acceptable’ FCS was 11-12% higher for food than cash HH; scores were 3.9-4.6 points higher for food HH than cash Use of cash transfer: 70% food, 10% non-food, 9% to other HH, 7% savings, 3% loans Use of food transfer: 13% said bartered some food; 5% reported selling Coping strategies: Food HH resorted to fewer food-related coping strategies than cash HH, differences more pronounced in lean season (Hoddinott et al, 2013)</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Cash for Work and Food for Work, South Sudan, GIZ 2010-2011</td>
<td>Improve infrastructure and generate income during transition from emergency to development</td>
<td>Comparison of effectiveness, impact and efficiency of FFW and CFW</td>
<td>FFW ration maize, rice, beans, oil, sugar, salt; CFW 15 SDG/day, similar to ration</td>
<td>South Sudan; Morobo and Magwi Diet diversity: 20% of CFW and no FFW participants stated that they ate different types of food, suggesting stronger impact of CFW on diversity Meals per day: 50% of FFW and 40% of CFW reported more MPD Use of food transfer: 27-53% reported selling part of their rations Use of cash transfer: ~42% spent on food (majority of benef spent 50%+) Leakage: benef reported that bags of maize, rice and beans distributed frequently weighed 1-3 kg less than the 50 kg indicated Food quality: repeated quality problems of the food items distributed Timeliness: frequent delays in the distribution of FFW rations (Metz et al., 2012)</td>
</tr>
<tr>
<td>4.</td>
<td>Cash and voucher, Somalia</td>
<td>14 NGOs implemented cash transfer</td>
<td>Not designed to directly compare cash and</td>
<td>Sept 2011–March 2012; goods for</td>
<td>Somalia, $50.6 million of cash and HDDS: Baseline HDDS score of 1.7), after 3 months cash HH consumed a more varied diet (HDDS = 6) than those receiving commodity vouchers (HDDS = 4).</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>and commodity voucher projects in response to famine and severe food insecurity</td>
<td>and commodity voucher projects in response to famine and severe food insecurity</td>
<td>and commodity voucher projects in response to famine and severe food insecurity</td>
<td>and commodity voucher projects in response to famine and severe food insecurity</td>
<td>and commodity voucher projects in response to famine and severe food insecurity</td>
<td>and commodity voucher projects in response to famine and severe food insecurity</td>
</tr>
<tr>
<td>commodity voucher; these were provided in different areas due to differing appropriateness; cash and vouchers not equivalent values</td>
<td>commodity voucher; these were provided in different areas due to differing appropriateness; cash and vouchers not equivalent values</td>
<td>commodity voucher; these were provided in different areas due to differing appropriateness; cash and vouchers not equivalent values</td>
<td>commodity voucher; these were provided in different areas due to differing appropriateness; cash and vouchers not equivalent values</td>
<td>commodity voucher; these were provided in different areas due to differing appropriateness; cash and vouchers not equivalent values</td>
<td>commodity voucher; these were provided in different areas due to differing appropriateness; cash and vouchers not equivalent values</td>
</tr>
<tr>
<td>voucher were 25kg wheat flour, 25kg rice, 10kg sugar, 3-6 lt oil; cash HH received $75-$125/month</td>
<td>voucher were 25kg wheat flour, 25kg rice, 10kg sugar, 3-6 lt oil; cash HH received $75-$125/month</td>
<td>voucher were 25kg wheat flour, 25kg rice, 10kg sugar, 3-6 lt oil; cash HH received $75-$125/month</td>
<td>voucher were 25kg wheat flour, 25kg rice, 10kg sugar, 3-6 lt oil; cash HH received $75-$125/month</td>
<td>voucher were 25kg wheat flour, 25kg rice, 10kg sugar, 3-6 lt oil; cash HH received $75-$125/month</td>
<td>voucher were 25kg wheat flour, 25kg rice, 10kg sugar, 3-6 lt oil; cash HH received $75-$125/month</td>
</tr>
<tr>
<td>vouchers provided to 136,673 HH (94,699 cash and 41,974 voucher) in 9 regions of South Central Somalia</td>
<td>vouchers provided to 136,673 HH (94,699 cash and 41,974 voucher) in 9 regions of South Central Somalia</td>
<td>vouchers provided to 136,673 HH (94,699 cash and 41,974 voucher) in 9 regions of South Central Somalia</td>
<td>vouchers provided to 136,673 HH (94,699 cash and 41,974 voucher) in 9 regions of South Central Somalia</td>
<td>vouchers provided to 136,673 HH (94,699 cash and 41,974 voucher) in 9 regions of South Central Somalia</td>
<td>vouchers provided to 136,673 HH (94,699 cash and 41,974 voucher) in 9 regions of South Central Somalia</td>
</tr>
<tr>
<td>Meals per day: After 3 months of transfers baseline MPD increased for both cash and voucher beneficiaries</td>
<td>Meals per day: After 3 months of transfers baseline MPD increased for both cash and voucher beneficiaries</td>
<td>Meals per day: After 3 months of transfers baseline MPD increased for both cash and voucher beneficiaries</td>
<td>Meals per day: After 3 months of transfers baseline MPD increased for both cash and voucher beneficiaries</td>
<td>Meals per day: After 3 months of transfers baseline MPD increased for both cash and voucher beneficiaries</td>
<td>Meals per day: After 3 months of transfers baseline MPD increased for both cash and voucher beneficiaries</td>
</tr>
<tr>
<td>Coping strategies: At baseline more than 75% of households reported going to bed hungry, going a 24 hours without food or having no food in the house. After 6 months of distributions, no HH in the rural areas reported these problems and less than 10% of urban HH did so.</td>
<td>Coping strategies: At baseline more than 75% of households reported going to bed hungry, going a 24 hours without food or having no food in the house. After 6 months of distributions, no HH in the rural areas reported these problems and less than 10% of urban HH did so.</td>
<td>Coping strategies: At baseline more than 75% of households reported going to bed hungry, going a 24 hours without food or having no food in the house. After 6 months of distributions, no HH in the rural areas reported these problems and less than 10% of urban HH did so.</td>
<td>Coping strategies: At baseline more than 75% of households reported going to bed hungry, going a 24 hours without food or having no food in the house. After 6 months of distributions, no HH in the rural areas reported these problems and less than 10% of urban HH did so.</td>
<td>Coping strategies: At baseline more than 75% of households reported going to bed hungry, going a 24 hours without food or having no food in the house. After 6 months of distributions, no HH in the rural areas reported these problems and less than 10% of urban HH did so.</td>
<td>Coping strategies: At baseline more than 75% of households reported going to bed hungry, going a 24 hours without food or having no food in the house. After 6 months of distributions, no HH in the rural areas reported these problems and less than 10% of urban HH did so.</td>
</tr>
<tr>
<td>Use of cash transfer: food largest expenditure (41-42%) of transfer; debt repayment second (21-27% of transfer) (Longley et al, 2012)</td>
<td>Use of cash transfer: food largest expenditure (41-42%) of transfer; debt repayment second (21-27% of transfer) (Longley et al, 2012)</td>
<td>Use of cash transfer: food largest expenditure (41-42%) of transfer; debt repayment second (21-27% of transfer) (Longley et al, 2012)</td>
<td>Use of cash transfer: food largest expenditure (41-42%) of transfer; debt repayment second (21-27% of transfer) (Longley et al, 2012)</td>
<td>Use of cash transfer: food largest expenditure (41-42%) of transfer; debt repayment second (21-27% of transfer) (Longley et al, 2012)</td>
<td>Use of cash transfer: food largest expenditure (41-42%) of transfer; debt repayment second (21-27% of transfer) (Longley et al, 2012)</td>
</tr>
</tbody>
</table>

7. Protecting and Rebuilding Livelihoods in the Arid and Semi-Arid Lands, WFP, Kenya, 2010-11


9. WFP Cash Transfer Pilot Project in Buner District,

---

16 For aid recipients, commodity vouchers are similar to food aid as they provide a pre-determined food basket with no choice in the types or quantities of food commodities.
<table>
<thead>
<tr>
<th>Country</th>
<th>Title</th>
<th>Organisation</th>
<th>Dates</th>
<th>Description</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>KPK, Pakistan</td>
<td>January, 2010</td>
<td></td>
<td></td>
<td>Meals per day: no significant difference between food and cash HH</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Use of transfer: ~70% of the cash was spent on food (other uses were for health, utilities and debt repayment) (Glombitza, 2010)</td>
<td></td>
</tr>
<tr>
<td>10. Zimbabwe</td>
<td>Cast Transfers (ZECT), WFP and Concern, 2009-2010</td>
<td></td>
<td>To address short-term acute vulnerability and transient poverty</td>
<td>Pilot designed to compare effectiveness of cash transfers, cash + food transfers compared to food aid alone; Evaluation done by OPM</td>
<td>Beneficiaries divided into 3 groups: cash only, food + cash, food only; distributed monthly for 4-5 months; November, 2009 – March, 2010</td>
</tr>
<tr>
<td>11. Malawi</td>
<td>Cash and Food for Livelihoods Pilot (CFLP), WFP, 2008-2009</td>
<td></td>
<td>To prevent acute hunger and invest in disaster prevention and preparedness</td>
<td>Pilot use of cash as alternative to food in ‘food for assets’ programming; aimed to identify how cash can be used to achieve food security goals; researched by IFPRI</td>
<td>Cash, food and mixed cash + food transfers monthly in exchange for community works; 8 months from 2008 -2009</td>
</tr>
<tr>
<td>12. Lesotho</td>
<td>Cash and food Transfers in Lesotho, World Vision, 2007-</td>
<td></td>
<td>To provide access to basic food for vulnerable HH</td>
<td>Pilot designed to compare effectiveness of cash transfers, cash + food</td>
<td>Cash (M355.62), cash (M174.73) + food, and full</td>
</tr>
</tbody>
</table>

17 Threshold, or food consumption group, is a classification of food consumption scores. Typical thresholds are used in this analysis: poor < 21; borderline 21.1 to 35; and acceptable > 35.
transfers compared to food aid alone; technical support from ODI and valuation done by IDS

| 2008 | food rations; monthly for six months from December, 2007 to May, 2008 | ‘cash plus food’ combination to 2,676 HH; full food rations to a control group of 2,672 HH | strategies there was no significant difference between cash, food and cash+food recipients; overall non benef 2-3 times more likely to adopt damaging strategies than benef
Use of transfer (cash HH): 94% spent some of their cash on staple food; 2/3s bought other foods; ~54% of cash spent on food
Used of transfer (Cash + food HH): 66% bought staple foods and 69% bought non-staple food; ~47% of cash transfer spent on food
Use of food transfer (food and food + cash HH): 76% ate all the food, 21% gave away some 0.5% bartered and 0.2% sold some food (Devereux and Mhlanga, 2008)


Ensuring access to food for drought affected HH

Pilot designed to compare effectiveness of cash + food transfers compared to food aid alone; evaluation done by IDS

Half ration of food (maize, beans and oil) and the equivalent in cash, monthly for six months November, 2007 to April, 2008; ‘control’ group received food rations

Swaziland, Cash + food to 6,200 HH; food to 1,400 HH

Children’s dietary diversity: Children in HH receiving cash+food experienced immediate and sustained improvement in dietary diversity and consumed consistently more diverse diets than children in ‘food only’ HH throughout the project period.

Coping strategies: No statistically significant difference between cash+food and food groups. High proportion of HH adopted one or more of coping strategies, implies that the cash and/or food did not fully protect them against the consequences of the drought

Self-reported hunger: Self-reported hunger of cash+food group dropped to less than one-fifth of pre-intervention levels (74% to 14%), while hunger among food HH only halved (68% to 34%).

Use of cash transfer: All cash+food recipients spent some or all of their cash on staple food, other food items (vegetables, meat) and groceries (soap, paraffin); food largest use of cash

Use of food transfer: 96% of food recipients consumed all this food (Devereux and Jere, 2008)


Compare impact of cash and food assistance; improve food and livelihood security; build local economy

Pilot designed to compare impact of cash and food aid; research undertaken by IFPRI and WFP

Rs150 ($1.50) per person per week (equivalent to market value of ration)

Sri Lanka; those worst affected by tsunami; 50% of population were randomly selected to receive cash, 50% food

Kcal intake: decline amongst cash and food HH because baseline during holidays; decline greater for cash than food HH in one region

Dietary diversity: Increases in purchase of meat, dairy, beverages and packaged foods are higher for cash group (Sharma, 2006; Sandström and Tchatchua, 2010)
### 15. Urban food vouchers, WFP / Oxfam, Gaza, oPT, 2011

- **In short term improve food consumption of affected populations**
- Pilot of vouchers as alternative to food aid
- Vouchers redeemable for 10 commodities; 256 NIS per HH per month
- oPT, Gaza; Until April, 2011, 313,000 beneficiaries; 295,000 from May

**Food consumption score**: voucher significantly improved FCS compared to the baselines and to the group receiving in-kind food assistance of the equivalent value

**Use of voucher transfer**: 47% spent on dairy and milk; 46% on vegetable oil, rice and pulses; 25% more oil bought compared to ration (review doesn’t discuss use of food ration) (Creti, 2011)

### Cash and vouchers

| 16. Cash and vouchers in Masisi, Concern Worldwide, DRC, 2012 |
|-----------------|----------------------------------------------------------|
| **Meet basic needs of camp IDPs** | Study / pilot designed to compare the effectiveness and impacts of vouchers (redeemable for wide range of food and NFI) v. unconditional cash transfers for meeting basic needs |
| **2 groups (cash and voucher / fairs);3 monthly transfers, total value $130** | Bushani camp, Masisi, DRC; |

**Self reported food insecurity**: cash HH were less likely to report having suffered from food insecurity since the previous harvest as compared with voucher household (82% cash v. 93% voucher HH)

**Meals per day**: similar for both cash and voucher HH

**Months of HH food provisioning**: relatively higher among cash HH

**Dietary diversity**: cash HH able bought more diverse set of food, but no difference in dietary diversity between cash and voucher HH

**Coping strategies**: both cash and voucher HH decreased their use of coping strategies with similar patterns for the cash and voucher households. Exceptions: cash households were more likely to send a household member to migrate, but less likely to sell off assets

**Use of cash transfer**: Lacked data on precise expenditures for both cash and voucher HH; cash HH spent ~38% of the transfer on food, ~35% on non-food items (rest on education, salt, clothing, land)

**Use of voucher transfer**: ~40% on NFI, ~31% on food (rest on salt clothing, education). Some (precise amount unknown) exchange of vouchers for cash $20 voucher for ~$11-$14 cash (Aker, 2012)

### 17. Cash for Work and Vouchers for Work, GIZ, Uganda, 2010-2011

- **Improve livelihoods, address temporary food insecurity, improve infrastructure**
- Learning on provision of cash + vouchers for work; though one group of workers received cash only
- 2-3 days work, $1.25-$2.50 / day; vouchers redeemable for any items from a local trader
- Uganda, Karamojo, 1588 participants

**Use of transfer**: 48 percent their transfer for household items like buying food, clothes, etc. over Christmas period (next largest expenditure was education) (Harmer, 2012)
| 18. Cash-for-Assets (CFA), Goat-for-Assets (GFA), Food-for-Assets (FFA); World Renew, (formerly CRWRC), Kenya, 2011 | Increase HH food consumption and community resilience to drought; GFA to promote livestock health and food security | Research comparing FFA, CFA, GFA projects (which were not designed for the purpose of comparing different projects) | FFA: 3400 HH in Kilifi (Sept 2011 – Jan 2012), 1000 in Mbeere (Oct– Feb 2012), CFA 475 in Kilifi Oct 2011 – Feb 2012; GFA 600 in Mbeere Jan – May 2012 | Meals per day: FFA - from baseline to end of project of % of HH consuming 2+ MPD in Kilifi increased 27%; in Mbeere increased 40%. In Mbeere, HH consuming 3 meals/day increased from 3.7% to 40%. For CFA, HH consuming 2+ meals increased 30% from 39% to 69%. **Coping strategies**: FFA - compared to baseline, decline in Mbeere including the proportion of those limiting meal portion sizes from 70% to 39%, those begging for food on a daily basis from 7.3% to 0.5% **Use of cash transfer**: largest expenditure was on food; % spent on food changed throughout project (Brouwer, 2012) |
References


Institut de Recherche pour le Développement and WFP Senegal (2012a) *Evaluation de l’opération pilote de distribution de coupons alimentaires aux ménages vulnérables de Pikine (Dakar – Sénégal)*. International Food Policy Research Institute and WFP.

Institut de Recherche pour le Développement and WFP Senegal (2012b) *Evaluation de l’opération pilote de distribution de coupons alimentaires aux ménages vulnérables de Ziguinchor (Sénégal)*. International Food Policy Research Institute and WFP.


SCUK (2010a) Midterm evaluation of Save the Children’s cash transfer project in Tassaoua and Ague. Save the Children UK.
SCUK (2010b) Midterm evaluation of Save the Children’s cash transfer project in Magaria, Niger. Save the Children UK.


