

Cash-for-work in urban setting: a Guinean experience

Context: Action Against Hunger-Spain (ACF-E) is implementing a project to support low-income populations in urban areas of Guinea, funded by the European Union. One of the proposed activities is the organization of cash-for-work with a focus on sanitation and more specifically solid waste collection. The project specific objective is to reduce food and economic vulnerabilities of the poorest community groups of Conakry. Activities are organized in cycles of two to three months at time periods subject to inflation risk (school year, end-of-year festivities, Ramadan, lean season).

ACF-E expect the monthly household income to increase by 15% and the beneficiaries' food consumption improved. The choice of a cash transfer is justified by the food supply mode for the population in the town of Matoto (urban district of intervention selected for its high population density and representing a third of the inhabitants of the capital Conakry) where purchase is the main source of food for 94.8% of households. Only 1.3% of the population within this area are farmers. Markets are well supplied and functional and it is due to a lack of financial resources that the most vulnerable populations have difficulty accessing food. Finally, the cash transfer allows the beneficiaries to identify and fulfil their basic needs while at the same time preserving their dignity.

Insalubrity is a major issue for Guinean towns, hence the activities of cash-for-work (CFW) has been oriented towards solid waste collection. The Public Service for Waste Transfer estimates that only 39% of waste in Conakry is transferred to the landfill. This situation is causing significant environmental (illegal dumping, incineration, uncontrolled dumping of waste into the sea ...) and health problems (cholera, typhoid fever...).

Methodology: Two rounds of cash-for-work have been held since the beginning of the intervention. The first round has targeted 554 beneficiaries spread across five districts of the town. Between January 18, 2010 and March 11, 2010, each beneficiary has spent one day a week for waste collection, a total of eight days of work over the duration of the first cycle.





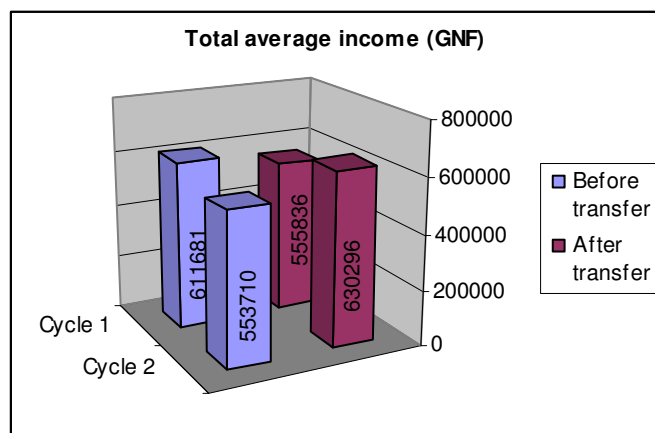
The beneficiaries were paid monthly and received 20,000 Guinean francs (about 2.50 EUR) per working day.

A total of 78,360,000 Guinean francs (about 10,450 EUR) have been distributed to beneficiaries. This amount is the equivalent of 3,918 man-days of work. The second cycle of activity has targeted 1,026 beneficiaries spread across seven districts. Between May 3, 2010 and July 19, 2010, each beneficiary has dedicated one day per week for the waste collection activity, for a total of 10-13 working days for the duration of the second cycle. The beneficiaries were paid monthly and received 23,000 Guinean francs (about 3 EUR) per day. In total, 222,985,000 Guinean francs (about 30,000 EUR) were distributed to beneficiaries. This amount is the equivalent of 9,695 man-days of work.

The daily CFW rate paid to beneficiaries was increased in-between the two CFW cycles. This measure was taken to maintain the purchasing power of beneficiaries that was reduced as a result of inflation in basic commodities prices. With this amount of daily wage, beneficiaries have had each for cycle the possibility to purchase the equivalent of 4.5 kg of local rice. Nevertheless, this daily wage can not be increased infinitely. We must also consider the local labour market and its rates, so as to prevent any destabilization. In addition, an overestimated daily wage might have attracted non-needy, less vulnerable households.

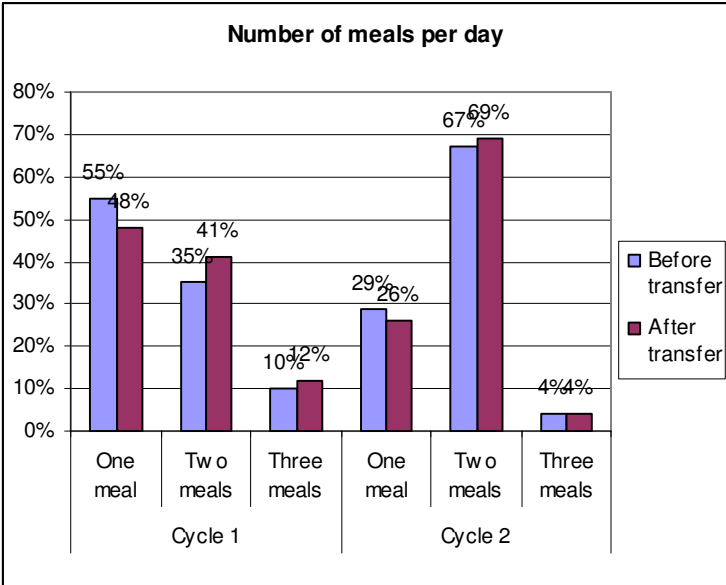
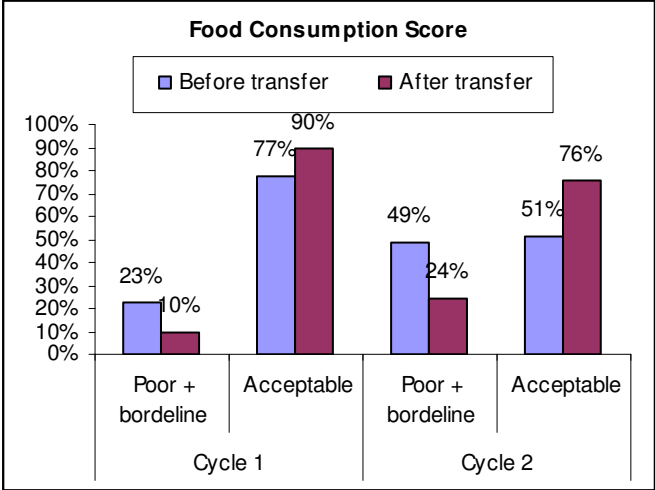
Target beneficiaries are households living below the poverty line. Priority was given to women and young heads of households, as well as households with malnourished children, identified through another program of nutritional care in health centres in the same district.

Results: The impact of the activity on food consumption and income of vulnerable households has been measured during each cycle of cash-for-work. If the monitoring of the first cycle did not show any improvement in the monthly income of beneficiaries, the second showed an increase of 14%. The average number of sources of income received monthly by the beneficiary had not significantly decreased after the activity (2.00 before, 1.89 after), it is likely that the lack of increase in income during the first cycle is due to the difficulty of measuring income. It is indeed difficult to ask about their income to the beneficiaries without having established any kind of trust between the interviewee and the interviewer. However, between the first and second cycle, the criteria for identifying beneficiaries have been strengthened, principally in relation to



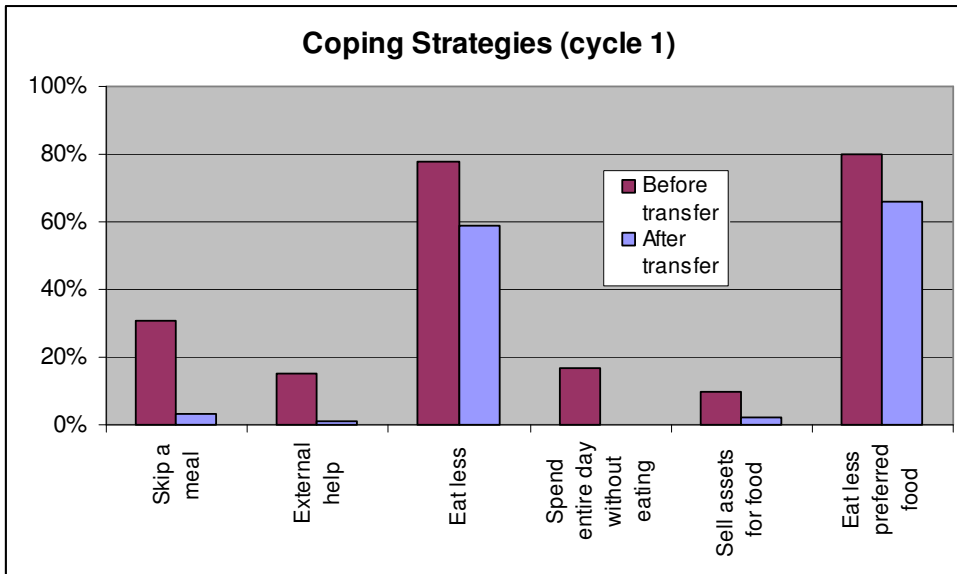
the economic vulnerability of households. The average monthly income for beneficiaries before activity decreased from 611,000 Guinean francs (65 EUR) in the first cycle to 553,000 (58 EUR) for the second. Surveys conducted before activity led to the removal from the list of households beneficiaries having the highest incomes.

During our monitoring, the impact of the cash transfer appeared more obvious on the beneficiaries' food consumption than on their income. The two main indicators used to measure this impact are the food consumption score (FCS) and frequency of food consumption (number of meals consumed per day). The FCS divides food in 7 groups (grains, legumes, vegetables...). A weighting (0.5 for the group of sugar, up to 4 for the group of proteins) is affected to each food group. The weight of each group is multiplied by the number of days of consumption (over seven days) for each food group and the score of each group is added. Scoring values computed for each method are shown on a scale ranging from 0 to 112. The thresholds 24.5 and 38.5 were used to determine the three classes of food consumption: poor, borderline and acceptable. During both cycles, the FCS has increased after payment to the beneficiaries. During the second cycle, the FCS was 44.07 before and 50.75 after cash transfer. The improvement of the FCS is more significant when the threshold scores of food consumption are compared. The proportion of beneficiaries with poor or borderline food consumption has dropped from 49 to 24% (in favor of an acceptable diet) during the second cycle. Similarly, the beneficiaries have improved their diets qualitatively. When we look at the food groups included in the FCS, we observe an increase in the consumption of proteins and dairy products. Note also that a greater proportion of households in the second round had a poor or borderline FCS prior cash transfer as compared to the first cycle. This could be attributed to a better selection of households, i.e. being more vulnerable (cf. initial households income), as well as higher commodity prices than in the first cycle.



The cash-for-work has also impacted on the frequency of food consumption of the beneficiaries, but less pronounced than in the FCS. Over the past two cycles, the number of beneficiaries who consumed one meal decreased in favor of those who consumed two or three meals.

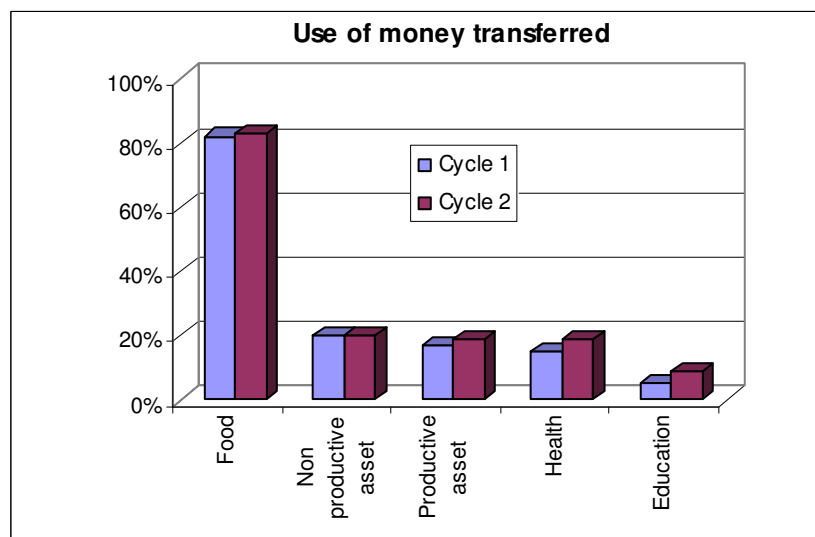
During monitoring, the use of coping strategies was also investigated.



Several coping mechanisms were monitored, including: eating less preferred foods (this is the mechanism most used by the beneficiaries: 80%), reducing the amount of food per meal, going into debt or borrowing for food. **The use of coping strategies to address food insufficiency has significantly reduced after the transfer of money.**

Conclusions: In light of the two impact studies, the first lesson in terms of efficiency for cash transfer is the need to know precisely before-hand the socioeconomic status of beneficiaries' households so that the amount of cash transferred meets their needs. It should be possible to adjust the CFW daily wage at any time depending on the context, which requires among other regular monitoring of the prices of basic commodities on the markets. This is especially true in urban areas where the primary source of food for the population is purchase. Finally, both surveys showed that the impact of the cash transfer is more easily measured by indicators related to food consumption or coping mechanisms than with an indicator specifically related to income.

Despite the constraints faced in the implementation of the activities, ACF-E has managed through the cash-for-work to reduce the food and economic vulnerabilities of the poorest households in Conakry. The induced effect on household food security, however, is only temporary. Beneficiaries use the money to meet their basic needs and priority is given to food (83% of the beneficiaries of the second cycle have used some or all of the money for food) and the amount



distributed does not allow them to invest sufficiently in productive assets (19% of beneficiaries in the second cycle). Facing a chronic inflation of basic commodities, additional measures should accompany the beneficiaries to sustain the improvement made on their food security by transferring cash. With over 50% of beneficiaries having never attended school, in the short term, vegetable gardening or small-scale income-generating activities would be the support most appropriate to the capabilities of beneficiaries.