

Innovations in the Design and Delivery of Social Transfers:

Lessons Learned from Malawi

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June 2008

1. Introduction

In 2005/6 and 2006/7, Concern Worldwide in Malawi designed and delivered two emergency social transfer programmes that were evaluated as innovative and effective, and have advanced thinking on best practice and what is feasible, both in emergency contexts and in the delivery of predictable (non-emergency) social protection. This paper reviews the key innovative features of these interventions – the ‘Food and Cash Transfers’ project (FACT) and the ‘Dowa Emergency Cash Transfers’ project (DECT) – and extracts broader lessons for social protection practice.ⁱ

This paper does not review the impacts or achievements of FACT and DECT. Both interventions are well documented, and the argument of this paper is that they succeeded because of particular decisions that were taken during the planning stage, concerning the design and delivery of social transfers. The purpose here is to highlight how these choices contributed to the successful outcomes, not to recapitulate or assess the outcomes themselves.

While FACT was exceptionally innovative in its design features, DECT was extremely innovative in its delivery mechanisms.

While FACT was exceptionally innovative in its *design* features, DECT was extremely innovative in its *delivery* mechanisms. FACT delivered its innovative package of transfers in a conventional (low technology) way. DECT adopted (or adapted) most of FACT’s innovative design features and delivered its transfers in a very innovative (high technology) way, unique to rural Malawi. FACT recognised the limitations or risks inherent in cash transfers to an extent that other cash transfer programmes have not done, and modified the design of its emergency social transfers in several important respects to allow for these risks. FACT innovations in *design* included:

1. Transfers were delivered half in cash and half in kind, the food package being provided in case supply shortages in local markets made food inaccessible to cash transfer recipients.
2. The cash transferred was adjusted for every disbursement in line with movements in local food prices, to maintain constant food purchasing power throughout the hungry season.
3. The transfer was adjusted by three categories of household size (small, medium, large).

An independent evaluation of FACT made two recommendations concerning the design of future social transfer programmes and two on improved delivery mechanisms.

Design:	1. Shift from ‘food + cash’ to pure cash, depending on market assessment.
	2. Refine banding by household size – allocating transfers per capita instead.
Delivery:	1. Automate delivery – use mobile ATM and smart-cards.
	2. Give all entitlement cards to women rather than to men.

All four recommendations were adopted by Concern Worldwide for its follow-up emergency social transfers programme in 2006/7. DECT innovations in *delivery* included: biometric registration and verification; smart-cards; and mobile banking.

The introduction of technology to deliver cash on DECT was beneficial in a number of ways, to the implementing agency (Concern Worldwide), to the recipients, and to the wider community. The decision to give cash transfers to women (on DECT) rather than men (as on FACT) was vindicated by fewer reports of DECT transfer income being wasted or misused.

This paper is structured as follows. Section 2 is titled ‘Problem analysis’, and explains why FACT and DECT were designed differently (notably why FACT transferred both food and cash while DECT transferred only cash). Section 3 analyses three basic ‘design choices’ in social transfer programmes – cash versus food transfers, scaling of transfers, and options for addressing food price variability. Section 4 analyses four ‘delivery choices’ – targeting, disbursing cash to women rather than men, ‘pull’ and ‘push’ mechanisms, and manual versus ‘technological’ approaches to the disbursement of transfers. Section 5 presents some guidelines for practitioners.

2 Problem Analysis

Both FACT and DECT were responses to food crises in central Malawi that were triggered by erratic weather – dry spells at critical times during two successive farming seasons – leading to reduced harvests and critical food deficits for many smallholder families. Both episodes can be described as ‘seasonal food crises’, since they were triggered by poor harvests that caused granaries to be depleted earlier than usual and intensified hunger in the months preceding the next harvest (the ‘hungry season’ in Malawi peaks in January-February each year). However, the analysis of the food insecurity problem differed between the two years, especially in terms of its scale and scope, leading to significant differences in the design and implementation of the two interventions. The second intervention (DECT) also built on lessons learned from its predecessor (FACT).

In 2005, the harvest failure in Malawi was sizeable and widespread. National maize production fell by 25%, from 1.7 million to 1.2 million metric tonnesⁱⁱ, causing a cereals shortage of 400,000 tonnes.ⁱⁱⁱ The magnitude of the consequent food security crisis was under-estimated. The Malawi Vulnerability Assessment Committee (MVAC) initially announced that 4.2 million Malawians (37% of the population) would need humanitarian assistance,^{iv} but this figure was revised upwards to 4.9 million in October,^v and again to 5.5 million (almost half the population) in December 2005.^{vi} The President declared a ‘State of Disaster’ on 14 October 2005, and an emergency appeal was launched. Concern Worldwide’s FACT project contributed to the resulting humanitarian response.

In 2006, in contrast to the disastrous 2005 season, Malawi recorded an all-time record maize harvest, at 2.6 million metric tonnes – more than double the previous year.^{vii} Two factors explain this improvement – favourable weather during the 2005/6 farming season, and the government’s input subsidy programme, which substantially increased smallholder access to fertilisers – though the relative contribution of each factor remains open to debate. Since Malawian farmers produced a large surplus over national grain consumption requirements in 2006, the question naturally arises as to why the Dowa Emergency Cash Transfer (DECT) project was implemented at all.

The explanation requires disaggregating food security and food insecurity within Malawi. Despite a bumper harvest at national level, there were pockets where prolonged dry spells undermined harvests in certain areas. Within the ‘Kasungu Lilongwe Plain’ livelihood zone in central Malawi, maize production was reduced by 42% in Kasungu District and by 16% in Dowa District, with some farmers in these districts experiencing total crop loss. Also, farmers in Dowa District depend heavily on tobacco production for cash income, and a coincidental collapse of the tobacco market meant that farmers were offered less for their crop than the cost of production, which undermined their livelihoods and their ability to purchase food. FEWSNET warned that: “these areas will require emergency assistance in the current consumption period”.^{viii} In July 2006, the MVAC estimated that 833,000 Malawians faced food insecurity in the coming months, a smaller number than in 2005, but still 7.2% of the national population. An effective localised response was mobilised, with the World Food Programme delivering food aid in Kasungu District and Concern Worldwide delivering emergency cash transfers in Dowa District (DECT).

Although the two food crises were triggered by similar sets of factors, differences in their scale and severity resulted in important differences in the interventions that were launched to address each event. In 2005 a national emergency response was launched and assistance was provided to several million Malawians. In 2006 the crisis was localised and the number of people requiring assistance numbered in the tens of thousands. In 2005 the severity of food insecurity was deeper and affected households needed substantial levels of assistance. In 2006 smaller transfers were adequate to fill a shorter ‘food gap’ before the next harvest. The implications of these differences also translated into differences in the design and delivery of FACT and DECT, as will be seen.

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3. Design Choices

Any social transfer programme requires a number of fundamental design choices to be made. Three choices specific to FACT and DECT were particularly instructive, and raise issues that should be considered in the design of emergency interventions and social protection in general: (1) type of transfers (cash, food, or cash + food), (2) scaling of transfers (per household, per household band, or per capita), and (3) addressing food price variability (by linking cash transfers to food prices). These choices are assessed in this section.

3.1 Composition of transfers: Cash, food or cash plus food?

Any social transfer programme requires a number of fundamental design choices to be made.

Food aid agencies such as the World Food Programme (WFP) have been criticised in the past for ‘dumping’ food aid in Africa, reflecting the ready availability of food surpluses from Western countries, and the reluctance of donors to provide cash, believing (with little supporting evidence) that ‘cash aid’ is more susceptible than food aid to corruption or misuse. Recently, however, several bilateral and multilateral donors have led a shift from food aid to cash transfers, partly because Western food surpluses are no longer guaranteed – European and North American farm subsidies are under pressure, cereals are being diverted to bio-fuel production, commercial demand from China is competing with concessional food aid to Africa. This has ‘depoliticised’ the food versus cash debate, and reopened a technical discussion about which aid modality is more effective in meeting the objectives of humanitarian interventions or social protection programmes. In this context, the choice of ‘cash + food’ transfers (FACT) and ‘pure cash’ transfers (DECT) adds useful comparative data to the knowledge base on this still unresolved issue.

FACT aimed to cover 50% of recipient households’ food needs for the period December 2005 to April 2006, half in food (25%) and half in cash (25%), on the assumption that these households were able to cover only half of their food needs for this period from own production and other resources.^{ix} The food package comprised 20kg of maize, 4kg of beans, and 1 litre of cooking oil. The amount of cash varied, as explained below, to provide access to an equivalent set of food items through market purchase. The reason why both cash and in-kind transfers were disbursed simultaneously (which is highly unusual, if not unique) is that the advantages and risks of both types of transfer were recognised, and FACT aimed to maximise the benefits and minimise the risks to beneficiaries (by transferring the market risks to the implementing agency). FACT therefore provides a rare opportunity to assess this unorthodox design choice.

Food transfers: advantages and disadvantages

Food was provided because FACT was an emergency intervention triggered by a food production collapse, and it was critical to protect subsistence food consumption in a context of widespread harvest failure and the possibility of supply failures in food markets throughout Malawi. At least four advantages to providing food packages were noted (these arguments are also typically made in support of food aid programmes).

- (1) Food deficit households were guaranteed access to food (which cash does not).
- (2) The food package included a protein (beans) and fat (oil) as well as a cereal (maize), to ensure a balanced diet during a period of severe nutritional stress.
- (3) Labour-constrained vulnerable households (eg the elderly or ill) did not need to travel long distances to and from markets in search of food.
- (4) Injecting substantial quantities of food into rural communities should reduce demands on scarce supplies in local markets, and keep food prices from rising to unaffordable levels.

The disadvantages of providing food are equally familiar from the critical literature on food aid.

- (1) Food handouts interfere with markets and can undermine trade.
- (2) Giving food to farmers could undermine their incentives to produce surpluses and reduce market supplies, inhibiting the emergence and functioning of efficient grain markets.
- (3) Food handouts are accused of contributing to ‘dependency syndrome’ (though this is not easily observed and there is conflicting empirical evidence concerning this assertion).^x

Cash transfers: advantages and disadvantages

Many of the advantages claimed for cash transfers are mirror images of the complaints commonly made against food aid.

- (1) Cash gives people flexibility and choice, allowing them to meet a fuller range of food and non-food needs. Although food recipients can barter or sell their food for these purposes, they inevitably receive less than full market value – cash is the more efficient transfer.
- (2) Cash transfers are less stigmatising and more empowering than food handouts (however, like dependency syndrome, this effect is intangible and difficult to observe and measure).
- (3) Cash transfers boost purchasing power, stimulate demand for goods and services, and generate ‘multiplier effects’ in local economies, since one person’s spending becomes another person’s income.

The disadvantages of cash include:

- (1) Cash transfers can be spent on other things apart from basic needs and might not benefit vulnerable individuals as directly as food transfers (these effects might be gendered).
- (2) If market failure is severe, injecting cash into local economies might simply contribute to food price inflation, leaving recipients unable to meet their subsistence needs.

Evidence from FACT and DECT

In the FACT project, the decision to disburse both cash and food was vindicated by evidence from the monitoring and evaluation data. Recipients met much of their subsistence food needs through consuming the food packages, and covered many of their additional food and non-food needs through spending the cash transfers. The risk of food price inflation was minimal because the amount of cash transferred was limited. Conversely, the provision of food packages reduced the risk that recipients would have no access to food if markets had failed completely. Most FACT beneficiaries were very satisfied with receiving both food and cash. (*“Like me, I am sick. If I get a bag of maize I have to sell some to mill it and some more to get to hospital. Food plus cash is the best.”*)

If the combination of food plus cash transfers on FACT successfully provided all the benefits of both while avoiding the limitations of each, the question arises why DECT opted for pure cash transfers. The key variable here was the **market assessment** in each year. In 2005, widespread harvest failure raised doubts about the capacity of markets to meet the demand for food, and pure cash transfers in this context might well have driven prices up without prompting an increase in marketed supplies. In 2006, by contrast, the localised nature of harvest failure in the context of a national surplus meant that cash transfers were more logical and cost-effective than importing and distributing food aid. This assessment was endorsed by DECT beneficiaries, who expressed their preference for cash transfers “provided that food staples and other basic commodities are reliably available on local markets at reasonable prices, throughout the ‘hungry season’ or crisis period. If these conditions do not apply, beneficiaries expressed their preference for either food aid or a combination of food and cash transfers (the ‘FACT’ model)”.^{xi}

The provision of cash transfers by DECT boosted effective demand and provided a market for local surpluses that were looking for buyers. An average transfer of US\$12/month (where US\$1 = MK140) was given to just over 10,000 households for five months, enabling these households to meet their subsistence needs and creating substantial ‘multiplier effects’ in terms of income and employment generation. A reduced ‘social accounting matrix’ (SAM) estimated that each Malawi Kwacha transferred to ‘direct beneficiaries’ generated more than two Kwacha (MK2.02–2.45) of income for various ‘secondary beneficiaries’, who included local traders, rural service providers and neighbouring farmers.^{xii}

A second factor that is not often considered in the design choice between cash and food is their relative **convenience for recipients**. It is often argued that cash transfers are more ‘portable’ for both donors and beneficiaries, whereas food aid requires transportation by truck (a function that could and perhaps should be left to private traders) and sacks of food then need to be carried home by every recipient. Conversely, banknotes can be transported in smaller vehicles or mobile ATMs – though a second vehicle providing security is sometimes needed – and cash transfers can simply be stuffed into the recipient’s pocket. Since cash transfers are intended to purchase food and groceries, the problem of purchasing food from local markets and getting these items home remains, but this is a normal activity and is not attributable to cash transfer programmes. It is debatable whether food or cash transfers present more of a security risk. In theory, both could be targeted for theft (either vehicles in transit or recipients returning home) but in practice there is no evidence for systematically higher risk attaching to either food or cash transfers.^{xiii}

If the combination of food plus cash transfers on FACT successfully provided all the benefits of both while avoiding the limitations of each, the question arises why DECT opted for pure cash transfers.

Both projects effectively protected the vulnerable against severe hunger, malnutrition and the risk of mortality during periods of food stress.

FACT participants received a food package each month comprising a 20kg sack of maize, a 4kg packet of beans and a 1-litre bottle of cooking oil. These commodities had to be transported home, either head-loaded or carried by bicycle or motor vehicle. Some FACT participants had to pay transport costs. DECT participants received only banknotes, so transporting food home from pay-points was not an issue. On the other hand, DECT participants did have to purchase food and other commodities from the market after receiving their cash, which sometimes involved an extra journey and raised the question as to how these commodities were transported home from the market, and at what cost, especially if markets were located far from home villages. In the Ethiopian Productive Safety Net Programme (PSNP), the supposed convenience and flexibility of providing cash rather than food transfers was contested by participants, who complained about the need to travel to markets rather than collecting food directly from pay-points or as payment from public works project sites. The physical inaccessibility of markets (a much more serious constraint in highland Ethiopia than in central Malawi, though critics argue that decades of food aid are partly responsible for the low density of rural markets) was one factor explaining the rejection of cash by many PSNP participants after the first year and reversion to food transfers.

A third consideration when deciding between food and/or cash transfers is their **convenience for implementing agencies and donors**. Cash was made available by the donors for both FACT and DECT (Irish Aid and DFID respectively). However, Concern Worldwide's decision to link the amount of cash transferred each month to prevailing local food prices introduced a degree of unpredictability into the planning and budgeting process that did not apply to the food component of the FACT project, and generally does not affect food aid programmes at all. The problem arises because transfers of commodities (e.g. food packages, bags of fertiliser, or vouchers denominated in commodity terms) retain their real value while the value of cash transfers varies according to fluctuations in market prices. Since both the FACT and DECT cash transfers were intended to ensure access to a set of basic food items, the value of the transfer was adjusted to maintain constant purchasing power despite highly variable food prices. This made planning and budgeting both projects extremely difficult, since the future trajectory of food prices had to be predicted for the duration of these interventions (i.e. several months ahead) during food crises that were causing food prices to rise rapidly but unpredictably.

In July 2006, the MVAC estimated that 4,400 MT of maize was needed to cover the 'missing food entitlement' (MFE) of the affected population in Dowa District. Based on an assumed average purchase price for maize of MK 30/kg in the coming 'hungry season', this converted into a cash requirement of MK 145 million.^{xiv} In 2005/6, the cash requirement was under-estimated, as maize prices exceeded all projections, but in 2006/7 MK 145 million turned out to be overly pessimistic, as maize prices peaked at well below MK 30/kg. Both situations, especially the under-estimated prices in 2005/6, caused problems for Concern Worldwide as the FACT implementing agency and Irish Aid as the donor, and highlight the importance of accurate projections of food price trajectories for planning cash transfer programmes.

A fourth and final question to consider when deciding whether to transfer food and/or cash to food insecure people is perhaps the most important of all: what is the likely **food security impact** of each form of transfer? The findings from FACT and DECT on this issue are extremely interesting. Both projects were evaluated positively – they effectively protected vulnerable households and individuals against severe hunger, malnutrition and the risk of mortality during periods of food stress. But if the provision of food packages on FACT was intended to ensure a more balanced diet, the evidence contradicts this. Dietary diversity scores (a robust proxy for food security based on the range of food groups consumed) were higher for cash recipients than for 'food + cash' recipients. (The average dietary diversity score across all FACT recipient households during the project period was 2.55; the average score for DECT recipients was 2.82). Monitoring data reveals that many FACT participants sold their cooking oil as well as some or all of their beans. Conversely, DECT participants purchased many food items apart from maize with their cash. It appears that attempting to 'socially engineer' diets by delivering nutritionally balanced packages of food items is misguided; more likely to succeed is giving people choices – i.e. cash.

Lessons learned

The design choice around the type(s) of social transfers should consider three sets of variables, one related to the economic environment (conditions in local markets), one related to beneficiary preferences and 'customer care' (convenience), and one related to donor attitudes and practice.

- (1) At the *market* level, project designers need to know if the capacity exists to handle additional volumes of food, and whether food supplies are adequate and responsive to demand signals, or whether cash transfers will exacerbate rather than stabilise food price inflation.
- (2) At the *beneficiary* level, it is good participatory practice to ask programme participants about their preferences, and to factor this feedback into the decision-making process.
- (3) From the *donor's* perspective, accurate predictions of future food prices are essential for planning, budgeting and delivering cash transfer programmes.

An important general conclusion is that neither food transfers nor cash transfers are necessarily the optimal intervention in all circumstances. Assuming the donor and implementing agency are open to exploring alternatives (i.e. they are not constrained by ideology or the availability of only a single resource), this decision should be informed by a *market assessment* – and local markets should be monitored for the duration of the intervention, whatever resource is transferred.

Table 1: Design choice #1. Cash and/or Food

Transfers:	Food	Food + Cash	Cash
Programme:	Food aid	FACT	DECT
Markets level			
1. Food supplies	Food aid boosts food supplies during times of local or national deficit	National maize deficit in Malawi: food stock-outs at some markets	National maize surplus in Malawi: adequate maize on local markets
2. Food prices	Food aid can bring down local food prices (good for poor consumers, bad for farmers and traders)	High price rises were under-estimated: caused a budget over-run by the implementing agency	Moderate price rises, lower than predicted: caused an under-spend in the project budget
3. Local economy	Food aid can create disincentives to foodcrop farmers and food traders	No discernible impact: the intervention was too small and dispersed	Multiplier effects: stimulating impacts on local economic activity
Beneficiary level			
4. Beneficiary preferences (gendered)	Women often prefer food aid because they control household food, and in-kind transfers ensure access to food whatever the market conditions	Both men and women favour this combination, to meet non-food and food needs, and protect them against unstable market prices/supplies	Men tend to prefer cash because they control household income and can allocate cash to a wide range of household and personal needs
5. Convenience to recipients	Food transfers retain their real value (independent of local prices)	Recipients enjoyed the guarantee of food and the flexibility of cash	Value of cash transfers is variable (depends on market prices)
Donor level			
6. Convenience to donors	Food aid was seen as a convenient mechanism for 'surplus disposal' of subsidised Western food – but this is changing	Very complex: the donor must agree to provide cash; the implementing agency must disburse both cash and food	Donors must be willing to provide unpredictable volumes of cash, since food price trends cannot be accurately forecast

3.2 Scale of transfers: Household, per capita, or adult equivalent?

Since hunger affects individuals, it follows that humanitarian relief or social assistance should logically be given to individuals – or, if delivered to households, transfers should be proportionate to household size (i.e. 'scaled'). But practice varies widely. Four options are considered here, two of which were adopted on FACT and DECT.

Option #1: Per household

Food aid delivered by the World Food Programme and other agencies is often allocated on a 'per household' basis – say, one 50kg bag of maize per household per month. The reasons for this undifferentiated approach are probably pragmatic. For one thing, it is difficult to divide bags of maize or wheat into 'per capita' or 'per adult equivalent' portions. For another, it is not always feasible to collect accurate data on household sizes, especially in emergency situations – time is of the essence, and the risk of respondents exaggerating their household membership is obvious. Largely for the first reason, the food package delivered by FACT was fixed for all households (and included a bottle of cooking oil that would have been even more complicated than maize to distribute on a pro rata basis).

Option #2: Household banding

The FACT project distributed a fixed package of food items – maize (20kg), beans (4kg) and cooking oil (1 litre) – to all eligible households each month, equivalent to 25% of the food needs (560 kcal/person/day) of an average sized household (with 5.5 members) in rural Malawi. These same households also received an envelope each month containing an amount of cash that was adjusted both for household size (which was solicited at registration and assumed to be invariant for the duration of the project) and for food prices (which varied based on continuous monitoring of local markets).

To reduce the complexity involved in calculating and compiling piles of banknotes that took into account each household's demographic composition, Concern Worldwide opted for 'banding'. Households were divided into three categories - small (1-3 members), medium (4-6 members), and large (7 or more members) – and cash transfer entitlements were calculated on the basis of these three 'bands'. This still required three sets of banknotes to be sorted, counted and inserted into 5,050 envelopes each month (which was done manually by the NGO staff), but was simpler than compiling 14 discrete piles of banknotes (FACT households ranged from 1-14 members).

The design of FACT therefore generated two sources of imprecision, in terms of transfers made to different households: the food package was invariant across all household sizes, and the cash transfer was only partially adjusted by household size. The external evaluation of FACT endorsed the principle of adjusting transfers by household size, but argued that the 'banding' system was too crude, and suggested that a more accurate method would be to adjust payment levels by household size and composition, using adult equivalence scales.^{xv} The evaluation suggested that this might be administratively more feasible in a longer-term social protection context than in an emergency programming situation.

Option #3: Per capita

The DECT project followed the FACT evaluation recommendation to calculate cash transfers on a per capita basis, which allowed for a closer matching of transfers to needs. (No food transfers were delivered by DECT, so that source of imprecision was eliminated.) This was made easier by the introduction of technology on DECT. The amount of cash each household was entitled to receive was calculated and loaded onto each recipient's smart-card. The intention was to disburse the cash from a mobile ATM, but the ATM was not available in time, so a bank teller counted out the banknotes instead. Nonetheless, this was a significant improvement on the FACT procedure. Not only was the disbursement of cash simplified and outsourced to the private sector, the value of the resource transfer was more accurately calibrated to household size.

One risk with adjusting cash transfers by household size is that this creates incentives for biased responses during the registration process. If project participants are aware that larger households will receive larger transfers, they could declare that their household has more members than is actually the case. Alternatively, they might invite relatives from their extended families to join their household, thereby increasing their transfer entitlements. Shortly after both the FACT and DECT projects started, several participants complained to project staff that they had under-reported their household size – either some members were away during the registration process, or they were reluctant to disclose all household members when asked. (In Africa the compiling of household rosters by officials was historically associated with negative consequences, such as taxation on a per capita basis.) These complaints raised issues of credibility (whether to believe the household or not) and of budgeting (how to finance higher numbers of beneficiaries) for Concern Worldwide, and in most cases the decision not to adjust household sizes after registration was adhered to.

Not only was the disbursement of cash simplified and outsourced to the private sector, the value of the resource transfer was more accurately calibrated to household size.

Option #4: Adult equivalents

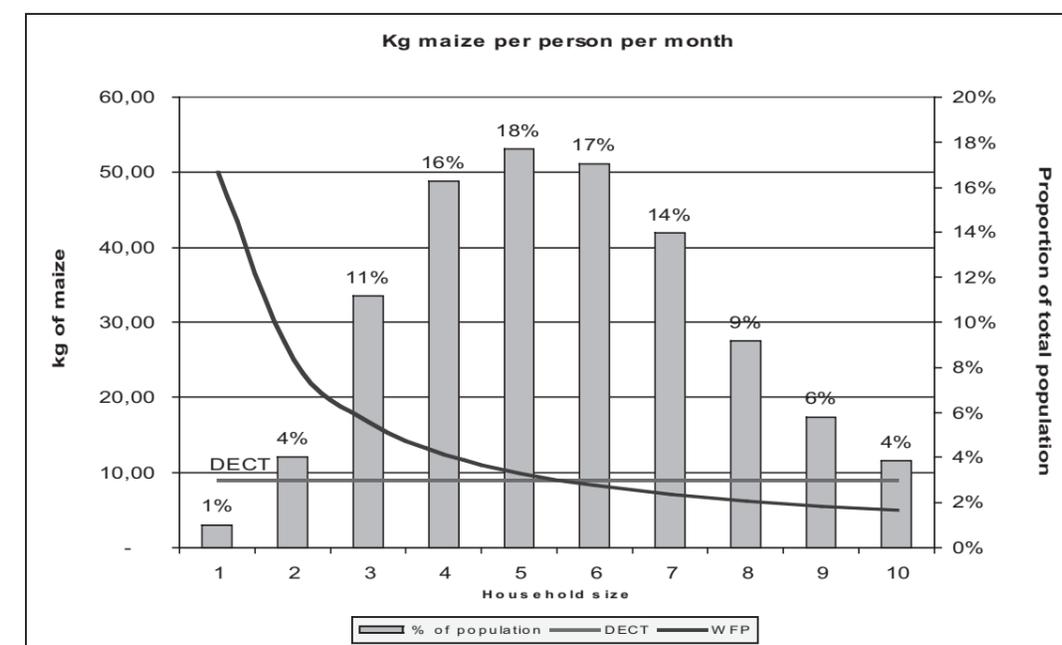
Most accurate of all would be to calculate food needs on the basis of 'adult equivalents' – where a child counts as a fraction of an adult – and then to transfer precise amounts of cash that will purchase the required proportion of kilocalories for each household member. Adult equivalence scales are available that list the daily kilocalorie requirements for individuals by age and gender in different parts of the world (kilocalorie requirements also vary by local ambient temperatures, for instance). For a long-term social transfer programme this degree of detail might be considered appropriate and feasible to collect and to monitor, but in a short-term emergency context the information requirements are probably too onerous.

Lessons learned

Not taking household size into account risks 'over-funding' small households and 'under-funding' large households – which is important because large households with high dependency ratios (eg widows caring for several young orphans) are typically among the most vulnerable in rural Africa. Accordingly, cash transfers made on FACT were partially adjusted for household size, whereas cash transfers made on DECT were fully adjusted for household size. Neither FACT nor DECT made any adjustment at all for household composition (eg by adult equivalence scales).

The difference between a transfer that adjusts for household size and one that does not is well illustrated by comparing kilograms of maize (WFP food aid) or 'entitlement to maize' (DECT cash transfers) disbursed monthly to each household member, by household size (see Figure 1, where the columns represent the proportion of the DECT population living in different sized households). Since WFP transferred a 50kg bag of cereal to every household registered as eligible to receive food aid, it follows that the single member of a one-person household received the full 50kg, while each member of an average-sized (5-person) household received 10kg and each member of a large (10-person) household received just 5kg (assuming equal distribution per capita within the household). Conversely, DECT's 'per capita' approach ensured that every eligible individual received 10kg of food equivalent transfers, no matter what the size of their household.

Figure 1: Food equivalent transfers per capita by DECT and by WFP, 2006/7



Source: Devereux, et al. (2007: 21)

There were positive synergies between scaling of transfers and adoption of technology on DECT. Cash entitlements per capita could be easily calculated, loaded onto smart-cards and disbursed electronically. Conversely, the manual procedures followed on FACT encouraged looking for simpler approaches, such as calculating cash entitlements by household band (which was in itself an improvement over uniform distribution to all households) rather than per capita.

From these experiences the following lessons can be learned.

- (1) For effectiveness and equity reasons it is essential to calibrate social transfers according to household size (per capita) and ideally also according to household composition (by 'adult equivalents'), though for practical purposes a 'per capita' allocation might be adequate.
- (2) It is easier to disburse cash transfers than food transfers on a per capita basis.
- (3) It is simpler to disburse variable amounts of cash (per capita, adjusted for seasonal or monthly food price changes, etc) electronically than manually.
- (4) The risk that project participants will exaggerate household size to increase their transfers needs to be addressed, for instance, by asking local leaders to verify this information.

Table 2: Design choice #2: Scaling of transfers

Transfers:	Food	Food + Cash	Cash
Programme:	WFP (food aid)	FACT	DECT
Scaling	Per household	Per household (food) Household bands (cash)	Per capita
Advantages	Simple	Partial allowance for variations in household size	Allocates cash per individual
Disadvantages	No allowance for variation in household size and hence in food needs	Imperfect allowance for variations in household size	Not adjusted for 'adult equivalents'

3.3 Value of transfers: How to address food price variability?

By matching rising food prices with rising cash transfers, Concern Worldwide effectively chose to 'underwrite' food price inflation.

The defining innovative design feature of both FACT and DECT was the decision to index-link the monthly cash transfers to market prices of food, so that a constant quantity of a set package of food commodities could be purchased throughout the project period. This was done by selecting a basket of food items, monitoring their prices in local markets in the project areas during the week before each disbursement, and adjusting the cash transfer amount upwards or downwards to cover the cost of fixed quantities of these items (20kg of maize, 4kg of beans, one litre of oil) according to whether their prices had moved up or down since the previous month.

Index-linking served the interests of the recipients, the donor and the implementing agency. Most importantly, it meant that cash transfers were 'inflation-proofed'. Vulnerable households were protected against food price rises – their 'missing food entitlements' (MFE) were guaranteed to be adequately covered, whatever the costs of basic food items. At the same time, the donor and the project implementing agency were protected against the risk that their humanitarian intervention would fail due to inflation, in one of two ways. Firstly, if food prices rose after the project started then a fixed food transfer would only partially cover missing food entitlements, and the donor could be accused of failing to meet their humanitarian responsibility to save lives and livelihoods. (In extreme cases, failing to transfer enough cash could result in destitution or even death.) Secondly, the possibility exists that injections of cash transfers into weak markets will actually exacerbate price inflation, in which case not only have the transfers failed to deliver access to adequate food, but the intervention itself has further undermined access to food (for transfer recipients as well as for non-recipients).

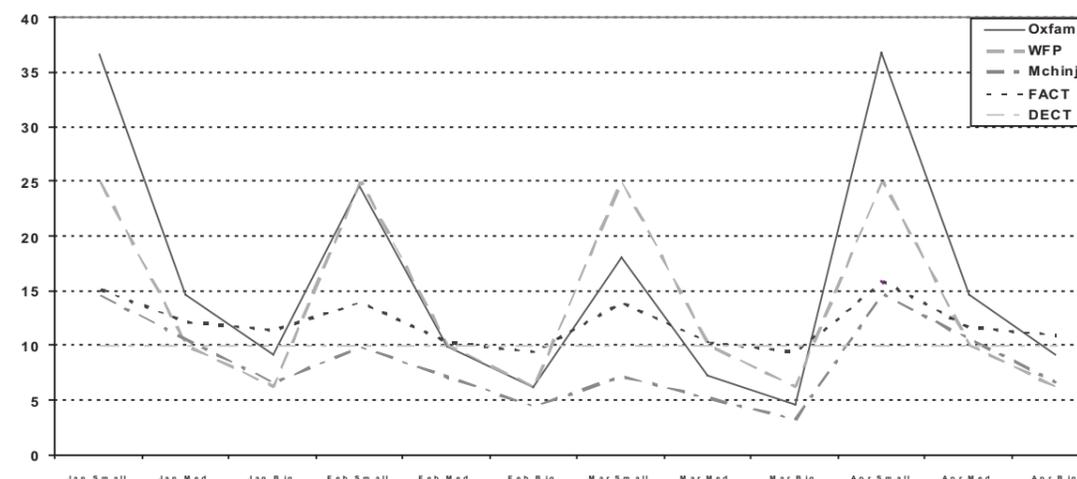
By matching rising food prices with rising cash transfers, Concern Worldwide effectively chose to 'underwrite' food price inflation. Even in 'normal' years, food price seasonality can impose heavy costs that are normally borne by market-dependent consumers – in fact, the inability of the poor to pay these costs is a major source of seasonal hunger and malnutrition, every year. During the FACT project period, the retail price of maize in central Malawi doubled in just three months, from MK34 in January 2006 to MK69 in March. FACT matched this price rise, by doubling the level of cash transfer payments between January and March. The same decision rule was followed on DECT in 2007, though prices did not rise as sharply as in 2006, so DECT cash transfers were increased by smaller percentages. Maize prices in Dowa district actually fell between December and January, causing DECT cash transfers to be reduced for one month.

The decision to adjust cash transfer levels in line with food price movements contrasts with the practice adopted on other cash transfer projects in Malawi, such as the Thyolo District Cash Transfer Pilot Project, implemented by Oxfam from November 2005 and March 2006,^{xvi} and the Mchinji District Social Cash Transfer Pilot Scheme, implemented since September 2006 by the Government of Malawi with support from UNICEF.^{xvii} Both projects pay/paid a fixed cash transfer to recipients each month – about \$20 per household in Thyolo and \$3-4 dollars per capita up to \$13 per household in Mchinji. The Thyolo project ran for only five months and disbursed higher transfers because it ran during an emergency (at the same time as FACT) when ensuring access to food was the priority objective and food prices were high. The Mchinji project is a permanent social welfare programme that started in one district but aims to scale up to national coverage. However, neither programme made any concession to price seasonality, 'price spikes' during food crises, or regular price inflation – the same amount of cash was/is disbursed every month and was never adjusted, even though food prices started rising immediately after the first disbursement was made in both Thyolo and Mchinji.

Neither programme made any concession to price seasonality, 'price spikes' during food crises, or regular price inflation.

Figure 2 (see also Annex, Table 9) charts the transfers made in maize equivalents by five social transfer programmes in Malawi since 2006, illustrating the enormous variability in transfers per capita across different size households (where 'small' = 2 members, 'medium' = 5 members and 'big' = 8 members) and from month to month (taking the food crisis period of January to April 2006, for which monthly maize prices in central Malawi are available). The highest coefficient of variation is recorded by Oxfam's Thyolo District project (CV=67.1, which crudely means that the difference in value between each payment averaged 67%), while the lowest is DECT (CV=0.0, because full adjustment for market prices and household size ensured a constant transfers per capita to all recipients throughout the intervention period).

Figure 2: Maize equivalent transfers on five programmes in Malawi, 2006/8 (kg/capita)



Source: Author's calculations

A powerful element in the case currently being made on behalf of social transfers in general, and cash transfers in particular, is that they need to be predictable, to provide recipients with certainty and the ability to plan. From this perspective, the variability and unpredictability of the transfers disbursed by most of these social transfer projects is very disturbing. It is instructive to consider the reasons for these variable outcomes, programme by programme (ranked from highest to lowest coefficient of variation).

1. **Oxfam cash transfers** (CV=67.1) were neither calibrated for household size nor adjusted for food price changes, so were extremely inequitable between households and highly variable from month to month. At the start and end of the intervention, when maize prices were lowest, small households were heavily 'over-funded' (at 36.6kg/capita), but large households received only a quarter of this (9.1kg/capita). When maize prices (and hunger) peaked in March, the maize value of Oxfam's cash halved (to just 4.5kg/capita in 8-person households).
2. **WFP food aid** (CV=58.7) did not vary rations by household size, so small households were 'over-funded' (25kg/capita in 2-person households) but large households were 'under-funded' (6.3kg/capita in 8-person households). Because food transfers are unaffected by food price trends, WFP transfers (50kg per household) remained the same every month throughout the intervention period. However, the coefficient of variation was almost as high as Oxfam's, indicating that failure to calibrate transfers by household size is a major source of inequity.

- Mchinji cash transfers** (CV=42.5) are partly calibrated for household size but make no allowance for food price variability. If the same payment rules (MK1,000/month for 2-person households, MK1,800/month for households with 4 or more members) were applied in Dowa District in the early months of 2006, small households could have purchased 14.6kg/capita in January, but large households could have purchased only 3.2kg/capita in March. Setting the upper bound for incremental payments at 4 members is very prejudicial to larger households.
- FACT food + cash transfers** (CV=17.5) were fully adjusted for food prices and partially calibrated for household size, which smoothed out most of the variability revealed in the Oxfam, WFP and Mchinji interventions. The range of maize plus maize equivalent transferred on FACT was narrower, both between households (15kg/capita for 2-person households and 11.5kg/capita for 8-person households in January 2006), and from month to month (the biggest transfer being 15.9kg/capita to small households in April and the smallest being 9.4kg/capita to large households in February).
- DECT cash transfers** (CV=0.0) were fully adjusted for both food prices and household size, so the average transfer remained invariant across all households and every month (at about 10/kg/capita).

Table 3 summarises the key findings from this analysis, showing how programming decisions on whether to adjust transfer levels by household size and food prices translate into dramatically higher or lower coefficient of variation values, in terms of food equivalent transfers per capita. Recall that variability and unpredictability are negative features of social transfer programmes, so the goal of any implementing agency should be to minimise the coefficient of variation.

Table 3: Adjustments and variations in five transfer programmes in Malawi, 2006/8

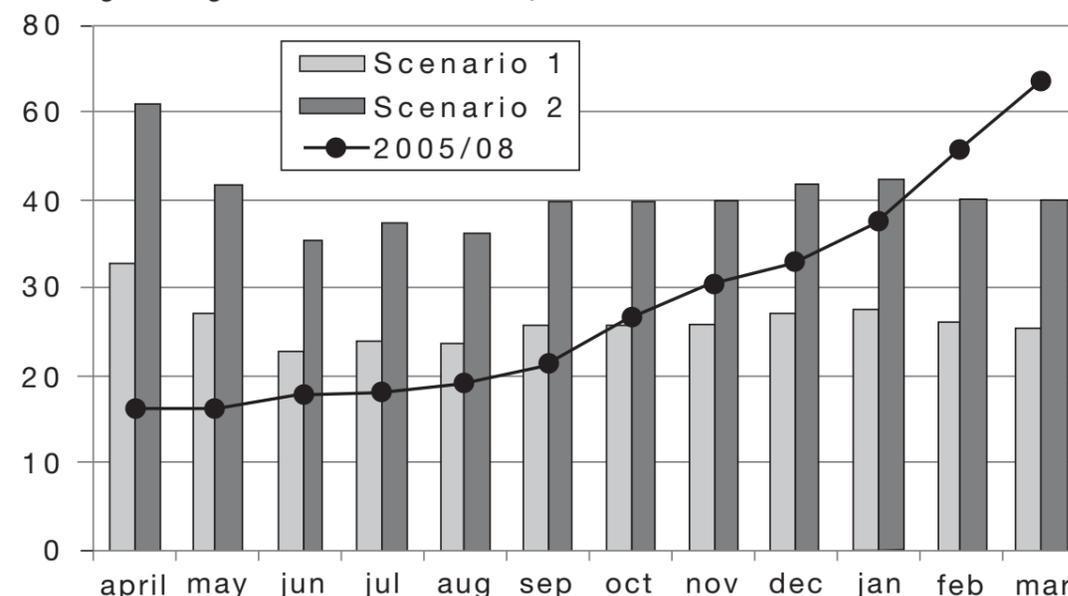
Intervention	Adjusted for household size	Adjusted for food prices	Coefficient of variation (%)
Oxfam cash transfers	No	No	67.1
WFP food aid	No	<Yes>	58.7
Mchinji cash transfers	Partly	No	42.5
FACT food & cash transfers	Partly	Yes	17.5
DECT cash transfers	No	Yes	0.0

Note: The coefficient of variation is the standard deviation divided by the mean, multiplied by 100 to produce a percentage

FACT participants were more inclined than DECT participants to accept the direct linkage made between social transfers and food prices.^{xviii} The positive feedback from FACT participants might be partly explained by the fact that maize prices (and FACT transfers) rose for most months of the project period and only fell in the final month, after the food crisis was effectively over (this was seen as a 'bonus' payment by FACT participants) and followed many advance warnings and careful sensitisation by Concern staff. Conversely, maize prices started falling in the early months of 2007, so DECT cash transfers fell at the time of year when FACT cash transfers had been rising. In the context of a less severe food crisis, DECT cash was used to a greater extent to meet non-food needs, but the prices of non-food commodities and services did not fall when maize prices fell – so cutting cash transfers also forced recipients to cut their non-food expenditure.

From Concern Worldwide's perspective, the decision to index-link cash transfers raised two related problems. Firstly, food prices had to be predicted so that the project could be budgeted when the funding proposal was written. Secondly, the project donor (Irish Aid in the case of FACT, DFID in the case of DECT) had to be flexible about these project budgets. In the case of FACT, maize price rises in Malawi were under-estimated, the project budget was inadequate and Concern was forced to request additional financing from Irish Aid midway through the project, which fortunately was forthcoming. Maize prices rose much higher in 2005/6 than in 2006/7 – and by more than predicted. By November the average retail price of maize in the FACT project area had exceeded FEWSNET's low-price 'Scenario 1' forecast, and by February it had exceeded the high-price 'Scenario 2' forecast, and was still rising (Figure 3). FACT cash transfers compensated project participants fully for these high prices, but because the FACT project proposal was based on FEWSNET price forecasts, the budget was over-spent. In 2006/7, by contrast, retail maize prices in Malawi rose by much less than predicted, and Concern Worldwide had an under-spend on the DECT project budget.

Figure 3: Monthly retail maize prices (MK/kg) compared to MVAC scenarios (2005/6), Kasungu-Lilongwe Plain Livelihood Zone, Malawi



In both years, it appears that cash transfers had no discernible impact on market prices, either positive (attracting traders and stabilising prices) or negative (causing excess demand and pushing up prices). In 2005/6, price rises exceeded forecasts in most districts of Malawi, not only in FACT project districts, so FACT cannot be blamed. (In fact, over 200,000 tons of cereals were distributed as food aid throughout Malawi between June 2005 and March 2006,^{xix} yet even this substantial boost to domestic food supplies was inadequate to prevent spiralling food prices.) In 2006/7, Concern Worldwide's decision to switch from 'food plus cash' to pure cash transfers was fully justified: price rises remained lower than predicted in Dowa District markets even after DECT cash transfers were disbursed, and low retail prices for maize suggest that demand pressure was met with adequate supplies. In both years, therefore, cash transfers protected vulnerable households against food price rises, and did not contribute to these rising prices.

Lessons learned

- Cash transfers that are intended to guarantee market access to food must take food price variability (seasonality or inflation reflecting constrained food supplies) into consideration.
- Failure to adjust cash transfers as food prices change will result in large and unpredictable variations in purchasing power, undermining the objective of predictability for recipients.
- Linking cash transfers to food prices is more acceptable to recipients when food prices are rising than when prices (and therefore transfers) are falling.
- Index-linking cash transfers is extremely challenging for donors and implementing agencies, requiring a degree of flexibility in planning and budgeting that might be impractical.

Table 4: Design choice #3: Index-linking social transfers

Transfers:	Food	Cash - Fixed	Cash - Variable
Programme	Food aid	Oxfam + Mchinji	FACT + DECT
Advantages	Immune to food price changes; retains its commodity value	Simpler and easier for implementing agencies: budget is predictable	Matches food price rises, to maintain constant access to a fixed quantity of staple food
Disadvantages	None	<ul style="list-style-type: none"> Highly vulnerable to food price rises that undermine real value All food price risk is transferred to cash transfer recipients 	<ul style="list-style-type: none"> Can contribute to food price inflation if markets are weak and transfers are sizeable Donor budget must be fully flexible – costs can be very unpredictable

4. Delivery Choices

The delivery of social transfers receives less attention than their design, yet fundamental choices need to be made in this area that can significantly influence the performance and effectiveness of the intervention. Three aspects that were important features of FACT and DECT are considered here: (1) targeting and coverage; (2) ‘pull’ versus ‘push’ mechanisms; which is closely related to (3) manual versus technological disbursement.

4.1 Targeting: How to minimise errors?

Two questions related to targeting and coverage were raised by the experiences with FACT and DECT, which can also be formulated in terms of targeting errors:

- (1) Did each intervention meet humanitarian needs? (Was **exclusion** error minimised?)
- (2) Was the targeting mechanism accurate? (Was **inclusion** error minimised?)

FACT was a ‘top-up’ intervention that supplemented a national emergency response. DECT was the sole humanitarian response to a localised food and livelihoods crisis.

FACT disbursed food and cash transfers to 5,050 households in three districts, including 3,000 households in Dowa District. DECT disbursed emergency cash transfers to 11,000 households, all resident in Dowa District – double the beneficiaries, in a much smaller geographical area. This appears to contradict the argument that humanitarian needs in Malawi were greater in 2005/6 than in 2006/7. The explanation is that FACT was a ‘top-up’ intervention that supplemented a national emergency response – it was not the primary humanitarian intervention, even in the communities where it was implemented – so coverage was low, over an extended area. On the other hand, DECT was the sole humanitarian response to a localised food and livelihoods crisis – so coverage was high, within a more concentrated area.

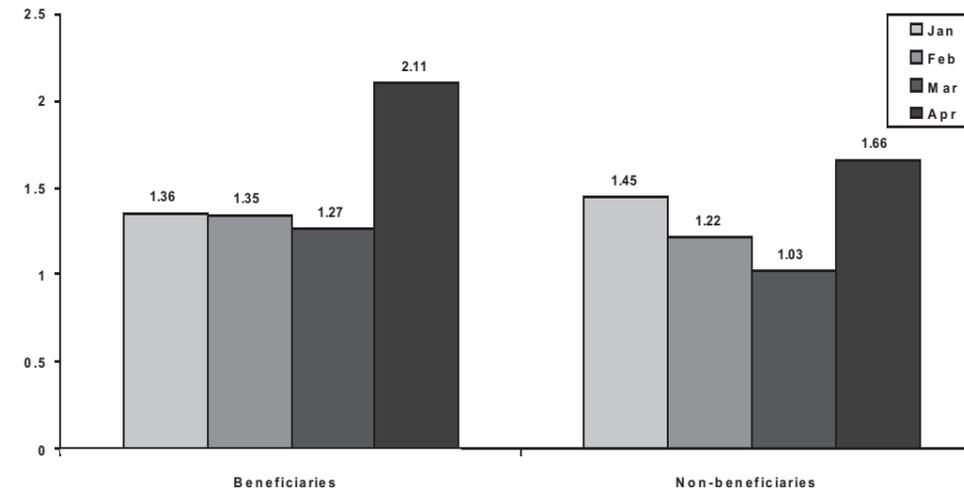
Exclusion errors

Because FACT was a supplementary intervention, and because Concern Worldwide had a limited budget, quotas were imposed – usually 10 households per village – but in many places this quota was not adequate to meet local needs. Moreover, the imposition of quotas (i.e. eligibility limited by budget constraints) directly contradicted a fundamental principle of community-based targeting (i.e. eligibility based on needs). Project staff were forced to take difficult decisions, cutting lists of names submitted by communities to meet quotas that seemed arbitrary and were impossible to explain. (A popular excuse was “The computer cut the list”.) The process of shortening lists of names to meet quotas also allowed political manipulation to contaminate the targeting procedure, since it was often controlled by village elites who took the opportunity to ensure that they were over-represented on the final list, at the expense of the most vulnerable and marginalised community members who had no voice in this process. An independent grievance procedure could have reduced this source of exclusion error, which was very serious in some communities.

On the FACT project, participants recorded marginally worse indicators of vulnerability (lower meals per day and a higher ‘coping strategies index’) at the start of the intervention than a control group of non-participants, but participants ended the 2006 hungry season substantially better off, having either recorded improvements in these indicators or less substantial deteriorations over the intervention period (compare meals per day for April 2006, in Figure 4). This finding confirms that FACT effectively achieved its primary objective of protecting food consumption in vulnerable households, but the fact that many non-participants experienced severe declines in their food consumption suggests that they should also have been included for at least part of the project, or that a re-targeting exercise should have been done halfway through, to bring additional needy households onto FACT. This under-coverage implied substantial exclusion errors.

On DECT, beneficiary numbers were higher in each community and no quotas were applied. In fact, fewer ‘poor’ households than expected were registered during the first round of community-based targeting (about 8,000), and a second round of targeting and registration was undertaken to increase beneficiary numbers by including ‘middle’ ranked households from poor communities, given that the project budget could accommodate up to 11,000 households. This suggests that exclusion errors were lower, recalling also that the scale of food insecurity was less in 2006/7 than in 2005/6.

Figure 4: Meals per day, FACT beneficiaries and non-beneficiaries, 2006



Inclusion errors

An innovative targeting mechanism was used on both FACT and DECT. Communities selected project participants using a form of triangulated community-based targeting. The community was divided into three groups – men, women, and elders – and each group independently compiled a list of the most vulnerable households, based on community wealth ranking. The three lists were then compared and debated in a public meeting involving the whole community, and the final list was agreed by consensus. The intention was to avoid the inclusion errors that have undermined community-based targeting in many other contexts – politicisation of the process, systematic exclusion of ethnic minorities of socially marginalised individuals and groups, “elite capture” by the most articulate and influential community members and their families.

Nonetheless, on FACT there were significant inclusion errors, mainly because village headmen insisted on their right to benefit from resources coming into their communities – even though they were rarely ranked among the poor and vulnerable – and community members colluded by voting their headmen onto beneficiary lists (“the headman must eat!”). On FACT the consequences of this elite capture of benefits was quite serious, given that quotas were applied limiting beneficiary numbers to 10 households per community. A crude calculation suggests that 10% of eligible households were unfairly deprived of humanitarian assistance so that their headmen could eat. Following a recommendation from the FACT evaluation, headmen were explicitly excluded from receiving DECT transfers, and this source of inclusion error fell significantly. On the other hand, there is a political economy argument for tolerating some degree of leakage to elite community members whose support is needed to implement social transfer programmes – this can buy vital political support.^{xx}

Conclusions

Although the triangulated community-based targeting approach worked well to identify vulnerable households on both FACT and DECT, it was partially subverted on FACT by a political imperative at the community level to ensure that village headmen were registered, despite invariably ranking among the wealthiest families in the area. This was avoided on DECT only by introducing an explicit rule: no households that were classified among the better-off groups in community wealth ranking exercises were to register and receive social transfers. This reduced inclusion errors attributable to elite capture, but at the political cost of some loss of support for the programme from local leaders. FACT also suffered from exclusion errors, because quotas were applied retrospectively to beneficiary lists that had been generated by community wealth ranking, thereby introducing a supply constraint to a demand-driven procedure.

More broadly, questions remain about whether community-based approaches to targeting – where communities take primary responsibility for the identification of eligible beneficiaries for social transfer programmes – can be scaled up for national social protection programmes. One problem is the high level of personal engagement that is needed between implementing agencies and communities, to ensure that implementation of the targeting procedure is fair, inclusive, transparent and accurate. For small-scale interventions that build on long-standing relationships between local communities and NGOs, this degree of engagement is feasible and appropriate, but for national programmes run by overstretched government departments it might not be.

No households that were classified among the better-off groups in community wealth ranking exercises were to register and receive social transfers.

A second challenge is cross-community comparability. This problem was highlighted during the targeting process on DECT, when fewer numbers of beneficiaries were generated by community wealth ranking than expected. Concern Worldwide staff therefore returned to the visibly poorest communities for a second round of targeting, adding the ‘middle’ ranking group of households on the grounds that these households were equivalent to the ‘poor’ group in less poor communities. But this was a judgment based on intuition – community wealth ranking is a relative measure that provides no absolute means of comparison across communities.

Lessons learned

- (1) Community-based targeting has the potential to minimise inclusion errors, if opportunities for elite capture are avoided, e.g. by using a triangulated approach whereby the community is divided into three groups whose lists are independently compiled and then publicly debated until consensus is reached.
- (2) A limited degree of ‘leakage’ of social transfers to powerful community members might be justified, if this ensures political support for the programme at the local level, but this must be balanced against the risk of excluding other households with greater needs for assistance.
- (3) Community-based targeting faces problems of lack of comparability across communities, and might be difficult to scale up from the local level to the national level, because it is resource-intensive in terms of required commitments of staff and time.
- (4) A grievance procedure that is independent, transparent and accessible to everyone should be introduced on any social transfer programme where the targeting process risks excluding needy individuals.

Table 5: Delivery choice #1: Targeting cash transfers

Transfers:	Untargeted	Quotas	Community selection
Programme	General food subsidy	FACT	DECT
Advantages	<ul style="list-style-type: none"> • Zero targeting costs • Zero exclusion errors 	<ul style="list-style-type: none"> • Simple to plan and budget • Equal distribution of social transfers in all communities 	<ul style="list-style-type: none"> • Participatory • Draws on local knowledge of need
Disadvantages	<ul style="list-style-type: none"> • Very expensive, often unaffordable • High leakages to non-needy beneficiaries 	<ul style="list-style-type: none"> • Quotas contradicted the ‘community lists’ approach • High exclusion errors due to beneficiary lists being ‘cut’ 	<ul style="list-style-type: none"> • Time-consuming and costly to implement • No comparability across communities

4.2 Gendered delivery: Women or men?

Evidence from many contexts (including Malawi) suggests that preferences between cash and food transfers are gendered, in that women (given a choice) are more likely to prefer food and men are more likely to prefer cash.^{xxi} The reasons are fairly straightforward. Within patriarchal male-headed households, women tend to exert more control over food (because women are responsible for domestic reproduction, including cooking and serving meals) while men tend to exercise more control over the disposal of cash (because men are usually the primary income earners who bring cash into the home and allocate the household budget). The evidence further suggests that women use food under their control for feeding the family, especially children, while men use cash income under their control for a wider range of purposes, not all of these directly beneficial to their wives and children.^{xxii}

Generalising, men have a higher propensity to spend incremental income on themselves or on investment in assets and income-generating activities, while women have a higher propensity to allocate incremental food or income to meeting the immediate food and other consumption needs of their families. In West Africa, household income earned by mothers is more likely to promote child (especially girls’) enrolment and achievement than is income earned by fathers.^{xxiii} A survey of cash transfers in South Africa found that social pensions received by women had a statistically significant impact on the anthropometric status of children, while no such effect was recorded for pensions received by men.^{xxiv}

It follows that the impacts of social transfers in terms of reducing food insecurity and malnutrition might be significantly influenced by two variables that are unrelated to the value of the transfer: (1)

the composition of the transfer (food and/or cash, as discussed above), and (2) who receives and controls these transfers. Especially (but not only) in the context of emergency programming, there is a potential tension here between the donor’s objective of minimising hunger (which might be best served by disbursing food to women) and the ideal of giving people choices (which might be better achieved by disbursing cash transfers, to either men or women).

Registration of households for the FACT project followed the standard procedure of registering the household head (76% of whom were male and 24% female) and naming the household head as the individual who should collect the food and cash transfers on pay-days. Although the food rations and cash transfers were calibrated to meet the needs of the entire family (as discussed above), this procedure effectively gave control over the allocation of all the food and cash to the household head. In most cases this did not create problems: the household head used the transfers responsibly and his (or her) entire family benefited, as intended. But there were several complaints by wives in male-headed households concerning mis-spending of FACT cash by their husbands. Mostly these misdemeanours were relatively minor – the husband stopped for a drink (tea, Coke or alcohol) on the way home, frittering away perhaps 10% of the cash. But in a few cases the diversion of FACT cash was more serious: the husband disappeared into a bar and did not emerge until all the money was gone, or he spent it on other women so that his wife and children saw none of it. Some wives who were severely affected by this behaviour complained to Concern staff or community leaders, and succeeded in having FACT ration cards taken away from their husbands and given to them.

Responding to this evidence that cash transfers were fuelling ‘irresponsible’ spending by some men, the FACT evaluation proposed nominating women as holders of any future entitlements to cash and/or food transfers, even if these women are not household heads. This recommendation built on the fact that Malawian women take more responsibility than men for meeting the basic needs of their children, and the evidence from various contexts (noted above), that women tend to prioritise household consumption over personal consumption. Another benefit of designating women as recipients of social transfers is that this would ensure that all wives in polygamous households were independently registered and collected allocations for themselves and their children. In the initial registration of FACT households, junior wives were sometimes overlooked, or husbands handed over rations intended for junior wives to the senior wife in the house.

One potentially negative consequence of disbursing social transfers to women in male-headed households was anticipated: that intra-household conflict between husbands and wives could increase if men resented losing control over these resources. However, this risk was assessed as relatively low, and outweighed by the potential gains in terms of social transfers being used by recipients for their intended purpose, thereby ensuring the achievement of project objectives.

DECT addressed the intra-household allocation problem in two ways. Firstly, cash was disbursed directly to women (as recommended), reversing the procedure on FACT. On the DECT project, women from both male-headed and female-headed households were named as recipients of cash transfers, on behalf of their families. Concerns that giving cash to women could provoke intra-household violence against them did not materialise. Cultural convention required wives to ‘show’ the DECT cash to their husbands (see Figure 5), but not necessarily to hand it over or to derogate decision-making power over its disposal to the (male) household head.

Secondly, the switch from manual to automated delivery mechanisms (as discussed below) reinforced women’s control over DECT cash. All DECT participants were given a smart-card which contained their personal biometric data (photograph, fingerprints) and onto which each month’s cash entitlement was loaded. Women attached a value to their card in its own right, believing that it gave them an official status and recognition that they had never enjoyed before. This sense of personalised identification with the smart-cards enhanced their claim and control over the monthly cash payment that was attached to the card, even though this cash was intended to benefit the entire household (and usually did).

Monitoring and evaluation data confirmed that both these decisions – to disburse DECT cash directly to women, and to allocate smart-cards to women – contributed to the aim of minimising inappropriate spending of cash transfers. Women were actually empowered by being given control over the cash and being entrusted with the smart-cards (very few of which went missing during the DECT project period). This empowerment was a positive side-effect of the DECT project, and might even have contributed to a shift in gender relations in rural Malawi.

The switch from manual to automated delivery mechanisms reinforced women’s control over DECT cash.

Figure 5: Women demonstrating how they ‘showed’ DECT cash to their husbands



Lessons learned

The decision about whether to disburse social transfers to men or to women should reflect two sets of judgements:

- (1) at the *intra-household* level, gendered preferences for cash or food and the likely impacts on gender relations of giving transfers to men and to women;
- (2) at the *programme* level, the likely impacts of transferring resources to men or to women in terms of achieving the objectives of the intervention.

Because this particular issue is highly sensitive to socio-cultural norms, attitudes and practices that vary from one society to another, and even between communities within the same society, it is very important that this decision is grounded in a gender analysis that is specific to each socio-cultural context where a social transfer programme is implemented

Table 6: Delivery choice #2: Women or men

Transfers:	Food	Cash
Programme	Food aid, FACT	DECT, FACT
Advantages of disbursing to women	<ul style="list-style-type: none"> • Women are responsible for feeding the family, and tend to control the household’s food • Women often prefer social transfers in the form of food, while men usually prefer cash 	<ul style="list-style-type: none"> • Empowers women and subverts ‘traditional’ male control over household cash income • Women are more likely than men to spend cash transfers on meeting household needs
Disadvantages of disbursing to women	<ul style="list-style-type: none"> • Reinforces stereotypical role of women as primarily responsible for domestic reproduction 	<ul style="list-style-type: none"> • Could provoke intra-household tension and even domestic violence against women

4.3 Delivery mechanism: ‘Pull’ or ‘push’?

A fundamental distinction within delivery mechanisms is between ‘pull’ and ‘push’ approaches. ‘Pull’ mechanisms require recipients to congregate at specific locations at specified times to collect their transfers – for example, a government office or a community centre might be the designated pay-point where social grants are disbursed on the first Monday of every month. Both FACT and DECT delivered their transfers using ‘pull’ mechanisms, with mobile distribution teams travelling from community to community each month on a pre-announced schedule, and disbursements made at designated pay-points in each community on specific dates. Although a number of pay-points were established to reduce travel times and distances, one-third of DECT recipients spent more than one hour walking each way to collect their cash.

‘Push’ mechanisms allow recipients to access their transfers at their own convenience, in terms of both timing and location – for example, social grants that are paid directly into bank accounts can be accessed at any time from any appropriate bank branch or ATM. In South Africa, social pensioners can now access their grants using debit cards linked to a low-cost bank account called ‘Sekulula’, established by a public-private partnership between the Development Bank of Southern Africa and a commercial bank. In Kenya, a mobile phone company has developed an sms-based system known as M-PESA that allows people to make money transfers and download cash transferred to their mobile phone, through Safaricom airtime retailers.^{xxv}

In South Africa, social pensioners can now access their grants using debit cards linked to a low-cost bank account.

‘Pull’ mechanisms are associated with higher opportunity costs, as recipients are required to travel to distribution points where they have to wait and queue often for hours, before returning home. This process can take up to a full day every month, taking recipients away from other responsibilities such as child-care, farming and income-earning work. Security risks are also higher, with vehicles transporting large amounts of cash vulnerable to cash-in-transit heists.

‘Push’ mechanisms are rapidly gaining support from advocates of social protection who focus on ‘customer care’ issues such as maximising convenience and dignity for programme participants. ‘Push’ mechanisms can also take advantage of new information and communications technology (ICT), and can facilitate access by poor people to financial services, as discussed below. From the government or donor perspective, however, there are other advantages to bringing transfer recipients together in one place, for instance to deliver educational messages or complementary social services (e.g. adult literacy or child immunisation) in addition to food and/or cash transfers.

These opportunities were partly taken up on both FACT and DECT, though perhaps not exploited as fully as they could have been. Concern Worldwide commissioned local theatre groups to perform dramas illustrating educational messages related to topics as varied as HIV/AIDS, child nutrition, and financial management. Project participants appreciated these messages for both their informative content and (especially) their entertainment value, since they were required to wait for several hours before receiving their cash and/or food transfers. Closer collaboration with ministries such as Education, Health and Agriculture would have maximised on the opportunity to deliver essential government services to these captive audiences.

Lessons learned

- (1) ‘Pull’ mechanisms are time-consuming and inefficient for transfer donors and recipients, and should therefore be avoided unless the delivery of social transfers is complemented by the simultaneous delivery of other services (e.g. awareness messages, or child immunisation).
- (2) ‘Push’ mechanisms are increasingly popular as they perform well in terms of ‘customer care’ (they maximise convenience and dignity for transfer recipients), and should be encouraged if the appropriate levels of technology can be mobilised (as for DECT) or are already in place.

Table 7: Delivery choice #3: ‘Pull’ versus ‘push’ mechanisms

	Pull	Push
Programme	FACT, DECT (Malawi)	‘Sekulula’ (South Africa), M-PESA (Kenya)
Advantages	<ul style="list-style-type: none"> • Facilitates interaction between officials and transfer recipients • Allows delivery of complementary services to poor people 	<ul style="list-style-type: none"> • Convenient to recipients, who access transfers where and when they choose • Allows access to other financial services • Better security than transporting cash • Less work for implementing agency, if disbursement is sub-contracted out
Disadvantages	<ul style="list-style-type: none"> • Inefficient and time-consuming for officials and transfer recipients • High security risks associated with transporting cash in bulk 	<ul style="list-style-type: none"> • More expensive to set up if technology and the private sector are involved • Risk of monopoly pricing by IT firm, or misuse of data by government or bank

4.4 Disbursement: Manual or technological?

The defining innovation on the DECT project in terms of delivery was the introduction of a range of sophisticated technologies to facilitate the disbursement of cash transfers, in a region of rural Malawi where there is virtually no electricity, landlines, mobile phones, computers or internet access. This contrasted strikingly with the FACT project (and with all other social transfer programmes in Malawi), which followed conventional manual disbursement procedures.

Manual disbursement

On the FACT project, food and cash transfers were disbursed manually by Concern Worldwide staff, with support from local government officials and community leaders (e.g. village headmen and members of Village Development Committees). More than 20,000 envelopes were filled with cash in Concern's offices, food was trucked to rural pay-points, and the envelopes and food items were handed over in person to recipients, who queued up and signed to acknowledge receipt. This is a standard 'pull' approach to disbursing social transfers, and continues to be preferred by food aid agencies and even by many governments delivering cash transfers. The Government of Malawi's 'Social Cash Transfer Pilot Scheme' in Mchinji District, for instance, dispatches local government officials to rural communities each month, where cash transfers are handed out from briefcases to beneficiaries who assemble for the occasion.^{xxvi} While this ensures some degree of personal interaction between government officials and local people, it is time-consuming and inefficient for all concerned, and distracts government staff from performing their core functions.

The delivery of food and cash transfers to FACT project participants was close to perfect, with remarkably few erroneous or late payments, and no reported incidents of theft or corruption. Nonetheless, because FACT had occupied several Concern Worldwide staff almost full-time for its entire duration, the external evaluation recommended that "more efficient ways of handling cash are explored, such as sub-contracting or automation (i.e. ATM or 'smart cards')".^{xxvii} Both parts of this recommendation were adopted for the DECT intervention the following year.

Technological disbursement

To deliver cash transfers on DECT, Concern Worldwide subcontracted a commercial financial institution, Opportunity International Bank Malawi. The involvement of OIBM was significant in many respects. Most importantly, it allowed for the introduction of several forms of technology to contribute to the delivery of cash transfers, including:

1. computerised client database
2. biometric recognition technology
3. smart-cards
4. point of sale devices
5. mobile banks
6. access to automated teller machines (ATM).

From Concern's perspective, this was much more efficient than the manual systems that were used to disburse cash through FACT the year before, which had absorbed many days of staff time in sorting banknotes into piles and filling over 20,000 personalised envelopes. By contrast, Concern staff were only marginally involved in delivering DECT. Recall, though, that FACT disbursed food packages as well as cash, so combining mobile banking with food deliveries would have been complicated. On the other hand, the technologies deployed to deliver DECT could easily have extended to transfer access to food, for instance by loading smart-cards with an entitlement to collect specific quantities of food items from local wholesalers or retail outlets. Another interesting finding is that the teething problems associated with these technologies introduced several errors into the delivery system, whereas the manual procedure on FACT had been 100% error free. The DECT project manager concluded: "For a similar size project I would take manual every time; the electronic advantages only come into play at scale."

Although there were concerns that DECT participants – most of whom were illiterate – would find it challenging to adapt to technology that they had never seen before, this was not an issue at all. On the contrary, DECT participants found the use of smart-cards easy to comprehend, they felt that the smart-cards conveyed social status and a form of official recognition that they had never enjoyed before (women felt especially strongly about this), and they appreciated the greater security of biometric data and PIN codes over thumb-prints.

DECT participants also valued the possibility of accessing other banking services, especially savings facilities, after DECT ended. Linking poor rural Malawians to banking services was a major benefit of involving OIBM, and Concern Worldwide subsidised a one-year extension of the mobile banking service to DECT communities after the project finished, to encourage people to take advantage of savings and withdrawal facilities. This was partly in response to a high level of interest expressed by many DECT participants to make use of their smart-cards for this purpose. It also provided a second justification for issuing over 10,000 smart-cards (at a unit cost of US\$5) that were used only for the delivery of five cash transfers. One criticism frequently made of DECT was that this was an extravagant use of limited project resources, since the heavy investment in compiling the biometric database and issuing smart-cards would be lost after DECT ended. This criticism is misguided, since one objective of DECT was: "To develop and refine modalities for the delivery of cash transfers in emergency food security contexts, and to draw lessons regarding these modalities for longer-term social protection programming." The achievement of DECT in demonstrating that sophisticated technology can be deployed to disburse social transfers in the poorest and least technologised communities of rural Africa can not be over-emphasised.

Conclusion

The use of technology can facilitate a shift of the delivery mechanism from a 'pull' to a 'push' approach, maximising convenience and reducing opportunity costs for recipients.^{xxviii} The adoption of technology for the DECT project meant that cash could have been transferred using a 'push' mechanism, by depositing the monthly payment into recipients' OIBM accounts. Social transfers that are paid directly into post office or bank accounts, or loaded onto mobile phones (this has been successfully piloted in Kenya) reduce opportunity costs dramatically. In fact, DECT payments were loaded onto recipients' smart-cards, and some recipients did access their cash through OIBM bank branches or ATMs, instead of queuing at their community pay-points.

Lessons learned

- (1) Manual approaches to the disbursement of social transfers are inefficient for donors and implementing agencies.
- (2) Technological approaches are more expensive to set up, but more cost-effective in the long run, not least because they have greater potential for multiple applications.

Table 8: Delivery choice #4: Manual versus technological approaches

	Manual	Technological
Programme	FACT	DECT
Advantages	<ul style="list-style-type: none"> • Implementing agency retains control over the entire process • Facilitates interaction between officials and transfer recipients 	<ul style="list-style-type: none"> • Multiple potential applications, through linkages to other services • Promotes technological deepening into poor rural areas
Disadvantages	<ul style="list-style-type: none"> • Inefficient and laborious for agency officials, especially at scale • Time-consuming and inflexible for recipients to collect their transfers 	<ul style="list-style-type: none"> • Expensive to set up, but economies of scale are possible • Dependence on technology brings commercial and other risks

The delivery of food and cash transfers to FACT project participants was close to perfect, with remarkably few erroneous or late payments.

5. Guidelines for Practice

This concluding section draws on the main ‘lessons learned’ on each aspect of design and delivery of social transfers discussed in this paper, to develop some operational guidelines for practitioners who are engaged in designing and implementing social transfer programmes.

5.1 Design options

1. Design choice #1: Cash and/or food?

The decision about whether to disburse cash, food or cash and food is not always made on a technical basis. In the past, food aid was frequently the only available resource; more recently, cash transfers have become so prevalent in Africa that food aid is being crowded out. However, if the choice of cash and/or food transfers is to be based on a technical assessment, at least two critical variables must be carefully considered in each specific programme context: impacts on beneficiaries and impacts on *markets*. Until credible answers to the following questions are found, and their implications fully considered, there should be no presumption that either food or cash transfers, or a combination of both, will be the appropriate intervention in any given circumstance.

- (1) A baseline *beneficiary assessment* must be undertaken that answers several questions, including: (a) What are the preferences of beneficiaries (disaggregated by gender) for different types of transfers? (b) What are the likely impacts of giving cash and/or food, on (i) control over these resources within the household? (ii) allocation of these resources to vulnerable household members such as children and older relatives? (iii) intra-household relations between genders and generations?
- (2) A baseline *market assessment* should be conducted that answers these questions, among others: (a) Do local markets have adequate capacity to handle additional volumes of food? (b) Are local traders responsive to demand signals? (c) Will cash transfers exacerbate food price inflation, or bring prices down and stabilise them over time and space?
- (3) Although this design choice should be based on the pre-implementation beneficiary and market assessments, programme M&E should include ongoing monitoring of intra-household and market impacts for the duration of the intervention. If negative impacts on, say, gender relations or market prices are observed, the implementing agency should be flexible enough to adjust or even reverse their original decision.^{xxix}

2. Design choice #2: Scale of transfers

Analysis of variation in per capita allocations of food aid and cash transfer programmes in Malawi confirms that it is crucial to take household size into account when setting transfer levels on all interventions that have household food security or poverty reduction as a major objective. Failure to do this will result in inequitable allocations between smaller and larger households, and will compromise the effectiveness of the intervention. Two recommendations for practitioners follow.

- (1) Social transfers that target households (rather than individuals) must always be calibrated according to household size (i.e. transfers should be calculated on a ‘per capita’ rather than ‘per household’ basis), and ideally also according to household composition (i.e. by ‘adult equivalents’), though for practical purposes per capita allocations are accurate enough.
- (2) Making grants proportional to household size creates incentives for potential beneficiaries to exaggerate household size or ‘stack’ their homes with relatives to increase their entitlement. (Programmes such as the Child Support Grant in South Africa have even been accused of influencing fertility behaviour among poor women.^{xxx}) Rigorous verification mechanisms must be devised and incorporated into programme implementation to minimise these risks.

3. Design choice #3: Addressing food price variability

The current fashion for cash transfers as an ‘improvement’ on food aid has taken insufficient notice of the variability in prices that characterises rural food markets in most African countries. Whether food prices rise because of trends (inflation), cycles (seasonality), or shocks (‘price spikes’), the effect is the same: the purchasing power of cash is eroded and its value in terms of ‘entitlement to food’ is reduced. It follows that cash transfer programmes that aim to guarantee access to staple food through market purchases must allow for changes in staple food prices – but very few do (FACT and DECT are rare exceptions). This requires both *monitoring food prices and adjusting transfer levels* – or abandoning cash transfers if this is not practical.

- (1) Any cash transfer programme that bases its payment level on the cost of a staple cereal or a basket of food items during the inception or design phase must monitor the prices of these

commodities in local markets (near to transfer recipients) regularly – at least monthly – for the duration of the programme.

- (2) The purchasing power of cash transfers must be protected by adjusting payment levels as food prices change, for example by raising the grant during the hungry season, food crises or periods of hyper-inflation. Although this is challenging, complex and expensive for donors and implementing agencies, there is no alternative except to switch out of cash and into food or food vouchers. One possibility is to adopt a seasonally disaggregated payment schedule: disbursing food transfers during the hungry season and cash transfers at other times of year.

5.2 Delivery options

1. Delivery choice #1: Targeting and coverage

- (1) Community-based targeting should be the preferred approach to targeting on social transfer programmes that are localised and where the implementing agency has a close working relationship with participating communities. However, to minimise the risk of elite capture a ‘triangulated community wealth ranking’ methodology should be adopted. This also improves the likelihood of consensus on the final beneficiary list among all community members.
- (2) For large-scale (eg national-level) programmes, community-based targeting might not be appropriate, because findings from community wealth rankings are not comparable across communities, and other methods – such as proxy means tests – might be needed instead.
- (3) All social transfer programmes should establish an independent, transparent and accessible *grievance procedure*, to allow anyone who believes they have been unfairly excluded by the targeting or registration process to have their complaint heard.

2. Delivery choice #2: Women or men

Evidence from Malawi and elsewhere suggests that women allocate social transfer resources more effectively than do men, in terms of meeting the food consumption and other basic needs of all household members. Giving control over social transfers to women empowers them and is likely to enhance the effectiveness of the programme in meeting its objectives. There is a risk of resistance by male household heads to this undermining of their authority, but women in Malawi appear capable of negotiating this diplomatically. Two recommendations for practitioners follow.

- (1) Women should be registered as recipients of all social transfers (cash, food, or cash plus food) that are intended to benefit households, even when these women are not household heads, unless there are strong practical or socio-cultural reasons not to do this.
- (2) A *gender analysis* should be undertaken before *programme* implementation, to elicit the views of programme participants on this issue, and to predict the positive and negative consequences on gender relations of transferring resources to women rather than to men.

3. Delivery choice #3: Pull versus push mechanisms

There is no clear recommendation in favour of either ‘pull’ or ‘push’ mechanisms, though there is a growing preference for ‘push’ approaches to disbursing social grants, where this is practical, affordable and technologically feasible.

- (1) If ‘pull’ mechanisms are used, due attention should be paid to basic ‘customer care’ issues such as minimising distances to pay-points, reducing waiting and queuing times, providing a secure environment and ensuring that staff are courteous and helpful. To maximise the potential synergies from bringing together large numbers of poor people, the delivery of social transfers should be complemented by the simultaneous delivery of other services.
- (2) ‘Push’ mechanisms should be adopted if the appropriate levels of technology are already in place or can be introduced cost-effectively. To maximise the potential synergies, linkages should be sought, such as connecting transfer recipients to subsidised banking services.

4. Delivery choice #4: Manual versus technological disbursement

This decision is closely linked to the previous choice of ‘pull’ or ‘push’ mechanisms, in that ‘push’ mechanisms typically involve technology while ‘pull’ mechanisms are associated with manual disbursement of social transfers. However, hybrid approaches are also possible: DECT, for instance, grafted sophisticated technologies onto an old-fashioned ‘pull’ disbursement procedure.

- (1) For small-scale and short-term interventions, manual approaches to the disbursement of social transfers are appropriate and cost-effective for donors and implementing agencies.
- (2) For large-scale and long-term interventions, technological approaches for disbursing social transfers should be preferred wherever feasible. They might cost more to set up, but they have greater (and largely untapped) potential for multiple applications.

The decision about whether to disburse cash, food or cash and food is not always made on a technical basis.

Evidence from Malawi and elsewhere suggests that women allocate social transfer resources more effectively than do men.

Annex

Table 9: Maize transfers on five transfer programmes in Malawi, 2006/8 (kg/capita)

Month (HH size) (cash)	Oxfam (food)	WFP (cash)	Mchinji (food+cash)	FACT (cash)	DECT
January (Small)	36.6	25.0	14.6	15.1	10.0
January (Medium)	14.6	10.0	10.5	12.2	10.0
January (Large)	9.1	6.3	6.6	11.5	10.0
February (Small)	24.6	25.0	9.9	13.9	10.0
February (Medium)	9.9	10.0	7.1	10.3	10.0
February (Large)	6.2	6.3	4.4	9.4	10.0
March (Small)	18.0	25.0	7.2	14.0	10.0
March (Medium)	7.2	10.0	5.2	10.3	10.0
March (Large)	4.5	6.3	3.2	9.4	10.0
April (Small)	36.8	25.0	14.7	15.9	10.0
April (Medium)	14.7	10.0	10.6	11.6	10.0
April (Large)	9.2	6.3	6.6	11.0	10.0
Mean	16.0	13.8	8.4	12.1	10.0
Standard Deviation	10.7	8.1	3.6	2.1	0.0
Coefficient of Variation	67.1	58.7	42.5	17.5	0.0

Source: Author's calculations

Endnotes

- i This paper draws heavily on the external evaluations of FACT and DECT, which were led by the author (S. Devereux, P. Mvula and C. Solomon (June 2006) 'After the FACT: An Evaluation of Concern Worldwide's Food and Cash Transfers Project in Three Districts of Malawi, 2006', External evaluation report for Concern Worldwide, Malawi, Brighton: Institute of Development Studies; S. Devereux, C. Mthinda, F. Power, P. Sakala and A. Suka (July 2007) 'Smart Cards for Smart Women: An Evaluation of Concern Worldwide's Dowa Emergency Cash Transfer Project (DECT) in Malawi, 2006/07', External evaluation report for Concern Worldwide, Malawi, Brighton: Institute of Development Studies). Thanks to James Davey, Karl Deering, Darren Evans and Nicholas Freeland for insightful comments on an earlier draft.
- ii FEWSNET (April 2005) Malawi Food Security Update: April 2005, Lilongwe: FEWSNET.
- iii FEWSNET (July 2005) Malawi Food Security Update: July 2005, Lilongwe: FEWSNET.
- iv Malawi Vulnerability Assessment Committee (June 2005) Food Security Monitoring Report: Malawi, Lilongwe: MVAC.
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- vi FEWSNET (March 2006) Malawi Food Security Update: March 2005, Lilongwe: FEWSNET.
- vii FEWSNET (June 2006) Malawi Food Security Update: June 2006, Lilongwe: FEWSNET.
- viii FEWSNET (June 2006) Malawi Food Security Update: June 2006, Lilongwe: FEWSNET, p.1.

- ix Concern Worldwide Malawi (November 2005) Emergency Cash and Food Transfers for Livelihood Protection: Project Proposal, Lilongwe: Concern Worldwide, p.3.
- x For instance, analysis of household survey data in Ethiopia finds "no empirical support ... for the hypothesis that food aid creates disincentive effects among recipient households" (A. Abdulai, C. Barrett and J. Hoddinott (2005) 'Does Food Aid Really Have Disincentive Effects? New Evidence from Sub-Saharan Africa', World Development, Vol. 33, No. 10, pp.1689-1704).
- xi S. Devereux, et al. (July 2007), p.vi.
- xii S. Davies and J. Davey (2008) 'A Regional Multiplier Approach to Estimating the Impact of Cash Transfers on the Market: The Case of Cash Transfers in Rural Malawi', Development Policy Review, 26 (1): 91-111.
- xiii See L. Pelham and R. Assegid (December 2006) 'Ethiopia's Productive Safety Net Program: Assessment of decision-making processes and preferences for cash and/or food transfers', Washington DC: World Bank and USAID.
- xiv FEWSNET (July 2006) Malawi Food Security Update: July 2006, Lilongwe: FEWSNET, p.4.
- xv S. Devereux, et al. (June 2006), p.vii.
- xvi J. Bwirani, L. Mihowa and C. Leather (January 2006) 'Mid-term evaluation: Thyolo District Cash Transfer Pilot Project, Malawi', Lilongwe: Oxfam Malawi.
- xvii UNICEF Malawi (December 2007) 'Telling Their Stories: The direct impact of Social Cash Transfers on the lives of ultra poor families in Malawi', Lilongwe: UNICEF.
- xviii S. Devereux, et al. (June 2006), p.13.
- xix FEWSNET (April 2006) Malawi Food Security Update: April 2006, Lilongwe: FEWSNET, p.1.
- xx Amartya Sen, in an article on the politics of targeting, argued that: "Benefits meant exclusively for the poor often end up being poor benefits" (A. Sen (1995) 'The Political Economy of Targeting', Chapter 2 in D. van de Walle and K. Nead (eds), Public Spending and the Poor, Baltimore: Johns Hopkins University Press, p.14).
- xxi See, for instance: D. Cammack (1996) 'Food Security and Gender Disparities in Malawi: A profile paper for gender targeting by WFP-Malawi', Lilongwe: World Food Programme; S. Devereux (1999) "Making Less Last Longer": Informal Safety Nets in Malawi', IDS Discussion Paper 373, Brighton: Institute of Development Studies; M. Tsoka and P. Mvula (1999) 'Malawi Coping Strategies Survey', Zomba: Centre for Social Research.
- xxii See L. Haddad, J. Hoddinott and H. Alderman (eds) (1997) Intra-household Resource Allocation in Developing Countries: Models, Methods and Policy, Baltimore: Johns Hopkins University Press; M. Walsh (1998) 'Targeting Women in Food Aid Interventions: Impacts and Issues', Report prepared for the World Food Programme, Brighton: Institute of Development Studies.
- xxiii P. Glick and D. Sahn (2000) 'Schooling of Girls and Boys in a West African Country: The Effects of Parental Education, Income, and Household Structure', Economics of Education Review, Vol.19, No.1, pp.63-87.
- xxiv E. Dufflo (2000) 'Grandmothers and Granddaughters: Old Age Pension and Intra-household Allocation in South Africa', NBER Working Paper No.8061, Cambridge, MA: National Bureau of Economic Research.
- xxv P. Vaughan (2007) 'Early lessons from the deployment of M-PESA, Vodafone's own mobile transactions service', in The Transformational Potential of M-Transactions: Moving the debate forward, Policy Paper Series No.6, July 2007, p3-9.
- xxvi B. Schubert and M. Huijbrechts (October 2006) 'The Malawi Social Cash Transfer Pilot Scheme: Preliminary Lessons Learned', paper presented at the Conference on Social Protection Initiatives for Children, Women and Families: An Analysis of Recent Experiences, New York, 30-31 October 2006.
- xxvii S. Devereux, et al. (June 2006), p.vii.
- xxviii See S. Devereux and K. Vincent (2008) 'Using Technology to Deliver Social Protection: Exploring Opportunities and Risks', European Journal of Development Research (forthcoming).
- xxix On Ethiopia's Productive Safety Net Programme, as noted earlier in this paper, some 1.8 million participants who received cash transfers in the first year switched to food transfers in the second year, partly because district officials found cash difficult to manage but partly because food price inflation (largely unrelated to the PSNP) caused the commodity value of PSNP cash transfers to erode rapidly and substantially (Pelham and Assegid, 2006, op. cit.). Fortunately, the programme was responsive enough to adapt to this pressure from below.
- xxx See M. Makiwane and E. Udjo (2006) 'Is the Child Support Grant associated with an increase in teenage fertility in South Africa?', Pretoria: Human Sciences Research Council. For an overview of this debate, see the 'Comment' on the Regional Hunger and Vulnerability Programme (RHVP) website, wahenga.net (January 2008) 'http://www.wahenga.net/index.php/views/comments_view/social_transfers_dont_let_the_best_be_the_enemy_of_the_good/'

