

CONSIDERING AND INTEGRATING CASH TRANSFERS IN NUTRITION PROGRAMMING - A 3 STEP DECISION-MAKING TOOL

APPENDIX 6 - BASIC CONSIDERATIONS FOR THE DESIGN AND IMPLEMENTATION OF CASH TRANSFERS IN NUTRITION PROGRAMMING

If economic factors have been identified as underlying causes of malnutrition, the analysis of response options makes it possible to demonstrate the feasibility and relevance of each modality according to implementation constraints. This appendix helps nutrition actors to specifically assess the feasibility of cash transfers in context, to achieve the identified objectives, and to design them as part of nutrition programming. For practical purposes, the appendix focuses only on cash transfers, but these same steps and analyses should be carried out to assess the feasibility and relevance of each modality and to ensure the most effective program mix.

A) The table below lists the attention points for assessing the feasibility and relevance of cash transfers when reviewing response options - among other modalities.

		Analysis of response options	
Step		Attention points / nutrition-sensitive aspects	Tools
Needs analysis		<ul style="list-style-type: none"> • Axis 1 of the tool: identifying the causes of malnutrition by integrating economic barriers • Axis 2 of the tool: identification of a context-appropriate mix of interventions integrating cash transfers targeted at specific entry points for economic barriers • Definition of the objectives and expected nutritional results of the program • Geographic and household targeting: Eligibility criteria are determined by program objectives and the type of response rather than the modality of assistance. They should reflect the causes of malnutrition identified and targeted by the intervention, with socio-economic criteria being important for the objectives of interventions using cash transfers, among other vulnerability criteria (e.g., young children, pregnant and lactating women, nutritional status, disability, etc.). Some groups within the target group may have specific needs (based on age, gender, disability, etc.) and may benefit from adaptation of the intervention modality or a complementary intervention. 	<p><i>Mercy Corps, Cash Transfer Programs Toolkit, Identification of Geography and Program Participants p.22</i></p> <p><i>Operational guidelines and toolbox for Multi-Purpose Cash Transfers, Analysis of vulnerability from a socio-economic point of view specific to the crisis, p.21</i></p> <p><i>National CWG Resources and Local Feasibility Studies</i></p>
BACKGROUND ANALYSIS: Determining the feasibility of cash transfers	<p>Risks (See also «Social and Community Considerations»)</p>	<ul style="list-style-type: none"> • Monetization of the economy: inducing money in a system where transactions are usually based on other modalities (barter, community solidarity, pooling of goods, etc.) is a risk for the resilience of communities. • Intra-household / intra-community dynamics and gender: What impact can injecting resources into the household have on decision-making dynamics? What impact can injecting resources into certain households in a given community have on community dynamics? This can be assessed and the risks limited in the design of the program (see following table). • Analysis of the risks of fraud and diversion through the modalities: like in-kind, cash transfers are subject to diversion or fraud by staff, recipients and intermediaries. The current evidence does not demonstrate a greater proven risk in this area through Cash Transfers, but contextual analyses are needed to evaluate them. 	<p><i>Red Cross Toolkit, Roadmap for Risk Analysis in cash transfers Section 4.3.1</i></p>

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BACKGROUND ANALYSIS: Determining the feasibility of cash transfers	Services	<ul style="list-style-type: none"> • Capacities and functioning of markets. The type of markets to be assessed depends on the causes of malnutrition and the objectives of the program: food markets, health/nutrition services and inputs, and WASH services and goods. - Are food markets / health services / WASH goods accessible (transportation, security)? - Do markets have 'rich' foods and nutritional inputs (including fortified flours, local or not - depending on the objectives of the intervention)? - Are health and nutrition services for the prevention and treatment of malnutrition available and of acceptable quality? 	CaLP, Minimum Criteria for Market Analysis in Emergency Situations
	Social and Community Considerations	<ul style="list-style-type: none"> • Preference of modalities by recipients and communities: Many studies have shown that the majority of recipients prefer cash transfers to other more restrictive modalities. But this depends on the groups and contexts, so it is important to collect information in this area and the potential impact on community structures. • Capacity: In some contexts, certain groups of recipients may not be accustomed to managing a certain amount of money. This does not automatically mean that cash transfers would not be suitable, but it is to be considered in the design (see following table). • An integrated gender analysis is necessary to inform the potential impact of each modality on gender dynamics. 	Red Cross Toolkit, Community Assessment for cash transfers Section 2 ERC Guide, Protection in Cash Transfer Interventions
Articulation of cash transfers with a SBCC strategy or other modality	<ul style="list-style-type: none"> • What is the place of cash transfers in the overall intervention? Do they contribute directly to the achievement of the objective or are they an accelerator for the impact of other modalities? <p>If cash transfers are coupled with other modalities, the same feasibility and relevance analyses must be conducted. For example :</p> <ul style="list-style-type: none"> • Cash transfers coupled with a BCC strategy focused on knowledge and barriers to impact behaviors - Knowledge and practices assessment - Analysis of behavioral barriers and levers taking into account the gender dimensions of barriers to nutrition and health to determine key messages. For example: nutrition and pregnancy care, optimal breastfeeding, complementary feeding (including frequency, quantity, diversity), composition of a healthy diet, hygiene and sanitation (e.g., food hygiene, use of latrines, hand washing, drinking water). - Messages may also focus on the use of cash transfers to guide the type of spending by households (non-binding) or to limit some of the risks associated with cash transfers. For example: household decision-making (control of resources, resource allocation, purchase of nutritious food), household dynamics (priority to nutritional needs) and financial management. 	Red Cross Toolbox, Cash transfer-based intervention solutions, Section 3.1.1.1 (What combination of sector-specific interventions concerned by the identified causes of malnutrition) Gender and Nutrition Training Manual (USAID) + See Appendices 5 and 6 (analysis and assessment methodologies)	

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B) Once the feasibility and appropriateness of cash transfers (among other modalities) are established, the next steps are to design nutrition-sensitive cash transfers, paying particular attention to the following steps:

Designing nutrition-sensitive cash transfers		
Step	Attention points / nutrition-sensitive aspects	Tools
Restriction ?	<ul style="list-style-type: none"> • Should restrictions (see glossary) be applied while also analyzing potential long-term adverse effects? *Vouchers : more restrictive in the use of the transfer, limited to a type of goods or services (e.g., access to the health center, purchase of food goods, etc.) *Cash : free choice of the recipient in the expenditure <p>The «hard» (via voucher) restriction, by directing recipients' choices, can theoretically improve impact toward the specific program objective. The voucher also limits the impact of price variations (in the case of a commodity voucher). On the other hand, by constraining the recipient, this restrictive transfer carries the same risks of resale and fraud as in-kind. In addition, if other needs identified as priorities by recipients are not covered, there is a risk that vouchers may be resold or exchanged.</p> <p>By coupling with BCC or traditional outreach (see 1st table) it is possible to influence or direct the type of expenditures made by recipients without constraint. The same aspects of program design apply :</p> <ul style="list-style-type: none"> - Identification of targets - Selection of the appropriate communication approach according to the contextual analyses carried out (Interpersonal/Proximity Communication (counseling, support group, peer counseling, etc.), Mass Communication, Community Mobilization) - Duration - Period - Frequency of sessions - Tools - Accountability - Indicators etc. 	<p><i>Red Cross Toolkit,</i> Advantages and Disadvantages of cash transfer modalities Section 1.3.2</p>
Conditionality ?	<p>The application of conditionality is not systematic but can be an easy coupling with a BCC strategy adapted to the knowledge and barriers of the target population in order to impact behaviors; it involves making the distribution of cash transfers conditional on participation in interpersonal BCC activities.</p> <p>This may be binding (if recipients do not participate, they do not receive cash transfers) or non-binding (recipients receive cash transfers anyway). The application of binding conditionalities is high in terms of cost, time and human resources. Assessing the benefit of this approach is important.</p> <p>If the causes of malnutrition are cross-cutting, consider Multipurpose Cash Transfers (MPC), which are unrestricted cash transfers calculated on the basis of basic needs.</p>	<p><i>UNHCR Consortium,</i> Operational guidelines and toolbox for Multi-Purpose Cash Transfers</p>

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<p>Duration</p>	<p>- Ensure impact according to program objectives; long enough to consolidate results beyond remission - Not less than 3 months <i>A longer duration with a higher cumulative transfer amount gives a better impact.</i></p>	<p><i>Mercy Corps, Guide to Implementing Money Transfers, Determining the Type, Amount, and Frequency of Transfer, p.23</i></p>
<p>Frequency</p>	<p>Alignment between BCC session frequencies and cash transfers can enhance the mutual impact of the modalities. Too close payments will involve many trips for households - depending on the distribution mechanism chosen - but overly-spaced payments can mean that very large amounts are given. The ability of households to manage this amount, access to distribution mechanisms, and alignment with communication sessions are all factors that help define frequency. Furthermore, there is evidence that the more predictable the payments are (i.e., households are clearly informed about the frequency and duration of payments), the better the impact.</p>	
<p>Period</p>	<p>Choose the period according to the program objective set (nutritional objective) and the seasonality impacting the nutritional situation. If safety nets are in place in the context, it may be appropriate to ensure a seasonal gap or to complete the intervention over the first 1,000 days (from conception to the child's second birthday).</p>	
<p>Amount</p>	<p>The amount of cash transfer should reflect what recipients are expected to be able to purchase on the local market based on the causal analysis above. If a Minimum Expenditure Basket (MEB) has been defined by the Cash Working Group in the country, it is preferable to refer to it, especially if the identified causes of malnutrition are cross-cutting. Even if the causes are limited to one sector (e.g. difficult access to a nutritious diet at the household or individual level due to lack of income), it is preferable to refer to the MEB to ensure that basic needs are covered and to reinforce the impact in terms of nutrition.</p> <p>If a sector basket (food, WASH...) is used as a reference, the amount of the transfer must be adapted to the nutritional objectives:</p> <ul style="list-style-type: none"> • take into account any related expenses • ensure that the composition of the food basket is not limited to energy requirements but reflects dietary diversity for micronutrient needs. <p>Nutrition practitioners should engage in the calculation of the MEB and the amount of the transfer, and advocate for adjustments that reflect a stronger nutritional perspective.</p>	<p><i>Resources of the national CWG and sectoral groups.</i></p> <p><i>CaLP Minimum Expenditure Baskets; decision making tools</i></p> <p><i>Mercy Corps, Guide to Implementing Money Transfers, Determining the Type, Amount, and Frequency of Transfer, p.23</i></p>

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	<p>In addition to the terms and conditions (conditions/restrictions) cash transfers offer a wide choice of delivery mechanisms:</p> <ul style="list-style-type: none"> • direct cash • via bank or financial institution, card, cash or vouchers • via cell phone (cash withdrawal or mobile money) • via merchants (mainly vouchers) <p>The choice is made according to the services available, their accessibility and coverage, the capacities and preferences of the recipients and partners, what is locally accepted, etc., and makes it possible to respond to the risks identified in the feasibility studies (see 1st table).</p> <p>Select and contract with service providers/suppliers to prepare for different modalities.</p>	<p><i>Red Cross Toolkit, Advantages and Disadvantages of Delivery Mechanisms, Section 1.3.3</i></p> <p><i>Mercy Corps, cash transfers Methodology Guide, Determining the Disbursement Mechanism and Provider, p.28</i></p>	
<p>Linkage: BCC strategy tailored to the knowledge and barriers of the target population to impact behaviors.</p> <p>The design of the BCC response will be made on the basis of the contextualized analysis (knowledge, practices and barriers) and the community dynamics in place (frequency, communication channels, targets).</p> <p>The communication component must be effective before and during the deployment of cash transfers in order to mobilize communities and facilitate their adhesion (some communication activities can be coupled with the cash transfer). The messages used can be adapted according to the seasonality impacting the nutritional situation and according to the identified contributing factors.</p>			
Monitoring and evaluation	<p>Accountability</p>	<p>How can the capacities of the recipients be taken into account in the choice of the delivery mechanism? How to facilitate the use and access to the transfer? How can complaint and feedback mechanisms be better designed and used to strengthen accountability to populations?</p>	<p><i>Red Cross Toolbox, Roadmap for communication with recipients and accountability, Section 2.12.2</i></p>
	<p>Monitoring</p>	<p>Market monitoring (functioning, access, price, availability in quality and quantity of the targeted goods and services) Risk monitoring</p> <p>Expenditure information that can be collected: money spent on goods and services relevant to nutrition outcomes</p>	<p><i>CRS Market : Investigate factors of price changes</i></p> <p><i>VAM Database and National CWG Resources</i></p>
	<p>Indicators</p>	<p>Process: coupling impact assessment with process assessment: delays in transfers / incompleteness of transfers, unusable vouchers, loss of the voucher...</p> <p>For nutrition (and especially if the objective is dietary diversification), the monitoring of cash transfers must go beyond household level indicators and include indicators at the individual level (women, children): Minimum Dietary Diversity for Women (MDD-W), Minimum Acceptable Diet (MAD), Minimum Dietary Diversity (MDD), and Minimum Meal Frequency for Children 6-23 months old</p>	<p><i>CaLP MACTP : Process and Outputs Indicators</i></p> <p><i>USAID Outcome Indicators for MPCs</i></p>