



1.11 Make social protection programmes more nutrition sensitive

The Solution: Making Social Protection Nutrition Sensitive will augment and adapt national cash transfer programmes to enable the millions of nutritionally vulnerable households who receive them to afford and access a healthier diet while also stimulating food systems to supply nutritious foods. It would be a positive complement to Solution 3 to have large-scale impacts on huge global population.

Source of the Solution: Julio Berdegue, a member of the working group, suggested the idea, which was readily supported by considerable on-going work by other members of the group, including members from WFP, FAO, UNICEF and a former Peruvian minister in charge of social protection. The solution was developed by Julio, Saskia DePee, Allison Oman, Ignacio Roblero, Carolina Trivelli, and Natalia Winder-Rossi.

Problem addressed within food systems: Low, variable, and unpredictable incomes limit the amount, diversity, and quality of foods that households can afford, physically access, and consume over time. This leads to inadequate intake of nutritious foods and inadequate diets. Nutritious, desirable foods are economically inaccessible by most vulnerable households, with the cost of a ‘healthy’ diet estimated at 3.75 international dollar purchasing power parity/capita/day and a nutrient-adequate diet costing 2.33. Financially empowering vulnerable groups through food enterprises is one strategy to address this (Solution 10), as is reducing costs in food supply chains (Solution 7). But looking to supply-side changes to reduce the cost of food has its limits. Indeed, the emphasis on providing affordable food for ‘consumers’ is one reason why food systems face such pressures: poverty among farmers; tiny margins for many food businesses; and environmental impacts of low-cost intensive production methods. Tackling the lack of access (physical and economic) to affordable diets for low-income households must involve reducing poverty, risk, and vulnerability.

Existing cash transfer programmes are one solution, but the transfer values are typically calculated based on an official poverty line, which does not capture the cost of a healthy diet. Evidence shows that existing transfers do not provide sufficient cash for sustainable access to and consumption of healthy diets. Ensuring that cash transfers address economic access to nutritious foods is one of the most prominent challenges in ensuring they meet people’s essential needs. At the same time, it is essential to recognise the challenges posed by the ready availability of cheap but unhealthy foods in these contexts and the impact of these on the health of individuals, even in impoverished settings.

How this solution will address that problem: This solution will address the problem by providing a model for new cash transfer programmes that promote healthy diets through effective linkages with nutrition and food systems. Based on solid evidence of impact at scale, existing programmes would be redesigned to be nutrition-sensitive “cash plus” to meet various inter-related essential needs. The outcome would be that low-income households could afford nutritious foods, creating demand for nutritious foods through their greater spending power. The impact would be that these nutritionally vulnerable households would eat more nutritious foods. Achieving this would require six interlinked inputs (with a need for context-specific design given considerable heterogeneity in terms of size, frequency, reliability, recipient starting point, and local purchasing options):

(i) *Building on existing cash transfer programmes.* Estimates of the number of cash transfer recipients range from 350 million to 1.1 billion (2020). They offer an opportunity to channel sizeable, regular, and predictable transfers (disposable real income) to eligible individuals, acting as effective social risk management tools, providing a sustained way to address socio-economic barriers to nutritious foods. On average, participants receive \$121/household/yr (\$0.33/hh/day) (deflated average), an increase of 20%



of incomes. While this can be used for food and non-food purchases, according to SOFI, around 63% of income is used for food. Building on these existing programmes reduces the costs of establishing the transfers and leverages existing technical expertise and institutional capacities in the country and the initial budgets already available.

(ii) *Bridging the affordability gap.* Based on existing tools to calculate the size of the affordability gap in different contexts, the transfer's size would be increased to a level at which households could afford a healthy diet. In addition to the transfer's size, programmes should anticipate and mitigate disruptions to ensure cash is provided with the regularity and predictability needed to minimise negative coping mechanisms with implications for diet quality, health, and human capital development. More cash can also cover opportunity costs and practical needs like transportation costs to physically access markets so that people can get to the food they need.

(iii) *Facilitating access to nutritious foods.* Different modalities of cash transfers work differently in different contexts; there is no “right” transfer modality since they depend heavily on contextual factors. Compared with non-cash assistance (e.g., food distribution), cash assistance is significantly more cost-effective for poverty reduction. For healthy diet objectives, vouchers for selected food categories can be added to facilitate spending on nutritious foods as part of a cash-based scheme (and even food, depending on context). If well-designed, this has the added advantage of multiplier effects, providing guaranteed demand to stimulate supply-side investment, production and growth.

(iv) *Essential social services for nutritionally vulnerable groups* in support of healthy diets are needed to ensure efficacy. Nutritionally vulnerable population groups (e.g., pregnant women, breastfeeding women, children, adolescent girls, the chronically ill) would be provided with cash transfer top-ups together with complementary actions and services, such as supplementary food, home gardens, education, social behavioural change communication on healthy diets, and regular health check-ups for household members.

(v) Where relevant, *leverage digital innovations for delivery* in support of healthy diets. In recent years, cash transfers have seen many digital delivery innovations. Where present, they could reduce the cost of delivering transfers and/or vouchers, add transparency, improve market access for nutritious foods, and open an educational/informational channels on nutrition-related topics (this would not be possible in all circumstances due to digital connectivity or capability gaps).

(vi) *Strengthen public finance provisions.* Sustaining cash transfer programmes involves protecting current budget allocation as well as increasing it when need and enhancing the value of transfers will inevitably have implications on the financial resources required. Countries need support in securing public finance provisions and sound fiscal measures to help them progressively ensure the sustainability, effectiveness and equity of programmes aiming to bridge the affordability gap, coupled with technical advisory services with an emphasis on public policy finance models that make investments in cash transfer programmes attainable and feasible to countries over time. Social protection is an investment in human capital.

This is not an isolated ‘silver bullet’ but part of an integrated approach, including scaling up social protection (Solution 3), other social protection measures (e.g., school food programmes, Solution 12), cross-sectorial initiatives (e.g., quality of essential services), and complementary measures to rebalance food environments towards healthier food (Solutions 8 and 14). To maximise impact, complementary gamechangers are needed, notably purposeful actions to ensure demand for nutritious foods is met by sufficient supply. If supply cannot respond efficiently, the prices of nutritious foods will increase, worsening the affordability gap. Addressing the price issue will require investigating the availability of healthy foods in different contexts and across seasons.



Solution's alignment to the 'game changing and systemic solution' criteria: Making social protection nutrition-sensitive would dramatically change an existing solution to facilitate access to nutritious food for millions of households. Existing initiatives indicate that this is an actionable and impactful solution. Moreover, the COVID-19 pandemic has highlighted that governments are able to effectively and rapidly respond to crises via social protection systems. This is the moment to improve the design of interventions to improve nutrition. There are no apparent negative trade-offs but plenty of positive spill-over impacts. For example, cash transfers enhance the productivity of farmers, improving the availability of nutritious foods. Grants are invested in agricultural assets and diversification of ventures. They have been shown to support higher returns on agricultural expenditures and have multiplier effects in local rural economies. In addition, if targeted at women, they could give women control over income, with benefits for their families' nutrition.

Existing evidence: Cash transfer programmes have already been shown to improve human capital development and nutritional outcomes in certain contexts with impacts on income, poverty, undernutrition, and dietary diversity. Evidence shows that recipients usually invest the money first in food, then in social services and production. In locations advanced in the 'nutrition transition,' cash transfers present a platform to reduce obesity risk among adults, granting access to more nutritious foods rather than reliance on cheaper, largely staple-based foods. There are several examples of cash transfer programmes designed to support nutrition, including in Bangladesh and Pakistan (e.g., ante-natal care check-ups, growth monitoring, nutrition education, food for women/children), Dominican Republic (e.g., growth monitoring, nutrition education, and the distribution of micronutrient powders), and (until recently) Mexico (adapted to take into account the nutrition transition).

Current/likely political support: Cash transfers are becoming a core strategy for poverty reduction across countries, with COVID-19 further increasing recognition that they are an essential instrument. A small group of supportive countries could likely be readily convened to take the idea forward.

Contexts for which this is well suited: It applies to countries where there are existing cash transfer schemes but should also be front and centre for countries building nascent social protection programmes and systems, including in fragile contexts.