UNCONDITIONAL CASH TRANSFER
LEARNING FROM THE MAM’OUT RESEARCH PROGRAM

BACKGROUND
In Burkina Faso, a national policy for social protection was adopted in September 2012. A year later, an action plan was developed which included the need to improve social transfer mechanisms for the poorest and most vulnerable people in the country to ensure food security for all. In order to inform these policy discussions and decisions, after implementing a needs assessment and a nutrition causal analysis (1), Action Against Hunger decided to implement a cash transfer program and to determine its potential effects to prevent acute malnutrition in young children in rural areas of the country. The name of the study was MAM’Out, standing for moderate acute malnutrition “Out”. The MAM’Out program refers to the evaluation of multiannual seasonal unconditional cash transfers to prevent acute malnutrition in young children.

This multiannual seasonal unconditional cash transfer (UCT) program was implemented in 2013 and 2014 in Tapoa Province in the Eastern region of Burkina Faso. This program made use of a randomized control study design to examine the potential impact of seasonal unconditional cash transfers on wasting, stunting, morbidity, diet diversity, dietary intake etc., and how cash transfers affect the daily lives of communities (2). Broadly, the study aimed to understand as many pathways of potential impact as possible including food security and livelihoods, care practices, water and sanitation, child development, and women’s empowerment. This paper describes the results of the study, but also main lessons learned and policy implications for setting up cash transfer programs that aim to prevent undernutrition.

INTERVENTION
Prior to the MAM’Out program, a need assessment including nutritional causal analysis and feasibility study of a cash based intervention was implemented in Tapoa province. In June 2013, 1,185 poor and very poor households (identified based on household economy analysis criterion) with children under 12 months were enrolled in the program. In order to inform these policy discussions and decisions, after implementing a needs assessment and a nutrition causal analysis (1), Action Against Hunger decided to implement a cash transfer program and to determine its potential effects to prevent acute malnutrition in young children in rural areas of the country. The name of the study was MAM’Out, standing for moderate acute malnutrition “Out”. The MAM’Out program refers to the evaluation of multiannual seasonal unconditional cash transfers to prevent acute malnutrition in young children.

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Main Findings of the MAM’Out Research

Effect on Diet Quality of Children
The results of the 24-hour dietary recall surveys showed that unconditional cash transfers during the lean season improved the diet diversity of children (3). The children whose mothers received unconditional cash transfers ate more eggs and higher percentages of meat and dairy products, which increases their animals’ protein intakes compared to children in the control group. There was no difference between the groups in mean energy intake but the sources of energy were different. There were higher vitamin intakes in the children receiving cash transfers than those not receiving cash (Vitamins B12, B2 and E in particular).

Effect on Household Food Security and Diet Diversity of Children and Mothers
Mean Dietary Diversity Score for children and mothers were higher in households receiving cash transfers as compared to the same groups in control households (4). Children and mothers receiving this cash transfers were more likely to have consumed legumes and nuts, oils and fat and animal source foods such as milk and dairy products, eggs, meat and fish. However, we did not have enough evidence of the effect of multiannual seasonal UCTs on household food security measured with HFIAS (Household Food Insecurity Access Scale) and MAHFP (Month of Adequate Household Food Provisioning).

Reported Use of Unconditional Cash Transfers
Qualitative investigations revealed that beneficiaries used the money for food and health care for the child and the entire household. The study found that women had an increased participation in decision-making concerning purchases for food and health. There were positive perceived changes at the household level, mainly in relation to gender equality and improvement in women’s status.

Moreover, the MAM’Out program was reported to increase household’s purchasing power and reduced family stress and shame. It led to positive changes at the community level, particularly as poor families no longer had to request financial support from richer families. This has favored an increase in dignity and social integration of the poorest at the community level (5). However, it was also noted that the transfers sometimes resulted in misunderstandings between wives and husbands on how the cash should be used.

Effect on the Incidence of Acute Malnutrition
The MAM’Out program did not find evidence of the preventive effect of multiannual seasonal unconditional cash transfers to prevent acute malnutrition in young children in Tapoa Province. There was no demonstrable reduction in the number of cases (incidence) of wasting, or effect on child linear growth (6). However, distributing cash reduced the number of self-reported episodes of respiratory tract infections.

Cost Efficiency of the Intervention
The efficiency of cash transfers is usually measured by the cost-transfer ratio (CTR). It represents all the costs required to transfer one monetary unit (in this case a dollar) to a beneficiary, excluding the cost of the transfer itself.

In the MAM’Out research, the CTR for mobile phone cash transfer was estimated at 0.82 when including costs borne by communities and households (7). Although these figures lie within the same range as other humanitarian transfer programs, the intervention did not achieve the same degree of cost-efficiency as other mobile transfer programs specifically. Challenges in partnership management and coordination between humanitarian and private partners resulted in long wait times for beneficiaries, particularly in the first year of implementation, which have affected efficiency.

The MAM’Out study showed that seasonal unconditional cash transfers in the framework of safety nets did not result in a significant decrease in the incidence of child acute malnutrition in Tapoa Province. However, it increased dietary diversity and intake of high nutritional value food and can be used as a mechanism for addressing children’s dietary intake during lean seasons. While the results did not show an impact on childhood malnutrition, there are many lessons learnt that can influence the way cash transfer programs are rolled out in country.

Nota: Data on child development stages, Water Sanitation and Hygiene (WaSH) conditions and women empowerment are still being analyzed
UNPACKING THE RESULTS: WHAT DOES THE MAM’OUT RESEARCH IMPLY AND SUGGEST?

While there is a wealth of literature on the effectiveness of cash transfers at a global level, the MAM’Out program has led to a greater understanding of the potential implications of seasonal unconditional cash transfers in the context of Burkina Faso and has enabled a stronger understanding of the following key questions:

**HOW LARGE SHOULD THE TRANSFER SIZE BE?**

This is a burning question for stakeholders involved in cash based interventions. As there was no national transfer size defined for cash transfer programs in Burkina Faso, the MAM’Out transfer size was defined during a feasibility study jointly with the Action Against Hunger operational team in Burkina Faso, based on previous cash transfer experiences in Burkina Faso and in Sub-Saharan African countries. The amount of cash might have not been enough. The mothers reported that the money was not only used for the child’s needs- approximately one quarter of the monthly allowance to buy food for the child while the main part was used to increase the household food stock. There was very little investment in income-generating activities which could highlight that the amount was not sufficient for beneficiaries to purchase cattle or agricultural products which could serve as a buffer in times of significant financial constraints. Furthermore, during restitution workshops to communities (8), study participants highlighted the fact that a malnourished child comes from a malnourished father and mother, implying the necessity to also take into account the parents’ needs.

**SEASONALITY OR NOT?**

Initially, the MAM’Out study aimed to distribute cash from May to September to cover the entire lean season, during which additional household budget is required to counter the dwindling granary supplies and to cover expenses related to the seasonal increase in disease. However, due to budgetary and operational constraints, cash distribution only began in July and lasted until November. The cash was distributed in a period of high financial stress and thus beneficiaries were not able to use the money to invest in medium to long term activities which would have helped to create more sustainable economic mechanisms.

Provision of a continuous cash flow (throughout the year) would have guarantee a stable entry of incomes, smoothing investments and allowing better prioritization of needs according to seasonality.

**IS CASH ALONE SUFFICIENT?**

The UNICEF conceptual framework highlighted three main and inter-related causes of undernutrition. The complexity of the causes makes its prevention challenging. In the 2013 Lancet series on child and maternal health, cash transfer programs designed with a nutritional objective were highlighted as having the potential to prevent child undernutrition.

The MAM’Out study hypothesized framework was that handing out cash during the lean season can ensure that the direct determinants of child nutrition (child food intake, child care, and child morbidity) are safeguarded. But, the results of the study have highlighted that multi-annual seasonal UCTs alone may not be sufficient to influence children’s nutritional status. Moreover, among reasons to justify absence of evidence to support effects of the intervention on children nutrition outcomes, study participants and stakeholders pointed out the absence of sensitization sessions on the prevention of undernutrition and actions targeted to both mothers and heads of households. These highlight the need for integrated approaches to prevent undernutrition, considering other determinants such as water, sanitation and hygiene determinants which are of concern in the study area.

**WHAT ARE THE BENEFITS OF USING MOBILE PHONE FOR CASH TRANSFER?**

The MAM’Out program is one the first programs in Burkina Faso that made use of mobile phones to transfer cash to poor and very poor households in Burkina Faso. Although there was a high level of illiteracy in the beneficiaries, women were very happy to receive mobile phones and appreciated this as a mechanism for cash transfers, given the security of this method. However, there were some unintended negative consequences that should be taken into account for future similar programs. These included expenses related to phone maintenance and charges for phone credit and electricity and the husbands control over the mobile phones.

Despite these negative consequences, given the difficulties and safety concerns related to direct transfer methods, mobile phones can provide a highly efficient way of reaching households. The use of mobile phones can also be broadened to facilitate, for example, saving mechanisms for beneficiaries. However, they require reliable access to a mobile network which can be problematic in remote areas.

**IS MOBILE PHONE CASH TRANSFER A COST-EFFICIENT MECHANISM?**

It was initially planned to assess cost-effectiveness of the MAM’Out intervention. As there was no effectiveness on children nutrition outcomes, cost and cost-efficiency analyses were deemed more relevant to perform. When including costs borne by communities and households, it cost the MAM’Out program 82 cents to deliver every dollar to beneficiaries using mobile phones. Political and attitudinal barriers from partners’ suspicions affected one another’s moves and resulted in inefficiencies in the coordination of activities, particularly during the first year of program implementation. Improvements in coordination were seen in the second year of the program once systems were better-established. A reduction by one-half of the beneficiary wait time induced at most a marginal improvement of 6% reduction in cost-transfer ratio. These findings suggest that trusting relationships between partners is an important factor supporting efficiency.

If local government stakeholders were interested to implement such a program, it is likely that cost-efficiency would be improved especially if the government could subsidize expansion of mobile money network coverage and increase the number of cash distribution points. In remote areas such as those in the present study in Tapoa province, programs would otherwise not be profitable for private partners.
RECOMMENDATIONS

The MAM’Out findings recommend UCTs be used in actions addressing children’s dietary diversity in lean season. Similarly, multiannual seasonal UCTs can be used in actions aiming to improve under 5 children and their mothers’ dietary diversity.

In addition to lessons learnt and recommendations on operational aspects of the program implementation published in the MAM’Out case study (9), specific operational and research recommendations can be suggested thanks to the understanding of key questions and lessons learnt from the MAM’Out research. Therefore, Action Against Hunger states that:

OPERATIONAL

1. UCT AMOUNT HAS TO BE CALCULATED FROM THE MEB CONSIDERING THE COST OF DIET FOR THE FOOD PART.

The MAM’Out study suggests that cash transfer programs define optimal transfer size using relevant methods such as minimum expenditure basket, based on the calculation of the cost of diet for the food part in order to make sure that targets have access to adequate food intake. Strong documentation on these calculations are compulsory to facilitate monitoring and evaluation of the project.

2. UCT DURATION HAS TO BE CONSIDERED ACCORDING TO THE OBJECTIVE OF THE PROJECT.

The MAM’Out study suggests that longer periods of UCTs (over a year) may be more suitable to help beneficiaries create sustainable financial security for themselves and may have more impact on nutrition security indicators.

3. UCT IS NOT A STAND ALONE RESPONSE AND HAS TO BE INTEGRATED TO ADDRESS THE COMPLEX NEEDS.

The MAM’Out research recommends further cash transfer programs with nutritional objectives be necessarily combined with nutrition sensitive interventions. One of these could be behavior change communication as it fosters behavior change at the individual household and community levels. However, to address undernutrition, other sectoral interventions in health and nutrition, WaSH and/or food security and livelihoods (FSL) are needed.

4. UCT MODALITIES COSTS HAS TO BE INTEGRATED IN THE MEB CALCULATION.

As long as a reliable mobile network is accessible, the use of mobile phones mechanism to transfer cash to vulnerable households could be of benefit including privacy and security, and saving options. However, programs should take into account unforeseen expenses related to mobile phone maintenance when designing their intervention and enter in the calculation of the MEB as immutable costs.

5. UCT COST EFFICIENCY HAS TO BE TAKEN INTO ACCOUNT SINCE THE VERY BEGINNING OF THE PROJECT THROUGH STRONG CONTRACTUAL PARTNERSHIP.

Cash transfers using mobile phone hold promises as a cost-efficient mechanism. However, trusting relationships among partners, and a well-functioning system (mobile service technology, network of cash points in remote area) are important supporting factors of efficiency.

RESEARCH

Some research questions still need to be investigated:

- What is the effectiveness of UCTs integrated with a package of interventions including FSL, WaSH, health and nutrition activities, on children’s nutritional outcomes?
- What are the effects of seasonality and predictability on investments, risk management and nutrition outcomes at household and individual levels?
- What are the effects of different transfer sizes and on the prevention of child acute malnutrition?

7. Puet C. et al. Costs and cost-efficiency of a mobile cash transfer to prevent child undernutrition during the lean season in Burkina Faso: a mixed methods analysis from the MAM’Out randomized controlled trial. (Submitted)