



Cash+ pilot programme in Kyrgyzstan: improving food security, boosting productivity and diversifying livelihoods

Policy brief

Context

There is increased evidence of the positive incremental impacts on food security and nutrition, as well as poverty reduction and other dimensions, when social protection and agriculture policies and programmes are combined. In this context, the Government of Kyrgyzstan is developing and implementing the concept of a “social contract” as an umbrella programmatic framework to provide additional and more intensive support to poor and vulnerable households. Based on the latest available evidence and the specific expertise of the Food and Agriculture Organization of the United Nations (FAO), the Kyrgyz Government and FAO have collaborated in order to pilot test an approach linking social protection benefits with agricultural support, with the aim of boosting food production, generating income opportunities and improving food security and nutrition.

Social protection is a critical policy tool for supporting inclusive growth and rural development. It helps to ensure food security and nutrition, support risk management and foster resilient livelihoods. When social protection is defined and implemented coherently with agriculture and natural resource

management, it can play a key role in promoting economic inclusion and supporting the productive potential of people living in poverty, through its protective, preventive, promotive and transformative functions (FAO, 2017a). One of the approaches that can be adopted to start building cross-sectoral, coordinated actions is the Cash+ pilot programme.

FAO defines the Cash+ approach as those interventions that flexibly combine cash transfers with productive assets, inputs and/or technical training and activities to enhance the livelihoods, productive capacities and food and nutrition security of poor and vulnerable households (FAO, 2018). Whenever possible, the Cash+ approach should build on and seek to strengthen the national social protection system.

The *cash* component enables beneficiaries to address their immediate basic needs, and can also reduce the structural and liquidity constraints faced by poor households. Depending on the size, regularity and duration of the transfer, it can even support households in diversifying their sources of income and investing in new agricultural and non-agricultural economic activities.

The *plus* component normally combines productive support and training to enhance and dynamize the economic, productive and food security and nutrition impacts of the cash component, while in parallel helping to protect, restore and develop rural agricultural and non-agricultural livelihoods.

The type of complementarities implemented under Cash+ should respond to a thorough analysis of the needs and aspirations of the target population, as well as a mapping of

The Cash+ pilot in Kyrgyzstan

In Kyrgyzstan, FAO has supported the government to pilot an innovative approach to fostering improved nutrition and boosting productive capacities of poor rural households, through a combination of the national social cash transfer programme for low-income families with children – *uy-bulogo komok* (Monthly Benefit to Low-Income Families with Children) – with nutrition education and nutrition-sensitive, climate-smart agriculture. The Productive Social Contract/Cash+ pilot programme sought to demonstrate that integrated social protection and agricultural interventions can generate sustainable improvements in food security and nutrition of vulnerable rural households, enhance their agricultural productivity, and support their pathways out of poverty.¹

The intervention covered 150 poor rural households, selected among recipients of the national *uy-bulogo komok* social cash transfer programme. The pilot complemented the cash transfer with productive support options tailored to the participants' livelihood profiles

existing complementary services and programmes and of opportunities for economic inclusion at the territorial level. The programmatic implementation of Cash+ also calls for strong coordination at the meso and macro level between social protection and the agricultural or rural development sectors. Indeed, policy coherence between the sectors is essential for mobilizing political commitments for the Cash+ pilot, ensuring the quality of interventions, sustaining financial capacities and guaranteeing long-term impacts.

and the local agro-ecological and market conditions and opportunities. Two of these options (which differed in their time and labour requirements) were designed to improve household nutrition and dietary diversity through homestead gardening, while a third option focused on generating additional income through farm production, and thus better access to nutritious food. Regardless of the option selected, complementary support in the form of technical training and extension and advisory services was provided for all participants. The pilot also included nutrition education and coaching for participant households to ensure they were able to carry out agronomic activities and follow nutrition advice, and, more generally, to ensure they received necessary support to overcome barriers they may face along the way.

The pilot carried out three monitoring assessments: a rapid assessment of impacts, a microsimulation and a process evaluation. The mixed-method rapid assessment drew on quantitative and qualitative information, and highlights participants' subjective perceptions of

¹ The pilot was implemented under the FAO project "Developing Capacity for Strengthening Food Security and Nutrition in Selected Countries of the

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the impacts of the pilot. It focused on the scope for dietary improvement, increased income generation and poverty reduction arising from such interventions. The microsimulation analysis, based on a representative national household survey, highlights the impacts of potential scale-up scenarios on poverty and

Main results

The various assessments of the real and potential impacts of the intervention found overall positive achievements for the pilot.

1. Impacts on food security and nutrition

The intervention was successful in improving the quality of diets and food security. The rapid assessment found that there had been increases in the frequency of children and women's consumption of both protein- and vitamin A-rich foods, as well as other fruits and vegetables. As many as 65 percent of households reported that children's frequency of eating vegetables and fruit had increased compared to the previous year. These findings were supported by the results of the microsimulation analysis. This analysis showed that expanding the programme to all poor rural households would result in improvement in their dietary diversity, in particular if behaviour change communication and/or nutrition education were included. In this line, the process evaluation found that nutrition education and associated communications, including printed materials, facilitate building, sharing and applying nutrition knowledge both within households and within the community.

2. Impacts on livelihoods and poverty

The rapid assessment revealed that crop production and income from own-farm sales increased substantially among pilot participants, suggesting that the pilot, implemented jointly

households' diversity of consumed food. The process evaluation sought to identify successes and bottlenecks in the design and implementation phases in order to inform and prepare the scale-up and roll-out of the Cash+ approach.

with Monthly Benefit to Low-Income Families with Children/*uy-bulogo komok* (MBLIF/UBK), indeed increases the income generated from own-farm activities. The data indicate there was an improvement in self-assessed poverty, suggesting that the scaling up of the pilot could be potentially very effective in reducing poverty in the country. The microsimulation found a similar impact: an intervention with similar income-generating capacity could lift a large number of rural poor households out of poverty, if the intervention were successfully targeted to all poor households and the income-generating capacity fully exploited. To attain these results, however, it is necessary for the packages to be well targeted and correctly used.

The results of the qualitative rapid assessment suggest that the pilot improved overall agricultural production. Agricultural tools (greenhouses) and specific types of inputs (frost-resistant crops) and techniques (e.g. water-saving agriculture, home food processing) allowed for an extension of the production season, a reduction in loss and waste, and an increase in sales through value addition. To further increase agricultural productivity and its impact on poverty reduction, however, productive support must match agroecological conditions and local opportunities.

In relation to agricultural production, these qualitative studies have identified a number of

general problems that must be addressed in order to scale up and maximize the impact of the intervention, including the shortage of irrigation water, high prices and/or limited access to productive inputs, and difficulties in accessing markets and/or unstable/low market prices.

The assessments also highlight the importance of adequately designing the type of productive support, and engaging communities and all stakeholders in its formulation, in order to achieve sustainable impacts.

3. Agency and community dynamics

While the Cash+ pilot overall improved the agency of the participants and their integration into the community, there were no significant changes in intrahousehold dynamics and women's decision-making power.

In the quantitative rapid assessment, very few households reported that there had been changes in who makes decisions within the household. Key participants, however, noted the positive impacts of the pilot on the community. According to them, the pilot contributed to the inclusion of poor families in public life and the formation of new social ties. Some participants also noted that they had expanded their circle of friends, begun to communicate more with their neighbours, and met new people.

The process evaluation observed similar results with regard to the inclusion of pilot participants in the community. Focus group participants reported feeling more connected with each other and with the rest of the community, as well as being properly considered during community decision-making. They also noted an increased interest in and proactive approach to developing collective action in order to improve their conditions and access new opportunities.

4. Design and implementation

The process evaluation concluded that the Cash+ pilot was well aligned with the national policies and programmes on regional development, food security and nutrition, and social protection. The project design demonstrated the coherence of the intervention components and the contribution of these to the needs of participants. However, the evaluation also suggested that stronger involvement of local authorities and pilot beneficiaries at the initial stages of project formulation could further increase its relevance and reduce design errors.

With regard to efficiency, due to the lack of prior experience in integrated programming and limited institutional capacity at national and regional levels, interagency coordination mechanisms and managerial modalities were not clearly defined. However, owing to the engagement of the local authorities, the efficiency of programme delivery to beneficiaries was not compromised. The pilot also showed itself to be cost-efficient.

Ensuring the sustainability of the Cash+ approach in general is a challenge, but one that is achievable. While both the central and local government in Kyrgyzstan did not demonstrate strong ownership of the Cash+ pilot during the implementation, attempts were made at both levels to support its continuity. A multisectoral approach, an integrated policy framework, and strengthened technical and operational capacities at national and local levels are some of the building blocks that can be employed to ensure sustainability.

Recommendations

As the Government of Kyrgyzstan is working to define its social contract policy and strategic orientation, with the Cash+ approach being recognized as one of its operational modalities, several recommendations can be drawn from the Cash+ pilot in order to better meet the needs of the rural poor. These recommendations have policy, programming and fiscal implications that require consideration.

- The attainment of greater improvements in dietary diversity requires special emphasis on nutrition education and dietary practices, which should be provided more widely to communities – not just to the poor.
- For greater impacts on income and livelihoods, an integrated rural development approach (i.e. resolving issues with irrigation; provision of access to productive inputs, extension and advisory services, and agricultural credit and insurance) should be applied, and stronger linkages with market and support infrastructure (logistics, storage, processing, etc.) should be established.
- To achieve greater improvements in women’s economic empowerment and intrahousehold distribution of labour, more gender consideration should be brought into the design of support packages and the intervention as a whole.
- Resilience and climate change adaptation should also be considered as goals when designing interventions.
- *Ex ante* analyses such as microsimulations can be used to inform cost-effectiveness comparisons in order to determine the combination of participants and transfer size for this type of programme.
- Coherence between social contract and other rural development programmes (e.g. input subsidies, weather insurance, employment programmes) can create budgetary space for a rolled-out Cash+ programme and accelerate progress towards achieving SDGs 1 and 2 through created synergies.

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