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**Executive Board
Third Regular Session**

Rome, 11–14 October 2004

POLICY ISSUES

Agenda item 4

For approval

E

Distribution: GENERAL
WFP/EB.3/2004/4-A
17 September 2004
ORIGINAL: ENGLISH

WFP AND FOOD-BASED SAFETY NETS: CONCEPTS, EXPERIENCES AND FUTURE PROGRAMMING OPPORTUNITIES

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NOTE TO THE EXECUTIVE BOARD

This document is submitted for approval by the Executive Board.

The Secretariat invites members of the Board who may have questions of a technical nature with regard to this document to contact the WFP staff focal points indicated below, preferably well in advance of the Board's meeting.

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EXECUTIVE SUMMARY

WFP operates in areas of extreme poverty, where both lives and livelihoods are often at risk. By providing a safeguard in the event of shocks, safety nets represent a potentially vital tool that national governments, WFP, and other national and international partners can use to ensure that livelihoods are built upon while assisting those in need. Given the increasing prominence of safety nets on the aid agenda, this paper seeks to provide corporate guidance on WFP's engagement with them.

Based on WFP's experience, three models can be identified for its engagement with food-based safety nets: (A) assisting in laying the groundwork for a future national safety net system; (B) participating in the design and implementation of such a system; and (C) helping to improve an existing system. In emergencies, WFP can help to reinforce and complement safety nets response, or assist in developing safety nets as a follow-up activity where they do not exist (Model A and Model B). During relief, recovery and development, WFP may work within any of these models, depending on the circumstances in a country. WFP activities may require some modifications related to timing and duration when integrated into a national safety net. Funding for safety nets involves greater predictability in resource contributions, especially in transition and development situations.

Although not all interventions are suited for implementation under safety nets, WFP's involvement can be an important complement to existing policies such as Enabling Development and help ensure that national and international efforts mutually reinforce each other to benefit the livelihoods of poor people. This paper provides recommendations on how WFP can strengthen its ability to participate, where appropriate, in the different stages of national safety-net development.

DRAFT DECISION*

The Executive Board approves the document WFP and food based safety net: concepts, experiences and future programming opportunities (WFP/EB.3/2004/4-A).

WFP will strengthen its engagement with national food-based safety nets at the different stages of their development, including: (i) assisting in laying the groundwork for a future national system; (ii) participating in the design and implementation of such a system; and (iii) helping to improve an existing system. It will do so, by working closely with national governments and national and international partners while identifying clear exit strategies for WFP's involvement. To this end, efforts will be made to enhance in-house expertise, develop relevant guidelines, share best practices and explore funding mechanisms.

* This is a draft decision. For the final decision adopted by the Board, please refer to the Decisions and Recommendations document issued at the end of the session.



INTRODUCTION

1. WFP operates in areas of extreme poverty, where both lives and livelihoods are often at risk. In some cases, the livelihood benefits of a carefully constructed development programme can be quickly wiped out by a flood, an economic downturn or an upsurge in conflict. By the time an emergency response can be mounted, livelihoods may be severely damaged and may take years to rebuild. In other cases, it is not a single dramatic event, but rather the cumulative effects of crises over time that undermine the livelihoods of specific groups who suffer an ongoing “silent emergency” of malnutrition and ill health. Safety nets ensure that livelihoods are not lost, but rather built upon while assisting those in need. They are tools that national governments, WFP and other national and international partners can use to preserve opportunities and give hope to many of the poorest people.
2. A properly designed safety net provides a predictable set of institutionalized mechanisms to help households in distress cope with shocks and meet their minimum consumption requirements. Safety nets are coordinated by governments and frequently implemented in partnership with international agencies such as the World Bank, non-governmental organizations (NGOs) and United Nations organizations as part of a country’s poverty reduction strategy. In the past, safety nets were often viewed as simple relief transfers that helped poor people to alleviate the worst effects of shocks, but that had limited long-term benefits and involved the danger of creating dependency. However, based on a more empirically grounded understanding of risk and vulnerability, it is now recognized that safety nets, if correctly implemented, have the potential not only to protect, but also significantly promote the livelihoods of poor people.¹
3. For WFP, safety nets have important potential benefits. In shock-prone areas, they facilitate timely responses and should reduce the need for repetitive emergency appeals for recurrent crises. They complement existing policies such as Enabling Development by ensuring that systems are in place to safeguard livelihoods in the event of a future shock. By integrating assistance activities into a national strategy, safety nets also help to avoid the duplication of efforts while providing a framework for assisting governments to develop sustainable food assistance systems. In certain circumstances, however, they may not be the most appropriate option for WFP interventions.
4. Given their place on the aid agenda and their relevance to WFP, this policy paper provides corporate guidance on WFP’s engagement with safety nets. It explains developments in the understanding of safety nets, analyses WFP’s experiences with these tools and explores potential opportunities for using safety nets to improve the effectiveness of future programmes.

II. THE CONTEXT FOR SAFETY NETS

5. In many developing countries during the 1980s and 1990s, poverty eradication was pursued through programmes and policies that focused primarily on promoting economic growth. While this strategy continues to be important, it is now widely accepted that growth is not sufficient on its own. Economic growth takes time to materialize and even

¹ Some important references include: Devereux, S. 2002. *Social Protection for the Poor: Lessons from Recent International Experience*, Institute of Development Studies. Working Paper No.142. Brighton, UK; World Bank. 2001. *Social Protection Sector Strategy*. Washington DC; Norton, A. et al. 2000. *Social Protection Concepts and Approaches. Implications for Policy Practice in International Development*. Working Paper No. 143. London, Overseas Development Institute. For a comprehensive review of the literature, see WFP, 2004. *Vulnerability, Social Protection, and Food-based Safety Nets. Theory, Evidence, and Policy Underpinnings*. Rome. Mimeo.



when it does occur, its effects may be unevenly distributed, leaving many poor people unable to take advantage of the opportunities it provided. Insights into vulnerability and risk have demonstrated the importance of combining economic growth strategies with social protection measures such as safety nets.²

6. Social protection strategies are integrated systems of institutionalized national measures, which may include contributory pensions, insurance schemes and safety nets. Safety nets are the social protection component targeted at the most vulnerable sections of a population. In the past, many developing countries had an assortment of uncoordinated programmes run by a variety of actors. A safety net as a component of social protection systems is distinguished from individual projects by the integration of many activities into a predictable, institutionalized system based on a framework of vulnerability and risk.
7. Vulnerability is crucial to understanding how people become poor and why they stay poor.³ It is a function of a household's capacity to manage risks and its exposure to risk. Risk-management capacity relates to a household's ability to use its human, physical, financial, social and environmental assets, and the livelihood strategies it pursues, to deal with risk. Exposure to risk is determined by the external environment, including the general economic situation, the national political and legal framework, and the likelihood of natural disasters and conflict.
8. Exposure to risk and the realization of some of these risks in the form of shocks⁴ can be severely detrimental to poor people's livelihoods.⁵ When shocks are encountered, poor people suffer the direct effects of poverty and hunger, making them less productive and less able to earn a living. Because of their narrow margin of survival, they are at the same time extremely sensitive to risk and unable to take chances that might improve their livelihoods, such as investing in education or crop diversification.⁶ Each time they are hit by a shock, they are forced to employ negative coping strategies such as reducing food consumption, selling productive assets and removing children from school. These strategies further diminish their asset base and make them more vulnerable to the next shock. This vicious cycle is often referred to as the "poverty trap".
9. It is difficult for poor people to escape the poverty trap unaided. They require a combination of development activities complemented by social protection measures such as safety nets. In understanding how safety nets work, it is important to recognize that poor people are not one homogeneous group. The "transient poor" move in and out of poverty while the "chronic poor" stay permanently below the poverty line. When affected by shocks such as drought, flood and job loss, the transient poor require protection and promotion to keep them out of the poverty trap.⁷

² Holzmann, R. *et al.* 2003. *Social Risk Management: The World Bank's Approach to Social Protection in a Globalizing World*. Washington DC, World Bank.

³ Alwang, J. *et al.* 2001. *Vulnerability: A View From Different Disciplines*. World Bank Social Protection Discussion Paper No.0115. Washington DC.; Webb, P. and Harinarayan, A. 1999. A Measure of Uncertainty: The Nature of Vulnerability and Its Relationship to Malnutrition. *Disasters* 23(4) 292–305.

⁴ The shocks can take a variety of forms. Shocks such as droughts, monsoons, economic downturns, conflict, earthquakes and floods are large-scale, affecting a wide segment of the population. Others, including HIV/AIDS infection, loss of a household wage-earner, illness or disability are more individual (or "idiosyncratic"), affecting specific households or groups.

⁵ All references to "livelihoods" are made in the context of households rather than individuals.

⁶ Barrett, C.B. *et al.* 2001. Income Diversification and Livelihoods in Rural Africa: Cause and Consequence of Change. *Food Policy* 26(4), 315–333. Ellis, F. 2000. *Rural Livelihoods and Diversity in Developing Countries*. Oxford, UK, OUP.

⁷ Recent empirical work suggests that in circumstances of high poverty mobility, greater gains can arguably be made from smoothing fluctuations and uncertainties than in simply seeking to reduce the percentage of total households below a fixed poverty line (cf. Sinha, S. and Lipton, M. 1999.) *Damaging Fluctuation, Risk and Poverty: A Review*. Brighton, UK, University of Sussex.



10. Chronic poverty has deeper roots. Effective assistance for the chronic poor requires a combination of livelihood protection and promotion measures complemented by interventions to address the structural constraints that they face.⁸ The chronic poor fall into two groups: the able-bodied and the dependent. For the able-bodied, the protection function of the safety net ensures that they do not fall any further into poverty while promotional activities strengthen their livelihoods, providing them with a platform for future development. The dependent include elderly, disabled, sick and malnourished people who require ongoing support, at least for a time. When safety nets designed to address chronic poverty are combined with development activities, these beneficiaries are able to make significant gains.⁹

III. SAFETY NETS

Types of Safety Nets

11. Safety nets are not confined to a limited set of instruments; development practitioners are continuously creating new designs. A set of core instruments, however, has been developed by the World Bank and others:
- *Unconditional transfers* are needs-based transfers to people who cannot support themselves and who are not able to participate in other programmes. Examples of these include transfers to malnourished, sick and disabled people.
 - *Conditional transfers* are transfers to households or individuals that are conditional upon beneficiaries undertaking a certain desirable behaviour. Examples include transfers conditional on sending children to school, participating in antenatal or postnatal care, and attending training.
 - *Public (or community) works* are labour-intensive projects providing wages for unemployed people while creating assets to benefit the community or public. Examples include large-scale infrastructure projects and small community-based interventions.
 - *Price subsidies, stamps and coupons* are for commodities or utilities that are a particular burden to poor people. Examples include subsidies for commodities that are consumed predominantly by the poor, such as staple grains.
 - *Fee waivers* assist poor people with participation in public services, when fees are required. Examples include waivers for school fees and fees connected with visits to health clinics.

Food-Based Safety Nets

12. Many of the safety nets described above can be provided either in cash or in kind. The most common in-kind transfer in safety nets is food. Since food-based transfers are WFP's main focus, they will be dealt with in some detail in the following section.

⁸ Bird, K. *et al.* 2002. *Chronic Poverty and Remote Rural Areas*. Chronic Poverty Research Centre, Working Paper No.13. Manchester, UK.

⁹ Devereux, S. 2002. Can Social Safety Nets Reduce Chronic Poverty?. *Development Policy Review* 20(5), 657–675; Hulme, D. *et al.* 2001. *Chronic Poverty: Meanings and Analytical Frameworks*. Chronic Poverty Research Centre, Working Paper No.2. Manchester, UK.



13. Food-based safety nets represent a subset of safety-net programmes, with the distinctive characteristic that they provide food to beneficiaries either directly (in-kind) or indirectly (through food stamps, vouchers and coupons). Both cash and food-based programmes provide a transfer of income to increase recipients' purchasing power, but food-based programmes also have other objectives, such as increasing household food consumption in order to address hunger and malnutrition or micronutrient deficiencies. Apart from the use of food as a resource, these safety nets do not vary greatly from the general types of safety nets described above.
14. In designing an intervention, the comparative advantages of cash and food¹⁰ should be carefully analyzed on the basis of local conditions. Factors to consider include the following:
- *Level of market integration and food supply.* In many remote locations, physical infrastructures such as roads, bridges and buildings are limited, and market development may have been impeded. In these cases, providing cash will not necessarily allow households to obtain sufficient food. Food may not be available in the market because of local production failures, and the low level of physical infrastructure, combined with relatively low levels of effective demand, may not induce traders to supply the area. However, in situations where markets and infrastructure are adequately developed, cash may be the appropriate option because cash transfers will probably increase local demand, thereby creating an incentive for increased local production and stimulating markets.
 - *Level of financial infrastructure and administrative capacity.* Food may be easier to administer than cash in countries lacking financial infrastructure. When there are no local banks or other financial institutions, it can be difficult for governments to transport and distribute large sums of cash to remote areas. This is particularly true in crisis and post-crisis situations where risk of theft is considerable. Food transfers may also be easier to monitor and less prone to corruption. In places where both financial infrastructure and administrative capacity exist, however, cash may have some advantage, because it is often less costly to manage than food.
 - *Inflation effects.* Where markets are disrupted by conflict or physical hazards such as floods, or not fully integrated, food is less likely to cause inflation than cash.
 - *Food consumption.* If the objective of a transfer is to increase food consumption of the poorest people, evidence suggests that in some circumstances this can be better achieved with food. Cash increases the households' choices, but is also more likely to be diverted towards non-productive activities. (It should be noted that food may also sometimes be diverted through sale or substitution.)¹¹
 - *Micronutrient deficiencies.* Food can be fortified to address micronutrient deficiencies among beneficiaries. These deficiencies are more difficult to address with cash, since fortified foods may not be available locally.

¹⁰ The discussion of "comparative advantages" is based on the findings of a number of studies, including: Abdulai *et al.* 2004; Coady, 2004; Bezuneh *et al.* 2003; Haddad and Frankenberger, 2003; Smith and Subbarao, 2003; Webb and Rogers, 2003; Yamano *et al.* 2003; Barrett, 2002; Coady *et al.* 2002; Del Ninno and Dorosh, 2002; Devereux, 2002; Rogers and Coates, 2002; Tabor, 2002; Hashemi, 2001; Castaneda, 1999; von Braun *et al.* 1999; Haddad *et al.* 1997; Faminow, 1995; Sen and Dreze, 1989.

¹¹ According to Webb and Rogers (2003): "...while there is plentiful evidence that food aid recipients are often obliged to sell food in order to obtain a) more desired foods than those received as aid, b) condiments, c) non-food items deemed essential to survival, there is little evidence that food aid is sold because food itself was either unnecessary or too plentiful. There is, however, little doubt that resources complementary to food (including fuel, clothing and water) are increasingly important in saving and securing lives."



- *Targeting.* Food has the potential to be self-targeting, both among and within households. Wealthier households may be less inclined than poor households to participate in food programmes. Within households, women are more likely to control food resources, which increases the likelihood that food will benefit the entire household.¹²
15. Often, it will not be a question of food or cash, but how best to combine the two resources to achieve optimum results.¹³ This may be done by combining a food-based safety-net activity (e.g. a mother-and-child health and nutrition (MCHN) activity for pregnant and lactating women) for one vulnerable group, with a cash-based programme (e.g. cash for work for the unemployed) directed at another. Another option is to combine cash and food in the same transfer. In public works, for example, part of the wage can be paid in food to boost household food consumption and part can be paid in cash to cover non-food household needs.
 16. The transition from food transfers to cash is most effective when other crucial structural interventions are also implemented¹⁴ that address the underlying constraints that characterize the risky and harsh environments where WFP often operates. When such improvements take place, the comparative advantages of food decrease. The status of food supply, its marketing infrastructure and the financial infrastructure could function as key indicators in deciding when the transition from a predominantly food-based approach towards a cash-based system is most appropriate.

Design Principles for Safety Nets

17. Good safety-net design and programming follows six basic principles:
 - i) *Integrated into broader national contexts, policies and programmes.* Safety nets should be: adapted to the unique constraints faced by the target population; integrated into a coherent national strategy for economic growth and social protection; and developed in partnerships between governments and donors.
 - ii) *Targeted to those most in need of a transfer.* While all WFP programmes target poor and vulnerable people, the primary objective of safety nets is to reach those most in need of a transfer. Other livelihood-promoting objectives are important but only secondary to reaching the right people with the transfer.
 - iii) *Available in periods of need.* The transfer should be available when beneficiaries suffer from food insecurity. To achieve this, the safety net should either be implemented throughout the year to allow people to enter and leave as the need arises, or be timed to coincide with periods when households are most food insecure.
 - iv) *Take a long-term perspective.* A sustained effort is required if safety nets are to build resilience and improve the livelihoods of poor people so that they can cope with seasonal fluctuations in food security on their own. Long-term interventions spanning several seasons or short-term interventions leading to a handover to partners may be required.

¹² Quisumbing, A.R. et al. 1995. *Women: The Key to Food Security*. Washington DC, International Food Policy Research Institute (IFPRI).

¹³ It is also important to bear in mind the crucial role played by adequate non-food resources for complementing food-assisted programmes and ensuring that delivery can be guaranteed to the most remote areas.

¹⁴ "Structural interventions" here refer to building national institutional and administrative capacity, improving disaster preparedness through vulnerability mapping and early warning systems, and stimulating production, trade and market development.

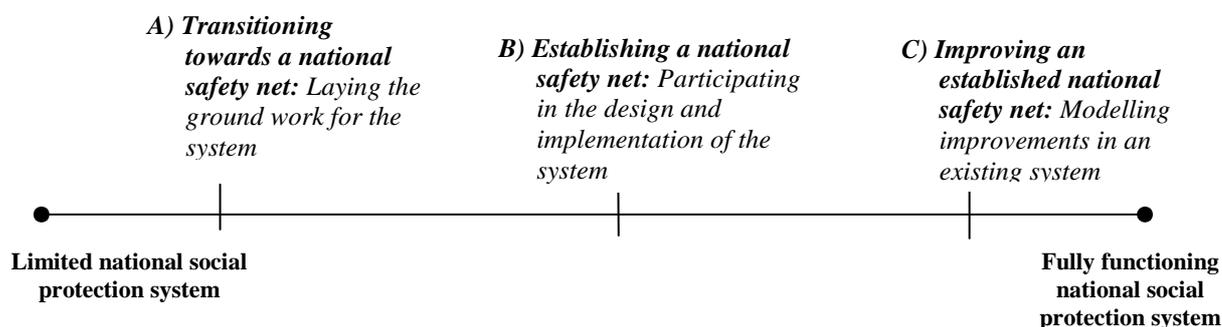


- v) *As predictable as possible.* To achieve the best results, potential beneficiaries need to know in advance that they can rely on the safety net in the event of a shock. This permits them to take calculated risks and make the investments necessary to diversify and improve their livelihoods.
- vi) *As productive as possible.* While safety nets need to have protective functions, they should be designed to the extent possible to achieve promotion of livelihoods simultaneously. Such an emphasis will help to address the underlying causes of poverty.

IV. WFP EXPERIENCES WITH FOOD-BASED SAFETY NETS

18. A number of WFP country offices have already been engaged with safety nets in their country programming. WFP's experiences with safety nets suggest that such interactions fall along a spectrum based on a range of national factors and circumstances. At one end of the spectrum, there are countries that do not have any formal safety net or social protection system, while at the other end there are countries that have well-established and fully-functioning food-based safety nets as part of an integrated social protection system.
19. In this context, it is helpful to consider three models for WFP's interventions along this spectrum,¹⁵ based on country office experiences.

Diagram 1: Spectrum for WFP Safety Net Activities



20. *Model A – Transitioning towards a national safety net.* In some countries emerging from conflict and/or re-establishing good governance, efforts are being undertaken to move towards a system of social protection, including safety nets, under the country's poverty reduction strategy. WFP can play a variety of critical roles at this stage with governments or partners, including advocating for food-based safety nets, developing capacity for managing them and modelling possible intervention types. In these ways, WFP can help to lay the groundwork for future institutionalized national safety nets.

¹⁵ This safety-nets spectrum should not be confused with the "relief to development continuum". The spectrum refers to the degree of development of national social protection systems. The positions of the models in the spectrum therefore do not correspond to emergency, recovery/reconstruction or development interventions.



21. The box below contains examples of situations in which the challenging transition process is under way.

Box 1: WFP Experiences with Model A – Transitioning Towards a National Safety Net

Sierra Leone: Laying the groundwork for national safety nets

Sierra Leone has just emerged from over ten years of civil conflict, which ravaged the country to the extent that it is now ranked last of 177 countries on the Human Development Index. The new Government is committed to the development of a social protection strategy as part of its wider poverty reduction strategy. First, WFP has taken on three important roles in assisting the Government and civil society in this transition: it has served as an advisor in the development of the Poverty Reduction Strategy Paper (PRSP) and an advocate for food-based safety nets. It has been involved in the development of the first National Food Security Strategy document, which highlights the value of food-based safety nets. Second, WFP has used vulnerability analysis and mapping (VAM) as a tool for analyzing a national household survey. The use of VAM by the Government and international partners builds capacity for targeting under the future national food-based safety net. Third, WFP is also developing a country programme of assistance that includes safety-net interventions. These interventions, implemented in partnership with the Government, serve as models and build capacity for future institutional safety nets, while offering assistance until a Government-led safety net is in place.

Afghanistan: Highlighting the role of food-based safety nets

After decades of civil war, the return to peace has permitted significant improvements in the country, including the resumption of Government services in some areas and the repatriation of refugees. As part of the transition, the Government, in conjunction with international partners, has outlined ambitious goals for social protection. WFP Afghanistan is assisting the Government as it moves towards the development of a safety net. It is working closely with the World Bank, which shares WFP's interest in supporting national social protection measures. WFP also has an adviser seconded to the Ministry of Rehabilitation and Rural Development, which will allow it to assist the Government in the development of its national food-security policy. WFP is a lead member of the Common Country Assessment (CCA)/United Nations Development Assistance Framework (UNDAF) process for Thematic Group 4 on livelihood issues. Because of its engagement with the Government, national and international partners, and civil society, WFP has an opportunity to advocate and build capacity for the establishment of food-based safety nets.

22. *Model B – Establishing a national safety net.* Several countries are in the process of establishing national safety net programmes. At this stage, WFP can participate in the design and implementation of the systems with governments and other partner agencies. The case studies below highlight both the challenges and the benefits of integrating some of WFP's country activities into a national safety net.



23. The following box provides some illustrative examples.

Box 2: WFP Experiences with Model B—Establishing a National Safety Net

Ethiopia: Creating a multi-annual, productive safety net

In Ethiopia, the Government has set out to revitalize the country's food security policy. Existing support for food security has been provided largely in the form of protective, but not promotional, transfers such as emergency food aid distributions. Together with multilateral and bilateral partners, the Government has now formed the Coalition for Food Security. This coalition has recommended a gradual transition from humanitarian assistance to a system of productive safety nets resourced via multi-year contributions. The objective of these reforms is to harness the productive potential of the large financial flows involved while maintaining continued protection for everyone against poverty and famine. Achieving consensus has sometimes been challenging because of the need to accommodate the views and approaches of different stakeholders. Drawing on its extensive experience with Enabling Development and emergency interventions, WFP has taken part in ongoing work to develop the national safety net by acting as an adviser to the coalition on the role of food and food aid and by planning a broad range of interventions suited to address vulnerability in the Ethiopian context. The efforts of the coalition illustrate the potential for safety nets to act as a bridge between emergency and development in highly disaster-prone food-insecure areas.

Malawi: Food-based interventions in the context of a national safety net strategy

In Malawi, the WFP country office has been involved in the planning and implementation of the country's National Safety Nets Programme. In response to the country's worsening economic conditions and high HIV/AIDS prevalence, the country office has helped to develop a Joint Integrated Food-Based Safety Net programme. The country office was instrumental in building a coalition of Government ministries, donors and NGOs in support of the programme and in developing many of its components. The safety net is now in its inception phase. WFP has implemented several activities under the safety net programme, including a targeted nutrition intervention. WFP's involvement in Malawi's national safety net is an example of how food-based interventions can be integrated into coherent national strategies for livelihood protection and promotion.

24. *Model C – Improving an established national safety net.* Some countries have strong capacities and well established national food-based safety net programmes that have been functioning for years. In these countries, WFP has a different but important role to play. Instead of trying to provide substantial amounts of aid, WFP can fill gaps, provide models for improving the national system and advocate for those who have fallen through the safety net. In this respect, many of the activities in these countries contribute directly to Strategic Priority (SP) 5, capacity-building for national food assistance programmes.



25. Box 3 offers some examples of countries' experiences at this stage.

Box 3: WFP's Experiences with Model C—Improving an Established National Safety Net

Indonesia: Filling gaps in national safety net programmes

In response to multiple crises in 1997–1998 including drought, financial collapse and civil conflict, the Government of Indonesia created a variety of safety-net programmes to mitigate the impact of the emergencies on poor people. While many of the original safety-net programmes have been phased out, *Raskin* continues to provide subsidized rice to many of the poor throughout the country. The national programme does not, however, adequately reach some of the ultra-poor in the slums of Jakarta and other urban centres. WFP Indonesia launched its *Operasi Pasar Swadaya Masyarakat* (OPSM) programme to fill these gaps in the national programme. Using VAM methodology, WFP has developed a more precise method of targeting and a more transparent and accountable system of distribution. An innovative feature of this WFP programme is that it uses the money collected through the sale of rice for community development activities in the areas where it works. This revolving fund ensures that the protection benefits of the subsidized rice programme are combined with livelihood promotion activities. As it phases out, WFP is encouraging the Government to maintain the programme.

India: The role of modelling and advocacy

India is a food-surplus country with a well-developed system of food-based safety nets. The system is designed, in theory, to protect a person throughout the life cycle, with assistance to: young children and pregnant and lactating women, followed by school feeding and then seasonal public works projects and a public distribution system (PDS) for those in need as adults. In such a massive system, WFP does not contribute significantly to the amount of food supplied, but the country office has played two other critical roles. First, it pilots and models more effective programmes for improving existing safety nets. In the programme for young children and mothers, it has shown how the meals can be combined with important nutrition and health education messages. In school feeding, WFP is piloting the use of micronutrient-fortified food as a mid-morning snack, an example that can be taken up and replicated in other regions of the country. Second, it has taken a strong advocacy role, speaking out on behalf of the poor affected by a "silent emergency" of hunger and ill health. Several high-visibility publications, including the *Food Insecurity Atlas of Urban India*, the *Food Insecurity Atlas of Rural India* and *Towards Hunger-Free India*, have helped to raise awareness of the issue and what can be done to address it.

Ecuador: Identifying gaps in a national safety-net system

In the past decade, Ecuador has experienced slow economic growth, and much of its population remains in poverty. To address food insecurity, especially among marginalized groups, the Government has an extensive system of food-based safety nets, ranging from support for pregnant women to school feeding. In the past, different ministries implemented the various safety-net activities independently of each other. However, the Government has recently established a national network – *Frente Social* – that brings together the different ministries working on social issues. As part of this wider initiative, WFP has taken the lead in proposing an approach called the *Cadena de Vulnerabilidad Alimentaria* (the "Food Vulnerability Chain"). Recognizing that those most vulnerable to malnutrition are pregnant women and children up to the age of 14, the aim of the approach is to ensure that safety nets are in place to cover these periods in the life cycle. The approach does this by identifying and filling gaps, avoiding duplication of efforts and building complementarities among food-based programmes.



26. In the past, in countries such as Kosovo, WFP has been involved with each of these models at different periods, and then implemented an effective phase-out. The table below summarizes some of WFP's roles under each model and indicates which strategic priority the programme addresses.

ROLES FOR WFP IN RELATION TO SAFETY NETS			
Model	A: Transitioning	B: Establishing	C: Improving
Roles for WFP	<ul style="list-style-type: none"> – advising governments on food security issues (SP5) – advocating for food-based safety nets (SP5) – building partnerships (SP5) – demonstrating interventions and targeting techniques, such as VAM, for safety nets (SP2 and SP5) 	<ul style="list-style-type: none"> – participating in the design of safety nets (SP5 and SP2) – participating in the implementation of safety nets through WFP programme activities (SP2) 	<ul style="list-style-type: none"> – filling gaps in safety nets (SP2) – modelling and piloting improved interventions (SP5 and SP2) – advocating on behalf of the hungry poor (SP5)

V. PROGRAMMING IMPLICATIONS

27. Safety nets should be viewed as a distinct but complementary tool to Enabling Development programmes. While Enabling Development activities aim to improve the livelihoods of poor people directly, safety nets try to protect and build on those gains when there is the setback of a crisis. Many of WFP's programmes and activities have some safety net elements, and they often have similar objectives. This does not mean, however that all WFP's activities can be considered safety nets or that all WFP activities should be turned into safety nets. In many cases, WFP programmes and activities are designed to serve other primary objectives such as saving lives or promoting education. In other cases, there may be no effective national social protection mechanisms for WFP to engage with, leaving only ad hoc or shorter-term response options. The following section examines the implications of safety nets for WFP programming and operations.

Implications for Emergencies

28. In many countries where emergencies arise, there are no safety nets and little immediate prospect for national social protection systems because of conflict or for other reasons. WFP's activities in such situations have many of the same goals as safety nets, including reducing negative coping strategies and preserving assets, as reflected in WFP's Livelihoods in Emergencies policy. While it may be possible to implement Livelihoods in Emergencies activities on short notice, and while emergency food distributions save lives and prevent negative coping strategies in the short term, they lack the predictability and long-term perspective needed to protect and promote livelihoods in an institutionalized manner. These activities cannot therefore be characterized as safety nets.
29. If the disaster is not likely to be a one-off event, work could commence as a follow up on activity during relief and recovery to transform the emergency response into a long-term productive safety net (Model A and Model B) in collaboration with the government. Such a transformation would continue protecting livelihoods and begin building resilience to future shocks, as indicated in Model A and Model B.



30. When emergencies occur in places where safety nets already exist, WFP activities should help to reinforce and complement the safety net response. They can do this by supporting existing safety-net activities that do not have sufficient resources to respond, or by covering gaps in the system.

Implications for Relief, Recovery and Development

31. In the recovery phase after a crisis, poor people are particularly vulnerable, because their health, nutrition and asset base have been adversely affected; they are therefore at a higher risk of suffering serious consequences if exposed to new shocks. In these situations, safety nets have particular relevance. In development situations, there will in many cases be pockets of severely vulnerable populations who are unable to take part in mainstream development activities because they have been debilitated by hunger and poverty. In the event of a shock, it is also important to protect and build upon the gains of those who have been able to make improvements in their livelihoods.
32. In the aftermath of a crisis, if no national safety net exists, and the situation in the country permits, WFP could be involved in laying the groundwork for a future system (Model A), by ensuring that food and food aid are integrated into national strategies for social protection, including safety nets and poverty reduction – for example, PRSPs. To achieve this, WFP should strengthen its participation with governments and other donors in broader discussions of national policy strategies: acting as an advocate for the hungry poor, bringing attention to the contribution of food to address risk and vulnerability and strengthening governments' abilities to plan and implement food-based interventions.
33. For countries ready to implement social protection strategies, WFP can participate in the establishment of a new safety net (Model B). A comprehensive national safety net programme should be developed by governments in cooperation with all relevant actors to ensure a country-wide multi-year system that is predictable and avoids duplication of efforts. After identifying areas of risk and vulnerability, and weighing alternative interventions, an optimum combination of safety-net interventions should be combined into a single system. WFP could then implement some of its programme activities under the comprehensive national safety-net framework.
34. In many development settings, countries already have social-protection systems, which may include food-based safety nets. In these circumstances, and in many relief and recovery situations, WFP safety-net activities can focus on filling gaps, modelling, and advocacy (Model C). For example, WFP may become aware of marginalized groups who are not included in the government system. In that case, WFP could fill gaps in government safety nets while working with governments, where possible, to have the groups eventually included in the national system. WFP may also identify ways in which existing interventions could be improved and model these improvements in certain communities as a first step to their eventual adoption in the national system. WFP may also advocate on behalf of poor people who have slipped through the safety net or would benefit from a stronger safety net.
35. Although basic safety-net principles may already be incorporated to some degree into WFP activities, the activities may require some modifications when integrated into a national safety net, as in model B. WFP has traditionally focused its conditional transfers – that is, transfers made contingent on beneficiaries undertaking a certain desirable activity – in the areas of asset creation, vocational training, education and health and nutrition.



36. *Food for assets.* Public and community works can function as a safety net by providing wage employment for vulnerable groups with surplus labour while building assets that benefit households and communities. Food for assets (FFA) is likely to be most effective as a safety-net activity in settings with high unemployment, need for labour-intensive works and capacity to oversee design and implementation.
37. Consistent with the Enabling Development policy, WFP's FFA programmes are community-based interventions that have clear exit strategies and benefit both the local community and individual households. However, in a safety-net context it may be appropriate in some instances to support larger infrastructure projects because they are better suited to accommodating a large number of participants and more flexible in scaling the number of people up and down in accordance with needs.
38. *Food for training.* Planning and implementing food for training (FFT) in a safety net context does not differ considerably from any other WFP FFT activities. In a safety net, however, the duration of these activities should be long enough to cover household consumption gaps and effectively impart the required skills to the beneficiaries. Extended training programmes that can span the entire season or longer, such as literacy classes, could be designed. Alternatively, additional rations could be given for shorter training programmes to cover the period of need. The integrated nature of safety-net programming should make it possible to link training programmes to complementary activities like microcredit schemes for beneficiaries to put the skills they have acquired to use.
39. *Food for education (school feeding).* Traditional school feeding programmes, which provide one or more in-school meals, encompass many basic characteristics of safety-net activities, especially when used in an emergency situation, even though their primary objective is focused on education and learning. Their safety-net component is reinforced in non-emergency situations when take-home rations are provided for targeted vulnerable families as a complement to in-school feeding. With refined targeting in a safety net programme, food rations can be provided directly to households with a large consumption deficit or high levels of malnutrition, who also have children that are not in school or are at risk of dropping out.
40. *Food for health and nutrition.* Conditional food-based safety net transfers for health and nutrition can act as an incentive for beneficiaries to take advantage of health and nutrition services. Most MCHN programmes providing food transfers to mothers and children could function as safety net activities because they address the consumption shortfalls of a particular vulnerable group. The design of these interventions as part of a broader safety-net programme would not differ greatly from that of any other MCHN activity.
41. *Targeted unconditional food distribution.* This type of safety-net activity will normally be used to support particularly vulnerable groups such as elderly, disabled, sick and seriously malnourished people who cannot provide for themselves. Nutritional support to people living with HIV/AIDS and their dependents is an increasingly important WFP activity. When combined with the distribution of anti-retroviral drugs, targeted food interventions can enable people to regain their strength and engage in income-generating activities. Assistance to dependents allows them to contribute to the household's livelihood options.



42. Caution should be exercised, however, when supporting activities that involve a high risk of institutional and budgetary dependence. They should therefore only be used as a safety net of last resort, when more productive alternatives are not deemed feasible. WFP support should be limited to a transition period, when temporary support is needed until other solutions can be identified. WFP should have a clear strategy for exiting programmes within a reasonable time frame by transferring full responsibility for beneficiary care to the government, family, or community.
43. *Cross-cutting issues.* A number of considerations apply to all WFP activities, but some have special significance when applied in a safety-net context. Among the most important cross-cutting issues are beneficiary participation and gender.
44. Participation of the beneficiaries in both design and implementation is essential to help ensure that the size and timing of transfers are optimal and that productive add-ons are in accordance with beneficiary needs and priorities. This also helps to ensure that interventions do not negatively affect informal safety-net structures, but reinforces and strengthens them.
45. In line with WFP's Enhanced Commitments to Women (ECW), gender considerations should be incorporated in the design of safety net programmes. Women are disproportionately represented among vulnerable people, and men and women may also be exposed to different types of risk that require different responses. In safety nets, programmes can be designed to target women or to ensure that women benefit equally from transfers, as detailed in ECW III.
46. *Exit strategy.* A major concern related to WFP's involvement with safety nets is ensuring that there is a clear exit strategy. While creating long-term, predictable safety nets is in the interest of WFP and its beneficiaries, it is not WFP's role to be an on-going implementer of national safety nets. Therefore, clear exit strategies need to be in place, especially when participating directly in the day-to-day functioning of the safety nets with WFP programme activities and resources. WFP's continued involvement should be evaluated when renewing country strategies.

VI. IMPLICATIONS FOR RESOURCING

47. Integration of some of WFP's activities into national safety nets may also have implications for the resourcing of WFP's programmes. Effective implementation of safety nets requires predictable and longer-term commitments, and a focus on addressing the causes as well as the symptoms of poverty and food insecurity. This is less effectively achieved with emergency resources, which are neither predictable nor long-term. The optimal transition to a safety net in WFP's operations therefore involves a greater degree of predictability of resource contributions and donor commitment, especially in transition and development activities. This would not necessarily entail greater overall costs, however. Investment in safety nets will reduce the requirement for relief assistance because the cumulative efforts over time to promote livelihoods of the poor should enhance their resilience to shocks, thus reducing overall emergency needs.



VII. CONCLUSIONS AND RECOMMENDATIONS

48. Safety nets represent a potentially important tool for poverty eradication when used as part of national social protection strategies to complement broader development and food-security programmes. WFP has extensive experience with food aid activities that share the basic features of safety-net programmes. This paper has identified the roles that WFP might play within national safety-net programmes at different stages of their development.
49. In order for WFP to participate actively with governments and other partners at each of these stages, it is recommended that:
- WFP enhance its capacity to advise knowledgeably and advocate effectively for food-based safety nets, where appropriate, during the formulation of national poverty reduction strategies. Measures relating to training and staffing should ensure that country offices, with the support of regional bureaux and Headquarters, have sufficient in-house expertise.
 - WFP develop guidelines on the most appropriate design and implementation of safety nets. Particular attention should be paid to: the most effective safety net modalities for local circumstances; the optimal combination of food and cash transfers; the potential for safety nets to act as a bridge between emergencies, recovery and development; and the design of specific safety-net activities.
 - WFP strengthen its ability to improve existing national safety-net programmes. Best practices in WFP's experiences with safety nets should be shared across regional bureaux and country offices as part of a larger system for knowledge and information sharing within the organization. WFP should also collaborate with partners including national governments, the World Bank, NGOs and other United Nations organizations to identify cross-agency best practices for safety nets.
 - WFP explore appropriate funding mechanisms for its involvement in safety nets. These efforts may include expanding its donor base and addressing issues specific to safety nets, such as multi-year funding.
50. Taken together, these measures will provide WFP with a basis for further integration of safety nets into its future programming.

