

Cash transfers & food security amid COVID-19

This study focused on South Sudanese refugees registered in Kiryandongo Refugee Settlement, in Uganda. It explored the 8-month impacts of large, one-off cash transfers on refugee food security during the early months of the COVID-19 pandemic.

One-off cash transfers did not achieve food security for all refugees- but do provide moderate protection from food insecurity.

While humanitarian agencies increasingly provide a 'cash' option for monthly aid, in lieu of in-kind support, these agencies have not distributed large, one-off transfers. This study assessed the one-year impact of the first attempt of such a transfer — \$1000 from GiveDirectly. When the pandemic struck, phone surveys were launched to look at a variety of outcomes, including food security and responses to COVID-19 public health measures. The findings indicate that cash transfers help improve conditions, but do not bring households to an acceptable level of food security.



Photo of a homestead in Kiryandongo settlement.
Photo credit: Heather E. Lanthorn, February 2020

Background

Little is known about the effects of large cash transfers in contexts of protracted displacement — in general or in light of widespread shocks. Refugee households studied have an average of nine members and have been in the settlement six years. Upon arrival to the Kiryandongo settlement, most households received a small plot of land; many refugees struggle to support themselves from the land provided and acquiring additional land is not straightforward for refugees. Refugees registered in the settlement experienced a succession of shocks in 2020: including COVID-19 lockdowns and school closures in March 2020, resulting in cessation of free school lunches, as well as a 30% reduction in monthly food/cash rations from the World Food Programme from April 2020. IDinsight and GiveDirectly partnered to explore the effects of large one-off cash transfers in this context.

How the research was conducted

Three rounds of structured phone surveys were conducted from July to October 2020, with about 640 respondents per round. A treatment group of refugee households who had received their unconditional cash transfers of USD 1000 was compared with those who had not yet received the transfer. The phone surveys were layered on an on-going randomized evaluation of GiveDirectly's cash transfer program.

Key findings

- **Refugee households are food insecure.** Overall, both households that had and had not received their cash transfer were food insecure in October 2020. 79% of control respondents and 73% of treatment respondents skipped at least one meal in the prior week.
- **Cash transfer recipients experience moderately less food insecurity.** In both July and October 2020, food insecurity is moderately reduced -- by 0.2SD on a food insecurity index -- among households who received the transfer compared to those who had not.
- **Respondents regularly leave their house and grounds.** In October 2020, 85% of respondents reported leaving their homes at least once in the past week. Only one-third of these could maintain social distancing while out. While 84% of respondents reported wearing masks when out, they said others did not.

Implications for humanitarian practitioners and policymakers

- Large, one-off cash transfers, provided before a shock provide moderate protection against food insecurity several months after the shock began.
- However, large unconditional cash transfers do not achieve food security for all in the context of a widespread shock like a pandemic, which combined increased market prices, reduced employment, eliminated school lunches, and reduced humanitarian aid.
- If food security and nutrition are key policy goals, large cash transfers may not be the optimal policy for this environment. Households tended to use the transfers on bulky spending needs (such as home improvement), which don't translate directly into improved food security
- Food insecurity should be considered alongside assessment of future risks of COVID-19 infection in the settlement. With further cuts in monthly food/cash rations planned in February 2021, people's ability to stay home or stay distanced will likely further drop in order to earn income for food and other needs.

Recommendations for future research

- Conduct granular investigation into household decision-making to understand why cash transfers did not contribute more to food security. This can help shape humanitarian aid that ensures good nutrition.
- Conduct longer-term research to understand long-term effects on food security and other outcomes. (This is planned.)
- Explore differences in outcome different modules: a food security index showed a greater increase than a consumption module.
- Explore differences in timing: food security improved in two of our three survey rounds, but not in the round nearest to the harvest.

About the study team

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The study would not have been possible without the respondents. The research protocol was reviewed and approved by the Research Ethics Committee of Mildmay Uganda and the Uganda National Council for Science and Technology.

Keywords

Examples: Refugees; cash transfers; humanitarian response; food security; COVID-19

Articles and further reading

Food security is one of many issues we explore in this research. Other outputs including research reports are available, as well as ongoing updates.

Read more on this study on IDInsight's website:

<https://www.idinsight.org/projects/unconditional-cash-transfers-in-kiryandongo-refugee-settlement-uganda>

Elrha's website:

<https://www.elrha.org/project/cash-transfers-and-covid-19-experiences-from-kiryandongo-uganda/>

GiveDirectly's website:

<https://www.givedirectly.org/research-at-give-directly/>



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<http://www.elrha.org/programme/research-for-health-in-humanitarian-crises/>