

## Role of Unconditional Cash Transfers in Enhancing Food Security in Kenya's Arid and Semi-Arid Lands

By Caroline Ngari and Joseph Nyaramba

### Key Highlights

The Arid and Semi-Arid Lands (ASALs) have long grappled with food insecurity, exacerbated by recurrent droughts, conflicts, and limited economic opportunities. To address this issue, Unconditional Cash Transfer (UCT) programmes were introduced as a potential solution. This policy brief focuses on the impact of UCT programmes in the ASALs, their effectiveness in enhancing food security and improving the resilience of vulnerable households. The key highlights include:

- (i) Approximately one-third of the Kenyan population faces food insecurities, with 32 per cent of households falling below the food poverty line.
- (ii) Thirty-five (35) per cent of the food poor live in rural and ASALs, with acute cases in highly arid counties of Turkana, Marsabit, Mandera, Tana River and Samburu.
- (iii) Social assistance through unconditional cash transfers has helped improve household food security. However, only 0.4 per cent of the GDP is allocated to social protection, leaving a significant portion of the vulnerable population without support.
- (iv) Adverse climatic conditions and a nomadic lifestyle in ASAL counties exacerbate food poverty levels, necessitating continued and innovative social protection policies.
- (v) Complementary interventions, adjustment of the transfer amount, and continuous monitoring of the programme could improve and offer a sustainable solution to enhance food security in ASALs.

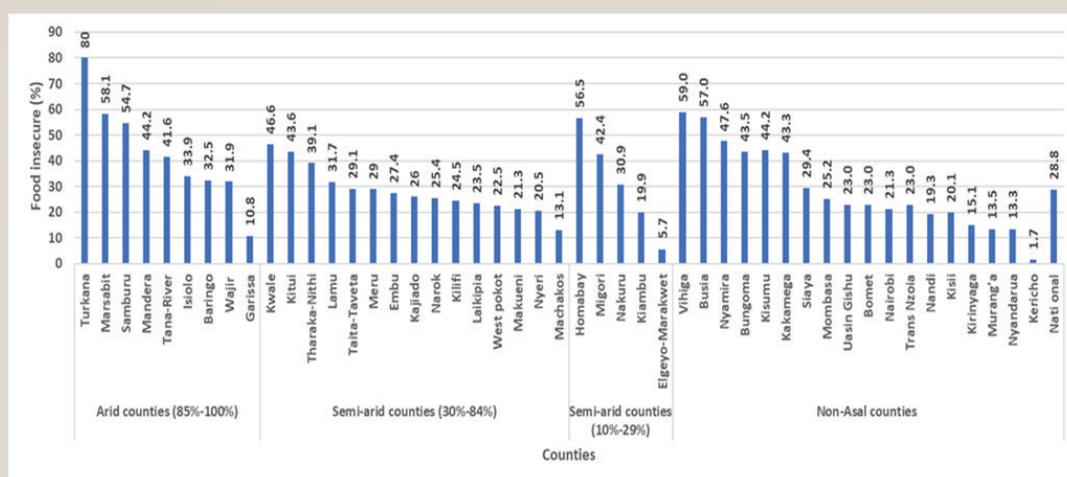
### Introduction

Sustainable Development Goal 2 and the Kenya Vision 2030 envision a future where every individual enjoys consistent access to abundant and nutritious food. However, about one-third of Kenyans still face food insecurities. The 2022 Kenya food poverty report reveals that 32 per cent of households fall below the food poverty line. Their monthly expenditure on food fell below Ksh 2,331 and Ksh 2,901 for rural and urban households, respectively. Notably, 35 per cent of those struggling with food insecurity live in rural areas and arid and semi-arid lands (ASALs). Regions with high aridity levels are the hardest hit (Figure 1). To combat this, the government provides social assistance through non-contributory programmes. The programmes include cash transfer for orphans and vulnerable children (OCT-VC) cash transfer for persons with a disability (CT-PWD), older persons cash transfer (OPCT) and hunger safety net programme (HNSP). The programmes are administered by the State Department for Social

Protection and Senior Citizen Affairs. The objective of these programmes is to improve the resilience of households to food insecurity.

This is because a third of Kenyans still fall below the food poverty line despite the structures adopted by the County and National governments to cushion the vulnerable population. In addition, 92 per cent of eligible households remain uncovered by any form of social protection. Households in the arid and semi-arid lands (ASALs) remain as the most affected (KDHS, 2022). With only 0.4 per cent of Gross Domestic Product (GDP) allocation to social protection, about three-quarters of vulnerable population is left out in the unconditional cash transfer initiatives. Determining effective strategies to enhance food security to populations in ASALs remains crucial in providing and protecting vulnerable groups against food insecurities. Innovative social protection policies will enable vulnerable populations to escape from poverty traps and develop the required resilience to respond to future shocks.

Figure 1: Percentage of food insecure households per county



Source: KDHS (2022)

## Social Assistance Landscape

### i) Policy framework and budgetary allocation

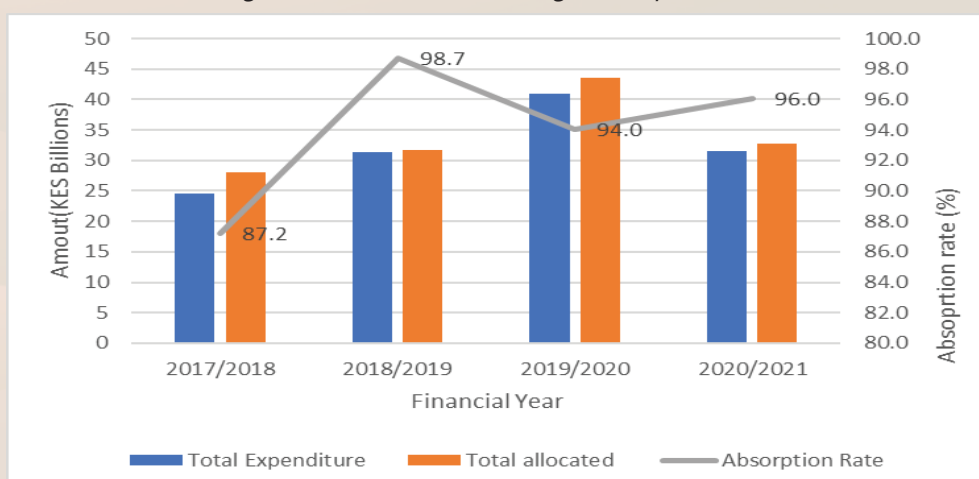
Article 43 of the Constitution of Kenya guarantees the right to social security and protection. It states that every person in Kenya has the right to accessible and adequate social security, including appropriate social assistance for persons in need. Additionally, Article 43 emphasizes the government's responsibility to establish and maintain a social security system that ensures dignity and the basic needs of individuals and families.

The Kenya National Social Protection Policy 2019 aim to ensure that every Kenyan lives with dignity and can leverage their full potential for social and economic progress. Currently, the National Social Protection Secretariat has adopted an enhanced single registry system where all targeted beneficiaries are registered. An enhanced single registry is a step in the right direction towards promoting effective program implementation and transparency as it eliminates cases of a household

receiving more than one cash transfer and enhances monitoring. However, the registry clean-up exercise disadvantaged 100,000 HNPS beneficiaries who did not receive the support in the 4th quarter of 2019/2020 (National treasury, 2022).

The policy framework also provides for a budgetary allocation of 0.4% of GDP to social assistance. Currently, the average annual government spending for social protection is estimated to be over Ksh 26 billion, benefiting over 1.3 million people. Over the past four financial years, the budgeted allocation has continuously increased except for 2020/2021 due to COVID-19 Pandemic (figure 2). The budget absorption rate has also been improving over the years and currently stands at 96 percent. The less-than-optimal absorption is due to delays from exchequer releases, registry clean-up and graduation of some beneficiaries from the program.

Figure 2: Social Protection Budget Absorption Status



Source: National Treasury (2022)

However, the increase in allocation has not been commensurate to the growing numbers of vulnerable populations and cost of living. Only about 10 per cent of the population in ASALs benefit from cash transfers. This is despite the growing food insecurity levels and extreme poverty rates as most households fall in the bottom two wealth quantiles (poorest and poor) with high dependency ratio.

## **ii) Unconditional cash transfers and households' food security**

An analysis of the KDHS (2022) data revealed that government cash transfer intervention improves the food security of the population in ASALs. Food consumption score and the Coping Strategy Index were used as proxies for food security outcome. The Household Food Consumption Score (FCS) was constructed based on foods consumed in the seven days. Some of the food groups used to construct the score include main staples (rice, maize, millet), vegetables, fruits, pulses (beans, peas, cashew nuts), condiments (salt, tea, coffee), sugar, milk, meat, and fish. Furthermore, a Coping Strategy Index (CSI) was constructed to gauge the households' ability to withstand food insecurities through evaluated food consumption habits during periods of scarcity. Such habits involve relying on less preferred and less expensive foods, borrowing, limiting portion size, reducing number of meals in a day or rationing food intake for adults.

Unconditional cash transfer enhances households' food consumption scores and coping strategies, though the effects vary across arid and semi-arid lands. The magnitude of the intervention is higher in arid region compared to semi-arid regions. For instance, unconditional cash transfers improve arid households' food consumption by 3 per cent, meaning that households accessed a variety of food groups thereby increasing their dietary intake. Unfortunately, cash transfers are not sufficient to address food insecurities within the households coping strategy index, indicating that members engaged in harmful strategies such as reducing food intake in older members.

In contrast, households in semi-arid regions receiving unconditional cash transfers experience an increase of about 1.4 per cent in their food consumption score indicating an improvement in their access to diverse food groups. However, there was no significant difference between beneficiaries and non-beneficiaries, but receiving a cash transfer significantly improves households' coping strategies by about 7 per cent. This means that members of these households engaged in less harmful coping mechanisms, such as substituting costlier food groups with more affordable ones, while maintaining the same nutritional value, such as beans and beef.

## **iii) Emerging issues and challenges to food security in ASALs**

Adverse climatic conditions and nomadic lifestyle exposes ASAL counties to higher food poverty incidence levels. The limited budget allocation to social assistance may not sustainably address the problem of food insecurity in the ASALs.

Additionally, social assistance programmes in Kenya fail to reach the people who need them most. HSNP as one of the unconditional cash transfers has received international commendation for its rescalability. Despite of HSNP success, increase in food prices and effects of climate change have pushed both the beneficiaries and other households to vulnerable situations.

The number of households who require social assistance has been increasing over the years superseding the allocated budget.

## **Conclusion and Recommendations**

Unconditional cash transfers significantly improve households' food security in the arid and semi-arid regions of Kenya. Their notable effect in improving consumption patterns and strengthening households coping strategies calls for adoption of more policy measures towards closing the existing gaps for maximum impact. Therefore,

- (i) It is necessary that the government consider expanding unconditional cash transfer coverage to reach a broader range of households in arid and semi-arid lands (ASALs). Achieving a significant impact requires vital collaboration between the government, donors, and communities. It is imperative to establish and execute crisis management strategies to ensure a consistent and reliable food supply, especially for households in arid and semi-arid lands (ASALs) facing adversity.
- ii) Also, it is important to introduce complementary interventions in the arid regions alongside cash transfers to enhance households' coping mechanisms during periods of shock. Such complementary interventions include promotion of irrigation farming and support farmers to cultivate drought resistant crops.
- iii) The government through State Department for Social Protection and Senior Citizen Affairs may also consider modifying the cash transfer amounts in semi-arid regions to ensure they effectively support and promote adequate dietary intake among beneficiaries. This could be achieved through regular updates of Unconditional Cash Transfer value to ensure that its real value is maintained. Periodic assessments and adjustments need be done to account for inflation and changing food prices.
- iv) Furthermore, it is essential to address operational aspects of the programme to improve efficiency. One key issue to tackle is the recurring delays in disbursing the monthly transfers to households. Timely and reliable disbursement is vital to ensure that beneficiaries receive the financial support when they need it most.



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KIPPRA Policy Briefs are aimed at a wide dissemination of the Institute’s policy research findings. The findings are expected to stimulate discussion and also build capacity in the public policy making process in Kenya.

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