

FIAVOTA program: Positive impact on beneficiary households

Key results after 15 months of implementation - December 2018

1. In order to find solutions to the adverse impact of the 2016 drought, chronic poverty and food insecurity in the south of the country, the Malagasy government along with technical and financial partners worked together to develop a social welfare and nutrition project called “FIAVOTA” (which means assistance in the southern local dialect), intended for households in the most affected districts within the framework of the National Policy on Social Welfare. This program aims to improve the well-being of poor households in the short term (by means of an improvement in consumption); enhance their resilience and revive their economic activities; and encourage families to invest more in human development through child education, health and nutrition.

2. The project started towards the end of 2016 for an initial term of 3 years. During the first phase of the program between December 2016 and March 2018, monthly non-conditional cash transfers (NCCT) were given to households that meet the following criteria: having at least a child under the age of 5 registered at a community nutrition site and residing in the 39 communes identified as being most affected by drought. Households also benefited from upturn funds intended to help them recover their economic assets. These transfers are combined with support measures which consist of awareness activities aimed to enhance personal development, improve women empowerment along with families' living conditions socially and economically speaking. FIAVOTA is also a social welfare program suitable for shocks: thanks to its flexible design, it can rapidly adapt to emergency or humanitarian contexts in the south.

3. This program is coordinated by the Ministry of Population, Social Welfare and for the Promotion of Women. It is implemented by FID (a social fund for development), and by the National Community Nutrition Program Unit (UPNNC) of the National Office of Nutrition (ONN), with co-financing from World Bank and Unicef¹. Since the program inception in December 2016, to date, the beneficiaries shifted from 50 000 to around 70 000 households.

4. A monitoring and evaluation device made up of a set of surveys² has been put in place since the program inception.

For this year 2018, the findings of the impact evaluation with the dynamic analyses of the indicators and the propensity score matching (PSM)³ could highlight the immediate or short-term effects of the program on the household beneficiaries. The present document is based on the main findings of this mid-term survey carried out in April-May 2018⁴. On the whole, the findings showed that the program had positive and statically significant impacts on the various indicators of well-being selected converging on the three objectives of the program. Findings are successively presented according to these objectives:

- **Objective 1:** evolutions of the living and well-being conditions ;
- **Objective 2:** resilience and restoration of the households' economic activities ;
- **Objective 3:** improvement of the indicators related to human development and women attainment of autonomy..

Box 1: Social Protection

Social Protection is defined as a set of interventions (policies and programs) allowing to prevent risks, face various (natural, socio-economic, cultural, political...) shocks and provide minimum income security and accessibility to basic social services for the population, especially the most vulnerable groups

The social protection measures can be divided into three categories : (i) the **prevention** measures aiming at mitigating the impact of ex-ante shocks ; (ii) the **protection** measures aiming at addressing the impacts of shocks as these are happening ; and (iii) the **promotion** measures mainly aiming at getting people out of their extreme poverty and destitution (in which they are vulnerable to any negative shock) and this in a sustainable way.

¹ FIAVOTA's funds from October 2016 to August 2019 are \$ 35million from the World Bank and \$ 2 million from Unicef.

² Baseline, Mid-term and final surveys.

³ PSM method consists in building a comparison group called control group or witnesses by matching each beneficiary household with non-beneficiary households which have rather similar propensity scores (or

profiles). For each indicator of the program, it is about assessing the net difference (deduced from any other influence than that of the program) between the control group and the group of beneficiaries.

⁴ Evaluation à mi-parcours du programme FIAVOTA (Mid-term evaluation of FIAVOTA program), Main Report, December 2018.

Box 2 : Which households benefitted from the FIAVOTA program?

The households are large ones and made up of 6.5 people on average. Over 6 households out of 10 have over 6 members whereas 10% have over 10 people. Nearly two thirds of these households are nuclear households that is made up of parents and their children.

The population of beneficiary households is young (on average 17 years of age) The age pyramid is therefore very broad at its base. The children account for the majority of the household members. On average, 2 children under 5 are noted in the households and also 2 children of 6 to 12.

The sex ratio of beneficiary households is 96.4%. The dependency rate is rather high, with a ratio of 1.7 dependent people (under 15 and over 64) of working age of 15 to 64.

34% of the households are headed by women. The average age of the household heads is 42 and their level of education is very low. Actually, nearly half of them have no education at all. Nearly 6% of these household heads are inactive or unemployed people whereas two thirds work in the agriculture sector.

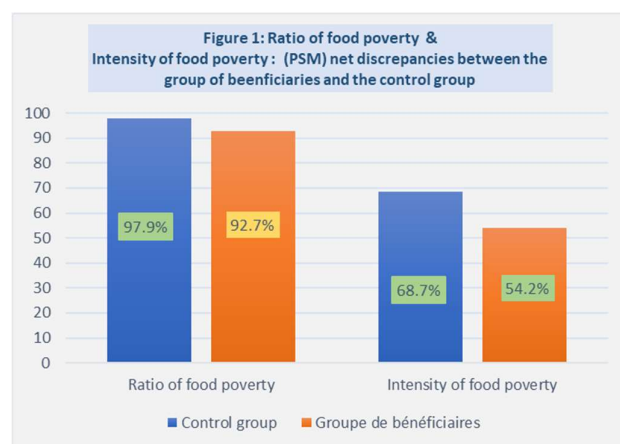
Concerning their access to basic social services, two thirds of the households live within less than 15 minutes' walk from a community nutrition site. Nearly 8 households out of 10 have primary schools in their fokontany. On the other hand, only a quarter of them can access a health centre in their fokontany.

Geographically, the households live in the 39 communes mostly affected by the drought in 2016. They are spread in the districts of Amboasary, Ambovombe, Bekily, Beloha and Tsihombe.

Objective 1: The findings show a tangible improvement in the households' living conditions

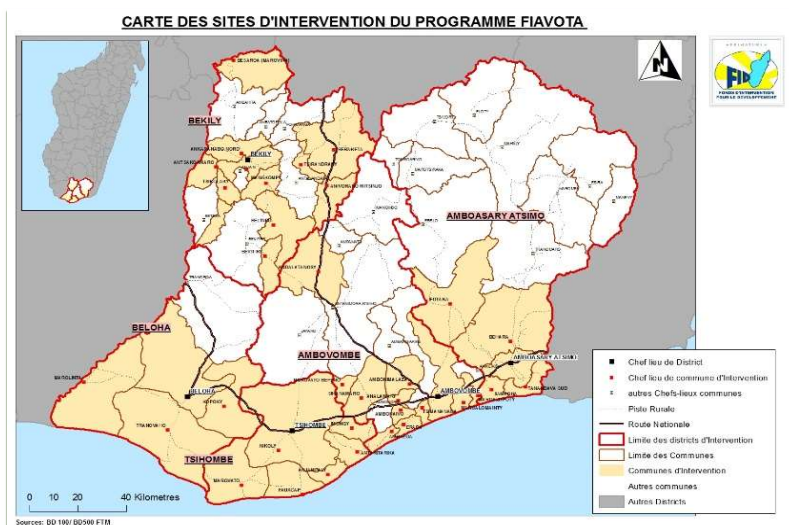
1-1 A reduction of food poverty

5. The FIAVOTA program has a clearly positive impact on the beneficiary households' well-being. That was captured through the difference of the food poverty ratio, subjective poverty ratio and the level of income among the beneficiaries compared to the control group. **The FIAVOTA program significantly decreased the food poverty ratio among the beneficiaries** compared to the control group by 5 points. The food poverty intensity among the beneficiaries, that is to say the difference with regard to the food poverty line is 14 points less than the control group (Figure 1⁵).



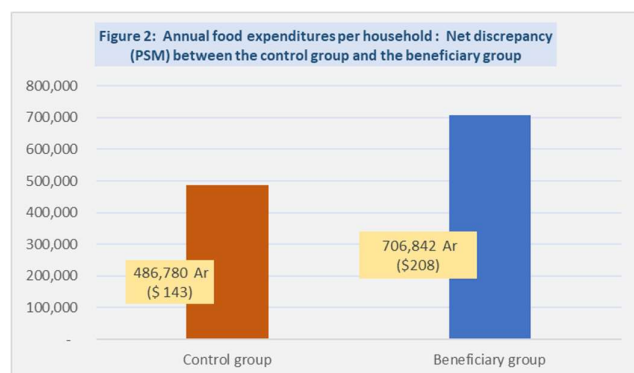
1-2 An overall improvement in the consumption

6. The impact of the FIAVOTA program and food security is positive and significant. The findings of the analysis show that, in terms of consumption volume as well as quality of food, the situation is clearly better among the beneficiary households compared to the households of control group. In terms of volume of food consumption, a beneficiary household consumes much more than a household from the control group. Over the last 12 months prior to the interview, a beneficiary household spends on average Ariary 220 100 more than a control group as far as food is concerned (Figure 2). As regards the consumption value (expenditures, self-consumption and donations/transfers), the difference is also



⁵The sources of figures and graphs of figure 1 through figure 15 are from the FIAVOTA surveys of 2016/2017 and 2018. All the net PSM discrepancies in the figures are statically significant.

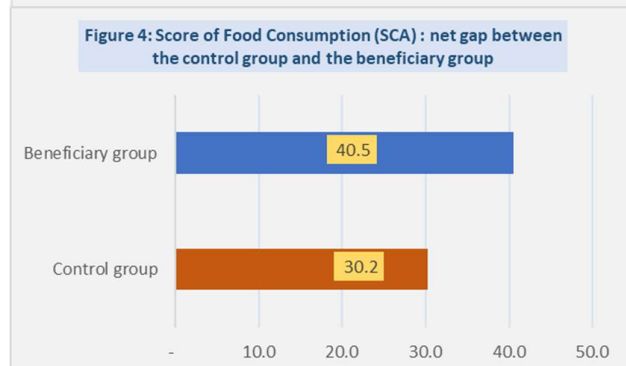
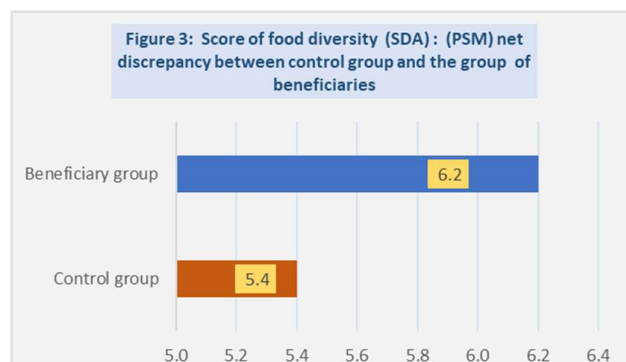
statistically significant and is assessed at Ariary 238 800 still in favour of beneficiary households.



7. The evaluation of the amounts per household (not per capita) enables to value the consumer surplus due to the money transfers in the extent to which – during the first year of implementation – the FIAVOTA program allocates a fixed amount per household without taking into account the size of the latter. Indeed, during the 12 months preceding the survey, between May 2017 and April 2018, a beneficiary household earned on average Ariary 360,000. With the observed gap in terms of money expenses allocated to food, it can be assessed that the current level of money transfers, Ariary 30,000 per month, induces an increase of Ariary 18, 600 of food expenses⁶. However, it is noted that households led by a woman are dependent to money transfers. For this category of households, the food expenses (purchase) of recipients exceed significantly those of the control group. However, if the overall consumption is considered (purchases, self-consumption, and donation-transfer), the difference is no longer significant. In view of those results, the households led by women largely depend on money transfers in order to meet their daily food needs.

1-3 On significant progress in food diversity

8. The FIAVOTA program also has a positive impact on food security (quality, accessibility, use). The differences between the beneficiary households and the control households, for the food diversity score (SDA), the food consumption score (SCA) and the index of survival strategy (ISS), are all statistically significant in favor of the beneficiary households: 0.8 point for SDA, 10 points for SCA and -1.4 points for ISS. The difference between those two household groups amounts for 6 points for the households with “severely unsafe” food (according to HFIAS scale). The food diversity of the households beneficiary of the FIAVOTA program has significantly improved. In 2018, the average Food Diversity Score (SDA) is in the range of 6.2 (on a maximum score of 12) (Figure 3) which is two points higher than its 2016 value. This score already exceeds the overall Madagascar score (5.9 on a maximum of 8) in 2012.



9. Unlike what was noted before the intervention of FIAVOTA, the food consumption of the beneficiary households is once again based on usual staple food like cereals and tubercles: corn, cassava and sweet potato. The food diversity of the households has improved between 2016 and 2018. It exceeds significantly that of the control group households (Figure 4). The food improvement of the beneficiary households is confirmed by the analysis of the food consumption score evolution. In 2018, the proportion of households having a poor food consumption (with a Food Consumption Score below 21) only represents approximately 16%, against 54% of households in 2016. In addition, more than 58% of households have an « acceptable » consumption (against 1% in 2016). The overall level of Madagascar in 2016 is thus reached.

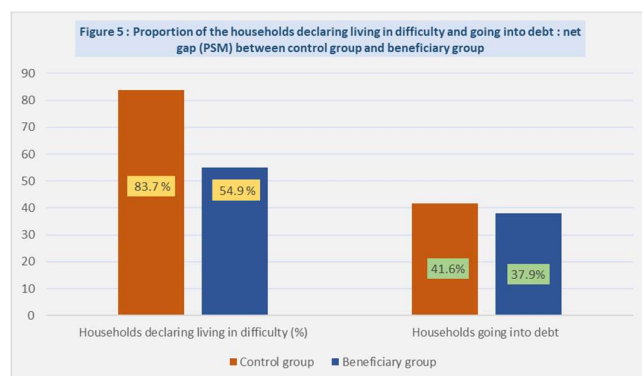
10. The beneficiary households have experienced less frequent food difficulty periods and they rarely have recourse to survival strategies. In these terms, the situation is still better compared to non-beneficiary households with the same characteristics. Thanks to the intervention of the FIAVOTA program, less and less beneficiary households have encountered food difficulties. If, in 2016, almost all of the households targeted by FIAVOTA have stated having encountered food difficulty during the last 7 days before the interview, they only represent 75% of the household during the evaluation in 2018. The situation has evolved a lot in Androy compared to the Anosy region where over 84% of the households have stated being in food difficulty over the last 7 days. In 2018, the households had recourse to one survival

⁶ An increase of Ariary 0.62 of food expenses for a transfer of Ariary 1 given.

strategy less than 2016. In addition, the accrued total duration of these strategies has decreased of 7 days during this period.

1-4 A better perception of well-being.

11. These positive results obtained by the objective approach of the study are well experienced by the households themselves. The subjective perception of the economic well-being and monetary situation has evolved a lot in the households recipient of the FIAVOTA program. If, in the beginning of the intervention, the households targeted by the program were in total difficulty⁷, the situation has improved significantly in 2018. The proportion of beneficiary households having declared “living in difficulty” is only 29 points below the control group households (Figure 5).

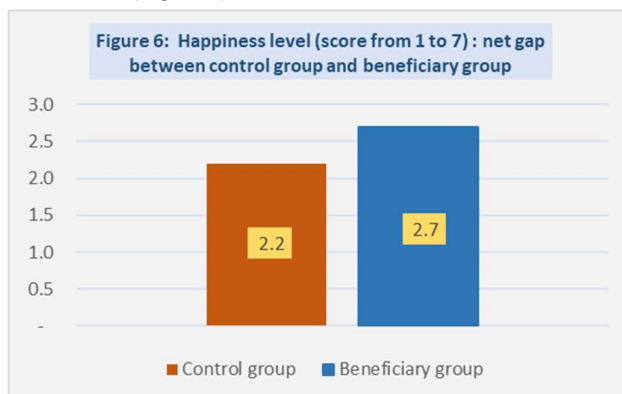


12. Similarly, the proportion of households having recourse to debts is below 4 points among recipients compared to the control group households (Figure 5). The proportion of households not satisfied with their financial situation has significantly decreased. In 2018, less than 57% of the population has declared “living in difficulty”, if there were 92% of them in 2016. Less than two thirds of the households have had recourse to external mechanisms to meet their vital needs. In 2018, less than one household out of four is compelled to be in debt if it exceeded 64% in 2016.

13. Despite their level which is still high, the non-satisfaction degree in the different non-economic fields of the life of the household like food, housing, health and above all access to drinking water decreases of more than 10 points during the period 2016-2018. The proportions of households not satisfied in the non economic fields of life like food, clothing, housing, members’ health, child education are still low in the beneficiary households compared to the control group households. The difference is most significant in the field of the health of the household members and least significant in the field of child education. However, regarding access to

drinking water, the difference is not statistically significant. This result comes from the fact that the drinking water issue is linked more to the constraints of offer and availability of distribution networks at the community level than to the level of the households.

14. Taking all into consideration, the level of happiness of the head of households targeted by the FIAVOTA program slightly increases by 1 point since 2016 to reach 3 on a scale of 7 in 2018. For the comparison purposes, the level reached in 2012 can be seen again on all of the households of the Anosy and Androy regions⁸. The happiness level of the beneficiary households is 0.6 point higher than that of the control group households (Figure 6).



15. The positive impact of the FIAVOTA program on the wellbeing of the households and on self-esteem is reflected by the willingness of the beneficiary households to join various associations. In view of these results, the social capital of the beneficiary households has enlarged during the 2016-2018 period. However, the type of associations joined by the households is limited to student parent associations, then to religious associations, neighborhood associations and professional associations. The participation rate to these associations is always higher in beneficiary households than in the control group households and these differences are all significant except in the case of family association. This result is foreseeable in the extent that this type of association is rather guided by natural bonds of the members regardless of other exogenous characteristics.

16. It should be noted that the feeling of marginalization has not been subject to major change between 2016-2018 and is still very reliable (around 7% of the households) and that no significant difference has been noted between the beneficiary households and the control group households. This result comes from the fact that cohesion or “*fihavanana*” is part of the social values still very respected within the Malagasy society in general and the Southern region in particular and

⁷ According to the FIAVOTA baseline survey (2016): amongst the beneficiary households, 92% declare themselves living in difficulty, 65% had to go into debt, more than 80% were no longer satisfied with the specific fields of life.

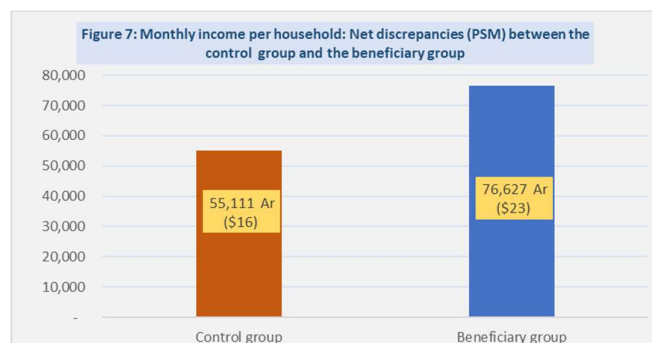
⁸ ENSOMD, 2012.

does not depend on the standard of living of each or on the development level of the region.

Objective 2: The program has improved the resilience and economic activities of beneficiary communities

2-1 Higher incomes among beneficiary households

17. In terms of reported income levels, beneficiaries earn more than 21,500 Ariary monthly compared to the control group (Figure 7). This amount corresponds more or less to the direct and immediate effect of cash transfers of 30,000 Ariary, paid to beneficiary households under the FIAVOTA program. This is a very short-term effect: it is expected to show the ripple and cumulative effects of cash transfers at the end of the 3-year program.

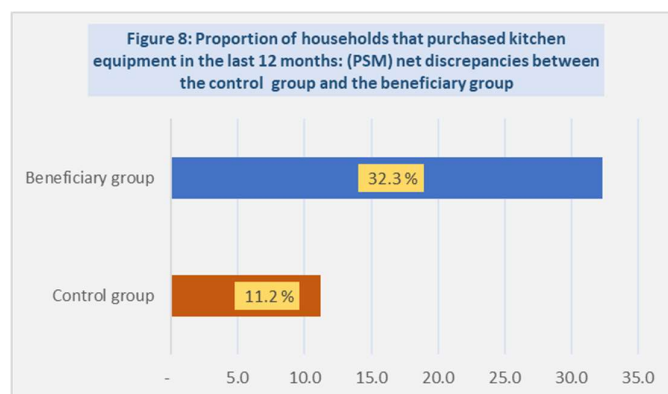


18. FIAVOTA cash transfers make a significant contribution to beneficiary household incomes. While in 2016, more than eight out of ten beneficiary households earned less than 50,000 Ariary monthly, they represented only 46% of households in 2018. Currently, more than 35% of beneficiaries earn between 50,000 - 100,000 Ariary monthly and 14% between 100,000 - 200,000 Ariary monthly.

2-2 Purchases of household and productive equipment

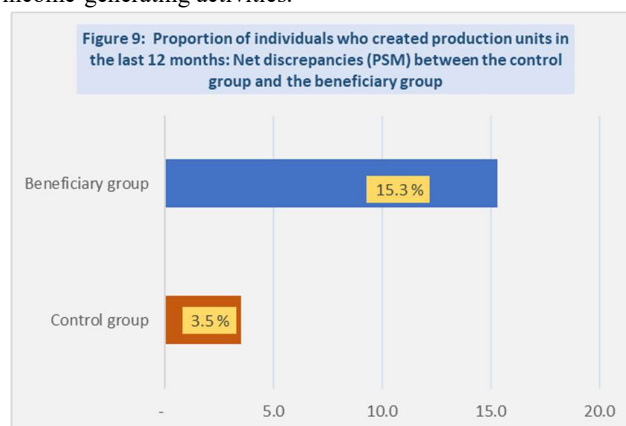
19. More and more beneficiary households were able to acquire equipment or durable goods again. This applies to both household and productive equipment. The proportion of households that purchased kitchen equipment in the last 12 months is 21 points higher among beneficiaries than among the control group (Figure 8). With regard to productive equipment, the ownership rate increases slightly: more than 4 points for cart and 3 points for plough. The proportion of beneficiary households that purchased these assets is still higher among beneficiary households than among households in the control group. On the other hand, the rate remains practically stable for land ownership. The contribution of FIAVOTA cash transfers

has not yet enabled households to make significant investments.



2.3 Economic activities strengthening

20. Overall, the FIAVOTA program has a positive impact on employment and economic activities. The cash transfers granted have mainly favored the creation of family production units among beneficiary households. The proportion of adults who started a family production unit in the last 12 months preceding the survey is 12% higher than that of household members in the control group (Figure 9). This is a direct result from the livelihood grant funds (*Renivola Fiharia*) granted to beneficiary households in order to revive or recapitalize income-generating activities.



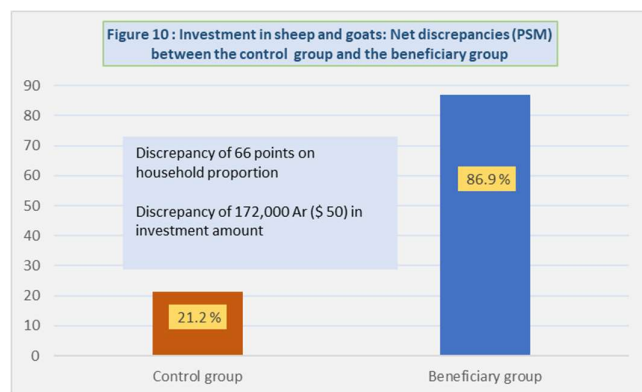
21. Beneficiary households are creating more and more family production units. In 2018, nearly 38% of households own more than one production unit: 33% own 2 production units and 4% more than 2 production units. In 2016, less than 15% of households owned more than one production unit. Newly created production units are often run by women who previously worked as simple family helpers. This phenomenon is the direct result of the procedure adopted by the program, which consists of selecting only women responsible for children aged under five as direct recipients of the funds allocated.

22. The impact of the FIAVOTA program on labor market integration is mixed for some categories of individuals, particularly young people. For all individuals aged 18 and over,

the participation rate is 5 points lower among beneficiary households compared to the control group. However, it should be noted that this decrease is only significant for individuals in the 18 to 29 age group. In contrast, for age groups 30 years and over, declines in the participation rate are statistically insignificant. For some individual categories, decline in the participation rate among beneficiary households is relatively small (around one point), although it is statistically significant, as is the case for household head women. These phenomena could result from the lack of employment opportunities in the intervention and task redistribution areas within the household as a result of the improvement in the household's monetary situation.

2.4 Strong farming development

23. The FIAVOTA program has a positive and significant impact on livestock farming, particularly sheep and goats in beneficiary households. The proportion of herding households is more than 44% compared to that of the control group households. In 2018, 96% of beneficiary households owned livestock (cattle, pigs, sheep, goats or poultry). Despite the fact that the proportion of farming households in beneficiary households fell by 1 point compared to control group households, the proportion of households combining both agriculture and livestock increased by 22%.



24. With regard to sheep and goat farming in particular, the dynamics are quite extraordinary, with the proportion of beneficiary households engaged in this type of farming rising from 10% in 2016 to over 87% in 2018. Compared to households in the control group, the difference is about 66% (Figure 10). In addition, the analysis showed that the program increased net investment in sheep and goat breeding by 172,000 Ariary (Figure 10), which is almost equal to the amount of the 180,000 Ariary livelihood grants allocated to beneficiary households to restart their activities. Compared to 2016, the size of the operation increases from 0.7 units to more than 3.0 units in 2018. The analysis also revealed positive but smaller impacts of the program on other livestock types

2.5 Positive but still limited impact on agricultural activities

25. At the agricultural level, the analysis highlighted the positive but relatively small impacts of the program on a few indicators such as the area cultivated and agricultural yield in some crops such as maize. The total cultivated area increased by 18 ares per beneficiary household. In terms of productivity or agricultural yield, an increase in maize production yields of around 0.4 tons/ha has been recorded. No particular effort has been made to revive agricultural activities. In 2018, agricultural households accounted for 58% of beneficiary households, a proportion that was more or less stable compared to 2016. Agricultural activities are developing mainly among households headed by heads of non-farming households. Whether the household head works in industry, commerce, public administration or other service activities, the proportion of households engaged in agricultural activities is increasing significantly. On the other hand, among households headed by a head who considers himself to be a "farmer", this proportion is declining sharply. This phenomenon could be explained by the fact that agricultural activities in this region are low-profit-making and highly dependent on several hazards (particularly climate) and that they require other activities or sources of income to support them. In this sense, agricultural activities are carried out on a "secondary" basis by households.

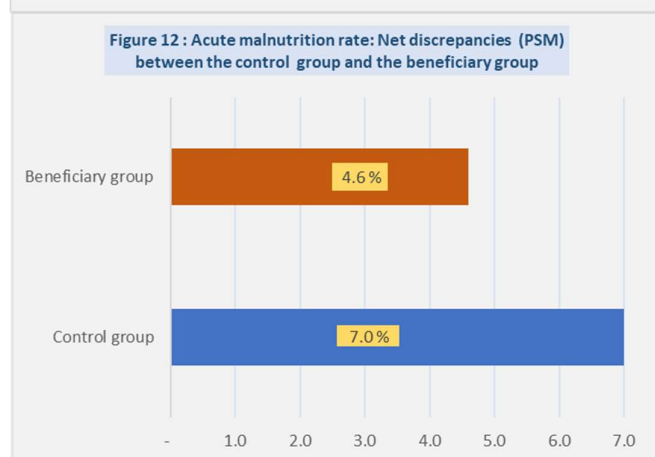
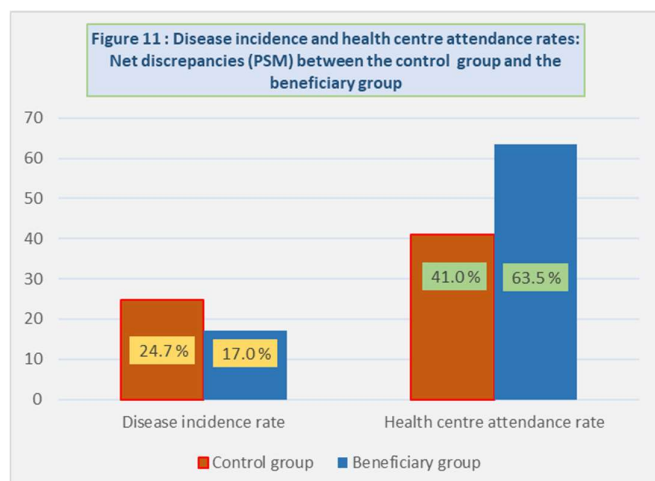
Objective 3: the FIAVOTA program contributes to human development indicators and women's empowerment

3-1 Positive impact on health status and acute malnutrition

26. On the social level, the FIAVOTA program has a significant positive impact on the health and nutrition of beneficiary household children. Disease incidence rate among beneficiaries is 8 percentage points lower than the control household situations (Figure 11). Similarly, the attendance rate at health centers is 22 percentage points higher among beneficiary households (Figure 11): the difference is much larger among female-headed households headed by a woman (31 points). This improvement in health status is evident at the household level: the proportion of households reporting good health status increased by more than 4 percentage points over the same period.

27. With regard to the children nutritional status, the proportion of children in a situation of global acute malnutrition (GAM) is lower among beneficiary households, by -1.8 percentage points below that of control households (Figure 12),

and by -2.4 percentage points when the household is headed by a woman. Nevertheless, referring to control household situation, the program effects are not tangible in some cases, such as the feeding of children aged 6 to 23 months and family planning practice.

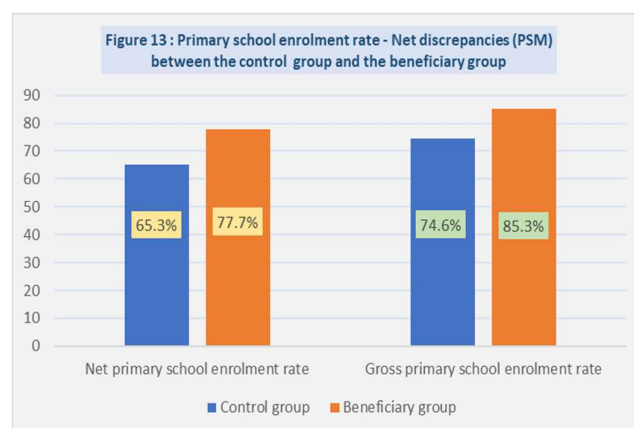


3-2 Progress in children schooling

28. In terms of children's education, the effects of the FIAVOTA program are largely positive. The net primary school enrolment rate exceeds by 12.4 percentage points in beneficiary households compared to control households (Figure 13). This surplus is 10.7 points if we consider the gross enrolment rate (Figure 13).

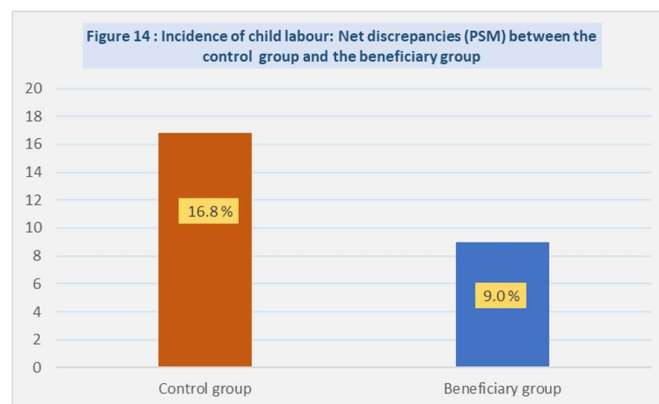
29. The impact is relatively large among male-headed households. Between 2016 and 2018, the net enrolment rate of children in primary school increased sharply by more than 7 percentage points. Cases of school student absence are becoming less and less frequent. In addition, in the event of school drop-out, the lack of financial resources is less and less mentioned: 60% of cases in 2018 compared to 75% in 2016.

These improvements are well perceived by FIAVOTA beneficiary households.



3-3 Reduction of child labour

30. Another positive impact of the FIAVOTA program is to limit the early entry of children aged 5-17 into the labor market. This would have medium- and long-term impacts on human capital, labor market development and wages. Child labor incidence among beneficiary households is less than 8% compared to that observed among households in the control group. The incidence of child labor is decreasing sharply among beneficiary households (Figure 14). In 2018, less than 10% of children aged 5-17 are engaged in economic activity, if it exceeded 27% in 2016.

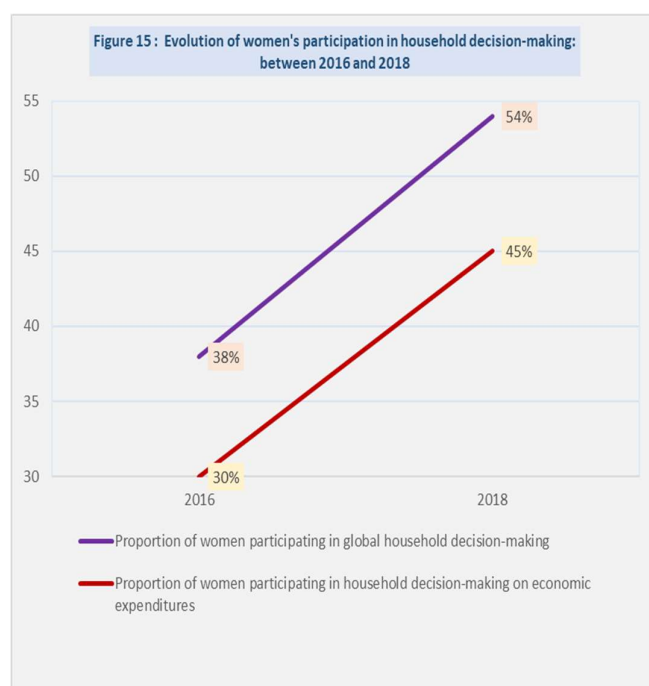


3-4 Strengthening the place of women in households

31. In 2018, women's participation in economic activity was better appreciated within households. 94% of household heads admit their participation, compared to 77% in 2016. Between 2016 and 2018, a significant proportion of women change jobs by working much more in the livestock sector at the expense of agriculture. The proportion of female beneficiaries with livestock activities increased from 1% to 5% over this period. Although the agriculture sector dominates, the

proportion of women engaged in this activity sector stood at 71% in 2018 compared to 80% in 2016.

32. This participation of women beneficiaries in economic activities has partly strengthened their place in households, resulting in much greater decision-making in 2018 than in 2016. In the activities undertaken by the household, 54% of women participated in household decisions in 2018 compared to 38% in 2016 (Figure 15). As for decisions on capital expenditure, 45% of them participated in 2018 compared to 30% in 2016 (Figure 15). With the improvement in women's empowerment and status, it is noted that marital behavior towards men has changed, although the variation remains very small. It is shown by restricting access to the household portfolio for the household daily needs. In terms of net impact, it appears that the difference is 0.1 percentage points compared to the cases of the controls.



33. Domestic violence against women has remained on average more or less stable at the same level as that of women in control households. But the results affirm that the notoriety conferred on women by the status of mother-leader reduces the risk of domestic violence against them. Indeed, many more cases of domestic violence were reported among households without a mother-leader than among households whose spouse is a mother-leader.

Conclusions and recommendations

34. In conclusion, the 2018 mid-term survey highlights the image of FIAVOTA beneficiary households in recovery phase after 15 months of implementation. Households were able to benefit from the cash transfer effects and accompanying measures from the program by improving their living conditions and well-being as well as the nutrition and schooling of their children. Empowerment and the strengthening of women's place in households are also encouraging signs and further efforts in awareness-raising and support measures. Livelihood grants have led to economic activities resumption and, above all, family production unit multiplication.

35. However, this recovery is still fragile. Indeed, the Great South continues to suffer the cyclical effects of climate change. To consolidate and maintain this ongoing momentum, the program will need to continue. In addition to cash transfer, attention will need to focus on two key factors. First, households should be supported in economic inclusion to support the recovery of economic activities. Secondly, accompanying measures should be established to ensure that efforts to change behavior in the areas of health, nutrition and schooling for children continue. ■

