SCOPING STUDY ON SOCIAL PROTECTION AND SAFETY NETS FOR ENHANCED FOOD SECURITY AND NUTRITION IN THE CENTRAL ASIA REGION

REGIONAL SYNTHESIS REPORT

2018
This report is part of a larger series of scoping studies on Social Protection and Safety Nets for Enhanced Food Security and Nutrition in the Central Asia Region that was commissioned by the World Food Programme in partnership with the University of Maastricht in 2017. Specific country focused studies have been conducted on Armenia, Kyrgyz Republic and Tajikistan with a view to contributing fresh evidence and sound policy analysis around social protection issues in relation to food and nutrition security, resulting in a set of country-specific policy recommendations on nutrition-sensitive social protection and safety nets that consider the perspectives of a wide range of stakeholders. The Regional Synthesis Report summarizes the findings of the three studies and provides a more general overview of social protection and safety nets issues in relation to food security and nutrition across the three countries, with a summary of the main trends and a set of consolidated findings and recommendations.

This research initiative has been conducted under the overall coordination of Carlo Scaramella, Deputy Regional Director, Regional Bureau for North Africa, Middle East, Central Asia and Eastern Europe, World Food Programme (WFP), Cairo with the support of Dipayan Bhattacharyya, Muriel Calo, and Verena Damerau, WFP. The report authors are Franziska Gassmann and Eszter Timar from the University of Maastricht.

Members of the Commonwealth of Independent States (CIS) have found their way to economic growth and improved livelihoods after a long period of transition to market economies. Instability and conflict within and around the region, vulnerability to developments in the global economy and an increasing frequency of natural disasters are obstacles on the path to inclusive growth. The three countries, Armenia, Tajikistan and the Kyrgyz Republic, which are the focus of a new regional synthesis report on nutrition-sensitive social protection and safety nets commissioned by the World Food Programme (WFP), are at different development stages. Armenia performs better in terms of GDP and real wages, thanks to comprehensive economic reforms implemented in the decade after independence. Kyrgyzstan, and even more so Tajikistan, are the poorest countries in the region, but are also progressing in terms of economic growth.

By 2015, all countries in the Europe and Central Asia region had achieved Millennium Development Goal (MDG) 1c, with the exception of Tajikistan. Yet, food insecurity and malnutrition remain pertinent issues in Armenia, Kyrgyzstan and Tajikistan, whereas the prevalence of undernourishment is particularly alarming in Tajikistan. The populations of all three countries are affected by the double burden of malnutrition: undernutrition (including micronutrient deficiencies) and overnutrition. The underlying reasons are poverty, lack of nutritional awareness and food import dependency. Poverty affects approximately one third of the population in all three countries and contributes to malnutrition primarily through undermining households’ economic access to food. Certain population groups, such as rural populations and women and girls have a higher risk of being poor and food insecure.

Social protection is recognized by the respective governments as an effective tool to improve human welfare and well-being. This is reflected in the comprehensive social protection systems in place. Armenia, the Kyrgyz Republic and Tajikistan all have social insurance systems and at least one kind of social assistance programme targeted at poor and vulnerable groups. School feeding programmes have become integral parts of national social protection strategies and yield positive returns in poverty reduction, nutrition and human capital accumulation. Remittances from migrant family members provide an important informal safety net.

The performance of social protection programmes is mixed. Social insurance, in particular old-age pensions, contributes substantially to poverty reduction in all three countries. Social assistance, on the other hand, is characterized by low coverage and adequacy, particularly in Tajikistan and the Kyrgyz Republic. Although all governments direct considerable shares of their budgets towards social protection, social assistance programmes are relatively underfunded. Despite social protection systems being fairly comprehensive, gaps in shock-responsive safety nets, promotive measures or programmes that take into account the specific needs of vulnerable populations, remain. Nutrition objectives are strongly embedded in programmes such as school feeding run with WFP’s assistance, but not yet in government-run safety nets.

Although challenges undoubtedly exist, there are also a number of notable projects and good practices that can serve as examples to follow across the region and beyond. The Optimizing School Meals Programme in the Kyrgyz Republic, the comprehensive reform of targeted social assistance in Tajikistan and the integration of social protection services in Armenia are examples of sound policy design, implementation and excellent cooperation among both domestic and international stakeholders.

Policy Recommendations

• Comprehensive safety nets are required to break the cycle of hunger and poverty and achieve the SDGs and Agenda 2030. Regarding existing programmes, especially social assistance in the Kyrgyz Republic and Tajikistan, the most pressing challenge is to increase coverage and transfer adequacy. International partners can assist with building the case for scaling up or discontinuing certain programmes, for instance by conducting ex-ante policy analyses. Moreover, United Nations agencies and international donors have global expertise and a pool of evidence that can underpin strategic and technical decisions.

• Further improvement to the design of existing policies is possible and advisable, for instance with the incorporation of appropriate graduation objectives as a mid-term goal. Programmes with graduation objectives, such as productive safety net programmes, need to be carefully designed based on international best practice. Governments should be assisted to develop normative frameworks based on agreed-upon standards for promotive social protection programmes.

• Governments will be required to make considerable financial efforts to address gaps in social protection. The financing of social protection is a key obstacle in scaling up programmes and addressing gaps. Fiscal space may be sustainably created by reallocating spending from other government sectors, increasing tax revenues or expanding social insurance coverage and contributions. International partners can also assist in this process. If the minimum standards for social protection are set and agreed upon, the International Labour Organisation (ILO), the International Monetary Fund, the Asian Development Bank or the World Bank can assist governments in

EXECUTIVE SUMMARY

Members of the Commonwealth of Independent States (CIS) have found their way to economic growth and improved livelihoods after a long period of transition to market economies. Instability and conflict within and around the region, vulnerability to developments in the global economy and an increasing frequency of natural disasters are obstacles on the path to inclusive growth. The three countries, Armenia, Tajikistan and the Kyrgyz Republic, which are the focus of a new regional synthesis report on nutrition-sensitive social protection and safety nets commissioned by the World Food Programme (WFP), are at different development stages. Armenia performs better in terms of GDP and real wages, thanks to comprehensive economic reforms implemented in the decade after independence. Kyrgyzstan, and even more so Tajikistan, are the poorest countries in the region, but are also progressing in terms of economic growth.

By 2015, all countries in the Europe and Central Asia region had achieved Millennium Development Goal (MDG) 1c, with the exception of Tajikistan. Yet, food insecurity and malnutrition remain pertinent issues in Armenia, Kyrgyzstan and Tajikistan, whereas the prevalence of undernourishment is particularly alarming in Tajikistan. The populations of all three countries are affected by the double burden of malnutrition: undernutrition (including micronutrient deficiencies) and overnutrition. The underlying reasons are poverty, lack of nutritional awareness and food import dependency. Poverty affects approximately one third of the population in all three countries and contributes to malnutrition primarily through undermining households’ economic access to food. Certain population groups, such as rural populations and women and girls have a higher risk of being poor and food insecure.

Social protection is recognized by the respective governments as an effective tool to improve human welfare and well-being. This is reflected in the comprehensive social protection systems in place. Armenia, the Kyrgyz Republic and Tajikistan all have social insurance systems and at least one kind of social assistance programme targeted at poor and vulnerable groups. School feeding programmes have become integral parts of national social protection strategies and yield positive returns in poverty reduction, nutrition and human capital accumulation. Remittances from migrant family members provide an important informal safety net.

The performance of social protection programmes is mixed. Social insurance, in particular old-age pensions, contributes substantially to poverty reduction in all three countries. Social assistance, on the other hand, is characterized by low coverage and adequacy, particularly in Tajikistan and the Kyrgyz Republic. Although all governments direct considerable shares of their budgets towards social protection, social assistance programmes are relatively underfunded. Despite social protection systems being fairly comprehensive, gaps in shock-responsive safety nets, promotive measures or programmes that take into account the specific needs of vulnerable populations, remain. Nutrition objectives are strongly embedded in programmes such as school feeding run with WFP’s assistance, but not yet in government-run safety nets.

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Policy Recommendations

• Comprehensive safety nets are required to break the cycle of hunger and poverty and achieve the SDGs and Agenda 2030. Regarding existing programmes, especially social assistance in the Kyrgyz Republic and Tajikistan, the most pressing challenge is to increase coverage and transfer adequacy. International partners can assist with building the case for scaling up or discontinuing certain programmes, for instance by conducting ex-ante policy analyses. Moreover, United Nations agencies and international donors have global expertise and a pool of evidence that can underpin strategic and technical decisions.

• Further improvement to the design of existing policies is possible and advisable, for instance with the incorporation of appropriate graduation objectives as a mid-term goal. Programmes with graduation objectives, such as productive safety net programmes, need to be carefully designed based on international best practice. Governments should be assisted to develop normative frameworks based on agreed-upon standards for promotive social protection programmes.

• Governments will be required to make considerable financial efforts to address gaps in social protection. The financing of social protection is a key obstacle in scaling up programmes and addressing gaps. Fiscal space may be sustainably created by reallocating spending from other government sectors, increasing tax revenues or expanding social insurance coverage and contributions. International partners can also assist in this process. If the minimum standards for social protection are set and agreed upon, the International Labour Organisation (ILO), the International Monetary Fund, the Asian Development Bank or the World Bank can assist governments in
costing schemes and finding fiscal space.

- Adoption of electronic registries and M&E systems contributing to programme efficiency and effectiveness can be used to improve the design and implementation of social protection programmes. For instance, the absence of longitudinal (panel) data is a significant gap in all three countries and the region in general, and use of electronic registries can help provide the administrative data needed to evaluate social protection programmes. The new electronic registries and M&E systems also provide an opportunity to adopt a nutrition-sensitive approach to social protection.

- A common understanding of minimum standards must underpin the establishment of social protection systems that are respectful of human rights and address the specific vulnerabilities of populations in the region. Policy dialogue should be fostered around the development of a set of minimum standards for social protection, food security and nutrition. Minimum standards for social protection should refer to ILO's Social Protection Floor Recommendation (R202) covering basic livelihood needs throughout the lifecycle. Policy dialogue should also address the need for shock-responsive social protection in the region. Establishing or — where applicable — strengthening emergency preparedness capacities should also be a priority.

The rationale behind social protection for all is multifaceted, but first and foremost, decent living standards and the right to a healthy, adequate diet are basic human rights. Social protection is a key pathway to securing these rights. If SDG 2 on Zero Hunger is to be achieved by 2030, governments, the international development community and civil society have to work together to further develop social protection systems in the CIS countries.

**Highlights from country specific reviews**

**Armenia:**

Armenia has a well-developed social protection system, even if certain components are modest in size. Remittances from migrant workers play an important role as an informal safety net, and pension schemes have particularly strong poverty reduction effects. School feeding offers a combination of protective and promotive functions and contributes to food and nutrition security of children and their families. Inclusion and exclusion errors, gaps in shock-responsive and promotive elements, and challenges related to governance and policy implementation, among others, can be addressed through ongoing policy dialogue around the following elements:

- Using a set of minimum standards to guide policy dialogue, such as those proposed in International Labour Organization’s Social Protection Floor recommendations.

**Kyrgyz Republic:**

Social protection is relatively comprehensive in the Kyrgyz Republic, but social assistance and active labour market programmes are small. Since 2010, the Government of the Kyrgyz Republic and its partners have demonstrated dedication to improve the well-being of the population and have made important achievements in social protection policy. The last two decades have brought about several reforms, and there have been ongoing efforts to expand and consolidate social protection. Yet, social protection in its current form does not fully address the needs and vulnerabilities of the Kyrgyz population. A comprehensive reform aimed at strengthening social protection and its impact on food security should include the following elements:

- Strengthening the design of social protection programmes by reviewing standards that guide access, eligibility and benefit values and targeting approaches. Ensure that the protective, preventive, promotive and transformative potential of social protection are de facto realized. Allow the poor, not only the officially unemployed, to access active labour market policies.

**Tajikistan:**

Tajikistan has a relatively comprehensive social protection system, which includes elements of social insurance, social assistance and social services. Existing social protection programmes have limited impact on food security due to the low coverage and adequacy of the social assistance system, currently under reform. Addressing existing institutional and implementation challenges will require consideration of the following elements:

- Supporting nutrition-sensitive social protection by investing in the capacity of social case managers to detect child malnutrition, introducing referral mechanisms between social and health services as well as strengthening communication about nutrition.

- Strengthening governance and cooperation among line ministries, to create synergies particularly in rural areas and contribute to the development of active labour market policies, public work programmes and productive safety net programmes.

**International development partners,** particularly the World Food Programme, the Food and Agriculture Organisation of the United Nations, and the United Nations Children’s Fund, can play a major role in addressing these issues and supporting the government.

**Kyrgyz Republic:**

Social protection is relatively comprehensive in the Kyrgyz Republic, but social assistance and active labour market programmes are small. Since 2010, the Government of the Kyrgyz Republic and its partners have demonstrated dedication to improve the well-being of the population and have made important achievements in social protection policy. The last two decades have brought about several reforms, and there have been ongoing efforts to expand and consolidate social protection. Yet, social protection in its current form does not fully address the needs and vulnerabilities of the Kyrgyz population. A comprehensive reform aimed at strengthening social protection and its impact on food security should include the following elements:

- Strengthening the design of social protection programmes by reviewing standards that guide access, eligibility and benefit values and targeting approaches. Ensure that the protective, preventive, promotive and transformative potential of social protection are de facto realized. Allow the poor, not only the officially unemployed, to access active labour market policies.

- Strengthening the implementation of social protection programmes through capacity-building, introducing a nationwide electronic registry and carrying out robust monitoring and evaluation practices, could contribute to a more efficient and effective system.

- Reviewing the efficiency of resource allocation within social protection. An increased financial commitment to social protection also is necessary to overcome gaps and bottlenecks.
Members of the Commonwealth of Independent States have found their ways to economic growth and improving livelihoods after a long period of transition to market economies. Instability and conflict within and around the region, vulnerability to developments in the global economy and an increasing frequency of natural disasters are obstacles on the path to inclusive growth. The three countries, Armenia, Tajikistan and the Kyrgyz Republic, which are the focus of a new regional synthesis report on nutrition-sensitive social protection and safety nets commissioned by the World Food Programme, are at different development stages. Armenia performs better in terms of Gross Domestic Product and real wages, thanks to comprehensive economic reforms implemented in the decade after independence. Kyrgyzstan, and even more so Tajikistan, are the poorest countries in the region, but they are also progressing in terms of economic growth.

With the exception of Tajikistan, all countries in the Europe and Central Asia region had achieved the Millennium Development Goal 1c by 2015. Yet, food insecurity and malnutrition remain pertinent issues in Armenia, Kyrgyzstan and Tajikistan, whereas the prevalence of undernourishment is particularly alarming in Tajikistan. The populations of all three countries are affected by the double burden of malnutrition: undernutrition (including micronutrient deficiencies) and overnutrition. The underlying reasons are poverty, lack of nutritional awareness and the countries’ partial dependence on food imports.

Poverty affects approximately one third of the population in all three countries and contributes to malnutrition primarily through undermining households’ economic access to food. Certain population groups, such as rural populations and women and girls have a higher risk to be poor and food insecure.

Social protection is recognized by the respective governments as an effective tool to improve the populations’ well-being. This is reflected in the comprehensive social protection systems that are in place. Armenia, the Kyrgyz Republic and Tajikistan all have social insurance systems and at least one kind of social assistance programme targeted at poor and vulnerable groups. School feeding programmes have become inherent elements of the national social protection strategies and yield positive returns in poverty reduction, nutrition and human capital accumulation. Remittances from migrant family members provide an important informal safety net.

The performance of social protection programmes is mixed. Social insurance, in particular old-age pensions, contributes substantially to poverty reduction in all three countries. Social assistance, on the other hand, is characterized by low coverage and adequacy, particularly in Tajikistan and the Kyrgyz Republic. Although all governments direct considerable shares of their budgets towards social protection, social assistance programmes are relatively underfunded. Despite social protection systems being fairly comprehensive, gaps remain, such as the lack of shock-responsive safety nets, promotive measures or programmes that take into account the specific needs of vulnerable populations. Nutrition objectives are strongly embedded in programmes run with World Food Programme’s assistance, but not yet in government-run safety nets. School feeding programmes are an excellent platform to deliver nutrition-sensitive social protection to children and families, and can contribute to the achievement of Sustainable Development Goals 2, 3 and 4 on Zero Hunger, ensuring healthy lives and inclusive and quality education.

Although challenges undoubtedly exist, there are also a number of remarkable projects and good practices that can serve as examples to follow across the region and beyond. The Optimizing School Meals Programme in the Kyrgyz Republic, the comprehensive reform of Targeted Social Assistance in Tajikistan and the integration of social protection services in Armenia are examples of sound policy design, implementation and excellent cooperation among both domestic and international stakeholders.

To break the vicious cycle of hunger and poverty and to achieve the Sustainable Development Goals and Agenda 2030, comprehensive safety nets are required. In addition to the gaps in the social protection systems and the low coverage and adequacy of available cash transfers, monitoring and evaluation systems are underdeveloped, and emerging issues such as obesity, urbanization and return migration are further challenges. These challenges interact, and are best addressed through a comprehensive reform of social protection, achieved with the engagement of
both government and development partners. Sustainable Development Goal 17 – to Strengthen the means of implementation and revitalize the global partnership for sustainable development – is a prerequisite for success. Through partnership, these challenges can be better tackled.

Perhaps the most pressing challenge is to increase coverage of the poor and transfer adequacy. Governments have to find fiscal space to do so. International partners can assist with building the case for scaling up programmes, for instance by conducting ex-ante analyses. Moreover, United Nations agencies and international donors have global expertise and a pool of evidence that can underpin strategic and technical decisions. Further improvement to existing policies is possible and advisable. For instance, the incorporation of appropriate graduation mechanisms should be a mid-term goal. In that context productive safety nets play an important role.

Addressing the gaps in social protection will require considerable financial efforts from governments. Governments struggle to finance their regular social protection programmes, and have limited capacity to set aside funds for scaling up during emergencies. The financing of social protection is a key obstacle in scaling up programmes and filling gaps. Fiscal space may be sustainably created by reallocating spending from other government sectors, increasing tax revenues or expanding social insurance coverage and contributions. International partners can also assist in this process. If the minimum standards for social protection are set and agreed upon, the International Labour Organisation, the International Monetary Fund, the Asian Development Bank or the World Bank can assist the governments in costing schemes and finding fiscal space.

Development partners, including World Food Programme, should continue providing technical assistance for the development of effective Monetary and Evaluation systems and building the capacity of civil servants in using the systems. The new electronic registries and Monetary and Evaluation systems also provide an opportunity to entrench a nutrition-sensitive approach to social protection.

The work on establishing social protection systems that meet both the requirements dictated by human rights and needs, and address the specific vulnerabilities of populations in the region, has to be underpinned by a common understanding of minimum standards. Therefore, fostering policy dialogue should start by developing a set of social protection, food security and nutrition minimum standards. Minimum standards for social protection should refer to International Labour Organisation’s Social Protection Floor Recommendation (R202), since it covers the basic livelihood needs throughout the lifecycle and is already embedded in the international and national policy arena. Policy dialogue should also address the need for shock-responsive social protection in the region. Establishing or – where applicable – strengthening emergency preparedness councils should as well be priority.

The rationale behind social protection for all is multifaceted, but first and foremost, decent living standards and the right to consume a healthy, adequate diet are basic human rights. Social protection is a key component in securing these rights. If Sustainable Development Goal 2 on Zero Hunger is to be achieved by 2030, governments, the international development community and civil society have to work together to further develop social protection systems in the Commonwealth of Independent States countries.
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<td>ADB</td>
<td>Asian Development Bank</td>
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<td>ARM</td>
<td>Armenia</td>
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<td>ASPIRE</td>
<td>The Atlas of Social Protection: Indicators of Resilience and Equity</td>
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<td>ASSIP</td>
<td>Agency for State Social Insurance Pensions</td>
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<td>AZE</td>
<td>Azerbaijan</td>
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<td>CIS</td>
<td>Commonwealth of Independent States</td>
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<td>DPCC</td>
<td>Development Partner Coordination Council</td>
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<td>DHS</td>
<td>Demographic and Health Survey</td>
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<td>ECU</td>
<td>Eurasian Customs Union</td>
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<td>EDB</td>
<td>Eurasian Development Bank</td>
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<td>EDRC</td>
<td>Economic Development and Research Center</td>
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<td>FAO</td>
<td>Food and Agriculture Organization of the United Nations</td>
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<td>FLSEB</td>
<td>Family Living Standard Enhancement Benefit</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GMI</td>
<td>Guaranteed Minimum Income</td>
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<td>ICN2</td>
<td>Second International Conference on Nutrition</td>
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<td>IFPRI</td>
<td>International Food Policy Research Institute</td>
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<td>ILO</td>
<td>International Labour Organization</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>IOM</td>
<td>International Organization for Migration</td>
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<td>KGZ</td>
<td>Kyrgyz Republic</td>
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<td>KIHS</td>
<td>Kyrgyz Integrated Household Survey</td>
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<td>KNOMAD</td>
<td>Global Knowledge Partnership on Migration and Development</td>
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<td>M&amp;E</td>
<td>Monitoring and Evaluation</td>
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<td>MBPF</td>
<td>Monthly Benefit for Poor Families with children</td>
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<td>MDG</td>
<td>Millennium Development Goals</td>
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<td>MLSD</td>
<td>Ministry of Labour and Social Development</td>
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<td>MNG</td>
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<td>Ministry of Health</td>
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<td>Monthly Social Benefit</td>
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<td>NDC</td>
<td>Notional Defined Contribution</td>
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<td>NSC</td>
<td>National Statistical Center</td>
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<td>NSSRA</td>
<td>National Statistical Service of the Republic of Armenia</td>
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<td>OECD</td>
<td>Organization for Economic Co-operation and Development</td>
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<td>OPHI</td>
<td>Oxford Poverty and Human Development Initiative</td>
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<td>Optimizing School Meals Programme</td>
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<td>PAYG</td>
<td>Pay-As-You-Go</td>
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<td>PMT</td>
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<td>Productive Safety Net Programme</td>
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<td>SPF</td>
<td>Social Protection Floor</td>
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<td>TajStat</td>
<td>Statistical Agency Under the President of the Republic of Tajikistan</td>
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<td>Targeted Social Assistance</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>United Nations Children’s Fund</td>
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<td>USAID</td>
<td>United States Agency for International Development</td>
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<td>USD</td>
<td>United States Dollar</td>
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<td>WASH</td>
<td>Water Sanitation and Hygiene</td>
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<td>World Bank</td>
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<tr>
<td>WHO</td>
<td>World Health Organization</td>
</tr>
</tbody>
</table>
Armenia, Kyrgyzstan, and Tajikistan are transition economies on the path of growth and recovery. Europe and Central Asia as a region has achieved the Millennium Development Goals (MDG) 1c to halve the rate of undernourishment (Food and Agriculture Organization of the UN, FAO, 2015b), and managed to reduce poverty significantly. Progress, however, took place at different rates. In Armenia, Kyrgyzstan and Tajikistan, approximately one third of the population still lives below the national poverty line (World Bank, WB, 2017). Food insecurity and malnutrition are pertaining issues. The three countries studied in this report have fairly comprehensive social protection systems, but low coverage and adequacy. The lack of shock-responsive safety nets, and underdeveloped promotive measures hinder the fight against poverty and hunger.

The objective of this report is to provide an overview of social protection and safety nets in Armenia, Kyrgyzstan and Tajikistan, with a particular focus on food and nutrition security objectives and outcomes and to offer policy directions to strengthen the social protection systems to contribute to achieving food security and nutrition outcomes in Central Asia in line with the Agenda 2030 and the Sustainable Development Goals (SDGs),

MESSAGES:

Social protection is a human right and an effective instrument to alleviate poverty and accelerate economic development. SDG1, “End poverty in all its forms everywhere”, includes explicit targets for social protection provision.

Food insecurity violates the basic human right to food and hinders economic growth. SDG2 aims to achieve “Zero Hunger” by 2030. Conditions arising from food insecurity and hunger are undernutrition, overnutrition, and micronutrient deficiencies. These conditions have serious impacts on people’s abilities, development, and quality of life on the micro level, and the population’s productivity on the macro level.

Poverty and hunger are interconnected. The link between them increasingly has been recognized in recent years, and the potential of social protection to enhance food security and nutrition has become apparent. Different social protection instruments can tackle different aspects of food insecurity.

Nutrition objectives can be incorporated into social protection to enhance nutrition outcomes.

Gender inequality interacts with food insecurity on many levels, some of which can be tackled through social protection instruments.
in particular goals 1, 2 and 17. The present report is based on three separate country studies.

This report is structured as follows: The remainder of this introductory chapter introduces the concepts and interlinkages of social protection and food security. Chapter 2 provides the demographic and socio-economic context of the region related to food security and social protection. Chapter 3 focuses on the prevalence of food insecurity, malnutrition, and poverty in the three countries. Chapter 4 provides an overview of current social protection systems in the three countries, and Chapter 5 discusses the performance of the existing social protection measures, summarizes the financial and institutional characteristics, and identifies current gaps in the systems. Chapter 6 draws upon the findings in the previous chapters and summarizes lessons, best practices, and policy recommendations for policy makers and international development partners.

1.1 FOOD SECURITY AND SOCIAL PROTECTION

Food insecurity is a condition violating the basic human right to food1, and it undermines people’s quality of life and their ability to live a life they value. Nutritious food is the most basic element of human life. The consequences of food insecurity are extremely harmful: the inability to regularly consume quality food increases the risk of mortality and morbidity (Blössner and de Onis, 2005). Food insecurity can lead to malnutrition2 and undernutrition3 with detrimental long-term consequences.

Undernourished children often suffer from stunting, wasting, or underweight. Undernutrition over time can cause starvation and premature death (FAO, IFAD, and WFP, 2015).4

Food security is defined along four dimensions and exists when people have physical and economic access to sufficient food that is safe and nutritious and meets their dietary needs and preferences (World Food Summit, Rome 1996). The four dimensions include the physical availability of food, economic and physical access to food, utilization of food, and the stability of these three dimensions over time.5 All four dimensions should be assured simultaneously. Securing access to and quality of food, and raising the knowledge about nutrition and awareness of consequences of harmful habits are important policy challenges. Poverty reduction policies, particularly social protection as an instrument to reduce poverty and help smooth consumption, gain special attention.

In the last decades, social protection has been progressively recognized as a human right and an effective instrument to alleviate poverty and accelerate economic development. Although the Millennium Development Goals did not emphasize social protection, it is very present in the post-2015 development agenda with SDG1 “End poverty in all its forms everywhere” containing explicit targets of social protection provision (UN, 2015).6 Social protection is considered to be one of the most effective tools to alleviate poverty and inequality, to tackle social exclusion and to promote lasting, pro-poor economic growth.

Social protection policies reflect “a broad set of arrangements and instruments designed to protect members of society from shocks and stresses over the lifecycle” (WFP, 2014). Social protection can serve four basic functions (Derveaux and Sabates-Wheeler, 2004). Protective social protection provides relief from deprivation and chronic poverty. Preventive measures aim to avert deprivation and alleviate poverty. Promotive measures seek to decrease vulnerability by promoting and stabilizing income and develop human and physical capital.

Transformative social protection (TSP) measures go beyond consumption smoothing and redistribution policies. They also aim to address poverty and inequality through issues of social equity, exclusion, and marginalization.

1.2 KEY SOCIAL PROTECTION INSTRUMENTS FOR FOOD SECURITY

With respect to the four dimensions of food security, social protection has the greatest potential to improve access to food. Protective and preventive social protection instruments raise households’ economic access to food by directly increasing or maintaining their purchasing power.

Promotive programmes raise purchasing power directly, by creating real infrastructure and assets that support real livelihood generation in the long term. TSP measures can address lags in social access and utilization, by changing patterns of discrimination, prevailing adverse gender norms and behavioural factors related to nutrition.

Social insurance and labour market programmes, social safety nets and social services all have the potential to contribute to food security and strengthen nutrition outcomes (Figure 1). Social safety nets include cash and in-kind (in many cases, food) transfers on a non-contributory basis, protecting the population from falling into poverty and ensuring their access to nutritious food. Several types of social services can yield positive returns on food security by ensuring, for example, access to healthcare and education.

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1 Enshrined in the Universal Declaration of Human Rights, the Declaration of the Rights of the Child, the International Covenant on Economic, Social and Cultural Rights, General Comments 12 and 19 of the UN Committee on Economic, Social and Cultural Rights.
2 Malnutrition is an abnormal physical condition that arises when dietary needs are not met and the amount of energy, macro- and micronutrients consumed is not adequate for a healthy and active life.
3 Undernutrition is the condition resulting from too little food intake relative to the person’s nutritional requirements, primarily in calories and protein.
4 Micronutrient deficiency, “sometimes also called as hidden hunger, refers to an inadequate intake of essential vitamins and minerals” (FAO, 2015a) and is associated with under- and overnutrition. Overnutrition arises when an individual’s food energy intake is above their dietary needs.
5 For more detail, see Annex 1.
6 Besides SDG1, SDG3, SDG5, and SDG8 also explicitly refer to social protection as means to achieve the targets (United Nations, 2015).
Improved food security outcomes are more than a mere positive externality of social protection measures. With nutrition-specific and nutrition-sensitive social protection programmes, these effects can be further enhanced (United Nations Children’s Fund, UNICEF, 2013). Nutrition-specific programmes, such as supplementary feeding or nutrition education, seek to tackle the immediate and underlying causes of malnutrition. Nutrition-sensitive social protection programmes incorporate nutrition targets and address underlying and basic causes, such as social assistance cash transfers, which enable households to purchase safe and nutritious food.

Besides government-run social protection programmes, informal safety nets can contribute to the food security of households. Dershem and Gzirishvili found that informal safety nets are expected to gain more significance during times of crises: “During times of crisis and socio-economic change, kinship and community relations are vital to survival strategies in everyday life and adaptation to social change” (Dershem and Gzirishvili, 1998). Remittances have been found to have positive impacts on households’ food security (see, for example, Babatunde and Martinetti, 2011).

1.3 THE GENDER DIMENSION OF SOCIAL PROTECTION AND FOOD SECURITY

Gender inequality interacts with food security on many levels, some of which can be effectively addressed by social protection. Women and girls are overrepresented among the food-insecure population of the world, accounting for an estimated 60 percent of all undernourished people (ECOSOC, 2007). Fighting gender inequality and expanding the opportunities of women and girls is entrenched in various international agreements’ and is the duty of governments all over the world. Besides the human rights perspective, there are strong economic reasons for tackling gender inequality. Women play an essential role in food security and nutrition; rural women make up the majority of food producers globally. Nevertheless, they are discriminated in ways that affect their ability to participate in decision making, to produce, and to achieve equality. The lack of women’s empowerment has adverse effects on the productivity of the agricultural sector and thus hinders economic growth (ADB, 2013; Bread for the World Institute, 2015; FAO, 2016; FAO, IFPRI & DFID, 2015).

Social protection is never gender neutral. Hence, it can and should aim at counteracting inequalities. Not incorporating gender objectives in social protection does not mean programmes are gender neutral: being gender blind, they might unintentionally reinforce existing inequalities. Transformative objectives can be operationalized in stand-alone programmes, or use other social protection programmes as a delivery platform.

Armenia, Kyrgyzstan, and Tajikistan are members of the Commonwealth of Independent States (CIS) – a confederation of nine member and two associated member states, all of them former Soviet Republics. With no access to the sea, high mountains, underdeveloped infrastructure, and strict borders of neighbouring economies, the countries of Central Asia face considerable geographic and geopolitical challenges. The region is further hit by political instability, ethnic conflicts, and security risks in neighbouring countries.

All three countries are prone to natural disasters, which are becoming more frequent and have larger adverse effects. For instance, in the Kyrgyz Republic, there have been six times as many natural disasters recorded in 2014 than in 2001. Climate change and related natural disasters pose a further risk to people’s livelihoods and food security.

2.1 DEMOGRAPHIC CONTEXT

In terms of population, all three countries are relatively small. Armenia registered a population of 3 million at the beginning of 2017. Kyrgyzstan’s and Tajikistan’s populations are approximately twice and three times as large, with 6 and 9 million inhabitants (International Monetary Fund, IMF, 2016b), respectively. Although Armenia is nearly ethnically homogenous, the dominant ethnic groups account for 72 percent of the population in the Kyrgyz Republic, and 85 percent in Tajikistan (Batsaikhan and Dabrowski, 2017). The
latter two countries have seen violent ethnic conflicts in the not so distant past, such as the civil war in Tajikistan in the years after independence, and the clashes in Kyrgyzstan in 2010.

**Urbanization has occurred to a different extent in the countries.** In Armenia, almost two thirds of the population live in urban areas, whereas this rate is one third in Kyrgyzstan and a little over a quarter in Tajikistan. The absolute urban population has been growing in all three countries, ranging from an annual growth rate of 0.1 percent in Armenia, to 2.6 percent in in Tajikistan. In Kyrgyzstan and Tajikistan, the growth of the urban population is rather fast paced but still slower than the overall population growth (WB, 2017).

Demographic shifts can be observed in all three countries, albeit to varying extents. Fertility rates increased between 2006 and 2015 in the Kyrgyz Republic and slightly decreased in Armenia and Tajikistan. The share of the elderly population is expected to grow in all three countries as a result of fertility rates slowing and life expectancy growing. This is especially true in Armenia, where 11 percent of the population is aged 65 and above (WB, 2017). The Kyrgyz Republic and Tajikistan register lower shares of elderly among the total population with 4 percent and 3 percent, respectively (WB, 2017). The share of children (0–14) in 2016 stood at 19 percent in Armenia, 32 percent in Kyrgyzstan and 35 percent in Tajikistan (WB, 2017).

### 2.1 ECONOMIC CONTEXT

**Armenia, Kyrgyzstan, and Tajikistan face similar economic challenges because of their shared past and the economic transition they underwent.** They are among the poorer countries of the CIS, if measured by Gross Domestic Product (GDP) per capita. Tajikistan and the Kyrgyz Republic recently crossed the threshold to qualify as lower middle-income, but Tajikistan remains the poorest country in Eastern Europe and Central Asia. Armenia has registered steep growth from the early 2000s, at a much faster pace than the other two countries.

The 2008 global economic crisis had serious adverse effects on all countries in the region. GDP growth in Armenia reached negative numbers and slowed in Kyrgyzstan and Tajikistan. As a consequence, poverty rates also have risen. From 2014, Russia has been hit by falling oil prices and a series of Western trade sanctions. Through the strong economic ties, the Russian crisis has had major negative impacts on the Commonwealth of Independent States. Russia is an important export destination and source of imports for Eastern European and Central Asian countries. Most CIS countries cover at least 5 percent of their energy imports from Russia. Armenia even reaching 20 percent (Stepanyan, Roitman, Minasyan, Ostojic, and Epstein, 2015).

The Russian crisis led to losses of an important export market and to an increase in import prices in the region.

An important step in international trade for Armenia and the Kyrgyz Republic was gaining membership in the Eurasian Customs Union (ECU). As shown in Figure 3, all three countries are expected to recover from the recent crisis if no unexpected shocks occur, and GDP growth close to the rate in 2013 is forecast (IMF, 2016b). After a period of high growth, Armenia and the Kyrgyz Republic are forecast to grow at a rate of 3.0 percent and 3.5 percent, respectively, in 2016. Tajikistan is expected to grow at a rate of 2.0 percent in 2016.

**FIGURE 2. REAL GDP PER CAPITA TRENDS AND ESTIMATES AMONG COMPARATORS**


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8 Average life expectancy at birth in 2015 was highest in Armenia at 75 years, followed by Kyrgyzstan with 71 years, and lowest in Tajikistan with 70 years. Life expectancy for women is higher in all countries than it is for men.
and volatile inflation, inflation rates have stabilized at one-digit figures since 2012 (IMF, 2016b). The IMF (2016b) forecasts that future consumer price increases will average between 4–6 percent in the following years.

**The economies remain vulnerable to external shocks, and with**

**drained financial assets and growing public debt, there is little available policy space to address these issues** (IMF, 2016a). International organizations, such as the IMF and the Asian Development Bank (ADB), warn about the vulnerability of CIS countries to changes in the world commodity markets and recommend the structural diversification of the economies in order to lessen the reliance on commodities and remittances (IMF, 2016a). The IMF also notes that “growth will also need to be made more inclusive, to allow the broader population enjoy the benefits of higher living standards” (IMF, 2016a).

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**FIGURE 3. GDP GROWTH RATES (CONSTANT PRICES) IN ARMENIA, KYRGYZSTAN, TAJIKISTAN AND RUSSIA**

Source: IMF 2016b World Economic Outlook Database. Figures for 2016 and beyond based on IMF Staff projections.

**FIGURE 4. ADDED VALUE AS % OF GDP (LEFT), EMPLOYMENT AS % OF EMPLOYED (RIGHT), BY SECTOR**

Agriculture accounts for a relatively high share of total employment in all three countries but seems to underperform when it comes to the value added as a percentage of GDP. Tajikistan is a rather extreme example in this context, as agriculture employs more than half (53 percent) of the labour force but accounts for only one quarter of the gross national product (WB, 2017).

Since it is the main sector of employment, especially in rural areas, the underperformance of Tajik agriculture is a serious constraint to inclusive growth. Industry, in comparison, is productive: it has a substantially higher added value than its share of employment in all three countries (WB, 2017). Services are the largest sector in terms of employment and value added in Kyrgyzstan and Armenia. In comparison, the Russian economy is largely dominated by the service sector, which accounts for two thirds of the employed labour force (WB, 2017).

Migration is a salient phenomenon in the entire region, including the three focus countries, in which emigration outnumbers immigration. For all three countries, Russia is the most popular destination, with at least 90 percent of labour migrants working there (IOM, 2016). It follows from the high prevalence of labour migration that remittances are a considerable component of GDP.

In 2016, these transfers accounted for an estimated 13.1 percent of GDP in Armenia, 34.5 percent of GDP in Kyrgyzstan, and 26.9 percent in Tajikistan (KNOMAD, 2017). Most labour migrants are employed in the non-tradable sector, which is very volatile, sensitive to changes in oil prices, and with flexible labour arrangements. Remittances are one of the main channels of transmission of the economic crisis to these countries (Stepanyan et al., 2015).

In addition to a decrease in this large component of GDP, the return of migrant workers increases unemployment, puts a downward pressure on market wages, and translates to an increased need for social assistance (Stepanyan et al., 2015).

The labour markets are characterized by a lack of productive employment opportunities, low wages, and a medium to high degree of informality.

Official unemployment rates are the highest in Armenia (18.5 percent)(NSSRA, 2016), the lowest in Tajikistan (2.4 percent) (TajStat, 2017)*, with Kyrgyzstan (7.6 percent) (IMF, 2016b) in the middle. Labour force participation varies between 63–69 percent (WB, 2017).

Significant gender disparities exist in unemployment and labour force participation, with the largest differences noted for the Kyrgyz Republic. Besides the lack of productive employment opportunities, low wages pose a further threat to inclusive growth and incentivize seeking employment abroad.

Wages in the Russian Federation (RUS) and Kazakhstan were four to five times higher than in Tajikistan and Kyrgyzstan in 2014, and more than double than in Armenia (ADB, 2016). As of 2014, Tajikistan had the lowest average real wage in the entire region, followed by the Kyrgyz Republic, Moldova and Armenia.

The lowest wages are observed in the agricultural sector, which is in line with the findings of its low productivity. However, Tajikistan also registered the highest annual average growth in wages between 2005 and 2014 (ADB, 2016).

Informality is widespread, probably even more so in the agricultural sector. In 2015 in Armenia, according to the NSSRA, the informal employment rate stood at 47.7 percent in the overall economy and 99 percent in the agricultural sector.

For the Kyrgyz Republic, the United Nations Development Programme (UNDP) estimated that approximately 40–60 percent of GDP is generated in the informal sector (UNDP, n.d.).

In Tajikistan, the WB’s Listening to Tajikistan survey found that 31 percent of the labour force was employed informally in 2009 (WB, 2015a).

In summary, Armenia, Kyrgyzstan, and Tajikistan are at different stages on the same path of transition. Armenia performs better in terms of GDP and real wages, in which the comprehensive economic reforms in the decade after independence played a crucial part.

Kyrgyzstan and Tajikistan are the poorest countries in the region, but are progressing in terms of economic growth. Despite the differences, the countries share common challenges, such as their vulnerability to environmental disasters and external economic shocks, unemployment, and the large size of the informal labour market.

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9 Note that for Tajikistan only registered unemployment is reflected.
The Europe and Central Asia region has achieved MDG1C on halving the population affected by hunger. Apart from Tajikistan, all countries have achieved the target by 2015.

Despite the impressive achievements, Armenia, Kyrgyzstan, and Tajikistan still face considerable challenges in food security and nutrition. Their populations are affected by the double burden of malnutrition, meaning that undernutrition (including micronutrient deficiencies) and overnutrition are prevalent issues.

Food insecurity and malnutrition are highly correlated with poverty, which affects approximately one third of the population in all three countries (measured at the national poverty lines).

Rural populations and women and girls are more affected by poverty. Unemployment and low wages contribute to poverty and incentivize labour migration.

As a region, Europe and Central Asia has achieved the MDG1C to halve the rate of undernourishment (FAO, 2015b). Since the difficult years of the early transition period, all CIS countries have made remarkable progress in food security and nutrition. With the exception of Tajikistan, all CIS countries reduced the proportion of undernourished people by half before the 2015 deadline (FAO, 2015b).

Undernutrition remains an issue in the region, with Tajikistan being the only country that has not yet reached dietary energy supply adequacy (FAO, 2017). The disparity of Tajikistan in relation to the rest of the region is striking (Figure 5). The country has decreased the prevalence of undernourishment from 36 percent to 33 percent but has by far the highest proportion of the population affected when measured against other countries (FAO, 2017). According to FAO, the total number of undernourished people in Europe and Central Asia was 5.9 million in 2014/16, of which almost 50 percent lived in Tajikistan (FAO, 2017). Although relative to population Tajikistan has decreased the prevalence of undernourishment, the absolute number of people affected has increased.

The Kyrgyz Republic performs well relative to Armenia and Tajikistan in fighting child malnutrition. In 2014, Kyrgyzstan registered a 2.8 percent decrease in wasting and underweight. Compared to 2009, these results indicate a 50 percent decrease in underweight, but a two-fold increase in wasting (FAO, 2017). Wasting,
also referred to as "acute malnutrition", became twice as prevalent between 2009 and 2012 in Tajikistan, whereas underweight has decreased. The increase in wasting could be a result of the devastating economic crisis in 2008–2009, and the subsequent transient poverty and economic hardship in the region. In all three focus countries, stunting remains the biggest challenge (FAO, 2017). Again, Tajikistan registers higher rates in all three undernutrition indicators compared to Armenia and the Kyrgyz Republic. The Europe and Central Asia region as a whole in 2010 had substantially lower rates of stunting, wasting, and undernutrition than the global average of developing countries (FAO, 2015b).

Micronutrient deficiency remains a problem in the Kyrgyz Republic and Tajikistan. According to FAO, in 2011, 35.8 percent of Kyrgyz children under 5, and 29.9 percent of Kyrgyz pregnant mothers were affected by anaemia (FAO, 2017). In Tajikistan, 40 percent of children between 6–59 months were affected by anaemia in

### FIGURE 5. PREVALENCE OF UNDERNOURISHMENT IN CENTRAL ASIAN COUNTRIES

![Figure 5](source)

Source: FAO Statistical Database. Note: Missing data for Uzbekistan from 2013 onwards.

### FIGURE 6. PERCENTAGE OF CHILDREN UNDER 5 AFFECTED BY STUNTING, WASTING, AND UNDERWEIGHT

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>Underweight</th>
<th>Stunting</th>
<th>Wasting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tajikistan(2012)</td>
<td></td>
<td>13%</td>
<td>10%</td>
<td>27%</td>
</tr>
<tr>
<td>Armenia(2010)</td>
<td></td>
<td>5%</td>
<td>4%</td>
<td>21%</td>
</tr>
<tr>
<td>Azerbaijan(2013)</td>
<td></td>
<td>3%</td>
<td>5%</td>
<td>18%</td>
</tr>
<tr>
<td>Kyrgyzstan(2014)</td>
<td></td>
<td>3%</td>
<td>3%</td>
<td>13%</td>
</tr>
<tr>
<td>Kazakhstan(2010)</td>
<td></td>
<td>4%</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Georgia(2009)</td>
<td></td>
<td>1%</td>
<td>11%</td>
<td></td>
</tr>
</tbody>
</table>

Source: FAO Statistical Database
2012 (TajStat, MoH, and ICF International, 2013). Whereas in Armenia and Kyrgyzstan anaemia was more common in rural areas, urban areas in Tajikistan registered a two percentage points higher prevalence than rural areas. This type of micronutrient deficiency was not found to be correlated with wealth in any of the countries (NSC, MOH, and ICF International, 2013; NSSRA, MoH, and ICF International, 2016; TajStat et al., 2013). In Armenia, anaemia rates have decreased since 2000, but the condition still affected 26 percent of children under 5 and 12 percent of pregnant women in 2015–16 (NSSRA et al., 2016).

Behavioural factors and social norms, such as infant feeding practices and the consumption of a diverse and nutritious diet, contribute to food security. Inappropriate breastfeeding and infant feeding practices can lead to adverse consequences in children’s development, physically and cognitively. According to the latest data, breastfeeding is almost universal in the three focus countries. However, contrary to World Health Organization (WHO) recommendations, a smaller proportion of infants under 6 months receive exclusive breastfeeding: 34 percent in Tajikistan, 45 percent in Armenia, and 56 percent in the Kyrgyz Republic (NSC et al., 2013; NSSRA et al., 2016; TajStat et al., 2013).

As CIS countries have been moving towards higher incomes, overweight has been increasing, posing an emerging challenge for all three countries. The levels of obesity among children in the Caucasus and Central Asian region are high relative to the countries’ income levels, which is an indicator of a broader problem affecting post-Soviet Eurasian populations (FAO, 2015b).

While Tajikistan still fights undernutrition, overnutrition has also started to climb with 41.1 percent of the population being overweight and 12.0 percent obese in 2014 (WHO, 2017). In Kyrgyzstan, 47 percent of the population is affected by overweight and 14 percent by obesity (WHO, 2017). Armenia registers the highest rates of overnutrition: 54 percent of the population is overweight and 19 percent is obese (WHO, 2017).

Overnutrition affects women disproportionately: their relative risk of being obese ranges from 1.3 in Armenia to 1.7 in Tajikistan (WHO, 2017). Moreover, the fact that overweight and obesity are more prevalent among higher-income groups suggests that behavioural patterns play an important role.

Evidence from the Kyrgyz Republic suggests that net food buyer and net food importer households differ in their vulnerability to food price changes (Bierbaum and Baibagysh Uulu, 2015). Increasing food prices have an adverse effect on the welfare of net food buyer households, and a substantial increase in only one staple food is enough to cause considerable losses of welfare (Bierbaum and Baibagysh Uulu, 2015). The effect of global food prices on consumer prices and the purchasing power of households is demonstrated by how the consumer price index (CPI) in Tajikistan followed global prices. As food prices on the international market increased, inflation instantly accelerated. (Al-Eyd, Amaglobeli, Shukurov, and Sumlinski, 2012).
3.2 POVERTY

Based on the international standard of USD 1.90 a day, poverty rates in all three countries have declined to one-digit levels. In 2012, they ranged from 2.4 percent in Armenia to 4.7 percent in Tajikistan. (WB, 2017). Poverty at the national lines also demonstrates decreases, but the share of the population living in poverty remains considerable. In Tajikistan, for instance, the poverty rate decreased from 82 percent in 1999 to 31 percent in 2015 (Seitz and Rajabov, 2017). Armenia and Kyrgyzstan witnessed similarly impressive improvements in livelihoods. However, as seen in Figure 8, poverty reduction has stagnated since the onset of the global economic crisis in 2008.

Poverty rates for 2015 show that the prevalence of poverty measured at the national poverty line is relatively similar in all three countries, affecting approximately one third of the population. According to the WB’s indicators, the share of the population under the national poverty line is 30 percent in Armenia10, 31.3 percent in Tajikistan and 32.1 percent in the Kyrgyz Republic (WB, 2017). Tajikistan’s development is particularly remarkable, given that in 2008, the poverty rate was as high as 53 percent (WB, 2017). Although a substantial share of the population remains poor, poverty is relatively shallow in all three countries. The poverty gap, which measures the average distance to the poverty line, is below 10 percent in all three countries.

Poverty rates in rural areas are consistently higher than in urban areas and are lowest in the capital cities. Geographical disparities are rather modest in urbanized Armenia but are very high in Tajikistan. In Tajikistan and Kyrgyzstan, rural areas register a 12 and 4 percentage point higher poverty rate than urban areas. (NSC, 2017; TajStat, 2017).

Poverty is characterized by regional disparities. Armenia’s Shirak province registers a poverty rate that is double the national average. Jalalabad in the south of Kyrgyzstan has an almost 25 percentage point higher poverty rate than urban areas. (NSC, 2017).

Gordo-Badakhshan Autonomous Region is the poorest region in Tajikistan and is characterized by its remote location, limited infrastructure, and lack of productive employment opportunities. As a consequence, the poverty gap in this high mountainous oblast is double the national poverty gap. Hence, not only is the risk of living in poverty higher, but the poor are also poorer than in the rest of the country.

At the same time, some regions – such as Aragotsotn in Armenia, Chui in the Kyrgyz Republic, and Sughd in Tajikistan – benefit from thriving agriculture or industry and have substantially lower poverty rates than other regions.

Certain household characteristics are associated with a higher risk of poverty in all three countries. Larger households and households with three or more children are more likely to fall into poverty than the rest of the population. Low education also increases the risk of poverty.

Women-headed households are more prone to poverty, and the female population in general suffers from serious disadvantages. One of the underlying reasons in Tajikistan is the end of the comprehensive social safety nets for motherhood, including the protection for working mothers and child care support programmes (WB, 2014a).

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10 The value for Armenia should be read with caution, as the latest figures from the National Statistical Committee show a lower poverty headcount ratio at 25.4 percent (NSC, 2017).
Gender disparities in poverty rates exist in the region, with women having a higher risk of poverty than men (WB, 2014a). In its 2017 Tajikistan country briefing, the WFP finds gender to be correlated with food insecurity: women-headed households have a higher rate of food insecurity and lower shock resilience (WFP, 2016f). Single women and women-headed households are among the groups most vulnerable to poverty, which is a consequence of social and economic developments in these countries since the collapse of the Soviet Union (WB, 2014a).

The transition to market economies marked the end of comprehensive social safety nets for motherhood, including the protection for working mothers and child care support programmes.

As a result of civil wars and other conflicts, particularly in Tajikistan and Kyrgyzstan, the number of women-headed households increased significantly (WB, 2014a). This trend is further fuelled by labour migration, which is predominantly a male phenomenon in countries such as Tajikistan. With husbands migrating, women are left alone with the household duties.

The disadvantaged position of women in the economy further contributes to their higher risk of being poor. As Chapter 3 demonstrates, there is a significant gap between the labour force participation and employment of men and women. Since independence, there has been a re-emergence of traditional gender roles, which has been reflected in gender inequalities in the labour market (Khitarishvili, 2016).

Because of the predominance of small-plot farming, a large share of women are family workers in Kyrgyzstan and Tajikistan. In Kyrgyzstan, 16.9 percent of females, but only 8.9 percent of males, farm family plots. In Tajikistan, the corresponding figure is 19.1 percent for females and 12.5 percent for males (Khitarishvili, 2016). In Tajikistan, two thirds of women are employed in the agricultural sector, which is characterized by low wages and high levels of seasonality.

Summarizing, food insecurity remains a challenge in the region. It is underpinned by poverty, the lack of food stability, and utilization factors, including social norms and behavioural patterns. Tajikistan is the only country in the region where MDG1C has not been reached, and it registers a much higher prevalence of undernourishment than the other two countries. Malnutrition is the greatest challenge for all three countries to tackle, with many of the children under 5 still suffering from related consequences, particularly in Tajikistan.

Overweight and obesity rose in the past decade, affecting the female population disproportionately. Food insecurity is largely driven by poverty, which, although rates vary, is still prevalent in the region.

The lack of productive employment opportunities keeps poverty persistent, especially in rural areas, where much of the population works in the agricultural sector, which is characterized by low productivity, low wages, and high seasonality.

FIGURE 9. POVERTY RATES BY AREA OF RESIDENCE, 2015

Source: Authors’ compilation based on data from National Statistical Offices
Social protection programmes during the Soviet era provided cradle-to-grave protection and covered a wide range of needs and vulnerabilities. Programmes comprised mainly social insurance, categorical benefits, and services.

The economic collapse following the dissolution of the Soviet Union led to surging unemployment, lowered living standards, and poverty. Soviet-type welfare systems were difficult to sustain financially, and many countries started to reform their social protection plans to ease budget resources and increase efficiency.

Armenia, Kyrgyzstan, and Tajikistan are no exceptions; however, they are at different stages of the reform process. The governments of the three countries have demonstrated commitments to reduce poverty, improve livelihoods, and strengthen the resilience of their populations by introducing numerous reforms, cooperating with international development partners, and spending resources on social protection provision.

4.1 OVERVIEW

The social protection systems of the three countries follow a relatively similar scheme, albeit developed to different extents. Figure 10 provides a schematic overview of the main social protection components in the three focus countries.

The focus is on regular programmes that are legislated, financed, and implemented by governments. The preventive function – in the form of social insurance, including pensions – is the largest component of the social protection systems. It is underpinned by protective measures, such as social assistance cash transfers and school feeding programmes.

The promotive function of social protection (in Figure 10 reflected as productive safety nets) is either lacking or reaches only a relatively small share of the population in all three countries.

Social services are present everywhere, but they cover a varying range of needs from country to country. Given that informal support, predominantly in the form of remittances, functions as a safety net, it is included as a separate component in the overall scheme.

MESSAGES:

Armenia, Kyrgyzstan, and Tajikistan have fairly comprehensive social protection systems.

They generally comprise social insurance, social assistance, and social services. Remittances play an important role as informal safety nets.

School feeding programmes are now part of national social protection strategies and are gradually being taken over by governments.
4.1.1 SOCIAL ASSISTANCE PROGRAMMES

Social assistance programmes in the region typically consist of cash transfers, which are either poverty-targeted or categorical. Categorical transfers are targeted at vulnerable groups, such as the elderly and people with disability, or privileged segments of the population.

Targeted Social Assistance (TSA) programmes aim to protect and enhance the incomes and consumption of poor households and have the potential to contribute to the food security and nutrition of populations. The flagship poverty TSA programmes in the three countries are:

- The Family Living Standard Enhancement Benefit (FLSEB) in Armenia;
- The Monthly Social Benefit for Poor Families with children (MBPF) in the Kyrgyz Republic; and
- The Targeted Social Assistance (TSA) programme in Tajikistan.

Although all three flagship programmes provide regular cash transfers and are means-tested, there are some differences in design and implementation. The FLSEB and the TSA use proxy means tests to identify eligible households.

The MBPF identifies eligible households through a detailed means test. Although the MBPF is only available for households with children, which excludes a part of the poor and food insecure population by design, the TSA in Tajikistan and the FLSEB in Armenia also provide benefits for households without children, indicating a more inclusive and comprehensive approach to social assistance and its functions.

Benefits are currently flat rate in all three countries.

In addition to the poverty-targeted schemes, various categorical cash transfers and energy subsidies are currently in place in the countries. In all three countries, social pensions are available for persons above retirement age, adults, and children with disabilities and survivors if they are not entitled to a social insurance pension.

In 2016, Armenia also introduced a non-contributory maternity benefit and provides lump-sum benefits at the birth of a child. In Tajikistan, funeral benefits are provided to low-income families. In the Kyrgyz Republic, categorical benefits are provided for various groups of the population, not necessarily with an explicit poverty or vulnerability focus.

As a response to the increase of energy prices, Tajikistan and Kyrgyzstan introduced compensations and subsidies to ease the burden of energy costs. In Tajikistan, the TSA will replace cash subsidies. In Kyrgyzstan, next to explicit energy subsidies and compensations, energy prices are substantially below market prices.

The population of the Eastern Europe and Central Asia region is vulnerable to a number of covariate shocks, such as natural disasters, economic developments in neighbouring countries, and fluctuations in global food and energy prices.

Yet, none of three countries has developed a social protection system that can respond to such shocks. Only Armenia has developed mechanisms for disaster management under the Government Decree “Approving the Livelihood of Evacuated Populations”.

A contingency plan describes the capacities of the government and the humanitarian community to respond to the needs of displaced population.
4.1.2 SOCIAL INSURANCE PROGRAMMES

All three countries have comprehensive social insurance systems. They include the coverage of long-term or lifetime risks – associated with old-age and disability – and temporary risks – including unemployment, sickness, or motherhood.

Social insurance pension systems include old-age pensions, disability pensions, and survivor’s pensions in all three countries, and they are primarily accessible by formal sector workers. These benefits are contributory, meaning that eligibility depends on meeting a statutory minimum contribution period, and on the occurrence of the insured risk – in this case, old age or disability. If the contribution period is not met, contributors may be eligible for a pro-rata benefit. With respect to informal sector workers, only the Kyrgyz Republic offers the opportunity to contribute to the pension system and accrue pension rights. In Armenia and Tajikistan, this possibility seems to be lacking. Given the size of the informal sector, the ineligibility of informal sector workers for pensions is a challenge for the formal systems, now and in the future.

The recent reforms introduced multi-pillar pension systems in Armenia and Kyrgyzstan. Armenia introduced a voluntary pension fund in 2011, and starting from 2017, all public servants have to contribute to the second pillar. In Kyrgyzstan, in addition to the basic pension, which is funded from the state budget, there are three insurance components, including Pay-As-You-Go (PAYG) and Notional Defined Contribution (NDC) elements. In Tajikistan, the pension system consists of two pillars: a PAYG basic pension and individual accounts.

Contributory pension systems struggle to respond to the phenomenon of external labour migration. This is especially true for Tajikistan, where migration is at its peak, and where the pension system’s financial sustainability is already under pressure. Labour migrants working in Russia and Kazakhstan pay contributions in their host countries, but are expected to return to their home countries at one point, not being eligible for insurance pensions. This creates a challenge as returning migrants will not be eligible for contributory pensions on their retirement, which is expected to increase the pressure on government budgets.

Temporary risks commonly insured by the social insurance systems are unemployment, sickness, and motherhood. Unemployment benefits differ in terms of the benefit values, duration, and eligibility criteria. Kyrgyzstan provides a flat rate benefit equivalent to 10 percent of the subsistence minimum to the officially unemployed. Benefits can be received for a maximum of six months in a year, and no more than 12 months within a three-year period. Eligibility requires previous contributions to the Employment Assistance Fund (OECD, n.d.). In Tajikistan, benefits are linked to the insured person’s previous earnings, with a replacement rate of 50 percent in the first, 40 percent in the second, and 30 percent in the third month. The duration of the period is only three months per year, and requires proof of
past employment in the formal sector. The Armenian social insurance system does not cover loss of employment, but unemployment may be a reason for eligibility for the emergency assistance under the FLSEB.

All three governments provide benefits to mothers of newborns that cover the period of their maternity leaves. Depending on the number of births and any difficulties associated with birth, the benefits are paid for 125–185 days. In Armenia and Tajikistan, the benefits are equal to the working mother’s full wage. In Kyrgyzstan, they are either equal to the wage or calculated on the basis of the “imputed rate”11.

Kyrgyzstan and Armenia also provide more modest benefits to non-working or informally employed mothers, whereas Tajikistan only compensates for the lost wages caused by the inability to work.

In all three countries, social insurance systems also cover temporary inability to work because of sickness. The programmes are contributory and thus informal sector workers cannot benefit from them. Benefit amounts and the duration depend on the earned wages and the nature of sickness.

4.1.3 SOCIAL SERVICES

Armenia, Kyrgyzstan, and Tajikistan are at different stages of social service provision and reform, with Armenia setting an example for other countries in the region. Social services can be an invaluable contribution to food security and nutrition outcomes of social protection and thus should not be disregarded when assessing a country’s social policies. Armenia sets an example of a forward looking and modern vision of social services. According to a government decision12 approved in 2012, Armenia is introducing integrated social services. This is one of the most important reforms to the social protection system. Integrated social services include more efficient, effective, well-coordinated, and monitored service delivery, where cross-sectoral co-operation and a holistic approach to social work are present at the same time.

The most important social service functions to be strengthened in Kyrgyzstan and Tajikistan are referral systems and the gatekeeping mechanisms in child protection. These are essential to meet the needs of the population, to remove barriers to social protection programmes, and to protect and promote the interests of children.

4.1.4 SCHOOL FEEDING PROGRAMMES

School feeding programmes are available in Armenia, Kyrgyzstan, and Tajikistan, with differing rates of coverage and varying levels of government ownership. WFP has been a partner of the governments of all three programmes in designing and implementing sustainable school feeding programmes that achieve objectives of protection and promotion. Since the elements and circumstances of these programmes vary, all three school-feeding schemes are shortly presented.

Since 2006, the Government of the Kyrgyz Republic has been operating a school meals programme, which is an integral part of the national social protection framework. To strengthen the quality and efficiency of the programme, the government with support of WFP launched the Optimizing School Meals programme in 2013, initially for a duration of four years. The cooperation between the government and WFP follows a two-fold approach.

The first is the development of a reformed national school meal strategy (including policy formulation and action plan for implementation) and capacity-building. The national school meals policy until 2025 is established in the document “Key Directions for Development of the School Meals Programme in the Kyrgyz Republic”, which has been approved by the government. An Inter-Ministerial Working Commission has been established, chaired by the Vice Prime Minister for Social Affairs. Members of the commission, relevant ministries, and government agencies are working on legal and technical regulations to develop the framework for sustainable and high-quality school meals.

The second component of the cooperation is a pilot project, in which the Government of the Kyrgyz Republic and the WFP implement improved school feeding programmes in selected schools. The main purpose of the pilot is to gain practical experience in implementing best practices in school feeding. Providing adequate equipment and infrastructure, disseminating knowledge on efficient and effective management, and training cooks are among the activities, along with the provision of hot meals. The pilot programme has assisted 82,812 children as of March 2017.

Selected schools have received canteen equipment, of which 25–30 percent was funded by local authorities, parents, and donors, and the remaining 70 percent by WFP (WFP, 2016b).

To ensure that the government develops a sustainable budgetary framework for the programme, WFP continues to provide fortified wheat for the school meals, while the government covers the remaining 87 percent of school meal costs. Although this is a large contribution to the overall costs of the programme, it is rather small in terms of total expenditure: 0.2 percent of GDP in 2015 (OECD, n.d.).

School feeding in Armenia has first been rolled out as an emergency assistance operation but it has since become part of the national social protection strategy. The Government of Armenia approved the strategy and action plan on Sustainable School Feeding in 2013; in December 2016, it adopted a Decree to establish the Sustainable School Feeding Foundation. The goal of this organization is to overcome challenges related to the effective co-operation and coordination of school feeding and to ensure the continuation and development of the national policy of school feeding.13

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11 The imputed rate is a monetary standard used in Kyrgyzstan, set at KGS 100.
12 Decree 952-N approved on 26th July 2012
13 The school feeding programme in Armenia was first implemented in 2002 under the Transitional Relief and Recovery Assistance to Vulnerable Groups activity. The programme
School feeding is available in Armenia’s ten provinces, with seven programmes currently operated with assistance from WFP. The capital Yerevan is not covered. Since 2015, the programme provided meals to 81,500 primary school children and distributed take-home entitlements to 1,700 kitchen helpers involved in daily school meals preparation. The government is covering the school feeding costs of 21,500 primary school children in Syunik, Vayots Dzor, and Ararat province. The long-term goal is a complete government takeover of school feeding, envisioned as a handover of one province per year. The next transfer from WFP to the government will be that of Tavush province, expected to have been completed in 2017.

The school feeding programme in Tajikistan is implemented by the Ministry of Education with support from WFP. It provides one daily hot meal to primary school children from grades 1 to 4 in public education institutions. At its initial roll-out in 1999, it covered 5,000 school children in 33 schools. By 2015, it has reached 60 percent of all rural primary schools in the country, and provided a daily hot meal to almost 360,000 children in more than 2,000 rural schools (WFP, 2015).

The importance of the school feeding programme as a nutrition-sensitive social safety net is highlighted in the Tajik National Education Development Strategy for the period of 2012–2020 and in the National Social Protection Reform Strategy until 2025 (WFP, 2016a). In February 2015, President Rahmon signed legislation to develop a national school feeding policy (Government of Tajikistan, 2015). The decision aims to establish a framework to expand and transform the current WFP-supported school feeding programme into a sustainable, nationwide, government-owned programme. It mandates the Government of Tajikistan to develop the legislative, institutional, and budgetary frameworks for the programme by 2021; to build management and monitoring capacity; and to develop adequate supply chains and local food production to provide home-grown school feeding.

Handover of covered schools to the government is envisioned starting from 2018/2019. WFP will begin to hand over the programme during 2018/2019 by transferring 270 schools with 50,000 beneficiaries. The next year, an additional 325 schools with 60,000 beneficiaries will follow (WFP, 2016a). The school feeding programme will become an integrated part of the Tajik national social protection system. Financing can be expected to be difficult, especially in the country-wide expansion of the programme. Currently, school feeding is the WFP’s most costly project, with a yearly expense of USD 38 per beneficiary child. WFP is only responsible for providing the meals, not for adequate infrastructure in schools, or for the salaries of school feeding workers (such as cooks). These additional costs, and the expenses associated with increased coverage, must be met, ideally through cooperation among WFP, the Government of Tajikistan, and international donors.

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was followed up in 2010 by a new school feeding programme under the Project Development of Sustainable School Feeding to support food security and education of children through school meals and support the Government of Armenia to develop and implement a sustainable, cost effective, and nutrition-sensitive school feeding programme. In December 2012, the Government of Armenia approved the Concept of Sustainable School Feeding Programme and in August 2013, the government approved the Strategy on Sustainable School Feeding Programme and the Action Plan (Gov. of Armenia decision of 22 August 2013 N° 33).
4.1.5 ACTIVE LABOUR MARKET POLICIES AND PRODUCTIVE SAFETY NETS

Armenia and the Kyrgyz Republic have a number of active labour market policies in place, which include cash for work, training, and micro-credit programmes. However, programme coverage is limited because eligibility is tied to official unemployment status in most cases. In the public work programmes, wages are too low to substantially contribute to households’ livelihoods. In Tajikistan, active labour market policies are underdeveloped, meaning a complete lack of promotive social protection programmes in the country.

In the Kyrgyz Republic, the government in collaboration with international development partners is working on developing productive safety nets to fill this policy gap. In 2016, the Government of Kyrgyzstan launched the pilot project Social Contract as an additional element to the Monthly Benefit for Poor Families. This programme consists of a one-time agreement between a low-income household and the local government. The recipient family benefits from a lump sum payment of 75 percent of the annual amount of the MBPF in two instalments. The household invests the money into productive assets, such as crops production, livestock production, or small entrepreneurship. (MLSD, 2017). As part of the cooperation between the Government of the Kyrgyz Republic and WFP to strengthen and create new productive safety nets, the Productive Measures of Social Development project was initiated in 2014. The pilot project is a complex programme, comprising food-for-work, food-for-assets, and food-for-training elements. As part of the cooperation, WFP provides policy advice to the Ministry of Labour and Social Development (MLSD) in the development of a national strategy on productive safety nets. The second component is the piloting of productive safety net programmes (PSNPs), such as support to income-generation and the creation and restoration of local infrastructure and community assets (WFP, 2016e). Finally, the project includes a state system of short-term trainings for farmers. So far, 69,240 families have benefited from the project.

4.1.6 INFORMAL SAFETY NETS: REMITTANCES

The collapse of the Soviet Union, the transformation of the political and socio-economic system, conflicts, and subsequent economic hardship have caused widespread external labour migration in the region. Labour migration has become a characteristic of many post-Soviet countries, including Armenia, Kyrgyzstan, and Tajikistan. Because of unemployment, the dominance of seasonal work opportunities, inadequate wages in absolute terms, and low wages in relative terms compared to Russia and Kazakhstan all contribute to the phenomenon.

Remittances are important at the macroeconomic level and as a source of income for households at the micro-level. As reflected in Figure 11, the value of incoming remittances in 2016 is an estimated 13 percent of GDP in Armenia, 34.5 percent of GDP in Kyrgyzstan, and 26.9 percent in Tajikistan. Remittances have played an important role in improving livelihoods and reducing poverty in the region (Rajabov and Ziyaev, 2017).

FIGURE 11. REMITTANCES RECEIVED AS % OF GDP

Source: WB (2017) World Development Indicators
Reliance on remittances also carries risks on the macro- and micro-levels. Brain-drain, as a consequence of external labour migration, can cause a country's human capital to leak and its workforce to erode (EDB, 2013). The loss of skilled workers hinders innovation and limits production potential. This can impede economic growth, increase poverty in the long-term, and decrease the returns of public expenditure on education. On the household level, remittances are an unreliable form of social safety nets that cannot replace formal social protection systems. Remittance-receiving households are vulnerable to external shocks, such as the economic situation in the host countries.

4.2 SOCIAL PROTECTION PERFORMANCE

Food insecurity of the population is predominately the result of poverty, and it is exacerbated by factors related to food utilization and stability – all of which can be to some extent addressed by social protection. Poverty can be effectively addressed by social protection programmes if they reach the poor and provide benefits that contribute to livelihoods. Incorporating promotive, nutrition-sensitive, and nutrition-specific elements into social protection systems can further enhance the impact of these programmes. This section evaluates whether initiatives in Armenia, Kyrgyzstan, and Tajikistan contribute to the alleviation of poverty and improve the food security and nutrition of the population.

4.2.1 COVERAGE, DISTRIBUTION, AND ADEQUACY

Messages:

Social insurance programmes, particularly pensions, are responsible for much of the poverty reduction in these countries.

Most of the social protection expenditure in all three countries is used for social insurance provision, compared to which the share of social assistance is small.

Low coverage and adequacy hinder the poverty reduction impact of social assistance programmes.

Shock-responsive safety nets and the promotive function of social protection are currently lacking in the region, despite the clear rationale of such measures in the regional context. Gender and nutrition objectives are not yet incorporated in national policy making.

Food insecurity of the population is predominantly the result of poverty, and it is exacerbated by factors related to food utilization and stability – all of which can be to some extent addressed by social protection. Poverty can be effectively addressed by social protection programmes if they reach the poor and provide benefits that contribute to livelihoods. Incorporating promotive, nutrition-sensitive, and nutrition-specific elements into social protection systems can further enhance the impact of these programmes. This section evaluates whether initiatives in Armenia, Kyrgyzstan, and Tajikistan contribute to the alleviation of poverty and improve the food security and nutrition of the population.

Coverage with social assistance programmes ranges between 7 percent and 28 percent and is lowest in Kyrgyzstan and highest in Armenia. Coverage in the total population and the poorest quintile is highest in Armenia with 28 percent and 40 percent, respectively. In Tajikistan, 10 percent of the entire population and 13 percent of the bottom 20 percent received social assistance transfers under the old system, but the comprehensive reform currently taking place is expected to increase coverage among the poor. Coverage is lowest in Kyrgyzstan, where the share of recipients is 7.3 percent in the population and 11.4 percent in the poorest quintile. Coverage in rural areas is higher than in urban areas in Tajikistan and Armenia, which is in line with the greater prevalence of rural poverty. In Kyrgyzstan, a lower share of the population receives transfers in rural areas, even though rural areas have a higher relative risk of poverty. However, the latter finding, based on data from the WB’s The Atlas of Social Protection: Indicators of Resilience and Equity (ASPIRE) database, is in stark contrast to country-specific analyses. For example, Gassmann and Trindade (2015) find that, based on data from 2012, 85 percent of MBPF beneficiaries are located in rural areas.

Social assistance transfers are progressively allocated in Armenia, with 75–77 percent of the funds received by the poorest 40 percent of the population in 2015 (NSSRA, 2015). However, there is room for improvement in targeting. According to a study conducted by the Economic Development Research Center (EDRC), the inclusion and exclusion errors of the system are quite high. Approximately 70 percent of extremely poor and 79 percent of all poor in 2014 were excluded from the system (EDRC, 2014).

In the Kyrgyz Republic, not all social assistance benefits are allocated in a progressive manner. Although more than 70 percent of the MBPF – the only poverty targeted scheme – benefits are received by the bottom 40 percent of the population (own calculations on KIHS 2015 data), the cash compensations and other categorical transfers are considerably less progressive in the allocation of funds. Exclusion errors remain high with more than 80 percent of the population belonging to the poorest quintile not benefiting from the MBPF (own calculations on KIHS 2015 data).

The country-wide rollout of the TSA programme in Tajikistan is expected to have a pro-poor distribution and better targeting of benefits. The newly calibrated proxy means-test (PMT) formula is expected to substantially increase coverage of the poorest. Assuming perfect implementation of the new system, 70 percent of extremely poor and 79 percent of all poor in 2015 would be targeted.

Note on the data used in this section

To have comparable data, this chapter uses information from the WB’s ASPIRE database. This database “provides harmonized indicators which describe the country context where SPL programs operate, and show performance of social assistance, social insurance and labour markets programs based on nationally representative household survey data from 122 developing countries” (World Bank ASPIRE website). The individual country reports use country-specific data. Hence, the numbers presented here may differ from those in the country reports.
and complete take-up, Seitz and Rajabov (2017) predict that 55 percent of all transfers will go to the poorest quintile and another 25 percent to the second poorest quintile. Even though the simulations and the preliminary findings from the pilot predict that the TSA will perform substantially better in terms of coverage of and progressive distribution, inclusion and exclusion errors are by definition inherent to the PMT method.

Social insurance programmes protect the elderly and the disabled from falling into poverty, and ensure consumption smoothing during times of temporary losses of wage income. Pension programmes are the largest social insurance schemes in all three countries. In Armenia, 15.5 percent of the total population were direct pension recipients at the end of 2015 (NSSRA, 2016). In Tajikistan, 33.0 percent (ASSIP), and in Kyrgyzstan, 62.9 percent of the adult population, lived in households benefiting from pensions in 2015 (author’s calculations on KIHS 2015 data). As these programmes are not poverty targeted, the allocation of benefits is not necessarily progressive.

The adequacy of social assistance benefits is a crucial determinant of whether programmes can reduce poverty and increase households’ economic access to food. In 2015, the Armenian FLSEB benefit value surpassed the food poverty line by almost 26 percent and is equal to 90 percent of the poverty line, which is high enough to substantially increase poor households’ well-being. Benefit values fall behind in in Kyrgyzstan and Tajikistan. The Kyrgyz’ MBPF accounts for only 12 percent of household consumption in recipient households belonging to the poorest quintile. The new TSA in Tajikistan provides TJS 400 per year per household (MLSD, 2017), which is equivalent to only 6.4 percent of the monthly subsistence minimum. Even though this represents a ten-fold increase in comparison with the old education compensation, it cannot be expected to substantially contribute to livelihoods and food security.

Social insurance benefits are more generous than social assistance benefits. In Kyrgyzstan, the average value of the old age social insurance pension has surpassed 100 percent of the subsistence minimum (OECD, n.d.). In Armenia, pensions were on average 168 percent of the food poverty line in 2015 (NSSRA, 2016). In Tajikistan, the average pension exceeds the cost of the minimum food basket by 50 percent (ASIP). These ratios have improved considerably since 2010 but the Tajik system still has the lowest pension adequacy, which is exacerbated by the low value of social pensions.

4.2.2 Contribution to Food Security

The poverty reduction impact of social assistance is modest in Armenia and low in the Kyrgyz Republic and in Tajikistan. Of the social assistance programmes in our three focus countries, the Armenian has the highest impact on poverty, in terms of poverty headcount reduction (11.8 percent) and narrowing the poverty gap (28.6 percent) (WB, 2017a). The Kyrgyz social assistance system closed the poverty gap in the poorest quintile by 7.5 percent and reduced the poverty headcount by 3.6 percent in 2013 (WB, 2017a). Whereas the data for cross-country comparison collected by the
WB are from 2013, the MBPF has undergone some reforms in 2015. The authors’ own analysis of the Kyrgyz Integrated Household Survey (KIHS) data revealed that in 2015, the poverty gap reduction impact measured at the national poverty line was almost twice as high as in 2013.

Social insurance programmes make an invaluable contribution to household income and food security and play a major role in poverty reduction in the region. The poverty gap reduction of all social insurance transfers – including disability and survivor’s pensions and temporary benefits – is highest (72 percent) in Kyrgyzstan and Armenia (71 percent) (WB, 2017a). Tajikistan registers a 20 percent poverty gap reduction via social insurance programmes.

Along with formal social protection programmes, remittances have a measurable impact on poverty in all three countries. First, remittances represent a substantial part of household expenditure. Second, they decrease poverty levels considerably by increasing household expenditure (Karymshakov et al., 2014). In the Kyrgyz Republic, the consumption of many households that receive remittances from abroad would be below the poverty line without them. (Karymshakov et al., 2014). Remittances act as internal stabilizers: the high rate of poverty reduction during times of contractions in industry was possible because of the growth in remittances and demand for services (Williams, Larrison, Strokova, and Lindert, 2012). Data for Armenia show that remittances contribute to poverty reduction and to food security. The consumption of households with migrant worker members was 15.6 percent higher than the consumption of other households (NSSRA, 2017).

School feeding programmes have proven to be effective in strengthening food security and increasing human capital. A cost-benefit analysis in Armenia concluded that each dollar invested...
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in the programme yielded an USD 7.1 return in a five-year period (WFP, 2016c). Approximately 80 percent of these benefits are generated from increased learning capacity of beneficiary children, and 12 percent from the value of transfers to the households, allowing the investment of freed-up resources in productive assets (WFP, 2016c). Moreover, school feeding provides an additional incentive to send and keep children in school. In the Kyrgyz Republic, programme stakeholders highly appreciate the programme, with the improved meals and better Water Sanitation and Hygiene (WASH) facilities (WFP, 2016d). School meal programmes create positive externalities by enabling households to save on average more than 10 percent of their budgets (WFP, 2016b).

4.3 FINANCING OF SOCIAL PROTECTION

The three reference countries allocate different shares of their resources to social protection, with Tajikistan spending considerably less than Armenia and the Kyrgyz Republic. The level of social protection expenditure as a share of government budget has been similar in Armenia and Kyrgyzstan: in 2015, these countries spent 27.2 percent and 28.0 percent of total public expenditures (NSSRA, NSC) (Figure 15). Since the size of government expenditure relative to GDP is larger in the Kyrgyz Republic, social protection accounts for a higher share of GDP there than in Armenia. The Government of Tajikistan allocated 10.9 percent of its resources to social protection in 2015 – approximately one third of the share in the two other countries (TajStat, 2017).

The share of social protection expenditure in the government budget may be read as an indication of political will to invest in this area. If so, social protection takes a higher place on the government agenda in Kyrgyzstan and Armenia than in Tajikistan. By sub-programme, social insurance programmes accounted for the highest expenditure in 2015, and poverty TSA programmes remained below 1 percent of GDP in all three countries.

FIGURE 15. SOCIAL PROTECTION SPENDING AS % OF GOVERNMENT BUDGETS

4.4 INSTITUTIONAL ARRANGEMENTS

All three countries have formulated strategies guiding the future development of social protection. In Armenia, social protection is a separate chapter in the Armenia Development Strategy 2014–2025. It is interesting that the objectives of social protection in Armenia are predominantly linked to poverty reduction, with no reference to food security and nutrition outcomes. In the Kyrgyz Republic, the National Sustainable Development Strategy 2013–2017 and the Programme of Development of the Social Protection System of the Kyrgyz Republic 2015–2017 serve as strategic plans for the reform of social protection. A new strategy for social protection is currently drafted. Tajikistan has the National Social Protection Strategy for the Republic of Tajikistan until 2025. One of the strategic objectives directly addresses food security: “Improved accessibility and availability of social services, income and food security to all individuals and families in need over the life cycle.”

4.4.1 GOVERNMENTAL INSTITUTIONS

In all three countries, social protection is the responsibility of a specialized department or agency under an appointed line ministry, as summarized in Table 1. In Armenia and Kyrgyzstan, social protection is in the same ministry as labour and employment issues, whereas in Tajikistan, as a result of recent institutional reforms, it has been transferred to the Ministry of Health (MOH).

The line ministries cooperate on cross-sectional programmes with other ministries, such as those responsible for finance, health, and education, and with government subordinate bodies responsible for pensions and social insurance. In the Kyrgyz Republic and Tajikistan, separate government bodies are responsible for social insurance and pensions. In Armenia, the State Social Security Service falls under the line ministry.

4.4.2 INTERNATIONAL ORGANIZATIONS AND DEVELOPMENT PARTNERS

UN agencies have been active in the CIS countries since the dissolution of the Soviet Union and they have played an important role in combating poverty and supporting the reform and development of social protection policies. WFP, FAO, International Labour Organisation (ILO), United Nations Children's Fund (UNICEF), UNDP, and UN Women have supported the country governments in their fight for food security and poverty reduction by providing technical assistance and capacity-building and by implementing their own programmes where critical gaps existed, thereby expanding the pool of best practices in the region. UN agencies have been the main actors pushing for shock-responsive safety nets, promotive measures, and nutrition objectives in social protection. Major international donors in the region include the WB, the ADB, the European Commission, and the IMF. These organizations have provided financial, strategic, and policy advice to the region’s governments and their partners.

| TABLE 1. LINE MINISTRIES AND SPECIALIZED BODIES OF SOCIAL PROTECTION PROVISION |
|-----------------------------------------------|----------------|----------------|---------------|
| Line ministry | Armenia | Kyrgyzstan | Tajikistan |
| Ministry of Labour and Social Affairs | Ministry of Labour and Social Development | Ministry of Health and Social Protection |
In all three countries development partners coordinate in different fora. In Armenia, a working group on nutrition-sensitive social safety nets was created in the WB project on rapid social response. The group comprises the relevant line ministries, the United States Agency for International Development (USAID), UNICEF, and WFP and coordinates nutrition-sensitive social protection and food security interventions. In Tajikistan, development partners are combined in the Development Coordination Council, which has different clusters and working groups on social protection. WFP chairs the cluster on food security and nutrition, and the EU and UNICEF coordinate the human development cluster, which includes a working group on social protection. In the Kyrgyz Republic, WFP and FAO co-chair the Donor Partner Coordination Council (DPCC) on Agriculture, Food Security and Rural Development, while WFP and UNICEF co-chair the DPCC on Social Protection.

4.5 SOCIAL PROTECTION GAPS AND NEGLECTED ISSUES

Although CIS countries have come a long way since independence in reducing poverty and have shown commitment to providing social protection to their people, there are still a number of gaps.

Social protection gaps and neglected issues fall into the following categories:

1. The comprehensiveness of social protection, meaning the existence of Social Protection Floors (as in the ILO recommendation No. 202), and the ability of existing social protection programs to be preventive, protective, and promotive and transformational;

2. Shock-responsive safety nets;

3. Considerations for gender and population groups’ specific vulnerabilities to food insecurity, including those of young children and pregnant mothers, women and girls, rural and urban populations; and


4.5.1 SOCIAL PROTECTION FLOORS

To ensure that all people have decent living standards and that the population’s economic access to a healthy, nutritious diet is fulfilled, basic income guarantees are essential. Social protection floors (SPF) guarantee the adequate basic protection of the population in all life stages. This life-cycle approach ensures that the risks and vulnerabilities of children, working age adults, and the elderly are addressed. A SPF includes non-contributory social assistance programmes, which are accessible to everyone in need.

Armenia provides income guarantees that are accessible throughout the life cycle. Although benefits are modest in size, and programmes focus on the protective function of social protection, the Armenian social protection system contains all elements of a basic SPF.

The Kyrgyz Republic also offers income guarantees throughout the life cycle, but with substantial coverage gaps, particularly for children and the working age population. Elderly are relatively well protected with transfers that contribute to income security. The MBPF, which is responsible for the livelihood protection of children, needs to be expanded horizontally and vertically. Existing active labour market programmes and cash for work programmes are extremely limited and do not offer effective protection of the working-age population.

In Tajikistan, there are modest programmes in place to protect during childhood and old age, but income guarantees during working age are lacking. The TSA programme and social pensions provide inadequate benefits and cannot close the social assistance gap. Working-age poverty is currently not protected by non-contributory interventions in Tajikistan.

Informal sector workers’ access to social protection is a pressing issue in the region, and it is strongly linked to the existence of SPF. As workers in the informal sector do not have access to contributory programmes – such as labour pensions, unemployment benefits, and sickness benefits –, SPF play a critical role.

4.5.2 THE FOUR FUNCTIONS OF SOCIAL PROTECTION

Following the TSP plan, the current social protection systems in the three focus countries serve mainly protective and preventive functions. In Armenia and the Kyrgyz Republic, social insurance benefits are effective in preventing poverty in the event of a life-cycle risk, such as old age. In Tajikistan, the preventive function could be further strengthened with higher social insurance payments. Yet, the size of the informal sector in all three countries and the prospect of returning migrants in the future put the current social insurance systems at risk.

For Armenia, the ILO’s statistical database estimates that 39.2 percent of workers were employed informally in 2015. No recent estimates are available for Kyrgyzstan and Tajikistan. However, it is reasonable to assume that Tajikistan, where agriculture employs a dominant share of the labour force, might have an even higher degree of informality.

The protective role of social protection, predominantly in the form of non-contributory cash transfers, is recognized and present in all three countries but is rather limited in Tajikistan and the Kyrgyz Republic. The FLSEB, the MBPF, and the TSA are classic social assistance programmes aimed at protecting the poor from further destitution. They are complemented by social pension-type programmes for vulnerable groups (elderly, people/children with disabilities, and survivors). However, the extent to which these programmes manage to protect the population from poverty and destitution is relatively limited. The FLSEB in Armenia provides benefits that exceed the value of the food poverty line. In the Kyrgyz Republic, and even more so in Tajikistan, (poverty-targeted) social assistance transfers are small, not reaching the value of the extreme poverty line.

Moreover, in all three countries exclusion errors are substantial. To strengthen the protective function of their social protection systems, the countries need to expand coverage of the poor and increase benefit values. Only then can cash transfers contribute to food security and improve nutritional outcomes.
The promotive function of social protection requires strengthening in all three countries. Public works programmes are currently the only promotive safety nets in place for the working-age population but they are limited in scope. In Armenia and Tajikistan, there are no government-owned cash for work programmes of considerable size. In the Kyrgyz Republic, the current public works programme is available only to registered unemployed persons and the wages offered are very low: in 2011, the average remuneration received by a public works participant was 50 percent of the food poverty line (Schwegler-Rohmeis, Mummert, and Jarck, 2013).

Moreover, stakeholder interviews indicated that the Kyrgyz public works programme contributes little to the creation of sustainable and productive infrastructure and asset bases. In addressing this gap, government development partners play an essential role by implementing their own public works programmes and supporting governments in developing sustainable PSNPs.

School feeding programmes, available in all three countries, are particularly important because they simultaneously fulfil protective and promotive functions. They protect school children from hunger and malnutrition and also ease the financial burden of households. Moreover, they support children's human capital formulation, which is an essential promotive tool.

4.5.3 SHOCK-RESPONSIVE SOCIAL PROTECTION

A serious shortcoming of the current social protection systems is the lack of shock-responsive social protection programmes. The region’s vulnerability to natural disasters and economic shocks calls for social protection systems that respond to risks in a timely and adequate manner.

Countries with at-scale cash transfer programmes find it easier to respond to natural disasters or other covariate shocks. For example, when the Kyrgyz Republic was heavily affected by the global food and fuel price crisis in 2008, the government in collaboration with the IMF and the WB topped-up the value of the MBPF to account for the suddenly higher consumer prices. The Armenian FLSEB also foresees emergency assistance. However, given that coverage with non-contributory transfers is limited, the systems may not be prepared to provide effective assistance in the case of a covariate shock.

The use of a PMT to determine social assistance eligibility as in Armenia and Tajikistan limits the shock-responsiveness of TSA. PMTs are not well-equipped to respond to transient poverty or sudden changes in household welfare as the indicators used to assess household welfare usually refer to stock, rather than flow variables. Assets, human capital stocks, and infrastructure access are all characteristics that generally endure over time. Moreover, most PMTs are infrequently recalibrated given that they are very data intensive. Hence, a climate-responsive targeting system could ensure that households living in areas prone to natural disasters are quickly identified and pooled under social assistance once a climate-related shock occurs (Kuriakose et al., 2012).

There is a need for productive safety net programmes, which build livelihood supporting assets and infrastructure and increase the resilience of households and communities. Such programmes do not only provide income support in the short-term but are crucial in countries prone to natural and economic disasters. A success story on PSNPs enhancing resilience and food security is the programme in Ethiopia. This programme managed to simultaneously improve participating households’ agricultural productivity, food security and asset base, community infrastructure, and to contribute to environmental transformation (WFP, 2012). The need for a productive safety net approach has been widely recognized and initiatives have been started in all three countries. In the Kyrgyz Republic, the government and WFP are piloting PSNPs. In Armenia, the Agricultural Seasonal Support Programme has features of a PSNP.
provides support to vulnerable households so that they can cultivate their land but it only covers 6,300 households. The currently existing cash for work programmes in Armenia and Kyrgyzstan can also be improved and expanded to contribute to the resilience against shocks.

Promotion of better risk management has begun in Armenia, where emergency sectoral groups among UN agencies have already been established. This is the first, essential step to create inter-agency collaboration for a timely, coordinated, and efficient response to shocks. The research in the other two counties has not revealed the existence of such emergency response platforms – a critical gap.

4.5.4 CONSIDERATIONS FOR VULNERABLE GROUPS OF THE POPULATION

The fact that social protection interacts with cross-cutting issues, such as gender equality, is neglected in the context of the three reference countries. Transformative policies aimed at promoting gender equality and equity do not feature in existing government-run social protection programmes. There are no design modalities in place to address intra-household relations, such as unequal bargaining positions by gender.

Gender inequality in the labour market does not only mean lower wages for women in the present; it also impacts their access to contributory social protection benefits in the future. In Armenia, the average pension received by women in 2015 was 8 percent lower compared to men (NSSRA, 2015).

This difference is because of the more frequent interruptions in women’s employment history. In Tajikistan and Kyrgyzstan, where pension amounts are linked to the level of previous earnings, the difference is presumably more pronounced because of the difference in wages, but no sex disaggregated data are available. The lack of this data demonstrates how little attention is given to the gender dimension of poverty and food insecurity.

Throughout the life cycle, people face vulnerabilities in food security because of physiological and sociocultural factors. Despite the overwhelming evidence of the importance of nutrition during a child’s first 1,000 days15, the food security of young children and pregnant mothers does not receive sufficient attention.

Urban and rural populations have different vulnerabilities to food security but social protection programmes do not take them into account. Rural populations register a higher risk of poverty in all three countries, with the difference especially pronounced in Tajikistan and Kyrgyzstan. Households in rural areas are also more likely to depend on agriculture, which means that their livelihoods are more endangered by natural disasters. Yet, currently none of the social protection systems address the vulnerabilities and needs of rural populations.

4.5.5 NUTRITION-SENSITIVE SOCIAL PROTECTION

Food security and nutrition objectives are currently embedded in the national social protection strategies in school feeding programmes but are not incorporated into other programmes. It is important to understand that improved food security outcomes are more than a mere positive externality of social protection measures. Policy makers should incorporate desired nutrition outcomes when designing and implementing programmes to accelerate the eradication of hunger. Although cash transfers can contribute to food security by raising beneficiary households’ purchasing power, attaching nutrition goals to social protection programmes could enhance food and nutrition security outcomes. In addition to poverty, malnutrition and obesity are results of social norms and behavioural factors. Thus, nutrition-specific and nutrition-sensitive programmes are necessary to comprehensively address the issue.

Nutrition-specific and nutrition-sensitive interventions incorporate goals and actions related to nutrition in addition to their own goals. Such programmes can exist not only in social protection but also in agriculture, education, and healthcare. They can address many factors that influence nutrition, such as access to health care services, food security, and hygiene. Audiences with high malnutrition rates can be targeted for nutrition-specific interventions.

Nutrition-specific interventions tackle the immediate and some of the underlying causes of malnutrition and undernutrition by providing, for example, food rations or training in feeding practices.

Source: UNICEF (2013)

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15 See, for example, the Lancet series on Maternal and Child Nutrition published in the Lancet Journal throughout 2008.
5. ACHIEVEMENTS AND CHALLENGES

MESSAGES:

The study has identified a number of remarkable projects that can serve as best practices in and beyond the region. The Optimizing School Meals Program in the Kyrgyz Republic, the comprehensive reform of social assistance in Tajikistan, and the Integrated Social Protection Services in Armenia are examples of solid policy design, implementation, and cooperation among stakeholders.

Challenges, however, still exist as the countries move towards more comprehensive and resilient systems. Social protection suffers from gaps in provision and neglects the needs of some vulnerable population groups. Social assistance cash transfers have low coverage and adequacy. M&E systems are underdeveloped.

The needs of vulnerable groups are not addressed in social protection provision. Emerging issues, such as obesity, urbanization, and return migration provide further challenges. Financing the expansion of social protection will be a difficult, but not impossible task for countries in the region.

5.1 ACHIEVEMENTS AND BEST PRACTICES

The scoping study has provided a number of valuable lessons and best practices on food security and social protection in the region. Good examples of functioning social protection programmes and approaches can be found in each of the three countries.

5.1.1 OPTIMIZING SCHOOL MEALS IN THE KYRGYZ REPUBLIC

Optimizing School Meals Programme (OSMP) in the Kyrgyz Republic is a prime example of a well designed and implemented social safety net with a strong nutrition focus and which combines protective and promotive functions.

Strengths:
- Strong monitoring and evaluation;
- Leveraging school feeding as protective and promotive safety net;
- SABER-SF policy goals in Theory of Change.

An excellent monitoring and evaluation system, underpinned by a solid framework, is one of the main drivers behind the success of the OSMP. The plan developed for the programme serves two very important purposes. It is the basis for monitoring and evaluation, and it frames the school meals...
programme as a protective and promotive social safety net. Hence, it contributes to the strategic positioning of school feeding on the social protection agenda.

The Theory of Change plan is based on the Systems Approach for Better Education Results – School Feeding (SABER-SF\textsuperscript{16}) policy goals, and it identifies the overall aim of the programme to ensure that all children in the Kyrgyz Republic are healthy, educated, and food secure. The definition of outcomes strengthens the accountability of the government and WFP. This approach could be used to modernize school meal programmes in all CIS countries and serve as an example for other social protection interventions, such as productive safety nets programmes.

5.1.2 REFORMING SOCIAL ASSISTANCE IN TAJIKISTAN

The TSA programme of Tajikistan will replace the inefficient compensations for education and electricity in 2018.

Strengths:
- Overarching support to families;
- Capacity building at all levels;
- Improved targeting efficiency;
- Electronic registry and M&E.

It is an example of a comprehensive social assistance reform in a country where government capacity particularly at the local level is limited. The objective of the TSA is to improve the living conditions of the most vulnerable segments of the population by providing overarching support to families, instead of delivering transfers for specific purposes. Moreover, the TSA is envisioned to enhance the capacity of the government at all levels to achieve more efficient management and administration processes in social protection programming. Even though the annual benefit amount is not particularly high per household, it is expected that given its predictability and transparency recipient households can use it in a more efficient way. Findings from the pilot evaluation suggest that households had the impression that their well-being improved upon introduction of the benefit (WB, 2014a). In female-headed households, the number of women active in the labour force increased. The TSA also had a positive effect on school attendance. Children from recipient households were more likely to attend school (WB, 2014a).

The targeting performance is expected to substantially improve because of the revised PMT formula and the central electronic database system developed for this purpose. According to preliminary findings, the new targeting method is more than twice as accurate when identifying the poor compared to the old system (WB, 2015b). Monitoring and evaluation is envisioned as an integral part of the programme and will be facilitated by the electronic data management system (WB, 2014a).

5.1.3 INTEGRATED SOCIAL PROTECTION SERVICES IN ARMENIA

The integration of social protection services is one of the most important reforms in the Armenian social protection sector. The reform is guided by the imperative to provide more efficient, effective, well-coordinated, and monitored social protection services to every citizen requesting support.

Armenia has chosen for the functional integration of four existing agencies responsible for pensions, social assistance, employment, and disability certification. Under the first Social Protection Administration Project (SPAP), these services were co-located, with upgraded facilities, integrated management information systems, and new case management procedures in 19 sites across the country.

This model will be rolled out to another 37 integrated social protection centres within the next four to five years within a second phase of SPAP (SPAP2).

The integrated approach under the One Window model provides a location for customers to access services, reduce the number of visits, and the documentation required.

Appropriate IT support systems allow staff to address the needs of customers at one location and enable managers to optimally use a resources.

The Ministry of Labour and Social Affairs is reforming and improving its social protection service delivery and is undertaking measures to strengthen analytical, monitoring, and evaluation functions of agencies delivering social protection benefits and services.

The reform of social protection service provision is further supported by an integrated Monitoring and Evaluation (M&E) system, which covers more than 70 different programmes.

Moreover, WFP’s partnership with MLSA and the WB resulted in the inclusion of food insecurity assessments as part of the evaluation and development of targeted social protection interventions for vulnerable households conducted by social workers.

Strengths:
- Functional integration of four agencies;
- One Window model and case management system;
- Integrated M&E system; and
- Food security indicators integral part of social protection evaluation.

\textsuperscript{16} SABER-SF is a World Bank tool developed together with WFP and PCD. SABER-SF is a government-led process that helps to build effective school feeding policies and systems. These in turn provide the foundation for strong nationally led and sustainable school feeding programmes that ensure school children receive the nourishment they need. SABER-SF is implemented in the form of a workshop, and the governments of all three countries have held them, with the participation of other stakeholders like UN agencies, donors and NGOs. SABER-SF workshop recommendations and action plans led to a continued capacity-strengthening approach with governments. The Kyrgyz Republic even conducted a follow-up SABER workshop, being the first country in the region to do so.
5.2 CHALLENGES

The close relationship between food insecurity and poverty requires comprehensive safety nets that can break the vicious cycle of hunger and poverty. All three countries studied in this report have made great achievements in poverty reduction and social protection, but a number of challenges remain. These challenges interact, and are best addressed through a comprehensive reform of social protection with the engagement of government and development partners.

Challenges:
- Cash transfers have low coverage and adequacy;
- Monitoring and evaluation systems are underdeveloped;
- Gaps remain in social protection provision;
- Emerging issues not yet addressed: obesity, urbanization, return migration; and
- Financing challenges.

5.2.1 LOW COVERAGE AND ADEQUACY OF SOCIAL ASSISTANCE

In all three countries, exclusion errors are substantial. Although Armenia achieves a coverage rate of 40 percent in the lowest quintile, only 13 percent and 11.4 percent of the poorest quintile are covered by social assistance in Tajikistan and the Kyrgyz Republic (World Bank, 2017a).

It is expected that the new TSA programme in Tajikistan will reach a considerably higher share of the poor. Although social assistance transfers are high enough to contribute to poverty reduction and ensure a minimum food intake in Armenia, adequacy remains very low in Kyrgyzstan and Tajikistan.

Addressing the low value of transfers is foremost a financial challenge, even if improved efficiency through better targeting may provide some room within the given budget. In the Kyrgyz Republic, the further reduction of cash compensations to privileged groups could free up resources to be redirected to those most in need. In Tajikistan, the overall fiscal commitment to social assistance is low. Improving the effectiveness of transfers cannot be achieved without increasing spending.

5.2.2 ADMINISTRATION, MONITORING, AND EVALUATION SYSTEMS

At the moment, none of the countries has a systematic monitoring and evaluation policy for their initiatives. As a first step, electronic registries have been developed in all three countries; however, their use varies. The ePension system in Armenia, for example, is currently used only for pension programmes.

In Tajikistan, the electronic registry is currently being improved, and will encompass all administrative tasks associated with the new TSA programme. In the Kyrgyz Republic, an electronic registry has been created with support from the WB. Switching to these electronic tools has decreased the resources needed to enter and clean data by reducing time and labour and eliminating many potential data entry mistakes.

As a next step, monitoring and evaluation should be incorporated in the national policy framework, and the data collected through registries should be integrated with these processes.

Moreover, the regular collection of household budget survey data is essential for policy analysis.

5.2.3 GAPS IN SOCIAL PROTECTION PROVISION

For social protection to fulfil its purpose of preventing the loss of welfare, protecting from poverty and promoting long-term livelihoods, the remaining gaps should be closed.

As discussed above, some important aspects of the social protection systems of CIS countries are currently underdeveloped (for more detail, see Chapter 4).

5.2.4 FINANCING CHALLENGES

The estimated costs of closing the Social Protection Floor gap range between 1.7 percent of GDP in the Kyrgyz Republic and 5.1 percent of GDP in Tajikistan. Armenia would need 3 percent of GDP to close the SPF gap measured at the USD 3.10 international poverty line (Bierbaum, Oppel, Tromp, and Cichon, 2015). Providing income security
and health care at national poverty lines is calculated to cost 0.7 percent in the Kyrgyz Republic, 2.8 percent of GDP in Armenia, and 3.1 percent in Tajikistan (Bierbaum et al., 2015).

Mobilizing more funds for social assistance is challenging in all three countries. As the IMF concluded, the available policy space has declined during the recent economic crises, as Central Asian countries have drained their financial assets and have increased their foreign debt (IMF, 2016a).

Labour migration poses a further financial challenge. Migrant workers are not paying taxes and contributions in their countries of origin and therefore do not earn future entitlements for pensions and other social insurance benefits.

This poses a double threat to the future financing of social protection. In the short term, if migrant workers return, the need for social assistance could increase, putting immediate pressure on the system. In the long term, migrant workers’ lack of contributions undermines the stability of pension systems.

In PAYG schemes, which are common in the region, it makes the funding of current pension payments difficult.

In all systems, the lack of contribution history and accumulated funds mean that these people will not be eligible for social insurance pensions, manifesting in an increased need for social (non-contributory) pensions.

### 5.3 THE WAY FORWARD — POLICY RECOMMENDATIONS

The rationale behind social protection for all is multifaceted, but decent living standards and the right to consume a healthy, adequate diet are basic human rights. Social protection is an essential component in securing these rights. If SDG2 on Zero Hunger is to be achieved by 2030, governments, the international development community and civil society have to work together to further develop social protection systems in the CIS countries.

This is precisely what is envisioned in SDG17 — a stronger commitment to partnership and cooperation.

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**FIGURE 17. CHALLENGES AND RECOMMENDATIONS**

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Recommendations</th>
</tr>
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<tbody>
<tr>
<td>Financing social protection</td>
<td>Public Finance Management tools</td>
</tr>
<tr>
<td>Low coverage and adequacy</td>
<td>Costing &amp; forecasting</td>
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<tr>
<td>Gaps in provision</td>
<td>Political will</td>
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<tr>
<td>Emergency issues not addressed</td>
<td>Finding fiscal space</td>
</tr>
<tr>
<td>Underdeveloped administration, M&amp;E</td>
<td>SPF</td>
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<tr>
<td>Inefficiency of social assistance</td>
<td>3P+T</td>
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<td></td>
<td>Policy dialogue</td>
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<td></td>
<td>Minimum standards</td>
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<td>Placing gaps on the agenda</td>
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<td></td>
<td>Nutrition objectives</td>
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<td>Graduation</td>
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<td></td>
<td>Gender</td>
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<td></td>
<td>Training</td>
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<tr>
<td></td>
<td>Strengthening programme design</td>
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<tr>
<td></td>
<td>Graduation</td>
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<td></td>
<td>Gender</td>
</tr>
<tr>
<td></td>
<td>Training</td>
</tr>
<tr>
<td></td>
<td>Strengthening programme implementation</td>
</tr>
<tr>
<td></td>
<td>Electronic registry systems and M&amp;E processes</td>
</tr>
</tbody>
</table>

Source: own elaboration. Note: SPF stands for Social Protection Floor and “3P+T” for preventive, protective, promotive and transformative.
The challenges and the recommendations are in not isolated; they interact with each other. Therefore, a comprehensive reform of social protection is needed, in which stakeholders understand and react to these complex dynamics. A proposed way to comprehensively address challenges is presented in Figure 17. Financing shortages are a main challenge to increasing coverage and adequacy, filling in provision gaps, and addressing emerging issues. Weak design and implementation features (particularly administration and M&E) lead to an inefficient use of resources, which feeds back into the difficulty of financing. A productive policy discourse, with minimum standards, stronger policy design and implementation, is necessary to strengthen social protection in the region. Yet for these improvements to bring about lasting change, the financing of social protection has to be solved. The MBPF in the Kyrgyz Republic offers a cautionary example. In 2015, despite the lowering of the eligibility threshold and the introduction of a flat-rate benefit, the number of beneficiaries decreased because resources were inadequate to finance the scaling up of the programme.

5.3.1 STRENGTHENING THE DESIGN AND IMPLEMENTATION SOCIAL PROTECTION PROGRAMMES

As the three countries have relatively well developed and comprehensive social protection systems, the role of national stakeholders and international partners is to strengthen existing programmes and to address country-specific needs. Regarding existing programmes, especially social assistance in the Kyrgyz Republic and Tajikistan, the most pressing challenge is to increase coverage and transfer adequacy. International partners can assist with building the case for upscaling or discontinuing certain programmes, for instance by conducting ex-ante policy analyses. Kyrgyzstan serves as an example in this case, as some of the categorical payments are not necessarily targeted to poor and vulnerable households. A comprehensive analysis of winners and losers of substantial reforms should be carried out. Moreover, UN agencies and international donors have global expertise and a pool of evidence that can underpin strategic and technical decisions.

Improvements of the design of existing policies are possible and advisable. For example, the incorporation of appropriate graduation mechanisms should be a mid-term goal. The international practice shows that graduation (the removal of beneficiary families from respective benefit systems) needs to be carefully designed. Productive safety nets play an important role. Governments should therefore be assisted to develop normative frameworks (based on agreed-upon standards) for productive social protection programmes.

School feeding programmes are strongly embedded in the national policy agenda, as reflected in the inclusion of school feeding in national social protection strategies, and they are generally viewed as an excellent platform to deliver nutrition-sensitive social protection to children and families. As a next step, governments should be assisted to develop the institutional and budgetary frameworks to take over and expand programmes currently implemented by WFP and other development partners. Further cooperation should also focus on building monitoring and evaluation.
capacities, and developing supply chains and local food production for home-grown school feeding.

The ministries responsible for social protection in the three countries are currently developing comprehensive monitoring and evaluation systems for their social protection programmes. Development partners, including WFP, should continue to provide technical assistance for the development of effective M&E systems and for building the capacity of civil servants to use the systems. The new electronic registries and M&E systems also provide an opportunity to entrench a nutrition-sensitive approach to social protection.

Electronic registries contribute to programme efficiency and provide administrative data that can be used to improve the design and implementation of social protection programmes. Although all three countries collect household budget survey data, there is ample room for improvement to make the data useful for the evaluation of social protection programmes.

Questionnaires need to be adjusted to social protection policy realities so that each programme can be assessed separately. The lack of longitudinal (panel) data is a large gap in all three countries and the region in general. It is therefore not possible to measure chronic poverty and food insecurity. Nor is it possible to analyse reasons why people become poor or what makes them graduate out of poverty. Household panel data would also allow the analysis of entry and exit from social assistance programmes.

### 5.3.2 Financing Social Protection

As outlined earlier, addressing social protection gaps will require considerable financial support from governments. The financing of social protection is a main challenge that obstructs the scaling up of programmes and filling gaps. International partners, however, can assist in this process. If the minimum standards for social protection are set and agreed upon, the ILO, the IMF, the ADB, or the WB can assist the governments in costing schemes and finding fiscal space.

Although probably insufficient, previous recommendations, such as improving the efficiency of social protection by electronic registries or better targeting, can also be important in easing the financial challenges.

**Increasing social assistance spending is essential to improve outcomes, but it should be done with carefully selected tools of public finance management.** Because this is foremost a matter of political will and priorities, governments should ensure adequate financing. In order not to increase aid dependency, finance may be sustainably generated by reallocating spending from other government sectors, increasing tax revenues, or expanding social insurance coverage and contributions (Ortiz, Cummins, and Karunanethy, 2015).

**At the moment, governments struggle to finance their regular social protection programmes and have little or no capacity to set aside funds for scaling up during emergencies.** UN agencies and international donors can play a major role in financing shock-responsive safety nets. WFP and its partners can advocate for establishing a fund that would be ready to use in case a covariate shock occurs. Timely response to natural and man-made disasters is essential. If funds are readily available, the scaling up of social assistance would not be delayed by requesting and raising money after disasters occur.

**Policy dialogue on social protection standards should also focus on placing unaddressed issues on the policy agenda.** There is an unmet need for shock-responsive social protection in the region. Ensuring that shock responsiveness is incorporated in policy agendas is essential. Establishing, or where applicable, strengthening emergency preparedness councils, also should be a priority.

The Special Preparedness Activities in Armenia can provide a useful lesson in engaging governments and international partners to assess and reform resilience-building safety nets. WFP can advise governments on how to incorporate cross-cutting issues, such as the gender dimensions of food security, poverty and social protection.

At the moment, gender considerations are very limited, and WFP has the commitment and expertise to advocate for gender mainstreaming. UN Women is active in the region and could be a strategic partner.
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ANNEX 1: DIMENSIONS OF FOOD SECURITY

The FAO elaborates on the concept by defining four dimensions of food security: availability, access, utilization and stability (FAO, 2008).

- **Availability** means there is sufficient food of appropriate quality, supplied through domestic production or imports (including food aid). This dimension applies on a national, rather than a household level, representing the amount of food in a given country.

- **Access** is fulfilled when individuals have adequate resources to acquire appropriate foods for a nutritious diet. This element is closely related to the entitlement approach to food security introduced by Amartya Sen in his 1981 work *Poverty and Famines*. This publication transformed the way we look at hunger: rather than a mere shortage of supply, it is often caused by certain population groups being denied access to food (Sen, 1981). The literature identifies different forms of access: economic, physical, and social. Economic access refers to the purchasing power of households – the disposable income that people can use to purchase food. People have physical access to food if there is adequate infrastructure (such as paved roads and delivery systems). When population groups are denied access to food in situations of social unrest, marginalization or social exclusion, their social access to food is unfulfilled.

- **Utilization** refers to the ability of individuals to utilize food through an adequate diet, clean water, sanitation, and health care to reach a state of nutritional well-being where all physiological needs are met. This dimension highlights the importance of non-food inputs in food security.

- **Stability**, as defined by the World Food Summit, is critical to food security. It exists only when all people at all times can obtain and utilize the foods they need and prefer. Food insecurity, like poverty, can be chronic or transitory. Chronic food insecurity exists when individuals or populations are unable to meet their dietary needs on a long-term, consistent basis. Transitory food insecurity is most often a result of year-to-year variations in food prices, household incomes, or domestic food production, all of which influence the availability and accessibility of food (WB, 1986).
ANNEX 2: TABLES

TABLE 2. URBAN POPULATION (% OF TOTAL)

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2016</th>
<th>Growth of urban population (annual %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Armenia</td>
<td>64.7</td>
<td>62.6</td>
<td>0.1</td>
</tr>
<tr>
<td>Kyrgyz Republic</td>
<td>35.3</td>
<td>35.9</td>
<td>2.5</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>26.5</td>
<td>26.9</td>
<td>2.6</td>
</tr>
<tr>
<td>Europe &amp; Central Asia (excluding high income)</td>
<td>63.2</td>
<td>65.2</td>
<td>0.8</td>
</tr>
</tbody>
</table>

Source: WB (2017) World Development Indicators

TABLE 3. OFFICIAL UNEMPLOYMENT RATES AND LABOUR FORCE PARTICIPATION, TOTAL AND BY SEX

<table>
<thead>
<tr>
<th></th>
<th>Unemployment Rate</th>
<th>Labour Force Participation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Male Female</td>
<td>Total Male Female</td>
</tr>
<tr>
<td>Armenia (2015)</td>
<td>18.5% 17.6% 19.5%</td>
<td>63.6% 73.9% 55.1%</td>
</tr>
<tr>
<td>Kyrgyzstan (2015)</td>
<td>7.6% 9.0% 15.0%</td>
<td>63.1% 77.3% 49.6%</td>
</tr>
<tr>
<td>Tajikistan (2014)</td>
<td>2.4% - -</td>
<td>68.7% 77.7% 59.5%</td>
</tr>
</tbody>
</table>


FIGURE 18. INFLATION TRENDS AND FORECASTS (2000–2021) IN ARMENIA, KYRGYZSTAN AND TAJIKISTAN

Source: IMF (2016b) World Economic Outlook Database

TABLE 4. REAL WAGES AT CONSTANT PRICES OF USD 2005

<table>
<thead>
<tr>
<th></th>
<th>Armenia</th>
<th>Georgia</th>
<th>Kazakhstan</th>
<th>Kyrgyz Republic</th>
<th>Moldova</th>
<th>Tajikistan</th>
<th>Russian Federation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>113.8</td>
<td>112.7</td>
<td>255.4</td>
<td>62.6</td>
<td>104.7</td>
<td>26.8</td>
<td>302.5</td>
</tr>
<tr>
<td>2014</td>
<td>220.0</td>
<td>286.4</td>
<td>435.7</td>
<td>133.2</td>
<td>171.0</td>
<td>116.5</td>
<td>538.7</td>
</tr>
<tr>
<td>Annual average growth %</td>
<td>8.7</td>
<td>11.8</td>
<td>6.6</td>
<td>9.0</td>
<td>5.7</td>
<td>18.6</td>
<td>7.2</td>
</tr>
</tbody>
</table>

Source: (ADB, 2016)
WFP is the world’s largest humanitarian agency fighting hunger worldwide, delivering food in emergencies and working with communities and governments to build resilience. Each year, WFP assists some 80 million people in around 80 countries.

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