



# Supporting Egypt's safety net programs for better nutrition and food security, inclusiveness, and effectiveness

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The long partnership between the Government of Egypt and the International Food Policy Research Institute (IFPRI) began in the late 1970s but became much more active with the launch of IFPRI's Egypt Strategy Support Program (ESSP) in 2016. Over the years, IFPRI's research, with support from PIM since 2012, has informed important decisions on Egypt's key safety net programs, including the food subsidy and the national cash transfer programs. This note summarizes some of the most recent outcomes of this work.

## Evidence-based support to improve Egypt's food subsidy system

Food subsidies are central to Egypt's social protection efforts. About 70 million people benefit from the Tamween ration-card system, and 83 million benefit from subsidized *baladi* bread, a staple for many Egyptians. Together these two programs account for about 6 percent of the government's budget annually. Spending on food subsidies has remained stable and even increased in recent years, despite criticism that the subsidy system contributes to the country's growing fiscal deficit and has not reached those most in need.

An IFPRI [evaluation](#) carried out in 2015-2016 found that Egypt's food subsidy system increased the risk of children facing the double burden of malnutrition (coexistence of undernutrition along with overweight or obesity) by promoting overconsumption of calorie-dense food; rice, oil, bread, and sugar are the main items subsidized. The [presentation](#) of these results to the government in 2017 contributed to reforms to make the subsidy system more nutrition-sensitive, as part of an effort to encourage the production and consumption of healthier foods.

Further research (see *references 3, 4, 5, and 6*) in partnership with the Central Agency of Public Mobilization and Statistics

and the Ministry of Planning, Monitoring and Administrative Reform provided evidence on potential benefits of additional reforms of the food subsidy program. Reducing the number of beneficiaries and improved targeting of the Tamween program were shown to accelerate economic growth and reduce poverty, especially if the government uses the savings to reduce the fiscal deficit.

This study was presented at a [workshop](#) organized by the World Bank in May 2019 in Cairo and attended by the Minister of Social Solidarity and the Minister of Supply and Internal Trade, as well as other stakeholders.

In a [symposium](#) organized by IFPRI in December 2020, Dr. Habiba Hassan Wassef (National Nutrition Sciences Committee, Academy of Scientific Research and Technology) stated, "The most important impact of IFPRI is the reform of the food subsidy system and the re-orientation of the social protection system."

Changes in the targeting modalities of the subsidy system were begun in 2019 but are currently on hold due to COVID-19-related constraints.

## Amplifying the impacts of Egypt's national cash transfer program

Egypt's first nationwide conditional cash transfer program, Takaful and Karama, was launched by the Ministry of Social Solidarity in 2015, with support from the World Bank. The Takaful (Solidarity) component targets poor households with school-aged children; transfers are conditional on health monitoring and school attendance. The Karama (Dignity) component targets the elderly poor, people with disabilities, and orphans.

Three years into the program, IFPRI/PIM researchers conducted an [impact evaluation](#) of Takaful and Karama. This evaluation showed increased household consumption among program beneficiaries and reduced probability of a beneficiary household being poor. Recipients spent cash transfers on children's education, including school supplies and school transportation, and on higher quality food, particularly fruits and meat. However, women's decision-making was not increased, and the program's eligibility criteria excluded many of the poorest households, particularly in urban areas. In addition, the evaluation showed that many households found the registration and selection process confusing. These results prompted policymakers to allocate additional funds to the program and make several adjustments to increase its effectiveness in reaching the poor and empowering women.

During an [online conference](#) held in December 2020, Dr. Nivine El-Kabbag (Ministry of Social Solidarity) described the changes that were inspired by the recommendations of the impact evaluation. Notably, the reach of the program was expanded from about 2 million to 3.8 million households. Coordination with other ministries was enhanced through use of an electronic network (Unified National Registry initiative) for joint targeting of social protection programs. Transparency in the beneficiary selection process was improved through the creation of social accountability committees, and a communication strategy engaged mass media to share information about the program. To address gender inequities, female Takaful beneficiaries were prioritized for inclusion in the new Forsa (Opportunity) program, which focuses on economic empowerment.

The IFPRI-led impact evaluation was referenced in the [World Bank's 2019 Project Appraisal Document](#) that recommended an additional allocation of \$500 million for the program and played a role in the decision of Egypt's Ministry of Finance to [increase the program's budget](#).



“ I think I can say, comfortably, that the results of the research were used in a good manner with the policymakers, with Ministry of Finance to allocate more funds. ”

– Dr. Nivine El-Kabbag

*Egypt's Ministry of Social Solidarity, in an interview for the [IFPRI podcast](#) "The Power of Safety Nets in Egypt"*



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This research was undertaken as part of the CGIAR Research Program on Policies, Institutions, and Markets (PIM) by a team of scientists from the International Food Policy Research Institute (IFPRI). To learn more about this work, contact Clemens Breisinger, Senior Research Fellow, IFPRI, [c.breisinger@cgiar.org](mailto:c.breisinger@cgiar.org)

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