



Introduction

- Non-farm enterprises reduce rural poverty and food insecurity by diversifying household income.
- Significant progress has been made in reducing the proportion of undernourished people in Ghana.
- However, Ghana's progress in achieving food security has been uneven, with large variations across localities and socioeconomic groups.

Objectives

- To measure the food insecurity profiles household and estimate the causal relationship between household participation in non-agricultural enterprises and food insecurity within a multidimensional poverty framework in rural Ghana.



Fig.1 food security activates

Methodology

- Data from the Ghana Living Standards Survey (GLSS 7), October 2016 - October 2017.
- Composite index of household food insecurity (FII) by counting methodology (Alkire and Foster, 2011a)
- The AF measures the incidence and intensity of multidimensional deprivations over defined indicators.
- Households are identified to be deprived on each indicator based on a defined threshold.
- The weighted indicators range from 0 to 1, where 0 implies that a household is not deprived on any of the indicators and 1 if a household is deprived on all eight indicators.

Results

Table 1 – Profiles of household food insecurity index and sub-group decomposition

	Incidence (H)	Intensity (A)	FII (H × A)
Full sample	0.651 (0.017)	0.757 (0.008)	0.493 (0.015)
Sex of HH head			
Male	0.648 (0.019)	0.762 (0.008)	0.494 (0.016)
Female	0.661 (0.026)	0.739 (0.013)	0.489 (0.020)

- Around 64% of households expressed concerns about food scarcity, with 63% unable to eat healthy and nutritious food, while 67% lacked dietary diversity, and only 12% experienced a day without food.
- 65 %of households are food insecure and deprived on 76%of the indicators, resulting in a household food insecurity index of 0.49.

Results

Table 2 – The effect of NFE participation on household food insecurity

	Full	Male-headed		Female-headed		
	(1)	(2)	(3)	(4)	(5)	(6)
Variables	Food secure	NFE	Food secure	NFE	Food secure	NFE
NFE participation	-0.250*** (0.062)		-0.310*** (0.071)		-0.039 (0.140)	
L-O-M NFE participation		0.516*** (0.035)		0.530*** (0.040)		0.481*** (0.078)
Constant	0.873*** (0.055)	-0.116** (0.058)	0.864*** (0.059)	-0.133** (0.064)	0.989*** (0.140)	0.149 (0.057)
Observations	5,829	5,829	4,477	4,477	1,352	1,352
R-squared		0.083		0.090		0.083
Number of districts	198	198	198	198	180	180
Control mean	0.688		0.690		0.678	
District FE	YES	YES	YES	YES	YES	YES

Conclusion

- Access to rural bank services improves NFE growth
- Government programmes should prioritise support for rural NFEs
- Household participation in NFE activities reduces the likelihood of being multidimensionally food insecure.

- Households engaged in NFE are 36% less likely to be food insecure than non-NFE households
- NFE participation reduces the likelihood of food insecurity by 45% among male-headed households compared to non-NFE male-headed households.
- There is a significant negative effect of NFE participation on food insecurity for male-headed households, but no effect for female-headed households.

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Bernard Kwamena Cobbina Essel
Faculty of Tropical Agrisciences,
Czech University of Life Sciences, Prague
esselb@ftz.czu.cz