

# The Importance of Investing in Nutrition

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Investments & Partnerships Program

GAIN - Global Alliance for Improved Nutrition

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....tackling vitamin and mineral deficiencies is one of the best investments to improve public health and stimulate economies....

(World Bank, Copenhagen Consensus)

# Malnutrition

- It is estimated that 684,000 lives child deaths worldwide could be prevented by increasing access to vitamin A and zinc  
Source: WFP Annual Report 2007
- Almost five million children die each year from preventable diseases such as diarrhoea and measles every year  
Source: WFP Hunger Facts 2006
- Lack of Vitamin A kills a million infants a year  
Source: Vitamin and Mineral Deficiency, A Global Progress Report, UNICEF
- Iron deficiency is the most common form of malnutrition, affecting 180 million children aged under four  
Source: WFP Facts and Figures on Child Hunger
- Iron deficiency is impairing the mental development of 40-60 percent children in developing countries  
Source: Vitamin and Mineral Deficiency, A Global Progress Report, p2, UNICEF
- Lack of vitamin A weakens the immune system of 40 percent of under fives in poor countries, and can cause blindness  
Source: Vitamin and Mineral Deficiency, A Global Progress Report, p2, UNICEF - WFP Facts and Figures on Child Hunger, p2
- Iodine deficiency is the main cause of brain damage in the early years of a child's life  
Source: WFP Facts and Figures on Child Hunger, p2

# Economic Costs Enormous

- 20% reduction in productivity
- 5% reduction in educational achievement
- Indirect losses from poor cognitive losses and loss in schooling
- 13.5 point reduction in IQ due to IDD
- Losses in resources from increased healthcare costs
- GDP lost to malnutrition as high as 2 – 3 %

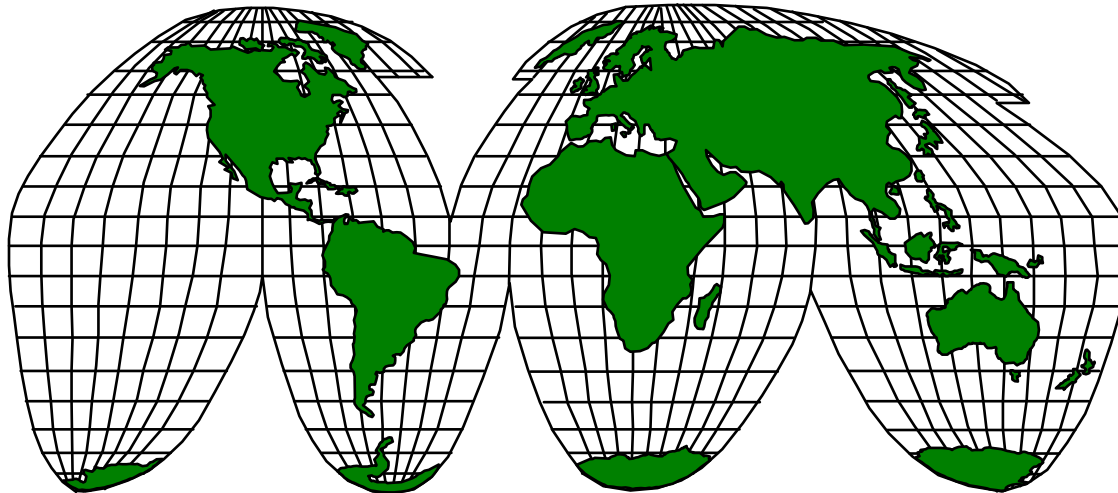
- The returns on investing in nutrition are high
- Vitamin A fortification of sugar : US\$ 0.69 per person per year
- Salt Iodization: US\$ 0.20 per person per year
- Fortification is a cheaper alternative to supplementation
  - Iron: US\$ 0.09 (fortification) vs US\$3.17 (supplementation)
  - Vitamin A : US\$ 0.17 vs US\$ 0.9

# Investing in nutrition

- The Journey so far.....
- Governments, Development partners, Industry, etc are beginning to invest in Nutrition
- Changes in legislation - eg. Nigeria
- Publi-private partnerships forming –e.g. Danone, Gates Foundation, Tetra Pak
- Rise in profile - eg. Lancet series

# International Commitments

- **1990: World Summit for Children**
- **1991: Ending Hidden Hunger Conference**
- **1992: International Conference on Nutrition**
- **1996: World Food Summit**



# Industry Associations are also investing ...

**WISHH**  
**World Initiative for Soy in Human Health**  
*Enhancing human well-being through soy*

# Opportunities..

- Stability across many of the geographic opportunities (democracy, corporate governance)
- Success stories:
  - Salt iodization, Oil and Wheat Flour Fortification
- Growing support for capacity building in area of food and nutrition security in Africa
- Increasing aspiration of consumers
- Partnership with Non-Food companies
  - Sustainability vs Handouts
- Renewed global commitment to address problem
- Growing partnership-building for support
  - NEPAD/African Union/ WAHO/ECSA
  - 10-Year Strategy
  - Business Alliances / NFAs

**Need for innovative products and solutions**

# Challenges

- Nutrition: the forgotten child of Development!
- Poverty
- Lack of appreciation of the importance of investing in maternal nutrition
- Inadequate knowledge about the benefits of nutrition
- Poor understanding of the human and economic costs of malnutrition

# Challenges

- Linkage between Nutrition and Agriculture
- Food industry reluctant to be innovative due to fear of failure
- Lack of effective, well developed and sustainable policies
- Poor monitoring and enforcement regulations
- Uncoordinated activities of development partners
- Scale up of nutrition programs

# Recommendations

- Make Nutrition central to development (allocation of resources, etc)
- Entire value chain (from farm to fork) should be considered in the development of nutrition programs
- Reward for innovative companies that are able to develop affordable, nutritious products
- Demonstrate the impact of investing in nutrition

# GAIN's Positioning and Programs



## Mission

- GAIN's mission is to reduce malnutrition through the use of food fortification and other strategies aimed at improving the health and nutrition of populations at risk, **particularly children and women**

## Objective

- GAIN has set itself the target of establishing programs to reach 1 billion people when at scale. The longer term target is **to reach the estimated 2 billion people across the globe**

## History

- Launched in 2002 at UN Special Session on Children
- Swiss Foundation headquartered in Geneva since 2003
- Top-level Board Members from industry (Unilever, Danone, Dr. Reddys), multilaterals (WHO, UNICEF, World Bank, WFP), government (USAID, CIDA) and civil society (PATH, Bill and Melinda Gates Foundation)
- Small team of experts with diverse backgrounds; offices in Beijing, Johannesburg and Delhi

## Approach

- GAIN achieves its aims through **five core program streams**:
  - Food Fortification
  - Investments and Partnerships
  - Communication and Advocacy
  - Infant and Young Child Nutrition
  - Performance Measurement and Research

**GAIN's vision is for all people, everywhere, to have the nutrition they need to lead healthy and productive lives**

- **GAIN** uses a **unique model for food fortification** involving public-private partnerships
- The GAIN Board has approved **20 programs in 18 different countries**, 14 of which are operational. Fortified foods are already on the market in 10 countries where GAIN provides funds with a current reach of 160 million individuals; over the next five years when these projects are at scale they are **expected to reach an estimated 600 million**

## Update 2008: Reach/Coverage/Cost

- Currently, the estimated number of people reached across all projects is **160 million, whereby 80 million reach those most at risk**
- Cost effective intervention: At the current level of coverage, the cost to GAIN per targeted individual is \$0.32; this figure is expected to drop to **\$0.16 and \$0.13 at three and five years following project inception**

## Health impact to date is meeting performance targets

- China iron fortified soy sauce: data from second year follow-up shows a proportional **reduction in anemia of 40% among women and 54% among children**
- South Africa wheat flour/maize meal folic acid fortification: first time data on reductions in birth defects (e.g. neural tube birth defects spina bifida and anecephaly) show a **decrease by 30.5%** and perinatal mortality rates from neural tube defects **decreased by 65.9%**

# Investments & Partnerships Programme

- GAIN **mobilizes business** to play a larger role in addressing malnutrition
- Business Alliance: a network of almost **400 committed company leaders** dedicated to finding solutions and to making investments to combat malnutrition globally. Regional chapters successively established in North America, Europe, China, Africa and India
- Sectoral Initiatives: creation of a Ten Year Strategy aimed at reducing vitamin and mineral deficiencies by mobilizing partners towards a **common strategy**

## Update 2008 – Successes to date

- Nasarawa Pilot School Feeding Program in Nigeria: a GAIN - Tetra Pak partnership
- Danone-Grameen partnership led by Nobel Peace Prize winner Mohammad Yunus
- Fast Company's annual competition identifying innovative/entrepreneurial/creative initiatives – GAIN in Top 50 List
- The Tetra Pak case study, as undertaken by GAIN, the World Bank Institute and IMD, won the corporate social responsibility category of the prestigious European Foundation for Management Development (EFMD) Case Awards with an abbreviated version of the case being published in a book by Greenleaf later in 2008

# Infant and Young Child Nutrition

- Focusing on children 6 to 24 months of age, GAIN's program is designed to stimulate **private sector innovation** to produce high quality affordable complementary foods and complementary food supplements targeted to those regions where children are most in need
- **Private sector projects and public-private partnerships** are selected through competitive RFP processes; the **most promising will be scaled-up and replicated** and reach an estimated 10 million children

## Update 2008: Programs started and Expression of Interest launched

- Two pilot programs started in Bangladesh and in China (with China CDC)
- Expression of Interest inviting private sector to participate was launched on Dec 3rd, 2007 with an application deadline of January 31<sup>st</sup>, 2008
- Independent Review Panel will appraise responses to propose projects to the GAIN Board in May, 2008

## Innovative financing models created

- Developed, together with development banks a facility to stimulate private sector
  - Providing technical assistance and finance to companies interested in entering market
- Establishing an debt/equity Nutrition Fund
  - Equity/Debt fund providing finance and business development expertise for companies interested in expanding into the young child nutrition market
  - Focus: South Asia and East Africa under consideration

## **Situation analysis**

- Soy is an important component of complementary foods globally
- Soy oil offers a source of essential fatty acids needed for child growth
- From a nutritional point of view, it makes sense to work with the soy bean growers/processors as they possess the requisite technical background in the product segment

## **Opportunities to collaborate with WISHH for long term benefits**

- Providing technical assistance on processing/ of whole fat soy flour for use in complementary foods
- Supporting studies illustrating benefits of soy flour in foods for pregnant women and children 6-24 months of age on growth of children
- Providing information on role of essential fatty acids in soy flour and what other essential fatty acids may be needed to enhance fatty acid profile and how they can be obtained
- Funding private sector companies producing soy based complementary foods and food based supplements using soy

# Beyond Nutrition

- A 1% reduction in malnutrition rate reduces poverty by 4% (Alderman, 2004)
- Eradication of malnutrition could cause the GDP of developing countries to grow by 41% over 10 years

# Conclusion

- Investing in Nutrition can increase national economic productivity
- The returns from investing far outweigh the costs
- Government, Development Partners, Industry, etc all have a responsibility to invest in nutrition
- Investing in Nutrition can result in creation of new markets for private sector