



# THE COST OF MALNUTRITION: Why Policy Action is Urgent

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Malnutrition, in all its forms, imposes unacceptably high direct and indirect costs on individuals, families and entire nations. This is a major impediment to achieving the Sustainable Development Goal targets for 2030. The estimated impact on the global economy could be as high as US\$3.5 trillion per year, or US\$500 per individual.<sup>1</sup> These enormous costs result from economic growth foregone and lost investments in human capital associated with preventable child deaths. Further costs are incurred through impaired learning potential, poor school performance, compromised adult labour productivity, and increased health care costs.

Addressing all forms of malnutrition must become a top policy priority. A sustained reduction in malnutrition will contribute significantly to poverty reduction and development plans, and to government budgetary savings. Policymakers should make decisions based on the known cost-effectiveness of immediate actions, bearing in mind future accrued costs if appropriate actions are delayed.

The Global Panel calls for more attention to the costs of inaction and urges policymakers, particularly those in economic planning and finance ministries to invest in nutrition and in actionable food and agriculture policies. While the price of acting to address the economic and human impacts of malnutrition is high, the cost of doing nothing is immeasurably greater.

## Policy recommendations

- 1. Governments should calculate the direct and indirect costs of malnutrition in all its forms for their own country.** The calculation of costs in national plans must be explicit regarding assumptions made, and transparent in methodology used, to promote credibility and buy-in. There should be a commitment to link regular updates to costing of interventions and parallel estimates of economic benefits accrued. For instance, the African Union Heads of State committed to developing 'cost of hunger' analyses for all 54 countries on the continent as part of their Malabo Declaration.<sup>2</sup> A similar process is needed beyond Africa, along with high-level commitment to using these assessments to guide national spending priorities and to regular updating of the analyses over time.
- 2. Standardised metrics must be developed to support more effective communication of findings to policymakers.** To be useful to decision makers, data on the costs of various forms of malnutrition and potential solutions need to be comparable and more comprehensible. At present, numerous competing approaches are used to derive costs and benefits, and it is not always clear how these can inform approaches to prioritisation of investments.
- 3. Viable options for policy and programme interventions across the food system must be identified and costed.** Researchers and other development partners must collaborate to identify locally appropriate scalable evidence-based actions, supportive of nutrition. The evolving portfolio of potential actions should guide policymakers on priority investments and legislated actions.
- 4. Establish a national *Common Results Framework* to shape the monitoring and reporting on progress.** The need for actions throughout the food system requires multi-stakeholder partnerships, both public and private, aimed at cost-effective investment across society in well-priced policies and programmes.
- 5. Generate rigorous data to support ongoing assessment of cost-effective actions across the food system and food environment.** Governments should invest in mechanisms that can support their own learning about alternative investments along the food chain, and how these may affect different people by context, gender and age. Investments in strengthening national nutrition and food security information, and surveillance systems should contribute to such data flows.
- 6. Urgently address knowledge gaps and data deficiencies on the costs and benefits of national investments in,** i) infrastructure enhancement for diets and nutrition (via reduced losses and perishability, as well as increased year-round access to nutritious and healthy foods), ii) processing and food transformation, iii) wholesale and retail incentives for delivery of affordable and desirable nutritious and healthy foods (including in processed or packaged forms), and iv) drivers of dietary choices and policy options for supporting better informed choice.

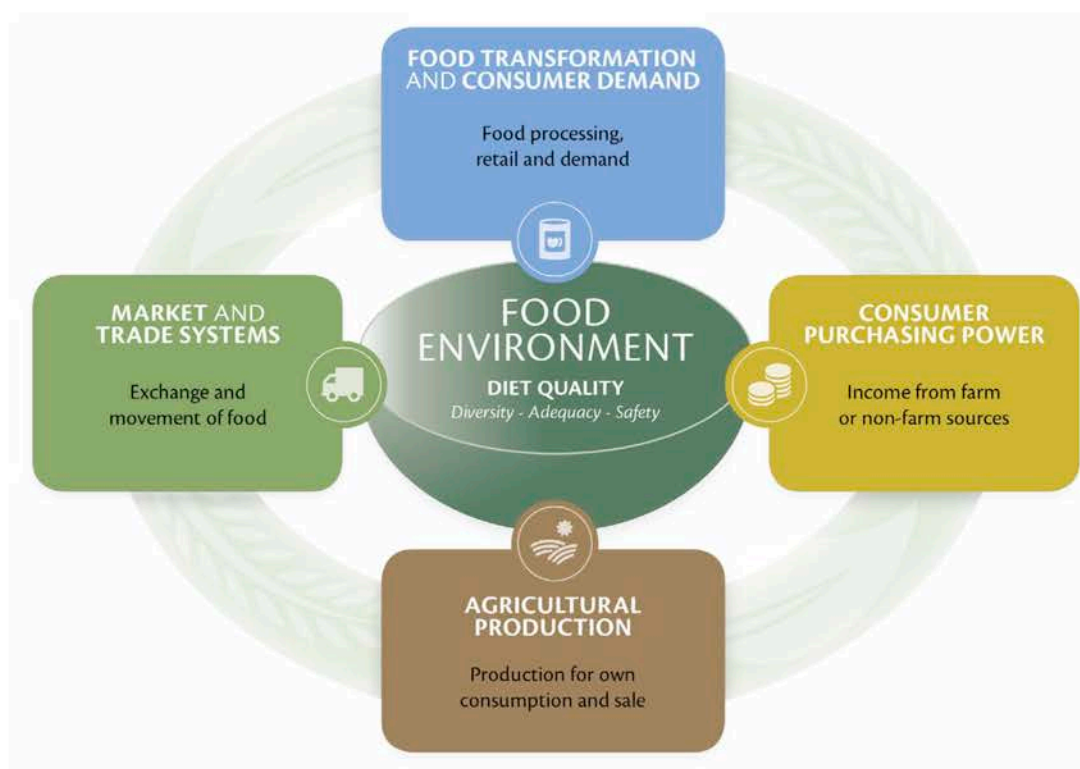


**Global Panel**  
on Agriculture  
and Food Systems  
for Nutrition

# How can Agriculture and Food System Policies improve Nutrition?

The multiple burdens on health created today for low and middle income countries by food-related nutrition problems include not only persistent undernutrition and stunting, but also widespread vitamin and mineral deficiencies and growing prevalence of overweight, obesity and non-communicable diseases. These different forms of malnutrition limit people's opportunity to live healthy and productive lives, and impede the growth of economies and whole societies.

**The food environment from which consumers should be able to create healthy diets is influenced by four domains of economic activity:**



In each of these domains, there is a range of policies that can have enormous influence on nutritional outcomes. In the Global Panel's Technical Brief No. 1, we explain how these policies can influence nutrition, both positively and negatively. We make an argument for an integrated approach, drawing on policies from across these domains, and the need for more empirical evidence to identify successful approaches.

Download Technical Brief No. 3 here: [glopan.org/cost-of-malnutrition](http://glopan.org/cost-of-malnutrition)

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BILL & MELINDA  
GATES foundation

T +44 20 3073 8325

E [secretariat@glopan.org](mailto:secretariat@glopan.org)

W [glopan.org](http://glopan.org)

@Glo\_PAN

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Footnotes:

(1) Food and Agriculture Organization of the United Nations. State of Food and Agriculture 2013: Food systems for better nutrition 2013 Rome, Italy.

(2) African Union Assembly XXIII, Malabo Declaration: Declaration on nutrition security for inclusive economic growth and sustainable development in Africa. Declaration 423, 2014