

Global Food Prices and Malnutrition Briefing

Key points

- **105 million people will be pushed further into poverty as a result of food price rises according to the World Bank**
- **854 million people were already hungry before prices started to rise, including 178 million children under 5 who were stunted**
- **Malnutrition is the underlying cause of 3.5 million deaths per year among children under 5 years old (a third of all child deaths in developing countries)**
- **Governments must judge their performance in responding to the current global food crisis by their impact on malnutrition rates**
- **G8 leaders must commit to mitigating the impact of food price rises on the poorest, through action on: malnutrition, social protection, biofuels and financial speculation**

Current situation

In recent months the cost of food has skyrocketed across the world. A combination of competition between food and fuel, increasing demand from a growing world population, and floods and droughts has seen food costs escalate leading to riots and protests around the world.

Food prices have reached their highest peak since the 1970s while food reserves are at their lowest for 30 years. The cost of rice jumped to unprecedented levels in March and since 2000 the price of wheat has more than tripled. With some food commodities now being used to meet growing demand for biofuels, prices for commodities such as palm oil, sugar and corn are being influenced by rising and volatile fuel prices. Food commodities are now an attractive target for speculation by traders seeking quick financial gain, exacerbating volatility in prices.

These spiralling prices will hit the poorest the hardest, with an effect described by the World Food Programme as a 'silent tsunami'. Unlike a flood or famine the food is there on the shelves but people simply cannot afford to buy it. Families in developing countries are already cutting back on meals or are unable to pay school fees or for medicine.

Save the Children teams around the world are seeing the effects of rising food prices and increased volatility, in most cases exacerbating existing problems of poverty. In the Sahel, our programmes to treat severely acutely malnourished children are expanding. In Ethiopia, some of the poorest can now only buy 40% of the food that they could buy two years ago with the same income. In Liberia, school drop-outs are reported, while the rising rice prices can only add to the post-civil war fragility there.

A combination of drought and escalating food prices has left 4.6 million people urgently in need of food in Ethiopia. Around 759,000 of these are children under the age of five, a group which is particularly vulnerable to effects of malnutrition such as weight loss and disease. Rising food prices also risk derailing gains in reducing malnutrition. In compensation for rising food prices, vulnerable households may substitute towards less food, or cheaper, but less nutritious, substitutes for current diets.

Undernutrition is the underlying cause of 3.5 million deaths in children under 5 each year. 854 million people were already hungry before prices started to rise. 178 million children under 5 were stunted. If not corrected in time, stunting becomes irreversible beyond 3 years of age, damaging forever a child's prospects for educational attainment and income-earning potential. Price rises only exacerbate a pre-existing nutritional crisis caused by the failure to get MDG 1's hunger indicator on track.

The Lancet series of papers on under-nutrition published in January this year highlights the problems of a fragmented and dysfunctional, international nutrition system, which was failing to adequately address the problems of malnutrition even before the recent increase in food prices. With the high level political attention on food prices, there is a window of opportunity to reform the international system so that it can effectively tackle nutrition problems as well as the immediate issues of food affordability.

Save the Children welcomes commitments by donors to increase funding for investment in agriculture and to meet the emergency funding requirements of WFP. However, responses must go further than focusing on

food supply, and ensure that the impacts of price rises on other factors affecting nutrition are addressed, such as the quality and diversity of food and the ability to afford healthcare and education.

Save the Children welcomes the establishment of a team in DFID to look at nutrition. The UK government currently spends less than 1p per malnourished child per day¹. MDG 1 addresses the eradication of extreme poverty and hunger, but DFID does not currently include an indicator to measure progress on the hunger aspect of MDG 1 in its Public Service Agreement, choosing instead to limit their indicator to measure the proportion of the population below US\$1 per day. Nor does it not monitor the effects of its projects on the nutritional status of its beneficiaries, hindering chances of identifying the most effective solutions to malnutrition. We hope that the new team will tackle both of these issues and ensure that DFID scales up its response to the current crisis as well as leading efforts to tackling nutrition amongst the poorest.

Recommendations

Governments must judge their performance in responding to the current global food crisis by their effect on malnutrition rates, and must report the impact of their policies and programmes regularly against the internationally agreed indicator on nutrition (part of MDG 1).

The UN Task Force on Global Food Security Crisis and donor governments should ensure they address nutrition issues as well as food security. They should also grasp this opportunity to develop proposals for tackling the international system for dealing with malnutrition, described in the Lancet series as 'dysfunctional and fragmented'.

Response to the increase in food prices should include support for the **development and expansion of social protection programmes**, focused on the needs of the poorest and most food insecure families.

Donors should respond promptly to the increased humanitarian needs arising from increases in food prices and droughts in Ethiopia and in the West Africa Sahel region. Save the Children is appealing for US\$20 million to help around 900,000 people, including 325,000 children, who are bearing the brunt of the food crisis in Ethiopia.

Governments must investigate the role of financial speculation in fuelling price rises and volatility and examine means of protecting consumers from the effects of speculation.

While recognising the importance of sustainable energy security, **governments with targets and quotas for the use of biofuels must place a moratorium on new targets and reconsider existing targets** to ensure that the right to food is not compromised by energy security policies.

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We're the world's independent children's charity. We're outraged that millions of children are still denied proper healthcare, food, education and protection. We're working flat out to get every child their rights and we're determined to make further, faster changes. How many? How fast? It's up to you.



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¹ Save the Children UK, 'Everybody's business, nobody's responsibility, How the UK government and the European Commission are failing to tackle malnutrition' (2007).