

GLOBAL FOOD POLICY REPORT 2017

A SUMMARY

ABSTRACT:

THIS GLOBAL FOOD POLICY REPORT PRESENTS A COMPREHENSIVE OVERVIEW OF MAJOR FOOD POLICY DEVELOPMENTS AND EVENTS ACROSS THE GLOBE. THIS REPORT PARTICULARLY FOCUSES IN THE CHALLENGES AND OPPORTUNITIES CREATED BY RAPID URBANIZATION, ESPECIALLY IN LOWER AND MIDDLE INCOME COUNTRIES IN TERMS OF FOOD SECURITY AND NUTRITION.



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FOOD SECURITY AND NUTRITION IN AN URBANIZING WORLD

In 2016, several commitments were made for sustainable development and food security. Meanwhile, 2016 has also witnessed growing uncertainties linked to stagnant growth in the global economy, growing income inequalities, worsening refugee crises, increased polarisation and populism among major donor countries, and rapid changes in the political landscape. These uncertainties and persistent challenges will prove to be a major test of whether the current momentum will drive the new sustainable development agenda forward and whether actions will be taken to improve the lives of millions of people who continue to lack the most basic necessities such as, food, shelter, and security.

Some positive signs were seen in 2016 despite the global economic unproductivity. World Bank projections suggest that, the number of people living in extreme poverty fell below 10%. Global hunger rates are also expected to have fallen in 2016, with less than 11 percent of the world suffering from undernourishment, a drop from 19 percent in 1990. Global food prices also fell for the fifth straight year in 2016 due to increased supply, according to the Food and Agriculture Organization (FAO) of the United Nations. However, despite this fall in poverty rate, millions of people still live in less than US\$ 1.90 per day. Hunger and malnutrition still prevails in many parts of the world. 10 million West African people had experienced critical levels of food insecurity in 2016.

Along with Bangladesh and Ethiopia, many other countries have witnessed significant reductions in under nutrition, particularly in child stunting. Along with improvements in poverty and hunger reduction, major global policy developments in 2016 helped to maintain or build momentum toward improving human and environmental well-being. In addition to the global and regional policy developments, individual countries have also initiated significant food security and nutrition policy changes in 2016.

Current forecasts of global economic growth for 2017 are positive. After low growth of 2.3 percent in 2016, growth in 2017 is expected to rise to 2.7 percent. However, the prospects for growth differ sharply across countries and regions, with emerging economies in Asia showing robust growth, while Africa south of the Sahara experiences a slowdown. This projected slowdown threatens to reverse the gains achieved in reducing poverty and food insecurity in Africa. In addition, expected political changes around the world in 2017 will contribute to an uncertain economic outlook. Together with economic and political changes, ongoing conflicts will continue to exacerbate hunger and malnutrition in affected regions.

2016 FOOD POLICY TIMELINE

The following table illustrates major highlights in the world in 2016:

Month	Highlights
January	Pulses Celebrated Globally- The UN declares 2016 the "International Year of Pulses" to highlight the nutrition and sustainability benefits of the hearty, high-protein crops.
March	Worst Drought in Decades in Africa- An unusually strong El Niño causes the worst drought in decades, leaving over 36 million people in southern and eastern Africa facing hunger.

April	UN Declares Decade of Action on Nutrition - The UN declares a Decade of Action on Nutrition from 2016 to 2025 to support efforts to eliminate hunger and malnutrition and meet Agenda 2030 goals.
June	Britain Votes to Leave the EU - "Brexit" could affect Britain's food security and spending on official development assistance, as well as the global economy and trade. Record Number of Refugees - UNHCR reports that 65 million people were displaced in 2015, exceeding the 60 million mark for the first time in history.
July	US Global Food Security Act Signed - The United States passes a law to promote global food security, resilience, and nutrition.
August	Global Nutrition Summit Meets - On the eve of the Summer Olympic Games in Rio, the Nutrition for Growth summit calls for world leaders to increase investments in nutrition and scale up successful strategies.
September	UN Adopts Commitment on Refugees - UN General Assembly member states adopt the New York declaration, a set of nonbinding commitments to address the refugee and migrant crisis. Open Data for Agriculture and Nutrition - The first-ever GODAN (Global Open Data for Agriculture and Nutrition) Summit launches a data revolution, calling on public and private organizations to open their data on agricultural research.
October	Hurricane hits Haiti - Hurricane Matthew wipes out large agricultural areas on the island, leaving 1.4 million people in need of food assistance. New Urban Agenda Adopted - Agenda adopted at Habitat III in Quito, Ecuador, aims to improve how cities are planned, managed, and inhabited to set the world on a course toward sustainable urban development.
November	US Presidential Election - President-elect Donald Trump's policies expected to have implications for global development issues including trade, refugees, climate change, and US foreign aid. Cop22 in Marrakech - Marrakech Climate Change Conference (COP 22) marks the Paris Agreement's entry into force.
December	Food System for Healthy Diets - International Symposium on Sustainable Food Systems for Healthy Diets and Improved Nutrition focuses on concrete country experiences and challenges shaping food systems to deliver healthy diets.

URBANISATION

Rapid urbanisation, particularly in developing countries, is a critical ongoing trend that will shape the food security and nutrition of the future. Nearly 90 percent of the projected urban population increase is concentrated in Africa and Asia, with China, India, and Nigeria alone expected to add 900 million urban residents by 2050. Rapid urbanisation and population growth are expected to put growing pressure on the global food system as agricultural production comes under stress from environmental degradation, climate change, extreme weather conditions, and limited virgin lands for expansion. Furthermore, as urbanization has accelerated in some developing countries, it results in triple burden of malnutrition i.e. the coexistence of hunger (insufficient caloric intake to

meet dietary energy requirements), under nutrition (prolonged inadequate intake of macro and micronutrients), and over nutrition in the form of overweight and obesity. Management of this expansion in urban areas is critical for ensuring agricultural growth and global food security.

As urban populations grow, poverty, food insecurity, and malnutrition are increasingly becoming urban problems in all regions of the world. Poor urban dwellers face unique nutritional challenges around accessing nutritious food, adequate employment, social protection, and adequate water, sanitation, and hygiene facilities, all of which affect food security and nutrition. Difficulty in improving food security and nutrition in both rural and urban areas in developing countries can be traced to weak linkages between agricultural producers, and particularly smallholders, in rural areas and urban consumers. Urbanization can be a boon to rural producers who could more effectively supply urban areas with nutritious foods while benefiting from larger, generally wealthier urban markets. While urbanization is happening almost everywhere, it calls for unique implications for governance and food security.

STRENGTHENING THE RURAL-URBAN LINKAGES TO END HUNGER AND MALNUTRITION

Urbanisation is reshaping the setting within which we must pursue the Sustainable Development Goals of ending hunger, achieving food security and improved nutrition, and promoting sustainable agriculture. Rural-urban linkages- includes physical, economic, social, and political connections that are crucial for ending hunger and malnutrition sustainably in both rural and urban areas. This rural-urban linkage will also help support other sustainable development goals. Urban growth leads to increase in food demands and spurs dietary changes in urban areas and this growth in demand can provide opportunities for rural producers to improve their livelihoods. It has to be well understood that broken value chains and poor coordination weakens the urban-rural link and will hold back progress on food security and nutrition. Investments in rural infrastructure like roads, electricity, storage facilities, and communications and information systems can help build connections and create hubs of economic activity.

Research is needed to identify what policies and investments can best develop rural-urban linkage that benefit both the areas meanwhile supporting rural and urban food security and nutrition. It has to be understood how policy coordination between rural and urban areas help create efficient and inclusive value chains and governance of natural resources needed for agricultural production and how can public investment best be targeted to develop rural farms to reduce both urban and rural poverty while also increasing productivity and improving resilience. Effective and tailored policies and programs on social protection can improve household-level resilience in both rural and urban areas.

GROWING CITIES, NEW CHALLENGES

Poverty, food insecurity, and malnutrition are moving to the cities, as the world's population is becoming more urbanized. Overall, persistent child under nutrition, combined with the stubborn problem of micronutrient deficiencies and the alarmingly rapid rise in overweight and obesity, signals a shift toward a greater overall burden of malnutrition (in all its forms) in urban compared to rural areas. Global statistics reveal that one in three stunted children now live in urban areas

and also the rapid increase in overweight and obesity have been concentrated in urban areas. The urban poor are known to face a challenging food environment. Food security in urban areas depends directly on access to cash. Extremely poor urban households in many developing countries are known to spend more than 50% of their budget on food. Dependence on purchased food and employment in the informal sector leave the urban poor vulnerable to income and food related price shocks. In addition, limited access to healthcare, safe water and sanitation in cities leads to severe health and nutrition inequalities for the urban poor i.e. slum dwellers.

While the food environment in urban areas offers tremendous diversity and opportunities for consumers, the urban poor face a set of challenges that may jeopardise their access to high-quality, diverse, safe, and affordable diets and increase their risk of poor health and nutrition. Urban dwellers are more likely to meet their protein and energy requirements than rural dwellers. Meanwhile, urban consumers, especially as their incomes increase, are also more likely to consume imbalanced/processed diets, too high in calories, saturated fats, refined sugars, and salt, and low in fiber.

Poor diets among city residents result from a combination of forces. These include food-environment factors such as the availability and aggressive marketing of energy-rich and nutrient-poor processed foods and fast-food outlets; changes in food habits and demand that come with higher incomes; changes in types of employment, particularly for women, which increase demand for convenience and ready-to-eat foods and meals; and changing norms and attitudes toward foods associated with urban living, such as pressures to move away from traditional diets.

It is important to identify what is the extent of poverty, food insecurity and malnutrition in urban areas before improvements can be made. The quality of urban diet, the nutrient gaps and dietary pattern needs to be well understood by policy makers. The programs and policies need to be best tailored to support the urban poor in tackling the district challenges of urban life. This transfer of poverty, food insecurity, and malnutrition to urban areas demands a new understanding of the drivers of these problems and of the policies, programs, and interventions needed to tackle them. Inclusive public sector actions targeted at urban poverty and malnutrition is urgently needed. Governments, program implementers, and researchers can no longer ignore the unique features and needs of urban populations if they are to effectively address poverty, food insecurity, and malnutrition globally.

URBANISATION AND THE NUTRITION TRANSITION

Diets are changing with rising incomes and urbanisations, people are consuming more animal source foods, sugar, fats and oils, refined grains, and processed foods. Widespread trends include a decrease in consumption of grains, staple cereals, and pulses; an increase in consumption of animal foods, sugar, salt, fats and oils, refined grains, and processed foods; and decrease in consumption of fruits and vegetables. These changes are occurring at different rates in different regions and populations, but the most rapid change is taking place in the developing world.

The Global Panel on Agriculture and Food Systems for Nutrition concluded that “over time, people are consuming more recommended components of high-quality diets. However, despite dietary improvements, the net result is still a prevalence of low-quality diets in most countries.” Poor-quality diets, lacking in essential nutrients and with an excess of harmful components, are now estimated to be the number-one risk factor in the global burden of disease. Along with dietary changes and an increase in overweight, diet-related diseases are also on the rise in low- and middle-income countries, and are clearly linked with urban residence. A study of 173 countries found that a

country's level of urbanisation is significantly associated with diabetes prevalence, through the mediator of increased sugar access. Urban food environments with supermarkets, food vendors and restaurants facilitate access to unhealthy diets. For the urban poor, the most easily available and affordable diets are often unhealthy.

Policies at the national level to change food environments are particularly relevant to cities. More research is required to understand what people are eating and how the urban food environment is shaping their food choices, which policies have improved nutrition for urban residents and how food retailers and food services make a greater contribution towards creating an enabling environment for good nutrition.

HOW CITIES RESHAPE FOOD SYSTEMS

Food systems are changing rapidly in developed and developing countries alike. Explosive growth of cities along with the rapid emergence of an urban middle class are driving this transformation of food systems in developing countries. Urban growth leads to larger flows of agricultural products from rural to urban areas as well as changes in the types of food marketed and consumed. Most urban residents rely on food markets and for many farmers in developing countries, urban food markets are becoming the most important end destination for their produce.

Urban and rural populations in developing countries have significantly different diets and urban populations are both willing and able to spend more money on food. Branded and packaged foods are expanding rapidly in these urban markets. Rapid growth of cities is driving change in agricultural value chains like increased commercial flow of agricultural goods diet transformation, and large role of commercial markets in meeting urban food needs. Megacities in developing countries are transforming value chains for high-value crops and for the traditional staple food crops. The staple-food value chains is increasing productivity through increased investment in technology and modern inputs, including fertilizers and improved seeds, by farmers close to cities and use of mobile phones by farmers to better position themselves in markets. The growing population eating "urban diets" combined with increases in rural-urban market flows in recent decades have led to changes in the food supply chains that link producers to urban consumers.

While much policy debate centers on direct government operations in food value chains, such operations were generally quite small in the staple value chains. The implication is that the bulk of activity in agricultural value chains is private sector activity. Thus, emphasis should be placed on enabling the private sector's involvement and providing incentives for the sector to support national food security objectives. As food and agricultural markets develop, quality and food safety standards will become increasingly important in these growing domestic markets of developing countries. More attention to these concerns is needed.

DEVELOPMENTS IN SOUTH ASIAN REGION

Regional economic growth in South Asia is projected to reach 7.3 % in 2017. The region's limited exposure to global turbulence, combined with increasing investment in agricultural and food systems, is aiding in growth in this region. All South Asian countries achieved the Millennium Development Goal of reducing poverty by half well ahead of the 2015 deadline and have shown consistent improvement in human development and nutrition indicators also. **The Global Hunger Index (GHI) for South Asia declined from 47.7 in 1990 to 29.0 in 2016, moving from the "alarming"**

to “serious” category. Poverty and undernourishment are still causes for concern, however. About one-fourth of the population is poor, and the region is home to more than 35 percent of the world’s poor (more than 300 million people). **About 63 million children in South Asia are stunted, 26 million are wasted, and 208 million women are anemic.**

South Asia’s urban population grew by 186 million between 2001 and 2015, more than the entire population of Japan and is expected to expand by almost 250 million more in the next 10 years. The benefits of urbanisation, including economic growth and structural transformation, are evident in the region. Manufacturing and services now account for more than 80 percent of gross domestic product (GDP). Despite the mammoth increase in absolute urban population, the pace of urbanisation in South Asia is slow compared to that of both the East Asia and Pacific region. Urbanisation levels are lowest in Nepal (19 percent) and Sri Lanka (18 percent), while Bhutan (39 percent), the Maldives (46 percent), and Pakistan (39 percent) are the most urbanized countries in the region.

Meanwhile, urbanisation also poses considerable challenge to South Asian food security. At least 130 million people, more than the entire population of Mexico, live in informal urban settlements in South Asia. These populations often do not have access to water and sanitation facilities, making them more likely to suffer from disease and malnutrition. Also the South Asian agricultural and food systems are at a crossroads. Climate variability and extreme weather events (such as droughts, floods, and temperature change) that threaten food and nutrition security are becoming serious challenges in South Asian countries. Unplanned urbanisation is progressing rapidly and without critical civic amenities such as safe drinking water, drainage, housing, and hygiene facilities. Addressing the needs of growing ranks of urban dwellers and improving the livelihoods of small producers while promoting agricultural productivity will be essential to global food security and nutrition and to move ahead with sustainable development agendas. Developing strategies to address the food security risks faced by these vulnerable urban residents should be a policy priority.

INITIATIVES TO IMPROVE FOOD SECURITY IN NEPAL

Nepal’s new constitution, promulgated in 2015, established a fundamental right to food. This change, together with the possibility of a food crisis resulting from natural disasters and external shocks, brought the issue of food and nutrition security to the forefront of the policy agenda. Nepal set ambitious targets for reducing food and nutrition insecurity, putting emphasis on basic foodstuffs in 2016. The initiatives include strengthening the food supply system, especially in remote areas, introduction of identity cards for poor families in order to better target poverty alleviation and safety net programs, programs promoting dietary change, and incentives to increase food production.

Nepal also increased its agricultural budget by about 40 percent. The government had announced an ambitious agriculture modernization program aimed at attaining self-sufficiency in staple crops, fruits, and vegetables and designated Specialised Agriculture Production Areas for strengthening value chains. Other new policies include an Agricultural Mechanisation Promotion Policy, a National Food Safety Policy, an Agribusiness Promotion Policy, seed regulations, establishment of a technical school for agriculture entrepreneurs, and grants and subsidies in specialised agricultural areas such as construction of tissue-culture laboratories for bananas and potatoes and fish production ponds. Nepal is also a member of the global Scaling Up Nutrition (SUN) movement and various networks associated with SUN designed to improve nutrition

FOOD POLICY INDICATORS FOR TRACKING CHANGE

Decision makers and policy analysts need solid evidence and timely information to develop and implement effective food policies. The International Food Policy Research Institute (IFPRI) develops and shares global public goods including datasets, indicators, and indexes to provide research-based policy solutions that sustainably reduce poverty and end hunger and malnutrition. This information can be used to gauge the impact of policy changes and the progress made on specific aspects of development. The indicators are as follows;

Agricultural Science and Technology Indicators (ASTI)

Policy makers recognize that increased investment in agricultural research and development (R&D) is key to increasing agricultural productivity. Despite this, many low- and middle-income countries struggle with capacity and funding constraints in their agricultural R&D systems. Agricultural research includes government, higher education, and nonprofit agencies, but excludes the private sector. Total agricultural R&D spending includes salaries, operating and program costs, as well as capital investments for all government, nonprofit, and higher education agencies involved in agricultural research in a country. A way of comparing commitment to agricultural R&D is to measure research intensity, that is, total agricultural R&D spending as a percentage of agricultural output.

Statistics of Public Expenditure for Economic Development (SPEED)

Tracking public expenditure by national governments allows policy makers and analysts to examine national policy priorities, as reflected in the allocation of funds, and the cost-effectiveness of public spending both within and across countries. Public expenditure is expenditure incurred by public authorities including central, state, and local governments, public corporations, and state enterprises to provide public goods and services or to achieve national development goals. The Statistics of Public Expenditure for Economic Development (SPEED) database provides data that policy makers, researchers, and other stakeholders can use to examine both historical trends and the allocation of government resources across sectors. Indicators include total agricultural expenditure, agricultural spending per capita, and the ratio of agricultural spending to agricultural gross domestic product (GDP) for the period

Global Hunger Index (GHI)

The Global Hunger Index (GHI) provides a comprehensive measure of hunger at the global level and by country. It allows for tracking progress and setbacks in addressing hunger and malnutrition over time and for assessing the drivers of these changes. The GHI is designed to raise awareness and understanding of regional and country differences in the struggle against hunger and to trigger action to reduce hunger around the world.

GHI scores reflect the multidimensional nature of hunger by combining four standardized indicators into one index number that falls within the range 0–100:

1. Percentage of the population that is undernourished
2. Percentage of children under five who suffer from wasting (low weight-for-height)
3. Percentage of children under five who suffer from stunting (low height-for-age)
4. Percentage of children who die before the age of five (child mortality)

Food Policy Research Capacity Indicators (FPRCI)

Food policy research capacity is defined as any socioeconomic or policy-related research capacity in the areas of food, agriculture, or natural resources. Food policy research plays an important role in guiding the agricultural development of countries. To achieve food security goals, countries need to strengthen their capacity to conduct food policy research. Strong local policy research institutions help in shaping an evidence-based policy-making process. Measuring national capacity for food policy research is important for identifying capacity gaps in food policy research and guiding allocation of resources to fill those gaps.

Agricultural Total Factor Productivity (TFP)

Increasing the efficiency of agricultural production involves getting more output from the same amount of resources and this is critical for improving food security. To measure the efficiency of agricultural systems, we use total factor productivity (TFP). TFP is an indicator of how efficiently agricultural land, labor, capital, and materials (agricultural inputs) are used to produce a country's crops and livestock (agricultural output) and is calculated as the ratio of total agricultural output to total production inputs. Various policies and investments, such as agricultural research that develops higher-yielding varieties or more cost-effective pest management methods, can increase TFP. Land and labor productivity can be measured through partial factor productivity (PFP). PFP measures are calculated as the ratio of total output to total agricultural area (land productivity) and to the number of economically active persons in agriculture (labour productivity).

International Model for Policy Analysis of Agricultural Commodities and Trade (IMPACT)

Policy makers, analysts, and civil society face increasing challenges to reducing hunger and improving food security in a sustainable way. The International Food Policy Research Institute's IMPACT model is an integrated system of linked economic, climate, water, and crop models that allows for exploration of such scenarios. Links to climate, water, and crop models support the integrated study of changing environmental, biophysical, and socioeconomic trends, allowing for in-depth analysis of a variety of critical issues of interest to policy makers at national, regional, and global levels.

Reference:

[Global Food Policy Report 2017](#)

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