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**3RD MEETING OF THE AFRICAN TASKFORCE ON FOOD
AND NUTRITION DEVELOPMENT (ATFNND)
WINDHOEK, NAMIBIA, 14-15 APRIL, 2011**

***THE COST OF HUNGER IN AFRICA: SOCIAL AND ECONOMIC IMPACT OF
CHILD UNDERNUTRITION***

CONCEPT NOTE

Background

When children are deprived of the essential nutrients required, in particular during the first “1000 days” of their life, they will suffer from permanent and irreversible physical and mental damage. Compared to children with adequate weight and height, malnourished children face a higher risk of dying. In Africa, the average child mortality rate is almost 180 per 1000 births, 30% to 50% of those deaths can be attributed to undernutrition.

Children who are malnourished are also more vulnerable to infectious diseases that prolong their undernutrition and further hinder their full cognitive and behavioural development. As a result, undernourished children have reduced ability to learn and concentrate while in school, ending up with fewer opportunities to access better jobs. In the end, the host country suffers monumental losses in productivity and incurs increased societal costs in education and health care.

There is a need to raise awareness of the general population, policy makers and development partners that countries are paying and will continue to pay for the consequences of child undernutrition. Eradicating child undernutrition is an effective investment in the human capital of a country.

The Economic Commission for Latin America and the Caribbean (ÉCLAC) and the World Food Programme (WFP) have estimated that Central American countries and the Dominican Republic have paid US\$6.6 billion (6.4% of their combined GDP) for the undernutrition they had in 2004.

Despite the efforts of African governments and the international support to fight hunger and undernutrition, the problem is far from being under control. In Africa, 331 million people lack the food required to meet their most basic needs. Thirty to 40 percent of children under five years of age are stunted. With few country exceptions, the global burden of undernutrition remains concentrated in the African continent. Therefore, African governments, civil society, Development Partners and private sector, must be compelled to invest in the necessary interventions to eradicate child undernutrition.

The Cost of Hunger study in Africa is proposed. The study will build upon the model developed in LAC by ECLAC and WFP, adapted to capture the African situation. With support from Latin American partners, through South-South collaboration, African professionals can adapt and use this methodology to estimate the cost of undernutrition in our continent.

The results of a similar study undertaken in Africa will provide compelling arguments to shape policy dialogue and advocacy around the importance of fighting undernutrition. Ultimately, it is expected the studies will encourage revision of current allocation practices towards ensuring human and financial resources needed to effectively combat child undernutrition, in particular during the first 1,000 days of life, when most of the damage is produced.

Purpose

Within the frame of the Revised African Regional Nutrition Strategy (2005-2015)¹, the objectives of the African Task Force on Food and Nutrition Development² and the NEPAD's CAADP, the African Union Commission, Department of Social Affairs is taking the lead to develop a study on the social and economic impact of child undernutrition in at least 12 African countries to inform key decision makers and the general population about the cost African societies are already paying for not controlling such a problem.

Consequently, the study aims to offer powerful arguments for reshaping current resource allocation policies towards effective investments to fight child undernutrition in Africa.

To achieve these purposes, the study will:

1. Involve different government sectors and relevant actors at the country level to analyze the economic and social impact of child undernutrition, namely underweight, in the task of estimating the costs of child undernutrition.
2. Share the findings at relevant national and regional policy level events including the 2011 June/July African Union Summit attended by government stakeholders and Heads of State.
3. Inform African governments, in particular the Ministries of Economic Planning and Finance, on the scale of current social and economic impact of child undernutrition.
4. Facilitate dialogue between the relevant government ministries, United Nations agencies, donors and international institutions and build on the comparative advantage of each organization in order to support African countries in their fight against child undernutrition.

¹African Regional Nutrition Strategy (2005-2015). Objectives I-III: I. To increase awareness among governments of the Region and the regional and international development partners, and the community on the nature and magnitude of nutrition problems in Africa and their implications for the development of the continent, and advocate for additional resources for nutrition. II. To advocate for renewed focus, attention, commitment and a redoubling of efforts by member states, in the wake of the worsening nutrition status of vulnerable groups. III. To stimulate action at the national and regional level that lead to improved nutrition outcome by providing guidance on strategic areas of focus.

² Proceedings of the 1st meeting of the African Task Force on Food and Nutrition Development (ATFFND). Addis Ababa, Ethiopia, 26-27 February 2009

Methodology

Intrauterine and child undernutrition affects health, student's performance and adult's productivity because of disease-related deficits and limited learning and intellectual capacity associated with deficient cognitive development. This translates into greater probabilities of: dying prematurely; having higher risk of becoming ill; starting education at a later age; repeating grades; dropping out of school; and ultimately having lower levels of education and productivity. Each condition implies direct or opportunity costs that can be estimated through secondary data usually available in African countries.

The study will estimate the **economic cost** of undernutrition on a given society by adding the **direct** and the **opportunity costs** arisen from having malnourished children. The study will estimate the **direct costs** due to additional health care and educational services resulting from having children suffering from undernutrition before reaching the age of five. The study will also estimate the **opportunity costs** derived from premature deaths, less educational achievement and less productivity, as a result of child undernutrition.

The **direct and opportunity costs** are assessed in two time perspectives:

- 1) **Incidental Retrospective:** This method calculates the added economic costs of undernutrition in the year of analysis by measuring the direct extra healthcare costs incurred as a consequence of health care services offered to malnourished children (0-59 months) in that year; plus the additional expenditures incurred by educational institutions as a result of students (ages 6-18 years old) repeating grades due to impaired performance because of suffering from under nutrition before being five years old; plus the opportunity costs due to premature deaths and less productivity in adults in working age (15 to 64 years) derived from the effects of undernutrition suffered before the age of five years old.
- 2) **Prospective or Potential Savings:** This method estimates the future direct and opportunity costs to the society derived from health care and educational system expenditures, premature deaths and lower productivity associated to the undernutrition prevalence at the year of analysis. The future costs are estimated according to three scenarios: 1) the prevalence of the year of study is maintained; 2) the prevalence by 2015 is halved; and 3) child undernutrition is virtually eradicated.

Expected outcomes

- Increased understanding among key national and regional policy makers about the economic and social impact of child undernutrition (ChU)
- Increased funding for interventions to effectively reduce ChU
- New/strengthened institutional arrangements to combat ChU
- Existing policy processes, influenced

Indicators

- Percentage increase in awareness
- Percentage increase in funding
- Percentage increase/strengthened institutional arrangements to combat ChU
- Percentage of policy processes influenced

Expected outputs

- A valid methodology to assess the social and economic impact of child undernutrition in African countries, produced
- A set of coefficients to estimate the higher risk of child undernutrition in increasing mortality, morbidity, decreasing learning, decreasing productivity, developed
- Government officials trained on using the methodology to estimate the social and economic impact of child undernutrition in 10 African countries
- One national study on the social and economic impact of child undernutrition in 10 African countries
- Advocacy documents available at national and continental level to raise awareness about the cost implications of undernutrition

Organization and Process

The African Union Commission, Department of Social Affairs is leading the initiative to undertake the study on “The Cost of Hunger in Africa: The Social and Economic Impact of Child Undernutrition”. UNECA will coordinate the implementation and WFP, UNICEF and other actors will support the process.

UNECA organized a preparatory meeting late September 2010 to estimate the need and the feasibility of the study. Experts from nine African countries participated. They recommended the adoption and implementation of the Study - without major methodological changes- and identified key next steps. This concept note includes inputs from that meeting.

In order to strengthen national capacity as well as to obtain a quality product, the study process -as important as the final outcome- will be widely participative, supported by:

Regional Steering Committee: A High-level Steering Committee chaired by the AU will convene each partner organizations to approve the study design and the action plan.

It will oversee the implementation of the study and dissemination of the results. The Steering Committee will also offer political support to the initiative.

National Implementation Team: The core implementer of the study will be a national team organized in each participating country, drawn from relevant governmental institutions such as Ministry of Health, Ministry of Education, Ministry of Social Development, Ministry of Planning, Ministry of Finance, and the National Statistics Institution. A broader reference group can also be developed to include other actors and UN agencies WFP, UNICEF and WHO. The WFP country office will facilitate the process according to specific country situations and will support the coordination of the team when needed. Data collection, data analysis and report drafting will be supported by the project.

Expert Committee: UNECA and WFP, on behalf the AUC, Department of Social Affairs, will ask a high level expert African committee ³ to adapt and endorse the methodology to be used in the study, based on the one developed in LAC. The Committee will also provide/validate the coefficients to be used in the Study – adequate to the African reality- to estimate the higher risk of suffering health problems, educational failures and productivity losses people have because they have been malnourished before the age of five. Such a committee can be an ad-hoc or a pre-existing one, like the African Task Force for Food and Nutritional Development

Secretariat: The Secretariat, based at the UNECA will work through a small technical team drawn from NEPAD UNECA, UNICEF, WFP, ECLAC and other relevant organizations to support study preparation, implementation and dissemination as well as to facilitate a smooth and quality work of the National Teams, and the Expert Committee. The Secretariat will report to the Steering Committee and will be in charge of executing the Study budget in support of the different activities.

Implementation Plan

The study will be conducted in 12 Africa countries namely: Botswana, Burkina Faso, Cameroon, Egypt, Ethiopia, Ghana, Kenya, Malawi, Mauritania, Rwanda, Swaziland and Uganda. These countries were selected based on the following criteria:

- Availability of the secondary data needed for the study⁴
- Prevalence of poverty and undernourishment
- Prevalence of child undernutrition
- Country willingness to contribute to the study, in-kind and/or in cash.

³ ECLAC will also be part of the high level expert committee.

⁴ This includes at least two accurate, nationally representative survey data on fertility, family planning, maternal and child health, gender, HIV/AIDs, malaria and nutrition. Availability of at least two DHS (Demographic and Health Surveys).

- Sub-regional coverage. At least one country will be selected from each AU region (CEN-SAD, COMESA, ECCAS, ECOWAS, IGAD, SADC, and UMA).
- Existence of an national platform on malnutrition and hunger
- Based on the above criteria, a preliminary selection of the following countries has been done.

The study will be undertaken in two phases. In the first phase the study will be conducted in 5 “fast track” countries that include: Ethiopia, Uganda, Egypt, Mauritania and Swaziland in order to produce results within 3 to 4 months. The remaining countries will be covered in the 2nd phase.

In undertaking study there are three stages. The first one will define the details of the study design and will prepare and train national teams. The second stage will implement the study and the third phase will disseminate the results. Activities will focus at national level but strong support and backstopping will be provided from the regional level as needed, in particular in data analysis and quality assurance.

Joint missions led by UNECA in collaboration with AUC, will be undertaken at country level to further brief the Governments on the study and seek their facilitation, and offer training and technical backup to country implementation team.

Country implementation is done by a national technical task force (NTTF) chaired by Ministry of Health and compose of technical focal points from Ministry of Education, Ministry of Finance, Ministry of Social development and other relevant institutions.

Planned budget for the study is about US\$ 600,000 and the Government of France is the current main contributor. Throughout the duration of this study, involved actors will work to mobilize more resources to enable the replication of the study in other AU Member State

