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Situation of Food and Nutrition Security in Latin America and the Caribbean





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I. PRESENTATION

The goal of this document is to present a diagnosis about food and nutrition security (FNS) in Latin America and the Caribbean. In the first place, the recent progress with regard to FNS will be presented, highlighting its heterogeneity among the countries of the region and the double burden of malnutrition. Likewise, what stands out is that this situation is part of a wider phenomenon, due to the impact of the new level of food prices on poverty and structural inequality. Although in the last years the region has seen a higher level of prominence and dynamism in the production and world commerce of food, this has not translated back into a significant reduction of poverty and food insecurity.

In the second place, the process to strengthen legal and institutional frameworks is briefly recounted, as well as the evolution of food security policies in the region. Given their renewed comprehensiveness, these have tended to strengthen social policy as a complement of actions in the field of production and availability. This shows that in general the countries of the region have undertaken actions in four major policy areas: small farming and rural development, social and food protection, health and nutritional assistance, and health and nutrition education and training.

Finally, some conclusions will be developed, together with challenges ahead. The FAO policy recommendations will be detailed in order to continue the process of improving food and nutrition security in the region.

II. THE SITUATION OF FOOD AND NUTRITION SECURITY IN LATIN AMERICA AND THE CARIBBEAN

A) General outlook

Latin America and the Caribbean is the only region that before the food crisis had achieved the reduction of hunger. Nevertheless, after the increase in the food price level and the following economic crisis, this tendency reverted, thus food security became more relevant in the political and social agenda of the countries of the region at the sub-regional and regional level¹. For a region that presents a surplus in the availability of food, the latest FAO estimates indicate that the undernourished population in Latin America and the Caribbean reaches 52.5 million people, equivalent to 9% of its population and 600 thousand people less than in 2009.

This number does not reflect the heterogeneity existing between countries, where the children's population presents great differences in rates of malnutrition. Due to changes in consumption patterns, progress made with regard to reducing child undernourishment co-exist with an increase in the rates of overweight children, showing the double burden of malnutrition.

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¹ It is possible to mention: 1) the XLII General Assembly of the Organization of American States (OAS) in Cochabamba, Bolivia, which had as main slogan "Food Security with Sovereignty in the Americas"; 2) The Summit of the Community of Latin American and Caribbean States (CLACS) that took place in December 2011, when the Chiefs of State of the region emphasized that food security is a regional priority; 3) in February 2012, the agreement for the constitution of an Economic Space (ALBA-TCP) within the framework of the Bolivarian Alliance for the Peoples of Our America – Treaty of Commerce of the People (ALBA-TCP), which establishes amongst its central action themes the development of sovereignty and food security of its member countries to ensure socially and integrally quality and quantities of food; and 4) the XXIII Meeting of International Cooperation Directors of the Economic System of Latin America and the Caribbean (ECLAC), which will center on regional cooperation to support food security.

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Graph 1: Malnutrition in under 5-year-olds, 2000-2010*

* It refers to the most recent data of the considered period **Source:** World Health Organization (WHO), 2011.

Increased overweight and obesity is a phenomenon that affects most countries, independent of their economic levels or prevalence of undernutrition. This situation not only supposes a risk of higher health costs for the coming years, but it also, and like undernutrition, generates limitations for the development of the population.

This new facet of malnutrition has gained in importance and it is present on the agendas of various countries of the region, promoting health life styles and food programs. Likewise, international efforts, such a the Pan American Conference on Obesity have focused on the child population and have called to recognize the importance and expansion this disease has had in the countries of the region in order to develop actions to face it.

B) Evolution of food prices

The new setting, because of a higher level and increased volatility of international food prices, is part of a wider phenomenon, affecting not only the prices of food but also the prices of other raw material. In the last years the prices of international food have registered constant increases, exceeding the historical figures. The FAO price index for food reflects this behavior. In the context of the food crisis mid 2008 a first *peak* was registered, after which prices fell but without going back to the levels before the crisis. At the beginning of 2011, again there was an increase exceeding the values of 2008, and from 2011 until May 2012 the tendency has been towards a reduction in food prices, measured according to its yearly variations.

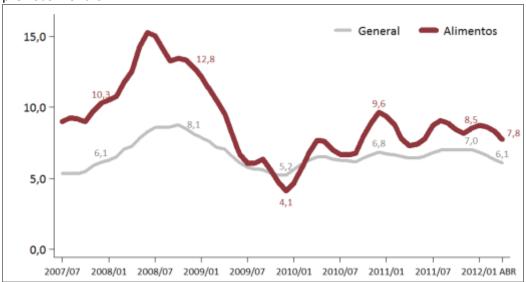
The increase in international food prices turns out to be relevant when the country is net importer of certain basic products of the countries' diet, as it reduces the buying capacity, especially for the sectors with less income, which can translate into an opportunity for import substitution thus increasing production. Contrarywise, net exporting countries benefit because their trade balance

increases and, if the increase in the price of food is translated into an increase in the prices perceived by the product, their income will increase and there will be an incentive to increase production.

International prices have an impact on the countries' economies, and that is why it is relevant to observe the evolution of inflation in Latin America and the Caribbean as it directly affects the purchasing power of the families. The food inflation analyses must be more in-depth, particularly in lower incomes homes where food expenditure represents a large relative proportion of their income.

The variation in food prices have shown the same tendency as general inflation but with more pronounced highs and lows. The recent evolution of international prices, that sometimes have exceeded the highest levels of 2008, have not translated into such drastic national inflationary pressures as during the food crisis. Nevertheless, food inflation explains around 30% of the region's general inflation (FAO, 2011).

Graph 2: Yearly inflation in Latin America 2007-2012*, variation in percentage terms with regard to the 12 previous months



^{*} This refers to the weighed average with information from 10 countries that represent 94% of the regional GDP

Source: FAO, 2012a

C) Food production and availability

Latin America and the Caribbean is an important player in food production at the world level and on the international food markets, both with regard to the region's contribution to world exports and net imports in the case of the countries that depend on certain food.

Nevertheless, like the other dimensions of food security, the dynamics of production and commerce vary broadly between countries, reflecting the heterogeneity that characterizes the region not only between countries but also within the countries. There are productive sectors where, independently of the country's food producing situation or capacity, the problem of hunger persists even if they are great producers or generate great surpluses for export or if the country were a net importer of food. These facts re-affirm that the problem of food insecurity in the region is access.

Within the productive versatility of the region, the small farmer fulfills an important role in the food supply within the countries. This kind of agriculture is different in each country, partly due to the

characteristics of each zone, both natural and cultural. Nevertheless, some cultures are widely extended, such as corn and beans; in tropical zones yucca, cacao and bananas; in Andean zones potatoes. In the Central-American countries the small farmer provides a big part of corn, roots and tubers for human consumption, beans and sorghum for animal consumption. Additionally, the small farmer upholds a good part of the livestock of the region.

The productive potential of the region is promising. Compared to the productive performance of certain basic products, there is space to improve productivity and handling food after harvest; nevertheless, these developments depend largely on the investment in technology and the agreed on resources, which are dissimilar among the countries. The achievement of higher outputs would allow increasing the support of the region to the availability of food.

Latin America and the Caribbean, in the last decade, have seen a promising growth in the added agricultural value, slightly higher than that registered at the world level. Nevertheless, this phenomenon comes with the persistence of poverty in rural zones in most of the countries of the region. Even though rural poverty in the region has been diminishing, it is not possible to directly relate this with the productive growth of the sector.

In agreement with a FAO study (2009), agricultural growth and production only concentrates on some of the regions and products, and it is closely linked only to a portion of producers with access to external markets. This dynamism in production concentrates on regions with advantages in productive resources and those where it has been possible to create competitive advantages directed at external markets. In these processes mostly medium and preferably big producers have participated, giving expression to the need to promote the development of inclusive productive models.

This is why, in the face of the incapacity that the region has had to link the dynamism of agricultural production to reducing poverty, strengthening social policies, improving the functioning of the labor market and supporting small productions has become one of the main instruments to move forward in overcoming poverty. Including this process in the totality of the productive process is still pending.

D) Structural causes behind food insecurity: poverty, inequality and access to food

In the economies of the region we can find marked differences between the countries and inside the countries, with sectors that are inserted in very dynamic activities with an intensive use of capital and technologies; others inserted in medium productivity activities with few links with the dynamic sectors; and sectors with low productivity, with precarious activities and in the informal sector. (ECLAC, 2011a).

Analyzing this productive, structural and social heterogeneity is the key to understanding the differences that we can find in the countries of Latin America and the Caribbean in terms of development and therefore the causes of food insecurity. Data from 2011 estimate that 174 million people live in poverty condition and 73 million in extreme poverty, which corresponds respectively to 32% and 13% of the population of Latin America and the Caribbean.

Pobreza Pobreza Extrema

Graph 3: Evolution of the number of poor in Latin American and the Caribbean (millions of people), 1980-2011

Source: ECLAC, 2011a

Latin America and the Caribbean is the most unequal region of the world with regard to its medium Gini coefficient, which has remained practically unchanged in the last twenty years. Currently, the least unequal country of the region is more unequal than any country of the OECD, the Middle East or Northern Africa (ECLAC, 2010). The structural heterogeneity of the region imposes a regime of unequal access to well-being according to the breaches in productivity of the working people and the difficulties to access and perform in very segmented labor markets, which explains the inflexibility in recent periods of high growth (ECLAC, 2011a).

In the rural zones it is possible to see the importance of agriculture to generate income in the poor homes. In some countries self-employment is more important, in others wage-earning activities and, in a third group, self-employment and wage-earning activities are equally important. Likewise, it must be emphasized that another element that has contributed to maintaining the income levels in poor homes in the region has been the regular sending of remittances by the migrated population, which has gained notorious relevance in the last decades.

Without a doubt poverty and inequality are not a very favorable panorama to guarantee access to food. In the face of these structural causes it is necessary to incorporate different strategies to be applied in a broad variety of sectors, which in different ways have a bearing on the composition of incomes of the poor homes. Here, in the last decade, the State has tended to take a more leading role by strengthening social policy and broadening the health, education and pension coverage, and implementing income transfer programs to the most vulnerable sectors.

III. IMPLEMENTING FOOD AND NUTRITION SECURITY POLICIES IN THE LAST DECADE

In the last decade, the governments of the region have started to implement a series of food security policies, strategies and programs. In general, there is a growing tendency to create or strengthen the legal and institutional framework of food security, complemented by the implementation of measures in multiple action areas. From a methodological perspective, these can be broadly

grouped into four great policy areas (Graziano da Silva, 2008): small farming and rural development, social and food protection, nutritional health assistance and health and nutrition education and training.

A) Strengthening the legal and institutional framework for food security

The adoption or strengthening of food security reflects its high priority as well as growing political and social consent to be safeguarded at the national, regional and international level. With regard to constitutional matters, the Multinational State of Bolivia, Brazil, Ecuador, Guyana, Haiti, Nicaragua and Mexico recognize the right to food and protection against hunger of all its inhabitants. In other cases, there are explicit mentions of food security, the nutritional state of the population, the rights of minors and state guarantees for food for the vulnerable populations in Colombia, Costa Rica, Cuba, Guatemala, Honduras, Panama, Paraguay, the Dominican Republic, Suriname and the Bolivarian Republic of Venezuela.

Additionally, eight countries of the region have sanctioned laws for food security and/or sovereignty, which, in general, organize the State administration from a national system, create mandates and responsibilities, and mechanisms for accountability reports and evaluation. In this group are Argentina, the Multinational State of Bolivia, Brazil, Ecuador, Guatemala, Honduras, Nicaragua and the Bolivarian Republic of Venezuela.

Independently of sanctioning legal and institutional frameworks, the countries of the region have also made public policy definitions that have originated strategies that are directly or indirectly directed at achieving results with regard to food security. Considering the high level of complexity of the hunger problem, the carried out actions within the framework of each strategy have been linked to a variety of sectorial programs and means, either centralized under the mandate of a specialized guiding organization or through functionally differentiated sectorial plans.

B) Rural development and strengthening small farming

If implemented effectively and with a right's focus, these policies have the potential to promote economic and social inclusion of the highly vulnerable social, food and nutritional sectors.

Indeed, in the rural area of the region there are 56.2% of poor and 30% of homeless people (ECLAC, 2011b), which shows the important breach there is between the advances in reducing poverty and the dynamism that the agricultural sector has experienced the last decade. This has shown a high concentration in specific regions and products, as well as being exclusively linked to producers with access to external markets (FAO, 2009). So, access to an economic activity in the rural zones of the region hasn't necessarily implied an improvement in the socio-economic condition of the homes, as in many cases it regards highly precarious and unprotected activities that do not generate stable conditions nor sufficient enough income to cover the most basic needs of the most vulnerable families.

In the field of rural development policies of the last decade it is possible to identify three types of actions: direct support to agricultural production, support based on demand and rural development programs.

In the first case, the countries of the region have developed direct support programs to the small farmers in order to increase the net levels and efficiency of the agricultural production, access to

markets and the income derived from these. These actions have included technological transfer, credit, training and subsidies for commercialization components, among others.

On the other hand, in the last decade, although less intense than the traditional way of direct support to production, support initiatives for the small farmer have spread, based on demand, consisting of using inclusive public buying mechanisms, both as the local level and at the extraterritorial levels to acquire certain agricultural products, almost always linked to the functioning of school feeding programs, solidarity canteens or the making of school or service uniforms. Together with this, in order to prevent the deterioration of production and trade conditions of small producers because of prices or required volumes, technical and financial support components have been implemented.

The third kind of action corresponds to a broad categorization called "rural development", which tries to be linked to the complexities that go with the rural field. In agreement with a recent study organized by FAO (2012b) poor rural homes have been changing their profile from a demographic and income point of view, affirming: (1) the tendency of smaller homes with less income recipients; (2) the growing importance of non-labor income of the total income, in some cases because of remittances and in others because of public transfers; (3) the general tendency within labor incomes to increase the proportion of incomes through wages with regard to self-employment, and non-agricultural income with regard to agricultural (although in general agricultural income is still more important).

That is why, always keeping in mind the food security of the most vulnerable, for the analysis of all the actions directed at rural development, the actions that want to strengthen the generation of non-agricultural income by means of micro-entrepreneurships or the insertion of the economically active population in the labor market are of special interest. From the point of view of food and nutrition security of rural homes, these kinds of programs must get more prominence than what they have been getting until now, given the importance of the wage factor in food access and stability of the rural families.

C) Social and food protection

Food insecurity in the region is intensified by the high levels of poverty, inequality and volatility and, more recently, by the high level of food prices, which has decisively pressured inflation in the last three years until representing a third of the general inflation of 2011 (FAO, 2011). The present structural heterogeneity condition in the region implies the presence of sectors with great dynamism, capable of acceding to sufficient income to satisfy their basic needs, institutional protection of work and living conditions, and access to basic social services. On the other hand, that same condition of heterogeneity has implied the presence of a broad portion of the population in the least dynamic sectors of the economy who don't have adequate access to basic social services, who don't have protection of their work and living conditions, and who face serious difficulties to obtain the income needed to satisfy their most basic needs.

In agreement with a recent document elaborated by FAO and OAS (2012), together with adopting an inter-sectorial focus and implementing instruments to protect and foment the small farmer, it is fundamental to advance in direct action through transfers, access to social security and better work conditions within the framework of integral and inclusive social protection systems. In this sense, in the last decade, the region has stood out in the generalized implementation of different food distribution modalities and conditional cash transfer programs (CCT), as the main political instruments directed at strengthening access to food for the most vulnerable.

With regard to food distribution, the implementation of school feeding programs (SFP) stand out with the double purpose of strengthening nutrition and school feeding of minors, being in many cases their only source of food. Likewise, complementary to the SFP, establishing different food services for focalized social sectors as well as food distribution and micro-nutrients stand out, either under the modality of food baskets or by giving basic food rations to risk groups (children, pregnant women, the elderly). It is necessary to highlight that in all these cases, the small farmer has represented a great opportunity to promote the inclusive mechanisms of public supply.

Together with the different food distribution modalities, the conditional cash transfer programs (CCT) have positioned themselves as an important social policy tool to protect the family consumption of basic goods and to give an incentive to the use of basic education, health and nutrition social services, reaching approximately 113 million people, in other words, 19.3% of the regional population (ECLAC, 2010). This way it has become the most disseminated modality of public transfers to alleviate poverty. There is an important set of impact evaluations that indicate positive results with regard to family expenditure for food consumption and access to health and education services. Strengthening the effects on diet quality and nutritional indicators would need to be looked at in the medium term.

The income guarantees given in the field of non-contributive social protection must be complemented in the field of contributive social protection and integral improvement of work conditions. In rural zones, the achievement of this goal becomes even more critical considering that the majority of the poor population works in agricultural activities, which provide the worst jobs in these zones both for self-employed workers and for the permanent and seasonal wage-earners (FAO, ECLAC and ILO, 2010), establishing a generalized evasion of legal minimum wages, high informality for the poor population (between 53% and 98% of jobs), low general participation in the labor market and a high rate of dependents per poor working person.

D) Assistance in nutritional health

In general, the countries of the region have understood that protecting the most vulnerable population, strengthening rural development policies and economic inclusion measures are insufficient if they are not complemented with a broader development of social policies at the sectoral level, especially with regard to health and education. So, within the sanitary sector the implementation of specialized primary health care for nutritional health as a complement to treating malnutrition, which requires a more complex offer within the framework of secondary care, has started to be extended.

Within this context, the most disseminated actions are the campaigns favoring breastfeeding, and they are focused on vulnerable subjects to cover specific nutritional deficiencies. With regard to the first point, in the region it has been estimated that only around 40% of children receive only breast milk for 6 months (UNICEF, 2009), even though its importance to reduce diseases, mortality risks and to foment a healthy development of children has been widely recognized. To strengthen the existing actions, the WHO and UNICEF have recommended, in the last decades, to adopt an explicit policy to promote a common action framework to families, the community and the State; to carry out strong personnel and information training campaigns for mothers; to overcome the breaches of related service coverage (WHO and UNICEF, 1989), especially in rural zones.

On the other hand, in the case of nutritional deficiencies, the actions that have been carried out have typically consisted of distributing fortified food, vitamins, ferrous, iodized supplements and other

micro-nutrients, normally directed a vulnerable segments such as children, pregnant and postnatal women, and the elderly.

E) Health and nutrition education and training

Within the field of broadening social policies as a complement to actions belonging to the field of production, health and nutrition education has shown to be very important for form healthy food habits and to offer knowledge on handling and preparing food. The actions in this field have the potential to prevent the deterioration of people's health due to contagious diseases or low quality nutritional diets, and, at the same time, to foment local knowledge and food culture.

In this sense, even though the countries of the region have been implementing health and nutrition education and training components for a long time, these actions have had little public visibility. That is why more efforts are needed to systemize and evaluate the experiences in order to show the importance to give tools to risk groups (school-age children, breastfeeding mothers and other people who are in a serious food insecurity state) to improve the nutritional value of the food they eat, as well as to improve the impact of complementary programs such as conditional cash transfers and delivery of food.

Specifically, the actions in this field are implemented through primary health care or through adult education in the framework of elaborating food guides, promoting school and family vegetable gardens, and food preparation and consumption training. Additionally, the countries of the region have also started strengthening forming healthy food and nutrition habits within the framework of school curricular contents. In as far as these efforts reach more pedagogic efficiency, the creation of early habits and knowledge in the life cycle will be strengthened, together with socialization, increasing the possibilities to build learnings that last over time.

IV. CONCLUSIONS AND RECOMMENDATIONS

Latin America and the Caribbean fulfill a fundamental role in the world food production, having experienced in the last decade a lot of dynamism in the agricultural sector. Nevertheless, this has not been determinant in reducing rural poverty, nor has it generated ways of including the small farmer in the national and international market circuits. Also, as far as less dynamic urban sectors are concerned, there are still important problems with regard to informality, precariousness and deficits in the access to basic goods and services, resulting in a high level of marginality that consolidates the recent tendency to a quicker pace of growth of poverty and malnutrition in urban zones. (UNICEF, 2012:18).

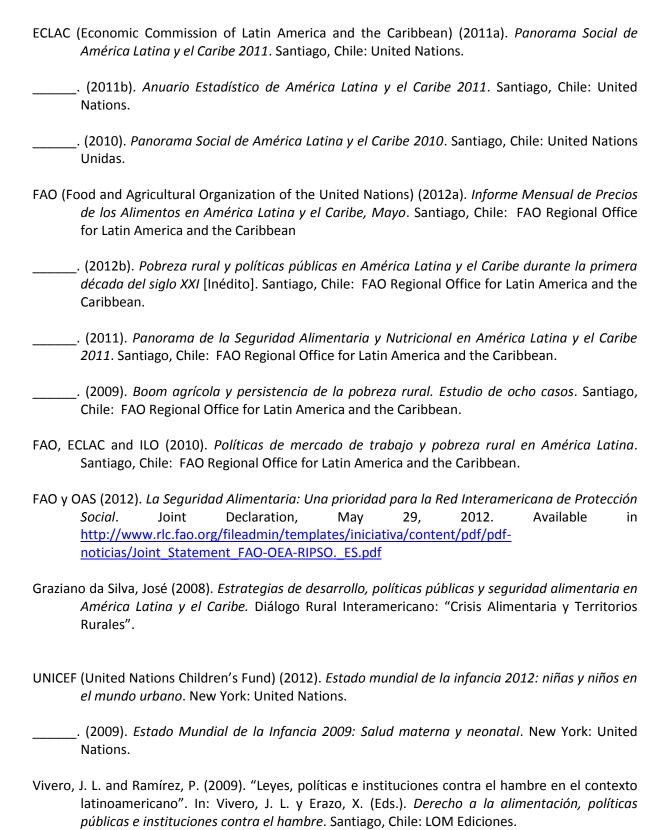
The new level of food prices is an opportunity to increase dynamism in the agricultural sector of the region. Nevertheless, it also represents a great threat to having quality and quantity access to adequate food by the poor, which explains in part the cyclical increase in the number of homeless in the region during the last four years of price increases.

In the last decade the countries of the region have started putting into practice food security policies that differ from the ones implemented in the 1980s and 1990s as part of the principles of structural adjustment, adopting an inter-sectoral and comprehensive focus, strengthening the social protection systems and social sectoral policies, adopting a territorial focus and establishing or strengthening legal and institutional frameworks.

Nevertheless, for the efforts of the countries, with regard to rural development and strengthening the small farmer, social and food protection, nutritional health care, and health education and training, to have the desired effects, the FAO Regional Office has stressed the need to adopt policy definitions and/or to strengthen the actions already taken in the following areas (FAO, 2011):

- 1) <u>Governance of food security and food commerce</u>: Taking into consideration the leading role of the region in the world agricultural food system, mechanisms should be looked for to coordinate and take decisions in the regional field of food security in the existing political and economic integration organizations. Here it is possible to mention: a) strengthening the role of the region as a whole in the World Committee on Food Security (CFS) and the Group of 20 (G-20); b) achieving adequate investment levels for the challenges that came from policy declarations regarding agriculture and food trade, promoting the mechanisms of South-South cooperation; and c) fomenting the intra-regional food trade.
- 2) <u>Productive promotion with a priority in family agriculture</u>: Reducing structural heterogeneity is a fundamental goal in order to generate effective opportunities of economic and social inclusion of the most vulnerable. It is therefore fundamental to close the existing breaches between the small farmer and the medium agricultural business: a) a higher productive investment, public and private, in family agriculture, placing special emphasis on access to land and water resources, technological transfers, inclusive public purchasing mechanisms and access to pertaining financial services; b) agricultural financing and risk management instruments; c) agricultural health and food safety.
- 3) Adapting the agricultural sector to the climate changes: Here it is fundamental to ingrate the natural resources in the economic development model, taking them into consideration as public global goods rather than as production means of unlimited availability. This implies recovering cultivation and practices to sustainably intensify the agricultural production, making it necessary to implement public and private knowledge appropriation modalities, together with recomposing the technological transfer systems and reducing the greenhouse effect of gas emissions and promoting carbon storage.
- 4) <u>Competition in the agricultural food markets and complying with the legislation of agricultural labor markets</u>: All the productive and social policies recently carried out to strengthen food security will not have the expected results if there are no agricultural food markets that work more transparently and competitively; defending the rights of the consumers and producers; and the effective compliance of labor legislation together with the improvement of labor market institutions, especially where female seasonal work dominates.
- 5) Appreciation of food and local markets: Given the centrality of food production and consumption in the national and regional cultures, work must be done to promote rescuing traditional products, such as the Andean colored potatoes, beans, cinchonas, white corn and a large group of vegetable and animal species. The latter would allow widening the food base of the population and improving their nutritional state, as well as generating new income for the rural population thanks to sales. Additionally, the local food markets must be made more dynamic in order to stimulate the production of the small farmers and the socialization of local, national and regional cooking.
- 6) <u>Changes in the patterns of food consumption and quality of food</u>: In coherence with the growing regional tendency to incorporate education and training components in social programs, it is recommendable to establish mechanisms to generate guidelines for a healthier diet, by means of food education for children and adults, recuperating the consumption of local products, improving the quality of food and reducing food waste.

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