# The cost of inaction:

The economic and human capital benefits of investing in nutrition

AT LEAST USD \$358M COULD BE SAVED ANNUALLY IN EL SALVADOR THROUGH SMART INVESTMENTS IN PROVEN, LOW-COST, HIGH-IMPACT NUTRITION INTERVENTIONS.

NUTRITION

## BACKGROUND

In 2012, the World Health Assembly (WHA) set global nutrition targets to spur action and investment to address malnutrition. They are currently being evaluated, reset, and will likely be extended to 2030. These 2030 targets aim to achieve a 50% reduction in the number of stunted children, a 50% reduction of the prevalence of anaemia in women of reproductive age, a 30% reduction of low birthweight among newborns, and an increase in the rate of exclusive breastfeeding to 70% in the first six months. Targets have also been set on overweight and obesity, and on wasting.<sup>1</sup> At present, El Salvador is on course to meet four of the six global nutrition targets (exclusive breastfeeding, stunting, wasting, and childhood overweight).<sup>2</sup> While progress has been made on childhood anaemia, 24.6% of children (six-59 months) are still affected.<sup>3</sup>

**NUTRITION** 

Nourish Life

In El Salvador, over 50,000 children under five are stunted, close to 112,000 are anaemic, 10,000 are born with low birthweight, and more than 30,000 are being sub-optimally breastfed for the first six months of life. Additionally, there are more than 187,000 cases of anaemia in older adolescent girls and women (15-49).<sup>4</sup>

The interrelated crises of the COVID-19 pandemic, climate change and cost of living have put unprecedented pressure on social sector accounts and caused many governments to consider diverting investments from public health and prevention programs to bolster short-term responses to urgent needs.

However, emerging data continues to support the importance of investing in nutrition, and the compounding benefits that can be realized through smart nutrition interventions. The 2024 World Bank Group Investment Framework found that an additional USD \$13 billion each year is needed to scale up nutrition interventions globally from 2025–2034. Every dollar invested was estimated to generate \$23 in return.<sup>5</sup>

Through the development of an online, user-friendly Cost of Inaction Tool, Nutrition International has sought to support policy makers as they weigh their options. The tool provides an analysis of the costs of "inaction" – of allowing limited to no progress on key indicators of undernutrition to be made – and how doing so affects countries' income in both the immediate and long term. The new tool demonstrates that investments in nutrition can generate significant economic savings, as long as smart investments are made in proven, low-cost and highimpact nutrition interventions.

## THE FINDINGS

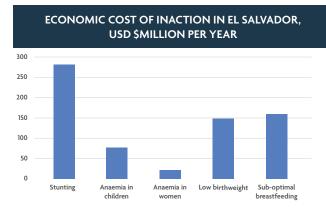
Findings from the Cost of Inaction Tool estimate that the total global economic cost of undernutrition is more than USD \$761 billion per year. In El Salvador, at least USD \$358M could be saved with increased investments in stunting, anaemia in children, anaemia in adolescent girls and women of reproductive age, low birthweight, and the protection, promotion, and support of breastfeeding.<sup>3</sup> The impacts of poor nutrition are wide-ranging and serious.

When a population is undernourished, it is more vulnerable to preventable infections and diseases. With adequate nutrition, not only does a population strengthen immune systems against preventable diseases and infections, but healthcare costs and treatment expenses are also reduced. Ensuring proper nutrition for vulnerable groups, such as infants, young children, and pregnant women is key to unlocking their potential. When children are well-nourished, they are more likely to succeed in school which in turn helps them to live a better life, thrive, and contribute to socio-economic development.

In response to these challenges, El Salvador's National Food and Nutrition Security Policy (2018–2028) aims to improve nutrition for vulnerable populations by enhancing food availability, promoting breastfeeding, reducing child stunting, and expanding health services, particularly for children and pregnant women.<sup>6</sup> Additionally, the National Policy to Support Early Childhood Development "Crecer Juntos" (2020–2030), supports a strengthened regulatory framework, including key laws like the "Nacer con Cariño" (Born with Love) and "Amor Convertido en Alimento" (Love Made Food) acts. These laws emphasize breastfeeding as a vital strategy for ensuring food and nutrition security for infants.<sup>7</sup>







\* The total economic cost is lower than the sum of each individual cost. This estimate avoids double counting of costs associated with co-occurrence of stunting, anaemia, low birthweight and sub-optimal breastfeeding.

El Salvador has the 14th highest prevalence of low birthweight in Latin America and the Caribbean (out of 29 countries), and the 108th highest in the world (out of 200 countries). With a current prevalence of 10.2%, El Salvador has made some progress against the 2012 prevalence of 10.4%, but it has not yet met the proposed 2030 global nutrition target for low birthweight of 7.3%.<sup>3</sup>

# POTENTIAL BENEFITS OF ACHIEVING GLOBAL NUTRITION TARGETS

Here are some of the benefits that El Salvador stands to realize if the proposed extended 2030 global nutrition targets were to be met.

If El Salvador was to meet the proposed 2030 WHA global nutrition target on stunting, an estimated 500 cases of stunting would be averted annually, preventing six deaths, the loss of 5,000 IQ points and 866 school years. Overall, this would prevent USD \$14M in economic losses.

If El Salvador was to meet the proposed 2030 WHA global nutrition target on anaemia, an estimated 100,000 cases of anaemia would be averted annually, preventing USD \$12M in economic losses.

If El Salvador was to meet the proposed 2030 WHA global nutrition target on low birthweight, 2,945 cases of low birthweight would be averted annually, preventing 27 deaths, the loss of 29,000 IQ points and USD \$42M in economic losses.

If El Salvador was to meet the proposed 2030 WHA global nutrition target on exclusive breastfeeding, 14,000 cases of diarrhoea would be averted annually, preventing 26 deaths, the loss of 69,000 IQ points and 24,000 school years. This would avert USD \$66M in economic losses.

#### **NUTRITION FOR GROWTH**

The next edition of the Nutrition for Growth (N4G) Summit will take place on March 27–28, 2025, in Paris, France. N4G Paris will be a multi-stakeholder summit that provides an opportunity for ambitious policy and financial pledges from different actors from all continents to move the nutrition agenda forward: governments, international organizations, research institutions, civil society organizations, philanthropies, private sector organizations and many more.

As the 2025 N4G Summit approaches, Nutrition International and the French Ministry for Europe and Foreign Affairs are partnering to highlight the price of not investing in nutrition and to encourage ambitious commitment-making on nutrition at N4G Paris.

#### 2 NutritionIntl.org

# ABOUT NUTRITION INTERNATIONAL'S TOOLS

The Nutrition International Cost of Inaction Tool was developed in 2023 by Nutrition International, in partnership with Limestone Analytics and with funding from the Government of Canada. The Cost of Not Breastfeeding Tool was created in 2017 by Alive & Thrive, with funding from the Bill & Melinda Gates Foundation, and it was updated by Nutrition International and Alive & Thrive in partnership with Limestone Analytics in 2022, with funding from Government of Canada. Both tools present results for over 140 countries to see the potential benefits if action is taken now. All estimates included in this brief are as of September 2023. Visit both tools on Nutrition International's website to read about the methodology and data sources and to learn more about Nutrition International.

For further support, including additional analyses, tool demonstrations and technical assistance, you can reach out to Nutrition International at <u>healthecon@nutritionintl.org</u>.

#### Cost of Inaction Tool

Cost of Not Breastfeeding Tool

#### REFERENCES

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