

# The cost of inaction:

## The economic and human capital benefits of investing in nutrition

**AT LEAST USD \$8.5 BILLION COULD BE SAVED ANNUALLY IN THE PHILIPPINES THROUGH SMART INVESTMENTS IN PROVEN, COST-EFFECTIVE, HIGH-IMPACT NUTRITION INTERVENTIONS.**

### BACKGROUND

In 2012, the World Health Assembly (WHA) set global nutrition targets to spur action and investment for addressing malnutrition. In May 2025, the targets were reevaluated, reset and extended to 2030. The 2030 targets aim to achieve a 40% reduction in the number of children under five who are stunted, a 50% reduction of anaemia prevalence in women of reproductive age, a 30% reduction of low birthweight among newborns and an increase in the rate of exclusive breastfeeding to 60% in the first six months. Targets have also been set on overweight and obesity, and on wasting.<sup>1</sup> At present, the Philippines is on course to meet one of the six global nutrition targets (exclusive breastfeeding).<sup>2</sup> Some progress has been made on stunting, but 28.8% of children under five are still affected.<sup>3</sup>

In the Philippines, over 3.5 million children under five are stunted, 1.5 million are anaemic, half a million are born with low birthweight and more than 933,000 are being sub-optimally breastfed for the first six months of life. Additionally, there are over 3.6 million cases of anaemia in older adolescent girls and women (15–49 years).<sup>4</sup>

Interrelated crises of the COVID-19 pandemic, climate change and cost of living increases have put unprecedented pressure on social sector

accounts and caused many governments to consider diverting investments from public health and disease 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 is needed annually to scale up evidence-based nutrition interventions globally from 2025–2034. Every dollar invested in the Philippines is estimated to generate USD \$33 in return.<sup>5</sup>

Through the development of an online, user-friendly Cost of Inaction Tool, Nutrition International has sought to support policymakers 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, cost-effective and high-impact nutrition interventions.



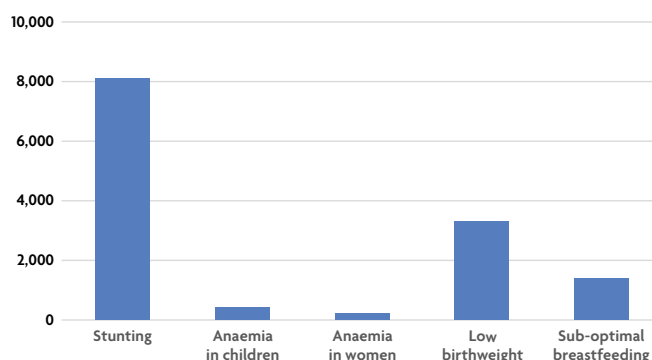
## THE FINDINGS

The impacts of poor nutrition are wide-ranging and serious. 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 the Philippines, at least USD \$8.5 billion per year 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 for breastfeeding.<sup>3</sup>

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, 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 the triple burden of malnutrition, the Philippines has taken significant steps to address its impact on public health. Central to its efforts is the National Nutrition Council (NNC), which has served as the country's highest policymaking and coordinating body on nutrition since 1974. In 2017, the NNC launched the Philippines Plan of Action for Nutrition (PPAN) 2017–2022, a multisector strategy with a strong focus on the first 1,000 days.<sup>6</sup> Building on the progress of this plan, the NNC developed the PPAN 2023–2028, a six-year strategic roadmap to guide stakeholders in achieving key nutrition outcomes. The 2023–2028 plan adopts a life stage approach, recognizing that nutritional needs and vulnerabilities vary across different phases of life. It is also fully aligned with the Philippine Development Plan 2023–2028, ensuring coherence with national development priorities.<sup>7</sup> In addition to strategic planning, the country has implemented mandatory food fortification policies, requiring the addition of iron and vitamin A to commonly consumed staple foods such as rice and cooking oil, as well as the iodization of salt for human consumption.<sup>8</sup> These combined efforts reflect the Philippines' growing national momentum to combat child malnutrition and anaemia through integrated, evidence-based approaches.

### ECONOMIC COST OF INACTION IN THE PHILIPPINES, USD \$ MILLION PER YEAR\*



\* 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.

The Philippines ranks first out of 23 countries in East Asia and the Pacific for the highest prevalence of low birthweight and fifth out of 200 countries globally. With the current prevalence at 21.1%, remaining almost unchanged from 21.2% in 2012, the Philippines is off track to meet the 2030 global nutrition target for low birthweight of 14.8%.<sup>3</sup>

## KEY FINDINGS

Each year, in the Philippines, the current levels of stunting, low birthweight, anaemia, and not protecting, promoting and supporting breastfeeding result in an estimated:

- **USD \$8.5 billion** in economic costs (or 2% of the gross national income) due to cognitive and mortality losses
- **7.3 million** IQ points lost
- **1.2 million** school years lost
- **16,000** child deaths
- **1,430** maternal deaths from cancers and type II diabetes





## POTENTIAL BENEFITS OF ACHIEVING GLOBAL NUTRITION TARGETS

Here are some of the benefits that the Philippines stands to realize if the 2030 global nutrition targets were to be met.

- If the Philippines were to meet the proposed 2030 WHA global nutrition target on stunting, an estimated 258,000 cases of stunting would be averted annually, preventing close to 6,000 deaths, the loss of 2.7 million IQ points and 439,000 school years. Overall, this would prevent USD \$3 billion in economic losses.
- If the Philippines were to meet the proposed 2030 WHA global nutrition target on anaemia, an estimated 1.1 million cases of anaemia would be averted annually, preventing USD \$68 million in economic losses.
- If the Philippines were to meet the proposed 2030 WHA global nutrition target on low birthweight, 158,000 cases of low birthweight would be averted annually, preventing 2,500 deaths, the loss of 1.6 million IQ points and USD \$983 million in economic losses.
- If the Philippines were to meet the proposed 2030 WHA global nutrition target on exclusive breastfeeding, approximately 55,000 cases of diarrhoea would be averted annually, preventing 214 deaths, the loss of 275,000 IQ points and 96,000 school years. This would avert USD \$135 million in economic losses.

## ABOUT NUTRITION INTERNATIONAL'S TOOLS

The Nutrition International Cost of Inaction Tool was launched in 2024 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 and Thrive, with funding from the Gates Foundation, and it was updated by Nutrition International and Alive & Thrive in partnership with Limestone Analytics in 2022, with funding from the Government of Canada. Both tools present results for over 140 countries using standardized data from global health and development agencies including WHO, UNICEF, and the World Bank to see the potential benefits if action is taken now. All estimates included in this brief are as of September 2025. 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 [healthecon@nutritionintl.org](mailto:healthecon@nutritionintl.org).

[Cost of Inaction Tool](#)

[Cost of Not Breastfeeding Tool](#)

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## REFERENCES

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