



## Calculating the Costs of Scaling Up Nutrition 6<sup>th</sup> February 2013

### SUMMARY

The economic arguments for scaling up nutrition are compelling. Within populations at risk of poor nutrition, investing in better nutrition during the 1000 days window between the start of pregnancy and a child's second birthday results in the improved health, better educational achievements and increased productivity. An investment of US\$1 can result in a return that is valued at around US\$30<sup>1</sup>: a well-nourished population can increase a country's Gross Domestic Product by as much as 2 to 3 per cent each year.<sup>2</sup> The combination of such economic arguments, along with the commitment of many nations to people being able to realize their right to food and to equitable development has led 33 countries to join the Scaling Up Nutrition Movement. In some of these countries the proportion of children who are malnourished is among the highest in the world. Their rates of acute and long-term malnutrition and iron-deficiency anemia in women, exceed the global average. Collectively SUN countries are home to 59 million stunted children: that is around one third of all stunted children in the world.

National governments (and the development partners with whom they work) acknowledge the benefits of scaling up nutrition, but – understandably – they want to know what it will cost? The process for estimating the cost of improving nutrition in any country is complex given the uniqueness of any country's situation and the wide range of sectors and stakeholders involved. But such estimates are essential to ensure that the necessary resources are raised and allocated as effectively as possible.

This document summarizes two streams of work on estimating the costs for scaling up nutrition that are being taken forward within the SUN Movement: (i) Estimating the overall cost of scaling up nutrition in SUN Countries and (ii) Aggregating the cost of implementing national plans for scaling up nutrition.

The first stream of work involves estimations based on the unit costs of different interventions. It builds on an agreed methodology that starts with the unit costs of individual interventions adjusted to the size of the target group based on demographic criteria and the level of nutritional need. The sums are totaled to produce an overall cost for full coverage across all SUN countries. The additional cost is derived from the difference between the total and the actual cost based on current coverage levels. This theoretical 'price tag' can be used both for national and global advocacy as it indicates the magnitude of funding required. The SUN Movement will use this information to help align support behind countries as they identify financial requirements if they are to succeed in scaling up nutrition.

The second stream of work is based on estimates of actual costs developed by national authorities as they put together their country plans for scaling up nutrition. It involves understanding how the authorities costed their national nutrition plans, reinforcing the plans as necessary so that they are

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<sup>1</sup> Copenhagen Consensus: Solving the world's challenges. May 2012

<sup>2</sup> Horton, S. et al. Scaling Up Nutrition: What will it cost? World Bank 2010

comparable and then aggregating the costs of common elements across different national plans. By working closely with countries who already have such plans, the SUN Movement Secretariat expects to assist with the process of identifying gaps in the finance available for implementation. Technical expertise will be made available in response to requests – from national authorities – for help to develop or reinforce the costing of national plans and calculation of financing gaps.

### **Estimating the cost of scaling up nutrition**

Malnutrition is best reduced through a combination of specific nutrition interventions and nutrition-sensitive approaches to development. The World Bank has previously calculated the cost of scaling up a set of specific nutrition interventions in its 2008 publication ‘Scaling Up Nutrition: What will it Cost?’<sup>3</sup> Using similar methods but adapting them to the current context, the SUN Movement Secretariat is estimating the cost of scaling up 10 specific nutrition interventions in the 33 SUN countries for identified groups within the population. The calculations cover four groups of actions:

1. Support for nutritious behaviours at community level, focusing particularly on breast feeding and infant feeding practices for mothers and all children under 2 years;
2. Provision of micronutrients and de-worming medications for pregnant women and children together with iron food fortification of main staples for general population;
3. Enrichment of the nutrient density within the diets of children aged between 6 and 23 months;
4. Management of children below 5 years of age with acute malnutrition.

The definitions of programmes to be included in each of the four groups has not yet been finalized but initial estimates suggest that the total cost of implementing the same set of 10 interventions within 33 SUN countries is approximately US \$5.7 billion per year. This is the equivalent of 0.3% per cent of the collective GDP of the 33 SUN countries. Overall, 39% of the estimated cost is for programmes to manage malnutrition (such as CMAM). 61% of the cost is for programmes and actions that prevent malnutrition. But the actual cost, as well as the distribution of costs, varies across countries as rates of acute malnutrition vary hugely. For example, in a country with a high level of acute malnutrition, more than 60% of costs are for CMAM. In a country with a low level of acute malnutrition as little as 3% of the cost would go to CMAM.

These estimates were used to estimate the cost – per new-born child - of preventing the emergence of chronic under-nutrition (stunting) by the age of two. The cost of implementing each group of actions in the period between pregnancy and age two was calculated and then averaged to produce an estimate for each new-born child. The total cost of specific actions needed to prevent chronic under-nutrition in the period up to a child’s second birthday is estimated at just under US\$100. This includes US\$ 75 (range US\$ 67-95) for preventive actions only and US\$ 86 (range US\$ 71-111) for the combination of prevention and the capacity to cure acute malnutrition.

These calculations do not yet capture the costs associated with making development **nutrition-sensitive** – devising and implementing strategies to address the underlying causes of poor -nutrition across a range of sectors (education, agriculture, public health, employment and social protection). The empowerment of women is the foundation of nutrition-sensitive development. Preliminary work has shown the SUN Movement Secretariat the need for a managed process to establish key parameters for nutrition-sensitive approaches within different settings, and to estimate their costs.

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<sup>3</sup> Horton, S. et al. Scaling Up Nutrition: What will it cost? World Bank 2010

The estimation of investments needed to implement nutrition-sensitive approaches starts with an analysis of what is needed, how it might be implemented and what it costs. Needs include **equitable access** to the source foods needed to ensure that all women and young children in the SUN countries have the right diet, that they have sustainable livelihoods with decent baby-friendly work and sufficient income to support their family needs, that they can access clean water and sanitation. The overall estimated cost for nutrition-sensitive development will include the 10 specific nutrition interventions for which costs have already been estimated. The SUN Movement Secretariat will ensure that officials within SUN countries can access technical support to help them establish the key parameters needed to devise nutrition-sensitive strategies for different sectors, and estimate both the capacities and costs needed to implement them. This involves agreeing the parameters for nutrition-sensitive approaches across the sectors, defining the groups who would benefit from them, establishing the desired coverage levels for their implementation and then estimating what is needed to achieve this coverage (as well as the cost).

### **Estimating costs of national plans for improved nutrition**

SUN countries are at different stages of developing and then costing their national plans for improved nutrition. Because many different groups are involved in implementing national nutrition plans they have the greatest value if they receive high level endorsement from different parts of Government and their implementing partners. Agreement around a single set of results – a *common results framework (CRF)* serves as the basis for developing, aligning and securing approval for plans which cover all relevant parts of government and do so in ways that involve other stakeholders. An agreed CRF enables multiple stakeholders – including different government ministries and external partners - to work towards common goals (or set of results) for the improvement of people’s nutrition and to agree how responsibility for implementation and the achievement of results will be shared by different sectors. A single nutrition plan is then negotiated - on the basis of the CRF – and costed in a way that is meaningful for all. It reflects the overall financial needs for successful implementation and the funds committed both by relevant government sectors and non-government actors. National nutrition plans ideally have the following common features:

- Expected result for improvement of people’s nutrition status;
- Defined populations in which these improvements will be seen
- Interventions necessary to achieve the results and clear indications on the current coverage level and on the goal coverage
- Identified responsibilities of line Ministries and sectors within Government for implementing the interventions
- The roles and responsibilities of non-government partners
- A shared framework for performance monitoring and evaluation
- A matrix of costs which identifies the contribution of Government (including human resources) and of other implementers.

In practice, different methods are used by stakeholders to calculate the costs of implementation: the challenge is to ensure that calculation methods are consistent and reflect best practice.

With regard to developing their national nutrition plans on the basis of the CRF, SUN countries are at different stages. They can be divided into two main groups. **The first group** is the countries that have already developed and negotiated their national nutrition plans across Government sectors and partners and had them endorsed at high level. These countries are usually ready to scale up: some are implementing their scale-up plans. Endorsed national nutrition plans may vary significantly in their

scope. Countries with national nutrition plans focused on a limited set of interventions may require additional work to support effective multi-sectoral linkages and coordination arrangements. Countries may also seek financial and operational support - including capacity development for delivering interventions and for monitoring and evaluation. **The second group** is the countries that are in the process of developing their CRF or finalizing their plans on the basis of an agreed CRF. These countries are at an earlier stage in preparing for scaling up: they may seek technical support to develop, agree and cost their national nutrition plans on the basis of the CRF.

This stream of work is being advanced as a collaboration between SUN countries, the SUN Movement Networks and the SUN Secretariat. It involves a process to harmonize the planning and costing processes used in SUN countries. The focal points from countries that already have national nutrition plans which have been endorsed at high level will reach consensus on the core elements that are necessary to build a high-impact country plan for improving people's nutrition. For each country, the costs of these core elements will be established and funding shortfalls will be estimated. Countries still in the process of developing national nutrition plans will benefit from the experiences of countries that already have costed plans – they will be able to access the expertise of countries that have developed their plans, as well as the opportunity to share experiences with countries at a similar stage and to access technical support. This will enable them to standardize their plans, reinforce their cost estimates and to analyze funding shortfalls.

#### **Work stream process**

An advisory group is being set up to help move forward the two work streams so as to yield both overall estimates of the costs for scaling up nutrition in the SUN countries and standardized costed plans for individual countries. The objective is to have these available well before June 2013. The advisory group will consist of around 10 experienced people from across the SUN Movement (drawn from the country network, from the network of donors and foundations, from the civil society network and the business network, as well as from academic institutions that are already working on these issues with SUN countries). The advisory group will be chaired by the SUN Movement Coordinator. The advisory group is expected to agree the parameters for the analytical frameworks to be used within the two work streams, the time-lines for taking forward this work, and the identity of organizations and individuals (the “technical support group”) who will provide technical support for both the overall estimates of cost and the reinforcement of individual country plans.

This technical support group will use methodologies endorsed by the advisory group. A group of communications experts will develop clear and compelling messages around (a) the overall cost estimates for scaling up nutrition based on full coverage costs and on additional costs required to reach full coverage based on current coverage levels, (b) the aggregated cost of a number of country plans and the actual or estimated financing gaps of these plans and (c) the process of developing and costing national plans using standardized methods and establishing the shortfalls in funds available to implement these plans.