



## Expenditures by Global Affairs Canada on Nutrition: Can a Leader Reverse its Downward Trend?

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**COVID-19 Update:** Since the beginning of the coronavirus, access to adequate nutrition has become an issue: some farmers' families were too sick to work, others saw their access to fertilizers or seeds disrupted because of lockdowns or border closures and many consumers simply did not have enough disposable income to purchase nutritious food. As a result, the Food and Agriculture Organization estimates that "at a minimum, another 83 million people, and possibly as many as 132 million, may go hungry in 2020" (<http://www.fao.org/news/story/en/item/1297810/icode/>) and the World Food Program estimates that the number of acutely hungry children (i.e those at risk of dying) will double this year (<https://insight.wfp.org/covid-19-will-almost-double-people-in-acute-hunger-by-end-of-2020-59df0c4a8072>).

### Context

A decade ago, Canada used to provide nearly half the global development assistance in the area of nutrition, an unparalleled position of leadership. This position of leadership was not sustained in recent years. The present update seeks to examine the extent of the decline.

### Data Sources

The Government of Canada reports on its aid program expenditures in two ways: 1. like every donor, it provides a report which is inputted into the OECD's Creditor Reporting System, on a calendar year basis, in accordance with expenditure categories determined by the OECD; 2. under the Official Development Assistance Accountability Act (ODAAA), it publishes a statistical report on a fiscal year basis (April to March) using identical expenditure categories. We will review both sources of data.

### Definition

Nutrition is a concept which can be rather broad; for this reason, the OECD adopted a more restrictive definition captured under the term "basic nutrition", which will be used for the data herein. A more complete picture would require a project by project analysis of other programming, especially programming ascribed to the agricultural sector, but such detailed analysis is outside the purview of this study.

Lastly, it is important to note that aid provided through Finance Canada and the World Bank's IDA lending arm is not factored in this analysis, as Canada does not control the decision to allocate any of that funding to basic nutrition.

## The trends observed

### a) Using Data of the ODAAA Statistical Report

As can be seen from the table below, the last three years have seen a marked decline in aid allocated to basic nutrition. As a proportion of total aid provided by GAC, basic nutrition has been dropping by nearly half. Since the aid budget has been flatlined, this means that basic nutrition is confined to a reduced share of a reduced pie. This is all the more disconcerting that the decline took place after the Nutrition for Growth Summit in 2013.

This situation is difficult to explain when nutrition is connected to so many other priority development outcomes: women's empowerment, child health and economic growth, to name but a few.

#### GAC Funding for Basic Nutrition, in Millions of Canadian Dollars and as % of GAC's Aid Program

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
CAD\$M	168.34	174.46	184.61	91.25	118.94	125.62
% of Cdn Aid	4.88%	4.64%	4.93%	2.31%	2.85%	2.85%

ODAAA Statistical Reports, Government of Canada

### b) Using data published by the OECD

While the data published by the OECD also comes from the Government of Canada, it provides a different perspective on funding flows relating to basic nutrition. First, the period of reference is the calendar year, not the fiscal year. Second, the financial information is converted into US dollars, and it is possible to have it in constant dollars to provide the real purchasing power of the aid dollars, once inflation has been offset. The data is not directly comparable, because it omits all multilateral bank funding, not just IDA funding, keeping only government-to-government funding and funding through non-governmental actors (which does constitute the large majority of GAC funding).

The results confirm that the latest year for which data is available is the one with lowest funding for basic nutrition since 2011, both in dollars and as a proportion of total GAC aid. It also shows that Canada, in an earlier period was providing much less, but was able to ramp up its funding very rapidly.

#### **Canadian Expenditures on Basic Nutrition**

##### *MILLIONS OF US CONSTANT DOLLARS*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Nutrition Aid	76.442	86.082	87.603	100.169	166.964	139.952	138.444	110.000	101.947	93.677
% of Cdn Aid	2.54%	2.71%	2.53%	2.98%	5.03%	4.76%	4.79%	3.60%	3.61%	2.95%

Source: OECD Creditor Reporting System, consulted on June 26, 2019

Additionally, when Canadian aid for nutrition is compared to global nutrition aid, it appears that Canada's share has melted by more than 60%, reaching a ten-year low. It must be said that Canada's reduced global share 17.4% is still above Canada's share of global aid, which is closer to 4%.

## Canadian Expenditures on International Nutrition

MILLIONS OF US CONSTANT DOLLARS

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Nutrition Aid	76.44	86.08	87.60	100.17	166.96	139.95	138.44	110.00	101.95	93.68
Global Nut.Aid	163.63	198.81	296.46	297.74	555.18	695.79	622.09	621.85	515.43	538.84
Canada as %	46.7%	43.3%	29.5%	33.6%	30.1%	20.1%	22.3%	17.7%	19.8%	17.4%

Source: OECD Creditor Reporting System, consulted on June 26, 2019

### Conclusion

In May of 2016, Canada launched a review of its international assistance program. One of the purposes of the review was to refocus the program on the planet's poorest. It is clear that the poorest are in large part precisely the ones that cannot secure basic nutrition for themselves and their children. The new Feminist International Assistance Policy has unfortunately not made it a priority to reverse the drop in basic nutrition funding despite the fact that poor nutrition affects women disproportionately (pregnant women, for instance, are the first victims of anaemia) as well as their children.

The data shows that with a limited investment of its aid budget (less than 2 percent) Canada could regain undisputed nutritional leadership on the world stage.

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### Self-Directed Learning Questions

*How important is Canada on the global stage of nutrition aid and how has this importance evolved over the last few years?*

*What percentage of total Canadian aid does nutrition represent?*

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