

PANORAMA

of Food and Nutritional Security in Latin
America and the Caribbean



2013



*Hunger in Latin America and the Caribbean:
approaching the Millennium Goals*



PANORAMA

of Food and Nutritional Security in Latin
 America and the Caribbean

*Hunger in Latin America and the Caribbean:
approaching the Millennium Goals*



The designations employed and the presentation of material in this information product

do not imply the expression of any opinion whatsoever on the part of the Food and Agriculture Organization of the United Nations (FAO), concerning the legal or development status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. The mention of specific companies or products of manufacturers, whether or not these have been patented, does not imply that these have been endorsed or recommended by FAO in preference to others of a similar nature that are not mentioned.

The designations employed and the presentation of material in the maps do not imply the expression of any opinion whatsoever on the part of FAO, concerning the legal or constitutional status of any country, territory or sea area, or concerning the delimitation of frontiers.

© FAO 2013

FAO encourages the use, reproduction and dissemination of material in this information product. Except where otherwise indicated, material may be copied, downloaded and printed for private study, research and teaching purposes, or for use in non-commercial products or services, provided that appropriate acknowledgement of FAO as the source and copyright holder is given and that FAO's endorsement of users' views, products or services is not implied in any way. All requests for translation and adaptation rights, and for resale and other commercial use rights should be made via www.fao.org/contact-us/licence-request or addressed to copyright@fao.org.

FAO information products are available on the FAO website (www.fao.org/publications) and can be purchased through publications-sales@fao.org.

Cover photo: Ubirajara Machado

KEY MESSAGES

- According to the latest FAO estimates, 842 million people suffer hunger worldwide (2011-2013). This figure is lower than the levels observed in 2008-2010, when hunger affected 878 million people. In Latin America and the Caribbean, this phenomenon affects 47 million people, three million less people than during the 2008-2010 triennium, with a drop in total number of 6.6 %.
- Two years before the deadline set for the Millennium Development Goals (MDGs), the goal of “halving the proportion of people who suffer from hunger” has been achieved by sixteen countries in the region, and several others have made significant progress, a fact that breeds the hope that the current generation could see hunger eradicated in the region.
- The other burden of malnutrition that affects the region -overweight and obesity- are serious public health problems and are spreading like a pandemic, affecting 23% of adults and 7% of pre-schoolers.
- The region has also made significant progress in the reduction of poverty and indigence (extreme poverty). However, in the last three years the decline in extreme poverty rates has tended to stagnate, a worrying sign.
- Latin America and the Caribbean produces more food than it requires to fulfil the nutritional needs of its whole population, and no country in the region lacks sufficient available calories to meet the minimum per-person daily requirements.
- During the period that this Panorama analyses, the region reached a relatively stable level of food prices during 2012, but in the first half of 2013 there was greater instability, and the cumulative inflation during the first half of 2013 (3.9% headline inflation and 5.2% food inflation) was greater than the levels recorded during the same period of 2012.
- Experiences in the region have shown that to address social challenges, particularly extreme poverty and hunger, it is necessary to combine growth, strong political commitment and decided public action, employing the “twin track” approach promoted by FAO, i.e. a mixture of policies that address the most urgent social problems coupled with other policies whose goal is to change the structures that generate exclusion and inequality.

PRESENTATION

The 2013 edition of the Panorama of Food and Nutritional Security in Latin America and the Caribbean shows that in recent years the region maintains a favourable trajectory in terms of economic growth and social protection, amidst a general context in which the economies of the industrialized countries have experienced crises and low growth rates .

The regional progress made between 1990 and 2015 towards the goal of halving the proportion of people who suffer from hunger, established in the first of the Millennium Development Goals, allows for optimism: if we re-double our efforts and maintain this positive trend in terms of economic and social development, it is conceivable that the current generation could be the first in history to live completely free from hunger and malnutrition in all countries of Latin America and the Caribbean.

This challenge necessarily involves deepening and accelerating structural changes in terms of the redistribution of income, while at the same time cross sector policies and short-term interventions are fine tuned to reduce poverty and eradicate hunger in the region.

Several countries in the region have renewed their commitment to food security, with different approaches and in multiple ways. Mexico, for example, launched its “National Crusade Against Hunger”; Brazil implemented a program to eradicate extreme poverty, “Brazil Without Misery” as an advanced strategy of the “Zero Hunger Program”; Chile implemented the program “Choose Healthy Living” to combat health problems arising from obesity; Venezuela strengthened its national food supply strategy; Peru established the Inter-sector Commission for Food and Nutritional Security; and the Caribbean Community established its Regional Policy for Food and Nutritional Security. Antigua and Barbuda, meanwhile, joined the “Zero Hunger Challenge” of the United Nations, proclaiming its commitment to eradicate hunger and extreme poverty in the country in less than two years.

Countries have not only have reiterated their commitment to the fight against hunger and malnutrition individually, they have also endorsed this cause in the statements of the main supranational bodies of the region, such as the Community of Latin American and Caribbean States (CELAC, in Spanish), the Central American Integration System (SICA, in Spanish), the Union of South American Nations (UNASUR), the Southern Common Market (MERCOSUR), the Caribbean Community (CARICOM) and the Latin American Parliament (PARLATINO).

FAO bases its actions on the firm belief that hunger is a problem that can and must be resolved, since countries in the region have the necessary resources and technical capabilities, as well as the human capital and the political strength to successfully address this challenge. Politically, a growing commitment from the highest authorities of the countries of the region can be seen, as well as from other sectors of civil society.

As can be seen in the Panorama, the region makes a great contribution to world food security, given its status as a major food producer. Indeed, in terms of calorie availability, the region generates 2,900 daily calories per capita, which covers with ease the food needs of the entire region. This shows that hunger in our region is not primarily a problem of food availability or production but of access to food, and this requires strengthening the income of the most vulnerable segments of the population.

One of the lessons learned from the successful experiences of the region is the importance of the so-called “twin-track approach” as a path to food security. This means addressing the most urgent situations through immediate action, combining them with policies, programs and interventions to generate long-term structural changes to address the underlying causes of hunger.

Governments in Latin America and the Caribbean have implemented a variety of policies and programs that have positively impacted the lives of their inhabitants. These include conditional cash transfer programs, which 21 countries in the region implement, supporting more than 113 million people, about 20 % of the regional population. Equally important has been the expansion in recent years of the “School Meal Programs”. These cover up to 89 % of students in Bolivia, 95% in Guatemala, and up to 100% in Nicaragua.

An important part of this twin track approach for achieving food security are the policies and programs that strengthen family farming in terms of their production as well as their integration into local markets. This favours and promotes the availability of healthy food also since they are deeply linked with local cultures.

In terms of the policies aimed at achieving structural changes, there is growing attention being given to rural employment, as many poor households derive their income by working as salaried workers, and the weakness and vulnerability of these jobs in large part explains the high levels of poverty and food insecurity among the working poor. Improving this labour market by strengthening labour legislation and its enforcement, reducing precarious work and raising minimum wages, could have a huge impact on the most persistent hot spots of poverty and food insecurity in the region.

Extreme poverty and hunger are problems that not only affect the families living in such conditions, their communities, provinces and states to which they belong. It is also not only the problem of a single country. It is a reality that affects us all: poverty and hunger in one country has negative impacts on the whole region. This means that eradicating hunger is a challenge we must face together, a task to which the Regional FAO Office for Latin America and the Caribbean devotes all its efforts.

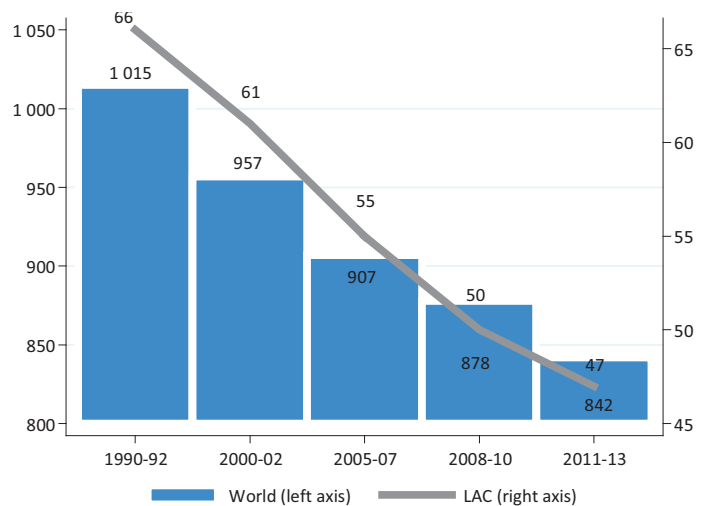


HUNGER AND MALNUTRITION IN LATIN AMERICA AND THE CARIBBEAN

According to recent FAO estimates, 842 million people worldwide suffer from chronic hunger, which means they consume insufficient food to meet their minimum energy requirements. This figure, despite its appalling magnitude, represents a decrease of 36 million from the 2008-2010 level. Compared to the 1990-92 base period, the number of people who suffer from hunger fell by 17 %, a drop which occurred with greater intensity during the last decade.

As can be seen in Figure 1, in Latin America and the Caribbean there have also been positive developments: hunger fell from 50 to 47 million people between 2008-10 and 2011-13. If we consider a longer period, the decrease in hunger was even greater, falling from 66 to 47 million in the last two decades (1990-92 to 2011-13), a decrease from 14.7% to 7.9 % in the proportion of hungry people . There are certainly important differences within the region, indicated in Table 1, Haiti (49.8%), Guatemala (30.5 %), Paraguay(22.3%), Nicaragua (21.7%) and Bolivia (21.3%)being the most affected countries.

Figure 1. Evolution of hunger in the world and in Latin America and the Caribbean during the 1990/92-2011/13 period (Millions of people)



Source: FAO (2013)

Table 1. Evolution of the prevalence of undernourishment in Latin America and the Caribbean (1990/92-2011/13).

| | 1990-92 | 2000-02 | 2011-13 |
|--|---------|---------|---------|
| Latin America and the Caribbean | 14,7% | 11,7% | 7,9% |
| Caribbean | 27,6% | 21,3% | 19,3% |
| Latin America | 13,8% | 11,0% | 7,1% |

Source: FAO (2013)

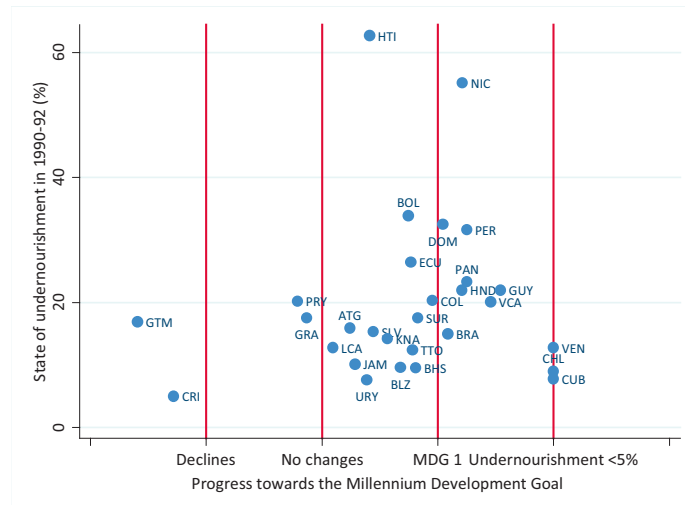
Two years before the deadline set by the United Nations for the fulfilment of the Millennium Development Goals, agreed upon by representatives of 189 countries worldwide in 2000, FAO has made an assessment of global and regional progress with respect to the “Objective 1C”, which proposed to reduce by half, between 1990 and 2015, the proportion of people who suffer from hunger. The organization has created its own methodology for measuring progress towards this goal.

It is gratifying to note that 16¹ of the 38 countries that have already reached the goal are in Latin America and the Caribbean, and several other countries in the region have made significant progress. As is often, the situation between countries is very diverse, and we can distinguish between those who have already reached the goal, those who show greater or lesser degrees of progress, those who have fallen behind and finally those whose efforts to reduce hunger have stagnated during the 1990/92 - 2011/ 13 period.

In a complementary manner, if we measure the “global undernourishment” indicator proposed by the World Health Organization (WHO), which measures the low weight by age, we see that most of the countries of the region exhibits positive trends, with this condition affecting less than 10% of children during the 2005-2012 period. This problem affects less than 5% of the total population of children in 13 of the 19 countries for which data is available (Figure 3).

¹ Argentina, Brazil, Colombia, Chile, Guyana, Honduras, Mexico, Nicaragua, Panama, Peru, Venezuela, Barbados, Cuba, Dominica, Dominican Republic and St. Vincent and the Grenadines. Of these, Argentina, Chile, Mexico, Venezuela, Barbados, Cuba, Dominica and St. Vincent and the Grenadines have eradicated hunger.

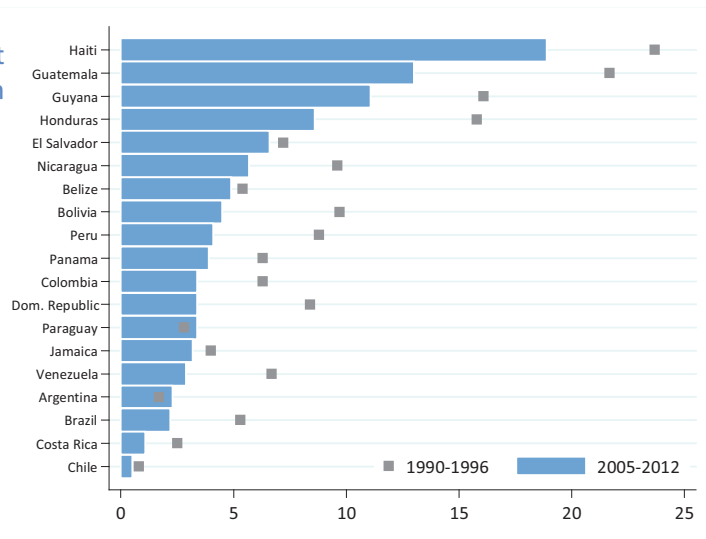
Figure 2. Countries in Latin America and the Caribbean in relation to C1 objective of the Millennium Development Goal 1 1990/92 - 2011/13



Note: Only those countries that have levels of malnutrition <5% for at least one of the three year periods considered. Therefore, this excludes from the analysis Barbados, Dominica, Argentina and Mexico, countries that both in 1990-92 and in 2010-12 presented malnutrition levels below 5% and have reached the goal of eradicating hunger according to the FAO indicator.

Source: FAO Regional Office based on WHO information.

Figure 3: Reduction of undernourishment (underweight) in children under 5 years in Latin America and the Caribbean (19 countries)



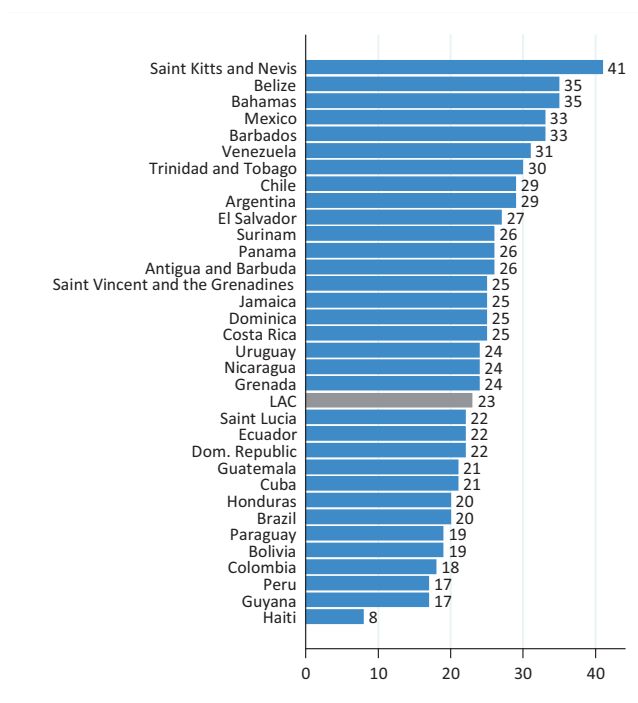
Source: FAO Regional Office based on WHO information.

THE OTHER BURDEN OF MALNUTRITION: OBESITY AND OVERWEIGHT INCREASE IN THE REGION

Obesity is considered a global pandemic, which the countries of Latin America and the Caribbean are not free from. It is a complex disease with many causes, affected by metabolic, genetic, behavioural, environmental, cultural and socioeconomic factors.

In the region, the prevalence of obesity amongst adults reaches 23% and 7% among pre-school aged children (Figures 4 and 5). It should be noted that obesity in childhood and adolescence is an important risk factor for the development of “chronic non-communicable diseases” (NCD), which if not treated at the developmental age increase the likelihood of their persistence in adulthood.

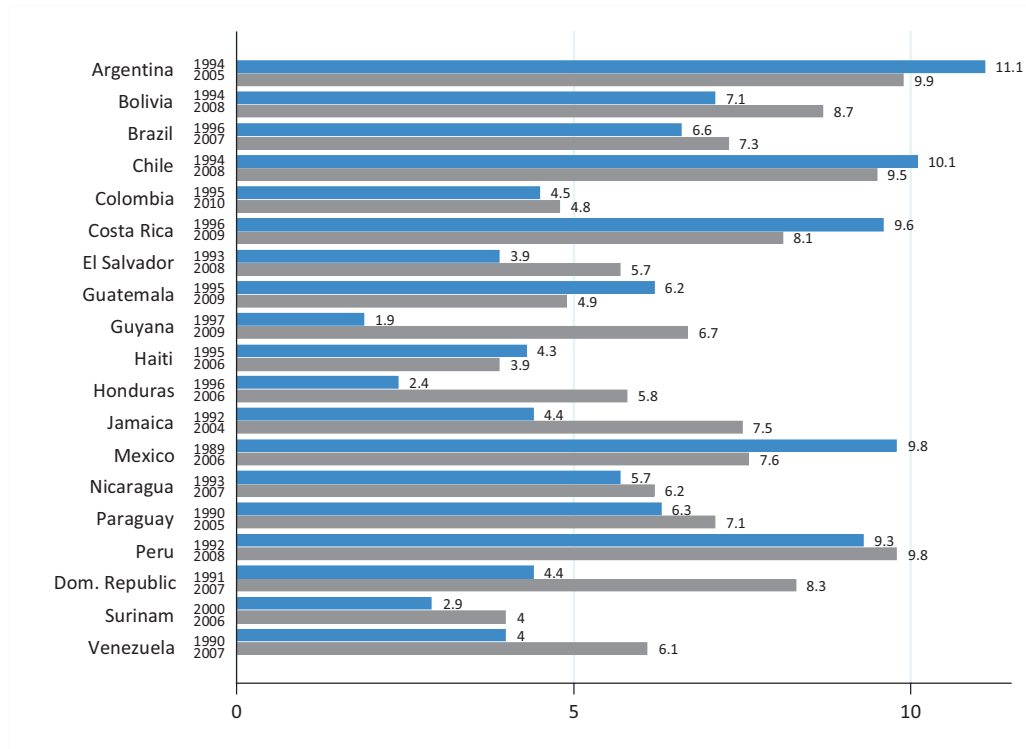
Figure 4: Prevalence of obesity in adults over 20 years (%) in Latin America and the Caribbean (2008).



Source: FAO using data from WHO²

² En Global Health Observatory data repository. Risk factors: Overweight/Obesity, OMS. Disponible en <http://www.who.int/nutgrowthdb/database/en/>

Figure 5: Evolution of overweight in children under 5 years in Latin America and the Caribbean (%).



Source: FAO based on data from the World Health Statistics (WHO) on-line ³

³ Available at <http://www.who.int/nutgrowthdb/database/en>. For the reference period 1990-1996, the figures correspond to the first year of available national surveys. For the reference period 2005-2011, the figures refer to the latest data from these surveys.

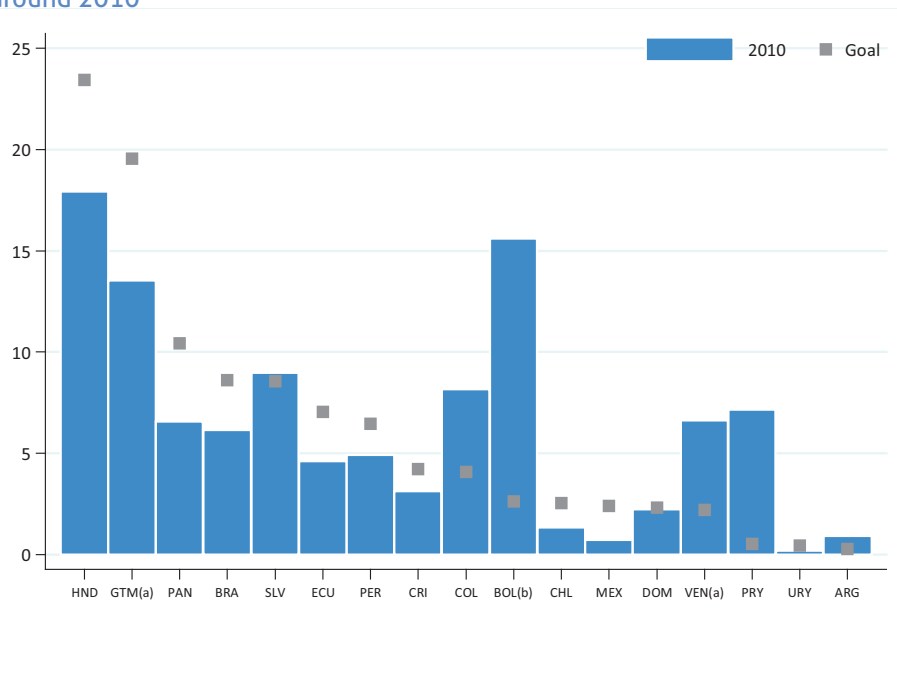


ADVANCES IN THE FIGHT AGAINST EXTREME POVERTY

If we consider the advances made since the establishment of the Millennium Development goals, taking the base line year and the goal into consideration (1990 and 2015, respectively), Latin America and the Caribbean has improved food security levels and made significant progress in the reduction of extreme poverty, measured as the proportion of people whose income is less than US \$1 dollar per day.

As shown in Figure 6, of the 17 countries for which information is available, most of them reached the target (shown as the values below the grey dot in the bar graph), one is about to reach it (El Salvador), and several countries who already exhibited low rates of extreme poverty in 1990 (below 5%), such as Mexico, Uruguay and Argentina, have managed to virtually eradicate extreme poverty.

Figure 6. Proportion of the population in Latin America and the Caribbean with incomes below US \$1 dollar per day per day, around 2010

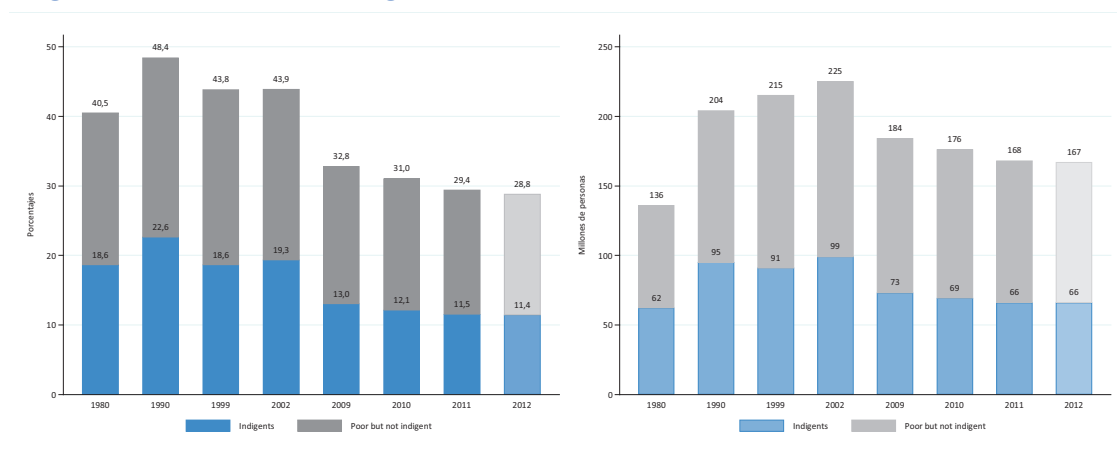


Note: (a) The dat

Source: Based on data from World Bank, WDI, 2013.

In the last three years there has been a slowdown in the reduction trend of these rates. As shown in Figure 7, in Latin America the population living in extreme poverty, according to ECLAC estimates, fell by almost half between 1990 and 2010, going from 23% to 12%, while the population living in poverty (including extreme poverty) fell from 48% to 31% during the same period. Between 2010 and 2012, however, indigence fell only 0.7 percentage points, from 12.1% to 11.4%.

Figure 7. Poverty and indigence in Latin America and the Caribbean, 1980-2012
Percentages (left side) and number (right side)

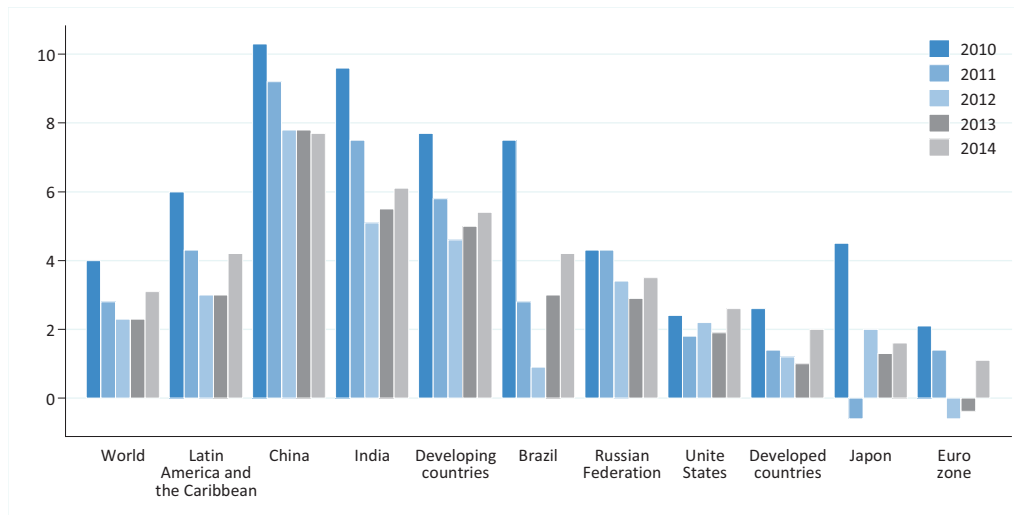


Source: FAO based on ECLAC information (2012)

GLOBAL AND REGIONAL ECONOMIC GROWTH DURING 2012

Progress in poverty reduction has in part been the result of two decades of rapid economic growth, with growth rates that were even above the world average during the period of post-financial-economic crisis of 2008-2009 period (see Figure 8). This was coupled with a set of social policies that allowed governments to transfer monetary resources to the most vulnerable households.

Figure 8. Economic growth rates in selected regions and countries. 2010-2014 period (%)



Note: values for 2013-2014 are estimates

Source: FAO based on information from the Economic Commission for Latin America (ECLAC)

In 2013, the expansion of the world' gross domestic product (GDP) is expected to remain at the same pace as was seen in 2012. This is also true for Latin America and the Caribbean. That means that the global and regional growth rates would remain at 2.3% and 3%, respectively. Meanwhile, the region is projected to resume a growth rate above 4% in 2014.

FOOD PRICES

Overall, the FAO food price index has shown a slight downward trend in recent months, which is due to sharp falls in the prices of oils and fats and sugars, which showed average annual drops of 15.3% and 20.7%, respectively. By contrast, the food groups consisting of meat, dairy products and cereals show an upward trend, with average annual growth so far this year of 1.2%, 1.8% and 25.3%, respectively.



Figure 9. FAO global food price index, by groups 2005-2013

Source: FAO.

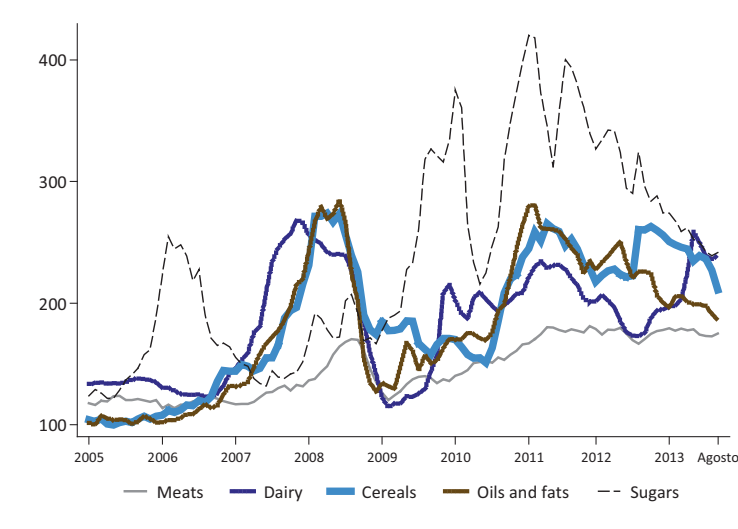
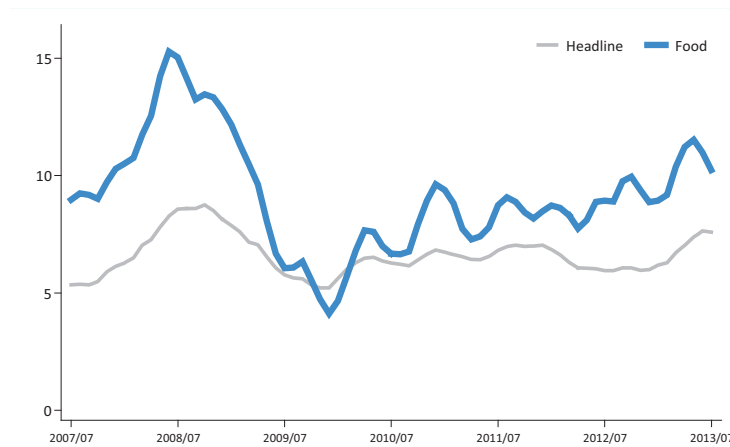


Figure 10. Annual inflation in Latin America and the Caribbean, 2007-2013
Cumulative figures for the first quarter of each year, in%



Source: FAO based on official country information for each year.

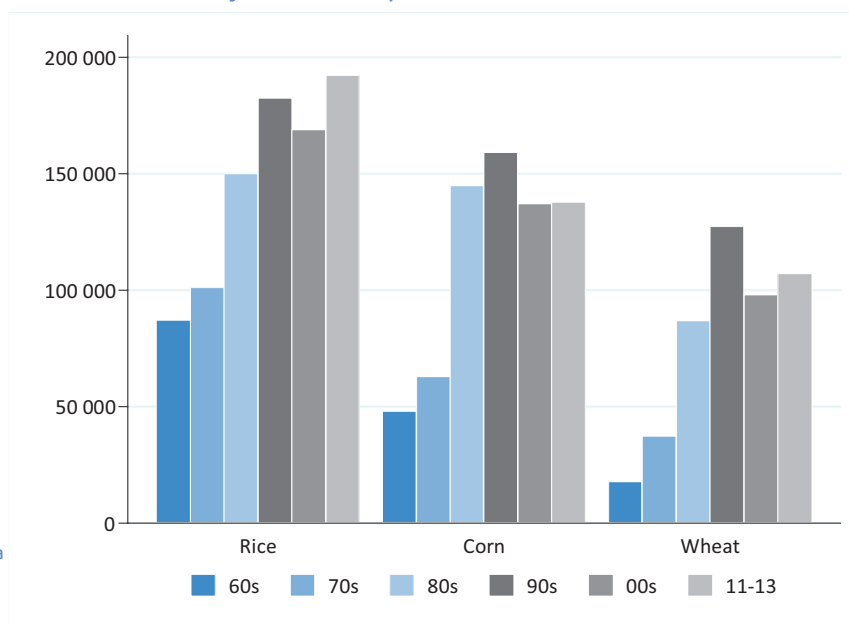
In the region, despite relatively stable food prices in 2012, in the first half of 2013 there was higher instability compared to the same period during 2011 and 2012, with values that were very similar to those of 2010 (Figure 9).

This higher regional food inflation is a product of the accumulated food inflation rates during the first half of 2013 in Chile, Venezuela, and most of the Central American countries (Costa Rica, Guatemala, Honduras, Nicaragua and El Salvador), who showcased higher rates than during the same period of 2012. The most striking case is that of Venezuela, which accumulated a 35 % rise in food prices between December 2012 and June 2013.

FOOD PRODUCTION AND AVAILABILITY IN LATIN AMERICA AND THE CARIBBEAN

Latin America and the Caribbean is a major player in global food production in areas such as coffee (59% of total), soybeans (54%), sugar (36%), beef (30%), corn (14%) and milk (10%), among others, which showcase its productive capacity.

Figure 11. Average gap between food availability and consumption (1000 MT)



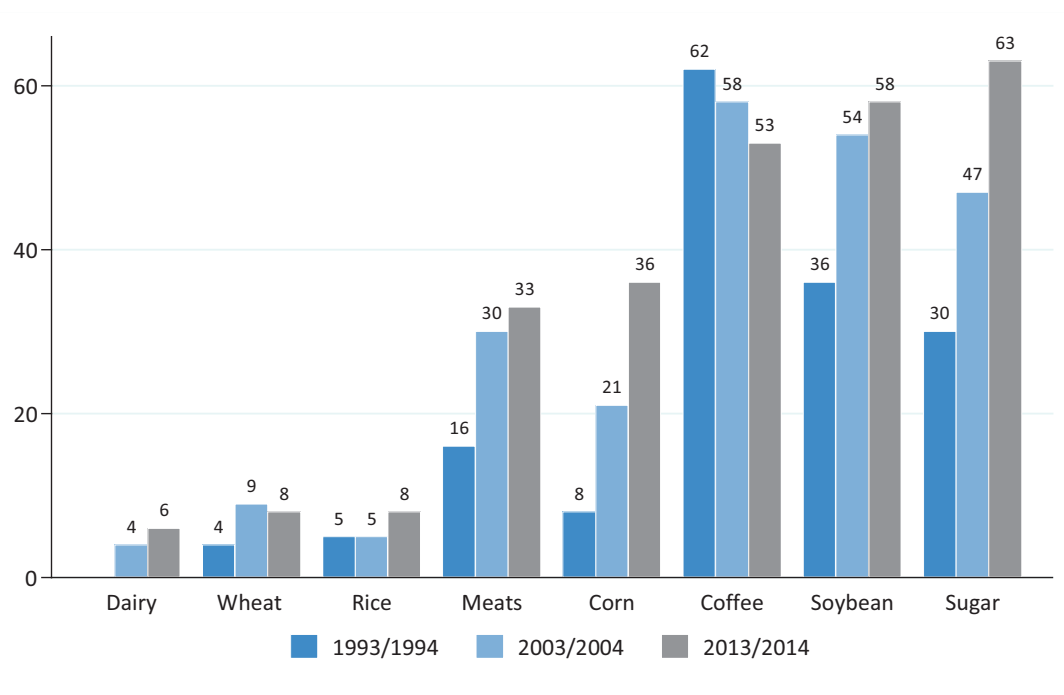
Source: FAO based on USDA, on-line data

⁴ These three countries occupy 65% of the area of the region and have 59% of the total population of the region..

When disaggregating these totals between countries great differences between them arise, largely determined by factors such as the endowment of productive factors and technology investment. The main producers of maize and wheat in Latin America and the Caribbean are Argentina, Brazil and Mexico, which together amount for close to 90% of corn and 80% of wheat production in the region. In the case of rice, the main producers are Brazil, with 50 % of total production, and Peru, with 12% of regional production.

This excellent performance of the agricultural sector has resulted in food availability being much higher than food demand, which shows that there is no risk of food shortages. Examples of this are the corn, wheat and rice markets, whose availability shows a positive trend, amply exceeding domestic consumption (Figure 11).

Figure 12. Contribution of Latin America and the Caribbean to world exports, commodities (percentage of volume)



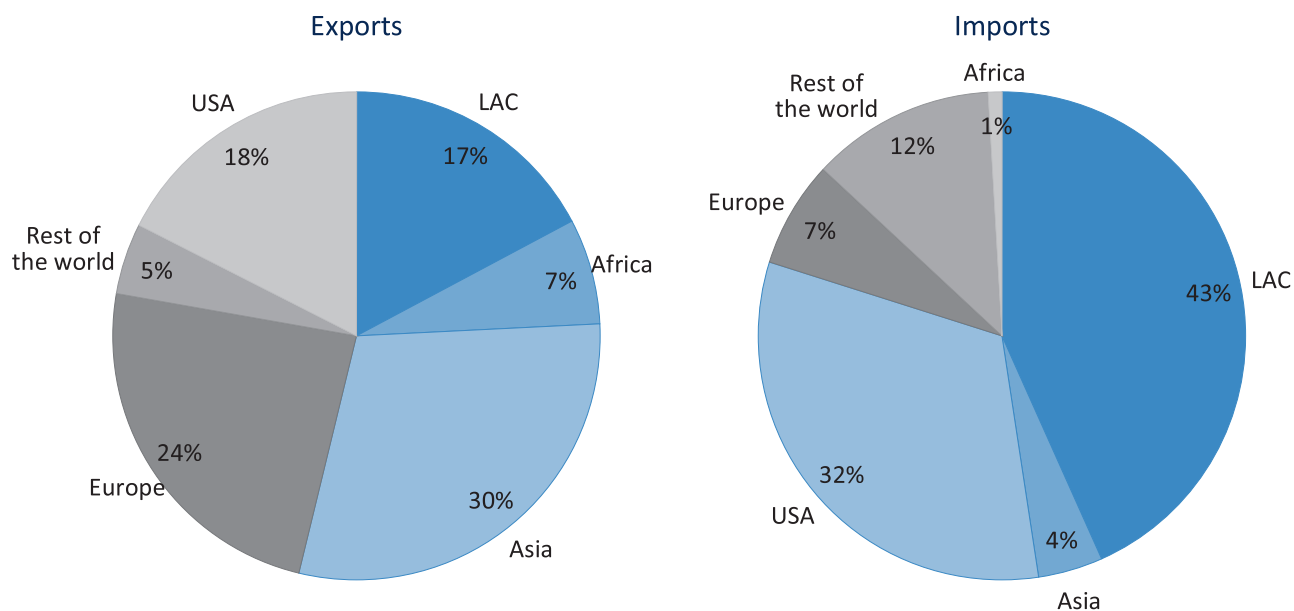
Source: FAO based on USDA, on-line data

Initial forecasts for this season point to a cereal production that would exceed 224 million tons, equivalent to a 9.3% growth over the previous season: in this case the major producers in the region are Argentina and Brazil which together account for two thirds of the total cereal production of the region.

FOOD AND AGRICULTURAL TRADE

The contribution of the region to global food trade has allowed it to become one of the most important suppliers of staple foodssuch as sugar, for which the region accounts for 63% of world exports, soybean (58% of exports) and coffee (53% of total), among others. In several products the region has strengthened its position significantly during the past three decades (Fig. 12).

Figure 13. Latin America and the Caribbean: origin and destination of food trade, 2012 (percentage of value)



Source: FAO Regional Office based on Global Trade Atlas (online consultation)

Moreover, the total food trade of the region (exports plus imports) in terms of food and agriculture in 2012 totalled US \$298.7 billion, slightly more than US \$292 billion last year, which means a positive variation of 2.3 %, while the surplus of trade balance reached US\$124.5 billion dollars, representing a fall of 3.5% compared to 2011.

Among the trade partners of the region the most important one are the countries of Latin America and the Caribbean itself, since the region imported 43% of its food products from such countries. This shows the importance of intra-regional trade and the potential of the region as a supplier of food and other agricultural products.

POLICIES THAT MAKE THE DIFFERENCE: BASIC NEEDS AND THE PROMOTION OF RIGHTS

After the crisis of soaring food prices, food security and the fight against inequality and poverty have acquired great prominence in the regional agenda, with a wide range of public policies implemented by governments. Some of these seek to address complex social situations with immediate, short-term interventions, and other are focused on long term measures to effect structural changes. This so called “twin-track approach” to food security and nutrition has been promoted by FAO worldwide.

This section covers some of the most important initiatives that are being implemented in the region in the field of “social protection” policies applied in rural areas, which constitute one of the key components to improve the social indicators of the region.

Social protection, according to ECLAC, consists of three major components: non-contributory social protection (which is normally associated with social assistance) contributory social protection, which corresponds to benefits received by employees in return for their pension contributions (also known as social security), and the labor market regulation, that seek to ensure that jobs meet the minimum quality standards and necessary social protection of workers .

The Committee on World Food Security (CFS) also includes in social protection the precariousness of the livelihoods of individuals and families, something particularly applicable to vulnerable family farming households in

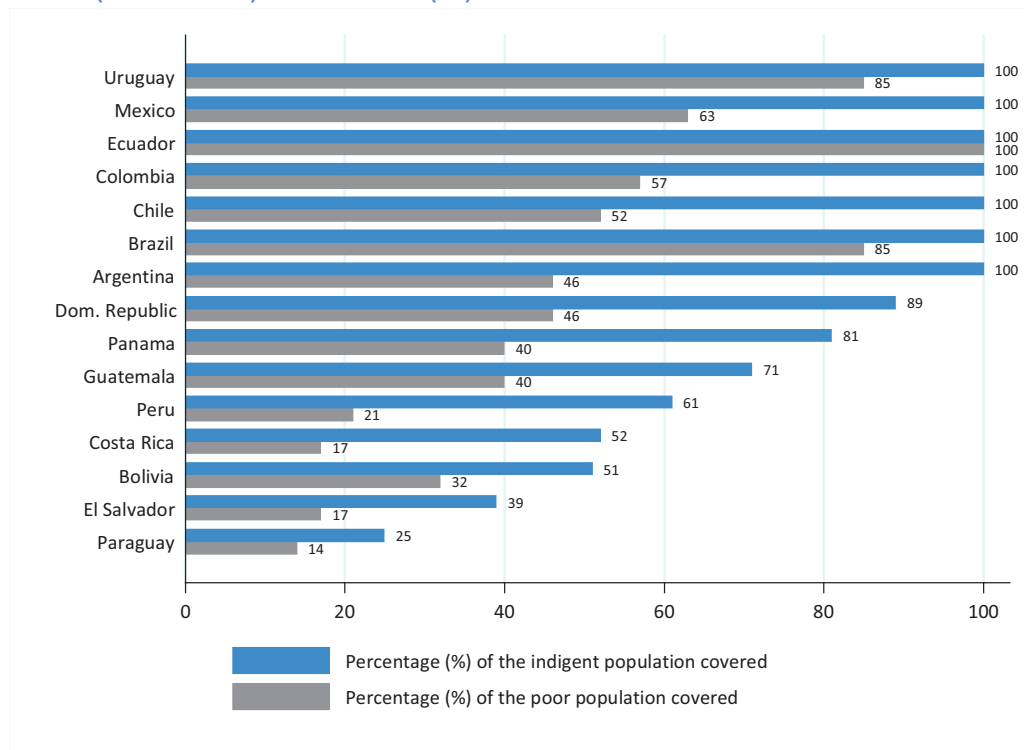
⁵ Cecchini, S, Martinez, R. 2011. Inclusive Social Protection in Latin America. A Comprehensive, a human rights approach. ECLAC. GIZ. Santiago, Chile-

⁶ HLPE, 2012. “Social protection for food security”. Report of the High Level Panel of Experts on Food Security and Nutrition. Rome, 2012.

the Region . From this point of view, policies and programs that seek the promotion and development of family farming are also important in terms of social protection.

Among the short-term and emergency measures, thenon-contributory social protection systems(i.e. fully funded by the State) stand out, especially“conditional cash transfer” programs, which allow the neediest sectors –usually excluded from social protection–to ensure minimum levels of consumption and welfare, while also strengthening human capital. 21 countries in the region are implementing such programs, and in 2010 they covered 113 million people,almost 19 % of the regional population .

Figure 14. Coverage of Conditional Cash Transfer Programs with regard to poverty and indigence in Latin America and the Caribbean (15 countries). Around 2010 (%)



Source: Cecchini and Madariaga, 2011

Table No. 2. Coverage of school feeding programs in Latin America and the Caribbean (8 countries) (%)

| Countries | Total student population and coverage of school feeding programs | | |
|--------------------------|--|--------------------|------------|
| | Total students | Coverage | % |
| Bolivia | 2 418,677 | 2 162,921 | 89% |
| Colombia | 4 725,270 | 3 878,189 | 82% |
| El Salvador | 1 342,803 | 1 327,348 | 99% |
| Guatemala | 2 852,769 | 2 723,654 | 95% |
| Honduras | 1 457,489 | 1 404,101 | 96% |
| Nicaragua | 1 020,447 | 1 020,447 | 100% |
| Paraguay | 879,540 | 527,724 | 60% |
| Peru ⁷ | 5 106,768 | 3 069,229 | 60% |
| Total | 19, 803,763 | 16, 113,613 | 81% |

Source: FAO/Brazil Cooperation Project (2013)


Equally important has been the growth in recent years of the School Feeding Programmes (SAPs), which have long standing in the region. Children attending public schools with school feeding programs have access to the necessary foods needed for them to achieve proper levels of physical and intellectual performance concerning their education and the demands of their childhood, influencing the emotional dimension and the values transmitted by the educational system (see their coverage in Table 2).

⁷ According to its goals for the year 2013, the Gali Warma program intends to cover 2,700,000 children in over 44,000 educational institutions throughout the country.



Among the long term policies that seek to reverse social asymmetries and deep inequalities, are those aimed at the two sector where rural poverty is highest, and whose relative importance varies between countries: family farming and salaried workers.

In terms of the development of family farming, the major advances have occurred in those countries that have gone from scattered and aid based policies to the institutional recognition of the important role this sector can play in food production, and how it can make an important contribution to the eradication of rural poverty.



Two years before the deadline set by the Millennium Development Goals (MDGs), the aim of “halving the proportion of people who suffer from hunger” has been achieved by sixteen countries in the region, and several others have made significant progress. Despite this, 47 million people suffer hunger in Latin America and the Caribbean, which means that efforts must be redoubled. Achieving these goals requires political commitment and decided public action. Progress made so far gives hope that the current Latin American and Caribbean generation could see hunger eradicated in the short term.