

### **NEWS & MEDIA**

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# Global indicators on the costs of healthy diets and how many people can't afford them

## FAO's FAOSTAT data portal shows that Latin America and the Caribbean has the highest cost of a healthy diet compared to other regions

#### 01/03/2023

**Rome -** Today, the Food and Agriculture Organization of the United Nations (FAO) has made publicly available country-by-country indicators on healthy diets that show their cost - including by food group - and the amount of people unable to afford them. The data serves as a reminder that even if the world has made progress towards providing enough calories to *feed* the global population, there remains a long road ahead to sustainably *nourishing* all people, everywhere.

Recently, FAO did an extensive <u>analysis</u> of how many people can in fact afford a healthy diet, one that offers a diversity of nutrient-rich food, aligned with dietary guidance. The result was sobering: Billions of people in the world cannot afford a healthy diet.

Now the indicators developed by FAO with critical inputs from researchers at <u>Tufts University</u> and the World Bank show, for example, that Latin America and the Caribbean has the highest cost of a healthy diet compared to other regions, at \$3.89 per person per day in 2020, followed by Asia (\$3.72), Africa (\$3.46), Northern America and Europe (\$3.19) and Oceania (\$3.07).

Between 2019 and 2020, Asia witnessed the highest surge in the cost of a healthy diet (4.0 percent), followed by Oceania (3.6 percent), Latin America and the Caribbean (3.4 percent), Northern America and Europe (3.2 percent) and Africa (2.5 percent).

Almost 3.1 billion people could not afford a healthy diet in 2020 – an increase of 112 million more people than in 2019, reflecting the higher costs of a healthy diet in 2020. This was mainly driven by Asia, where 78 million more people were unable to afford this diet, followed by Africa (25 million more people), and to a lesser extent by Latin America and the Caribbean and Northern America and Europe (8 and 1 million more people, respectively).

In 12 countries, all of them in Africa, more than 90 percent of the population cannot regularly afford

#### a healthy diet.

The same is true of more than half the population in 53 countries for which data is available. In 26 countries that figure is less than 1 percent.

#### Available for all

The set of indicators has now been made <u>available for all to view and download</u> on FAO's easy-touse data hub. FAOSTAT is the world's largest data platform for food and agriculture with around 20 000 indicators covering more than 245 countries and territories.

The computing, monitoring and reporting of the global, regional and country level indicators on the cost and affordability of a healthy diet (CoAHD) is now institutionalized and will be regularly updated by FAO. This provides a powerful new benchmark for tracking global progress towards making healthy diets affordable to all.

These indicators rely on an integrated suite of data, computed based on variables including the retail prices of locally available foods and <u>food-based dietary guidelines</u> to, country household income distribution patterns and the formulas required to establish purchasing power parities.

"Putting an end to hunger, food insecurity and malnutrition in all its forms (including undernutrition, micronutrient deficiencies, overweight and obesity) is about more than securing enough food to survive: What people eat must also be nutritious," said David Laborde, Director of FAO's Agrifood Economics Division. "Yet a key obstacle is the high cost of nutritious foods and the low affordability of healthy diets for vast numbers of people around the world."

"Tracking the cost and affordability of healthy diets is a step-change towards recognizing the need to nourish and not just feed the world," said FAO's Director of Food and Nutrition, Lynnette Neufeld. "This new methodology also provides us with the starting point to generate locally relevant evidence to guide policy and programmes to make healthy diets affordable for all people, at all times."

This CoAHD initiative by FAO is part of a larger set of activities that will contribute to achieve one of four of FAO's objectives within its <u>2022-31 Strategic Framework – Better Nutrition</u>.

"Measuring and systematically monitoring the cost and affordability of healthy diets and making progress towards ensuring the affordability of healthy diets is of upmost importance and urgently needed. FAO has stepped up and taken on this task," said Jos**é** Rosero Moncayo, Director FAO Statistics Division.

#### How it works

FAO computes eight indicators on cost and on affordability.

A healthy diet provides not only adequate calories but also the right types of nutrient-rich foods from a variety of food groups as recommended by food-based dietary guidelines. The reference diet is estimated based on a "representative" adult consuming 2 330 kilocalories per day – an approach commonly used for food-based dietary guidelines (FBDGs). The lowest cost locally available foods, at recommended portion sizes from six food groups (staple foods, vegetables, fruits, animal source foods, legumes nuts and seeds, and oils and fats) make up the reference healthy diet.

The consumer prices of these foods are obtained from the World Bank International Comparison Programme (ICP) and are updated using national consumer food price indices. For international comparisons, prices are converted into international dollars using purchasing parity (PPP) exchange rates, and national income distributions. The affordability threshold is defined as 52 percent of the average household expenditures.

#### Future prospects

The availability of these indicators at the global, regional and country level now sets the stage for increased accountability, using timely data on retail prices of nutritious food items in all countries of the world. Future work will accelerate price data updates.

This initiative is part of the broader commitment that FAO has to generate evidence to advise countries on their food and nutrition policies. FAO encourages its Members and all stakeholders to expand the computing and reporting of these indicators to the subnational level, thereby contributing to the pursuit of more tailored policies and programmes to have greater impact on the ground. FAO and the Government of Pakistan are already working on such an approach.

The next report on <u>The State of Food Security and Nutrition in the World</u> will be launched in July 2023.

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