

In 2015, the G7 countries made a commitment to lift 500 million people out of hunger and malnutrition by 2030 as part of the global effort to achieve Sustainable Development Goal 2. The governments committed themselves to increasing bilateral and multilateral assistance to achieve this goal. This promise built on their 2009 commitment to mobilize US\$ 22 billion for food security by 2012. Importantly, it marks a historic point in the global fight against hunger and malnutrition by placing people at the heart of the goal, regardless of the cost it will take to achieve this goal. While laudable, monitoring the fulfillment of such a target is challenging. To do so requires an assessment of the role of G7 aid and other determinants in shaping global food security trends as well as identifying future interventions and investments by the G7 and others that are needed to meet this target. Of course, the countries where prevalence of undernourishment remains high have a primary responsibility to act, too. In this brief, however, we mainly focus on G7.

- **Global food security: Where do we stand?**
- **The number of hungry people in the world remains unacceptably high.** The decades-long decline in the prevalence of undernourishment had ended. Since 2015, hunger has been on the rise again and rates have stabilized at around 11%. Today, 821 million people, or one in nine, suffer from hunger (Figure 1). The situation is most alarming in Africa where one in five people are undernourished. Even among those that are not currently going hungry, precarious circumstances may force many of them to reduce the quality or quantity of the food they eat in order to get by.
- **In addition to hunger, 2 billion people are malnourished, that is they do not consume enough safe and healthy food.** Women, adolescent girls and children are the main victims. While the number of stunted children under the age of five has been decreasing globally, 149 million of them are still too small for their age, a sign of serious malnutrition. Although it may appear to be a

paradox, food insecurity often is accompanied by overweight and obesity as well. Many countries have a high prevalence of more than one form of malnutrition, especially in lower- and middle-income countries and among the poor.

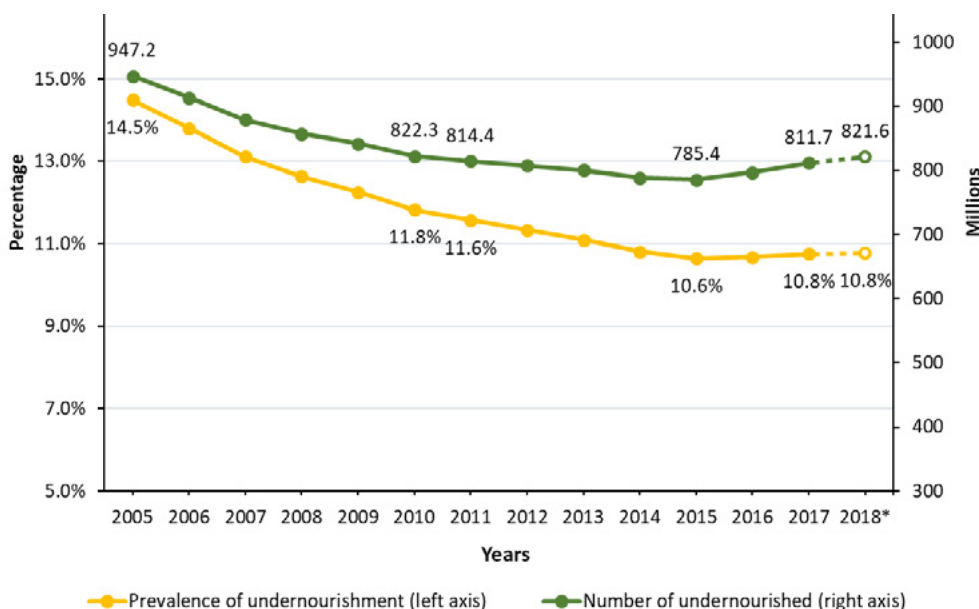


Figure 1: Prevalence and Number of Undernourished People in the World, 2005–2018
 Notes: Values for 2018 are projections as illustrated by dotted lines and empty circles.
 Source: FAO (2019)

ODA trends in the G7 countries

It would be simplistic to assume that because the number of hungry people did not decline, the G7 failed to deliver on the 2015 summit goal set at Elmau. A more appropriate approach would be to ask what the hunger situation would have been without the G7 engagement and whether the G7 engaged more since the commitment was made. The first question will be explored by us later. Here we focus on the second question.

The G7 make up three quarters of global overseas development assistance (ODA) which totaled US\$2 trillion between 2000 and 2017. Since 2000, their annual contribution has more than doubled in absolute terms, reaching US\$ 111 billion in 2017. This increase was mainly driven by three countries: the United States, Germany and the United Kingdom. In terms of sectors, a significant share of ODA is allocated to humanitarian aid (esp. USA, UK and Canada) and in-donor refugee costs (esp. Canada, Germany and Italy). Other sectors only dominate in France (education) and

- Japan (transport and storage). Of the entire G7 aid between 2000 and 2017, 17% was targeted at food and nutrition security and rural development, with 13 billion per annum on average. In 2017 that aid for food and nutrition security and rural development had reached 19 billion.
- Since the SDG2 commitment in 2015, Germany, France and Japan have significantly increased their aid in sectors closely related to end hunger, i.e. contributions towards agriculture, rural development, food security and nutrition (Figure 2). Germany did increase the most among the G7. The United States remains the largest donor in absolute terms, in ODA allocated to food and rural development. Breaking down hunger-related ODA flows from the G7 for 2017 shows that a significant proportion is targeted at core agricultural development (esp. Japan and France). Other important categories include water and sanitation (esp. France, Germany and Japan), food aid (esp. USA) and environmental protection (esp. Germany) (Figure 3).

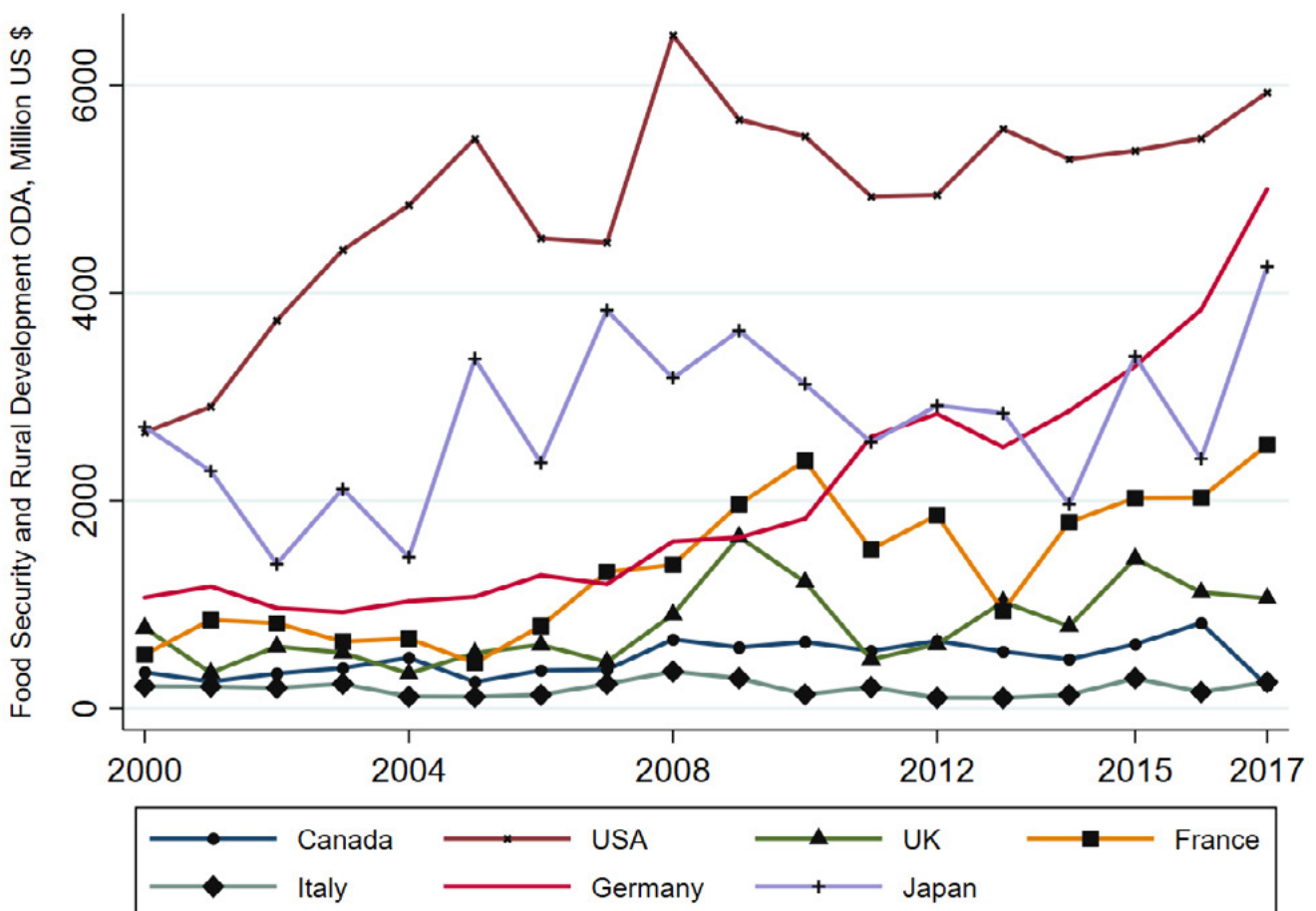


Figure 2: Trend of Food Security and Rural Development ODA by G7 countries, 2000–2017 (US\$ millions)
Compiled by the authors. Data source: OECD (2019)

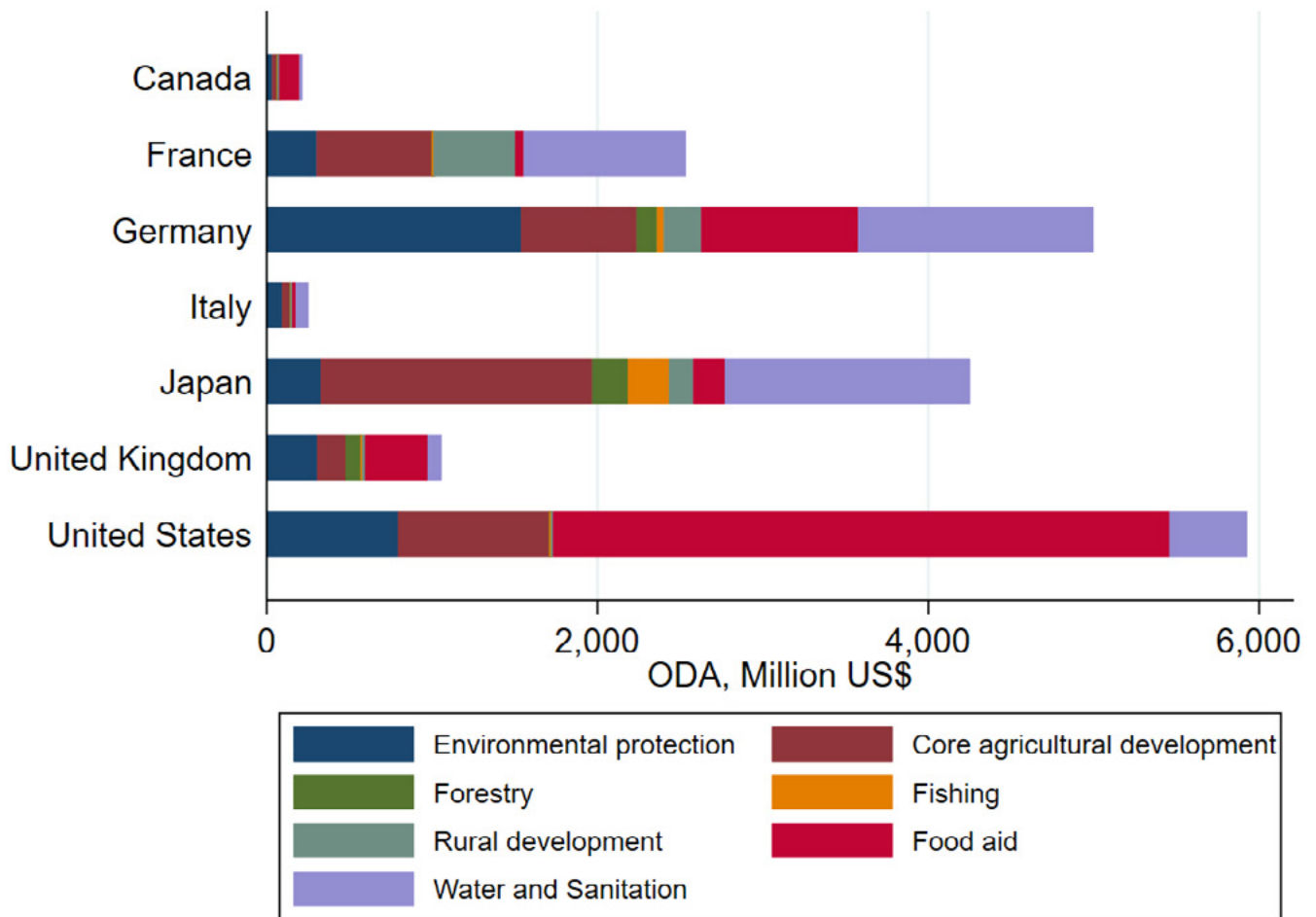


Figure 3: Sub-Sectoral Allocation of G7 Food Security and Rural Development ODA, 2017 (US\$ millions)
 Compiled by authors. Data source: OECD (2019)

Investments for food security

The agriculture sector is key to improving food and nutrition security. Growth in this sector is more likely to be pro-poor and two to three times more effective in reducing poverty in low-income countries. In addition to that, agricultural growth is directly linked to food and nutrition security by increasing food supply and generating income for the poor. Most agricultural growth is driven by innovation, requiring large and sustained research and development (R&D) expenditures. Where countries lack the finances to invest in agricultural R&D, the G7 can support their efforts through financial contributions to agricultural research, such as national agricultural research organizations, the Consultative Group for International Agricultural Research (CGIAR) and private sector innovators.

Combating hunger and malnutrition will not be possible through investments in agricultural

- **production alone, but requires investments in the entire food system and overall economic development.** The empirical evidence suggests that economic growth also improves children’s nutritional status. Economic disruptions, on the other hand, further worsen the severity of food crises; in 2018, about 100 million people went hungry due to such disruptions. Civil society organizations (NGOs) play a key role in addressing hunger in complex emergencies, such as droughts in combination with violent conflict.
- **Investments in food and agriculture need not come from the public sector alone.** Particularly foreign direct investments (FDI) can contribute to filling the financing gap in the context of insufficient domestic resources, produce positive spillover effects and enhance integration of local economies into the global economy. FDI originating from G7 countries has mostly been declining since 2010 while the role of emerging

economies has increased over time, notably from China. **In Sub-Saharan Africa, FDI for food and agriculture amounted to US\$ 48 billion between 2003 and 2017.** The about 3.5 billion FDI per annum related to food and agriculture in Africa is important, but much smaller than ODA. FDI flows also fluctuate more and are reactive to global economic outlooks and business cycles.

G7, what to consider next?

Projections towards 2030 agree that with the current pace of change, aid and investments, the world will fail to reach the goal to eradicate hunger by 2030. At the same time, measures need to be taken to mitigate and adapt to climate change. Considerations for action by the G7 should include:

1. While some of the G7 nations significantly increased their aid allocations to reduce hunger in recent years, not all of them did so. That increase must not level off but continue to rise to achieve SDG2. At the same time, the bundle of development actions for ending hunger needs to be reviewed in view of changing causes of hunger, and to assure effectiveness.
2. The impacts of political and economic shocks and climate risks need more attention, as they become more important reasons of hunger and malnutrition. Support of NGOs is of growing significance to address these complex problems with local partners.
3. Investments to end hunger need to target not only the availability of, but also access to food, given the linkages between poverty and hunger. A stronger focus on nutrition is needed too.
4. Framework conditions for food and nutrition security must be designed to stimulate long-run rural and agricultural development. The private sector can play an important role in these long- term investments.

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IMPRINT:

Center for Development Research (ZEF)
Genscherallee 3 | 53113 Bonn | Germany
E-Mail: presse.zef@uni-bonn.de
Phone: +49-(0)228 - 73 18 46
Prepared by: Heike Baumüller, Bezawit Chichaibelu und Joachim von Braun
Layout: Katharina Zinn

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