



Institute of
Development Studies

Markets for nutrient-rich foods

John Humphrey and Ewan Robinson

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Development agencies see a role for (formal sector) businesses

“Public sector investments alone, while important, are not sufficient to reduce poverty and food insecurity...By coordinating with the private sector and sharing risks in pursuit of food security, we will increase our collective effectiveness and impact. The private sector brings necessary financial resources, human capital, technological resources and intellectual property, market access, cutting-edge business practices, in-country networks, and other expertise related to food security.”

USAID, Feed the Future

“We believe the private sector has a much greater role to play in tackling undernutrition through the food they produce, their ability to reach people in remote areas and their communications, marketing and distribution capacity.”

DFID, Scaling Up Nutrition

“The Global Alliance for Improved Nutrition (GAIN) is an alliance driven by the vision of a world without malnutrition. GAIN supports public-private partnerships to increase access to the missing nutrients in diets necessary for people, communities and economies to be stronger and healthier.” GAIN

How easy is this?

“From the wide range of the cases studied, whether in depth as described in Chapters 3 to 7 or as reviewed from the database, the evidence has emerged that companies can develop a value proposition that both promotes financial sustainability and facilitates better access to food and improved nutrition” (Chevrollier *et al.* 2012: 48)

OR

“Market failures” prevent optimal outcomes and create obstacles. These can be addressed by policy initiatives such as subsidies, regulation, etc.

OR

Severe constraints on the functioning of markets that limit the scope of market solutions.



Food markets must achieve...

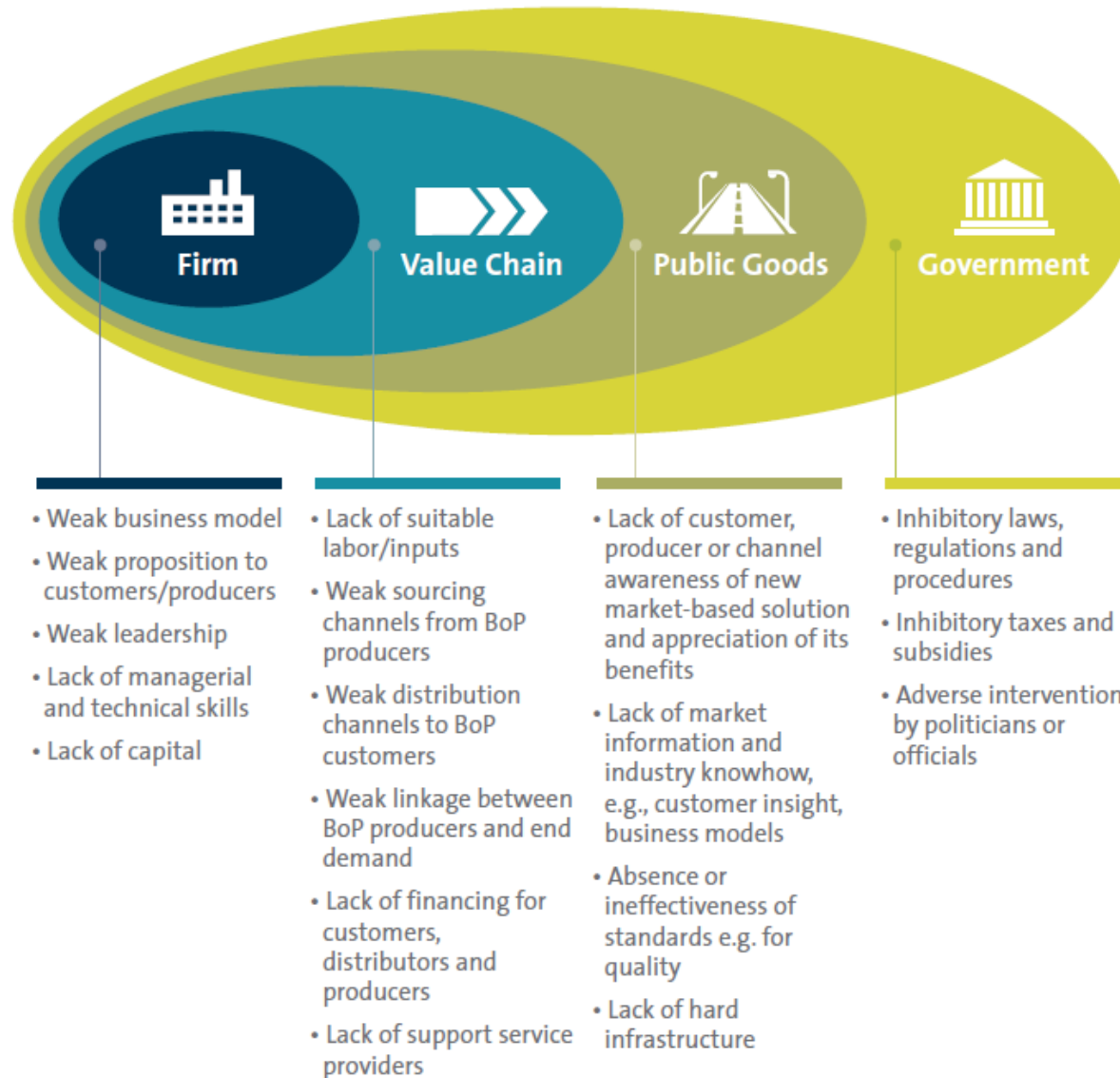
1. Nutrient quality
2. Geographical accessibility
3. Acceptability
4. Financial accessibility
 - a. Nutrition valued by purchases
 - b. Product identified as meeting nutritional needs (credence challenge)
 - c. Product is affordable



These create challenges for business

1. Nutritional quality. Costly to make good food and to preserve it as it moves along the value chain
2. Geographical accessibility – distribution costly, particularly in rural areas
3. Acceptability. People resistant to new products. Costly to change their perspective
4. Financial accessibility:
 - Low nutritional awareness means products have to be promoted — the “push goods” problem
 - Do people believe that food has the qualities that are claimed for it — difficult in markets where false claims abound
 - Overcoming these problems costs money, undermining affordability

FIGURE 1: Scaling Barriers



Supporting functions

Information infrastructure related services



laws

standards
and regulations

informal rules
and norms

Institutions



Find out where markets are effective?

- Urban easier than rural
- Work better for the “not quite so poor”. High rates of undernutrition in less poor households in many countries

Levels of stunting by Wealth Quintile: Nigeria





Adopt multiple solutions

- Urban easier than rural
- Work better for the “not quite so poor”. High rates of undernutrition in less poor households in many countries
- Examine potential for informal markets that are close to the most severely undernourished
- Direct interventions where markets don't work
- Division of labour between private production and public distribution

Strengthening Agri-food Value Chains for Nutrition

Overview >

Researchers >

Outputs

Partners >

Policy Options to Enhance Markets for Nutrient-Dense Foods in Tanzania

IDS Evidence Report 90 (2014)

Robinson, E., Temu, A., Waized, B., Ndyetabula, D., Humphrey, J. and Henson, S.

Ensuring that Food Fortification will Reach the Poor in Tanzania

IDS Policy Briefing 72 (2014)

Robinson, E. and Nyagaya, M.

Mapping Value Chains for Nutrient-Dense Foods in Tanzania

IDS Evidence Report 76 (2014)

Temu, A., Waized, B., Ndyetabula, D., Robinson, E., Humphrey, J. and Henson, S.

Policy Options to Enhance Markets for Nutrient-Dense Foods in Nigeria

IDS Evidence Report 66 (2014)

Robinson, E., Akinyele, I.O., Humphrey, J. and Henson, S.

Mapping Value Chains for Nutrient-Dense Foods in Nigeria

IDS Evidence Report 65 (2014)

Robinson, E., Nwuneli, N., Henson, S. and Humphrey, J.

The Role of Businesses in Providing Nutrient-Rich Foods for the Poor: Two Case Studies in Nigeria

IDS Evidence Report 64 (2014)

Nwuneli, N., Robinson, E., Humphrey, J. and Henson, S.

Is Nutrition Losing Out in African Agricultural Policies? Evidence from

[http://bit.ly/
value-chains-
nutrition](http://bit.ly/value-chains-nutrition)