

Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget

Nutrition International

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Ottawa, Ontario

Now, more than ever, health systems across the globe must be strengthened to confront the inevitable economic and social impact of COVID-19. Investing in nutrition is one of the most cost-effective drivers for development and prosperity and sits at the centre of smart aid and Canada's global leadership

Recommendations

Recommendation 1: That the Government of Canada invest \$2 billion in new funds in 2020/21 through the International Assistance Envelope to kickstart a smart, multi-year, proactive global COVID-19 recovery and response plan with nutrition as a key pillar. Such a plan would save lives now while also laying the foundation for resilience and immunity moving forward.

Recommendation 2: That the Government of Canada make "smart aid" a core tenet of Canada's development approach moving forward, and as part of a doubling of Official Development Assistance (ODA) levels by 2025. This smart aid approach would maximize Canada's return on investment by:

- Leveraging established areas of Canadian leadership, track record and credibility
- Prioritizing proven, high-impact interventions
- Maximizing portfolio coherence



Recommendation 1

That the Government of Canada invest \$2 billion in new funds in 2020/21 through the International Assistance Envelope to kickstart a smart, multi-year, proactive global COVID-19 recovery and response, with nutrition as a key pillar, that saves lives now while laying the foundation for resilience and immunity moving forward.

A local problem, a global solution

The spread of COVID-19 has shown that we live in a borderless world where global health is a local issue affecting us all. Additional waves of infection pose a serious threat to both the health and economic prosperity of all Canadians. Continued disruption of supply chains, trade and global tourism will exact a steep toll until the virus is defeated – everywhere.

The global proliferation of COVID-19 is the single greatest threat to Canada's economic recovery. In our globalized world, an outbreak of COVID-19 anywhere will affect Canadian economic activity. Our domestic economic recovery is inextricably linked to global health security and the successful treatment of COVID-19, and its secondary impacts around the world. Proactive, pre-emptive investments in global COVID-19 response and recovery efforts are the only means of hastening and securing Canadian economic recovery.

Investing in COVID-19 vaccine discovery and distribution is a necessary pillar of the global response – but not the only one. If recent health crises like Ebola have taught us anything, it is that failing to address the secondary health and economic impacts of disease outbreaks can lead to reversed development gains and a greater loss of life. Additionally, a country weakened by these factors will be less prepared to deal with any future challenges that will inevitably come.

In the absence of concerted leadership, the least severe scenario will see COVID-19 push an additional 83-132 million people into malnutrition and chronic hunger in 2020, wipe \$12 trillion from global GDP,¹ cause 117 million missed child vaccinations, 31 million additional cases of gender-based violence, and the deaths of an additional 253,500 children and 12,200 mothers in the next six months. The optimal Canadian global response will take a proactive, multi-pronged approach that addresses secondary impacts and lays the foundations for future resilience.

¹ International Monetary Fund **World Economic Outlook Report 2020** June 24 2020 www.imf.org/en/Publications/WEO/Issues/2020/06/24/WEQUpdateJune2020 Date accessed August 5 2020



Canada is a leading middle power. We cannot lead everywhere – but by focusing on a set of proven, high-impact focus areas that harness Canada’s existing leadership and credibility, and saving lives now while laying the groundwork for increased immunity and resilience moving forward, we can punch above our weight and produce significant results that deliver for the world’s most vulnerable – and for Canadians.

Investing in good nutrition is a critical component of a smart, proactive COVID-19 response that can leverage Canada’s strengths, save lives, deliver results and help build back better for the future. Canada has frequently been a strong contributing partner within the multilateral system and has a decades-long track record of delivering results on global nutrition. A smart, proactive package would strengthen Canada’s already-strong leadership position in this sector, and position us to be better able to influence and drive others’ investments towards shared goals.

A \$2 billion investment in the global COVID-19 response represents approximately 1% of Canada’s total investment towards fighting COVID-19, with the remaining 99% directed to domestic support programs. However, this single percentage point, deployed in a proactive, targeted, “smart aid” approach, would address many immediate needs, lay the groundwork for future resilience and immunity, and put Canada in a position to attract aligned investments from like-minded donors.



Recommendation 2

That the Government of Canada make “smart aid” a core tenet of Canada’s development approach moving forward and as part of a doubling of Official Development Assistance (ODA) levels by 2025.

Smarter investments, higher return

Canada’s development investments over the decades have produced remarkable results and generated pride and respect here at home and around the world. In an increasingly resource-constrained environment, a “smart aid” approach could take Canada’s development impact to the next level, yielding stronger results across each pillar of the portfolio, greater political clout and leverage on the global stage, and stronger “cross-portfolio” performance.

Defining smart aid

Characteristics of a smart aid approach include:

- 1) Prioritizing a targeted set of **proven, high-impact focus areas where Canada has a track record of results and leadership, terrain advantage, capability, and opportunity to maximize global impact and leverage**. Canada is regarded as a leader in several areas of international development that have earned it global credibility and clout. For example, Canada is the second largest donor in global nutrition, and has a multi-decade track record of results at scale. These include bringing life-saving nutrition programs, like vitamin A supplementation and universal salt iodization to scale, two of the greatest achievements in global public health. This track record now puts Canada in a position to convene like-minded donors around a common set of global targets and aligned investments. By focusing on areas of established leadership, Canada will be better positioned to translate its own investments into leveraged investments from others, increasing our influence and our impact.
- 2) Focusing on **evidence-based interventions, best-buys in development, and cost-effectiveness**. Not all development interventions and areas of focus have the same evidence base and return on investment. Canada can maximize the results it achieves by making good data and evidence-backed solutions the cornerstone of our development approach. Canada should settle for no less than a high return on investment and measurable, meaningful results – with a clear path to deliver at scale.



- 3) Creating optimal conditions for achieving results through **long-term and predictable funding** that allows for **real solutions to long-term problems**. The path to sustainable impact takes buy-in, capacity-building, consistent intentional effort – and time. Long-term predictable funding creates the conditions necessary to achieve impact and scale, and to put the resources in place for governments to own their own programs and lead from a place of capacity, strength and increasing domestic investment.
- 4) Seeing separate **sectoral investments as connected** and building connective tissue between them in a ‘no missed opportunities approach.’ The path out of poverty requires multiple, interconnected interventions that address complex human challenges. For example, good nutrition is a precondition for optimal learning in school. Optimal learning in school is a precondition for economic productivity. A smart aid approaches recognizes the interlinkages between different components of a development portfolio and seeks to synchronize and coordinate these investments for the best possible results.
- 5) **Supporting the path to reduced reliance on international assistance**. Recognizing the connection between health and the economy, these kinds of targeted investments in prevention through ODA prioritize long term macro-stability in the COVID-19 response, while at the same time helping countries take charge of their own health systems and decrease long-term aid dependency.

Good nutrition is a smart aid investment

Good nutrition is widely regarded as a best buy in global development and key to gender equality. As The Lancet and Copenhagen Consensus have affirmed, nutrition’s return on investment is unparalleled, with a benefit:cost ratio of up to \$144 per \$1 invested. Nutrition investments are scalable, sustainable, and can be the cornerstone of a cohesive and effective Canadian development portfolio. Canada has a legacy of global leadership in nutrition and the credibility to lead the world on proven, evidence-based actions that deliver measurable results for those in need.

Good nutrition is also at the core of good health, immunity and resilience. Good nutrition helps boost the immune system and lowers the risk of becoming critically ill with infectious diseases, while also increasing resilience to avoid additional disease and death burdens. With women and girls more than twice as likely to be malnourished as men and boys, and with nutrition being critical to human capital, good nutrition and gender equality are clearly linked and mutually reinforcing.

As the second largest donor in global nutrition, Canada has a reputation for leadership and a multi-decade track record of results at scale. This includes scaling up life-saving nutrition programs, like vitamin A supplementation and universal salt iodization, two of the greatest achievements in global public health. Canada is an established global leader with the credibility to convene allies and drive results.



Canada is also home to a nutrition innovation hub. Through Nutrition International, Canada has fostered a community of nutrition innovators, researchers and practitioners that is at the cutting-edge of the global fight against malnutrition. With Nutrition International's support, the University of Toronto created the technology to double-fortify salt. The University of Saskatchewan found a way to fortify lentils. Two Ontario manufacturers produce most of the world's vitamin A capsules. Canada can leverage this ecosystem of credibility and world-class technical excellence to advance a global agenda while benefitting from new trade opportunities for Canadian farmers and businesses.

Bottom line: Canadian economic recovery requires smart, proactive global investment

A smart, proactive global COVID-19 response package is both the right thing and the smart thing to do – to save lives now, lay the groundwork for a more resilient future, and secure Canadian economic recovery. By taking a smart aid approach to Canada's COVID-19 response that makes nutrition a key pillar within a focused package, Canada can punch above its weight on the global stage and deliver measurable results, support recovery, and rally others to align their investments and goals with Canada, amplifying our impact.

Beyond the COVID-19 response, Canada should make smart aid a core tenet of its development portfolio approach. Doing so will maximize the return on each dollar invested, enhance portfolio coherence, and usher in increasing sustainability and domestic ownership of development programs. This will also ensure that those on the margins receive the multi-faceted support they need to exit poverty, through enhanced immunity and resilience across the communities we seek to serve.

