



**REVIEW OF THE BANK'S SUPPORT TO AGRICULTURE,
2002-2014:
EVIDENCE FROM KEY THEMATIC AREAS**

Food Security in LAC: Evaluation of the Focus of the IDB's Agriculture Portfolio



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TABLE OF CONTENTS

[ABBREVIATIONS AND ACRONYMS](#)

I.	FOOD SECURITY IN LATIN AMERICA AND THE CARIBBEAN.....	1
	A. Availability.....	1
	B. Access	2
	C. Utilization	3
	D. Stability	4
	E. Institutional Changes for Food Security	4
II.	FOOD SECURITY AS AN IDB STRATEGIC OBJECTIVE.....	5
III.	THE AGRICULTURAL SECTOR PORTFOLIO AND ITS RELATIONSHIP WITH FOOD SECURITY	7
IV.	RELEVANCE OF THE AGRICULTURE SECTOR PORTFOLIO TO FOOD SECURITY IN LAC	8
	A. Availability.....	8
	B. Access	10
	C. Utilization	11
V.	CONCLUSIONS	12

[REFERENCES](#)

[TABLES AND FIGURES](#)

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ABBREVIATIONS AND ACRONYMS

CCTs	Conditional Cash Transfer
ECLAC	Economic Commission for Latin America and the Caribbean
FAO	Food and Agriculture Organization
GDP	Gross Domestic Product
IDB	Inter-American Development Bank
LAC	Latin America and the Caribbean
MIF	Multilateral Development Fund
OECD	Organization for Economic Cooperation and Development
OMJ	Opportunities for the Majority
OVE	Office of Evaluation and Oversight
PSPs	Producer Support Programs
TC	Technical Cooperation
WDI	World Development Indicators

I. FOOD SECURITY IN LATIN AMERICA AND THE CARIBBEAN

- 1.1 **From 1990 to 2014, the number of people suffering from hunger¹ in Latin America and the Caribbean (LAC) fell by 46%—significantly greater than the 21% reduction achieved at the global level (Food and Agricultural Organization [FAO], 2014).** This progress has been a result of a combination of factors, including higher economic growth, greater macroeconomic and political stability, and the introduction of food and nutrition security (see Box 1.1) as a public policy priority.
- 1.2 **Despite these advances, the level of progress in LAC is heterogenous, and there are still 37 million undernourished people in the region (6.1% of the population).** The countries with the greatest proportion of undernourished people are Haiti (52%), Bolivia (20%), Nicaragua (20%), the Dominican Republic (15%), and Guatemala (14%). This contrasts with Argentina, Barbados, Chile, Cuba, Mexico, and Uruguay, where a lack of food is suffered by less than 5% of the population (see Table 1).² A number of countries in the region—particularly Guyana, Peru, Nicaragua, and Suriname—have also managed to reduce the number of undernourished people by more than 50%. In Guatemala, Costa Rica, and Haiti, the number of people going hungry has increased by 57%, 50%, and 14%, respectively, although it should be noted that in Costa Rica the prevalence of undernourishment is significantly lower (6%) than in Guatemala (14%) and Haiti (52%).

Box 1.1 Food Security and its Dimensions

“Food security exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life”.

The Rome Declaration on World Food Security, 1996

Based on the above, the FAO defined 4 dimensions of food security:

Availability of sufficient quantities of food of appropriate quality, supplied through domestic production or imports (including food aid). Availability is closely related to agricultural production.

Access by individuals to adequate resources (entitlements) for acquiring appropriate foods for a nutritious diet. Poverty, food prices, as well as physical access to food markets are determinants of this dimension.

Utilization of food through adequate diet, clean water, sanitation, and health care to reach a state of nutritional well-being where all physiological needs are met. Food safety, access to a balanced diet, and nutritional education are basic elements of this dimension.

Stability refers to the permanence of the three dimensions over time.

A. Availability

- 1.3 **LAC has 27% more food energy than it needs.** In addition, all of the countries in the region (with the exception of Haiti) have sufficient food to feed their

¹ Consistent with the hunger (or undernourishment) indicator produced by the Food and Agriculture Organization (FAO). This indicator refers to the percentage of the population or number of people whose daily energy consumption is less than a predetermined threshold that satisfies their needs for an active and healthy life.

² Tables and Charts can be found at the end of the document.

populations. Argentina, Brazil, and Mexico are the countries with the highest levels of calorie surpluses³ in the region, with 139%, 134%, and 129% of the calories that they need (see Table 1). In terms of the composition of food supply, calorie availability in LAC depends less on cereals, tubers, and vegetables than in the average developing country (40%, compared with 56%). However, food supply in a number of countries in the region lacks diversity and depends on a small number of products. In Peru, for example, 57% of available food energy stems from cereals and 30% of protein is of animal origin. This contrasts with Argentina, where only 36% of energy is cereal-based and 65% of proteins are of animal origin (see Table 2).

- 1.4 **The region occupies a privileged position in terms of agricultural production, and growth in the latter represents more of an economic and commercial opportunity than a need for food and nutrition security.** Thanks to the ample availability of resources (water and arable land), the region is relatively well-positioned to play a significant role in guaranteeing food availability for an expected world population of 9 billion people by 2050. This is reflected in an increase in the region's share of the international agricultural market, which represented 8% of global trade in the mid-1990s and now accounts for 13% (World Bank, 2013). However, if it is to maintain and strengthen the position of the Latin American agricultural sector in world markets, the region needs to maintain its efforts to boost productivity growth, for two main reasons: (i) until now, a significant share of the growth in sector production has stemmed from an expansion in the agricultural frontier (Independent Panel on Agriculture for Development in Latin America, 2013), yet the potential for further expansion into lands suitable for agriculture is increasingly limited (meaning that production is expanding into less suitable lands and/or ecosystems of high environmental importance); and (ii) current agricultural practices exploit less than 60% of the production potential of land in every country in the region.

B. Access

- 1.5 **There are 164 million poor people in LAC, of which 23% suffer from hunger (37 million) and the rest are vulnerable to food insecurity resulting from fluctuations in incomes, food supply, and food prices.** In 2013, according to the Economic Commission for Latin America and the Caribbean (ECLAC), 39% of the region's population (164 million people) were living in poverty, including 12% (68 million people) living in extreme poverty. In a number of countries—specifically Haiti, Honduras, and Nicaragua—poverty is in excess of 50% (91%, 69%, and 57%, respectively), while in others such as Uruguay and Chile, it represents less than 15% (11% and 10%, respectively) (see Table 3).⁴ Poor households are more vulnerable to food and nutrition insecurity, as they spend a

³ Domestic food production plus imports adjusted to changes in stocks over the period. On the utilization side a distinction is made between food supplies available for human consumption, and the quantities exported, fed to livestock, used for seed, used by the manufacturing industry, and lost during storage and transportation (FAO, Food Balance Sheets).

⁴ The availability of poverty data varies significantly across countries and sources. For this report, regional data were used from the FAO document "Panorama of Food and Nutritional Security in Latin America and the Caribbean 2014", while the data for specific countries were taken from the data harmonization of the household surveys prepared by the IDB's Social Protection and Health Division for the 2014 "Social Protection and Poverty Sector Framework Document" (GN-2784-3).

larger proportion of income on food. Accordingly, these households are more affected by drops in income or food supply or increases in international food prices than households with higher levels of income.

1.6 **Although most poor people in LAC live in urban areas, the prevalence of poverty and food and nutrition insecurity is higher in rural areas.** Extreme poverty rates in rural areas exceed 15% in almost all countries in the region, with levels above 20% in El Salvador, Colombia, the Dominican Republic, Ecuador, Mexico, and Nicaragua. On average, the prevalence of extreme poverty in rural areas is 50% higher than in urban areas, and moderate poverty is three times higher. In Panama, for example, 7% of the urban population lives in conditions of extreme poverty, while in rural areas this percentage rises to 20%. The situation is similar in Costa Rica, where extreme poverty is 16% in rural areas and 7% in urban areas (IDB, 2011). This situation demonstrates the socioeconomic importance of the agricultural sector not only as a source of food for the region (and the world), but as the main source of income for a large number of poor households. For future food and nutrition security in the region, it is therefore important that the process of sector growth be accompanied by a reduction in poverty, through higher incomes for family producers and physical access to food markets (through improved transportation infrastructure).

1.7 **The cost of food access in LAC is raised by a lack of satisfactory infrastructure and high transportation and logistics costs.** Average national logistics costs range from 18 to 32% of GDP, compared to 9% in countries belonging to the Organization for Economic Cooperation and Development (OECD). Logistics costs account for 25% to 60% of consumer prices for food imported from within the region or from outside it (World Bank, 2014). A reduction in logistics costs (including transportation) would help to reduce food prices for consumers, decrease losses from waste, and increase the competitiveness of the agriculture sector.

C. Utilization

1.8 **Rates of child malnutrition or obesity are high in a number of countries in the region, in part reflecting both a lack of food access and inadequate diets in households.**⁵ LAC has made important strides towards reducing child malnutrition since 1990; however, 6.9 million children under five years of age suffer from this condition (FAO, 2014). The extreme case in the region is Guatemala, where 48% of children under five exhibit low height-for-age and 13% are underweight (see Table 4).⁶ In Bolivia, Guyana, Honduras, Haiti, and Nicaragua, the prevalence of malnutrition as measured by stature is above 20%, but it ranges from 4.5% (Bolivia) to 12% (Haiti) when measured by weight. Other countries in the region exhibit high rates of both child and adult obesity. In Argentina, Chile, and Mexico, more than 9% of children and approximately 30% of adults are overweight (FAO, 2014). The cases of Bolivia and Guyana are noteworthy, as high rates of malnutrition and obesity coexist in children under five years of age.

⁵ It should be noted that child malnutrition is also a result of the high incidence of disease.

⁶ The World Development Indicators establish height-for-age and weight-for-age as proxies for malnutrition.

- 1.9 **LAC has made significant progress in improving access to potable water and sanitation services, which are essential for safe food preparation and limiting consumption-related risks.** In LAC, 94% of the population has access to potable water and 82% has access to sanitation services (Rojas, 2014). Nonetheless, the region can make further progress towards improving both service quality for low-income groups and service access in rural areas, which is significantly lower than in urban areas (82% versus 97% in water, 63% versus 87% in sanitation) (ECLAC, 2014).

D. Stability

- 1.10 **Climate change and international food prices threaten the stability of food and nutrition security, especially for the most vulnerable populations.** As a net food exporter, the agricultural sector (and the region in general) has benefited from recent increases in food prices. However, these increases have had a negative and disproportionate impact on poor consumers in both urban and rural areas, as a significant share of their income is spent on consumption of these products (World Bank, 2014). For example, from 2007 to 2009, progress in reducing poverty in the region stagnated as a result of high food prices, although according to the World Bank (2014) this phenomenon had a greater impact on urban areas. In addition, agricultural productivity is threatened by the increase in droughts and flooding brought about by climate change. According to the latest report of the Intergovernmental Panel on Climate Change, much of the region is likely to be affected by low levels of rainfall over short periods, while other areas will be affected by an increase in rainfall and flood risks. These changes in the water regime have a greater impact on the rural poor, who have limited access to climate management practices (e.g. irrigation) and have a high level of dependence on agricultural production for survival (OVE, 2014). Similarly, the greater frequency and intensity of extreme climate phenomena (droughts and floods) may have implications for food availability and prices at the regional and world levels, as well as for the prevalence of agricultural pests and natural crop toxins.

E. Institutional Changes for Food Security

- 1.11 **The introduction of poverty and hunger eradication as the number one Millennium Development Goal in 2000, and the escalation in international food prices in 2008, has given strong impetus to the political focus on food security in the region, as well as efforts to address the issue.** This is reflected in the fact that eight countries in the region (Argentina, Bolivia, Brazil, Ecuador, Guatemala, Honduras, Nicaragua, and Venezuela) have enacted national laws governing food and nutrition security since 2003. Similarly, 19 of the Bank's 26 borrowing member countries have plans, policies, or strategies in force that are dedicated exclusively to providing guidelines and establishing priorities and targets in the area of food and nutrition security.
- 1.12 **Given the cross-cutting nature of food and nutrition security, a number of countries in the region have created interinstitutional governance arrangements for policy development in this area.** Ten of the Bank's 26 borrowing member countries have created some form of multisectoral entity that is exclusively responsible for the design, coordination, and monitoring of policy

advances in this area. Colombia, Ecuador, Haiti, and Panama created institutions that are independent of the ministries, while in the Dominican Republic, El Salvador, Honduras, Jamaica, and Paraguay, interinstitutional coordination mechanisms were created (mainly national councils for coordinating sector policies related to food security). In the other 16 countries, the issue is dealt with by sector line ministries—either agriculture (Bahamas, Barbados, Bolivia, Chile, Guyana, Nicaragua,⁷ Peru, Suriname, and Trinidad and Tobago), the social sectors (Argentina, Brazil, Mexico, Uruguay, and Venezuela), or health (Costa Rica and Belize) (see Table 5). Although it is impossible to know whether cross-cutting coordination mechanisms are more effective than sector-based ones (given that it possibly depends on the institutional framework, coordination capacities, and needs of each country), it is clear that the countries recognize the multidimensional nature of this problem.

II. FOOD SECURITY AS AN IDB STRATEGIC OBJECTIVE

- 2.1 **OVE reviewed any strategic documents that could have a bearing on food security in order to identify the Bank's vision and its approach to working in the area.** The documents reviewed are the following: (i) the Report on the Ninth Capital Increase; (ii) the Sector Framework Document on Agriculture and Natural Resources Management; and (iii) the Sector Framework Document on Social Protection and Health. In addition, the guidelines for the Food Security Fund and the strategic objectives of the AgroLAC 2025 initiative were reviewed (see Box 2.1).

Box 2.1 AgroLAC 2025

"The Next Global Breadbasket: How Latin America Can Feed the World".

Based on a vision of the strong comparative advantage that LAC has in the agricultural sector given its abundant natural resources (water and land), the IDB—with the collaboration of The Nature Conservancy—launched the AgroLAC2025 initiative in 2014.

AgroLAC2025 aims to support the region in exploiting its potential to become part of the solution for world food security, through three lines of action: (i) trade and market access; (ii) productivity through production intensification; and (iii) environmental planning and sustainable agriculture.

The initiative is a multidonor platform for financing nonreimbursable technical cooperation projects.

Source: www.agrolac2025.org

- a. **The Report on the Ninth General Increase in the Resources of the Inter-American Development Bank (2010) establishes five sectors priorities:** (i) social policy for equity and productivity, (ii) infrastructure for competitiveness and social welfare, (iii) institutions for growth and social welfare, (iv) competitive regional and global international integration, and (v) protecting the environment,

⁷ The current National Food Security Policy is led by the Ministry of Agriculture and Forestry. However, with the creation of the Ministry for the Family, Community, Cooperative, and Associative Economy in 2014 and the transfer of important policy functions to this institution (such as the Food Production Program) the issue has in practice been divided across the two ministries.

- responding to climate change, renewable energy, and enhancing food security. Given the region's needs, it is notable that food security objectives are grouped in with those for the environment and climate change, and that agricultural productivity is established as the main area for development with no clear explanation of the level of relationship between these aspects. Moreover, in the social sphere the report emphasizes the need to improve access to health and nutrition services, yet it does not make an explicit link between this objective and food security. Nor does it make an explicit connection between food security and "infrastructure for social welfare", which is important for agricultural productivity and food access. In general, although several of the priorities under the Ninth Capital Increase are linked to food and nutrition security, this is not explicitly recognized, except in the case of environmental and climate change issues.
- b. **The Sector Framework Document for Agriculture and Natural Resource Management (2013) acknowledges LAC's importance as a supplier of foodstuffs at the world level, as well as the need to undertake actions that channel the benefits of sector growth to poor rural producers, who have not benefited from growth to the same extent as large producers.** The sector framework establishes three dimensions for activities, one of which is to undertake actions supporting a sustained increase in rural family incomes, which could have a positive effect on food access among poor rural households.
 - c. **The Bank's Sector Framework Document for Social Protection and Health (2014) recognizes the need to work towards the reduction of extreme poverty in rural and urban areas, as well as supporting countries with health and nutrition programs.** Accordingly, the Sector Framework establishes access to efficient redistributive programs as a first dimension for activity, with the aim of supporting consumption levels among the population living in extreme poverty, developing their capacities, and enhancing productivity. However, there is no explicit mention of food security in the strategy.
 - d. **The Food Security Fund for Latin America and the Caribbean is the only Bank initiative which has food security as its main objective.** The Fund was created in 2008 as a response to the food price crisis, which threatened the progress achieved in the region towards reducing poverty. At the time of its creation, the Fund's main objective was to provide assistance to those countries most affected by food price increases, through technical cooperation projects with three possible specific objectives: (i) mitigating the impact of high food prices on the poorest sectors of society, (ii) supporting food supply through increased productivity and competitiveness, and (iii) supporting changes in international trade to address the food price crisis. The Fund was extended in 2011,⁸ and its focus was narrowed to responding to the growing demand for food from the region through support for an expansion in agricultural sector supply. In other words, the new Fund was created based on the understanding that there is a direct link between agricultural production and food security: "to improve agricultural production, productivity, and trade as a means to enhance [borrowing member countries'] food security" (document GN-2486-6, page i).

⁸ From 2008 to 2011, the Fund was called the "Food Price Crisis Response Strategic Thematic Fund" (document GN-2486-4). In 2011, the name of the fund was changed to the "IDB Food Security Fund" (document GN-2486-6)

- e. **The Opportunities for the Majority (OMJ) initiative has been the Bank's main mechanism for working with the private sector to reduce poverty. However, it has focused more on the low-income population than on the poor.** The OMJ's approach is to strengthen the private sector in order to expand its capacity to provide good quality goods and services that can be easily accessed by the low-income population, as well as supporting job creation and the integration of this population into the productive sector through support for micro, small, and medium-sized enterprises. According to a recent OVE evaluation, the target population for the OMJ is the base of the pyramid, which includes, but is not limited to, the poor population. No distinction is made between those that are above the poverty threshold and those that are below it. Moreover, OVE found that the initiative has in fact focused more on individuals above the poverty threshold than on the poor.

2.2 **In summary, the IDB's vision for addressing food security in the region has focused mainly on food availability through increased agricultural productivity, and not on problems of access among households.** Although some of the documents explicitly mention food security, the concept has always been tied to agricultural growth and productivity, and not to social or poverty reduction objectives. It should be clarified that although the most obvious role of the agricultural sector in food security is to produce sufficient food for the population, in Latin America the sector fulfills an important role in terms of food access for poor family farmers. However, Bank strategies have not defined or differentiated between these two objectives. On the other hand, other Bank divisions (e.g. transportation, social protection and health, and water and sanitation) routinely work on issues related to household poverty and food security in the region. Nonetheless, there is a need to work towards identifying synergies, objectives, and mechanisms for integrating all of these actions under the objective of food security.

III. THE AGRICULTURAL SECTOR PORTFOLIO AND ITS RELATIONSHIP WITH FOOD SECURITY

3.1 **To identify the contribution of the agricultural sector portfolio,⁹ OVE classified its loans based on their potential impact on food availability, access, and use.** For this analysis, the objectives and components of all loans by the Environment, Rural Development, and Disaster Risk Management Division (INE/RND), approved from 2002 to 2014, were reviewed. Categories and classification criteria are explained in Table 3.1. The dimension of food security stability was excluded from the classification for two reasons. Firstly, this dimension is directly related to each of the other dimensions (stability of availability, stability of access, and stability of utilization), such that projects that support this aim are necessarily tied to the other three. Secondly, it is to be expected that most of the projects classified as belonging to the other dimensions will have at least the intention of achieving results that are sustainable in the medium and long term, and would therefore necessarily support this fourth dimension.

⁹ The portfolio of "AG" projects, including those of the Environment, Rural Development, and Disaster Risk Management Division but also those of other Bank divisions.

Table 3.1 Loan categories and classification criteria

Dimension	Project Objective
Availability	Agricultural health and food safety projects that seek to reduce the prevalence of pests and diseases. These enhance food availability by reducing crop and livestock losses.
	Projects to support producers, the objective of which is to increase agricultural productivity and supply.
	Agricultural innovation and research projects, which aim to boost food production in the medium and long term.
	Irrigation infrastructure projects, which help to ensure food availability or stability of supply despite climate phenomena.
Access	Projects to support producers where the beneficiaries are poor farmers. The projects help to improve the incomes of these farmers, thus facilitating their access to food of sufficient quantity and quality.
Utilization	Health and safety projects with food safety components.

- a. **IDB investments in the agricultural sector have been highly focused on the area of food availability, consistent with the approach laid out in the Sector Framework Document and other Bank strategic documents.** From 2002 to 2014, the Bank approved 83 loans. From the results of the analysis, the following conclusions can be reached:
- Of all of the projects reviewed, 79% (66 projects for US\$3.034 billion) are linked to at least one dimension of food security.¹⁰
 - Of these, 100% have at least one objective related to food supply or availability.
 - Only 12% of the projects linked to food security (eight projects for US\$357 million) have objectives and/or components related to the appropriate use of food for healthy nutrition.
 - Of the projects linked to food security, 35% (29 projects for US\$1.256 billion) were designed to help increase the incomes of small producers, and may therefore support food access among poor rural households.

IV. RELEVANCE OF THE AGRICULTURE SECTOR PORTFOLIO TO FOOD SECURITY IN LAC

A. Availability

- 4.1 **The Bank's portfolio in the agricultural sector has sought to reduce the barriers faced by the region in exploiting its productive and commercial potential.** On one hand, the Bank has worked with a number of countries to reduce the infrastructure deficit through irrigation and rural roads projects. Another line of action has involved agricultural health programs focused on the reduction and control of pests and diseases that affect production. Lastly, the Bank has financed projects that work directly with producers in relation to the adoption of new technologies to enhance productivity, as well as projects that

¹⁰ The 21% with no direct potential impact on any of the dimensions consists of PBLs (policy-based loans), land titling projects, and projects to strengthen information systems.

support the institutional strengthening of bodies dedicated to the development and dissemination of agricultural innovation.

**Box 4.1 Evaluation of the IDB Special Programs:
Results of the Food Security Fund**

In 2014, OVE conducted an evaluation of all of the Bank's Special Programs, including the Food Security Fund. The evaluation reviewed 26 of the 30 technical cooperations (TCs) financed by the fund between 2009 and 2013. The principal findings were:

- The majority of TCs reviewed (20 of 26) focused on increasing agricultural productivity. Only 3 were directed to reducing the impact on consumers of higher food prices and 2 to improving the supply and trade of food.
- At the same time, the majority of TCs (17) provided direct support for the preparation, design, or implementation of Bank lending operations.
- The majority of TCs were implemented in countries with medium and high levels of food insecurity; however, they are not directed explicitly to vulnerable populations. The evaluation found that only 8 of the 26 TCs reviewed targeted vulnerable populations and 6 partially targeted vulnerable populations. The remaining 12 TCs did not focus on vulnerable populations.
- The results of the TCs reviewed are uncertain due to a lack of reporting and indicators.

In general, the evaluation found that the TCs financed by the Food Security Fund had focused on improving agricultural productivity. Additionally, OVE did not find evidence that the fund generated changes in the focus and innovation of the Bank's work with the agriculture sector, given that the resources were concentrated on providing support for the generation, preparation, and implementation of loans.

4.2 Although projects to support agricultural productivity are of limited importance for food security in the region, some Bank-financed projects may contribute to the stability of food availability in the medium and long term. As mentioned earlier, extreme weather events (specifically droughts and floods) have significantly affected food availability at the local level and also, on extreme occasions, at the national and regional levels. The impact these events is expected to increase in the future. Some projects can reduce this vulnerability. For example, irrigation projects reduce the vulnerability of production to droughts, while water management programs can reduce vulnerability to both droughts and flooding. Nonetheless, sustainability is critical if these projects are to make a real contribution to stability.

4.3 Bank projects in the agricultural sector respond more to the opportunities that sector growth presents for trade and the economy than to food security motivations. This is also the case with respect to the Bank's Food Security Fund, which despite its name has concentrated on the area of agricultural productivity and not on the multiple dimensions of food security (see Box 4.1). Given the context in the region, the relevance of projects to regional food security in the region depends to a large extent on their impact on the income generation of producers who lack access to adequate food.

B. Access

4.4 **Only 38% of the Bank's portfolio in the agricultural sector has been focused on the poorest populations.** At the end of 2013, OVE carried out an analysis of the sector portfolio to verify the extent to which Bank projects in the agricultural sector focused on poverty. The analysis found that despite PTI (poverty-targeted investments) classifications,¹¹ only 38% of sector projects approved between 2002 and 2012 (14% of total financing) were poverty-targeted to any degree. Moreover, only 11% focused exclusively on the poor, while 27% were only partly focused on the poor (Székely, 2013).

4.5 **Given that problems of access are rooted mainly in poverty, the work of the Social Protection and Health Division is important for the Bank's work on food security in the region.** Specifically, conditional cash transfers (CCTs) have been the main instrument used by the Bank's social sector to reduce poverty and enhance access to health, nutrition, and education (Székely, 2013).

4.6 **In addition, a number of programs to support agricultural producers complement these efforts by the social sector, although in some cases they have not achieved the level of targeting required to attend to their needs.** In Nicaragua, for example, the Food Production Program (which was supported by the IDB) provides subsidies to poor rural families for the purchase of agricultural productive assets, and is one of the government's most important social programs. These subsidies increase family incomes while also seeking to improve household nutrition (mainly for children) through access to animal-source foods. However, although small-scale farmers are included in target populations under most of the projects to support producers, OVE found that the target population is not precisely defined in some projects, meaning that beneficiaries could be producers with very different needs. CCTs and projects such as this one have various elements in common (see Table 4.3) and can be implemented in a complementary fashion. In addition to these two divisions, other areas of the Bank work on projects focusing on poverty issues, including the MIF and the education sector (see Box 4.2). The transportation division can also supplement the Bank's efforts to improve food access in the region.

Box 4.2 The MIF's Poverty Focus

The Multilateral Investment Fund of the IDB (MIF) has poverty reduction as one of its principal objectives. To achieve this objective, it proposed to focus its assistance in areas where the poor have limited access to productive assets (remittances, microfinance, and youth employment, among others). In its 2010 Access Framework, the MIF specified actions to approach the access needs of lower income groups, but did not establish a clear path to address its poverty reduction mandate.

In 2013, OVE conducted an analysis of the measure to which the MIF operations served poor populations and found that, despite only 16% of the projects having poor persons as direct beneficiaries the number had increased over time. Also, the MIF had focused its projects on agricultural productive chains on small producers (80%) and poor households (20%). "Value chain projects have been innovative and have potential for demonstration effects. Value chain's approach to developing markets for small producers has stood out as the most innovative in the Access to Markets area" (OVE, 2013).

¹¹ The PTI guidelines for classifying Bank loans automatically categorize all agricultural sector operations as poverty-reducing projects.

Coordination among the divisions, the exchange of lessons learned, and innovation in the design of operations have the potential to create more sustainable and comprehensive solutions to social problems.

Table 4.3. Conditional Cash Transfers (CCTs) and Producer Support Programs (PSPs)

	CCTs	PSPs
Main objective	Education, health, nutrition, intergenerational poverty reduction	Income generation
Other objectives	Immediate poverty reduction	Nutrition, poverty reduction
Grant	Cash, etc.	Productive assets, technical assistance
Amount	Defined arbitrarily, in practice	Analysis of technologies
Target population	Poor families (generally with small or school-age children)	Agricultural producers (often poor small-scale producers)
Duration	Mainly indefinite	Defined (time necessary to provide assets and technical service)
Desired impact on poverty reduction	Mainly intergenerational	Short- to medium-term
Weaknesses	Do not strengthen household income-earning capacity in the short term	No incentives for child education or health
Strengths	Greater coverage and flexibility	Focused on production, sector growth; supports a comprehensive approach

C. Utilization

4.7 **Utilization is linked more to food consumption than supply, and the agricultural sector portfolio in this dimension is therefore small, consisting exclusively of support for food safety programs.** Bank support in the area of food safety has been included as a component in broader agricultural health programs. As explained in the evaluation note for the health and safety subsector (Annex III of the evaluation), food safety components have not been prioritized in the design of agricultural health projects, and less still in their execution. Results under these components are still scarce and their relevance in terms of improving the quality of food for domestic consumption has been limited (as projects have been focused on eliminating barriers to international trade). Lastly, support in this area has not succeeded in eliminating the double standard that seems to exist in many countries, in which greater quality is demanded in food for export than in food for domestic consumption.

4.8 **Bank interventions in the area of food utilization are distributed across support for the agricultural sector, the water and sanitation sector, and the health sector.** On one side are food health and safety projects, which aim to ensure that food supplies meet safety standards. On the other are water and sanitation programs, which facilitate safe food preparation and limit consumption-related risks. Lastly, the health sector works on nutrition programs, especially for children and pregnant women.

V. CONCLUSIONS

- 5.1 In Latin America and the Caribbean, the main challenge for food security lies in access by the most vulnerable populations to sufficient and satisfactory food.** In terms of supply, the region is a net exporter of food, and there is sufficient calorie availability in all of the countries to feed the entire population.¹² On the demand side, however, approximately 9% of the population is undernourished and 39% of the population lives in conditions of poverty and vulnerability. Rates of child malnutrition and/or obesity are also high in a number of countries in the region, in part reflecting a lack of food access and inadequate diets in households.¹³ At the regional level, around 12% of children under five years of age are undernourished, and another 7% suffer from obesity (World Development Indicators, 2013).
- 5.2 The work of the Bank's agricultural sector has focused on the dimension of food availability, but it has not succeeded in targeting those groups that are most vulnerable to food insecurity, at either the strategic or project levels.** Of the entire agricultural sector portfolio approved from 2002 to 2012, only 38% of projects targeted the poor (Székely, 2013). A number of producer support programs benefited vulnerable population groups; however, in some cases the programs were insufficiently targeted, affecting their ability to meet the specific needs of the most vulnerable populations.

¹² Sufficient calorie availability, however, does not necessarily imply a diverse supply of food for a balanced diet.

¹³ Child malnutrition is also a result of the high prevalence of disease.

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TABLES AND FIGURES

Tabla 1. Prevalencia de la subalimentación por país

	Número de personas (millones)					Prevalencia de subalimentación (porcentaje)			
	1990-1992	2000-2002	2009-2011	2012-2014	Cambio %	1990-1992	2000-2002	2009-2011	2012-2014
Argentina	ns	ns	ns	ns		<5	<5	<5	<5
Barbados	ns	0	ns	ns		<5	5.2	<5	<5
Brasil	22.5	29	ns	ns		14.8	10.7	<5	<5
Chile	1.2	ns	ns	ns		9	<5	<5	<5
Cuba	0.6	ns			-100%	5.7	<5	<5	<5
México	6	ns	ns	ns		6.9	<5	<5	<5
Uruguay	0.3	ns	ns	ns		8.5	<5	<5	<5
Venezuela	2.8	3.8	ns	ns		14.1	15.4	<5	<5
Haití	4.4	4.8	5	5	14%	61.1	55.2	50.5	51.8
Caribe	8.1	8.2	7.6	7.5	-7%	27	24.4	20.7	20.1
Bolivia	2.6	2.8	2.7	2.1	-19%	38	32.8	26.9	19.5
Nicaragua	2.3	1.6	1.2	1.2	-48%	54.4	31.3	20.3	16.8
República Dominicana	2.5	2.5	1.8	1.5	-40%	34.4	28.5	18.2	14.7
Guatemala	1.4	2.3	2.1	2.2	57%	14.9	20.2	14.7	14.3
El Salvador	0.9	0.6	0.7	0.9	0%	16.2	10.6	12	13.5
Honduras	1.2	1.2	1.1	1.1	-8%	23	18.5	14.9	12.1
Colombia	7.3	5.4	7.1	5.5	-25%	21.6	13.4	15.3	11.4
Ecuador	2	2.4	2.1	1.8	-10%	19.4	18.6	14.2	11.2
Paraguay	0.9	0.7	0.7	0.7	-22%	19.5	12.9	10.4	11
Panamá	0.7	0.9	0.5	0.5	-29%	26.4	27.6	14.8	10.6
Guyana	0.2	0.1	0.1	0.1	-50%	22.8	9.7	11.9	10
Trinidad y Tobago	0.2	0.2	0.1	0.1	-50%	12.6	11.9	10.2	9
Perú	7	5.4	3.6	2.7	-61%	31.6	20.6	12.3	8.7
Surinam	0.1	0.1	0	0	-100%	15.5	13.9	8.7	8.4
Jamaica	0.2	0.2	0.2	0.2	0%	10.4	7.3	7.9	7.9
Belice	0	0	0	0		9.7	5.9	5.9	6.5
América Latina y el Caribe	68.5	61	41.5	37	-46%	15.3	11.5	7	6.1
Costa Rica	0.2	0.2	0.2	0.3	50%	5.2	5.1	5.3	5.9
San Vicente y las Granadinas	0	0	0	0		20.7	16.8	6.8	5.7
América Latina	60.3	52.7	33.9	29.5	-51%	14.4	10.7	6.1	5.1

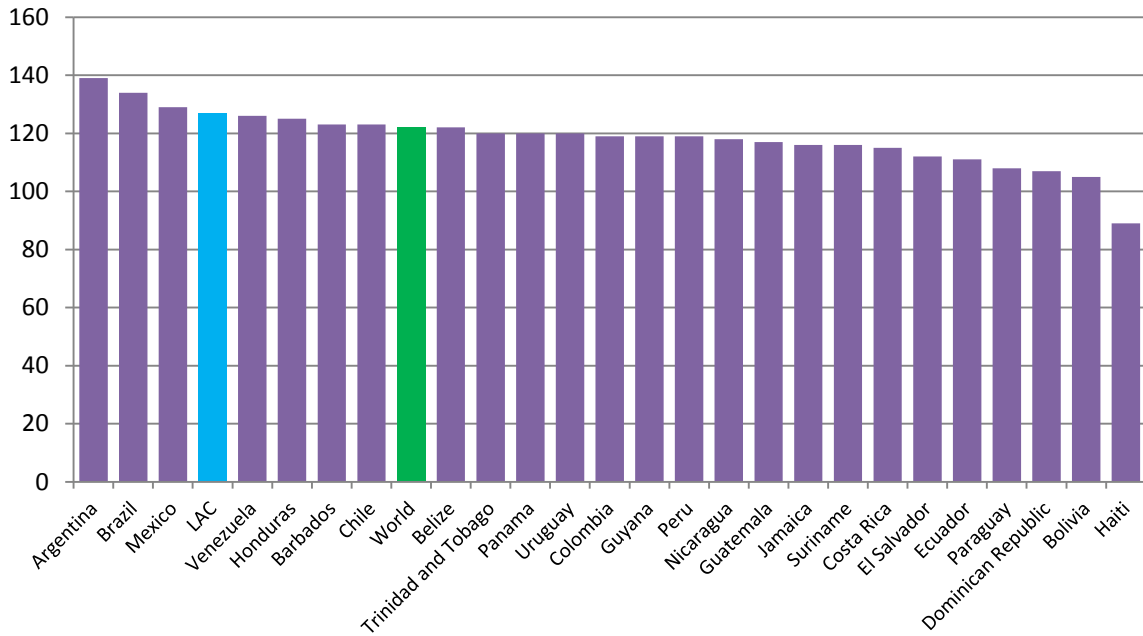
Fuente: FAO, 2014

Tabla 2. Composición de la oferta alimentaria ALC (promedio 2009-2011)

	Oferta de energía derivada de cereales, raíces y tubérculos	Oferta de proteínas	Oferta de proteínas de origen animal
	%	gr/cápita/día	gr/cápita/día
Argentina	36	99	64
Barbados	32	91	52
Belice	41	70	27
Bolivia	52	64	29
Brasil	34	92	49
Chile	44	85	43
Colombia	38	62	32
Costa Rica	34	76	39
República Dominicana	32	58	28
Ecuador	34	66	41
El Salvador	49	70	24
Guatemala	47	63	18
Guyana	50	75	33
Haití	56	46	10
Honduras	47	65	25
Jamaica	40	78	38
México	44	86	41
Nicaragua	51	65	20
Panamá	45	75	40
Paraguay	45	70	31
Perú	57	72	26
Surinam	43	62	28
Trinidad and Tobago	37	76	38
Uruguay	45	86	45
Venezuela	41	84	45
ALC	40	82	42
Países en Desarrollo	56	74	25
Países Desarrollados	32	103	60
Mundo	52	79	31

Fuente: FAOSTAT, 2014

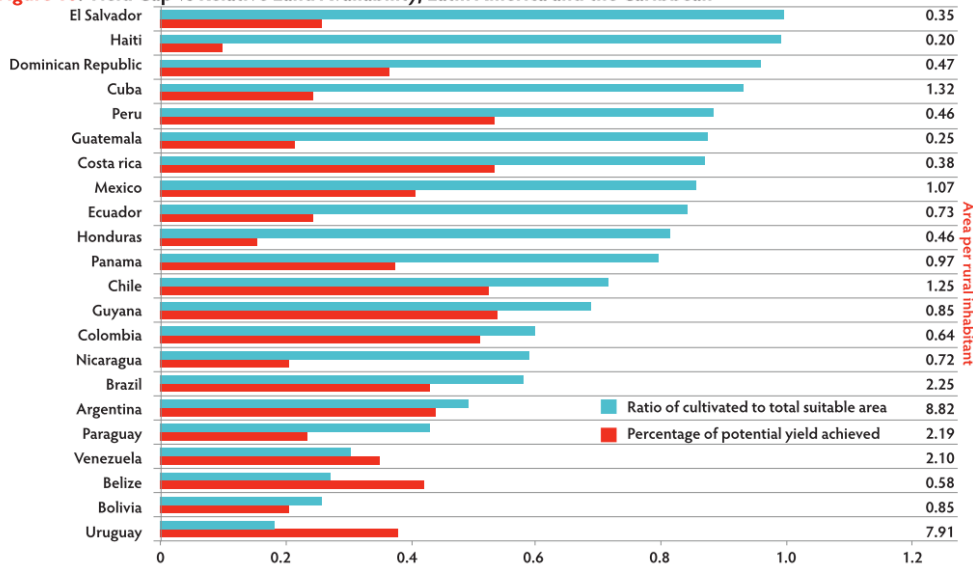
Figura 1. Suficiencia del suministro de energía alimentaria. Promedio 2012-2014 (Porcentaje)



Fuente: FAOSTAT (2014)

Figura 2. ALC. Brecha de rendimientos y disponibilidad relativa de tierra apta para producción agropecuaria

Figure 10. Yield Gap vs Relative Land Availability, Latin America and the Caribbean¹⁹



¹⁹ Deininger, K et. At 2011 Rising Global Interest in Farmland. Can it Yield Sustainable and Equitable Benefits? Washington DC, World Bank

Fuente: Banco Mundial, 2014

Tabla 3. Prevalencia de la pobreza y la pobreza extrema ALC*

País	Año últimos datos	% población en pobreza extrema (ingresos menores a \$2,5 ppp diarios)			% población en pobreza moderada (ingresos de \$2,5-4 ppp diarios)			% población vulnerable (ingresos de \$4-10 ppp diarios)			% población con ingresos menores a \$10 ppp
		Nacional	Urbano	Rural	Nacional	Urbano	Rural	Nacional	Urbano	Rural	
AR ¹	2012	1	1		2	2		14.9	14.9		3
BH											0
BL	1999	31.2			21.8						53
BO	2012	19.7	7.9	43.7	12.8	11.7	15	38.5	43.8	27.7	33
BR	2012	10.8	7.7	28.3	12.1	10.9	18.6	39	39.2	37.8	23
BA											0
CH	2011	3.7	3.2	6.7	6.6	6	10.6	37.7	36.3	47.9	10
CO	2012	21.5	13	49.1	15.5	13.4	22.1	35.9	39.8	23.1	37
CR	2012	8.5	5	14.1	10.5	6.9	16.4	37.8	34.5	43.1	19
DR	2012	24.2	19.9	33.1	20.8	19.4	23.6	38.6	39.9	35.9	45
EC	2012	15.5	7.7	30.5	15.1	11.2	22.7	40.8	43.1	36.4	31
GU	2012	58.7	44.1	73	15.3	17.5	13.1	20.5	28.4	12.7	74
GY	1998	24.7			20.8						46
HO	2012	51.7	29.5	71.2	17.2	19.6	15.1	22.7	34.8	12	69
HA	2001	83			7.7						91
JA	2004	11.2			17.5						29
ME	2012	19.9	9.4	37.4	17.6	14.5	22.8	37.8	42.5	30	38
NI	2012	33	23.9	45.6	23.9	23.3	24.7	33.5	39.2	25.4	57
PN	2012	13.8	4	32.6	11.5	6.9	20.3	35.8	37.5	32.5	25
PE	2012	19.8	9.2	50.9	13.9	12	19.5	40.6	46.3	24	34
PR	2012	20.4	10.7	40.7	13.4	12.2	19.9	39.2	35.2	28.7	34
ES	2012	23.8	12.2	44.1	21.4	19.2	25.3	40.9	48.8	26.9	45
SU	1999	34.3			18.5						53
TT	1992	20.7			20.5						41
UR	2012	4.2	4.3	3.6	6.9	6.7	8.6	33.8	32.5	42.6	11
VE	2012	12.5	29.4	31.6	14.5	22.3	20.8	46.1	35.8	32.7	27

Fuente: BID, 2014

*Elaboración del Sector Social del BID con datos armonizados de encuestas de hogares y datos obtenidos de los Indicadores del Desarrollo Mundial (WDI, por sus siglas en inglés) del Banco Mundial.

¹ Se reportan los datos urbanos dado que las encuestas no consideran las zonas rurales. Otra fuentes como el Banco Mundial (2015) reportan tasas de pobreza de alrededor del 10%.

Tabla 4. Prevalencia de desnutrición y sobrepeso en ALC

	Prevalencia de desnutrición, altura por edad (% niños menores de 5 años)	Prevalencia de desnutrición, peso por edad (% niños menores de 5 años)	Prevalencia de debilidad muscular (wasting) (% niños menores de 5 años)	Prevalencia de desnutrición (% de la población) 2012	Prevalencia de sobrepeso (% niños menores de 5 años)	Prevalencia de sobrepeso (% de población femenina mayor de 15 años) 2010	Prevalencia de sobrepeso (% de población masculina mayor de 15 años) 2010
Argentina	8.2 ⁱ	2.3 ⁱ	1.2 ⁱ	5	9.9 ⁱ	71.2	77.7
Bahamas,	n	n	..	5.6	..	65.9	58.7
Barbados	n	n	..	5	..	83.3	65.1
Belice	19.3 ^c	6.2 ^c	3.3 ^c	6.4	7.9 ^c	57.6	47.0
Brasil	7.1 ^g	2.2 ^g	1.6 ^g	6.9	7.3 ^g	60.3	54.0
Bolivia	27.2 ^f	4.5 ^f	1.4 ^f	21.3	8.7 ^f	73.2	62.4
Chile	2 ^f	0.5 ^f	0.3 ^f	5	9.5 ^f	73.3	68.4
Colombia	12.7 ^d	3.4 ^d	0.9 ^d	10.6	4.8 ^d	61.1	62.6
Costa Rica	5.6 ^f	1.1 ^f	1 ^f	8.2	8.1 ^f	63.8	60.1
República Dominicana	10.1 ^g	3.4 ^g	2.3 ^g	15.6	8.3 ^g	71.7	53.4
Ecuador	29 ^j	6.2 ^j	2.3 ^j	16.3	..	55.5	44.0
El Salvador	20.6 ^f	6.6 ^f	1.6 ^f	11.9	5.7 ^f	56.8	45.8
Guatemala	48 ^e	13 ^e	1.1 ^e	30.5	4.9 ^e	70.9	62.9
Guyana	19.5 ^e	11.1 ^e	5.3 ^e	5	6.7 ^e	55.8	44.4
Haití	21.9 ^b	11.6 ^b	5.2 ^b	49.8	3.6 ^b	57.7	19.0
Honduras	22.7 ^b	7.1 ^b	1.4 ^b	8.7	5.2 ^b	52.5	40.1
Jamaica	4.8 ^d	3.2 ^d	3.5 ^d	8.6	4 ^d	79.0	46.8
México	13.6 ^b	2.8 ^b	1.6 ^b	5.0	9 ^b	73.0	73.6
Nicaragua	23 ^h	5.7 ^h	1.5 ^h	21.7	6.2 ^h	73.1	59.4
Panamá	19.1 ^f	3.9 ^f	1.2 ^f	8.7	6.2 ^o	58.9	48.7
Paraguay	17.5 ⁱ	3.4 ⁱ	1.1 ⁱ	22.3	7.1 ⁱ	56.0	44.7
Perú	28.2 ^f	4.5 ^f	0.8 ^f	11.8	9.8 ^f	70.1	60.9
Surinam	8.8 ^d	5.8 ^d	5 ^d	10.2	4 ^d	56.1	44.8
Trinidad and Tobago	5.3 ^b	4.4 ^b	5.2 ^b	7.6	4.9 ^b	80.8	65.2
Uruguay	11.7 ^c	4.5 ^c	1.1 ^c	6.2	7.7 ^c	64.4	69.3
Venezuela, RB	13.4 ^e	2.9 ^e	4.1 ^e	5	6.4 ^e	67.3	74.4
Ingreso Medio	24.52 ^a	15.84 ^a	8.43 ^a	12.3	5.54 ^a	..	..
América Latina y el Caribe	11.71 ^a	2.8 ^a	1.41 ^a	9.3	7.26 ^a	..	..
Ingreso Bajo	36.77 ^a	21.36 ^a	8.75 ^a	26.1	4.72 ^a	..	..
Ingreso Medio-Bajo	27.09 ^a	16.99 ^a	8.5 ^a	14.0	5.37 ^a	..	..
Ingreso Alto	2.46 ^b	0.89 ^a	0.78 ^b	n	6.75 ^a	..	..
Mundo	24.5 ^a	15 ^a	7.7 ^a	13.8	6.3 ^a	..	..

Fuente: WDI 2015, ^a 2013, ^b2012, ^c2011, ^d2010, ^e2009, ^f2008, ^g2007, ^h 2006, ⁱ2005, ^j2004

Tabla 5. Gobernanza de la Seguridad Alimentaria y Nutricional por país

País	Sector de la Institución a cargo	Derecho Constitucional	Ley Nacional	Plan/Estrategia/Política
Argentina	Social		Si (2003)	Si
Bahamas	Agricultura			Disponibilidad
Barbados	Agricultura			Disponibilidad
Belice	Salud			Desnutrición y disponibilidad (separados)
Bolivia	Agricultura	Si	Si	Si
Brasil	Social	Si	Si (2006)	Si
Chile	Agricultura			No
Colombia	Interinstitucional			Si
Costa Rica	Salud			Si
República Dominicana	Interinstitucional			Si
Ecuador	Interinstitucional	Si	Si (2006)	Si
El Salvador	Interinstitucional			Si
Guatemala	Interinstitucional		Si (2005)	Si
Guyana	Agricultura	Si		No
Haití	Interinstitucional	Si		Si
Honduras	Interinstitucional		Si (2011)	Si
Jamaica	Interinstitucional			Si
México	Social	Si		Si
Nicaragua	Interinstitucional	Si	Si (2009)	Si
Panamá	Interinstitucional			Si
Paraguay	Interinstitucional			Si
Perú	Agricultura			Si
Surinam	Agricultura			No
Trinidad y Tobago	Agricultura			Si
Uruguay	Social			Si
Venezuela	Social		Si (2008)	No

Fuente: OVE, 2015