Rising Food Prices Pose Risks for Food Security and Nutrition in Cambodia

Compounding existing socio-economic vulnerabilities due to COVID-19 and multiple climate shocks (UNICEF & WFP 2021), Cambodia now faces new threats to food security and nutrition as local and global food prices increase rapidly. Global leaders and UN agencies have begun ringing alarm bells about an impending global food crisis. “Global hunger levels are at a new high,” warned UN Secretary-General, António Guterres at an address in May. “In just two years, the number of severely food-insecure people has doubled from 135 million pre-pandemic to 276 million today... Unless we solve this problem today, we face the spectre of global food shortages in the coming months.”

In Cambodia, the increasing cost of locally produced food associated with rising local prices for fuel, transportation, and agricultural inputs such as fertilizer, is highly concerning for food security and nutrition outcomes, especially for the most vulnerable. While the price of rice, the foundation of the Cambodian diet, has remained relatively stable thus far, the Cambodian Rice Federation predicts it could increase by 10% to 20% over the coming months as a result of the rising cost of
inputs used in rice production (CRF 2022). Furthermore, the prices of widely consumed nutritious foods like duck eggs and morning glory have already increased by 20.8% and 30.7% in May 2022 respectively, relative to the same period last year (WFP, 2022). **There have also been considerable increases in the prices of imported foods.** The price of vegetable oil rose by 39.7% in May 2022 relative to May 2021 – with the bulk of the price increase (13.5%) taking place since February 2022 (WFP, 2022).

**In 2017, prior to the latest series of crises, one in five Cambodians – and in some parts of the country, two in three people – could not even afford the least expensive nutritious diet (CARD & WFP, 2017).** As such, a significant share of children in Cambodia are not consuming adequate quantities of much-needed nutrients from fruits, vegetables, and animal source foods. After the onset of the pandemic, Cambodian households reported that they responded to reduced food access by switching to cheaper food, with more than half of households cutting the size of meals and reducing intake of foods rich in protein, vitamin A, and iron. Notably, the proportion of women meeting the standards for minimum dietary diversity (defined as consumption of five or more food groups in the previous 24 hours) declined from 68% to 55% by December 2021 (UNICEF & WFP, 2021).

**As market prices push nutrient-dense foods further out of reach for households across the country, healthy dietary practices are expected to decline even further.** This is particularly concerning for poorer households, who already spend a substantial portion of their income on food, as they will be disproportionately affected by rising costs of nutritious foods. At the same time, increasing food prices may lead to higher consumption of unhealthy, ultra-processed foods, in part because these foods are less expensive, more convenient, and better marketed than other foods.

**Nutrition matters now more than ever, particularly for young children.** Rising food prices are likely to exacerbate the already high levels of childhood malnutrition, just as the country started showing signs of recuperating from the pandemic’s economic impacts. Preliminary data from the 2021-2022 Cambodia Demographic and Health Survey (CDHS) indicates stunting (chronic malnutrition) in children under five has reduced from 32% in 2014 to 22% today, a rate of progress that has outpaced the target. However, 10% of children under five still suffer from wasting (acute malnutrition), which has remained unchanged in the past decade. This level is even higher in some provinces where the level of wasting exceeds emergency levels at over 15%. Simultaneously, childhood overweight and obesity levels have doubled in the recent years. Good nutrition is essential for boosting long-term economic development through its impact on human capital as illustrated in the ‘Economic Consequences of Malnutrition in Cambodia’ study (CARD, UNICEF & WFP, 2013), which estimated that the annual cost of malnutrition in Cambodia ranges between 250 and 400 million USD, representing 1.5 to 2.5% of overall Gross Domestic Product (GDP).
Yet, the funds available to fight malnutrition in all its forms are inadequate to meet the scale of the needs. This holds true of allocations across different sectors including social protection, health, education, agriculture, water, and sanitation. Illustratively, the national GAP (Global Action Plan) Roadmap for the Prevention and Treatment of Child Wasting estimates that $25 million is needed over the next three years to meet essential needs and respond to acute malnutrition. However, only 31% of the funds needed have been secured, leaving a gap of $17.2 million.

The UNN proposes the following recommendations to ensure that the Cambodian Government’s bold and holistic vision for food security and nutrition – manifested through various policies and strategies and ambitious commitments at the United Nation’s Food Systems Summit and Nutrition for Growth Summit in 2021 – is realized.

Priority Actions in the Immediate Term

- **Increase financial support for nutrition, with a specific focus on reaching children.** To ensure Cambodia reaches its goals for food security and nutrition, efforts must be made to increase domestic funding allocation from both public and private sources while simultaneously mobilizing additional external resources. In the immediate term, the Government, alongside donors and other stakeholders, must commit to prioritising resources that guarantee adequate stocks of ready-to-use therapeutic foods to save the lives of severely malnourished children. This is particularly important as the cost of this life-saving commodity is expected to increase by 16% in the next six months due to global shocks. Furthermore, the Government must ensure that rising food prices do not affect the quality of the nutritious meals provided through the National Home-Grown School Feeding Programme. This can be achieved by monitoring food prices and setting a trigger threshold for increasing the allocation of resources for food rations.

- **Strengthen the use of cash assistance as an essential social protection mechanism to mitigate short-term impacts on the most vulnerable.** With rising food prices, more and more households will be unable to afford nutritious food. Adequate levels of cash-based social assistance can help households bridge this gap and ensure that food quantity and diet quality are not compromised, especially for vulnerable groups including pregnant women and young children. Foods that promote optimal nutrition are those rich in protein, vitamins, and minerals and include meat, eggs, fish, dairy products, leafy green vegetables, beans, lentils, orange-fleshed fruits, and vegetables – all of which tend to be more expensive than a basic rice-centred diet.

- **Generate evidence on affordability, access to healthy diets, and the determinants of malnutrition.** Continued monitoring and analyses are critical to understand how large-scale shocks, like the emerging food price crisis, affect...
food security and nutrition for Cambodians. If monitoring is to be fully effective – to leave no one behind – it is vital that targeting is both inclusive and comprehensive, paying due attention to different forms of vulnerabilities including those related to age, gender, and disability. The release of the new CDHS offers an opportunity to further analyse the determinants of malnutrition. With this information, more effective responses can be planned and delivered to meet the essential needs of the population – especially the most poor and vulnerable.

Priority Actions in the Medium Term

- **Ensure that nutrition messages accompany cash transfers and healthy diets are promoted through effective Social Behaviour Change (SBC) campaigns.** The impact of cash transfers are enhanced when accompanied with information on good nutrition. As such, promoting nutrition alongside cash transfers, including by sending nutrition messages with payment notifications or at points-of-sale, is essential to improve dietary practices. These messages are crucial to provide information and tips to families on how to use their household income to purchase nutritious foods, particularly for pregnant and breastfeeding women as well as young children. Effective SBC campaigns need to be prioritised to ensure families and caregivers have the skills and capacities to adopt healthy lifestyle behaviours.

- **Maximize the use of resources at all levels and across sectors.** Effectively addressing bottlenecks and issues in the Cambodian food system requires increased coordination and collaboration at all levels. To support sustainable financing for food and nutrition improvements, the subnational coordination system for food security and nutrition established as part of the Second National Strategy for Food Security and Nutrition (2019-2023) may be leveraged to strengthen the capacities of actors at all levels. This will help to integrate food security and nutrition into local plans and budgets.

Priority Actions in the Longer Term

- **Optimize value chains to ensure future shocks have a minimal impact on food security and nutrition.** Efforts must be made to support the capacity of smallholder farmers, small and medium-sized enterprises, and local civil society organisations to continue producing and delivering affordable, adequate, safe, diverse, and culturally appropriate foods. This should be complemented with a strong effort to mobilize private sector support to invest in nutrition outcomes through fortifying staple foods, reducing waste and food losses, and improving green infrastructure via irrigation and rural roads. Shorter, more local food value chains will have lower distribution costs, although this saving needs to be balanced with the need for scalable and diversified production.
• Promote agro-ecological transitions in food production to reduce input costs, halt land degradation, and build soil fertility over the longer term. The longer-term approach to the climate of instability is needed for agriculture to deal with the triple shocks of rising input prices, climate change, and the increasing costs and reduced availability of labour. The growing cost of fuel and fertilizer will likely be a stimulus for agro-ecological transition, though this takes time and up-front investments in technology and capacity building.