

Economist Intelligence Unit
26 Red Lion Square London WC1R 4HQ
Telephone 020 7576 8000
Fax 020 7576 8500
www.eiu.com

Press release

Tuesday, July 10th 2012

GLOBAL FOOD SECURITY INDEX EXAMINES THE CORE ISSUES OF FOOD AFFORDABILITY, AVAILABILITY AND QUALITY

Tuesday, July 10 2012 The US, Denmark, France and the Netherlands are the most food secure countries in the world, according to the Economist Intelligence Unit's Global Food Security Index (GFSI) released today in Washington DC, Brussels, Johannesburg and Sao Paulo.

The index, developed by the EIU and sponsored by DuPont, deepens the dialogue on food security by examining the core issues of food affordability, availability, and quality across a set of 105 developed and developing countries worldwide.

"The rapid rise of emerging markets has increased demand for food of all kinds, but investment and productivity of new supplies haven't always kept up," said Leo Abruzzese, Director of Global Forecasting, Economist Intelligence Unit. "Filling the gaps in national food security networks requires a more careful understanding of where the weaknesses are and how to address them."

Food systems today are under severe and increasing strains from population pressures, high input prices, changing consumer patterns and dramatic weather and price shocks. In this context, the Global Food Security Index looks beyond hunger to examine the underlying factors and key risks affecting food security in a structured, rigorous framework. The index is a dynamic benchmarking model that uses quantitative and qualitative indicators to provide a standard against which countries can be measured.

Beyond the model, GFSI analyses the drivers of food security as a way of fostering dialogue about practical solutions and policy reforms. The index considers the nutritional quality and safety of food—elements missing from similar indices—alongside traditional supply and availability issues. By incorporating a wide range of indicators and geographies, the index enables targeted comparisons to highlight where interventions are most needed. Beginning in September 2012, the index will feature a unique quarterly adjustment, based on shifts in food prices and other macroeconomic factors, that allows it to serve as an early warning of potential price shocks that might compromise or further degrade a country's food security.

To generate an overall score, the index constructs separate scores for the categories of affordability, availability, and food quality and safety. Each of these categories is further subdivided into a series of indicators that evaluate programmes, policies or practices that influence food security. Working closely with a panel of experts, the EIU identified the key determinants of food security and calibrated 25 individual indicators to reflect the contribution of each indicator to overall levels of food security.

The ultimate findings and insights of the index are valuable tools for government and business alike. Key findings include:

- **The US, Denmark, France and the Netherlands are the most food-secure countries in the world.** A combination of ample food supplies, high incomes, low spending on food relative to other outlays, and significant investment in agricultural research and development (R&D) put these countries at the top of the 105-nation index.

Economist Intelligence Unit
26 Red Lion Square London WC1R 4HQ
Telephone 020 7576 8000
Fax 020 7576 8500
www.eiu.com

- **The food supply in advanced countries averages 1,200 calories more per person, per day, than in low-income economies.** The average individual needs 2,300 calories per day to live a healthy and active life.¹ Among wealthy nations, there is enough food for each person to eat 1,100 calories above that benchmark; in low-income countries, national food supplies fall, on average, 100 calories short of it.
- **Several sub-Saharan African countries that finished in the bottom third of the index, including Mozambique, Ethiopia, Rwanda and Niger, will be among the world's faster growing economies during the next two years.** Although still poor in absolute terms, rising incomes suggest that these countries may be in a position to address food insecurity more forcefully in coming years.
- **Several policy and nutrition-related indicators, including access to farmer financing, the presence of food safety net programmes, protein quality and diet diversification, are highly correlated with overall food security.** Governments may be better able to influence improvements in these areas than in more structural indicators, such as per-capita income.
- **China experienced the least volatility in agricultural production during the last 20 years, and three North African countries—Morocco, Tunisia and Algeria—among those experiencing the most.** Countries with wide variances in annual farm output were considered less food secure and scored less well in the index.
- **The most food secure nations score less well for micronutrient availability.** Of the top ten countries in the index overall, only Japan and France rank in the top ten for micronutrient availability. For many advanced economies, it is among their weakest scores. Germany, for example, ranks 13th overall but 43rd for micronutrients. The low ranks are primarily owing to limited availability of vegetal iron in national food supplies, as measured in the FAO Food Balance Sheets.

The Global Food Security Index 2012 is available free of charge on the EIU website at:

<http://www.eiu.com/FoodSecurityIndex>

To view Global Food Security Index website with an interactive visualisation of the index results, and research programme elements for this study, visit: <http://foodsecurityindex.eiu.com>

Media Contacts:

Grayling PR
Ravi Sunnak
Tel: + 1 646 359 2173
Email: allgraylingukeiu@grayling.com

About the Economist Intelligence Unit

The Economist Intelligence Unit (EIU) is the world's leading resource for economic and business research, forecasting and analysis. It provides accurate and impartial intelligence for companies, government agencies, financial institutions and academic organisations around the globe, inspiring

¹ FAO, as of June 2012.

Economist Intelligence Unit
26 Red Lion Square London WC1R 4HQ
Telephone 020 7576 8000
Fax 020 7576 8500
www.eiu.com

business leaders to act with confidence since 1946. EIU products include its flagship Country Reports service, providing political and economic analysis for 195 countries, and a portfolio of subscription-based data and forecasting services. The company also undertakes bespoke research and analysis projects on individual markets and business sectors. More information is available at www.eiu.com. The EIU is headquartered in London, UK, with offices in more than 40 cities and a network of some 650 country experts and analysts worldwide. It operates independently as the business-to-business arm of The Economist Group, the leading source of analysis on international business and world affairs.