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VIEWPOINT PAPER

*Benefits and Costs of the Food Security and Nutrition
Targets for the Post-2015 Development Agenda*

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Post-2015 Consensus

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The article addresses the serious challenge of Post-Harvest Losses (PHL) in both developed and developing countries. The article further examines the necessary infrastructure to mitigate the losses, investments required and a cost benefit analysis.

The authors indicate that the data used is from researches, questionnaires and estimates rather than from observations leading to inconsistencies. The Authors are not clear on which percentage losses are used in the estimation of equation 1 given the varying PHL identified in 2.1 by various organizations and researchers. We assume it is one or the other set of data. Since it is the same data used, this means that the inconsistencies are used in the current estimates as well since the authors did not make any fresh observations. This seems to suggest that conclusions are also based on inconsistent data.

In the paper, it is indicated that adoption of some technologies would help address some of the PHL. However, some technologies such as simple curing are actually too costly for some farmers especially in the developing world.

In Figure 1, the average losses for region “Other” is not well explained since it is the highest in both consumption and total, and yet is zero or insignificant in on-farm and value chain losses. It should be explained –where do the PHL occur in other countries other than those in the research? The same goes for the PHL in other in Figure 3a Average losses by type of loss and commodity. We would be interested to know, which commodity suffer huge losses compared to the common commodities identified in the research. Maybe if these were analyzed, they would offer a higher cost benefit on their without averaging for all.

In terms of infrastructural variables, it is not clear, whether the variables were estimated for both developing and developed countries together or separately, since these would give differing results. There are some variable that would be more critical for developing countries. For example, road density is critical for developing countries and yet shows insignificant results, whereas, telephone lines shows positive and significant result yet the number of people especially in SSA with fixed telephone lines is less than 1%. Railways goods transported is highly significant yet the rail network in SSA is poor. There is therefore need to estimate the regressions separately for each of the developing and developed countries.

The investment requirements in infrastructure also seem to suggest that Africa needs less investment to curb PHL in terms of electricity, paved roads, rail capacity and road capacity. For example, the report suggests that Africa needs only around USD 58m compared to Asia’s USD 35,975m to increase goods transported by rail by 98 %. Is the report suggesting that Africa has less PHLs compared to other regions and therefore requires less effort to address, since it is well known that Africa has the lowest level of infrastructure.

Figure 1 shows that Africa has the lowest consumption losses, highest value chain PHL, and almost similar total percentage losses compared to other regions. The question is how is it that it would need less infrastructure to reduce the PHLs by e.g. 5%.

We however concur with the conclusion that reductions in PHL are not a low cost option for productivity growth. Maybe the conclusion would have been different if the estimates in Table 4 were per region rather than using dummy variables.

This paper was written by Daisy N. Owomugasho Country Director, The Hunger Project Uganda. The project brings together 60 teams of economists with NGOs, international agencies and businesses to identify the targets with the greatest benefit-to-cost ratio for the UN's post-2015 development goals.

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