Letter from Chair of GAIN’s Board, Vinita Bali

The world stands on the threshold of a new era in the fight against malnutrition. The Sustainable Development Goals (SDGs) challenge us to not only reduce malnutrition, but to end it – by 2030. They also remind us that malnutrition comes in many forms, and that because of this, countries can find common cause – to source effective solutions to end the malnutrition that affects all nations.

While Sustainable Development Goal 2 specifically refers to the elimination of malnutrition by 2030, SDG 17 – “revitalise the global partnership for sustainable development” – is perhaps one of the most unsung yet important SDGs. Specifically it calls for all of us to “encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships”.

This is a direct and overt recognition of the magnitude and multi-dimensionality of the task we face – interventions have to be comprehensive, systemic and aligned. Effective engagement between different stakeholders with various strengths and perspectives is key, leading to effective action on the ground to address and eliminate malnutrition in all its forms.

For GAIN, working effectively with alliances is integral to our approach – an alliance to orchestrate and align multiple stakeholders. We aim to make safe and nutritious foods more available, accessible, affordable and consumed – especially for vulnerable groups. To improve diets means focusing on food systems and value chains that are home to small, medium and large businesses. We need to find common ground between these businesses and civil society, governments, development organizations and consumers. This requires dialogue to align economic and social development and in our case, between improving nutrition and building sustainable business. Increasingly, businesses report against contribution to people, profit and planet. At the heart of any successful system is a network of organizations, aligned by common purpose to address the biggest challenges of society. We believe that we have a responsibility to identify the opportunities in improving nutrition outcomes, so that nutrition is an inherent part of all food systems.

Over the last decade and a half, significant work has been done to determine the effectiveness of specific interventions, like fortifying staples such as oil, salt and flour, strengthening maternal, infant and young child nutrition, and value chains that produce more nutritious food and make it accessible to people. We want GAIN to build on this work to expand the enabling environment for everyone to act productively for nutrition.

As this annual report shows, GAIN has had many positive impacts on people’s nutrition and lives – and this is what drives all of us, the Board, staff and partners to continually strive to do more. We have strengthened the foundations for further impact by renewing our Board and senior management. I am particularly pleased to welcome Rhoda Peace Tumisiime and Kaosar Afsana to the
Letter from Executive Director, Lawrence Haddad

I joined GAIN towards the end of 2016 as the new Executive Director. I have been hugely impressed by the impact the organization is having.

For example, in Pakistan we worked with a wide range of partners and the government to exempt fortificants from import duties, making fortification a much more appealing commercial prospect for businesses that implement it.

We worked with the largest NGO in the world, BRAC in Bangladesh, to support their frontline health workers to pilot the subsidized sale of micronutrient powders for the infants of low income mothers who simply don’t get enough vitamins and minerals in their monotonous diets.

In the Indian state of Rajasthan, we worked in an alliance that successfully led to the State Government legislating for the voluntary fortification of edible oils with Vitamins A and D.

In Malawi we worked with tea growing companies to provide a fortified lunch for their tea workers. In Tanzania, Mozambique and Kenya, we provided technical assistance to small and medium sized businesses to accelerate the delivery of innovations to market – innovations that make the consumption of safe and nutritious foods at affordable prices much more likely.

Do these real changes lead to real impacts in the foods and nutrients people consume – and if they do, which people? We know quite a lot about the benefits of fortifying staple foods or providing specialized supplements such as micronutrient powders to infants. But for other interventions it’s too early to tell.

However, each of our projects has a monitoring component to it and the ones that are most untested are accompanied by a rigorous impact evaluation.

So, GAIN may be having an impact but is it doing enough? And, importantly, is it doing enough to help others to have an impact? My answers are no and no.

First, in areas where GAIN has a comparative advantage, what could we do more of? There are many examples:

• Accountability, compliance and capacity. Our innovative FACT (Fortification Assessment Coverage Toolkit) surveys from around the world tell us that large scale food fortification compliance is not strong enough – too few foods that are labelled as fortified actually meet that standard. Accountability in the system is too weak and capacity to meet standards is missing.

• Rice fortification. Rice is the main staple food in South Asia and in some parts of Africa but few countries have rice fortification legislation, despite their populations having serious micronutrient deficiencies. The barriers to rice fortification are real but in some places they may be surmountable.

• Adolescents. All the stakeholders that work in the area of maternal, infant and young child nutrition – including GAIN – are struggling about what to do to

GAIN Board, and Lawrence Haddad, our new Executive Director, Lawrence brings fresh energy and a wealth of experience to our shared endeavor and will lead a revitalization of our strategy in the coming year in collaboration with the Board, Partnership Council and the people of GAIN. In a dynamic nutrition landscape we are committed to working in new and innovative ways to eliminate malnutrition, which impedes social and economic progress.

I would also like to thank Steve Godfrey for willingly and effectively assuming the role of Interim Executive Director and the entire staff of GAIN for their commitment and thoughtful action in implementing our work. I am grateful to the members of our Partnership Council and the Board for their wise counsel and support. Finally, a special word of thanks for the partners who finance our work, and who we recognize in this report.

I look forward to working with Lawrence and his team, the GAIN Board, Partnership Council, donors and all others who share in our outrage at the continued existence of malnutrition in the 21st century. Ending malnutrition is a choice and GAIN, working in alliances with many others, aims to make those choices easier to take – and harder to dodge.
Everyone has to become better at engaging the private sector to accelerate rather than hinder nutrition improvements.

There is much work to be done by GAIN and its partners on these issues. But everyone has to become better at engaging the private sector to accelerate nutrition improvements and at curbing and ending actions that worsen nutrition. We all need to know how to promote responsible engagements that liberate innovative energies, but within an evidence, accountability, transparency and conflict of interest architecture that makes it easier to do the right thing – and harder to do the wrong thing. In other words, GAIN wants to work with others to build a more enabling environment for the engagement of businesses in positive nutrition change.

Not all business involvement in nutrition is bad. Not all is good. But in many places, for some issues, with certain partners and with the right governance, it will be a force for good. That is the space we need to expand. We look forward to working with you to do that.

Support the nutrition of adolescents. Adolescents are important for so many reasons – they are future employers and employees, future parents, and future citizens. But there are few piloted and evaluated interventions to draw on. Have we become stuck – have our imaginations failed us? Surely we have a lot to learn from businesses on how to engage with young people between the ages of 10 and 19? In addition, it is probably a good idea to treat adolescents more as shapers of their own destiny. What are we doing in schools, in youth clubs, in sports, in social media and in the home to shape their views and knowledge about nutrition in ways that are engaging and that fit in with how they access and process information?

Beyond Agriculture for Nutrition. In our Agriculture for Nutrition programme it is clear that we have to work beyond agriculture if we are to leverage the wider food system to work harder for high quality diets and nutrition. And we are doing so. Our Marketplace for Nutritious Foods is small right now, but the potential for scaling up and transforming markets is real. The unmet demand from producers and consumers for affordable, nutritious food is significant. For too many vulnerable groups, the market has not yet figured out how to make supply and demand meet. We want to help it do that.

Urbanization. This demographic change is forcing us to think differently about nutrition policy and programs. As urban areas grab larger shares of the population in Africa and Asia they – unfortunately – also grab larger shares of malnutrition. Are the approaches that have served well in rural areas also going to work in the different geographies of towns and cities? Some will and some will not. Which will work and what new approaches do we need work on? What are the new public and private sector opportunities in the urban areas and who do we work with to seize them? We need answers.
About GAIN

More than three billion people worldwide are malnourished in some way. One in three people have diets that are inadequate in quality. Poor quality diets are now the main risk factor for the global burden of disease: they corrode the health, income growth and development of people and nations. Malnutrition and poor diets have no place in the 21st century, nor in the era of the global Sustainable Development Goals.

The Global Alliance for Improved Nutrition (GAIN) works relentlessly to change this situation. We bring together a wide range of partners from government, civil society and business in strong and creative alliances to develop approaches and actions to tackle the challenge of poor diets and malnutrition. We work with others to make legislation, regulation and policy more supportive of efforts to reduce malnutrition. We seek to increase the resources available to expand the coverage of proven nutrition interventions such as large scale food fortification, exclusive breastfeeding and complementary feeding for infants and young children. We share knowledge on what works when engaging with businesses – and what does not – to reduce malnutrition, for example through creating marketplaces for nutritious foods. We develop and disseminate data, analytics and accountability tools to enable others to navigate the complex business space to accelerate sustainable reductions in malnutrition.

GAIN is a global Swiss based foundation with offices in Africa, Asia, Europe and North America. GAIN is driven by an alliance of dedicated staff, a strong Board and Partnership Council, committed partners, engaged donors, responsible businesses and millions of malnourished people touched by our efforts. We believe that undernutrition can be eliminated by 2030. Come and work with us in this collective effort.

Our Partners

We would like to acknowledge and thank the hundreds of community and civil society organizations, government departments, businesses and academics who are our partners in designing, developing and delivering globally and in country.

Our Principal Donors

Agence Française du Développement (AFD); BESTSELLER FOUNDATION; Bill & Melinda Gates Foundation (BMGF); Children’s Investment Fund Foundation (CIFF); Department for International Development (DFID); European Commission (EC) – EuropeAid; GiveWell; Good Ventures; Global Affairs Canada (GAC); GSM Association (GSMA); Horace W. Goldsmith Foundation (HWGF); IDH Sustainable Trade Initiative; Inter-American Development Bank (IDB); Irish Aid; Karl Pedersen og Hustrus Industrifond; Liverpool School of Tropical Medicine; Micronutrient Initiative (MI); Ministry of Foreign Affairs of the Government of the Netherlands; United Nations Children’s Fund (UNICEF); Unilever; United States Agency for International Development (USAID); United Nations World Food Programme (WFP).
Our Performance 2015–2016

This year we are using a new Performance Measurement Framework (PMF) which provides a more balanced scorecard style of assessment.

This assessment tracks progress against our strategy and provides critical input for continuous improvement through internal reflection and corrective actions. It also provides inputs for accountability to our management team and Board. The Performance Measurement Framework has four tiers. Tier 4 focuses on key indicators of efficiency and effectiveness of internal processes that facilitate tier 3: timely and effective delivery, resulting in tier 2: scale and ultimately tier 1: greater impact. GAIN seeks to achieve its objectives, not only through program delivery, but also through influencing the nutrition and related sectors – in countries and globally.

Over the past year, we have reached 768 million people with one or more nutritious foods – 18% more than the previous year. We reached most people through our food fortification programs (see graph). We also had a big increase in the sales of micronutrient powders as part of our home fortification program in Bangladesh and in the sales of complementary foods that were supported by our BADUTA project in Indonesia.

We expect the scale of programs to decrease significantly in the next year as we move our focus from increasing our reach to improving quality and providing technical assistance in programs to improve nutrition.

Our reach through our food fortification programs

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<th>Individuals (millions)</th>
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<tr>
<td>FY 2015</td>
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<tr>
<td>FFP</td>
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<td>374</td>
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With grants ending, the reach for food fortification programs (FFP) and our GAIN Premix Facility (GPF) have decreased. Most of the Universal Salt Iodization (USI) projects closed in December 2015.

Disseminating knowledge and contributing to the evidence base

- Together with the Government of Tanzania, we co-hosted the first-ever Global Summit on Food Fortification in Arusha, Tanzania in September 2015. The #FutureFortified Summit brought together experts from across a range of disciplines including governments, academics, technical supporters, donors and beneficiaries.
- In 2015–2016, we published 23 papers in peer-reviewed journals.
- Our knowledge products were cited by others 266 times from July 2015 to June 2016, including 32 citations in peer-reviewed journal articles, 124 references on Mendeley and 109 on Twitter.

Over the past year we reached 768 million people with one or more nutritious foods – 18% more than the previous year.
All parts of society need to act to solve the complex problem of malnutrition. We work through stakeholder partnerships with government and civil society but also with the companies and entrepreneurs who actually process, package, distribute and sell food. We work with business at the global level, but primarily we work with the small and medium sized enterprises emerging all over Africa and Asia that are crucial to local food systems.
For years the conventional approach to feeding the world’s ever growing population has simply been one of ‘more’: more crops, more calories, more people fed. This has lifted millions out of hunger but at the expense of meeting the nutritional needs of the world’s most vulnerable. Our Agriculture for Nutrition program helps to address this issue by strengthening local, national and international food systems in order to make diverse and nutritious foods available to those who need them.

We do this in three main ways:

**Scaling Nutritious Commodity Value Chains:** We intervene in supply chains to optimize the nutritional density of commodities and mitigate losses of nutrient dense foods as crops move from production to consumption.

**Improving Nutrition through Local Food Systems:** We support local businesses that make nutritious, diverse and minimally processed foods available to undernourished populations who rely on what’s available in their local markets to feed themselves and their families.

**Improving Farmer Nutrition:** Farmers are some of the most undernourished people in the world. Through rigorous field research we hope to better understand farm-household nutrition so we can help address this endemic issue.

### Postharvest Loss Alliance for Nutrition (PLAN)

Poor dietary diversity is driven by the limited availability and affordability of nutrient-rich foods such as fresh fruit and vegetables, which are often lost or wasted before they even make it to market. A recent study by the International Food Policy Research Institute (IFPRI) estimates that just a 10% reduction in food loss and waste could bring fruit and vegetable prices down by 14%, the number of people at risk of hunger down by 11% and the number of malnourished children down by 4%.

The Postharvest Loss Alliance for Nutrition (PLAN) brings together donors, stakeholders and the private sector using a Business to Business Engine (B2BE) which matches local businesses with industry leaders and technical experts to enable local access to technical support and financial services. In partnership with USAID and Rockefeller Foundation’s Yieldwise initiative, implementation of PLAN Nigeria – where an estimated 50% of fruit and vegetables are lost – was launched in November 2016.

### Good food, safe food

We have been working in Ghana to help reduce the incidence of aflatoxin contamination in peanuts using a combination of low-cost prevention measures, market incentives and farmer education. Aflatoxins are produced by fungi which can contaminate peanuts that are not dried correctly or exposed to pests. Although undetectable by the consumer, aflatoxins can cause serious health problems if eaten in large quantities.

There are many simple practices farmers can use to prevent contamination but adoption in Africa is low due to limited understanding of the issue, lack of access to prevention measures and a lack of financial incentive. Working with our implementation partners we used a randomized controlled trial which educated farmers about the dangers of aflatoxins before offering them either a free drying tarp or a 15% premium price conditional on low aflatoxin. We found that both interventions resulted in improved post-harvest practices.
In Mozambique Samuel Guizado is working hard to make fresh, affordable dairy available to everyone. With support from USAID and Land O’ Lakes Food for Progress, Samuel’s company AgroMaco opened its first dairy farm in 2010 and now also supports and trains other small scale producers.

GAIN’s Marketplace for Nutritious Foods is helping AgroMaco move to the next level with a grant to enable Samuel to build a new factory to produce safe, sterilized milk and increase production to almost 900,000 litres a year. A new animal feed processing unit should enable the company to become a major regional distributor while Samuel and his staff are also benefiting from training in business management, marketing, food processing, quality control and security. Our support means AgroMaco is now able to produce fresh, safe and nutritious food which it can sell to local communities at affordable prices.

Rose Mutuku is the managing director of Smart Logistics Solutions, a company she founded to help address the impossible task most Kenyan women face every day: how to provide a nutritious meal for their families while still doing all the other chores that need to be done throughout the day. Her solution was to develop and sell pre-cooked beans: a highly nutritious food that everyone could afford.

Through GAIN’s Marketplace for Nutritious Foods, Smart Logistics Solutions is receiving technical support and training on product and process development, quality assurance and control, marketing, distribution and business planning. The company has also benefited from nutritional testing to make sure the beans retain a high nutrient profile after processing. Smart Logistics Solutions now processes some 11,000 metric tonnes of beans and grain from more than 5,000 farmers every year, helping make affordable nutritious food available to everyone.
Together with our partners, we strive to improve complementary feeding practices and promote exclusive breastfeeding for the first six months of life, and continued breastfeeding to two years of age and beyond. Since 2007, GAIN has supported a portfolio of more than 25 projects in 17 countries exploring sustainable delivery channels for three key approaches to improve complementary feeding: social and behavior change communication, home fortification of complementary foods with multiple micronutrient powders (MNPs) and the production and distribution of fortified complementary foods.

In the past year, our projects have reached more than 580,000 women and children, while the cumulative reach of our programs with women and children since inception is more than 19 million.

In Indonesia, the BADUTA project – aimed at improving feeding practices for children under the age of two – has a heavy focus on behavior change communication. Four mass media TV spots each have reached 1.6 million women of reproductive age with messages on infant feeding and maternal nutrition, while community activation has reached 40,000 mothers and interpersonal counselling has reached 20,000 in East Java.

In Bangladesh, we have had a huge increase in home fortification. Sales of micronutrient powders (MNPs) have risen from 630,000 sachets in July 2015 to 3.9 million sold by community workers in BRAC in June 2016. MNPs have reached 1.3 million children in total. Continuous monitoring and course correction have helped to expand availability and compliance, including strengthened supply chain management, sales force training in counselling and sales techniques and the introduction of an incentive scheme to drive effective coverage.

Over the past year, we have started two new maternal, infant and young child nutrition projects in India, addressing both chronic and acute malnutrition. Firstly, in collaboration with the World Bank and the Karnataka Health Promotion Trust, we support women groups producing nutritious supplementary foods for 40,000 children in the State of Karnataka. With the second project, together with UNICEF and ACF, we supported the Rajasthan Nutrition and Health Mission in a large-scale pilot of community based treatment of 9,000 severely acutely malnourished children in 13 districts in the State of Rajasthan.

Learning and dissemination sits high on our agenda, especially cross-country learning. In December 2015 we hosted a regional learning workshop on “Scaling Up Home Fortification of Complementary Foods” in Johannesburg where over 75 program implementers, including representatives from governments, the private sector, partner NGOs and UN agencies from four countries (Ethiopia, Kenya, Mozambique and South Africa) gathered to share lessons and experiences in the implementation of home fortification programs.
Malnutrition is India’s silent emergency and among the greatest human development challenges. Rajasthan is highly affected by malnutrition. The mortality rate for children under the age of five is 5.7% with almost three in every hundred (2.9%) suffering from severe acute malnutrition.

It is against this backdrop that the Government of Rajasthan’s National Health Mission, supported by GAIN, UNICEF and Action Against Hunger, embarked on a large scale pilot to implement Community-based Management of Acute Malnutrition (CMAM). The project, funded by the Children’s Investment Fund Foundation (CIFF) and Danish fashion company Bestseller, was the single largest community-based intervention implemented by a state government in India. The pilot became known locally as POSHAN (which means nutrition in the local language). In just nine months, more than 2,500 government frontline workers, health professionals and community volunteers successfully treated 9,000 children for severe acute malnutrition in 13 districts.

Based on the success of this first phase, the Government of Rajasthan is allocating funds to scale up the intervention to more districts with the aim to reach 25,000 children.

The National Institute of Nutrition (NIN) in Vietnam, with the support of GAIN, pioneered the distribution of a locally-produced micronutrient powder (MNP) provided for sale through the public health system. For six months, 1.5 million sachets were sold through 337 health centres across four provinces, targeting children 6-59 months of age. The pilot showed that the sale of MNPs and the provision of infant and young child feeding counselling are effective for groups accessing the health system. We supported NIN to roll out the program in a further three provinces in 2016 and developed a business plan for the expansion to 25 provinces by 2020. Following the success of the pilot, the government of Vietnam has included the national scale up of MNPs as part of the mid-term review of their National Nutrition Strategy.
Improving diets through Food Fortification

Hundreds of millions of people in low and middle income countries are deficient in essential vitamins and minerals. Fortunately, the evidence-based intervention of large scale food fortification is being scaled up.

Today, due to the collaborative efforts of governments, the private sector, academia, civil society and international partners, more than 140 countries implement national universal salt iodization (USI) programs, 85 countries mandate at least one kind of cereal grain fortification, and more than 50 mandate the fortification of edible oils, margarine and ghee. However, many countries require specific support depending on context to build, improve and measure/sustain fortification efforts and improve intakes of micronutrients.

Our new ENABLE Platform and its premix facility brings together key stakeholders to improve access to safe and nutritious foods and provides monitoring and evaluation tools such as the Fortification Assessment Coverage Tool. By rolling out targeted advocacy work, leading a global Technical Advisory Group and operating the ENABLE Platform, we are able to build, measure and sustain programs to provide safe and nutritious food to millions of people. The evidence showing the positive impact of fortified foods is growing.

We offer national and global fortification actors a set of good practice tools to enhance the delivery of food fortification.

Setting priorities in food fortification for the sector

Following the first ever global summit on food fortification in Tanzania in September 2015, GAIN led over 20 partners as part of a fortification Technical Advisory Group (TAG) to consolidate the event’s groundbreaking findings and map a way forward for partners. A report published on the #FutureFortified summit drew attention to the potential of food fortification to cost-effectively reach billions of people with essential micronutrients. It emphasized the need for investment, better standards and regulation, and improved evidence gathering to make programs even more effective. We are in an unprecedented position to be able to deliver long term solutions together which can lead to the prevention of vitamin and mineral deficiencies that still affect hundreds of millions of people around the world.

Fortifying wheat flour can promote sustainable economic growth in Kazakhstan

Not adding essential vitamins and minerals to its wheat flour could cost Kazakhstan’s economy more than $6.8 billion over a 10 year period, according to an analysis presented at a national roundtable organized by the United States Agency for International Development (USAID) and GAIN. But the good news is that fortifying all wheat flour produced by mills in Kazakhstan to proposed national standards would reduce these losses and is achievable. Implementing this vital health intervention would cost just over $75 million, generating 28 times more benefit than cost. And the intervention has the added potential to improve the health of the Afghan people, since flour from Kazakhstan is exported to Afghanistan.
GAIN is committed to helping control iodine deficiency globally and to sustaining those efforts. GAIN continues to focus on countries where this issue is affecting large parts of the population.

Universal Salt Iodization, which has been implemented around the world, helped decrease the number of countries classified as iodine deficient from 54 in 2003 to 25 in 2015.

According to the Iodine Global Network, more than 70% of households worldwide consume iodized salt. Some countries with previously severe iodine deficiency now appear to be virtually sufficient including China, Nigeria, Congo, Iran, Peru, Ecuador and Thailand. This success involves the implementation of iodized salt together with effective national programs, the development of national coordinating groups, extensive education at all levels, and monitoring.

GAIN is committed to helping control iodine deficiency globally – and to sustaining those efforts – while continuing to focus on countries where this issue is affecting large parts of the population.

How iodized salt is protecting the health of millions

We successfully closed the Gates-funded GAIN-UNICEF Universal Salt Iodization project in December 2015. The project has helped protect an additional 466 million people against iodine deficiency, including 113 million children.

Iodine deficiency can lead to serious health issues and salt is one of the only foods that consistently reaches groups with high risk of iodine deficiency, including poor, rural communities. Iodine deficiency during pregnancy can result in stillbirth, spontaneous abortion, and congenital abnormalities such as cretinism, a severe and irreversible mental condition. However, these issues are easily preventable by simply adding iodine to salt – a cheap and effective solution. In addition, adding iodine to salt does not change its color, odor or taste.

The Universal Salt Iodization (USI) Partnership Project ran from 2008 to 2015 in 13 countries with large populations that were not protected against iodine deficiency. A recent report released on the project, based on national surveys, show that there was an increase in the availability of adequately iodized salt from 2.27 billion to 2.74 billion people in the countries where the project is running. This includes an estimated 18.2 million pregnant and lactating women, leading to the protection of newborn cognitive health, as well as 113 million children, aged 6 months to 15 years old who are no longer at risk of the debilitating effects of iodine deficiency.

At the same time, the coverage of the population with salt containing any iodine increased by 606 million people.

Scaling up flour fortification in Tajikistan

Tajikistan’s parliament is moving forward towards enacting laws to fortify wheat flour with essential micronutrients, thanks to the ongoing support of our local partners, and USAID. Fortifying flour will help reduce iron deficiency anemia and neural tube defects like spina bifida. The program can reduce the economic cost of nutrient deficiencies by $314 million over 10 years.

Food fortification critical to food security in Nigeria

This was the key message of the #NigeriaFutureFortified event held in Lagos in May 2016. The event was held by GAIN in collaboration with the National Agency for Food and Drug Administration and Control (NAFDAC) following the successful Arusha Global Summit on food fortification held in September 2015. Its purpose was to revitalize national awareness, interest, and investment in food fortification. It also helped create a shared vision for improving and expanding fortification efforts. The event culminated in the Lagos Statement on Nigeria Food Fortification, which was endorsed by the Nigeria Ministry of Health.

Pakistan to cut food fortification costs by removing taxes on micronutrients

We welcomed the Government of Pakistan’s proposal to exempt vitamin premixes, as well as food grade minerals and micronutrients from taxes in its 2016–2017 Finance Bill. Previously, taxes and duties on these micronutrients, had been as high as 70%. Throughout the year, GAIN has worked with the Pakistan Ministry of Health Services to achieve this critical milestone. This initiative would reduce the cost of fortifying staple foods with vitamins and minerals that are essential for improving the health of the people of Pakistan, especially women and children.

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At the same time, the coverage of the population with salt containing any iodine increased by 606 million people.
We provide technical assistance to build demand and expand access to nutritious foods. We also work with governments to ensure that business is integrated into national nutrition plans and that regulations encourage businesses to provide nutritious foods to local markets. In addition, we convene innovative platforms to bring business together with other stakeholders – the Scaling Up Nutrition (SUN) Business Network, Amsterdam Initiative against Malnutrition and the GAIN Nordic Partnership.

**GAIN Nordic Partnership**

GAIN’s Nordic Partnership works to ensure that affordable, nutritious and safe products are made available to vulnerable groups.

It is a multi-sector platform with the ambition to facilitate scalable and inclusive business models that enhance the nutritional value of food in developing countries. The platform brings together companies, civil society, academia and the public sector to bridge knowledge and goals. Our Nordic Partnership is a forum for collaboration, action and knowledge sharing. Our founding partners are Arla Foods Ingredients, TetraPak, Confederation of Danish Industries, DanChurchAid and GAIN. The platform secretariat is supported by Karl Pedersen og Hustrus Industrifond.

**Danish Fashion company funds malnutrition project**

Support from the Danish fashion company Bestseller enabled GAIN to make a significant contribution to the treatment of severe acute malnutrition in children in the state of Rajasthan in India where more than 9,000 children were successfully treated. Half of the 10,000 medical nutrition therapy kits for the children were funded by Bestseller. The project was also funded by the Children’s Investment Fund Foundation (CIFF).

Read more about this project on Page 11.
SUN Business Network

In 2010, the Scaling Up Nutrition (SUN) movement was launched to support national leadership and collective action to increase efforts to improve nutrition. The SUN Business Network (SBN) – co-convened by GAIN and the UN World Food Programme – is one of the four global networks that support SUN countries – along with United Nations, civil society and donor networks. The SBN was established to bring business together behind the SUN movement and its aim to ensure that all people realize their right to good food and nutrition. The SBN has shown great progress with 13 countries having now established SUN Business Networks, a further 10 SUN countries building national SUN Business Networks this year with support of the SBN global team, and six national SBNs supported to raise funds from national sources.

Developing national SBNs in Africa

In Tanzania, SBN worked with the Government of Tanzania and the national Food and Nutrition Centre and its members, to ensure a role for business is articulated in the government’s new National Multi-stakeholder Nutrition Action Plan. SBN Tanzania, in order to support the attainment of the government’s nutrition objectives, is prioritizing interventions and forming new partnerships in food fortification and agriculture value chains as well as engaging business to build demand for nutrition. AIM projects are designed to encourage product innovation, value chain optimization and the use of locally produced ingredients.

The Amsterdam Initiative against Malnutrition (AIM)

The Amsterdam Initiative against Malnutrition was launched in 2009 as a joint project of the Dutch Ministry of Foreign Affairs, the Dutch NGO ICCO (InterChurch Organization for Cooperation and Development), multinational corporations Unilever, DSM and AkzoNobel, Wageningen University and GAIN. Today, AIM brings 30 partners together to explore innovative and sustainable solutions to address malnutrition. AIM projects are designed to encourage product innovation, value chain optimization and the use of locally produced ingredients.
The Monitoring, Learning and Research (MLR) unit seeks to strengthen the impact of GAIN programs through better design and implementation based on the review, generation, translation and use of evidence for decision-making. The unit also identifies and addresses priority evidence gaps related to GAIN programming areas, with the ultimate goal of informing GAIN’s strategy, supporting advocacy and contributing to the global evidence base.

Harnessing the power of data to improve programs

In Indonesia, we have been pioneering the participatory monitoring of our BADUTA project to improve feeding practices through a Most Significant Change (MSC) story approach.

Every two months, Village Facilitators, Program Officers and Sub-district Coordinators collect 12 stories from beneficiaries of the BADUTA project in each of the six sub districts in East Java by asking the following question: “In your opinion, what was the most significant change that took place in your community over ... months due to the BADUTA program?” GAIN is using the MSC approach because it helps us identify unexpected changes in a complex program such as BADUTA while involving staff in understanding how impact takes place. Overall, MSC delivers a holistic picture of what is happening on the ground compared to using only quantitative indicators with no local context.

Of the 84 stories collected and passed up to our District and Program Health Officers this year, 21 were aired in 11 one-hour monthly talk shows and viewed in public screenings in the villages taking part in the BADUTA program. The Most Significant Change story approach has been boosting morale among caregivers, communities and frontline workers by publicly celebrating their achievements and has reinforced positive behavior change on infant and child feeding practices. To date, 196 storytellers – including caregivers and community health workers – have participated in the MSC monitoring approach.

The FACT story: Assessing potential impact and targeting for results

FACT is a population-based survey method for carrying out coverage assessment of large scale and targeted food fortification programs. It was designed as part of GAIN’s commitment towards improving impact by documenting successes, identifying barriers to program coverage and using evidence to improve programs. Rather than using indirect estimates of the availability of fortified foods from per capita production figures, FACT provides direct estimates of coverage, utilization and quality of fortified foods consumed at the household level. Since 2013, GAIN has completed 14 surveys in 13 countries across Africa and Asia, looking at the coverage and consumption of fortified foods such as oil, maize flour, wheat flour and salt.

The FACT method provides answers to key questions such as: What proportion of the population consumes fortifiable and fortified foods? What is the dietary contribution of nutrients coming from fortified foods? How do those results vary across different population groups, in particular among those who are vulnerable to inadequate nutrient intakes? These indicators are critical to assessing the potential impact of food fortification programs, especially among those who are at most risk of micronutrient deficiencies.

The FACT modules can also be adapted to measure coverage and consumption of targeted fortification programs, such as fortified complementary foods or micronutrient powders aimed at young children. By including additional questions, data on awareness, utilization, and effective coverage of such programs as well as factors that might promote or inhibit use can be generated and used for program improvements.

The FACT method continues to generate considerable interest among GAIN’s partners as it is refined and used in many countries.

Summary of Audited Accounts

<table>
<thead>
<tr>
<th>Balance Sheet</th>
<th>Statement of Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated Balance sheet as at 30 June 2016</strong></td>
<td><strong>Consolidated Statement of Operations for the year ending 30 June 2016</strong></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets</td>
<td>37,523,363</td>
</tr>
<tr>
<td>Non-Current Assets</td>
<td>8,970,756</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>46,494,119</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>38,118,300</td>
</tr>
<tr>
<td>Restricted Funds</td>
<td>6,801,425</td>
</tr>
<tr>
<td>Capital of the Foundation</td>
<td>1,574,394</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL LIABILITIES. FUNDS &amp; CAPITAL</td>
<td>46,494,119</td>
</tr>
</tbody>
</table>

These financial statements were approved by our Board on 2 December 2016. Capital of the Foundation includes a cumulative unrestricted surplus of US$ 1,538,207 for 2016 and US$ 1,067,972 for 2015.

FOOTNOTE:
GAIN produces Financial Statements under SWISS GAAP FER21 (Accounting for charitable, social non-profit organizations) as the most appropriate for a growing non profit to correspond to the charitable status of the organization. The use of Swiss GAAP FER improves the transparency of the allocation of the resources that GAIN spends on behalf of donors. For full Swiss (GAAP) disclosures please see our full audited financial statements at www.gainhealth.org/organization/financial-statements
Governance

OUR BOARD OF DIRECTORS

Vinita Bali, Chair of the GAIN Board, Business Leader, Bangalore, India

Joachim von Braun, Vice Chair of the GAIN Board, Chair of the GAIN Nominations Committee, Director of the Center for Development Research (ZEF), Professor for Economic and Technological Change, University of Bonn, Germany

Kaosar Afsana, Director, BRAC Health Programme, James P Grant School of Public Health, Dhaka, Bangladesh

Michael Anderson, Visiting Fellow, Center for Global Development, London, UK

Shawn K. Baker, Director, Nutrition, Global Development Program, Bill and Melinda Gates Foundation, Seattle, USA

Ashok Bharti, Ashoka Fellow, Chairman, National Confederation of Dalit Organisations (NACDOR), New Delhi, India (Until January 2016)

Michèle Costafrolaz, Founder and Managing Partner of MCT Audit & Advisory SA, Geneva, Switzerland

Omar Dary, Health Science Specialist, USAID, Washington DC, USA

Pierre Henchoz, Chair of the GAIN Finance and Audit Committee, Private Banker, Lausanne, Switzerland (Until June 2016)

Richard Hurrell, Chair of the GAIN Board Program Committee, Professor Emeritus, Swiss Federal Institute of Technology (ETH), Zurich, Switzerland (Until June 2016)

Kaiser Kabir, CEO and Managing Director of Renata Ltd., Dhaka, Bangladesh (Until January 2016)

Tumusiime Rhoda Peace, Commissioner for Rural Economy and Agriculture, African Union, Addis Ababa, Ethiopia

Michèle Costafrolaz, Founder and Managing Partner of MCT Audit & Advisory SA, Geneva, Switzerland

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Tumusiime Rhoda Peace, Commissioner for Rural Economy and Agriculture, African Union, Addis Ababa, Ethiopia

Stanley Zlotkin, Chief, Global Child Health, Hospital for Sick Children, Toronto, Canada and the Founding Director of the Center of Excellence in Women and Child Health, at the Aga Khan University, Karachi, Pakistan

Martin Bloem, Senior Nutrition Advisor/WHO’s Global Coordinator UNAIDS, United Nations World Food Programme, Rome, Italy

Faizel Ismail, Advisor to the Department of Trade and Industry on Trade and Economic Development, Cape Town, South Africa

Wolfgang Jamann, Secretary General and CEO, Care International, Geneva, Switzerland

Our Governance is led by our Board and Partnership council

OUR PARTNERSHIP COUNCIL

Jay Naidoo, Chair (Until January 2016)

Ibrahim Mayaki, Chief Executive Officer, NEPAD, Midrand, South Africa (Term ended June 2016)

David Nabarro, UN Secretary-General’s Special Envoy on Ebola and Special Representative for Food Security and Nutrition, Geneva, Switzerland (Term ended June 2016)

Werner Schultink, Chief of Nutrition, UNICEF, New York, USA (Term ended June 2016)

Lucy Martinez Sullivan, Executive Director, 1’000 days, Washington DC, USA

Stephan Tanda, Managing Executive, DSM, The Netherlands.

Enorm Udomkesmalee, Senior Advisor, Institute of Nutrition Mahidol University, Nakhon Pathom, Bangkok, Thailand

Frits van der Wal, Senior Policy Advisor – Cluster Food & Nutrition Security; Focal Point Land Governance, Ministry of Foreign Affairs, The Netherlands

Ex-Officio members

Chair of the GAIN Board

Vice Chair of the GAIN Board

Manoj Kumar, CEO, Naandi Foundation, India (Term ended June 2016)

Kaosar Afsana, Director, BRAC Health Programme, James P Grant School of Public Health, Dhaka, Bangladesh (Moved to Board, March 2016)

Keith Beznoson, Independent consultant and former Director of the Institute of Development Studies, Ottawa, Canada (Until December 2015)

Zulfiqar A. Bhutta, Robert Harding Inaugural Chair in Global Child Health at the Hospital for Sick Children, Toronto, Canada and the Founding Director of the Center of Excellence in Women and Child Health, at the Aga Khan University, Karachi, Pakistan

Martin Bloem, Senior Nutrition Advisor/WHO’s Global Coordinator UNAIDS, United Nations World Food Programme, Rome, Italy

Faizel Ismail, Advisor to the Department of Trade and Industry on Trade and Economic Development, Cape Town, South Africa

Wolfgang Jamann, Secretary General and CEO, Care International, Geneva, Switzerland

Ex-Officio members

Chair of the GAIN Partnership Council

Charlotte Humphries, Chair of the GAIN Board

Manoj Kumar, CEO, Naandi Foundation, India (Term ended June 2016)

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Chair of the GAIN Board

Vice Chair of the GAIN Board
Management

OPERATIONS COMMITTEE
Marc Van Ameringen  
Executive Director (until March 2016)
Steve Godfrey  
Interim Executive Director (from April 2016)  
Chief Investment Officer
Dougal Freeman  
Chief Financial Officer
Jana Jauffret  
Senior Director, Program Operations and Management (until March 2016)
Lynnette Neufeld  
Director, Monitoring Learning and Research
Arnold Timmer  
Special Advisor, Global Program Management

SENIOR MANAGEMENT FORUM
Our Senior Management Forum is made up of our executive management team and our country directors:

Alem Abay  
Country Director, Ethiopia
Francis Aminu  
Interim Country Director, Nigeria
Eamonn Bambury  
Head of Finance
Charlotte Cadoux  
Senior Manager, Human Resources and Organizational Development
Susan Ni Chriodain  
Director, Program Operations
Katia Santos Dias  
Country Manager, Mozambique
Greg S. Garrett  
Director, Large Scale Food Fortification
Saijad Imran  
Country Director, Pakistan
Adan Kabelo  
Country Director, Kenya
Rudaba Khondker  
Country Director, Bangladesh
Bonnie McClafferty  
Director, Agriculture and Nutrition and Director, US Office

Ravi Menon  
Country Director, Indonesia
Geraldine Murphy  
Director, Business Partnerships and Alliances
Enock Musinguzi  
Country Representative, Tanzania
Alex Rees  
Director of Program Development & Fundraising and Director, UK Office
Dominic Schofield  
Director, GAIN Canada and Senior Technical Advisor Policy and Programs
Herbert Smorenburg  
Senior Manager, Netherlands Office
Jonathan Tench  
Senior Manager, SUN Business Network
Matr van Liere  
Director, Maternal, Infant and Young Child Nutrition
Tarun Vij  
Country Director, India, and Senior Advisor, South Asia
Mohibullah Wahdati  
Country Director, Afghanistan