



VALID NUTRITION
ANNUAL REVIEW OF 2024

www.validnutrition.org

“Currently, less than 15% of children who need treatment for starvation are receiving ready-to-use therapeutic food (RUTF). We have an obligation to do far better. Reducing cost and increasing competition in the RUTF market is the clear way to achieve this.”

Dr Steve Collins MBE, Founder and Chairman of VALID Nutrition



Executive Summary

Welcome to VALID Nutrition's Annual Review of 2024. The purpose of this document is to provide our supporters and the public with a candid review of VALID Nutrition's activities and developments during the year, including an overview of our plans for the year ahead.

Treatment of severe acute malnutrition is dominated by the public sector but limited in both delivery and performance by funding availability (donor demand) and lack of genuine competition in supply of ready-to-use therapeutic food (RUTF). The result is a distorted market that focuses more attention on the actors and funders, ahead of the needs of the child. This translates into less than 15%^[1] of cases of severe acute malnutrition globally being treated, and leaves millions of vulnerable children with a greatly increased risk of death.

There is only one milk-peanut based RUTF product in use and because of a lack of any alternative recipes, there continues to be an artificially created and thus totally unnecessary dependence on imports into Africa.

The broader "Affordable Nutrition" market is also not meeting the needs of poor consumers by acting to prevent chronic malnutrition (which leads to "stunting" and is caused by a prolonged diet deficient in key essential nutrients). Existing products are either not affordable, not effective, or not appealing enough and despite the rhetoric, multiple barriers impeding the engagement of (ethical) "for profit" food companies exist. Consequently, meaningful competition is low here too and existing operators are not motivated to innovate or to lower prices.

VALID Nutrition is a ground-breaking public charity. We are an evidence-based, innovation and solutions generator that is applying self-sustaining, market-based business principles to addressing malnutrition. We exist to bring about a sustainable and thus permanent reduction in malnutrition in developing countries by facilitating the research, manufacturing and marketing of locally grown and processed, curative and preventative foods. Since 2002, VALID's founder (Dr Steve Collins, MBE) has catalysed substantial positive impact and change – initially developing the UN approved, gold standard model for treating acute malnutrition in the community (Community-based Management of Acute Malnutrition – CMAM); then pioneering local RUTF manufacture on the continent of Africa; and more recently, developing the first effective, plant-based nutritional product for treating severe acute malnutrition.

VALID's amino-acid enhanced, plant-based technology, represents a paradigm shift towards lower cost nutritional products that are more effective and that can be made more easily and cost-effectively from locally grown ingredients. This is highly relevant in terms of reducing climate impact and to the improving the localization of supply chains.

We have demonstrated the cost reductions and efficacy gains of incorporating this technology into nutritional products for children. The technology increases the nutritional value of locally grown grains and pulses, allowing affordable nutrition products that meet UN specifications for Infant and Young Child Feeding, to be lower priced for any given profit margin. This breakthrough can increase the market penetration of such products.

"Global adoption of the low-cost, amino-acid-enhanced plant-based RUTF is essential in order for:

- treatment coverage to be increased;*
- treatment to be integrated with prevention;*
- genuine competition to be introduced into the global market for RUTF.*

Without this, the goals of the Global Action Plan on Wasting will not be attained."

Dr Steve Collins

[1] The figure of 10-15% is based on incidence rates not prevalence rates. Prevalence rates are more commonly used by the UN but are inappropriate in the context of SAM. They flatter treatment statistics and reflect the more commonly quoted 23-25% rate.

The following is a fresh version of an opinion article written by Steve that was originally published five years ago. We are featuring it here because, not only has nothing changed in the meantime, but the recent drastic cuts to aid budgets mean that action now is more important than ever.

WHY WE MUST PUT CHILDREN FIRST AND DELIVER OUTCOMES

I believe that our failure to address wasting (acute malnutrition) is symptomatic of a profound misconception at the heart of the aid and development industry. **We misconceive our industry as something primarily benevolent: the 'charity sector' supplying 'aid' to 'beneficiaries' - and we fund it by selling this fallacy to the public and hence to politicians.**

The facts are, however, very different. Those suffering from wasting have rights enshrined in international law that we have a duty to fulfil. They are not passive recipients of our benevolence but active clients who must juggle multiple priorities, constraints and opportunities.

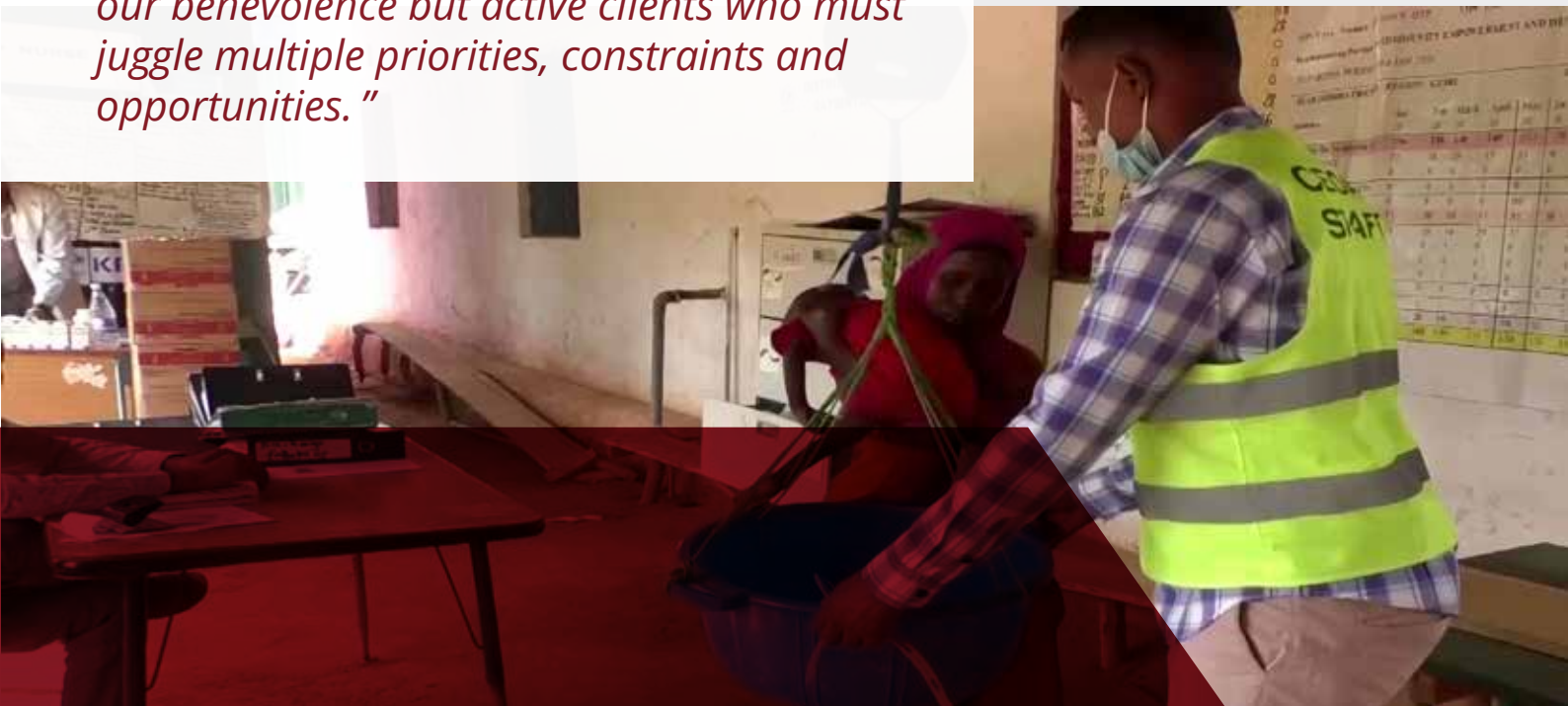
This misconception is profoundly damaging, because it focuses our attention on ourselves, our motives and our strategies, rather than the needs, rights and realities of our clients. In respect of nutrition, it cements a supply-side, central-planning mentality at the industry's core. It perpetuates remuneration systems related to process and control of resources rather than to outcomes and impact.

Those at the centre receive large, often tax-free salaries, while those who actually deliver products and services to our clients receive very little – and are often even expected to work as volunteers.

Furthermore, the misconception incentivises excessive emphasis and investment in UN agency and NGO profiles - in order to attract funding.

A good example of the corrosive effects of this need for profile and control of resources is the failure of the WHO and UN system to act on VALID's development of the plant-based RUTF. Our 2017 study clearly demonstrated that the amino acid-enhanced soy maize sorghum RUTF is as effective as the standard peanut-milk RUTF in recovery and superior in the treatment of iron deficiency and anaemia, offering a viable, lower-cost, environmentally superior alternative. Yet instead of encouraging use of this recipe and finally permitting competition, the system has allowed bureaucracy, ideology and vested interests to effectively block innovation.

“Those suffering from wasting have rights enshrined in international law that we have a duty to fulfil. They are not passive recipients of our benevolence but active clients who must juggle multiple priorities, constraints and opportunities.”



“Enough is enough – after seven wasted years and millions of pounds of taxpayers’ money, acutely malnourished children need outcomes that result in impact.”

The inertia and failure to build on existing evidence in the face of the massive scale of unaddressed malnutrition and the suffering it causes, this is just unacceptable and morally wrong. The science on protein quality, amino acid supplementation, and micronutrient fortification together with trials on the acceptability of our plant-based RUTF, have been available for over seven years. In the interim, targets for treatment of wasting have been consistently missed by a distance, year after year.

While technocrats, policymakers, and agencies hold meetings, draft reports, and engage in endless “harmonization exercises,” millions of children are left without treatment because there isn’t enough RUTF available. Every day that passes without action is another day where children suffer unnecessarily because of institutional inertia.

Enough is enough – after seven wasted years and millions of pounds of taxpayers’ money, acutely malnourished children need outcomes that result in impact. Money should be going to action-oriented operational research that builds on the published, peer reviewed evidence available and delivers tangible results in treating children and demonstrating the positive outcomes at scale. It should not be directed to endless cycles of discussion papers, reviews, and framework revisions.

Ultimately, this need for profile and control of resources, also fosters risk aversion, discourages transparency and undermines innovation. It also sees profit as distasteful, precluding meaningful engagement with the private sector.

To change all this requires radically different ways of working. In particular, profound collaboration between government, the public sector and the private sector, where each plays to their respective strengths and does not engage in activities for which they are ill suited, even if this means forgoing control of resources and profile.

In almost all other walks of life, it is the private sector that delivers goods and services to people, and we must leverage its scale, capability and capacity to do this along the entire chain of service delivery, up to and including last-mile delivery to those suffering from wasting. The public sector should focus on ensuring that the services delivered meet the needs of those affected by wasting by improving targeting, transferring entitlements to ensure equitable coverage, with nobody left behind, and imposing ethical

standards to prevent exploitation. The research agenda must inform us on how best to achieve this collaboration.

Enacting this change will not be easy. There are vested interests perpetuating the status quo and threats posed by increased private-sector involvement, given its history of promoting poor nutrition and exploitation. However, with sufficient will, I am sure that these vested interests can be challenged and the threats addressed.

The bottom line is that, after more than 30 years of failing to reach the vast majority of those affected by wasting, we really have no choice but to fundamentally change how we go about things.

[Dr Steve Collins, March 2025. This is an update of an article originally featured in Field Exchange issue 62, March 2020]

Governance structure

VALID Nutrition is a “not for profit” company, limited by guarantee and incorporated in Ireland. As such, it has no shareholders and cannot disperse profits outside of the business

It is a registered Irish, UK, and US public charity, but operates a distinctive social impact business model that incorporates a special dispensation from the Irish Revenue Authorities allowing it to trade. Following the untimely death in August 2023 of our esteemed colleague, Howard Dalzell, currently the company is actively governed by a Board of three Directors.

The Board is chaired by company founder, Dr. Steve Collins, MBE (a Medical Doctor and also holding a PhD in Nutrition, Steve is an internationally recognised expert in humanitarian nutrition interventions, as well as a widely published and respected academic). Dr. Hans-Jürgen Koch, (former CEO of Deutsche Bank (Suisse) SA) and Caroline Keeling (Chief Executive of Keelings) are the other directors of the Irish entity. The UK Charity, which operates alongside has its own Directors and these are: Dr Collins, Dr Koch, Lord Cholmondeley and Mr Paul Barrow. The Company Secretary is Claire Collins, (entrepreneur, former development worker with Concern Worldwide and wife of Steve Collins). VALID Nutrition’s small management team report to the Board through their Chief Executive, Paul Murphy (former Chief Executive of Unilever Ireland) who acts in a voluntary capacity. Our lean and virtual working structure is designed to harness modern technology and progressive work practices, thereby reducing costs, and enabling smarter, more efficient work methods.

Auditors (IRE & UK): Grant Thornton, 13-18 City Quay, Dublin 2; Azets, 5-7 Beatrice St, Oswestry, Shropshire SY11 1QE.

- **Banking Services: Allied Irish Bank (Irl) and Barclays (UK).**
- **Head Office: Derry Duff, Bantry, Co. Cork, P75 PD60, Ireland – “virtual office”.**
- **Charity Registration Numbers (IRE, UK, USA): 20065737, 1141922, 990366981.**
- **No. of paid Employees (part-time only): 2. (Reduced to 1 from September 2024).**
- **Income of €8,649 (for year ending 31st March 2024, our financial year).**

Purpose and Mission

Despite amazing progress in so many facets of life in the last 25 years, malnutrition remains a scourge. ACUTE Malnutrition continues to affect 45 million children globally and is responsible for between 1-2 million childhood deaths each year.

Acute Malnutrition is divided into Severe and Moderate former is most effectively treated by Ready-to-Use Therapeutic Foods (RUTF) and the latter with either Ready-to-Use Supplementary Foods (RUSF) or "Super cereals", respectively. The challenge is to extend treatment to all those who need it by improving access through reducing cost, innovating, and encouraging competition.

CHRONIC Malnutrition, which leads to "stunting" is caused by a prolonged diet deficient in key essential nutrients and affects 148 million children globally – equating to a staggering figure of approximately one third of all children in developing countries. These children are denied the opportunity to ever reach their full human potential - both mentally and physically.

The challenge is to extend nutritional awareness to mothers and local communities, coupled with the creation of new markets to provide access to appealing, affordable, and effective nutritional products for low-income consumers. Currently the market does not provide such choices. The reason that market force matters is that free provision of suitable products at the scale required is never going to be feasible in a context where governments, UN Agencies and other NGOs cannot even afford to treat the relatively smaller number of starving children alone.

A solution is possible however, and the prize is enormous, not just for the children concerned, but also their societies and the wider global economy. By changing mind-sets and regarding malnourished children as "customers" (by creating infrastructure for affordable nutritional choices) rather than as beneficiaries, and by empowering mothers using an innovative evidence-based approach, VALID aims to unleash a significant change in how this problem is addressed – and in so doing, be a catalyst for an enterprise driven and sustainable solution to malnutrition.

Childhood malnutrition is the most important cause of global poverty, underdevelopment, and child mortality in the world today (ref: The World Bank/WHO). The global consensus is that preventing malnutrition has the highest return on investment of all development interventions. At the individual level, preventing malnutrition leads to massive increases in adult earnings and educational potential. At the macro level, it increases GDP in affected countries by an average of 2-3% and by up to 10% in high burden countries. The Third Copenhagen

Consensus confirmed that childhood malnutrition is the most critical and economically sound intervention.

VALID Nutrition's PURPOSE is to drive change through innovation in how malnutrition is addressed, making starving children's requirements the over-riding priority and encouraging business practices and responsible engagement.

We are determined to be constructively disruptive given the evidence that despite 25 years of endeavour and massive funding, the current system fails to treat more than 15% of starving children in any year.

VALID Nutrition's MISSION is to make the choice of effective, affordable, and appealing nutrition available to consumers in developing countries – at scale.

We intend to do this by ensuring that revenue generation is aligned with impact and outcomes. Harnessing the private sector to bring vast new resources to bear on this age old problem is crucial.



[2] The State of Food Security and Nutrition in the World 2023

[3] The State of Food Security and Nutrition in the World 2023

Achievements

Although sadly no longer engaged in RUTF production in Malawi, we are proud that in just over a decade of involvement in manufacturing, VALID Nutrition has:

- Pioneered and catalysed local manufacturing of RUTF in Africa (first to manufacture on the continent), producing in Malawi alone almost 50 million sachets of ready-to-use therapeutic food products, equating to the treatment of almost 355,000 local children with Severe Acute Malnutrition.
- Established and facilitated local private sector manufacture of RUTF in both Kenya and India with the support of Acumen Fund and the UK FCDO respectively.
- Successfully developed an innovative plant-based RUTF through a 15 year programme (involving three large RCTs in three different countries) initially supported by Irish Aid and subsequently by Japan's JICA and the Global Innovation Fund.



KEY FACTS about our amino acid enhanced plant-based, Soya, Maize, Sorghum (SMS)-RUTF:

- It is as efficacious as the standard milk peanut RUTF recipe in treating SAM.
- Costs substantially less, allowing more children to be treated within existing donor budgets - with ingredient costs in developing countries expected to be 20~30% lower, depending on prevailing market prices (see Recipe Cost Comparison graph).
- Is superior to the standard milk peanut RUTF in treating anaemia and replenishing body iron stores – a highly significant benefit, both for SAM and for application in improved supplementary foods, especially for the critically important group of pregnant and lactating women.
- Is easier to manufacture in developing countries, with the base ingredients grown locally, and avoiding the need to import expensive milk powder. This will make local manufacturers more competitive.

Market transformation through innovative R&D

Ground-breaking, amino-acid enhanced, plant-based (Soya, Maize, Sorghum) RUTF

Less than 15% of SAM cases globally are being reached, leaving millions of children with a greatly increased risk of death. The major contributing factor to the low coverage of treatment is the high cost of RUTF. To reduce cost and improve coverage, developing alternative lower cost recipes that are at least as efficacious in treating SAM as the existing standard milk-peanut based RUTF formulation, is essential.

With this goal in mind, and following 15 years of collaborative research effort, VALID and its collaborators have developed a lower cost and more effective, amino-acid enhanced, plant-based therapeutic food product that provides an opportunity to deliver a superior and more cost-effective solution to this global problem that kills between 1-2 million children under five, per year. Additionally, the plant-based recipe has the capacity to directly impact and improve upon the ability of local manufacturers to compete and thus transform a global market which unnecessarily involves significant amounts of imported product into Africa and is currently worth approximately USD 500 million.

Despite their own Guidelines on RUTF being revised in November 2023 to align with the recent CODEX standard, the WHO continues to adopt an inconsistent and equivocal position on permitting use of VALID's proven plant-based RUTF. Their latest communication to us states they support use of the recipe in "Research settings" – notwithstanding the fact that extensive research has already been undertaken and all results published in peer reviewed scientific papers.

[4] The figure of 10-15% is based on incidence rates not prevalence rates. Prevalence rates are more commonly used by the UN but are inappropriate in the context of SAM. They flatter treatment statistics and reflect the more commonly quoted 23-25% rate.



- Has a superior environmental profile with sustainability benefits from the use of cereals rather than animal sourced ingredients. Additionally, manufacture in programmatic countries reduces the carbon footprint associated with supply from offshore.
- Avoids lactose intolerance and nut allergy in children.
- Contains 10% less sugar than the original standard RUTF recipe.
- During 2024, VALID has spent extensive time briefing and encouraging potential strategic partners to work with us on generating the additional, large-scale programmatic evidence necessary to showcase the multiple and advanced benefits of plant-based RUTF products for global use.

Large-scale operational research using plant-based RUTF

Given the massive hunger crises that have continued to unfold during 2024, NGOs such as the International Rescue Committee (IRC), Action Against Hunger (ACF) and PLAN International, have realised that what are dreadful circumstances on the ground are also an opportunity to create action that will deliver positive change by deploying VALID's plant-based RUTF product in large-scale operational research programmes (and with enhanced monitoring and evaluation to satisfy the WHO's criterion), throughout Africa.

We already know that the product will be successful - not just from the large RCT data published, but also from the results of a previous operational programme (2018) run by the Government of Malawi with support from World Vision and that achieved > 90 recovery rates and far exceeded the SPHERE standards for humanitarian interventions. Implementing large scale operational programmes with additional monitoring and evaluation from our implementing partners to ensure data quality on outcomes will mirror a similarly protracted but eventually successful path to UN approval that was undertaken with CMAM many years ago.

Given the quality of evidence already available on the plant-based RUTF product, VALID is confident that this additional data will provide the necessary further evidence required for formal adoption of the amino-acid enhanced plant-based RUTF thereafter. The adoption of the plant-based recipe can then help to transform the market and to ultimately save the lives of tens of thousands of additional children who are currently left untreated due to cost restrictions.

The world is not on track to achieve any of the seven global nutrition targets by 2030..... The world is still far off track to achieve Sustainable Development Goal (SDG) 2, Zero Hunger, with the global prevalence of undernourishment persisting at nearly the same level for three consecutive years after having risen sharply in the wake of the COVID-19 pandemic.

Donors and other international actors need to increase their risk tolerance and be more involved in de-risking activities,

FAO, IFAD, UNICEF, WFP and WHO. 2024. In Brief to The State of Food Security and Nutrition in the World 2024 – Financing to end hunger, food insecurity and malnutrition in all its forms. Rome, FAO



Some key events in 2024

Dr Steve Collins was invited by the Specialized Food Aid Community of Practice (SFA-CoP) to speak at their RUTF Alternative Formula Coordination Meeting. This took place in Washington DC from 5-6 February 2024 and involved a select high level group of experts. Steve challenged the inertia, resistance to change and equivocation from the UN agencies.

During this meeting it became apparent that UNICEF have corrected their earlier position and stated that the cost advantage form VALID's new recipe is approximately 25% over the peanut milk recipe and that the carbon footprint is reduced by ~50%

Power of Nutrition continued to advocate strongly on our behalf. In May they won the Society for International Development (SID-US) 2024 Innovation Competition by showcasing VALID Nutrition's amino-acid enhanced, plant-based RUTF! (This game-changing plant-based malnutrition... | The Power of Nutrition)

In August, Steve was interviewed as part of the N4D (Nutrition for Development) podcast series on: The Politics of Ending Malnutrition - Challenging Conversations with Decision Makers. <https://shows.acast.com/644261bb996c170011675fad/episodes/66bb0827578b70d89d067f45>. Steve took this opportunity to highlight the shortcomings in the current approach to treatment of SAM and especially with regard to the RUTF market and supply.

A helpful article was subsequently published recently on businessfightspoverty.org and promoted on LinkedIn.

Here is a link: <https://businessfightspoverty.org/how-can-businesses-harness-the-power-of-plants-to-solve-the-global-malnutrition-crisis/>

We continually review our website material and social media streams, providing regular updates and news to our supporters. Relevant items are shared on our social media platforms, particularly LinkedIn.

In the final quarter of the year Steve worked with PLAN International and advising on approach in SUDAN where high levels of insecurity and displacement are causing massive nutritional needs and very high levels of malnutrition with approximately 1,000,000 people already in or on the verge of famine over the next 6 months. This combined with massive funding shortfalls and highly restrictive access is resulting in hundreds of thousands of cases of malnutrition not currently being treated.

We are most grateful to the following organisations that have provided valuable pro-bono support to the Charity in 2024

Advocates for Development, London | Hogan Lovells International LLP, London Office | Ernst & Young Dublin

Funding and the future

Incoming resources to date have consisted of income from grants, donations and revenue from consultancy services and royalties. In 2024, income was very limited.

As explained in last year's report, the Charity withdrew from RUTF production in Malawi and is now focused solely on getting our plant-based food technology used. Consequently, and temporarily, VALID Nutrition has had to radically reduce resources and to cut back on business development. The effect on income and expenditure lines resulted in a temporary deficit on operating activities which has subsequently been addressed with support from and through the advocacy efforts of our Trustees.

In contrast to traditional aid and development organisations, VALID Nutrition does not invest revenue into public fundraising activities, preferring instead the autonomy of basing our competitive advantage on the quality and effectiveness of our products and services. Our day-to-day activities are strongly supported by a

distinguished group of Directors from both the public and private sectors, and we benefit directly and hugely on a pro-bono basis from their time and inputs. Our extremely lean structure is deliberate and designed to reduce costs and to enable smarter, progressive, and more efficient work methods. A full set of our audited Financial Statements is available to the public upon request to: office@validnutrition.org

“We exist purely to pursue our vision and mission, not to grow for the sake of perpetuating our existence.”

Dr Steve Collins MBE, Founder and Chairman of VALID Nutrition



Steve Collins supporting Plan International on a recent visit to Sudan.



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