



Remarks by Mr. Allan Jury,
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Ladies and gentlemen, the recent dramatic escalation in global food prices is threatening stability on a broad scale, with price-related civil unrest hitting some 30 countries to date. Poor households are responding to the high prices by eating less, buying less nutritious food, cutting expenses in health care and education, selling assets and incurring additional debt. The result is that vulnerability is increasing as poor people mortgage their future to meet current needs. Women and children are of particular concern. Some countries have reacted to high prices by enforcing export restrictions.

This global food crisis is an unambiguous call to action. This is our collective challenge – global, striking not one or two countries, but felt by nations and institutions worldwide. The situation presents an opportunity for the global community to demonstrate concerted leadership as never before. Governments, citizens, the UN team, NGOs and the private sector must join in a critical mission: feed the hungry today, help people produce the food to prevent hunger tomorrow.

WFP response:

WFP is already taking action to do its part within the coordinated UN response under the leadership of the Secretary-General’s High Level Task Force. WFP has an extensive deep-field presence, a broad set of practical tools, a strong partnership orientation and a robust logistics capacity. These are key assets to serve a more integrated approach that is Government-owned, community-led and based on partnerships.

Governments may need to launch emergency assistance and enhance safety net programmes to meet the urgent needs of those who are unable to produce or purchase sufficient food. These activities may include school feeding, mother and child nutritional support, assistance in the form of food, vouchers or cash transfers and employment programmes (food or cash for work). Food security and nutritional surveillance must be scaled up to identify and address needs early. In cases of civil unrest or rising malnutrition, targeted food distributions may be needed. WFP can assist in all these areas, where we have an established record of effective program performance.

A critical challenge for WFP is that price-related food insecurity will expose both rural and urban populations to greater degrees of hunger. WFP has substantial experience providing food assistance to rural areas but strategies for food-insecure urban populations will require considerable adaptation of existing technical and programmatic support to Governments.

Longer term – Policy reform

Governments may also need to review and reform existing policies to mitigate the current and potential impact of high food prices and help poor rural and urban households benefit from opportunities that an increased demand for food could create for farmers. This includes establishing new food and cash-based social protection systems, reviewing subsidies and tariffs, addressing land reform challenges, leveraging private sector investment and implementing sustainable mechanisms to deal with international price fluctuations.

WFP can assist governments and partners with policy review and reform by –

- Advocating for the food security needs of the poor and vulnerable
- Establishing and supporting food security and vulnerability monitoring systems
- Advising on ways to strengthen national food distribution programmes and safety nets
- Piloting and supporting programming, procurement, logistics and food fortification innovations
- Sharing experiences across countries and regions
- Championing sound and sustainable policies with World Bank, UNDP, FAO, IFAD and other partners

Vulnerability Analysis and Needs Assessments:

A key element in helping governments better identify the range of appropriate interventions required to cope with the complexities of the current food crisis will be improved vulnerability and needs assessments. In recent years, WFP has strengthened its food security and needs assessment capacity. This has led to a cultural change within the organisation, with analyses and assessments becoming the backbone of WFP operations. Solid food security analyses (pre-crisis baselines, food security monitoring information and emergency needs assessments) are routinely used to guide the implementation of WFP operations, in particular providing the basis for targeting, beneficiary numbers and total food needs.

In order to ensure that disaster preparedness instruments like early warning systems – derived from vulnerability analyses, needs assessments and mapping of vulnerable areas – are translated into timely and effective programmes, WFP has committed itself in its new Strategic Plan to support and strengthen capacities of Governments to prepare for, assess and respond to disasters. Specific emphasis will be put on: i) risk and forecast analysis of potential shocks and the likely impact of vulnerable households; ii) the analysis of the impact of soaring of food prices on households, and; iii) the capacity to assess situations in urban areas.

Lastly, WFP will further strengthen its capacity to analyse response options, thereby strengthening the link between assessment findings and programme design. This will focus in particular on improving the analysis of non-food response options. Indeed already two-thirds of assessments recommend innovative interventions, such as vouchers/cash, food-based safety nets and local procurement, but these recommendations need further work to ensure the implementation of measures that fall outside the WFP mandate.

Capacity strengthening will also focus on establishing and maintaining food security and nutrition information systems, which includes a permanent monitoring system complemented by periodic in-depth analyses, and more punctual needs assessments in response to specific shocks. Finally, timely communication of early warning, vulnerability and needs assessments findings in a way that is directly actionable by decision-makers is key to the success of programmes, assuming funds and/or material resources, and staff, to implement decisions are available.

Innovations in the current food aid system

Both the evolution in WFP's assessment systems and the current world conditions call for innovative responses as set out in recent WFP plans such as the new 'Purchase for Progress' (P4P) approach. The P4P approach aims to optimise the impact of WFP local food purchases, which reached over \$600 million in 2007. Purchase for Progress will take a more strategic look at WFP food purchases to see that we maximize our positive impact on agricultural development.

The use of other innovations, such as cash-based assistance complementing food-based programming, hinges on context-specific circumstances. Avoiding market distortions largely depends on sound targeting. For example, providing support at the right time (e.g. lean season) and to the right people (e.g. with no or limited purchasing power) will help to avoid or minimise market-distorting effects on producers. On the contrary, distributing cash transfers in the wrong area (with weak markets) for example, may cause inflation since there may be no incentives for traders to supply food there (e.g. due to high transaction costs). Therefore, it is important to ensure that cash/vouchers are used in contexts where the supply can respond to an increased demand, while food is used in contexts where the supply chain is weakly integrated or limited in outreach. It should also be noted that markets within a country may perform quite differently depending on area and time period; hence cash and food may be complementary and mutually-reinforcing options, rather than rigid alternatives.

WFP's global funding needs

WFP's requirements for food assistance programs have increased to approximately US\$6 billion annually as a result of the global food crisis. Taking into account contributions received in 2008, including those towards the emergency appeal of US\$755 million,¹ WFP anticipates that it will need a further US\$3 billion for the

¹ WFP's Emergency Appeal of US\$755 million launched in March 08 was meant to cover the incremental costs in its original 2008 programme of work, caused by rising food and fuel prices. Being a voluntarily funded organization, the funding requirements under WFP's basic programme of work for 2008 have yet to be fully met.

current year. This increment takes account of the substantial rises in food and transportation costs as well as an ever increasing number of beneficiaries to be assisted.

Conclusion

The panel assembled here today represents an unprecedented level of cooperation among UN organizations, civil society and other partners to address the global food crisis. Extraordinary challenges also create extraordinary opportunities. Let us make sure the “New Face of Hunger” caused by the current food crisis becomes a face of hope, not a face of despair. We invite the member states of the UN collectively to mobilize the additional political will and financial resources necessary to end hunger in our lifetime.