

THE GATES FOUNDATION
AND
THE INITIATIVE FOR GLOBAL DEVELOPMENT
REMARKS BY
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I am so pleased to be here tonight. The World Food Programme (WFP) is not only the world's largest humanitarian organization; it is also, arguably, the most efficient and the most effective--thanks to leaders such as Catherine Bertini, the former executive director, who is here with us tonight.

Every day WFP feeds millions of hungry people around the world--more than 2 million in Darfur alone--creating a global logistics lifeline that is a legacy gift to humanity. I am deeply moved, humbled and honored by this work.

I have a dream. And that is to put WFP completely out of business. Well, almost completely. Of the more than 850 million people in the world who are seriously hungry at this moment, only about 10 percent are hungry due to natural and human induced catastrophes, according to the FAO. The other 90 percent--or more than 760 million--suffer from chronic, unrelenting hunger and malnutrition.

They--more than 70 percent of whom are women and children--are often trapped in what I call "silent crises" or "orphan crises". We do not necessarily see them on the news--until something creates a tipping point that turns mass hunger into mass starvation and death.

What is the anatomy of this chronic hunger? This is a complex question, but not necessarily a complicated one. The plight of the small-scale African farmer--two-thirds of whom are women--is that she bears almost all of the risk, and receives only a small part of the financial benefit of her labors. She has not had access to the inputs, technologies and markets that have revolutionized the lives of farmers over the past few centuries--from Sweden, to Ireland, to the United States, to Brazil, Mexico, Kazakhstan, China..... In fact, we look out today over a Pacific Rim that is a powerhouse of food production--not only China, but Korea, Japan, Vietnam (which has quadrupled food exports in the past few years), Australia, New Zealand and beyond.

In addition, much of the world simply lacks the capability to move food from an area of abundance, to an area of deficit. Even more basically, whole regions of the world do not know where and when food is available for purchase--one village may be starving, while just 200 km away another has harvested food with no identified market. We know that in many nations up to half the food supply is lost due to deficits in market information, storage, packaging and transport.

We know that there are other factors: weak governance, land tenure uncertainty, laws and regulations that oppress small farmers, global trade distortions and high tariffs that impede intra-regional trade. But we also know that many, many nations have written the book on how to tackle these challenges and have successfully escaped the claws of hunger.

Yes, at the World Food Programme we meet hunger on its front lines. We have created one of the world's biggest logistic operations--and certainly the biggest with the single-minded goal of saving lives. We have a global network of thousands of planes, helicopters, ships, barges, trucks, trains, and, when needed, donkeys, elephants and camels. We have warehouses and storage facilities in places of the world where often normal markets do not function. In fact, this network is so effective that WFP now coordinates emergency logistics for the United Nations as a whole. In coordination with many other agencies, WFP has put in place a global network of Humanitarian Response Depots (HRDs)--life saving hubs which preposition emergency supplies from food, to the World Health Organization's medicines, to water from Norway, and tents from the UK. When the war in Lebanon broke out last year, WFP was the world's first responder, with the Humanitarian Response Depot in Brindisi, Italy delivering a custom-tailored mix of life-saving supplies and food within days.

We also run the Humanitarian Air Service for the United Nations, ferrying almost 400,000 UN, NGOs and other peace and humanitarian workers into conflict and disaster zones each year. Every month, we fly more than 10,000 relief workers into Darfur alone.

We are leaders for the world in predicting food and famine vulnerability--our VAM analysis and needs assessment, work hand in glove with work by FAO and others in understanding where risks lie.

In fact, we have developed the art and science of intervening when all else collapses--so much so that we can sustain entire populations. In Darfur, in the past three years of total devastation to that population, we have been able to cut acute malnutrition in half through the world coming together to meet a cry for help.

What we have created--what you, the citizens of the world have created--is an agency that saves tens of millions of lives every year. I am so proud of our staff--they are battle hardened on hunger's front lines, from Darfur, to Kosovo, to Afghanistan, Rwanda and Ethiopia. I call them the green berets of the humanitarian world. During my work as a member of Kofi Annan's High Level Panel on Coherence in Humanitarian and Development at the UN last year, I interviewed hundreds of people around the world--including in small villages in Pakistan and Haiti--about the UN system. I began to hear word of a gem in the system--WFP. I developed a motto for them: Nothing stands between WFP and a Hungry Child.

But at the World Food Programme we aim to do much more than meet the emergency needs of hunger.

I have discovered, since getting to know WFP better, that we are often one of the largest purchasers--and sometimes the single largest purchaser--of surplus grain in many developing markets. Of WFP's total food procurement, 77 percent is sourced in 70 developing countries--an almost half a billion market for these goods. And the question I have asked is can we use the power of those purchases to help break the cycle of poverty for poor farmers in those nations. Can we, for example, find an innovative way to give farmers forward contracts that would allow her to access credit, to obtain better seeds and other inputs?

My first trip to the field as executive director was to Ethiopia, our second largest operation in the world. WFP now buys one-third of the food we distribute in Ethiopia locally. I met with grain traders, farmers and officials, to explore new and innovative ways of using WFP's purchasing power and storage and distribution power, to promote development, food security, and supply stability for small African farmers. I am so pleased to be working closely with the Gates Foundation to launch pilots in Africa to help ensure our purchases bring direct benefit to small-scale farmers and help break the cycle of hunger at its root. In addition, we discussed a powerful program to connect small-scale farmers to WFP's school feeding programs, which provide more than 20 million children a year with a life-saving meal in school.

In meeting the challenge of hunger on the front lines, we must continually analyze and adjust our strategies in a rapidly changing world. Climate change, soaring demand for biofuels and rising commodity costs, and conflicts over resources, are among the growing challenges facing the world and WFP. In just the past five years, WFP shipping rates are up 40 percent due to rising energy costs, maize and wheat are up 45 percent, rice is up 65 percent based on our actual purchases. That means that at a constant contribution level, we are able to feed fewer and fewer people each year.

One area that is rapidly changing is the increased use of agricultural production for energy production. Biofuel development presents a potential opportunity for energy poor economies and poor farmers--but on the immediate horizon, the world's most vulnerable are faced with the challenge of rising food costs and the tightest grain markets in memory.

And according to the Intergovernmental Panel on Climate Change, an international consensus body representing the work of hundreds of scientists, yields from rain dependent agriculture could be cut in half by 2020. FAO estimates that 95 percent of agriculture in Sub-Saharan Africa is rain-dependent. Obviously, anything even close to a significant reduction in yields poses huge new challenges for hunger.

In fact, the latest assessments coming out of the International Food Aid Conference held in Berlin last month, show that climatic challenges and biofuels are helping to push us into a post-food surplus era.

These challenges are not only humanitarian, but also involve security and stability. Steve Kagan, a medical doctor who recently entered the US Congress, told me that there is a "seven-meal-gap" between civilization and anarchy--when you or your children miss seven meals in a row, desperation sets in. When whole societies are exposed to hunger for years, it is not surprising if instability follows.

Today, thanks to the innovative leadership of many, including the Gates and Rockefeller Foundations and others, we are standing at the threshold of a new era of possibility in our work in breaking the cycle of hunger. We are also at the halfway mark of the Millennium Development Goal One--of cutting hunger in half by 2015. We have made progress--according to FAO, the world has cut the absolute numbers of malnourished people by more than half in the past three decades. I applaud the many nations, villages, scientists, farmers, business leaders and humanitarian and development leaders that have helped make great gains against hunger.

And yet, every five seconds, a child dies from hunger. In his commencement address at Harvard this month, Bill Gates said he began his humanitarian work with the question: How could we let these children die?

One way to get ahead of the hunger curve is to break the seemingly overwhelming challenge of global hunger into "bite size" pieces. I have asked WFP what it would cost to ensure that every highly vulnerable school child in a food deficit nation in the world has one school meal a day? The answer is less than \$2 billion a year--and that should gradually decrease as we have already seen 28 nations graduate from their dependence on WFP support to run their own school feeding operations.

Still, over the long term, no person wants to be dependent on another to meet essential needs such as food. Perhaps our biggest challenge in sustainable solutions to hunger is connecting science and technology to the real lives of farmers and consumers in those nations. Local and regional markets matter. We must connect the green revolution to a bottoms-up market revolution so that food can flow to areas of need. To quote Mr. Gates' speech again: "We can make market forces work better for the poor if we can develop a more creative capitalism--if we can stretch the reach of market forces so that more people can make a profit, or at least a living, serving people who are suffering from the worst in inequities."

I am committed that we at WFP will work with innovative partners such as the Initiative for Global Development and the fabulous team at the Gates Foundation to find innovative ways to help build local capacity so we can hand over food and nutrition sustainability to a nation and its communities. It is my goal, to put WFP out of business in areas of chronic food insecurity--to break this cycle at its root. With the help of all the good forces gathered here today I am confident we can succeed.

Thank you very much.