

**Keynote Address to the
Copenhagen Humanitarian Symposium
by
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**“Global Food Situation: Challenges for
Humanitarian Assistance”**

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Ladies and gentlemen, colleagues in the humanitarian field – those of us engaged in the battle against world hunger find ourselves at an immensely challenging – and perhaps dangerous – crossroads.

But let’s begin with some good news: it’s worth noting here that the world has made progress against hunger. In the 1960s, the percentage of world hunger was about 36% – more than a third of total population. Today that percentage is down to about 15% of world population.

The world is nourishing more people than ever before in human history. That’s all the more reason to hold the line and keep that trend from reversing.

As a humanitarian agency established four decades ago, we at WFP have become expert practitioners in the business of preparing for – and responding to – sudden, unpredictable global events. At any one time, we have thousands of aircraft, ships and trucks rushing to respond to the ravages of war or famine, earthquakes or flooding. We have opened five humanitarian depots around the world ready to mobilize a surge force of staff and supplies to a disaster zone within 24 hours.

And yet, no amount of contingency planning or even sheer foresight could have prepared us for the situation we face today.

This year, working in partnership with national governments, UN agencies and thousands of non governmental organisations – including German Agro-Action and Oxfam – we faced a new challenge: the enormous surge in global food prices – a “silent tsunami” that closely tracked the rise in oil prices. As the price of food commodities soared, WFP found itself stretched in two

directions: the cost of the food and transport to carry out our critical, life-saving work was going up; at the same time, the needs of the hungry poor were soaring to unprecedented levels.

Food commodity prices began creeping upwards at the turn of the millennium – but at the beginning of this year, they started increasing dramatically. By March 2008, it became clear that the budgets for WFP’s operations and programmes would need drastic revision to accommodate the soaring prices.

To be specific, WFP needed to raise an additional US\$755 million on top of its existing budget of US\$3.1 billion, to simply cover the needs of the beneficiaries in its existing programmes and operations. This money was required to meet the needs of our existing caseload – not a single additional person was fed by money raised in this appeal.

Skyrocketing oil prices, biofuel production, huge new demand for food from the less-developed world, increasing natural disasters – all combined to drive global food stocks to historic lows – and food prices to intolerable highs. The price hikes and market volatility were further exacerbated by speculation and by trade restrictions imposed by governments seeking to pacify restive domestic populations. Food riots broke out around the world.

At WFP – which feeds an average of 90 million people a year in some 80 countries – we saw operations in our existing “book of work” for 2008 rise by an average of 40 percent from the previous year.

Take the case of rice – staple food for more than half the world’s population. Last March, WFP was buying rice at US\$430 a metric ton; five weeks later it was US\$780 a metric ton, two weeks after that, US\$1,000 a metric ton. Between rising costs and expanding needs, our 2008 budget doubled – in a matter of months – to an unprecedented US\$6 billion.

For WFP, the global food crisis was – and continues to be – the greatest, most far-reaching challenge in our 45-year history. And for the poorest of the poor, it is a catastrophe.

We in the wealthy industrialized countries have felt the “bite” of inflation, as well as the new pain inflicted by the global financial crisis. But the crisis has delivered a crushing blow to the more than 40 percent of our global population living on less than US\$2 a day –

and already spending up to 70 percent of household income on food. When the price of basic staples like rice or wheat flour doubled or tripled, as happened from Afghanistan to Mauritania, tens of millions of people already on the margins of survival tipped into abject poverty and hunger.

In virtually every country we work in, the poorest are resorting to drastic "coping mechanisms." They are cutting spending on health care and education and selling household assets. Around the family table, "luxuries" such as meat or eggs are first to disappear, then whole meals. People who ate two meals a day now get by on one. Too many go hungry altogether. Malnutrition rates are rising, especially among children and mothers.

Our sister agency, the Food and Agriculture Organization – or FAO – recently released new data that shows the crisis has plunged another 75 million people below the hunger threshold – bringing the global total to a record 923 million people who are chronically food insecure. WFP and the World Bank estimate the numbers of those pushed into urgent new need as well over 100 million – possibly up to 130 million. Sometimes we can be blinded by numbers; and it is important to remember that behind each of these “numbers” is a person with a name, a family and hopes and aspirations for a better life for her/himself and their families. They are real people not statistics.

However you calculate the total numbers affected, the global food crisis has been devastating, eroding our hard-won gains in fighting poverty. At the recent annual gathering of the UN General Assembly, delegates took stock of how we are faring in reaching the targets set by the global compact called the Millennium Development Goals, or MDGs. The consensus was sobering: the food crisis threatens not only to reverse progress toward those goals, but undermine economic growth around the world.

At the top of the casualty list is MDG One, which aims to reduce the proportion of hungry people by half by the year 2015. This is proving the most challenging goal of all. It is also fundamental to achieving each of the other MDGs, ranging from universal primary education and empowering women to reducing child mortality and the spread of HIV/AIDS.

Simply put, sustainable development is not possible while so many millions of lives are lost – or irrevocably diminished – by severe hunger.

Although global commodity prices have eased up somewhat, few of the world's poorest countries have seen much relief. In Haiti, for example, rice still sells for more than US\$1,000 a ton. And that could rise further as the nation faces a likely 50 percent loss of the current harvest from the devastation of four straight hurricanes.

The events of the last year and a half have powerfully illuminated the impact of global economic developments on the world's most vulnerable, many of whom are tucked away in small villages or farms, but no longer isolated from global economic storms. These people are barely in the global markets that are in the news today – and yet they are the ones who get hammered the hardest in our ever-“smaller” world of increasing inter-connections.

Our executive director, Josette Sheeran, likes to describe how movements in global markets are being felt in developing countries. She tells how an Ethiopian grain trader in Addis Ababa tells how he sets his prices every morning by checking the Chicago Board of Trade prices on the Internet. In neighbouring Kenya, the impact of high commodity prices is being felt by farmers in the Rift Valley who say they are going to plant one third of what they did a year ago because the price of oil has driven the cost of fertilizer and diesel in their villages up 400 percent virtually overnight. They cannot plant, and hunger spreads.

In Mauritania, which imports more than 70 percent of its food, the poor urban consumers suffer when wheat prices go up due to drought that affects crop yields in big exporting countries like Australia. This is the macro and the micro colliding as never before in human history.

The recent events have also illustrated the destabilizing impact of hunger and poverty on fragile nations across the developing world. When basic sustenance is threatened, societies can become breeding grounds for instability, civil unrest, demagogues and terrorism.

The aggressive rise of food commodity prices through mid-2008 sparked political strife in more than 30 countries from Cameroon to Mexico to Nepal. The force of hunger drove Haiti's government from power. We've watched the government of Egypt struggle as the price of bread climbed and people took to the streets. Fragile democracies like Liberia and Afghanistan are increasingly at risk.

As the American civil rights leader Martin Luther King once said so memorably: “Riots are the language of the unheard.”

Their voices – at long last – are being heeded at the highest political levels in capitals around the developed world. This is, perhaps, “the silver lining” of the global food crisis. Increasingly, policy-makers are recognizing the inextricable links between the prosperity and stability of even the poorest nations – and the national security of the wealthiest. The crisis has legitimized the premise that hunger must be viewed not only as a humanitarian and moral challenge – and it is both – but also as a vital security issue for the world.

The goal of achieving food security has been part and parcel of the rise and fall of civilizations throughout history – and has frequently driven mass migration of populations. Competition for resources has sparked – and is frequently the by-product – of conflict and war. Combatants use food as a weapon – to starve opposing populations into submission, or hijack food aid intended for civilians. Food is the bedrock of our stability – its absence the undoing.

The global food crisis has in fact intensified security risks for WFP’s front-line staff. The doubling and tripling of commodity prices – still holding in many local markets – has created new levels of desperation. Increasingly, we’ve seen the targeting of our drivers and our security guards, our vehicle fleets, as well as our warehouses, storing newly precious supplies of rice, maize, wheat flour and cooking oil.

So far in 2008, we have lost more than a dozen people in the line of duty.

In Darfur alone, where some 3 million people depend on us for survival rations, more than 100 trucks have been attacked since the start of the year. Pirates threaten our ships delivering food to more than two million people teetering on the brink of starvation in Somalia. This is the worst year for piracy off Somalia on record, with more than 70 attacks so far this year compared with a total of 31 attacks in 2007.

With the support of French, Canadian, Dutch and Danish naval escorts, WFP food was able to move safely on the shipping lanes off Somalia. And now, NATO and the European Union have stepped in to provide further security in the seas off Somalia. Since the naval escort system started in November 2007, no escorted ships have been hijacked by pirates.

That said, the global food crisis has set upon us with the fury of what World Food Programme Executive Director, Josette Sheeran, has called “the perfect storm” – a perfect confluence of enormous challenges. Although we had warned that the storm was brewing since early 2007, it was difficult to anticipate just how hard it would hit.

In the face of such clear and present dangers, it is sometimes easy to overlook perhaps the greatest threat the world faces today. I am talking now of climate change – something that affects us all in different ways, but which has by far the greatest impact on the poorest and most vulnerable people on our planet.

Climate disasters have nutrition, health, and education implications, perpetrating poverty and hindering human development. For example:

- In Ethiopia and Kenya, two of the world’s most drought-prone countries, children aged five or less are respectively 36 and 50 percent more likely to be malnourished if they were born during a drought.
- In Niger, children aged two or less, born in a drought year, were 72 percent more likely to be stunted.

Climate change and natural disasters mean more food insecurity and hunger. From the Horn of Africa region to Haiti and Honduras, we are already feeling the impact of climate change through reduced agricultural yields caused by an increase in the frequency of droughts, hurricanes or floods.

As the world’s leading emergency relief organisation, it is inevitable that in the face of these natural disasters and the increased number of needy people, WFP will be in even greater demand.

WFP’s expertise in analysing emerging vulnerability among populations and identifying their particular needs is one of the “smart tools” we can deploy to predict emerging disasters and lessen their impact. Our Emergency Preparedness unit offers expertise in giving early warning of impending challenges by forecasting the onset of droughts or floods and allowing protective measures to be put in place.

And WFP’s role in mitigating the impact of climate change is not limited to emergency relief. We have a long history of helping communities adapt to climate change through programmes that use

cash, vouchers or food as an incentive to get people involved in projects that build buffers against the effects of climate change. Whether it is work on the reinforcement of river banks, or the construction of cyclone-proof schools, the end result is that more lives will be saved.

Our “deep-field” presence means that WFP is often one of the few humanitarian agencies on hand to assist communities living in areas where deprivation and vulnerability to climate risks and natural disasters are most severe. Our work in these areas helps to build the resilience that is crucial in protecting these populations that are most exposed when floods or droughts hit.

We also have a track record in climate change mitigation. Through programmes that address hunger and food insecurity, WFP has organised the planting of more than 5 billion trees over the past 40 years. This work has supported efforts aimed at slowing down the pace of climate change in areas that are most prone to desertification, or at risk from landslides.

Ladies and gentlemen: delivering food aid in crises has always been a challenging business. Our overarching challenge today, however, is the fact that the size of our programme has increased dramatically over this past year – adding almost 20 million more people in urgent need of interventions. We’ve also had to respond to sudden-onset emergencies in the Horn of Africa, Haiti, Myanmar and Georgia.

I want to thank our donors who have helped us urgently mobilize resources – preventing even worse human suffering. With the record cash contribution by the Kingdom of Saudi Arabia of US\$500 million – and vital, generous contributions from European nations, the United States, Japan, Canada, Australia and so many others, we were able to roll out more than US\$840 million to more than 60 nations to address their urgent hunger needs.

In August, we were able to deploy US\$214 million in targeted support to 11 million people in 16 countries; many of those countries told us the infusion virtually stabilized their nation. In early October, we released a second wave of money, deploying US\$22 million to support 1.7 million more people in 7 countries.

As it stands right now, we have received over US\$4.5 billion in contributions – a more than 100 percent increase from the same time last year. But we have far to go: If we are to fully meet the assessed

needs of the beneficiaries in our existing operations and programmes in 2008, then we require an additional US\$1.5 billion.

We have mobilized enormous resources to meet immediate emergency needs, and yet the numbers keep rising. We worry where the resources to feed them all will come from, especially in this time of great financial uncertainty. Overall, due to the plummeting purchasing power of food aid dollars, levels of food aid today are at the lowest point in three decades – and just when the threat of widespread hunger is at its greatest. Clearly a paradigm shift is needed in the way we confront humanitarian crises – a shift that is much more attentive to the rapidly expanding range of hunger-inducing risks.

Without effective action, the food crisis will continue to present challenges as nations use whatever tools they have to ensure adequate food for their populations – for example the export bans imposed by nations seeking to safeguard their own supplies of food and fertilizer. At the same time, agricultural experts predict the world will need to produce twice as much food by 2050 to meet growing demand and soaring global population. On the positive side, if we get this right – this could mean huge opportunities for African and other developing world farmers. If we do not seize the moment, however, the current needs and shortfalls will multiply in scope and severity.

Ladies and Gentlemen: Many of us here are part of a generation that grew up during an age of colossal food surpluses. Indeed, WFP was born 45 years ago in just that era. But with global grain stocks at their lowest ebb in three decades – it is clear we are no longer in the surplus era.

The days of cheap food are over; the experts say they're unlikely to return. Access to reliable, affordable and adequate food has been sharply eroded in almost every one of the 80 countries where WFP works. Although food prices have moderated since mid-2008, they remain relatively high compared to historic averages – and few developing countries have seen any relief from high prices.

Indeed – as I have already mentioned – the drivers of the global food crisis remain fixed in place: relatively high oil prices; strong demand from emerging markets in Asia and Latin America; biofuel production; and increasing frequency and severity of extreme weather cycles – much of it attributable to climate change.

Our first priority is to continue meeting the most urgent humanitarian needs: the impact of the world food crisis – now compounded by the financial crisis – is still unfolding on the developing world, raining more misery on the poorest.

Second: In the long run, there can be only one answer to the global food crisis: increase agricultural productivity. We must invest anew in that goal – right now – and reverse the precipitous decline in investments in agricultural development since the early 1980s. This is especially true for Africa, which has never enjoyed a “Green Revolution,” as did broad swathes of Asia and Latin America. This goal is achievable if we galvanize adequate political will behind it.

Third: in the medium term we must lay down “safety nets” just like those built in rich nations, such as school feeding and food stamps. Food for Education is an especially powerful safety net, bringing multiple benefits to the table. At just 25 cents a day to feed a child at school, it improves school enrolment, attendance and academic performance and also provides an important source of social stability in times of crisis. It improves child health when combined with measures like de-worming, Vitamin A, HIV/AIDS and sanitary education.

School feeding has also proven to be one of the least expensive human rights programmes the world has seen – reducing trafficking and bringing girls to school. For example: in areas of Pakistan where half the families said they would never send their girls to school – introducing school feeding increased enrolment by 100 percent. On average, WFP school feeding increases absolute enrolment for girls by 28 percent. This is critical, for experts now agree that education of girls is the cornerstone of economic development. Less widely understood – but no less vital – food and education combine powerfully to combat the forces of ignorance and extremism. In their absence, those forces flourish.

We’ve seen this on the frontlines of terrorism along the Afghanistan-Pakistan border, where girls’ education – and the feeding programs that promote it – is viewed by embattled government officials as the best hope for peace and development. Or in Haiti, where school feeding programs – maintained during the summer holidays – not only provide a safety net from skyrocketing food prices, but a source of stability.

In Somalia, lack of food and education aggravate the lawlessness; ironically, it is the Somali refugee camps – with their school feeding

programs – that offer young Somalis the best chance to make a future for themselves and for their beleaguered country.

We can offer today's children – and tomorrow's leaders – a brighter future by ensuring that every child on earth has at least a cup of food in school. Under our pricing structures, WFP has calculated it would cost only about US\$3 billion a year for the world to say that no child goes to school hungry. This may not end global hunger, but what an accomplishment for humanity!

Fourth: we must leverage food aid – or better, let's call it food assistance – to break the cycle of hunger and under-nutrition at its root. In other words, we must use food assistance in a smarter, more modern and targeted way.

We are already deploying a more sophisticated “toolbox” of interventions ranging from local purchase of commodities, to therapeutic and specialized feeding, supplements, coupon projects, cash and ATM style purchase cards. Depending on the economic and sociological context, a flexible range of tools enables us to be more effective in confronting hunger and malnutrition – and reap the highest return from the investments our donors make in our operations.

Today, more than half of WFP's budget is cash, and we use 80 percent of that cash to procure food in the developing world. This year, we expect this will infuse a record US\$1 billion into poor farming economies.

At WFP, we can take this further by working more closely with small farmers and cooperatives. This is precisely the idea behind an exciting new public-private partnership called “Purchase for Progress” or “P4P.”

In September, the Bill & Melinda Gates Foundation – which is already committed to investing more than US\$900 million for agricultural development in poor countries – joined with the Howard Buffett Foundation and the government of Belgium to commit US\$76 million to P4P.

Set against the landscape of the global food crisis, we expect P4P to turn the traditional concept of food aid on its head: it will transform the business of meeting desperate needs – food for survival – into an opportunity to empower the smallholder farmers in ways that will

build capacity and encourage real growth. Bill Gates calls it “transformative;” we see it as a revolution in food aid.

How does it work? Rather than make one-time purchases depending on need, availability and price, WFP will experiment with long-term contracts; this will generate guaranteed income that in turn will enable farmers to plan ahead and purchase seed, fertilizers and equipment they could otherwise not afford.

With bolstered confidence and cash, farmers will have the incentive to invest in next year’s crops – uplifting their families as well as their fragile local economies. All told, we aim to help some 350,000 small farmers in 21 countries significantly increase their incomes.

Purchase for Progress is a “win-win” solution: we help the hungry poor, and we help local farmers who have little or no access to markets where they can sell their crops. The P4P initiative will also promote local food processing projects to provide food of high nutritional value.

WFP has long realized the importance of focusing on nutrition, especially among the most vulnerable, such as children from the time of conception in the womb, to two years of age. Proper nutrition in this short window can set a child up for life, ensuring that they grow to their full mental and physical potential.

To make this happen, WFP is re-examining the food that we deliver, and seeing how we can improve its “nutritional punch” – particularly for these very young children.

Advances in the field of nutrition have opened up a new world of possibilities for addressing malnutrition with innovative foods fortified with vitamins and minerals.

These “smart” nutritional interventions also offer a great potential for partnership with governments and local producers. “Home-Grown” solutions to hunger have already been developed by WFP in countries like India, where we are producing a highly nutritious paste based on locally produced chick peas. This food, which can be given to children under two, does not have to be refrigerated, requires no water, and is power-packed with nutrition.

We developed it as a global public good that it can be used in India and beyond. This kind of solution can help keep the under-2-year-olds out of therapeutic feeding. And, as UNICEF points out,

therapeutic feeding is four times more expensive than reaching children with basic nutrition early on.

A similar “home-grown” nutritional initiative comes from Egypt, where they use locally produced, vitamin-fortified date bars in school feeding programs – giving schoolchildren all the nutrition they need in one easy step.

We are also using high-impact “sprinkles” that instantly transform a cup of food into a powerful nutritional intervention for children for one or two cents a cup. These are tiny foil sachets of all the vitamins and minerals a child needs on a daily basis. When they are sprinkled on top of food, they provide everything the child needs to meet their daily nutritional requirements. UNICEF and WFP are in partnership in deploying this wherever possible.

Ladies and Gentlemen: Eliminating severe hunger and under-nutrition is the essential bottom line for all the goals we hold up for our planet: better health, education, and economic development.

Consider a recent study by WFP and the Economic Commission for Latin America and the Caribbean that assessed the economic costs of child under-nutrition: it estimated total losses for seven regional countries at a staggering US\$6.6 billion for a single year (2004) – or an average 6 percent of GDP.

For even when hunger fails to kill, it robs children of future health and opportunities: under-nutrition in the first years of a child’s life can permanently stunt mental and physical growth – dropping IQs by as many as 15 points. In many poor countries, stunting affects one in every two children. Tragically, these children will never realize their potential – will never “catch up” with those more fortunate. Neither will their countries, so long as we allow this terrible misfortune to persist.

On the flip side, the investment in nourishing people – particularly children – is abundantly worth it – a critical step toward building the next generation. Science shows us that proper nutrition for children improves physical and mental development.

In other words, children who get proper nutrition are taller, smarter and stronger with better immune systems. And these are the children who grow into adults, take the helms of their countries and become part of the global society grappling with problems ranging from infrastructure to climate change.

During the Great Depression, the world retreated behind walls hoping that would protect them, but isolationism actually fuelled the virus of economic and human deterioration.

We are living through a sobering time; we must pull together and we must not forget those most vulnerable among us. The financial crisis showed us that money is available when the world thinks it matters. At the minimum, we must find a way to ensure that no child dies of hunger, or even goes to school hungry. Not only because it is the “right” thing to do, but because it is the smart thing to do. It truly is one of the single-greatest investments we can make in the future prosperity, health and stability of our planet.