20 March 2008

WFP letter of appeal to Government donors to address critical funding gap

The World Food Programme is today issuing an extraordinary emergency appeal to address the critical funding gap in our programmes created by soaring food and fuel prices. We urge your Government to be as generous as possible in helping us to close this gap - which stood at US$500 million on 25 February and has been growing daily.

As you know, WFP is charged with meeting the urgent hunger needs of the world’s most vulnerable. We operate across the globe with communities reeling from the shock of storms, drought, conflict or other disasters. Today, we meet the emergency needs of up to three million people a day in Darfur alone, and of 70 million more in up to 80 nations.

The price of food and fuel has soared to record levels in recent years, and entered an aggressive pace of increase in June of last year. WFP has taken many steps to mitigate these increases, including making 80 percent of our food purchases - US$612 million - in local and regional markets of the developing world. In 2007 alone, we increased our local purchases by 30 percent. This not only saves on food and transport costs but is a win for local farmers, helping to break the cycle of hunger at its root.

But even with our mitigation efforts, the cost of our food purchases has risen 55 percent since June 2007. This decrease in purchasing power led us to announce on 25 February a US$500 million shortfall in our budget for food rations. In the three weeks since that announcement, food prices have increased another 20 percent and such increases show no sign of abating any time soon.

As you know, WFP is a voluntarily funded Agency, receiving no assessed funding from the United Nations or any other source. We have established a track record of efficiency and effectiveness, including limiting our overhead expenditure to seven percent of our budget. In October 2007, WFP’s Executive Board, of 36 Member States and the European Union, confirmed a Programme of Work of US$2.9 billion to meet already identified and approved urgent hunger needs in 2008. We urge your Government to make an emergency allocation by 1 May to our new emergency market mitigation account to cover the soaring cost of supplying rations due to food and fuel price increases.

Of particular concern is the emergence of a new face of hunger. As stated by the UN Secretary General, Ban Ki-moon, “This is the new face of hunger, increasingly affecting...”
communities that had previously been protected. Inevitably, it is the "bottom billion" who are hit hardest: people living on one dollar a day or less. When people are that poor and inflation erodes their meagre earnings, they generally do one of two things: They buy less food, or they buy cheaper, less nutritious food. The result is the same - more hunger and less chance of a healthy future." Our efforts will include working with governments, UN agencies such as FAO, and other partners to address long-term solutions while we tackle these urgent needs.

We urge your Government to act quickly on this request so that we may avoid cutting the rations for those who rely on the world to stand by them during times of abject need. We thank you for your steadfast support year in and year out, and urge you to stand by us as we rise to this challenge.

Josette Sheeran
WFP Executive Director

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