

**HOUSE COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON AFRICA AND GLOBAL HEALTH
Briefing by Allan Jury, Director, US Relations Office, World Food Programme (WFP)
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Chairman Payne, distinguished members, ladies and gentleman, I am pleased to have been invited, on behalf of the World Food Program (WFP), to brief you at this hearing. There is no more important partnership in global food assistance than the collaboration between the United States and the World Food Program. And there is no more important element in keeping that collaboration strong than the support of the US Congress.

In the Chairman's letter inviting me to speak today, the first question I was asked to address was: What are the greatest challenges the World Food Program faces in meeting critical food needs around the world? The answer to that question is clear – the greatest challenge we face is the unprecedented scale of need for food and nutritional assistance in the world today.

Hunger is on the march. The number of undernourished people worldwide has increased to nearly one billion - 963 million in 2008 compared to 923 million in 2007. 115 million undernourished people have been added to the ranks of the hungry over the past two years. The increase is likely to continue in 2009 bringing the ranks of the hungry to over 1 billion. Natural disasters, conflicts, high food prices that peaked in 2008, and now the effects of the global economic downturn on the developing world have combined to reverse progress in reducing hunger that has been made over many years. The growth in hunger has been primarily due to the lack of access to food facing vulnerable people because of lack of income or inability of food systems to reach them. Thus, solutions to hunger must give significant attention to food access issues, as well as food availability and production issues.

Just as the United States has had to increase significantly its expenditure on domestic food safety nets in the face of tough economic times, the impact of these combined food shocks has led to greatly increased demands on the global food assistance system.

The World Food Program is the centerpiece of the global food assistance system. Its program of work nearly doubled from 2007 to 2008, ending the year with over 100 million beneficiaries and total program needs of just under \$6 billion. Needs in 2009 continue to rise, with 108 million projected beneficiaries in over 70 countries, at a total cost of over \$6 billion. These needs continue to rise. In just the last two weeks, we have witnessed over 2 million internally displaced persons fleeing fighting in northwest Pakistan, with WFP stepping up its emergency operations dramatically to meet the new needs.

WFP needs the support of its major donors now more than ever before. The United States is the largest donor to WFP, providing on average over the last few years about 40 percent of our total resources. The Congress has been generous in recognizing how critical this US support is for the world's hungry. We need your continued support in providing sufficient food assistance resources in the (fiscal year) FY09 emergency foreign operational supplemental appropriation and the upcoming FY10 regular budget to maintain this generous level of US support at a time of unprecedented need.

Another challenge we face is broadening the range of tools we have at our disposal to address the needs of the hungry. The most recognizable face of world food aid is deliveries of large amounts of food commodities for general distribution to populations facing sudden man-made or natural disasters. This type of food aid remains vitally necessary to meet the needs of many victims of emergencies around the world, such as in Darfur, Sudan. US in-kind food aid is an essential tool in addressing these needs. It also provides a highly visible demonstration of US compassion and leadership in helping the world's less fortunate.

There are, however, hunger situations that require other types of responses. Targeted feeding programs responsive to market conditions are often the best way to reach the most vulnerable in the most cost efficient and effective manner. The World Bank and many others in the development and humanitarian community are advocating the increased use of national "safety net" and "social protection" programs that can expand quickly when economic shocks force more people into hunger. Some of WFP's tested existing programs, such as school feeding and food-for-work, have proven to be excellent mechanisms for scaling up safety nets. WFP and partners are also exploring new and innovative tools such as cash and voucher programs that can be used when local food markets are functioning and the primary obstacle facing hungry people is lack of purchasing power to obtain the food they need.

WFP is also looking at improved ways to increase the nutritional content of its food, particularly in regard to specialized products designed to address the specific nutritional needs of young children; pregnant and lactating women; and persons living with HIV/AIDS. WFP is already the leading purchaser worldwide of fortified blended foods in humanitarian operations. WFP is expanding its toolbox of nutritional interventions to include a new range of products - from pre-prepared, ready-to eat foods, such as fat-based pastes and fortified date bars, to micronutrient powder - small doses of vitamins and minerals that come in packets easily added to food.

WFP's work in school feeding, nutrition, and productive safety nets is important to assist governments address the food availability, access, and utilization challenges facing millions of chronically hungry people. They are particularly valuable in addressing the special needs of women and girls, who often face the most difficult food access challenges.

The topic of today's hearing "Local and Regional Purchases: Opportunities to Enhance US Food Aid" is a good example of the kind of thinking that is needed to meet the challenge of an expanded tool box for international food and nutritional assistance.

WFP is already the world's largest local and regional purchaser of food assistance. WFP purchases went up to US\$1.4 billion (2.8 million tons) in 2008, from US\$767 million (2.1 million tons) in 2007. 78 % - or approximately \$1.1 billion - was purchased in developing countries. 22 % was purchased in developed countries. We apply the same food quality standards in our local purchase operations as we do in international procurement.

The World Food Program believes the evidence is clear that local and regional purchase (LRP) can, in the appropriate circumstances, improve the timeliness and cost-effectiveness of food aid delivery in both emergency and non-emergency hunger situations. We welcome the GAO's report that draw upon the experience of WFP and US private voluntary organizations to demonstrate the benefits that LRP can provide.

WFP also believes that local purchase can also, in carefully designed and managed situations, contribute to the development of smallholder farmers, increasing their incomes and reducing their vulnerability to hunger. In September 2008, WFP launched, with support for the Bill and Melinda Gates and Howard G. Buffet foundations, the "Purchase for Progress" (P4P) program. P4P is an initiative that builds on WFP's already extensive experience in local food procurement, and takes it a step further – reaching smallholder and low-income farmers and strengthening their access to markets by more actively engaging them in supplying food to the agency's global operations. P4P will be implemented in 21 pilot countries over the next five years: the 1st phase includes Burkina Faso, El Salvador, Guatemala, Honduras, Liberia, Malawi, Mali, Mozambique, Nicaragua, Tanzania and Uganda; the 2nd phase includes Afghanistan, Democratic Republic of Congo, Ethiopia, Ghana, Kenya, Laos, Rwanda, Sierra Leone, Sudan and Zambia.

WFP also recognizes that local and regional procurement is not the appropriate response in every situation. This is why we monitor local and regional markets and still purchase some of our food in developed countries, even when resources are flexibly provided that would permit local or regional purchase. WFP only purchases locally or regionally when the available information indicates these purchases result in more timely and/or cost-effective procurement and does not disrupt local markets.

Let me conclude by offering four ideas on how the Congress can help continue to improve the effectiveness of US food aid, including the use of local and regional procurement.

First, the US needs to continue to be the leader in the amount of food aid it provides. The current level of US Food assistance is essential to meet the growing needs of a hungry world. Any change in the types of food assistance provided – for example through increased cash for local and regional purchase – should at a minimum maintain the current volume of food aid provided by the US.

Second, flexibility in the use of US food aid resources – whether provided in cash or in-kind – is essential to maximize the value of the contribution to the beneficiaries of WFP assistance. WFP is a multilateral organization that maximizes benefits by combining the resources of many countries. Flexibility in the use of US funds and food provided makes it easier for WFP to reach beneficiaries faster and cheaper.

Third, WFP supports the carefully monitored expansion of US resources devoted to local and regional purchase as an addition to the already proven US in-kind food aid programs. WFP stands ready to work in close partnership with the US in addressing the implementation challenges of expanding such programs, noting that issues of food quality and potential market effects are common to both in-kind and local/regional purchase food aid.

Fourth and finally, WFP welcome the US Administration's leadership in developing a new global food security initiative, following up on the President's announcements at the G-20 summit. We urge the Congress to work together with the Administration to ensure that initiative produces a truly comprehensive U.S. food security strategy that addresses emergency food needs and safety nets and nutritional assistance for the chronically hungry, as well as long-term agricultural development. Such a comprehensive strategy can provide strong US leadership in all three areas – access, availability, and utilization – required to achieve food security for all.