

2022 annual session of the Executive Board

Hybrid session

Opening remarks by the Executive Director

D. Beasley, Executive Director: Thank you, Mr President. I certainly wish I had some good news for the Board today about the global food security outlook but I do not. We had extensive List meetings a couple of weeks ago so I am going to try to keep my remarks relatively short, as we have a very full agenda this week and, as Philip just highlighted, over 47 documents that need approval. We have a lot to discuss and a lot of very important programmes to consider. Our regional bureau directors and others will be briefing members on each region and they will be sharing with you a lot of detail on what we are facing out there in the field, and how bad the situation really is.

I heard that last week, at FAO, meetings got contentious on matters relating to Russia and Ukraine. Let us please try to keep that to a minimum so we can really focus on the issues at hand. We have got a world of trouble and it's important we focus on saving as many people as possible.

It seems like every time I address the Board the hunger numbers go up and up and up. You have heard me say this before, when I arrived here five years ago there were 80 million people in IPC 3, 4, 5 - in other words marching towards starvation, not knowing where their next meal is coming from. That number went up to 135 million right before COVID-19, driven primarily by man-made conflict compounded by climate shocks.

Then COVID-19 comes along - and it is important to understand how fragile the entire global system has become over these past five years, when previously we had made so much incredible progress in the last 50, 100, 200 years. But COVID-19 comes and creates economic devastation, with its ripple effects spreading across the entire planet, and the number of acutely hungry people rises from 135 million in IPC 3, 4, 5 to 276 million people. This is before Ukraine-Russia.

I remember speaking to the United Nations Security Council in April 2020 after COVID-19 had just surfaced, saying that if we were not careful, we would have a hunger pandemic along with the COVID-19 pandemic and the cure could prove to be worse than the disease.

And leaders around the world responded. We received the funds that we needed to avert famine, to avert destabilization of nations and to avert mass migration. Because when the World Food Programme has the resources that it needs, we bring stability and hope to people where we are.

But COVID-19 created an extraordinary amount of debt for a lot of developing nations as well as developed nations, who now do not have the capacity to tap into their budgetary reserves like they did in 2020 and 2021. Nonetheless, because world leaders responded we were able to meet the needs of 128 million people, as of last year. An unprecedented response by the World Food Programme because of all of you, donors and host governments alike, helping us be more strategic, more efficient, more effective - and we have performed.

But just when we thought it could not get any worse, then of course we had Ethiopia, then we had Afghanistan - and now Ukraine. The breadbasket of the world has now got some of the longest bread lines in the world. And alongside the crisis of internally displaced people inside Ukraine, and the number of people that have left Ukraine, at the same time we are also seeing rising food insecurity and fragility globally from Central and South America to the Sahel, East Africa, West Africa, through to the Middle East, Afghanistan, and Asia.

Needs have gone up now from 276 million people - I told you two weeks ago at the list meetings that it would rise to 323 million. The number of acutely hungry people is now 345 million and we have 45 countries that are in IPC phase 3, 4, 5. I expect these numbers to get even worse.

Many of us have been talking about what we expect to happen in the foreseeable future, while we are already facing unprecedented pricing issues with food. I anticipate in 2023 there will be significant food availability challenges on top of pricing issues. It is going to be bad enough this year. This is why I have been hitting pretty hard on everybody to open up the Odessa port.



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Because the farmers are on the frontlines, not in the fields, as they should be. If Ukraine does have a harvest in July and August, its silos are already almost full because the port is not open, which means there will be nowhere to store this next harvest when it comes due. This in turn is creating turmoil in global commodity markets, where we are seeing prices spike and skyrocket - and not just because of the port of Odessa and the Ukrainian situation but also because of what we have experienced in the past two years.

And oil prices and fertilizer costs are spiking as well now, because of the war. What we are seeing in countries struggling to get fertilizers is just unprecedented. If we do not have the food production we need this fall, because of lack of fertilizer, we will then have a seed problem for next year because there will be none for farmers to save to plant future crop cycles. You begin to see how all this starts adding up - on top of conflict, on top of the COVID-19 economic ripple effects, on top of climate, and you begin to realize that maybe we all better be praying pretty hard for the next couple of years.

And when you look at the United States and the Horn of Africa and many other countries, we have now got droughts, unprecedented droughts, on top of everything else. I was just in Ethiopia last week, down in the southern area.

By the way, you may have heard we have made tremendous breakthroughs and our convoys are getting into the Tigray area, we have got over 2,500 trucks just in the last two months. We do have a fuel issue we have got to work through. I spoke to the Prime Minister and spoke with the Deputy Prime Minister and other leaders in Ethiopia, to explain that we have got to get the fuel we need to be able to cover that last mile to reach the people all throughout Ethiopia and especially in the Tigray region.

But when I went to the south, which has just been devastated by drought, I talked to a woman, Marie. She had 400 sheep and goats and all of them died because of the heat. She has never received aid in her life and she was just devastated, broken-hearted, that she was having to receive aid.

I also talked to Mohamed who had 15 camels. 14 of them died, the last one was literally about to die in front of me, and he had never received aid before. These were just typical of a displacement camp that before was only a couple of hundred people, and now it has 8,000, just in the last 30 days, because they have no water at all. It is just heart-breaking to see what is taking place.

And then you begin to realize, that 36 countries around the world depend upon Ukraine-Russia grain, over 50 percent of their supplies. And half of what we at WFP purchase comes from Ukraine in normal times.

Now, I was talking with the African Development Bank President and he was telling me the impact that he foresees on Africa alone - and about 55 percent of WFP's beneficiaries are in Africa. We reach about 69 million people just in Africa. So he was saying that just because of the fertilizer crisis - and that is without even considering the drought impact that we are already seeing - that due to the fertilizer crisis alone, they will need USD 2 billion just to offset the fertilizer crisis, if they can get it, which is a real issue. So we are working on this the best and hardest we can.

They are anticipating an USD 11 billion shortfall in the value of food production. When you think in Africa alone there are 33 million smallholder farms, not smallholder farmers, smallholder farms, those 33 million smallholder farms produce 70 percent, give or take, of the total food supply of Africa. Now, if you have got a population of 1.4 billion in Africa, do the maths, 70 percent is about 980 million people that depend on the smallholder farmers. We feed 69 million in Africa. That means there is a whole lot of them we do not feed. So, you begin to see the picture is truly daunting, it is frightening.

Let me just give you a couple of snippets of numbers:



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In East Africa - and I think this is low - they are anticipating a 16 percent reduction in cereal production in the coming months, from 45 million metric tons down to around 38 million metric tons. Let us not even get into the drought, and what impact that is going to have.

West Africa: 73 million metric tons of cereals produced in the last agricultural season, expected to go down to around 50 million metric tons.

The Sahel: the number of people now in IPC 3, 4, 5, has gone from what was 3.6 million to 11 million, just in the last year or so.

Sri Lanka: 73 percent of the population have seen their incomes fall, and now many have reduced food consumption.

Latin America: IPC 3, 4 - now the number of people in these categories is between 9 and 10 million people. And the number of people talking about migrating to the United States border is five times what it was just one year ago.

Now, we are raising more money than we ever have, but the needs are so far outpacing our capacity to raise the money that is necessary to prevent ration cuts from taking place, that we are having to take heart-breaking decisions. We have just cut off 1.7 million people in South Sudan completely. In Yemen 5 million have been cut to half rations, while 8 million have been cut to one-third rations. Due to lack of funding.

That is the bad news and I can go from country to country. It is the same story everywhere because the identified needs for 2022 are about USD 20 billion/USD 22 billion and the funding that we are anticipating this year is anywhere between USD 9.5 billion and USD 12 billion. I am hoping we can get those numbers up.

I have been to several of your countries, making the case and making the argument for more funding, because with the economic contraction that political leaders are starting to feel, they are questioning sending money. So I have gone to parliament to parliament to parliament saying you must respond. If you do not, let me tell you, it is going to cost you 100 to 1,000 times more. There is no free lunch here.

But, even having said that, there are many members of the parliaments and congresses that are struggling with spending money on foreign aid compared to addressing their issues at home. And so many of you are doing everything you can. We will do everything we can to support those messages back in your home countries. At the same time, as you know, I have spent a good bit of time in the United States in the past two months having extensive meetings with the House and the Senate leaders. The United States House and Senate have responded with USD 5 billion for the impact that Ukraine will have on global food security.

Now we are working with USAID and BHA to get this money out as quickly as we possibly can so we can restore the cuts that we are having to make, so that we can bring stability and hope to people around the world. It is going to be tough in the next two years. In 2007 and 2008, 2011 and 2012 during the food prices crises you saw 48 countries experience political unrest, riots and protests. The economic factors today, with everything that I have just outlined to you, the situation is much, much worse. We were able to avert famine and destabilization and mass migration in the last four, five years because we had the funds necessary. This year we are going to have to pray hard, work hard, and do everything we possibly can.

Internally we have declared a global corporate emergency so that we can be more strategic and more streamlined in responding to the crisis that we are facing, giving priority to saving lives, of course, and making certain that we can help governments scale up their safety net programmes and at the same time work with the governments and supply chains to minimize the disruption.



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Already we have seen 24 countries introduce export bans or restrictions on food commodities. That will continue to create volatility in the market as we can see in oil prices, fertilizer prices - if you can get it - and food prices. The impact on our operational costs already is USD 71 million extra per month. So, we have to have USD 850 million just to stay even. And we know we have now got 345 million people in IPC 3, 4, 5 and we are hoping that we can reach 150 million of them - but, as I have said, we are actually cutting rations for lack of funds, so it is not a good situation at all.

Now, let me conclude with this simple comment. Because we understand the power of the humanitarian-development-peace nexus, had we been doing what we should have been doing in the last 10 or 15 years and investing in resilience, when a shock like Ukraine comes along, it then would have less of an impact on the poorest countries. Instead of just feeding people, we should be investing to give them greater resilience and give them the development tools that they need to be more self-sufficient.

When I was down in Ethiopia last week I particularly saw the women. They are out there just working so hard. We are doing a land rehabilitation project, half-moon type projects, and they had just done 20 acres in two weeks, or it might have been 20 hectares, and they were going to do another 20 in the next two weeks. It was just magnificent to see them out there working in the early morning hours when it is cooler. You can see it gives them some hope.

And so while we need more money, we also need greater flexibility in breaking down these silos of humanitarian and development activities. Because the beneficiary does not care which pot the money comes out of, they just want the tools to be able to take care of their families.

They are very proud people. They do not want to leave home, they do not want to migrate but if they do not have food or any degree of peace, they are going to do what any mother or father, parent would do. They want to find food so their children survive. And then, when we can reach them, it gives them greater security. They do not have to join ISIS or Al-Qaeda or Boko Haram or Al Shabab or other extremist groups just to put food on the table.

And when we have the right programmes in place, that WFP is so known for, we see migration drop off the chart, we see marriage rates of 12,13, 14-year-olds drop off the chart, teen pregnancy drops off the chart, recruitment by extremist groups drops off the chart. When we have all the harvesting programmes, land rehabilitation programmes coupled with home-grown school meals and school meals programmes, communities are transformed. But now we are having to cut school meal programmes because of the lack of funding.

But we will continue to work hard and do everything we can. I will be traveling around the world to continue to make the case to our donors for more funds. We have got to get more donors stepping up more, particularly the Gulf States have got to step up more. With oil prices being so high, I do believe the Gulf countries all have a moral obligation to step up, as do the world's billionaires who have made unprecedented wealth during the COVID-19 pandemic.

You have heard me say this before - philanthropy is not the long-term answer. It is going to be the private sector and empowering people that ends hunger. But right now we have such a crisis, I do need for the billionaires to step up in ways they have not done before. We also need their engagement long-term so we can deliver food system changes and improvements such that when shocks do happen, it has less of an impact upon vulnerable people around the world.

I think I have talked enough. I have given a general overview. We will be getting into the weeds and all the details of our operations with all the reports and updates over the next few days. As I mentioned earlier on, let us please stay focused on our agenda, what we need to do, and let us try to keep the commentary on Russia and Ukraine down because I know sentiments can run high. We all know we have got a common goal here and that is to feed and support as many people as we possibly can. So, Mr President, I turn it back over to you. Thank you.

