WORLD FOOD ASSISTANCE 2017

Taking Stock and Looking Ahead

World Food Programme
WoFA 2017 begins by defining “food assistance” and distinguishing it from “food aid”

<table>
<thead>
<tr>
<th>FOOD ASSISTANCE</th>
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<tbody>
<tr>
<td><strong>Instruments</strong></td>
</tr>
<tr>
<td>In kind food transfers</td>
</tr>
<tr>
<td>Vouchers and cash vouchers – physical and digital</td>
</tr>
<tr>
<td>Cash transfers – physical and digital</td>
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<td>Food purchases</td>
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</table>
Using that definition of food assistance, WoFA 2017 addresses three questions:

1. What are the **levels, trends and patterns** of food assistance at global, regional and national levels?

2. What are the primary **challenges** facing design and delivery of food assistance in different contexts of food system functioning?

3. How are these challenges being met? That is, what kinds of **innovations** in food assistance are being developed to address the challenges?
Three themes cut across the report

1. Food assistance at the intersection of **humanitarian action** and **hunger reduction**;

2. Food assistance in **food systems** – the complex networks involved in producing food, transforming it and ensuring that it reaches hungry people; and

3. Food assistance is a **public endeavour** built on many layers of **commercial activity**.
Food assistance is uniquely positioned at the intersection of the domains of humanitarian action and hunger reduction.

**Humanitarian Action Domain**

- TOTAL 125 m
- WFP 80 m

**Hunger Reduction Domain**

- 800 m
- Conditional and unconditional food and cash transfers
- Local and regional food procurement
- Logistics/supply chain services
- Technical assistance

TOTAL 800 m

800 m
It is relevant and useful to think of a food assistance “sector” with a “demand” side and a “supply” side.

Drivers and reflections of food assistance demand?

Drivers and reflections of food assistance supply?

Scale, breadth, composition and quality of food assistance measures
The demand side
The demand-side examination uses public domain data from 77 countries to consider four factors driving food assistance:

- Instability: Index for Risk Management (INFORM)
- Hunger: Prevalence of child underweight
- Food System Performance: EIU Global Food Security Index
- Income: GNI per capita
Globally, the four measures exhibit the expected relationships

Global correlation coefficients

<table>
<thead>
<tr>
<th></th>
<th>Food-system performance</th>
<th>Hunger</th>
<th>Instability</th>
<th>Income level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food-system</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hunger</td>
<td>-0.70*</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instability</td>
<td>-0.60*</td>
<td>0.64*</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>Income level</td>
<td>0.91*</td>
<td>-0.69*</td>
<td>-0.61*</td>
<td>1.00</td>
</tr>
</tbody>
</table>
Four groups of countries emerge on the basis of stability and food-system performance across income levels.

- **Stable High Performers**: 17 countries. High-Performing Food System. Mostly UMICs, some LMICs, no LICs. WFP is absent from most.
- **Unstable High Performers**: 21 countries. Mostly UMICs, some LMICs, no LICs. WFP is present in many.
- **Stable Low Performer**: 1 country. Low-Performing Food System. Mostly LICs but some LMICs. WFP is present in all.
- **Unstable Low Performers**: 38 countries. LMIC. WFP is present.
Data were not available for a full analysis, but some patterns are evident

<table>
<thead>
<tr>
<th>Country Type</th>
<th>Number in Sample</th>
<th>Example (# of direct beneficiaries)</th>
<th>Relatively Greater Demand For…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stable High Performers</td>
<td>17</td>
<td><strong>Paraguay</strong> HMIC 0 beneficiaries</td>
<td>Technical assistance</td>
</tr>
<tr>
<td>Stable Low Performers</td>
<td>1</td>
<td><strong>Ghana</strong> LMIC 260,000 beneficiaries</td>
<td>Conditional transfers, technical assistance</td>
</tr>
<tr>
<td>Unstable High Performers</td>
<td>21</td>
<td><strong>Egypt</strong> LMIC 1.14 million beneficiaries</td>
<td>Conditional transfers, technical assistance</td>
</tr>
<tr>
<td>Unstable Low Performers</td>
<td>38</td>
<td><strong>South Sudan</strong> LIC 2.9 million beneficiaries</td>
<td>Unconditional transfers</td>
</tr>
</tbody>
</table>
The supply side
The supply-side examination uses WFP data to consider food assistance through four dimensions and three lenses.
The supply-side has witnessed major changes since 2009 – 1

Expenditures on everything more than doubled
The supply-side has witnessed major changes since 2009.

**MICs grew in importance, overtaking LICs**
The supply-side has witnessed major changes since 2009 – 3

Cash-based transfers and technical assistance surged, in-kind food and logistics fell
The supply-side has witnessed major changes since 2009 – 4

Emergency and transition contexts were dominant throughout.
The supply-side has witnessed major changes since 2009 – 5

The dominance of MENA and ECA increased, APR’s share declined
The surge in CBTs has been dramatic; mixed/blended portfolios are the norm...
... but it has been uneven and unsteady
The income of the host country matters to the selected toolkit.
The total number of direct beneficiaries has been falling, but has consistently stood at approximately 10 percent of the global population of undernourished people.
Bringing the demand-side and supply-side together
Funding is at record levels but needs are much greater.
A typology of food assistance is suggested based on four criteria

- **Scale of operation**: indicator of the magnitude of underlying demand for food assistance
- **Emergency-emphasis**: indicator of the urgency of that demand
- **Cash-intensity**: indicator of supply-side dynamism, innovation, and diversification
- **Income level**: indicator of both underlying demand for food assistance and extant capacity to accommodate alternative forms of supply of food assistance
At first glance, it looks like a bit of a mess...

<table>
<thead>
<tr>
<th>Emergency-emphasis</th>
<th>Cash-intensity</th>
<th>Income level</th>
<th>Large</th>
<th>Medium</th>
<th>Small</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>UMICs</td>
<td>Iraq, Jordan, Lebanon, Turkey</td>
<td>Ecuador</td>
<td>Fiji, Paraguay</td>
</tr>
<tr>
<td>High</td>
<td>High</td>
<td>LMICS</td>
<td></td>
<td>Egypt</td>
<td>Bolivia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>LICs</td>
<td>Haiti</td>
<td>Nepal</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Low</td>
<td>UMICs</td>
<td></td>
<td>Libya</td>
<td></td>
</tr>
<tr>
<td>Low</td>
<td></td>
<td>LMICs</td>
<td>Cameroon, Nigeria, Syrian Arab Republic, Yemen</td>
<td>Ukraine</td>
<td>Congo Republic, Papua New Guinea, Swaziland</td>
</tr>
<tr>
<td></td>
<td></td>
<td>LICs</td>
<td>Central African Republic, Niger, Republic of South Sudan</td>
<td>Burundi, Rwanda</td>
<td></td>
</tr>
<tr>
<td></td>
<td>High</td>
<td>UMICs</td>
<td></td>
<td>Colombia</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>LMICs</td>
<td>Kenya</td>
<td>Bangladesh, Guatemala, Honduras, Lesotho, Myanmar, Palestine</td>
<td>El Salvador, Ghana, Sri Lanka</td>
</tr>
<tr>
<td></td>
<td></td>
<td>LICs</td>
<td>Somalia, Zimbabwe</td>
<td>Senegal</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Low</td>
<td>UMICs</td>
<td></td>
<td>Algeria</td>
<td>Cuba, Dominican Republic, Iran, Peru</td>
</tr>
<tr>
<td>Low</td>
<td></td>
<td>LMICs</td>
<td>Pakistan, Sudan</td>
<td>Cambodia, Côte d'Ivoire, Laos, Mauritania, Philippines</td>
<td>Armenia, Bhutan, Djibouti, India, Indonesia, Kyrgyzstan, Morocco, Nicaragua, Sao Tome and Principe, Tajikistan, Timor-Leste, Tunisia, Zambia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>LICs</td>
<td>Afghanistan, Chad, Democratic Republic of Congo, Ethiopia, Mali, Malawi, Uganda</td>
<td>Burkina Faso, Guinea, Korea DPR, Liberia, Madagascar, Mozambique, Sierra Leone, Tanzania</td>
<td>Benin, Gambia, Guinea-Bissau, Togo</td>
</tr>
</tbody>
</table>
... but on close examination, some clear patterns emerge

- **High cash intensity:**
  - Appears across all scales of operation
  - But, rarely appears in small operations

- **Low cash intensity:**
  - Tends to accompany small operation size

- **Small-scale operations:**
  - Only one in a LIC has high cash intensity
  - Most have low emergency emphasis and low cash intensity

- **Medium-scale operations:**
  - Span a range of contexts
  - If they’re in LICS, they have low cash intensity
  - If they have relatively high cash-intensity, they are in MICS

- **LICS:**
  - Operations in most LICs have relatively low emergency-emphasis and low cash-intensity
Costs per direct beneficiary vary significantly across WFP’s portfolio.

Expenditure per direct beneficiary in 2015 (USD/year)

- Zambia
- Egypt
- Haiti
- Somalia
- S. Sudan
- Jordan
- Lebanon
- Zimbabwe

Country variation

Country-level expenditure per beneficiary

Average expenditure per beneficiary
Costs vary significantly in terms of the severity of the emergency and also according to stability and food system performance.

Expenditures per beneficiary across emergency levels

Expenditures per beneficiary across stability and performance groupings
Three experiments are suggested...

1. What if access improved?

2. What if there were greater stability?

3. What if food-system performance improved?

- **Expenditure per beneficiary (us$)**
  - **L3/L2**
  - **Stable High Performers**
  - **Unstable High Performers**
  - **Stable Low Performers**
  - **Unstable Low Performers**
  - **Stable High Performers**
  - **Unstable High Performers**
  - **Stable Low Performers**
  - **Unstable Low Performers**

**Greater stability**
Food assistance-related savings/returns to improved access, greater stability, and improved food system performance are significant.

Access Burden = $997m
- WA, 14.00%
- SA, 3.20%
- ECA, 31.49%
- MENA, 45.50%

Instability Burden = $2.24b
- WA, 16.14%
- SA, 9.61%
- ECA, 20.35%
- MENA, 31.90%
- LAC, 3.27%

Performance Burden = $439m
- WA, 16.83%
- SA, 9.94%
- ECA, 20.77%
- MENA, 31.81%
- LAC, 2.68%

Total burden = $3.45 billion
There are three types of implications and recommendations for action and investment:

1. **Urgent**
   - Stabilize, increase and unleash humanitarian funding
   - Confront the political drivers of vulnerability and hunger

2. **Important**
   - Invest in high-quality food assistance programmes
   - Enhance national capacities and South-South cooperation

3. **Strategic**
   - Fill vast data gaps
   - Frame and implement a practical research agenda
So what?

Humanitarian Action Domain

TOTAL 125 m

WFP 80 m

Hunger Reduction Domain

FOOD ASSISTANCE

Conditional and unconditional food and cash transfers
Local and regional food procurement
Logistics/supply chain services
Technical assistance

800 m
So what?

Food assistance
Thank You

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