

The economic impact of WFP's operations: assessing the emerging evidence from East Africa

Side event on the margins of the second regular session of the Executive Board

Wednesday 16 November 2022

Objectives

The event will highlight the surprising economic impact of WFP's operations in Eastern Africa based on the findings of the new Local Economy-wide Impact Evaluation (LEWIE) study and discuss the implications of the findings for WFP and partners.

Background

The WFP Regional Bureau for Eastern Africa (RBN) commissioned the detailed and independent LEWIE study with the University of California Davis in 2021 to better understand the direct and indirect effects of WFP's supply chain and CBT interventions in the region. The study has just been finalized and will be formally launched at this side event.

The LEWIE study highlights how WFP's spending creates real economic benefits in addition to its primary objective of distributing food and cash assistance, mainly on production, income, labour and trade. The study is intended to provide a basis for thinking about how WFP expenditures can affect income, production and employment, and how the effects depend in important ways on what economies look like, in particular the availability of labour and capital to support increased production. In summary, the findings include:

- Across East Africa, each dollar spent by WFP on the supply chain increases the value of total production by **USD 2.3 on average**.
- Real GDP increases by **USD 1.42** for each dollar spent by WFP.
- In 2020, WFP supply chain spending created **365,606 jobs** for unskilled workers and **20,047 jobs** for skilled workers across East Africa, a key finding that highlights WFP's role in development and jobs creation.

Agenda

- Opening remarks by Mr Michael Dunford, Regional Director, Regional Bureau for Eastern Africa, WFP (5 minutes)
- Presentation of the LEWIE study by Professor Ed Taylor, University of California, Davis (15 minutes)
- Remarks by Her Excellency Jackline Yonga, Ambassador and Permanent Representative of Kenya (5 minutes)
- Discussion on the findings of the study and the implications for WFP, its partner governments and other stakeholders (30 minutes)
- Closing remarks and next steps (5 minutes)