

2023 first regular session of the Executive Board

Hybrid session

Special address by David Malpass, President of the World Bank Group

Honourable President and members of the World Food Programme Executive Board, Honourable Executive Director of the WFP, excellencies, ladies and gentlemen, I am pleased to join you for this Executive Board meeting.

I want to thank outgoing Executive Director, David Beasley, for his outstanding contributions to fight global hunger. Under his leadership, the World Food Programme has provided critical support to countries around the globe and helped shine the spotlight on the current crisis. It has been a great pleasure for me to work with David Beasley and strengthen our partnership over the years.

I have just returned from the G20 meetings in Bangalore, where I highlighted the crisis facing development. The world growth rate may be bottoming out, but developing countries are facing severe shortages of capital, food, fuel, fertilizer, and it is a true crisis that runs the risk of lasting for multiple years. I will list only a few of the many challenges that developing countries are facing. You see them first-hand in all of your work and we work closely in some of the most fragile places around the world.

To name two severe concerns; poverty and food insecurity are both on the rise after decades of development gains. The high prices for food, fertilizer and energy are a critical challenge for people in poor countries. With the fertilizer prices very high, people are using less fertilizer. It means that the soil is under-fertilized and the declining yields may last into next year and the following year creating an extended food crisis.

At the same time, nutrition is going down for people as prices of protein remain high. They cannot afford enough in their diets and that also causes long-lasting health detriment to children and to adults in severely affected areas.

I also will mention the electricity shortage. We are still facing some 800 million people around the world that do not have electricity which makes all of their activities, whether it is their education activities, their farming activities, more difficult and less productive. Global food supplies are projected to drop to a three-year low this year.

An unprecedented multi-season drought has worsened food insecurity in the Horn of Africa, with Somalia on the verge of famine. We need to preserve as we provide assistance. One of the goals of the World Bank across many of our goals is to maintain the flow of private capital even to fragile countries because that will help with the productivity and the growth rates of those countries. David Beasley and I interacted. The World Bank interacted with the World Food Programme at the United Nations General Assembly in September where there was an immediate blockage to fertilizer.

Executive Director Beasley was very forceful in encouraging the flow of fertilizer to parts of the world that needed fertilizer. I continued that work in subsequent meetings, and with the World Bank joining with the United Nations and the World Food Programme pushed hard to reduce the blockages on fertilizer in particular.

We also instituted, and I appreciate the full participation of the World Food Programme in our five-agency task force that looked at the food insecurity crisis. This included the IMF, FAO, the World Food Programme, WTO and the World Bank. We worked together over the months to highlight some of the blockages within global markets.

That includes export controls that were being put in on some countries, the excess storage of fertilizer in China as one of the concerns, and also the very large food build-up, particularly in China at a time when the world is looking for more resources of food. As we look forward, our



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concern is the threat to next season's production, especially in countries that import fertilizer, such as East Africa.

Let me move on to give you a brief update of what the World Bank Group has done, and also, I want to discuss our very constructive relationship with the World Food Programme in specific countries. What we have done is apply major new resources to the food insecurity problem. We are providing a USD 30 billion food and nutrition package covering the 15 months, from April 2022 through June 2023.

We have been meeting our targets in terms of the new programmes that includes USD 12 billion in new projects, specifically on food insecurity. That has all been committed now ahead of schedule. It includes USD 3.5 billion in new financing for food and nutrition security in hot spots. We have used fully three quarters of the early response financing that exists within IDA for the crisis response window to address hot spots, and we are mobilizing additional funds for the crisis response window.

What we are trying to do is also balance the short-term crisis response with long-term interventions. For example, in the short-term, we provide food vouchers that supports 700,000 people in Mali, and cash transfers that support 500,000 food-insecure people in Burkina Faso. Cash transfers that are vital for the nutritional balance. Also, long-term responses such as the USD 2.3 billion food systems resilience programme that we are applying in Eastern and Southern Africa that will help countries strengthen early warning systems.

As I mentioned, the private sector is vital. Our private sector arm, IFC, launched a USD 6 billion global food security platform to support farmers in their access to critical supplies. These interventions are underpinned by research and real-time analysis. These are important parts of our five-agency task force that World Food Programme has been a critical part of.

We use the Global Alliance for Food Security that convened with the G7 Presidency. We also launched the Global Food and Nutrition Security Dashboard to see the needs and gaps in responses around the world. We are preparing and working with countries to develop the Food Security Crisis Preparedness Plans in order for them to actively monitor and plan for major food and nutrition security crisis using a step-by-step protocol that is important for preparedness.

The first of these in the World Food Programme are occurring in Yemen and Somalia. They are expected to be released soon. As a side note, I was in Jordan in 2021, and met with the company that monitors the food aid that is going into Yemen, and the World Food Programme is a critical part of that relationship in Yemen. Food security related policies and reforms supported by the World Bank have focused on creating food systems that are climate-smart and nutrition-smart.

Let me turn now to the relationship with WFP. WFP has been an important partner for the World Bank with its deep experience of operations in fragile and conflict countries. Your response to humanitarian crises, and also the unrivalled logistical expertise and reach that you have across the globe.

The World Bank is the largest financial partner of WFP among the international financial institutions. We have provided USD 626 million last year, and we are working together across the humanitarian-development nexus. We are working both to respond to urgent needs as well as to help countries build resilience to future shocks. Our joint portfolio covers a wide range of countries and interventions, that includes logistics in Ukraine where we are working every day.

We have now dispersed over USD 20 billion to Ukraine provided by various donors within the current crisis. Also, cash transfers in Somalia and other fragile countries. Our partnership also goes beyond this kind of close collaboration at the country level. We are partnering the Global Alliance and also a key member of the Food Security Task Force. It seeks to bring the world's



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attention to critical aspects of the crisis, and no one has done more than David Beasley to bring world attention to this critical crisis.

We are also doing important work with the World Food Programme on impact evaluation to generate evidence to support more effective operations and policies. Over the course of the 60 years of operations celebrated this year, and congratulations to all of you, the World Food Programme has built a strong track record of delivering life-saving assistance in emergencies and building pathways to peace through food assistance programmes. That is a record that was recognized by the Nobel Peace Prize in 2020.

I congratulate all of you again on that World Food Programme success. We will continue looking for ways to deepen our partnership going forward, especially in countries vulnerable to fragility and conflict.

I want to thank you again for the invitation to speak here today and I wish you very fruitful discussions.

