



OMD INTRODUCTORY STATEMENT: EB 2/2008

Mr. President, Distinguished Delegates, Ladies and Gentlemen,

Since the last Executive Board meeting, high food crisis and climatic changes have featured strongly in the West and Central Africa region.

The West African region has a long history of structural food insecurity with several social indicators in the region being extremely low. The region has some of the world's poorest countries with a significant part of its population living below the poverty threshold. OMD, together with partners, have over a long time been faced with the challenge of preventing and managing malnutrition within a context of extremely poor nations with scarce natural resources, adverse weather conditions and limited safety net mechanisms.

Given this chronic fragility, the high food price crisis has added another layer of stress at the household-level. Many families in West and Central Africa have found their purchasing power slashed by the rise in food prices resulting in a definite increase in incidence and depth of longer term food insecurity. All countries in our region have been affected to varying degrees, and we have taken the approach, out of necessity, to give priority to the most urgent needs as identified within Government emergency plans of action.

WFP offices were in most countries the first to become aware of the crisis and took the lead in raising awareness among government authorities and partners and in providing preliminary estimates on its impact on vulnerable populations. OMD has responded widely across the region and in different ways: advising governments and partners as action plans were developed, conducting assessments and implementing programmes to support affected populations.

Traditionally, the lean season, which we are just coming out of, is a time when the people are most vulnerable. During this year's lean season, the food crisis simply pushed the poorest families beyond their capacity to cope. Therefore, the responses we are putting in place have focused so far on their immediate needs.

OMD has initiated new projects or expanded existing ones in 9 countries, namely Mauritania, Senegal, Guinea, Sierra Leone, Liberia, Cote d'Ivoire, Ghana, Benin and one inland country - Burkina Faso. It is striking that most of these are along the coast which are highly dependent on imports.

Assistance is or will be provided to about 4 million people in these 9 countries in response to their immediate needs. I want to be very clear on this figure. Our original plan for the year was to provide food assistance to just under 10 million people, and as a result of the crisis, we have reached an additional 4.0 million people in these 9 countries. This translates into approximately 129,000 metric tonnes of food assistance, valued at \$170 million, over and above the planned programme of work. It is worth mentioning that about 40% of the resources in our response to high food prices have gone to the important area of nutrition support.

This has been very hard work in our region and it continues to be hard work. The scaling up of our response was done at the same time as we were all proceeding along a steep learning curve, figuring out how to analyze the situation and how to respond. There were additional needs in the other countries in our region, but we simply had to prioritize. For some of the other countries, preliminary work has begun and will move into the post-lean season medium and longer term response—Niger and Cameroon are two examples that come to mind.

Lessons learnt during design and implementation of high food price responses

Firstly, OMD countries' ability to respond during the lean season not only depended on the level of resources committed, but also on stocks being available in-country or in neighboring countries. This was particularly an issue because of transport limitations during the rainy season and the fact that local purchases were not appropriate in the middle of the lean season following the poor harvest last year. Food export bans by some of the countries also made purchase within the region difficult. The closest possibility for international commodity purchases was South Africa, which required a 2 -3 month lead time to delivery.

Secondly, the crisis enhanced WFP partnerships with Governments and other development partners – notably the World Bank. In most OMD countries, Governments relied heavily on WFP to advise and assist in the design and/or implementation of country action plans or food purchase for national distribution programmes. A total of high food prices \$18.4 millions were received by CO, in the implementation of the High Food Prices Plans of Action:

- \$ 8.75 million directly from the World Bank to WFP;
- \$ 4.55 million from the Government of Ghana but provided by the World Bank;
- \$ 4.00 million from E.C.;
- \$ 0.75 from CERF;
- \$0.352 from UNICEF.

Thirdly, WFP Country Offices realized the problems created by the crisis but had difficulties setting up mechanisms for rapid assessment to guide a response. Where possible, WFP called on partners to fill in the knowledge gaps, necessary for developing a response. In some cases, particularly in urban areas, responses had to be considered carefully. While cash and vouchers are accepted as one of the most appropriate tools,

many Country Offices in the region have been cautious about implementing them because of the risks involved and the environment not being conducive enough.

There are indications that the harvest this year has been relatively good across the region. International food prices are on a downward trend but there is a time lag before reduced prices are reflected in local markets and even then, projections are that prices will still be higher than the same period in 2007. In a nutshell, prices of coarse grains (millet and maize) are falling in the major regional markets as the 2008 crop is being harvested. Nonetheless, there is concern that prices are still above the levels of a year ago at the same period: e.g. in Burkina Faso, average prices for millet, white sorghum and white maize in the first week of October were respectively 33, 41 and 56% above last year's prices at the same period; there is expectation that there will be strong demand to restock, which might put upward pressure on prices.

On the other hand, prices remain close to historical highs for imported rice: rice costs now almost 1 US\$ per kilo in most of West African markets, this has been the case since July, this is twice the level of a year ago. The high price we have now on the market reflects the cost of the rice bought on the international markets months ago. These high rice prices are an issue for coastal countries that have come to rely on cheap rice imports such as Gambia, the Guineas, Mauritania, Senegal, Sierra Leone, Liberia, as well as inland urban areas.

There is a specific issue for countries using the CFA Franc which has lost 18% of its value against the dollar since July. This means that the weaker CFA Franc has dampened the beneficial effect of lower international price for rice. The rice importers in Senegal and Guinea-Bissau, who use the CFA Franc, are in a situation where FOB price of rice has only dropped 16% since May in local terms, whereas they have dropped by almost 30% in US dollar terms.

However low the prices fall, the effects of the high food prices have exacerbated an existing chronic food insecurity situation and degraded livelihoods to levels that will have long term implications. With this in mind, we in the WFP West and Central Africa Region are shifting our planning horizon to focus on the medium and long term.

Medium and long term response

With regard to the medium and long term response, two lines of intervention are prominent in our discussions:

1. The first is assisting with increasing food production. The higher international prices provide an opportunity to reduce the amount of money spent on importing food commodities through increased production within the region. It also promises a better overall economic health of these countries. At the micro level, this means of course that farmers will get more for their produce, and provides an incentive to increase their production. How substantial this will be remains to be seen. But in any case, this is the positive side of rising food prices.

2. The second line of intervention is the reinforcement of safety nets. Higher prices have reduced the purchasing power of those who do not produce their own food. This has resulted in rising vulnerability among non-food producers and net buyers.

Humanitarian Concerns in the OMD Region.

There has been some flooding in a number of countries, the most affected being Ghana, Chad, Niger and Togo and WFP has begun providing relief to affected populations in some of these countries. Climate change is also presenting us with a new set of challenges. Throughout the sub region, but particularly in the Sahel, the tenuous nature of the environment and the reliance of the people on land, greatly increase their vulnerability to climate change. In the northern reaches of West Africa, climate change has been occurring over the last 20 years, resulting in fewer water sources, loss of forest cover, and deterioration of ecosystems. Further south, along the coast, rising sea levels are challenging low lying communities with increased erosion and salinization of agricultural lands.

Perhaps one of the most striking examples of climate change we have witnessed in this region is the erratic rainfall of the last few years. For example in Northern Ghana, the late rains in 2007 caused crop failure and those farmers whose crops survived eventually lost their harvest to flash flooding.

Experts predict that events such as these will only increase. In the Sahel, land management comes essentially down to water management: making every drop of rain count. Rainfall is occasional, and often torrential. Instead of allowing rapid runoff to cause flooding with all its consequences, we need to catch every drop of rainfall falling in the Sahel and put it to good use.

WFP can play a crucial role in climate-related, disaster risk reduction through Food for Work activities such as the construction of small-scale water management structures or reforestation. Cape Verde's strong performance in disaster management through tree planting and concentration of water is a good example of how simple technologies can effectively reduce the risk in drought prone areas. These could easily be replicated in other countries.

To link preparedness with response capacity as part of WFP's leading role in logistics, WFP has extended partnerships in the implementation of the Humanitarian response depot in Accra (UNHRD) to include IFRC and UNHCR.

In addition to natural disasters, insecurity has been of concern. I am very concerned about Chad. There is speculation that the end of the rainy season, which is around now, will witness renewed hostilities and instability.

We saw a coup in Mauritania in August this year that is still not resolved. But WFP operations are continuing there, as they need to. Guinea remains fragile and volatile. In Central African Republic, political dialogue remains at a standstill. In Guinea Bissau there have been strikes because of non-payment of salary arrears. Mali and Niger have problems in the north. Elections are pending in Cote d'Ivoire. These are just a few examples.

Throughout the region, increased cost of living has raised the temperature and aggravated existing tensions. For example, availability and cost of electricity –which are linked to high fuel costs--have been the prompt for recent protests in Senegal.

Finally, I would like us to think about the key actors of WFP's efforts in the region: I mean the staff; both national and international; and in particular those of our colleagues in Chad where they know trouble is ahead but continue their work tirelessly to feed hundreds of thousands of refugees and IDPs; those in Central African Republic living and working in really harsh conditions, where the most basic things are a challenge. I could name many others and feel that they should never be forgotten when we talk about the work that WFP does.

Thank you Mr. President.