



Toward Systemic Food Assistance

WFP Food Systems Strategy Convening

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Introduction

Under its Strategic Plan (2017-2021), the United Nations World Food Programme (WFP) seeks to apply and leverage its primary strengths and capacities in humanitarian response and recovery in support of efforts to generate deep systemic changes required for sustainable development and Zero Hunger.

Motivated by this strategic approach, WFP organized a two-day convening to explore how best to deploy its food assistance interventions and investments toward enhancing the performance of food systems in different contexts. This Food Systems Strategy Convening was held in Rome at the H10 Roma Città on the 7th and 8th November 2016. 63 participants from around the globe attended the discussion, including staff members from Country Offices, Regional Bureaus and Headquarters, as well as external food

systems and nutrition experts.

The overall aim of the meeting was to clarify the conceptual, strategic and operational dimensions of a food systems strategy for WFP. Throughout the workshop, participants engaged in presentations, activities and discussions with specific objectives to:

1. Explore food system concepts and their relevance to WFP;
2. Examine the systemic dimensions of WFP's existing portfolio;
3. Discuss, clarify and deepen understanding of the proposed systemic food assistance approach; and
4. Identify the strategic and operational building blocks of a food system strategy for WFP.

Food Systems in WFP's New Strategic Plan



Stanlake Samkange, Director of WFP's Policy and Programme Division, welcomed participants and set the scene with an overview of WFP's broader strategic direction. In 2015, WFP began a transformative planning process within the framework of the Sustainable Development Goals

(SDG), leading to the creation of the Integrated Road Map (IRM)¹. The IRM aims to support countries' contributions to the 2030 agenda with four pillars: the Strategic Plan (2017-2021), the Policy on Country Strategic Plans (CSP), the Financial Framework Review and the Corporate Results Framework.

The new Strategic Plan positions WFP to contribute to two high level goals, namely: **SDG2** on supporting countries to achieve zero hunger and **SDG17** on partnering to support implementation. Within SDG2² and SDG17³, WFP defined five corporate Strategic Objectives, falling under which will remain in place alongside the SDGs until 2030. Within these Strategic Objectives, eight Strategic Results clearly define the scope of WFP's operations under specific SDG targets⁴.

Continued efforts will be required to clearly define WFP's work in the context of broad and

1 The IRM was approved by WFP's Executive Board in November 2016.

2 End hunger; improve nutrition; and achieve food security. The sustainable agriculture component of SDG2 is not included.

3 Support SDG implementation and establish partnerships to achieve SDG results.

4 Four Strategic Results linked to SDG2 targets: everyone has access to food; no one suffers from malnutrition; smallholders have improved food security and nutrition; and food systems are sustainable. Four Strategic Results linked to SDG17 targets: countries have strengthened capacity to implement the SDGs; policies to support sustainable development are coherent; developing countries access a range of financial resources for development investment; and sharing of knowledge, expertise and technology, strengthen global partnership support to country efforts to achieve the SDGs.

overlapping efforts undertaken by various agencies, all adopting the SDGs as a starting point for strategic planning. These efforts will be oriented around food assistance as WFP's core area of work, encompassing transfers to recipients, as well as the development and implementation of interventions to prevent hunger.

The Executive Board and other key WFP partners

have signalled a need to define WFP's role with respect to SDG2 Target 4 on sustainable and resilient food systems. WFP's entry point to this area of work will be around strengthening access to and distribution of nutritious foods. There are also strong linkages with food production, where the Food and Agriculture Organization of the United Nations (FAO) and other agencies have the lead role.



Food Systems and Systemic Food Assistance

Steven Were Omamo, Deputy Director of WFP's Programme and Policy Division and Coordinator of Food Systems Strategy, Policy and Support, described how the new Strategic Plan aims to leverage WFP's humanitarian response and recovery capacity to help countries achieve the SDGs. Food assistance, in part through the strengthening of food systems, will have a major role to play in achieving SDG2 - Zero Hunger - over the longer term. He introduced the concept of Systemic Food Assistance, where the core idea is to leverage food assistance to address systemic problems creating disruptions in food systems. To better clarify and define these areas of work, the below definitions were presented and validated through discussion with workshop participants:

FOOD ASSISTANCE empowers vulnerable and food insecure people and communities to access nutritious food, saving and protecting lives and livelihoods in the process. It includes instruments such as in-kind food, vouchers or cash transfers used to assure recipients' access to food of a given quantity, quality or value. These instruments can be used to pursue specific objectives for targeted

populations, such as improved nutrition, gender equality, education expansion or disaster risk reduction. Several supporting activities and institutional platforms render these instruments successful and sustainable, such as needs assessments, logistics, information management or engagement in national safety nets and strategies for hand-over.

FOOD SYSTEMS are interlocking networks of relationships that encompass the entire range of activities involved in the production, processing, marketing, consumption and disposal of goods that originate from agriculture, forestry or fisheries. This includes inputs required and outputs generated at each step. The scope of food systems thus extends beyond physical food commodities, to cover the goods and services required for food production, transformation and consumption. These goods and services include: agronomy, farm input provision, product harvesting, transport, storage and handling, processing, finance, wholesaling and retailing. From WFP's perspective, performance problems in food systems spring from inadequate levels and qualities of these services.

⁵ Food systems encompass all the people, institutions and processes by which agricultural products are produced, processed and brought to consumers. They also include the public officials, civil society organizations, researchers and development practitioners who design the policies, regulations, programmes and projects that shape food and agriculture (FAO, 2013. SOFA)

Well-functioning food systems perform efficiently and predictably, providing adequate incentives and returns to producers, processors, and distributors, and delivering safe and nutritious food to well-informed consumers, with minimum delay and spoilage. Because WFP operates at the nexus of humanitarian and development contexts, its perspective on food systems also takes in a range of security, political economy, policy and climatic and environmental factors that spur humanitarian crises in the short term and impact development prospects over the longer term. While WFP's definition is similar to and informed by that of FAO, it focuses increasingly on the interior of food systems.

SYSTEMIC PROBLEMS affect or relate to collectives, groups, or assemblages, impacting them as a whole, as opposed to a particular segment or individual members. They feature multiple mutually reinforcing structural and institutional elements. Solutions to problems with systemic features must therefore be similarly holistic. They too must feature multiple mutually reinforcing forces that generate benefits that accrue to large groups and across wide areas. WFP's experience and analysis point to three deeply-rooted and related systemic problems in food systems that destroy private value, constrain livelihoods, and inhale public resources: the last mile problem, the good year problem, and the bad year or lean season problem. When ignored or inadequately addressed, the three problems generate chronic hunger. They also weaken food systems, increasing the risk that these systems will collapse under shocks, and leading to emergencies that call for food assistance.

SYSTEMIC FOOD ASSISTANCE is the framework proposed to cope with systemic problems, which resonates strongly with Agenda 2030 and the SDGs. It is food assistance that improves food system performance by addressing systemic problems in given systems. Systemic food assistance is demand-driven, innovation-based and capacity-enhancing and entails both direct and indirect measures, based on the actors and context. Direct measures relate to food assistance activities, investments, and interventions that enhance capacities of key actors to respond to, catalyse, or boost demand for quality food over the short term. Indirect measures work over the medium- to long-term by influencing the terms and conditions of exchange and interaction within food systems. These measures can target either the incentives of specific actors or wider structural and institutional conditions in food value chains.

The core idea of systemic food assistance is to leverage these direct and indirect food assistance interventions for wider gain in food systems by means of complementary investments, enhanced capacities, transformative partnerships, institutional innovations and policy reform. Ideally, the focus should be on eliminating the inefficiencies plaguing food system functions. The "midstream" of food systems, where 40 percent of costs reside, is especially amenable to WFP engagement. Finally, WFP's capacity to leverage food assistance to address systemic problems will require the development of three strategic and operational conditions, namely analysis and knowledge management, internal coordination, and partnership and advocacy.

Toward a Typology for Understanding Food Systems

To better understand some of these issues, WFP built a four-component food systems typology examining:

- Food system performance, based on the Global Food Security Index;
- Hunger burden, based on the prevalence of child underweight;
- Income status, based on Gross National Income (GNI); and
- Instability, based on the Index for Risk Management (INFORM).

The typology defines four groups of countries based upon their food systems performance and stability, as shown in Table 1. These are: stable high performers, stable low performers, unstable high performers and unstable low performers. WFP works in all 77 countries defined as unstable low performers, and quite a few classified as unstable high performers, many of which are low- and middle-income countries.

A number of preliminary conclusions can be drawn from this typology. While low income tends to coincide with low-performing food systems, such low performance appears to continue well into middle income status. It appears to be difficult – if not impossible – to register low hunger in the absence of high performing food systems. However, high food system performance seems not to be sufficient for low hunger. Stability clearly counts, though perhaps not decisively. Instability is likely damaging but may not necessarily be debilitating. Relatively low levels of hunger appear to be achievable in unstable settings. Subject to contextual specificities, food system performance could be improved even in unstable contexts.

Almost by definition, it is in such unstable contexts that food assistance is delivered. Therefore, there seems to be a strategic opportunity to transform food systems from low- to high-performing in the

countries where WFP delivers food assistance and capacity development. Indeed, the argument for performance-enhancing food assistance is clear and compelling.

Table 1: Preliminary four-component typology for understanding food systems

Preliminary 4-component typology of countries					
Food System Performance	Hunger Burden	Income Status	Instability		
			Low	Medium	High
High >50.99	Low <5	High income	4		
		Upper-middle income	5	10	1
		Lower-middle income	4		
		Low income			
	Medium 5>X>25	High income	2		
		Upper-middle income	2	3	
		Lower-middle income		5	1
		Low income			
	High >25	High income			
		Upper-middle income			
		Lower-middle income		1	
		Low income			
Low <50.99	Low <5	All Levels			
	Medium 5>X>25	High income			
		Upper-middle income		1	
		Lower-middle income	1	6	5
		Low income		7	5
	High >25	High income			
		Upper-middle income			
		Lower-middle income		1	5
		Low income		3	5

Better Understanding Systemic Problems

As a public agency operating at scale in several interconnected commercial settings, WFP’s experience and analysis points to three deeply-rooted and related systemic problems in food systems: (1) the last mile problem; (2) the good year problem; and (3) the bad year or lean season problem. The three systemic problems generate chronic hunger and weaken food systems, increasing the risk of food emergencies that call for food assistance (Figure 1). The resilience and overall performance of food systems hinge on how effectively these problems are handled.

The “Last Mile” Problem

A defining feature of chronically hungry people is their physical, economic, social, and political isolation. They are “hard to reach” and can themselves “reach out” only at great cost in both rural and urban areas. In rural areas, low-return subsistence-oriented production and trading livelihoods are continually affirmed – especially for smallholder farmers –and so, too, are the hunger and poverty associated with these livelihoods. In urban areas, poor households with few skills and assets struggle under pervasive unemployment and low-paying jobs. Hand-to-mouth livelihoods featuring low capacities to purchase nutritious food are thus the norm. Capacities to purchase food and maintain adequate nutrition are severely curtailed. In humanitarian contexts, the “last mile” is often besieged, sometimes for months or years on end. Yet even besieged populations cultivate, plant, harvest, store, process and trade food for

consumption. The dynamics outlined above apply to them in the extreme.

The “Good Year” Problem

Insufficient capacity to handle food surpluses at both household level and on aggregate leads to plunging prices, distress sales, waste, and spoilage. The political content of food policy often presses governments into statements and actions that exacerbate the good year problem while absorbing huge amounts of public funds in efforts that typically fail to make a significant impact on the problem.

The “Bad Year” or “Lean Season” Problem

Large numbers of marginalized households in rural and urban areas lack sufficient supplies of food to meet their needs. They also lack the purchasing power needed to fully meet their food needs on the market due to low incomes and few assets. Such households regularly face periods spanning months or even years of severely constrained access to nutritious food. Periods of extreme hunger result. Over time, vulnerable people develop complex methods for tackling the hardships associated with bad years and lean seasons. These strategies vary depending on types of livelihoods, asset holdings, land use patterns, and broader systems of trade, marketing, and finance. Common to most of these coping strategies is that both the quantity and quality of food consumed fall. Meals are missed, portion sizes reduced. Starchy staples loom larger in diets at the expense of nutrient-rich but more expensive meats, dairy products and vegetables.

Figure1: Systemic problems in food systems



The State of the Art of Food Systems Thinking

External presenters discussed the evolution and state of the art of food systems thinking, concepts and approaches from a global perspective. A broad overview beyond the scope of WFP's work enabled understanding of the global debate on food systems and discussion of future trends.

The Rapid Transformation of Food Systems in Africa and Asia



Tom Reardon, Professor, Michigan State University gave an overview of rapid transformations in food systems in Africa and Asia, as well as potential entry points for WFP based upon current challenges. Changes at three levels of the value chain - downstream, midstream and upstream - have supported a rapid transformation of access and distribution in domestic food systems. Over the past ten years, food systems have been pulled **downstream** by swift and sustained changes in demand, driven by urbanization and shifting dietary patterns. In the **midstream** - processing, wholesale and logistics - two key revolutions have taken place. A modern revolution led to an increase in the number of supermarkets, large-scale retail outlets and processing firms. A quiet revolution of small and medium enterprise has taken place along rural-urban supply chains in transport, processing, cold storage, retail, restaurants. Finally, changes in domestic food systems have been fed **upstream** by changes in farming systems, such as intensification, diversification, and commercialization of farming.

The countries where WFP works have gained huge benefits from these transformations in terms of feeding cities, driving rural markets for processed foods, diversifying and de-seasonalizing diets, making food more affordable for poor consumers and employing the poor in rural areas and small

cities. However, these transformations have also exacerbated several challenges, which may indicate potential areas of intervention for WFP, such as:

- **Small and medium cities** have traditionally received less emphasis by policymakers than mega-cities. However, they have a strategic role at all levels of the supply chain, given that they tend to be closer to rural areas, with positive impacts on both rural and urban income and employment.
- **Supply chains are becoming longer** and more energy-intensive, making them more vulnerable to external shocks. However, they also have the potential to bring de-seasonalized and cheaper food into urban areas.
- **Poor infrastructure** hinders access to markets, exacerbating the last mile problem.
- **Investment in the midstream** is equally important to investment in production. Although the quiet revolution has taken off, with an increasing number of small and medium enterprises present, there is still room for growth. As midstream costs account for 40 percent of food system costs, policymakers must grasp this critical opportunity for change.

Food Systems' Resilience and Solutions for Managing Risk

Luca Alinovi, Executive Director, Global Resilience Partnership (GRP) recommended that WFP manage risk and enhance food systems resilience by acknowledging multiple threats and envisaging interconnected solutions. These include:

- **Adopt a targeted demand-side approach to food systems.** A demand-side approach to food systems should involve both securing commodity cost reduction and stability along the supply chain, and look at the food system from the side of its recipients. This holistic approach involves improvements along the supply chain, and sustainable poverty and hunger reduction measures.

- **Address inefficiencies and barriers to access.** Food system research often focuses on the main staples and market system, without considering value chain inefficiencies, barriers and diversity in smaller markets, which have major impacts on the poor. A great many barriers are caused by high transaction costs related to corruption, poor political decision-making and higher levels of influence held by gatekeepers than small-scale producers. These inefficiencies and barriers severely hamper the access of smallholder farmers to markets. WFP should take on the role of facilitating the processes needed to remove these blockages.
- **Establish partnerships.** WFP must be prepared to interconnect in new ways with different partners, including UN agencies, civil society, governments and a vibrant private sector which has increasingly put social objectives at the core of its business.
- **Increase data granularity.** There is a need for deeper data analysis to better understand the functioning of national and local food systems in different countries. This will facilitate informed decision-making, with analysis carried out at the same level at which decisions are made.
- **Design long-term development strategies to be implemented at scale.** When crafting its long-term food system strategy, WFP should strive to analyse, monitor and proactively engage with issues such as climate change, which can have unpredictable consequences on agriculture. A general shift in development work from piloting to implementation at scale would also be beneficial.

Food Systems: African Perspectives

Stephen Karingi, Director, United Nations Economic Commission for Africa discussed continued challenges to food and nutrition security throughout Africa, as well as potential entry points for WFP.

Food systems in Africa are faced with multiple inefficiencies and gaps, which significantly undermine the sustainable provision of safe, nutritious food at the quality and quantity required. These gaps include low productivity, poor supporting services and infrastructure, and limited resilience to climate change. However, African food systems are also changing rapidly in positive and

exciting ways, driven by factors such as urbanization, diversification of food markets, increasing regional integration, global trade liberalization, market and technology innovations, foreign direct investments, a “youth bulge” and increasing prosperity. The Malabo declaration of July 2014, through which African heads of state committed to end hunger in the continent by 2025, is expected to strengthen efforts to enhance food security and to encourage the adoption of more integrated approaches.

WFP’s intention to shift toward gearing up local and regional food systems through investment-oriented, sustainability-focused operations is a welcomed step in the right direction. WFP could adopt a commodity-focused integrated approach, concurrently addressing multiple constraints across entire prioritized agricultural commodity value chains, such that every programme is designed with a food system perspective. Furthermore, WFP’s involvement should be aligned with its comparative advantages, namely: extensive knowledge and hands-on experience in dealing with supply chain operations, smallholder farmers, and small-scale food processors; solid relationships with national and local institutions developed over years of consistent and timely supply of food assistance; and structural demand for local foods.

Karingi suggested several areas for WFP’s engagement with food systems:

- **WFP’s vast experience working with smallholder farmers could enable a focus on Small and Medium Enterprises (SMEs)** across the food system. Therefore, WFP could shift its role from “food provider” to “incentiviser” empowering SMEs, along the supply chain, through the provision of necessary goods and services and strengthening their linkages to markets.
- **WFP has a role to play at the regional and sub-regional level**, from promoting policy dialogue to help create a conducive environment for boosting cross-border trade that benefits smallholder farmers and small-scale producers.
- **WFP should adopt an integrated approach** that creates sustained and structured demand with the potential to mend inefficiencies and bridge gaps at all levels of the value chain.



Food systems in WFP's Portfolio

Leaders from five WFP offices and divisions offered internal perspectives on WFP's food assistance and its evolution, identifying capacity gaps and gauging the potential to leverage existing interventions and enhance food systems performance. The presentations emphasized the benefits of adopting an integrated food systems perspective by providing practical examples relating to WFP's operations, mission, and mandate.

Systemic Challenges in Food Assistance and Food Systems in Kenya

Annalisa Conte, WFP Country Director, highlighted the way in which WFP is supporting the national government with projects to address systemic challenges faced in Kenya as a lower-middle-income country. WFP is progressively handing over the majority of its food assistance operations to the Government of Kenya - such as school meals and supplementary feeding. In this context, WFP is shifting from **direct delivery** to the provision of **technical assistance, capacity development and resilience-strengthening efforts** for government institutions and insecure households. The sustainability of these efforts requires the creation of an enabling environment and appropriate policies to manage food systems and address systemic problems. The three systemic problems are real and urgent in Kenya: populations in marginalized areas face high food prices and low access to diverse diets (last mile); inadequate systems to deal with bumper harvest recursively lead to food spoilage along the value chain, while populations in dry areas lack access to fresh foods (good year); poor access to adequate quantities and nutritious foods is associated with cyclical droughts (bad year). Several interventions aim at tackling these problems through improvements in the value chains for key commodities.

Previous interventions through Purchase for Progress (P4P) leveraged WFP's purchasing power and other

institutional markets to address the last mile problem through improved access to markets and increased incomes for smallholder farmers. Although productivity and incomes improved for farmers participating consistently, the scale of impact has been low compared to the investment. Furthermore, in early 2010, WFP and the Government designed a model for the procurement of sorghum from farmers using forward delivery contracts. The goal was to solve the good year problem by providing a market for farmers' bumper harvest while encouraging continued production. However, the contamination of all government stocks with aflatoxin led to contract default.

Several ongoing interventions deal with the last mile problem. In Kakuma and Dadaab refugee camps, **the Retail Engagement Strategy** leverages cash-based transfers to influence food systems through WFP's purchasing power and the creation of consumers' demand. In these locations, even though markets are meeting demand, purchasing power is undermined by high food prices. The aim is to achieve the best value for WFP beneficiaries by addressing inefficiencies along the supply chain and reducing retail prices of the most popular food items. A second intervention influencing the food system aims to enhance government ownership of the **Food Quality and Safety for Home Grown School Meals Programmes** in Kakuma, reducing the risk of aflatoxin contamination. A third example is the **Rural Small-Scale Fortification programme**, which creates the conditions for improved access to micronutrients for pre-primary school children in Kakuma, thereby generating systemic impact on nutrition and incomes. These examples illustrate that most of the people living in rural areas are hard to reach, have limited purchasing power, and lack access to fortified foods, which are not always available on the market. Therefore, WFP's long term footprint, experience and investments in Kenya should be leveraged to design food assistance interventions that will have a systemic impact on the food system.

Systemic Food Assistance in El Salvador

Nils Grede, WFP Country Director, discussed systemic food assistance efforts in El Salvador.

El Salvador is the smallest and most densely populated country in Central America located in the dry corridor. Agriculture is dominated by smallholder farming, with 71 percent of farmers cultivating less than two hectares. Agriculture is dependent on rainfall and the country is vulnerable to climate change, hurricane and floods. The lean season is extending in the East as a result of climate change, with a shift in rainy season which may become the new norm for staple grain farmers, requiring irrigation as a long-term solution. Moreover, El Salvador has always been input dependent and affected by price volatility: the price of red beans spiked in 2007 and 2008 due to hurricanes and in 2014 as a consequence of both droughts and government speculation.

To address climate change, WFP has been working to develop resilience projects that help farmers with conservation, reforestation and water management. The Country Office has been working closely with farmers' organizations to increase storage capacity, selling capacity beyond WFP as well as working on capacity development, management practices, food safety, and marketing. However, the situation of the country remains challenging: there are no good years and growing food insecurity is coupled with an increasing debt. Under these circumstances, most farmers' associations are on the verge of bankruptcy. Many projects implemented by cooperating partners have core financing requirements and are not sustainable in the long run. Farmers' organizations take on loans confident of repayment thanks to the support from WFP and FAO, which is currently a serious issue in El Salvador.

The last mile problem is particularly evident in the Eastern regions, where nutritious food prices are significantly higher than in the West. There is limited difference in the price of staples. However, price differences are more distinguished, and the number of traders much lower for nutritious foods, especially meat and dairy products. The average price in the most remote regions is always above the average cost of the country. The last mile problem becomes a first mile problem for smallholder farmers, with market access often depending upon "coyotes" and other informal actors in the value chain who take advantage of farmers' lack of information.



Supply Chain Division and the Food System Approach

Mahadevan Ramachandran, Chief of Strategy and Planning, Supply Chain, addressed how WFP works to link supply chain efforts and work to strengthen food systems. Every day, WFP coordinates an average of 5,000 trucks, 40 ocean shipments, 70 aircraft, and a network of 650 warehouses worldwide. The total estimated supply chain expenditure in 2016 accounts for US\$4 billion. Of this, US\$1.8 billion are spent on food procurement, US\$1 billion on logistics, US\$700 million on cash-based transfers and US\$550 million on goods and services.

Currently, WFP's focus is on in-kind direct delivery, with a physical presence of 3,500 supply chain staff globally. However, a new supply chain strategy aims to shift from direct delivery to enabling national capacities by 2021. The objective is to build upon WFP's expertise to create partnerships and platforms that strengthen national supply chains, and enable poor people to access foods, markets and services of better quality, price and choice. This approach is set to scale up WFP's engagement with national systems, to create common platforms and to strengthen local markets and supply chains, including through cash-based transfers, while retaining supply chain's direct operational capacity and excellence in emergency response.

Current interventions aiming at strengthening national capacity include: agricultural interventions, namely Post Harvest Losses reduction and the Patient Procurement Platform; nutrition-sensitive interventions with the establishment of Special Nutritious Food Factories and supply chains for nutritious food; commercial interventions such as the Retail Strategy and supply chain services; and governmental interventions, enabling the creation of Emergency Preparedness and Response and Social Safety Nets. The main features of the supply chain business model are risk sharing, integration across

the assistance portfolio and external services, global planning coupled with local implementation and reliance on a diverse network of local, regional and global actors. WFP's Supply Chain starts locally and ends locally with global aggregation in between.

Through the new retail strategy, Supply Chain aims for demand to be stimulated by the private sector rather than WFP, enabling a smooth handover to private sector actors. Private sector demand has the potential to unlock loans for inputs, increasing yields and incomes, and in the long term, getting farmers out of food insecurity. In order to implement an effective retail strategy, the Supply Chain Division argues that WFP should explore how farmers can obtain better information on market prices, how they can arrange their own aggregation and how farmers can retain more value by selling locally. Suggested action points include: using WFP procurement capacity to lower transport costs; aggregating WFP, wholesalers and retailers' purchases; sharing space for forward provisioning in return for lower prices; and encouraging governments to improve road



quality to improve food security and reduce the hidden cost of delays.

Food Assistance and Investments in Hard Infrastructure in Somalia

Laurent Bukera, WFP Country Director, highlighted ongoing investments and food assistance work aimed to address systemic problems in Somalia.

Food systems in Somalia are rapidly changing, with each element constantly impacting others, and the people WFP serves at the centre. In Somalia, the food system is broken, and the performance of wholesalers and cooperatives is extremely limited. In addition, Somalia has not had a government for many years, and the current one is fragile, with limited revenues and resources. WFP beneficiaries are not reached by the government or the private sector, and many households can't afford to purchase food.

WFP in-kind food delivery and distribution in Somalia has also faced many difficulties due to security risks and poor infrastructure. WFP is primarily delivering direct food assistance, while investing in the development of hard infrastructure to facilitate this process. The creation and rehabilitation of ports will be a critical element to strengthen WFP implementation of food assistance, open import and export flows and support development projects. As the country's situation improves, WFP has the opportunity to deepen systemic support to foster and promote country-led efforts.

Somalia's rehabilitation process is envisaged to start from emergency response operations and evolve into efforts to improve infrastructure, reduce post-harvest losses, support local production, connect demand and eventually promote linkages with international markets. To implement this strategy, WFP has been promoting special operations to unlock humanitarian delivery channels with numerous initiatives such as Port Rehabilitation (2007), Road Construction (2008), East Africa Food Quality Standards and Storage Solutions.

It is evident that the food system is a mechanism in which only the complete rehabilitation of every gear can successfully revive the mechanism as a whole. The rehabilitation of one gear can activate several other gears but the complete rehabilitation of all is needed to allow for the maximum performance.

Smallholder Operations: Challenges and Opportunities in Zambia

Simon Cammelbeeck, WFP Country Director, Zambia, highlighted efforts currently underway in the country around supporting smallholder farmers as key players in food systems.

Zambia is a vast, landlocked and relatively peaceful country, in which maize is the most extensively cultivated crop. The agricultural sector is seriously affected by El Niño and other climate shocks, especially in the Southern regions, and suffers from inconsistent policies such as export bans. Although it has been recently reclassified as a lower-middle-income country, Zambia does not perform very well in terms of poverty indicators. As a matter of fact, poverty has remained constant in the last 20 years and reaches around 75 percent in rural areas. Nutrition outcomes are also very poor, as indicated by the prevalence of stunting at around 40 percent. Economic activity is diverse and concentrated in certain areas of the country, and can be roughly divided in three zones: a first belt characterized by vibrant economic activity, a second which is likely to see some degree of economic growth and

industrialization over the next few years and a third one which is unlikely to develop at present conditions. Despite these differences, there are common problems across these areas, including poor loan repayment culture, limited adoption of efficient farming practices, high transaction costs, trust deficit and short intervention project cycle culture.

Accordingly, the Country Office in Zambia has been involved in numerous projects that impact different components of the food system. These include: Home Grown School Feeding (HGFS), Rural Resilience Initiative (R4), Purchase for Progress (P4P), Post-Harvest Loss Reduction (PHL), support to the Zambia Agricultural Commodities Exchange (ZAMACE), Virtual Farmers Market (VFM) and Scaling Up Nutrition (SUN). In addition, WFP Zambia Country Office is launching the Patient Procurement Platform (PPP). The Platform will offer farmers access to quality inputs, as well as insurance, financing and improved

access to markets. These elements will make it possible for farmers to plant, harvest and sell enough high-quality crops to boost their income and food security. Challenges in the implementation of this project are mostly related to the last mile issue, including: limited presence of the private sector, high transaction costs, high cost of lending, high default rate on loans, lack of viable and certified seeds, and obstacles to build trust among actors. The role of WFP is precisely to build trust and serve as mediator among the various actors.

Overall, Zambia raises important issues for WFP food systems interventions both at the country and corporate level, such as leaving no one behind, how to deepen interventions to address Zambia's chronic last mile problems, how to integrate WFP's units and defining WFP's role in influencing government policy to focus increasingly on smallholder farmers.

Toward a Food System Strategy for WFP



Working group discussions yielded key outputs around the identification of the main challenges and the definition of operational building blocks for a future food systems strategy.

Strategic Challenges

Through systemic food assistance, WFP aims at leveraging existing interventions in a more systemic, intentional and deliberate way to enhance the performance of food systems. The below challenges on the path to adopting a systemic perspective and approach were identified through working group discussions.

Identifying Entry Points and Leveraging Existing Interventions

WFP should adopt a systemic perspective to support governments to achieve their food security and nutrition goals. However, in order to help governments tackle inefficiencies affecting the food system, WFP must increasingly rationalize and communicate. First, WFP must define the overarching systemic objective to be achieved through engagement in food systems and re-frame the current portfolio of activities in a way that can support a food system strategy. Secondly, taking into account that WFP's experience with food systems has not been well documented, the organization must collect and disseminate this information to governments and other stakeholders through a deliberate communication strategy to establish WFP as a partner in the food systems world. Finally, as there is no forum or coordination group on food systems that covers the issue comprehensively, WFP could support the creation of country-led coordination groups that include the private sector on food security and food systems. Food systems should also be incorporated within the Country Strategic Plans (CSPs), as many entry points to influencing food

systems are country-specific, making it challenging to adopt a more general approach.

Developing Analytical Capacity to Make Informed Decisions

Describing and analysing food systems in a rigorous but accessible way is challenging. Multiple perspectives and judicious simplification are required. Several questions arise related to systemic food assistance as a concept and approach:

- What problems and outcomes should WFP focus on to improve food system performance (food security, nutrition, livelihoods, resilience, sustainability)? What beneficiaries? What supply chains and partners?
- What are the barriers or blockages in the value chain and the enabling environment?
- What happens if business as usual continues? Where do we have more influence in a changing environment? This could take the form of a risk and opportunities analysis.
- What is the impact of different interventions? Can we learn from our successes and failures?

Can we identify the pressure points in a food system that limits optimal delivery of outcomes in situations of stress?

A number of ways to address analytical challenges were also identified:

- Maintain the correct dimension of analysis - local, national, and regional
- Establish common frameworks for food systems that other partners also use for analysis
- Increase availability of data along supply chains and different components of food systems
- Collect a broader range of data and analyse their interactions
- Consider the cost effectiveness of internal versus external data collection and analysis
- Work with partners on data collection and analysis – contribute to national information systems
- Harmonizing analytical frameworks within WFP and adapting them to country national strategies
- Defining an exit strategy already during the analytics stage – e.g. quantitative target
- Develop capacity to understand the analysis and translate it into actions at the country level.



In addition, a modelling approach can help capture the complexities and hard-to-measure interactions of multiple variables of food systems. Dynamic modelling might be preferred to traditional linear modelling, which is not appropriate to capture the complex interactions and unexpected evidence that might emerge. The models should balance capturing local economic impacts, with simplicity.

Engaging in Policy Processes

Oftentimes, countries fail to transmit regional-level agreements into national policies. To address this, WFP must fully recognize the implications of national policies on food systems, while also understanding the institutions put in place and country capacity for implementation. Clarity on entry points for influencing policy will be crucial, and key policy influencers and partners must be identified – such as MPs and civil society. For the greatest impact, WFP should collaborate with partners and influencers who share a mutual interest and agenda to build upon their work. WFP must strengthen its analytical capacity to study the causes of hunger, develop a communications and advocacy strategy based on good documentation to attract the right partners. Finally, skillsets must generally be broadened to engage with policy processes at local, national and regional levels.

Integrating Nutrition

The importance of improving nutrition resonates with Strategic Objective 2 of WFP's new Strategic Plan and with the related Strategic Result 2. This is directly linked to SDG Target 2.2, whereby WFP commits to support joint and coordinated collective efforts to end all forms of malnutrition by 2030. Under this framework, WFP's contributions will focus on ensuring that diets which meet the nutrient needs of targeted vulnerable groups are available, accessible and consumed. WFP's activities will focus on



improving access to nutritious foods. This will complement the work of other actors focusing on food production, as well as those with specialized mandates and capacities to address the non-food determinants of malnutrition. WFP will seek context-specific opportunities to work with partners to adjust the targeting of programmes, provide complementary support towards healthy diets, align with national nutrition strategies, and “co-locate” its programmes with those of partners to address multi-sectoral drivers of malnutrition. These will be implemented where vulnerable groups do not have diets that meet their nutrient needs.

Nutrition is integral to the three main components of food systems, namely, production, transformation and consumption. Therefore, WFP should enable nutrition-sensitive policies, raising awareness on nutrition gaps and the potential for systemic investments across the food system, and unlocking consumer demand for nutritious foods. In terms of strategies for nutrition-sensitive food assistance, WFP should map nutrition issues across food systems, identifying gaps and opportunities. The organization should also work across the entire value chain, engage with large-scale food companies and establish partnerships with private sector actors, nutrition councils, trade institutes, anthropologists, universities and operational partners.

Developing appropriate partnerships

Strong and varied partnerships are fundamental to co-creating deliverables for food systems interventions. WFP must ensure inclusiveness and complementarity and identify the right partners and how best to engage with them. Different types of partnerships are required in different circumstances, be it at the global or local level, with governments, the private sector or other Rome-based agencies. In addition, different

partnership approaches are required in different countries and contexts, making it important to understand the complexity of different food systems to provide localized solutions.

Internally, WFP must be aware of limits and gaps, consider reputational risk, and identify where the organization can add value to partnerships. The analysis of capacity gaps will also help clarify whether WFP should take on a role within partnerships as an enabler – with clear entry, scale-up and exit strategies – or an implementer.

To address challenges around partnerships, WFP should create a diagnostic process to define the problem and design solutions, determining the roles of the various partners, and holding them accountable. Understanding shared objectives and motivations – which may relate to economic growth, efficiency and sustainability – is key. Finally, food security action nodes co-chaired by WFP in many countries may represent opportunities to raise issues and build partnerships.

Enabling WFP’s internal processes to implement systemic food assistance

Because systemic problems manifest within specific segments of food systems, certain food assistance interventions can be mapped to particular systemic problems. This opens scope for the deliberate design and implementation of systemic solutions based partially on current portfolios. No activity areas new to WFP have been identified within the systemic food assistance framework, however, WFP has engaged with these different areas at varying intensity and capacity. WFP’s portfolio thus contains several food assistance initiatives with systemic ambitions, some explicitly so, others implicitly.

With WFP's programmes now being aligned with SDG 2 and 17, a timely and clear set of guidance is required to inform the articulation of the food system approach in CSPs. Thus, WFP should articulate how different interventions can contribute to building stronger food systems, while avoiding duplication of processes and units in favour of integrating existing ones. Moreover, WFP should look at food insecurity through a food systems lens, and provide HQ support to country offices on methodology, skills and trainings.

A defining feature of this nascent systemic portfolio is the deliberate (planned) or opportunistic (circumstance-dictated) integration of supply chain and programmatic activities and interventions. The systemic potential of WFP's portfolio resides at this supply chain/programme interface. Significant organizational coordination and integration will be required for that potential to be fully seized. Other required features to embark on the new systemic approach include: aligning units' work plans with strategic objectives, through enhanced understanding of the enabling environments and processes; identifying capacities and skills that already exist in house; developing a change management process which aims at fostering integration among existing branches, units and mini-processes, through improved coordination of communication and approaches; reducing the number of pilots in favour of scaling up and telling

full stories; coordinating in-house knowledge through learning aggregation; and allocating more resources towards professional development of staff.

Operational Considerations

Participants discussed the practical implications of a systemic approach to food assistance and elaborated what would need change if addressed in a systemic way. Eight considerations were identified as fundamental to an operationally relevant food systems strategy for WFP:

1. Appropriate technical and organizational expertise to manage the process;
2. Credibility through effective use of comparative advantage and definition of clear role and expectations;
3. Systemic analysis of context, entry points and impacts in a dynamic way;
4. Effective communications, advocacy and knowledge management;
5. Engagement in national, regional and global policy processes to foster inclusion agenda;
6. Holistic, integrated, innovative solutions applicable at large scale;
7. Functional partnerships to leverage capacity and scale; and
8. Sustainable multiyear funding.

Conclusions and Way Forward

The convening was closed by John Aylieff, WFP Country Director, Ethiopia, who congratulated the participants for their productive, substantive and thought-provoking contributions, and provided his closing remarks.

Three messages emerged clearly from the meeting:

1. **food systems matter to WFP;**
2. **WFP matters to food systems; and**
3. **food assistance matters to food systems.**

A food system perspective offers a new way of thinking about WFP's work and role, allowing WFP to leverage existing interventions to achieve a more sustainable impact. WFP matters to the food systems

where we work, and where these food systems are flawed, disrupted, and broken, WFP's food assistance can play a role in addressing these systemic problems.

While there is scope and need for to work increasingly on supply chains, as the guts of food systems, what WFP has to offer goes beyond this, including its technical, analytical and programmatic capacity. A food systems lens also shows the extent to which WFP's actions are interconnected with those of other actors. There is a symbiotic relationship between actors in food systems, which provides the most compelling case for partnerships. This kind of partnership is through absolute necessity and must be central to the strategy.

Next Steps

A set of next steps was presented by Steven Were Omamo, aiming to take the new strategic and operational perspective forward for WFP and its partners in the form of a food systems strategy. These are as follows:

- **Develop an interim guidance note**, which is a practical guide to support the integration of food system types of activities in country offices' plans for CSPs.
- **Revise the background paper**, incorporating comments and remarks received before and during the workshop in the previous version of the paper.
- **Develop a Food system strategy**. Draft by January 2017.
- **Documentation, publishing and communication**. Country directors were tasked with capturing systemic performance-enhancing interventions in WFP's portfolio.
- **Provide a workshop report to participants**

Annex 1: List of Participants

	Name	Affiliation	Position
1	Benjamin Davis	Food and Agriculture Organization (FAO)	Coordinator, Poverty Reduction
2	Luca Alinovi	Global Resilience Partnership	Executive Director
3	Purnima Kashyap	Global Scaling Up Nutrition Movement (SUN)	Senior Advisor
4	Titus Awokuse	Michigan State University	Professor and Chair of Department
5	Thomas Reardon	Michigan State University	Professor
6	Stephen Karingi	UN Economic Commission for Africa (UNECA)	Director, Capacity Development
7	Rodrigo Martinez	UN Economic Commission for Latin America and the Caribbean (ECLAC)	Technical Advisor
8	Sheryl Hendriks	University of Pretoria	Professor and Director
9	Gero Carletto	World Bank	Manager, Development Data Group
10	Angelline Rudakubana	WFP Afghanistan	Deputy Country Director
11	Deborah Hines	WFP Colombia	Country Director
12	Laura Melo	WFP Cuba	Country Director
13	Claude Jibidar	WFP Democratic Republic of Congo	Country Director
14	Menghestab Haile	WFP Egypt	Country Director
15	Nils Grede	WFP El Salvador	Country Director
16	John Aylieff	WFP Ethiopia	Country Director
17	Edouard Nizeyimana	WFP Guinea	Country Director
18	Annalisa Conte	WFP Kenya	Country Director
19	Ram Saravanamuttu	WFP Kyrgyzstan	Country Director
20	Mary Njoroge	WFP Lesotho	Country Director
21	Dom Scalpelli	WFP Myanmar	Country Director
22	Laurent Bukera	WFP Somalia	Country Director
23	Simon Costa	WFP Tanzania	Consultant
24	Simon Cammelbeeck	WFP Zambia	Country Director
25	Eddie Rowe	WFP Zimbabwe	Country Director
26	Dipayan Bhattacharyya	WFP Regional Bureau Cairo	Regional Programme Officer
27	Margot Van der Velden	WFP Regional Bureau Dakar	Deputy Regional Director
28	Lola Castro	WFP Regional Bureau Johannesburg	Deputy Regional Director
29	Ana Fernandez-Martinez	WFP Regional Bureau Nairobi	Regional Programme Officer
30	Alzira Ferreira	WFP Regional Bureau Panama	Deputy Regional Director
31	Arif Husain	WFP Operations Services Department	Deputy Director
32	Bing Zhao	WFP Operations Services Department	Coordinator
33	Chelsea Graham	WFP Operations Services Department	Consultant
34	Damien Fontaine	WFP Operations Services Department	Programme Officer
35	David Ryckembusch	WFP Operations Services Department	Programme Officer
36	Elizabeth Ketema	WFP Operations Services Department	Staff Assistant
37	Denise Brown	WFP Operations Services Department	Division Director
38	Enrico Cristiani	WFP Operations Services Department	Consultant
39	François Buratto	WFP Operations Services Department	Supply Chain Officer

	Name	Affiliation	Position
40	Gianluca Ferrera	WFP Operations Services Department	Senior Advisor
41	Gianluca Guerrini	WFP Operations Services Department	Staff Assistant
42	Imed Khanfir	WFP Operations Services Department	Programme Officer
43	Isabelle Mballa	WFP Operations Services Department	Unit Head
44	Judith Thimke	WFP Operations Services Department	Chief Food Procurement, A.I.
45	Lorenzo Motta	WFP Operations Services Department	Consultant
46	Mahadevan Ramachandran	WFP Operations Services Department	Chief of Strategy and Planning
47	Mark Gordon	WFP Operations Services Department	Programme Officer
48	Martina Improta	WFP Operations Services Department	Intern
49	Mutinta Hambayi	WFP Operations Services Department	Unit Head
50	Paul Howe	WFP Operations Services Department	Unit Head
51	Paulo Dias	WFP Operations Services Department	Consultant
52	Peter Jonsson	WFP Resource Management Department	Performance Management Officer
53	Quinn Marshall	WFP Operations Services Department	Consultant
54	Samira Hotobah-During	WFP Operations Services Department	Senior Advisor
55	Shanoo Saran	WFP Operations Services Department	Supply Chain Officer
56	Sheila Grudem	WFP Operations Services Department	Deputy Director
57	Stanlake Samkange	WFP Operations Services Department	Director
58	Steven Were Omamo	WFP Operations Services Department	Deputy Director
59	Zlatan Milisic	WFP Operations Services Department	Deputy Director
60	Annmarie Isler	WFP Partnership, Governance and Advocacy Department	Policy Officer
61	Jennifer Nyberg	WFP Partnership, Governance and Advocacy Department	Deputy Director
62	Jurgen Hagmann	Picoteam	Facilitator

Annex 2: Programme

Day 1: Monday, 07 November, 2016

Session & Time	Activity
8:30 – 9:00	Participants registration
Session 1 9:00 – 10:30	Opening Remarks Stanlake Samkange, WFP Director, Policy and Programme Division
	Objectives and expectations Steven Were Omamo, WFP Deputy Director Policy and Programme Division and Food Systems Coordinator
	Setting the Scene Jurgen Hagmann, Facilitator
10:30 – 11:00	Coffee Break
Session 2 11:00 – 13:00	The state of the art of food systems thinking Presentations by: Tom Reardon, Professor, Michigan State University Luca Alinovi, Executive Director, Global Resilience Partnership Stephen Karingi, Director, UN Economic Commission for Africa Discussion
	13:00 – 14:00
Session 3 14:00 – 15:30	Food systems in WFP's portfolio Presentations by: Annalisa Conte, WFP Country Director, Kenya Nils Grede, WFP Country Director, El Salvador Mahadevan Ramachandran, WFP Chief of Strategy and Planning, Supply Chain Division Discussion
	15:30 – 16:00
Session 4 16:00 – 18:00	Food systems in WFP's portfolio – cont. Presentations by: Laurent Bukera, WFP Country Director, Somalia Simon Cammelbeeck, WFP Country Director, Zambia Discussion
	Evening Program

Day 2: Tuesday, 08 November, 2016

Session & Time	Activity
Session 1 9:00 – 10:30	Recap/synthesis of Day 1 discussions on food systems
	The systemic food assistance approach – analysis and validation Presentation by Steven Were Omamo, WFP Deputy Director Policy and Programme Division and Food Systems Coordinator Discussion
	10:30 – 11:00
Session 2 11:00 – 13:00	Toward a food systems strategy for WFP – strategic building blocks Facilitated discussion
	13:00 – 14:00
Session 3 14:00 – 15:30	Toward a food systems strategy for WFP – operational building blocks Facilitated discussion
	15:30 – 16:00
Session 4 16:00 – 18:00	Next steps
	Evaluation
	Closing remarks John Aylieff, WFP Country Director, Ethiopia

Acronyms

CSP	Country Strategic Plans
FAO	Food and Agriculture Organization of the United Nations
GNI	Gross National Income
GRP	Global Resilience Partnership
HGSF	Home Grown School Feeding
INFORM	Index for Risk Management
IRM	Integrated Road Map
P4P	Purchase for Progress
PHL	Post-Harvest Losses
PPP	Patient Procurement Platform
R4	Rural Resilience
SDGs	Sustainable Development Goals
SMEs	Small and Medium Enterprises
SUN	Scaling Up Nutrition
VFM	Virtual Farmers' Market
WFP	World Food Programme
ZAMACE	Zambia Agricultural Commodities Exchange

Photo credits

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