

2020 second regular session of the Executive Board

Virtual session

Opening remarks by the Executive Director

D. Beasley, Executive Director: Mr President, you have done a remarkable job of keeping the train running, not just on time but in such a way that it is smooth and everybody feels that we maximize our time together. Hopefully, with the vaccines that are coming out around the world, we will be able to go back to the true normal we all would love to have back so dearly.

I know this is a little bit of an inconvenience for us, but imagine what our women and men out in the field are having to put up with every single day, with all the restrictions and all the COVID-19 dynamics and everything that is taking place with war and conflict, and extremist groups and climate change – but still they get the job done. I always say when I am having a bad day at the office, I always think about my friends out there, my brothers and sisters who are putting their lives at risk every day.

It is fantastic to be together for this Board meeting: we are going to have an extraordinary high-level panel later today, as the President alluded to earlier, with the Secretary-General, the World Bank, OCHA, so many wonderful friends to showcase the collaboration that is taking place in a world that needs more multilateral support and collaboration than at any time since World War II because we are facing extraordinary times.

I think that was what the Nobel Peace Prize Committee was saying to the world: thank you, World Food Programme, thank you for what you have done, thank you for your women and men who are putting their lives at risk every single day to help build peace and stability in places that no one else would want to even be in.

I think the Nobel Peace Prize Committee was sending two very clear messages. First is thank you for what you have done, and I think the second message, equally powerful, is thank you for what you are going to have to do because of COVID-19. This health pandemic is truly putting the world at risk of a hunger pandemic, so it's important we use the Nobel Prize to sensitize the world, to raise awareness as well as raise the funding that is going to be needed in 2021.

You have heard me say, even before COVID-19, that 2020 was going to be the worst year for humanitarian crisis since World War II, and as I laid that out, no one anticipated that 2021 actually could be worse. But here is why 2021 is going to be more complex and complicated as opposed to 2020. Because when you look at the funding that we got in 2020 - and that is not finalized yet - but we will end up with somewhere between USD 8.2 billion and USD 8.5 billion or USD 8.6 billion.

But in 2020, the monies that we received were based primarily on 2019 budgeting, and 2019 was when the economic forecasts and everything was so strong and so good. Since COVID hit, governments, especially the major economically developed nations, have put in about between USD 11 trillion and US 17 trillion worth of economic stimulus packages, monies that otherwise might be available for humanitarian support, etc. But now those monies are being used to stimulate their economies, and get things moving along again, which is very important.

When I spoke to the United Nations Security Council back in April, I said we would be facing famines of biblical proportions by the end of 2020 if the nations around the world, the major donor countries, etc., did not act. And we laid out several different things that needed be done to avert famine and, quite frankly, the leaders around the world stepped up and did so many things, from giving us extra funding to giving us greater flexibility. Also, and equally importantly, not just stimulus packages but also relief on debt payments for countries, multilateral/bilateral funding. About USD 8 trillion worth of debt belonging to low and middle-income countries, almost all that debt payment was deferred until January 2021. So, those debt payments could instead be put into government safety net programmes in their own countries to help the poor and the needy.



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The ripple effects of COVID-19 mean that many usually robust economies are experiencing contraction, and that ripples into Asia, it ripples into Africa - for example, remittances are down over USD 100 billion and continue to deteriorate. COVID has wreaked havoc upon the global economy. We have not seen the last of the economic effects because there are a whole new wave of companies that are shutting down, locking down again.

So while we have been able to avert famine in 2020, we are looking at tremendously bad numbers in 2021. In 2020 we were able to step up. Even though we had a funding gap, we were able to achieve a lot of tremendous things. I think the Nobel Peace Prize recognizes that 2021 is going to be tough and the World Food Programme has its most difficult work ahead of it and so I think they were sending a message to the world, to wake up, and please understand that we are facing a hunger pandemic as well as a health pandemic.

We have had over a million people die from COVID-19 so far. About seven to eight million people have already died this year from hunger. That number could double, triple or quadruple if we do not get the funds that we need. And the funds that we will need next year come to about USD 15 billion. We are budgeting based upon our funding projection for 2021, which is currently about USD 7.8 billion, but, quite frankly, we are going to need a lot more money next year to avert the famines that we could possibly be facing in the absence of the access and the funding that we need. So, 2021 is going to be all hands on deck.

With regard to the Nobel Peace Prize - we simply could not have done it without you, so thank you. And I say that because it is a lot of work from everybody and so thank you very much for holding us accountable, holding us to the responsibility of a higher standard. We are very fortunate with the WFP Board that you do not micro-manage us. But you do stay engaged and stay involved.

You have been amazing with us. It is not just our people out there in the field who do an amazing job, it is also you, the Board. This award is just as much yours as it is ours because we are all in it together, we are a family and please continue to hold us accountable, hold us to that higher standard, because your taxpayers in your country want to know that the money is going where it is intended to go in the way that it is intended, and in the most efficient, the most effective way possible.

The ceremony will be coming up in a few weeks. Who knows how many people are going to be able to go, but our President, along with a group of employees from our field operations all over the world, have been invited to attend. We thought, who better to be honoured than the actual women and men who are out in the field every single day, in war zones and areas of conflict, doing the work.

Now, on COVID-19, when you look at 2020 when the airline industries were shutting down and supply chains were seizing up, WFP stepped up. We became the logistics backbone of the humanitarian operation for all the world and we began moving supplies all over the globe. We ran 1,400 passenger flights, transporting 25,000 passengers to 68 locations, and moved 85,000 cubic metres of cargo to 171 countries. Somebody said we were actually the world's largest operating airline. I am not sure about that but, regardless, it was all hands on deck and we were moving PPE, testing equipment, ventilators, gowns, masks, all the things that were needed out there around the world when the airline industry was shut down.

As you know, we were also carrying doctors, nurses and humanitarian workers as well as ambassadors and many of the people that work for your governments, to countries where airlines were not running anymore. And now, because the airline industry and the private sector is beginning to really get back on its feet back in these difficult environments, we have been able to declassify from an L3 with regards to COVID-19 because the required systems are now moving into place.



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This takes a lot of pressure off of us, so that we can now turn many of these operations back over to the private sector and let us focus continuously on what we always stay focused on and that is helping the people out there. And so I think it has just been an amazing job done in 2020. but now we must face 2021.

We are going to be doing everything we can to take advantage of the Nobel Peace Prize to sensitize the world and especially the private sector to the challenges the world faces, so we hopefully can get additional funds as well as forging additional relationships and partnerships. We are already doing a lot, like working with the Stockholm International Peace Research Institute to better understand the connections between hunger, conflict and efforts to build peace. We are also exploring ways to work with the private sector that we had not thought of before.

The Nobel Peace Prize has really given us a lot of cache and credibility that has taken our work to a whole other level, and we will be doing everything we can to take advantage of this because when we do not get the monies we need, people die. It really is that serious.

In 2021, we are already facing extraordinary problems in places like Yemen, and the Central Sahel region of Africa. I spoke to the United Nations Security Council last week, explaining how bad it really is in Yemen - and it is bad. We were facing famine two years ago and I raised the alarm then with each and every one of you as well as with the United Nations Security Council and leaders around the world. And the world stepped up. We received the funding and the access we needed and we averted famine.

But as famine knocks on the door again now, the situation is perhaps worse than it was two years ago. We have continued to have problems over the last couple of years with Ansar Allah not allowing us to run the assessment systems, the monitoring systems, etc., etc., that we need to do our job, including the biometrics. We have been negotiating this now for literally about two years. These are things that really should be worked out in a matter of hours and a few days, not a couple of years.

And a result, as you well know, the donors lost confidence back in early spring, around April. We had to cut rations to half for nine million people, in primarily the northern areas, and, guess what - now the indicators are bad. And I told the Ansar Allah authorities this was no time to play games because now, with COVID-19, the crisis is creating an economic ripple effect all around the world. We do not have the monies that we need in places like East Africa, West Africa, Central Africa, Asia, Afghanistan and it is not a time to play games.

They finally made a move last week, last Sunday, approving biometrics in Sanaa for a pilot project of about 150,000 people. That was a major breakthrough, something that should have been done two years ago. But it is a pilot project. Let us see how it goes. I am hoping that it is an indication of a greater cooperative spirit going forward. Because we are facing crisis mode in Yemen.

It is a nation of 29 million people, and we support about 13 million people there, many just with half rations as I mentioned. We are asking the authorities to allow us to do nothing more than we ask of any place. We are not asking them for anything exceptional - just let us do our jobs and so we can implement the biometrics to the degree we require.

Then we can put liquidity, in the form of cash payments, into the economy instead of commodities. This will put about USD 50 million worth of cash into the system which will have a dynamic impact on the value of the rial, help stop the collapse of the currency, and bring down food prices. If we do this, we will be helping not just our 13 million beneficiaries but the whole population of 29 million people. Because right now liquidity is one of the great needs in the country: the rial has collapsed from 225 to the dollar right before the war, to about 880 today, and I would say it could actually go to over a thousand soon. It was at 80 to the dollar, 20 years ago. This is one of the poorest countries on earth so this is a very important issue.



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As we speak, there are ten governorates in Yemen, representing about one half of the population, which now meet, or almost meet, one of the criteria for famine to be declared. One of the criteria is that 20 percent of the households face critical food shortages. We now have five governorates which have crossed this 20 percent threshold, and another five that are just below. The red flashing warning signs are there. It is not yellow, it is red, but if we can get the access and the monies, we can avert famine. The bare minimum that we will need for 2021 for Yemen for 13 million people is USD 1.9 billion. So, you can see right there is a major price tag and that does not even touch on the needs in Syria and Iraq, DRC, Ethiopia, Central Sahel, etc., etc.

Now, let me turn to the Central Sahel. As you know, I was there just a few weeks ago, in October, doing my best to raise the alarm about Burkina Faso, Niger, and Mali. When you think about two years ago, there were 77,000 people internally displaced in this region and now it is 1.6 million. The situation is deteriorating as we speak, as extremist groups, economic deterioration and climate change all come together in a perfect storm to create a disaster for the people.

We have got to step up. We have now seen the number of people acutely food-insecure rise from 5.7 to 7.4 million. That is just since March and that number could go to 13 million over the next few months. And so in just a couple of months we were supporting about 3.4 million people in this particular region and we need USD 164 million over the next six months.

Again, the price tag of helping people, keeping people alive, changing lives is not going down, it is going up. And so, as you can imagine, we need your support in rallying the troops around the world. And this is what is so very important. I have been trying to do as much television and news as possible with amazing networks around the world. You have heard me talk about this in the last two years. It is hard to get a breakthrough in the news with all the clutter, seeing just Trump, Trump, Trump and Brexit, Brexit, Brexit, now it is Trump, Trump, Trump and COVID, COVID, COVID and hopefully now that the elections are over with in the United States, we can get some media attention. But when taxpayers in your countries see the need, they step up. They really care and truly believe in helping people. And so I am making that case whenever and wherever I can.

This is one of the questions I get now: why should we send money to a poverty-stricken country when we have got problems of our own here? I say, well, you ought to do it because it is the right thing to do, helping other people. We are in it together, this is humanity. We are all brothers and sisters, one human family. And, number two, you need to do it for your national security interest because if you do not, there will be famine, starvation, destabilization and migration – and they don't respect national borders.

We know people do not want to leave their home country. When you feed 100 million people, like we do, we know what is going on. We listen to people, we survey people. If people cannot feed their family and they do not have any degree of peace or stability, they will do what any of us would do for our families and that is find a way out and a path forward to protect our families. And so when we are there with assistance to support food security, it is amazing what happens. You have seen the results.

Just as United Nations Security Council recognized with the United Nations Security Council Resolution 2417, there is a clear relationship between peace and stability and food security. You and I are trying to break down the silos of humanitarian and development programmes to work more strategically together because we know when we are out there with joined-up, coordinated programmes, famine can be eliminated. Migration and destabilization go down, and positive impacts like earnings and economic opportunities go up.



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This is one of the reasons WFP is using its own commercial firepower to procure more commodities locally and regionally. The Board gave us greater flexibility to buy more and do more inside our beneficiary countries to support local and national economies.

In 2020, we purchased around USD 600 million worth of grains and other commodities using local and regional procurement in developing nations. We also saw a 22 percent increase in procurement from smallholder farmers - stimulating local economies, putting more cash out to the system.

Separately, we have also distributed USD 1.6 billion in cash transfers so far this year, much of it to poor urban communities who have been plunged into food insecurity because of COVID-19. In lockdowns you need safety net programmes and we have been working with national governments to get cash payments to those in need. Many of these men and women rely on daily wages, so they are living hand to mouth every day and if they are unable to work they don't have enough money to eat.

We have been working with over 50 countries on social safety net programmes. As you know, about 1.6 billion/1.8 billion children were out of school. Those numbers are now going down. Schools are reopening. But, guess what, there were 370 million children who received free school meals and, for a lot of those children, it is the only meal they get per day.

And so you can imagine, with the schools shut down they are not getting that precious meal, so they will be more vulnerable to wasting and stunting, and malnutrition rates are likely to rise. This has knock-on effects in terms of their immune systems being more vulnerable, so they will be at greater risk of contracting measles, diphtheria, cholera, you name it. WFP has been working with national governments to provide take-home rations and vouchers for over 7 million children.

Even as we continue to work externally to help the world, we are also continuing to work internally to make sure that we have the best possible corporate systems in place. You have heard me talk about this at the List meetings, and with our external audit committee.

COVID-19 has created challenges in terms of demonstrating compliance with control systems. But we fully recognize we cannot ease up on our commitment to accountability and robust audit controls, because these are the expectations you rightly have so you can tell your government and your taxpayers that, even in the most difficult circumstances, the World Food Programme has maintained robust systems and controls. So we are working with our regional bureaux and around 35 of our country directors to ensure we have strong systems in place, and we will be reporting to the Audit Committee on these matters in the next few weeks.

The protection and accountability policy that the Board will be approving this week, hopefully, is also a sign of our determination to uphold the highest standards, and ensure our beneficiaries are protected.

And we're continuing to implement our workforce culture agenda. As I have said before, we have got so many operations taking place and so many crises each day, it would be easy to forget about dealing with internal matters. But we can't do that and we won't: and this is why we created the workforce culture programme, to show our commitment to making certain that we really look after our people and protect them, whether it is against sexual harassment, abuse of authority, or racism.

You are familiar with all the things that we are doing and the work that Gina Casar and her team are continuing to do to help drive that through the entire organization, through the leadership group all the way down.

One last item I would like to draw to your attention relates to the World Trade Organization. On 16 December, the General Council of the WTO will consider a proposal that was put on the table



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by Singapore to exempt WFP from export restrictions on foodstuffs purchased for humanitarian purposes. If this is passed, this will help us save both time and money in reaching the most destitute people. So, please, urge your governments to support this important exemption.

As you can imagine, when we are moving foods, commodities and other supplies in so many countries around the world, when a country ends up with a logistics breakdown, or a port shutdown, or an export ban, the ripple effect can really be devastating. We have been working with governments as these issues come up but this will help us move things forward, because, again, we are talking about people's lives which are at stake. If you go a few weeks without food, you are going to die.

We need to keep our systems moving, and keep our supplies going. A lot of times we have saved millions of dollars by getting advance funding for food, to move commodities out into the field, to pre-position commodities in different locations around the world. When we have that advance funding, that flexibility in the logistics, flexibility in access, we save a lot of money. This is the World Food Programme. We know for every dollar we can save, that means four more children can eat a meal. And that is what it is all about.

Mr President, I went a little bit longer than anticipated but, as you can tell, my excitement has not waned at all about our commitment to ending hunger. And the Nobel Peace Prize I think just gives us greater strength, more energy, more inspiration to do even more. Mr President, I will now turn it back over to you and look forward to the Board's comments and questions. Thank you very much.

