



WORLD FOOD ASSISTANCE 2017

Taking Stock and Looking Ahead



World Food Programme

Front cover:

At Mugombwa refugee camp, Gisagara District, Rwanda, WFP provides specialized nutritious products to treat moderate and acute malnutrition.

WFP/Rein Skullerud

A vendor and her child at Libenge Market, Equateur, Democratic Republic of Congo.

WFP/Olivier Le Blanc



Summary

World Food Assistance 2017 considers the measures pursued by national, regional and international actors to respond to, prepare for and prevent food crises. In 2017 alone such crises have made 108 million people worldwide severely food-insecure. The aim is to build understanding about: i) the scale, reach and composition of these "food assistance" measures over time and space; ii) current and emerging challenges and opportunities facing food assistance providers and participants; and iii) options for policy-making and investment to boost the relevance and impact of food assistance under the 2030 Agenda for Sustainable Development.

The report addresses three questions:

1. What are the levels, trends and patterns of food assistance at global, regional and national levels?
2. What are the primary challenges facing design and delivery of food assistance in different contexts of food system functioning?
3. How are these challenges being met? That is, what kinds of innovations in food assistance are being developed to address the challenges?

Three themes shape the narrative: i) food assistance at the intersection of humanitarian action and hunger reduction; ii) food assistance in food systems – the complex networks involved in producing food, transforming it and ensuring that it reaches hungry people; and iii) food assistance as a public endeavour built on many layers of commercial activity.

The portrayal and examination of food assistance thus extends well beyond the traditional view of "food aid" as transfers of food commodities to hungry people. Several other interventions that prevent hunger and address its many drivers and implications are considered. Food assistance seeks not only to save lives and protect livelihoods in the short term through in-kind food transfers, cash-based transfers, local and regional procurement of food and food system services, technical assistance measures and numerous support activities – it also seeks to combat the root causes of hunger in the medium term and long term.

Due to data limitations the report focuses on internationally facilitated food assistance as captured in the portfolio of the United Nations World Food Programme (WFP). Although WFP is the world's largest humanitarian agency addressing hunger and nutrition, its coverage of the food assistance landscape is far from complete. Nevertheless, its coverage is global and comprehensive. An examination of key features of WFP's food assistance portfolio is therefore highly informative of most relevant issues and contexts, and in cases where WFP is a dominant actor its view of the food assistance landscape is likely to be definitive. Future analysis will draw on data and information from other sources, especially national programmes whose collective investments in food assistance as defined here are likely to exceed those of international actors by several orders of magnitude.

Taking stock

The food assistance sector comprises a demand-side – as reflected in the geographic distribution and intensity of alternative forms of food assistance – and a supply side – as reflected in expenditures on food assistance at different times and in different locations.

DEMAND FOR FOOD ASSISTANCE

The huge demand for food assistance spans numerous contexts of national income, food system performance, hunger and stability.

- Four groupings of countries emerge in terms of stability and performance: i) relatively stable high performers; ii) relatively stable low performers; iii) relatively unstable high performers; and iv) relatively unstable low performers.
- Food assistance operations are concentrated in unstable low performers, most of which are low-income countries, but with significant representation of middle-income countries.
- Several countries with relatively high performing food systems – all of them middle-income countries – also express significant demand for food assistance as a result of relatively high hunger burdens or relatively high instability.
- Some countries registering relatively strong

aggregate food system performance have significant pockets of vulnerability and food insecurity, and hence also express strong demand for food assistance.

- Relatively stable countries with relatively high performing food systems express relatively more demand for technical assistance and supportive activities such as early warning and preparedness, whereas in relatively unstable countries with low performing food systems demand is greatest for broad-based measures to avert starvation and protect livelihoods; unconditional food and cash transfers are examples. Measures such as conditional food and cash transfers that address the effects of underlying flaws in food systems are relevant in most contexts.

SUPPLY OF FOOD ASSISTANCE

Food assistance expenditure data covering the period from 2009 to 2015 reveal a multi-dimensional, multi-layered and dynamic supply side.

- Direct food assistance expenditures increased from US\$2.2 billion to US\$5.3 billion.
- All categories of assistance registered significant increases, but not uniformly so.
- The share of in-kind food transfers declined from 54 percent to less than 40 percent, but in-kind food remains the dominant transfer modality for food assistance in all regions except Latin America and the Caribbean.
- The share of cash-based transfers surged from less than 1 percent to 20 percent, but the increases were uneven in different regions: they were fastest in Latin America and the Caribbean, slowest in East and Central Africa.
- The share of expenditures devoted to technical assistance also rose significantly from less than 1 percent to 8 percent, but much more slowly than cash-based transfers.
- The share devoted to logistics also fell from 32 percent to 20 percent, reflecting the contraction in the share of in-kind food transfers; but this capacity remains vital everywhere because it supports food assistance and the entire humanitarian system.

- Two regions facing huge and complex food emergencies – East and Central Africa and the Middle East and North Africa – account for 70 percent of food assistance expenditures.
- Expenditures on food assistance in middle-income countries are greater than those in the much more numerous low-income countries; they are increasing most quickly in upper middle-income countries.

CHALLENGES FACING FOOD ASSISTANCE

The major challenges facing the demand and supply of food assistance spring from three sources:

- i. those driven by **global and national trends and disruptions** that define the location and intensity of demand for food assistance – climate change, conflict, urbanization and inequality;
- ii. those inherent in **humanitarian action** that define the volume and quality of food assistance delivered as a humanitarian response – financing, access, protection and security; and
- iii. those emanating from the **structure and functioning of food systems** that define the volume and quality of food assistance delivered as a response to hunger and food insecurity – the “bad year” or “lean season” problem, the “last mile” problem and the “good year” problem.

SOLUTIONS AND INNOVATIONS BASED ON FOOD ASSISTANCE

Food assistance agencies have developed several solutions to these challenges.

Examples of solutions and innovations to address challenges related to climate change, conflict, urbanization and inequality include: i) disaster preparedness and early-warning systems; ii) sovereign risk pooling and risk-transfer instruments; iii) bundled risk-management instruments that enhance resilience; iv) leveraged cash-based transfers to refugees, internally-displaced populations and host

communities in conflict situations; v) food security assessment and monitoring tools adapted to urban contexts; and vi) gender-transformative frameworks and interventions.

Examples of solutions and innovations to address challenges linked to humanitarian financing, humanitarian access, protection and insecurity

include: i) pre-financing and pre-positioning of food stocks; ii) project lending and cash flow financing; iii) digital innovations in assessment, sampling, targeting, delivery and monitoring and evaluation in remote areas; iv) development of capacities for awareness-raising, advocacy and negotiation; v) high-altitude airdrops; and vi) complaint and feedback mechanisms.

Examples of solutions and innovations to address challenges linked to bad-year, lean-season, last-mile and good-year problems in food systems

include: i) nutrition-specific and nutrition-sensitive interventions; ii) food safety nets within shock-responsive social protection systems; iii) purchase-based support platforms for smallholder farmers and small-scale and medium-scale agrifood enterprises; iv) physical, technical and organizational upgrading of food retailers; v) digital innovations in value-chain integration and tracking; vi) physical, technical and organizational upgrading of public food reserves; vii) physical, technical and organizational upgrading of food supply chain infrastructure and services; viii) food safety and quality standards and regulations; and ix) market and trade policy reform.

Looking ahead

With 20 million people facing starvation in 2017 and several million more suffering extreme food insecurity as a result of conflict, adverse weather and other disruptions, the outlook for global food security is bleak. The need for effective food assistance is stronger now than at any time in recent history.

PAYOFFS RELATED TO FOOD ASSISTANCE

Three categories of significant payoffs (or dividends) could be generated if hunger and vulnerability solutions based on food assistance were enhanced and scaled up. Considering only WFP operations in 2015, these payoffs could include:

- i. An “access” payoff of US\$997 million per year – the cost savings to WFP that would be generated by improved humanitarian access in the 20 countries facing the most severe food crisis;
- ii. A “stability” payoff of US\$2.24 billion per year – the cost savings to WFP that would be generated by enhanced stability in the large number of countries in WFP’s portfolio with high levels of instability, for example by allowing scarce public resources to be devoted to more productive uses, or by opening scope for scaling up successful innovations within the private sector; and
- iii. A “performance” payoff of US\$439 million per year – representing the cost savings to WFP related to improvements in the performance of the food systems in which it delivers food assistance.

Progress in all areas could yield a total payoff of US\$3.45 billion per year. Access payoffs would be concentrated in the Middle East and North Africa and East and Central Africa, but stability and performance payoffs would be more evenly distributed around the world.

The food security sector accounts for 40 percent of international humanitarian assistance expenditures. An estimated total “multi-sectoral” humanitarian payoff of US\$8.62 billion per year could be realized.



A vendor in a local market in La Guajira, Colombia.
WFP/Mike Bloem

PRIORITIES AND RECOMMENDATIONS FOR CAPTURING THE PAYOFFS

These estimated payoffs linked to WFP's food assistance portfolio represent a small fraction of the potential food assistance-related payoffs available to the world. To fully capture those payoffs, leaders and policy-makers must achieve the imperatives below.

- i. **Stabilize, increase and unleash humanitarian funding.** The growing funding gap must be bridged, partly by traditional donors and also from new sources such as middle-income countries and the private sector. Earmarking of funding and fragmented, duplicative and excessive reporting requirements must be reconsidered.
- ii. **Confront the political drivers of vulnerability and hunger.** Fair, open and sustained dialogue and negotiation between warring parties based on accountability and adherence to international humanitarian law are fundamental to the creation of sustained openings to deliver food assistance and alleviate suffering.
- iii. **Invest in high-quality food assistance programmes.** The attributes of effective food assistance include: i) rigorous assessment and targeting; ii) a diversity of instruments; iii) safe, high-quality nutritious food; iv) gender equality; v) digital innovations; vi) market-friendly interventions, with adaptation to urban settings where relevant; vii) accountability to beneficiary populations; and viii) strong government leadership.
- iv. **Enhance national capacities and South-South cooperation.** National capacities are growing but they are still inadequate. In the era of the Sustainable Development Goals the primary focus of food assistance must be on: i) achieving interlinked and transformative results at the country level; and ii) promoting national ownership and South-South exchanges, with strong engagement by the private sector.
- v. **Fill vast data gaps.** A comprehensive and verifiable global database on levels and flows of food assistance resources and activities is urgently needed. Subnational and disaggregated data that expose the different kinds and levels of

vulnerabilities, risks, needs, assets, decisions and transactions of the hungry poor must be included.

- vi. **Frame and implement a practical research agenda.** Two related thrusts are required: a programme-level thrust to improve the design and implementation of specific food assistance interventions, and a system-level thrust to develop solutions based on food assistance that address systemic problems and optimize the performance of food systems.

The purely humanitarian justification for purposeful negotiation and action under each of these areas is crystal clear. The economic rationale is powerful. The political imperative is absolute.

The stock-taking captured in this report confirms food assistance as the quintessential sectoral approach to humanitarian assistance. It seeks to prevent or mitigate the effects of acute hunger, and it affirms food assistance as a major pillar of sector-level investments in sustainable development by national governments and their partners. A significant message of the report is that sector-specific assistance is not inimical to effective and efficient humanitarian action. On the contrary, it saves lives and livelihoods when it is aligned with national strategies, policies and investments that enhance resilience, and is hence vital to sustainable development.

The road ahead for food assistance is fraught with challenges. But it is also evident that there will be an ever-increasing number of potent opportunities for leverage and enhanced partnerships such as those related to digital technologies, expanding markets and steadily increasing local awareness and leadership.

Food assistance is a fundamental building block of humanitarian action. It is also an essential component of interventions that address vulnerability and food insecurity in transition and development contexts, boost the resilience and performance of food systems, and thereby help countries to achieve Zero Hunger under Agenda 2030.



World Food Programme

Via C.G. Viola, 68/70, 00148 Rome, Italy
wfpinfo@wfp.org
wfp.foodsystemsservice@wfp.org