



CASH-BASED TRANSFERS AND MARKETS

Creating sustainable markets to achieve Zero Hunger

Applying 50+ years of supply chain expertise to local markets

With over 50 years of experience delivering food assistance to the most remote locations in the world, the World Food Programme (WFP) is no stranger to optimizing supply chains ensuring food reaches the people most in need.

When this expertise is applied to strengthening local markets, we create the conditions to achieve Zero Hunger.

That is why in countries where markets are functioning, WFP also provides people with cash based transfers, allowing them to shop in stores owned and operated by local retailers.

WFP works with selected retailers, in areas where beneficiaries are present, to map their end-to-end supply chain, removing inefficiencies and ultimately improving prices, quality, service and access for beneficiaries and the local population.

This means for example, that in South Sudan WFP engaged with traders and wholesalers to expand their activities in order to improve supplies in target markets and enhance local trade.

When we develop local markets and the retail sector, everyone benefits

Since 2015, in the countries where WFP works with local retailers, we have seen concrete results.

In Lebanon, using data collected by Nielsen, WFP contracted stores are 6 percent cheaper than other stores in the market. This not only increases the purchasing power of WFP beneficiaries, but also benefits the entire local population, meaning everyone gets more food for their money.

In the first half of 2018, US\$ 5 million additional purchasing power was generated in four countries.

KEY ACHIEVEMENTS



4,200

retailers contracted



45K+

products available in store for
WFP beneficiaries



Results go beyond price

In Kenya, WFP links local farmers and producers to retailers, introducing more fresh products into the market. Through these efforts, the supply of fresh produce to Kakuma and Kalobeyei markets, located next to refugee camps, doubled. WFP also connected fish suppliers from the nearby Lake Turkana with the market. This ultimately provides everyone in the community with more diversified and nutritional choices.

Sustainable markets and livelihood

WFP also provides training to local retailers on various topics such as negotiation, assortment planning, demand forecasting, and more. Through enhanced business skills, retailers are able to both grow their businesses, which stimulates economic growth, and offer a better customer experience for all.

Providing stability and choice for those who have been displaced

For those who flee their homes leaving everything behind, shopping for food can be one way to restore a sense of normalcy. Since 2017, when 900,000+ Rohingya refugees crossed the border from Myanmar to Cox's Bazar, WFP has increased the number of beneficiaries who can access cash-based assistance to buy food to feed their families by a factor of 12, from 41,000 to half a million. This was made possible by the opening of 16 new retail stores and working with them to rapidly scale-up their capacity. WFP also piloted a programme jointly with UNICEF allowing beneficiaries to also buy non-food items to meet their essential needs.

WFP also leverages data analytics to analyse beneficiary shopping patterns. This data is used to improve product availability, in-store operations and negotiations with retailers.

What's next: improving markets and rebuilding countries

In Syria, as the country is slowly rebuilding, WFP is working with 72 retailers across the country to develop a reliable supply of commodities and nutritious food to returnees and the food insecure.

WFP works with over 4,200 retailers in 35 countries. The stores range from a large supermarket in Jordan — not so different from one you may shop in — to a mom-and-pop shop in a refugee camp.

The majority of the stores are run by the local population. In Kalobeyei, a new settlement next to Kakuma, one of the world's largest refugee camps in Kenya, stores owned by Kenyans and refugees are located side by side. Ensuring integration between the host community and the refugee camp is important to the Kenyan Government as it continues to work together with WFP on retail initiatives.



“At first, when we started this business in Kalobeyei, we were even fearing these refugees but now they are our friends - we are interacting,” says Jackline Nekesa Wafula, a Kenyan local trader contracted by WFP in Kalobeyei settlement, Turkana county, adding: “In this shop, I have five workers—three are refugees and two are Kenyans.”

Currently, a “Food Van” model is under development, which would provide fresh food to those living in the most remote locations.

WFP works with local retailers in: Bangladesh, Colombia, Ethiopia, Iraq, Jordan, Kenya, Lebanon, Mozambique, Nigeria, Pakistan, South Sudan, Sudan, Syria, Uganda and Yemen.