LUNCH SEMINAR:
World Food Programme and Agriculture Export Restrictions

Exploring the World Food Programme’s experience during the 2008 food crisis and the way forward to MC 11

Speaker: Ms. Gordana Jerger, Director, WFP Geneva Office
Moderator: Ambassador Tan Yee Woan, Permanent Representative to the WTO, Republic of Singapore
17 October 2017, 1:15pm, Room S3
Prioritizes support to national efforts to implement SDGs (SDG2, SDG17)

US$ 5bn food assistance portfolio serving 80 million people in 80 countries

Accounts for majority of global food aid deliveries

WFP Direct Expenditure (2014-2016 average, %)
- 54% Sub-Saharan Africa
- 32% North Africa, Middle East & CIS
- 11% Asia & Pacific
- 3% Latin America & Caribbean
WFP FOOD PROCUREMENT, 1995-2016

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WFP FOOD PROCUREMENT, 2016
(MT & %)

2.6 million MT - US$ 1.4bn
3/4 in developing countries
21% in LDCs

CEREALS: 63% - 1.5 million MT
Equivalent to 0.4% of world trade
STEPPING UP AS WORLD HUNGER IS AGAIN ON THE RISE

SDG 2: end hunger by 2030

More open, transparent and well-functioning global agricultural market

SDG 2 *calls for an end to trade restrictions* and distortions in world agricultural markets

Sustainable agriculture and food systems

Stable food supplies Access to adequate nutrition and health
### Impact of Export Restrictions on WFP

#### Middle Eastern Country
**For Syria & Iraq**
- Export ban on rice
- Optimal in terms of logistics / timing, type of rice and preference of recipients
- Instead: long supply chain from a South Asian country and a different quality of rice
- Consequences: long lead time; losses due to water damage and infestation during transit; cleaning and repackaging costs
- Impact: estimated increase in cost of US$600,000 per month at the peak

#### Southern African Country
**For Malawi, Zimbabwe, others**
- *De facto* export ban on maize meal during El Niño crisis
- Required sustained engagement with Government at highest levels and careful planning of procurement in tranches up to 100,000 MT (some 3% of average annual maize production)
- Significance: ability to supply non-GMO maize meal to neighbors
- Impact: time

#### East African Country
**For Uganda and neighbors**
- Export ban on maize (non-GMO)
- Instead: procurement further away from a Southern African country and, occasionally, from Mexico
- Consequences: higher cost of procurement; 2-3 times longer delivery time; less availability of non-GMO maize as food assistance for countries in the region
- Impact: at least 3.9 million meals lost
A multilateral agreement “not to impose export prohibitions or restrictions on foodstuff purchased for non-commercial humanitarian purposes by the World Food Programme”, would have sizable benefits as it would:

- Prevent the imposition of additional commodity, transport and transaction costs on food assistance for humanitarian purposes;
- Allow to reach more vulnerable people with food assistance;
- Ensure timely delivery when food is needed the most, but hardest to access;
- Minimize food losses;
- Enable economies of scale as purchases could be optimized and transport corridors and port congestions avoided;
- Help ensure stable food supply to the most vulnerable;
- Stretch the taxpayers’ money;
- At times, literally save lives.

The impact on volumes traded and market prices would be marginal.

CONCLUSIONS & TAKE AWAYS

- 20 million people are facing starvation in 2017;
- Number of food-insecure people increased to 815 million, first time after the 2008 crises;
- Achieving SDG2 by 2030=?

- Need for effective food assistance stronger now than at any time in recent history.
- Trade should result in enhanced food security.

- Today, export restrictions including export bans on foodstuff, continue engendering significant inefficiencies in humanitarian food assistance delivery.

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