Inter-agency Expert Group Meeting on Implementation of the Third United Nations Decade for the Eradication of Poverty (2018-2027)

"Progress, Gaps and Challenges in Eradicating Poverty and Building Resilience in Fragile and Humanitarian Contexts"

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1. The Context of Poverty in the World

The multifaceted layers/causes of poverty can be seen through many dimensions which include food security, economic context, conflict, and climate. According to estimates by the World Bank, the number of people living below the new poverty line of USD 2.15 per day (in 2017 Purchasing Power Parity) decreased from 1.872 billion in 1998 to 659.23 million in 2019, helping reduce poverty rate from 31.3 percent to 8.5 percent over the period. However, the Bank's March 2023 global poverty update puts the number of poor people in 2023 at 659 million, roughly the same as where it was in 2019. Other estimates show a rise in the poverty rate to 9.2 percent by 2020 and 75 million – 95 million more people living in extreme poverty by 2022. The level of multidimensional poverty is even higher than that of the traditional measure of poverty. The UNDP estimates that half of all people living in poverty are under 18, implying a disproportionate effect on the youth and subsequent negative intergenerational impact.

When disaggregated by regions, the prevalence of poverty in the world correlates with the level of fragility and prolonged humanitarian challenges facing countries in those regions. Between 1998 and 2019, poverty declined except in two regions of the world. Poverty increased by 27.5 million (7 percent) and 25.5 million (69 percent) in Sub-Saharan Africa and the Middle East and North Africa, respectively. These two regions together are host to nine of the ten most fragile and conflict affected countries in the world.

In 2022, fragile contexts accounted for three-quarters (73 percent) of people living in extreme poverty worldwide. This has been projected to increase to 86 percent by 2030, even without accounting for the impact of the war in Ukraine on livelihoods and stability. Globally, fragile and conflict-affected countries host nearly one billion people facing challenges including extreme poverty, low capacity of institutions, limited provision of public goods, forced displacement, protracted conflicts and civil war, climate change, food insecurity, and persistent gender inequalities.

WFP estimates that 345 million people are acutely food insecure across 79 countries with WFP operational presence and where data is available. This demonstrates an increase of up to 200 million people before the COVID-19 pandemic. Hunger has also grown more deeply entrenched. Up to 43.3 million people across 53 countries currently face severe hunger emergencies as of April 2023 and are one step away from falling into famine if they do not receive immediate life and livelihood saving assistance. In 2021, the number of chronically food insecure (undernourished) people rose to 828 million.

On the economic front, we have seen an increase in food prices. International food prices remain 26 percent higher than before the pandemic. In April 2023, 66 countries registered food inflation rates of 15 percent or more. In Venezuela, Lebanon, Zimbabwe, Syria and Argentina food prices more than doubled over the past year. 24 currencies have lost 15 percent or more of their value against the US dollar over the past year. Global growth is projected at the lowest value in the last decade at 1.7. On debt, 60 percent of low-income countries are currently in debt distress or at high risk thereof. And last year the US Federal Reserve and the European Central Bank raised the interest rates which has increased the debt servicing costs.

Conflict has impacted the fight against poverty negatively; between 2010 and 2020, the number of state-based armed conflicts almost doubled, after progressively fallen since the break-up of the Soviet Union. Conflict remains the main driver of hunger in most of the world's food crises. Seven out of ten acutely food insecure people (247 million out of 345 million live in fragile or conflict-affected situations. Conflict displaces farmers, destroys agricultural assets and food stocks, disrupts markets and supply chains, drives up prices, and damages livelihoods. Armed violence severely limits the ability of people to meet their food requirements, disrupts and limits access to basic services and limits humanitarian actors from reaching communities in need. Moreover, forced displacement is

expected to continue expanding with UNHCR projecting about 117 million people to be forcibly displaced or stateless in 2023 and further aggravating food insecurity.

Climate has also played a negative role. In Southern Africa, areas of Madagascar, Mozambique, and Malawi are still dealing with the impacts of Cyclone Freddy, while persistent dryness has affected Angola, Namibia, Botswana, and parts of Zimbabwe. Somalia, NE Kenya, and SE Ethiopia have been affected by an unprecedented five -season drought since late 2020. As La Nina and El Nino events continue to play out interchangeably, causing favorable and drastic weather patterns, the impacts of successive droughts will be felt for years to come, particularly for pastoralist communities due to significant and widespread loss of productive assets.

2. Gaps and Challenges in Poverty Eradication and Resilience Building in Fragile and Humanitarian Contexts

State fragility is characterized by a government's inability to ensure the security of the population and provide basic public services, alongside its failure to establish mutually constructive relations with citizens. Fragile states and regions are characterized by weak institutions, high rates of poverty, violence, corruption, and general arbitrariness. Fragility manifests itself in both development and transition contexts as well as humanitarian crises.

The challenges of eradicating poverty and building resilience in fragile and humanitarian contexts continued to be more complex since;

- Fragile situations present a higher risk environment than non-fragile situations for the people who live there, their governments, for neighboring countries, and those who seek to provide assistance.
- Managing engagements and transitions in these complex environments presents challenges for all stakeholders.
- Fragility knows no boarders; as scale of response and magnitude of the required resources for eradicating poverty and building resilience are high, support remains fragmented and siloed. Despite the record level of funding in 2022, funding needs in fragile and humanitarian context are higher. Only for February to July 2023, WFP's net funding requirements are at an all-time high of USD 7.9 billion while its projected operational requirements for 2023 could reach USD 23.6 billion. WFP is working to raise funding from partners including governments, International Financial Institutions, and other traditional and non-traditional sources for its emergency humanitarian operations as well as resilience building initiatives.

3. WFP's Efforts and Growing Need in Fighting Poverty and Building Resilience in Fragile and Humanitarian Contexts

WFP remains the largest humanitarian organization which is spearheading implementation of the saving lives and changing lives agenda to millions of people in the fragile and humanitarian context. Over the past six decades, WFP has grown to become the world's largest humanitarian agency fighting hunger, earning the Nobel Prize in 2020 for its dedication and achievements. WFP has reached countless millions of people and now works in 123 countries and territories, collaborating with partner organizations in increasingly innovative ways. From camels to amphibious vehicles to airdrops to digital currency, WFP works to overcome all barriers to people in need. While acknowledging the vicious spiral of converging factors that are sustaining the global hunger and malnutrition crises, conflict remains the main driver of hunger. In 2016, WFP together with several partners started actively advocating for the recognition of the link between hunger

and insecurity. This saw the birth of Resolution 2417 (<u>S/RES/2417</u>) which reiterates the prohibition on the use of hunger and starvation as a method of war.

Climate extremes often have the potential of exacerbating conflicts and social tensions, by triggering forced displacements and irregular migration and weakening coping systems and stretching the already burdened infrastructure. WFP is closely monitoring and analyzing data which forecasts an anticipated below average rainfall in the Sahelian Belt for the June -September 2023 agricultural season. Similar forecasts have been made for eastern Indonesia, Papua New Guinea, and Timor-Leste while the Philippines is expected to have above average rainfall that could lead to flooding. WFP is closely monitoring to enable early warning and action.

WFP efforts in fragile and humanitarian contexts aim at saving lives and changing lives. Some of the efforts include stepping up direct food and nutrition assistance to save lives and prevent mortality by;

- a. The Black Sea Grain Initiative has enabled the continued shipments of Ukrainian grain to humanitarian operations
- b. Providing cash-based assistance to people in crisis helps to break the vicious cycle of poverty and helps boost local economies while increasing resilience. 79% of total cash-based transfer assistance was distributed in emergency operations led by Somalia, Ukraine, and Afghanistan. WFP also provides anticipatory CBT which offers protection ahead of a disaster and faster recovery.
- c. In response to severe drought, WFP scaled MAM management in fragile context which include Kenya and Afghanistan, Pakistan, and Somalia
- d. WFP has championed the use of the Corporate Alert System, and which follows a multi-layered approach to use early warning analysis to inform timely and appropriate emergency preparedness and early action. These include WFP's real-time monitoring and system and the Advanced Disaster Analysis and Mapping.
- e. School feeding remains a proven and effective method to improve food security, nutrition, protection, and education outcomes. In Yemen WFP assists about 2.3 million children in nutrition activities and are providing 28,000 children freshly cooked breakfasts and employing local staff. Globally WFP has reached 19.6 children through school meals.
- f. Changing lives to create resilient lives by augmenting social protection is a key pillar in WFP response. WFP has been working with governments on shock responsive systems which is done through supporting governments to operationally expand social protection responses to cover lean seasons which is the case in the Sahel countries of Mali, Niger, and Mauritania.

WFP's 2015 resilience policy defines resilience as "the capacity to ensure that shocks and stressors do not have long-lasting adverse development consequences. Resilience represents a set of capacities that may be used to prepare for and respond to a shock or combination of shocks. Being **resilient** means that individuals, households, communities, institutions, and systems can maintain wellbeing, recover, and/or enhance wellbeing in the face of shocks and stressors. **WFP designs and implements interventions that are designed** to enhance **resilience capacities** and reduce **vulnerabilities** in targeted populations.

WFP has been supporting governments in fragile and humanitarian contexts to change lives which is WFP's approach to implementing development interventions. This link provides insight into what WFP is doing in the Sahel Region to change lives. <u>Integrated Resilience in the Sahel | World Food</u> <u>Programme (wfp.org)</u>

4. Recommendations going forward

We all need a hands-on deck approach to eradicating poverty and building resilience in fragile and humanitarian contexts as such WFP is putting forward the following recommendations.

- a. There is a need for a coordinated joint programming of impactful interventions at all levels to optimize efforts and overcome the deficiencies arising from siloed approaches. Addressing these root causes requires long-term and comprehensive approaches that involve multiple stakeholders, including governments, civil society, and the private sector. Efforts to tackle poverty in fragile and humanitarian context require a well-managed global action if we are to eradicate poverty in the next seven years
- b. There is need to scale up the changing lives agenda in a more inclusive way to tackle the root causes of poverty, build resilient and sustainable livelihoods and reduce vulnerability to shocks. Social protection programs, such as cash transfers, food assistance, and school feeding programs, can help reduce poverty by providing a safety net for vulnerable households. Governments and donors should invest more in these programs to ensure they reach the most vulnerable people.
- c. Support political solutions, peace and facilitate humanitarian diplomacy to improve access, and mitigate war induced famine
- d. Invest in smallholder agriculture: Smallholder farmers play a critical role in providing food for their communities and can help reduce poverty when supported with the right resources. Investment in smallholder agriculture can improve productivity, increase incomes, and improve food security.
- e. Strengthen partnerships with and support to governments (at all levels), partners and local actors by
 - Leveraging the powers of innovation in partnerships with academia and private sector for efficient and effective responses to complex crises.
 - Enhancing tracking and monitoring capacities and develop the right skillsets to setup functioning and responsive systems.
 - Support the effort to invest in the poverty reduction
- f. Creating an enabling policy environment and a food systems approach. Sustainable and resilient food systems can help ensure that people have access to nutritious and affordable food even during times of crisis. Governments and donors should invest in improving infrastructure, promoting sustainable agricultural practices, and supporting local markets.
- g. Empower women and girls: Women and girls are disproportionately affected by poverty and hunger and empowering them can help break the cycle of poverty. This can be achieved by providing access to education, healthcare, and economic opportunities.

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