

# Facing the Storm

How WFP is supporting to address poverty and social exclusion caused by the rising food prices and the economic crises.

## Working together with governments is critical for helping the most vulnerable cope with the food price and economic crises.

Even before feeling the combined impact of the food price crisis and the economic crisis, Latin America and the Caribbean already had among the highest levels of inequality in the world in terms of income distribution. Poverty and hunger affected extensive segments of the population. Today, due to the impact of these crises, the number of people suffering from hunger has increased. We must act together now more than ever to assist the most vulnerable.

### The High Food Prices

The increase in the price of food has raised the incidence and gravity of poverty in the region. Between January 2007 and June 2008, the price of rice, wheat, and corn increased 80-90% in Latin America and the Caribbean. Prices eventually fell, but continued to be elevated in comparison to 2006 levels. Because of this increase, 8 million people were unable to escape poverty and indigence in 2007.

### The Economic Crisis and Remittances

Annual economic growth in Latin America and the Caribbean was 4.6% in 2008, and is projected to decrease to 1.9% in 2009. Thus, it is expected that the economic crisis will diminish progress achieved in poverty reduction in the region. Among other factors, the crises have impacted the quantity of money emigrants send their family members from abroad; in the last third of 2008, remittances had fallen to US\$17 billion, 2% less than during the same period of the previous year.

A reduction in remittances means those families who depend on money sent from abroad to cover their basic expenses will need greater attention from national social protection networks.

This is why the World Food Programme (WFP) is calling for a counter-cyclical allocation of resources for social protection programs; in other words, in times of crisis more should be invested in order to address increasing levels of vulnerability.

WFP is actively supporting national governments in the implementation of effective social protection networks designed to reduce hunger and undernutrition and advocating that new financial resources be devoted to expanding coverage.

Through cooperation agreements with governments in the region, WFP helped reach almost 8 million people who benefited from national programs fighting hunger in 2008.



© WFP/PMA - Sabrina Quezada, Nicaragua



WFP

World Food  
Programme

# What Else is WFP Doing to Support Governments during the Crisis?

WFP share its capacities in **Vulnerability Analysis and Mapping** (better known by its acronym, VAM) with the region's governments. The strength of this tool lies in VAM's ability to carry out evaluations, including household surveys, which allow in-depth knowledge of the nutrition and food security situation in a given country.

VAM can follow the evolution of the situation in countries that face recurring crises as well as immediately evaluate needs at the beginning of an emergency.

As new challenges arise, such as the effects of the food price rise and economic crisis on the fragile economic situations of poor families, it is crucial that decision-makers understand all the facets of food and nutrition insecurity so they can design programs that respond to the needs of the population.

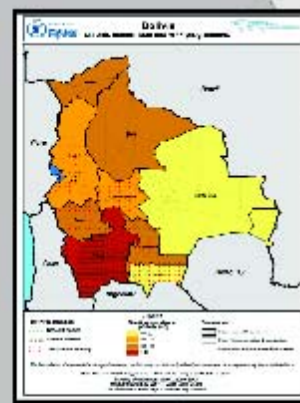
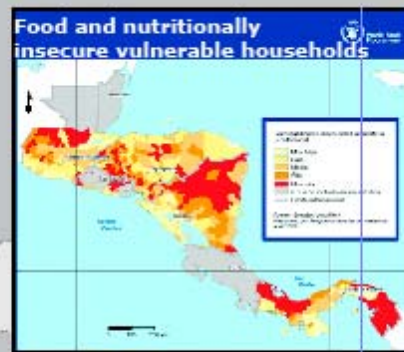
VAM provides the information needed to identify the appropriate type and scale of interventions that may include food distribution, school feeding programs, support for re-establishing livelihoods, or more innovative strategies like cash transfers or vouchers. In this way, VAM allows assistance to be targeted to those most in need.

In a region impacted by recurrent natural disasters, VAM specialists can do initial rapid assessments at the beginning of an emergency when there is very little information available. With the objective of better understanding the long-term impact of the crises and how they unfold, WFP has collaborated with academic and research institutions, governments, and United Nations organizations to develop information technology including remote detection systems and geographic information systems (GIS).

Thanks to the use of advanced technology, including GIS, innovative satellite applications, and handheld or laptop computers, it is possible to collect and manage data in a manner that facilitates a timely, precise, and comprehensive analysis.

## Examples from the region

**Central America.** VAM has allowed the identification of areas with greater vulnerability to food and nutrition insecurity and their determinants. The disaster prone areas of Central America and the areas with large indigenous communities in Nicaragua and Guatemala are among those identified to have greater food insecurity. According to VAM, the populations suffering from greatest food insecurity are the poorest who also have very fragile livelihoods as well as poor health and nutritional conditions.



In **Bolivia**, VAM was utilized to classify all municipalities according to the vulnerability index. This classification has been used by the government and other WFP partners for targeting of food-based programs for the last ten years



Gaillard Avenue, Vicente Bonilla Street  
Building 124 - 125, Clayton  
P.O Box: 0819-10751, Zona 6, El Dorado  
Panamá, Republic of Panamá  
Tel: (507) 317-3900  
Fax: (507) 317-3903