

Thank you Chair, good afternoon, everybody. Just let me say that coming after Massimo, my job becomes a bit easier because he's already provided you with the data. What I would do is – I would just talk more about the consequences of this both in Ukraine and also out of Ukraine.

I mean, you can say that, you know, that this is the type of conflict which has created a lot of destruction and devastation in Ukraine, but its consequences are already starting to be felt thousands of miles away. One thing which, Chair, you started out with but its important to put together...Is that you know, this is something which is not necessarily happening in a vacuum. The world already was in a very tough spot because of the economic consequences of COVID, we were talking about record levels – or 40-year highs in the case of the United States – records of inflation, we're talking about record levels of debt in some of the poorest countries around the world. We're talking about depreciating currencies; we're talking about governments which are really tapped out because of dealing with the consequences of disease but also its economic repercussions. We're talking about prices of grain which were already at a 10-year high. Fuel was already at a 7-year high, and agricultural prices were already high. And then, on the income side, incomes in many many parts of the world are still very very depressed. Whether it is because there is no tourism or whether it is because remittances are not coming in or whether it is simply because economies have not necessarily recovered from COVID shocks.

So all in all it was a bad situation which has become worse because of this particular war. Now, one thing which we have done at the World Food Programme, we always look in the past and try to see if we have experienced something like this before and obviously there are two times which come to mind: one is the 2008 food and fuel crisis and then the second one in 2011, again high food prices and essentially the start of the Arab Spring. Now, when we look at the data, when you look at the commodity prices, they're near that and for a few commodities they went up and then down, fuel's also the same thing. But this crisis is probably worse than both of those and the reason why is first and foremost, like you said, in 2008 or 2011, we didn't have COVID and we didn't have the consequences of COVID. But also in 2008, we did not have a war in Yemen, we didn't have a war in Syria, we didn't have a war in Ethiopia, and Northeast Nigeria was quite ok.

So, when we look at that conflict impact and not having COVID at that time, you can say that the world was in a relatively good state or better state than it is today.

The other thing – I think Massimo pointed to it – in 2008, the dollar was quite weak. Right now, all of this in the commodity market is happening when the dollar is strong. That's something else we need to keep in mind. Now coming to what WFP is doing, in terms of our operations, we are in a scale up mode, we are trying to get to a position where we should be able to assist 3.1-3.2 million people inside Ukraine and about 200-300 thousand people outside of Ukraine, in the neighbouring countries. We already have offices established there and we have presence in Ukraine as well.

In order to provide this assistance for the next three months, it will be about 590 million dollars. Right now, we have about 55 thousand metric tons of different food commodities, let's say from bread, to pasta, to wheat flour, to ready-to-eat meals – all that kind of stuff in different stages of procurement and supply chain. Of this, let's say, what we have so far got – about 40% of that has been bought in Ukraine. So, we are moving and gradually scaling up and the idea again is, the request again is: safe humanitarian access to where people are and having enough resources so we can actually help them.

Now this is inside Ukraine. So, what is happening outside? Obviously, the level of food insecurity is going up, both in terms of debt – meaning people who were hungry being more hungry – and again,

we had about 45 million people in IPC 4 or worse to begin with, before this. In our 80+ countries, we had 276 million people who were in the equivalent of crisis levels of hunger.

Our analysis on the financial side shows that now, it will cost us about 71 million dollars more per month, compared to 2019. That essentially means, that our cost of operations, because of increases in commodity costs as well as fuel costs, has gone up by about 44% compared to 2019. So, the combination of COVID effect and this war's effect, that 71 million dollars over a year is 852 million dollars, which means that those 71 million dollars could have provided as many as 3.8 million rations using 2019 prices, which cannot happen. That's the financial impact of this, not on *more* beneficiaries – which are rising – but on people we were already assisting.

Right now, our funding gap is about 50% and that is of critical concern especially in the aftermath of COVID, where like I said, not only governments are tapped out but others are tapped out. We are cutting rations in many many places left, right and centre frankly because we just don't have the resources.

Now, that is our state of affairs in terms of our operations. This year, we want to reach about 145 million people. Last two years, in 2020, despite COVID, we had set a record at 115 million people we assisted. That got up to 128 million last year, and this year we need to do 140+ million people, as we speak. Now what are the consequences of this? Crisis both in Ukraine, but also outside in terms of additional food insecurity, vulnerability, acute hunger being generated...That's on top of that.

On the forecast side, we are hoping that this war is resolved very very soon because if it's not, then we are talking about a shock of even worse proportions. We are concerned about agricultural production; we are concerned about the cost of that – both in the near-term but also in the medium-term and we are concerned both on the cost side in terms of finances but also in terms of time. Meaning if we are not buying from Ukraine and we have to go to Canada or we have to go to Australia, that does not only mean that that's more expensive, but it also means that it will come late. This is a particular concern in the near-term.

We have been focusing on Ukraine, but if you look around, there are talks of severe drought in East Africa, there are talks of drought in South Africa, there are talks of drought in the Sahel.. That is something which we also need to keep in mind, that as this crisis is brewing and this onslaught is continuing, other crises have not stopped. So, it is the combined, accumulative effect of these crises also, which is impacting, frankly around the world.

Coming to what we're asking, we're asking several things: One of them, obviously is resources, we cannot afford a 50% gap in the year 2022, with the types of things which are going up. So, funding is extremely important, humanitarian access is extremely important. I like to say that if you have funding and no humanitarian access, it doesn't work. But if you have all the humanitarian access and no funding, it still doesn't work. So, both these two things need to go hand in hand.

We are also saying – back to Massimo's point, on the last slide – we saw what trade restrictions, artificial trade barriers can do on the price side, in 2008. We cannot afford a repeat of that, so we have to be very very careful in our messaging to appeal to all the governments not to necessarily do that. This is also the time to talk about the exemptions of humanitarian assistance, from delays, from export bans, from taxes, all of those things which need to be discussed. We need to also talk about giving, making sure that our agricultural markets are transparent that we know what the stocks are so there's no speculation, no hoarding. These things are not new, we talked about them in 2008, we talked about them in 2011, we put AMIS together at that time, it is working. We need to make sure

that AMIS stays current, that it has the resources to provide all of this information in the current state, to everybody who is in need of this assistance.

Lastly, I think it is high time that we re-think energy policies, agricultural policies and we bring the agricultural food system into operation. I will stop here. Thank you.