Global Supply Chain Challenges

• The UN Secretary-General has warned that the **COVID-19 pandemic is the worst crisis the world has faced since World War II.** As of 18 May 2020, 4.7 million cases have been confirmed worldwide.

• Unprecedented border closures, export bans, bottlenecks to commercial air and sea traffic, port restrictions and transport delays are **impacting commercial and humanitarian supply chains.**

• **Disruption of private sector capital injections** are hampering the ability of actors along the supply chain that are reliant on local short-term financing for working capital.

• While supply chains have not reached a halt, an **overall slowdown** in cargo movements has been witnessed globally.
Global mitigations measures

Measures to support fluid supply chains include:

• Maintaining cross-border trade flowing, with border agencies safely processing clearances and controls;
• Fast-tracking of cargo customs clearance;
• Common facilitation measures at regional level for border transit;
• Paperless solutions.
Impacts on WFP Supply Chains

• **Disruptions to WFP operations**, such as school closures that have impacted school feeding programmes.

• Food commodity prices are generally stable and **global food stocks and supplies are available** – however, they are not where they are needed.

• **Shortages of Special Nutritious Food** supplies due to small number of global producers.

• Several contracts are being assigned **ex works** due to lack of reliable forwarding options.
WFP mitigation measures

- **Pre-positioning three-month-stocks of assistance** to minimize disruptions and ensure flexibility.
- **Advocacy** to maintain borders open and trades flowing.
- Expanding **long term contracts** with transport providers.
- Working with partners to **increase storage at last mile locations**.
- **Adapting delivery mechanisms** to be safer, such as reconfiguring the CBT retail model.