

US\$ 500 Million Project will Help to Strengthen Egypt's Food and Nutrition Security

Washington, June 29, 2022 – The World Bank's Board of Executive Directors yesterday approved a US\$500 million loan to bolster Egypt's efforts to ensure that poor and vulnerable households have uninterrupted access to bread, to strengthen Egypt's resilience to food crises and to support reforms in food security policies, including to improve nutritional outcomes.

[The Emergency Food Security and Resilience Support Project](#) will help cushion the impact of the war in Ukraine on food and nutrition security in Egypt. The Russian Federation and Ukraine are the world's largest wheat exporters, and the war has driven up prices and created nutritional shortfalls, particularly for people who rely on bread for their daily nutritional needs. Bread is a staple in Egypt and this new project links wheat imports to direct assistance to the poor and vulnerable population through Egypt's Bread Subsidy Program.

*"This project supports the government's strong commitment to ensuring that the needs of citizens continue to be met even amid a very challenging global context caused by concomitant crises such as COVID-19 and the war in Ukraine," said **Dr. Rania Al-Mashat, Egypt's Minister of International Cooperation.** "In addition to ensuring sustained food security, this project supports national climate efforts by increasing agricultural resilience."*

The project will finance the public procurement of imported wheat, equivalent to one month of supply for the Bread Subsidy Program which supports around 70 million low-income Egyptians, including approximately 31 million people under the national poverty line. The project will also support national efforts to reduce waste and loss in the wheat supply chain through the upgrade and expansion of climate-resilient wheat silos, sustainably improve domestic cereal production, and strengthen Egypt's preparedness and resilience to future shocks.

The new financing supports Egypt by mobilizing immediate short-term relief to address supply and price shocks while simultaneously bolstering Egypt's longer term food security strategy and improved nutrition for the poor and vulnerable. A significant number of households in Egypt reduced their food consumption during the COVID-19 pandemic, which could have a lasting impact on nutrition and the cognitive development of young children. An improved nutrition strategy, including through balanced diets, is a key element of this project.

*"This emergency operation comes at a very critical juncture when the food security of many countries is threatened by the war in Ukraine," said **Marina Wes, World Bank Country Director for Egypt Yemen and Djibouti.** "It is part of broader World Bank efforts to support Egypt's green, inclusive and resilient recovery. As always we are keen to continuously support Egypt in overcoming obstacles to its ambitious sustainable development plans and to further enable the country to pave the way for a prosperous and productive future for all its citizens."*

The project incorporates climate change efforts through a variety of interventions, including via investments to modernize wheat silos to significantly reduce wheat waste and loss, as well as introducing

farmer extension and training programs that promote climate-smart agricultural practices.

On May 18, the World Bank [announced actions it plans](#) to take as part of a comprehensive, global response to the ongoing food security crisis, with up to \$30 billion in existing and new projects in areas such as agriculture, nutrition, social protection, water and irrigation. This financing will include efforts to encourage food and fertilizer production, enhance food systems, facilitate more trade, and support vulnerable households and producers.

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