INTERNATIONAL FOOD AID PROGRAMS 2023 Farm Bill

BACKGROUND

After decades of progress, global hunger is on the rise. Vulnerable communities have seen their food systems eroded by compounding shocks like conflict, climate change, and the COVID-19 pandemic. In addition, an acute food crisis is spiraling around the world, driven by the **conflict in Ukraine**.

As many as <u>828 million people</u> around the world faced chronic hunger in 2021, 46 million more than the year prior, and 150 million more than in 2019. Forty-five million people are estimated to be <u>at risk of death</u> or already facing starvation and death because they have so little to eat. This is not only a tragedy today—it is setting the stage for a continuing crisis.

The Farm Bill is a critical tool in fighting both acute and chronic hunger and malnutrition. Title III authorizes several important international food aid programs, including the following, which **we urge Congress to reauthorize**.

- Food for Peace Title II ("Food for Peace")
- McGovern-Dole International Food for Education and Child Nutrition Program ("McGovern-Dole Food for Education")
- Bill Emerson Humanitarian Trust
- Food for Progress



Photo by Melikte Tadesse, 2022

Food for Peace Non-Emergency Programs

Food for Peace reaches the poorest and most vulnerable families to save lives in times of emergency and addresses the **root causes of food insecurity and malnutrition**, helping to build resilience within communities. It administers two types of programs: emergency and non-emergency. In FY21, emergency programs accounted for **86%** of total Food for Peace spending. Funding for non-emergency programs, called the "safe box," accounted for the remaining 14%. The safe box cannot be less than **\$365** million.

By investing in savings groups, access to agricultural loans, education on water management and risk management practices, non-emergency programs are **proactively preventing future hunger crises**. Every dollar invested in these resilience-building programs <u>saves \$3</u> in humanitarian assistance when crisis strikes. This is a significant return on investment, but these programs could work even better.

- Food for Peace must be allowed to use the most effective form of aid—whether that is U.S.-sourced food, food produced or procured locally, or marketbased assistance—to save lives, protect livelihoods, and strengthen communities' resilience to chronic challenges and sudden crises.
- Congress must authorize robust funding for the safe box so that the most vulnerable communities can cope in the face of chronic shocks. This funding is an investment in preventing another hunger and malnutrition crisis like the one we are facing now.
- In this time of unprecedented need, it is critical that Food for Peace non-emergency programs can use the tool that will be most effective in achieving community resilience based on the local context. This is crucial to maximize every dollar allocated.
- Food for Peace non-emergency programs must prioritize fostering self-reliance and avoid interventions that could lead to dependency.

McGovern-Dole Food for Education

Since 2002, McGovern-Dole has reached <u>over 31 million</u> <u>children</u> in 48 countries with nutritious school meals. It is more than a school feeding program—it is a **sustainable investment in communities**.

The program boosts school enrollment and academic performance, especially for girls, and aims to improve children's overall health and nutrition. Its local and regional procurement component (LRP) helps develop local economies by purchasing food from local farmers.

 Congress should bolster the effectiveness of McGovern-Dole LRP by including more capacitybuilding work with local farmers.

Bill Emerson Humanitarian Trust

The Bill Emerson Humanitarian Trust provides funding to purchase U.S. commodities to **alleviate severe hunger and malnutrition** in times of extraordinary need. The Secretary of Agriculture governs the trust and authorizes release of funds when the USAID Administrator requests it. The Trust was drawn down in 2022—for the first time since 2014—in response to extreme need. It provided \$282 million for the purchase of commodities. USDA's Commodity Credit Corporation (CCC) provided **\$388 million** on top of this sum to cover ocean freight transportation, inland transport, shipping and handling, and other costs.

Congress should provide a replenishment mechanism for the Bill Emerson Humanitarian Trust and lower the barriers to access funding from the Trust.

World Vision

Save the Children.

Food for Progress

Food for Progress projects focus on **improving agricultural productivity** and expanding agricultural trade. USDA donates U.S. agricultural commodities which can be distributed as food or monetized by selling them locally to fund projects.

Congress should reauthorize Food for Progress as well as the pilot program authorized in the 2018 Farm Bill to finance projects directly rather than through monetization. The pilot program has yet to be funded through appropriations.

Cargo Preference

Though outside of the Farm Bill, the Cargo Preference Act of 1954 (P.L. 83-664) has significant impact on the effectiveness of food aid programs. It requires that 50% of all government cargo, including food procured in the U.S. for international aid programs, be shipped on U.S.flagged vessels. International food assistance constitutes 10-15% of all cargo preference shipments.

As a result, USAID paid nearly **30% more** per metric ton in FY22 to ship commodities for Food for Peace than it would have absent this requirement. Further, the agency estimated that if cargo preference requirements had been waived in 2021, it would have <u>saved \$31 million</u>, which translates to approximately **16 million more people** reached with critical food assistance.

Congress should strengthen the effectiveness and reach of U.S. international food assistance programs by waiving or eliminating cargo preference requirements for life-saving food aid.

