

April 4, 2016

The Honorable Jerry Moran
Chairman
Senate Agriculture Appropriations Subcommittee
125 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Jeff Merkley
Ranking Member
Senate Agriculture Appropriations Subcommittee
313 Hart Senate Office Building
Washington, DC 20510

Dear Chairman Moran and Ranking Member Merkley:

Thank you for your stalwart leadership and dedication in supporting the world's most vulnerable people. As a result of your efforts, Title II Food for Peace programs have helped tens of millions of food insecure people annually, and development programs have assisted communities around the world in increasing their food security and self-sufficiency. In addition, we deeply appreciate your ongoing interest in improving U.S. international food assistance programs. Title II programs are already effective at ensuring people receive life-saving food assistance. By maximizing our investments even further, we can achieve multiple objectives as well as reaching more people in need at no additional cost to the American taxpayer.

Food assistance programs in the Agriculture Appropriations bill are vital to addressing global food security, and unfortunately, the need remains great. More than 795 million people in the world are chronically food insecure and that number will likely grow as an array of global disasters persist.¹ In addition, 90 million people are caught in emergency food crises, including the war in Syria, conflicts in South Sudan and Yemen, and drought across southern and eastern Africa caused by El Nino.

In light of the immense needs of food insecure families throughout the world, we ask that you support the three following requests in the Agricultural Appropriations bill for Fiscal Year 2017 (FY 2017).

1. Food for Peace/Title II Funding and Authorities

The Title II Food for Peace program is the U.S. Government's primary account for providing international food assistance. Title II emergency programs serve tens of millions of the most vulnerable people suffering in crises by providing essential food to save lives. Title II development programs are essential to building food and nutrition security around the world. These investments ensure that U.S. assistance is not a handout but a hand up, helping to break the cycle of poverty by supporting sustainable development that reduces hunger and malnutrition. Development programs are a cornerstone of the critical effort to build resilient communities that can withstand and bounce back better from conflicts, droughts, and other crises and reduce the need for emergency assistance in the future.

We hope you will support further steps recommended by the Administration in the FY 2017 budget request to improve food aid efficiencies and increase the number of people these lifesaving programs reach. Specifically, we recommend the following levels of appropriations and new authorities for Title II/Food for Peace program:

- No less than \$1.75 billion for overall Food for Peace/Title II funding, including funding for non-emergency development programs that take full advantage of funding provided through the Community Development Fund.
- Additional authority to provide the flexibility to use up to 45 percent of Title II emergency resources on such terms and conditions as the USAID Administrator may deem most needed. This authority would allow USAID to reach more people using the most appropriate and efficient mix of U.S.-labeled commodities obtained through local and regional procurement, electronic transfers and vouchers, and in-kind U.S. commodities to address the crisis quickly and effectively.

2. Community Development Fund

Within the Development Assistance account in the State and Foreign Operations bill, U.S.AID has utilized the Community Development Fund (CDF) to minimize the need to monetize commodities under Title II non-emergency programs, including in countries where transport and other non-food costs are prohibitively high. For example, in the Democratic Republic of Congo shipping and monetizing U.S. commodities can result in only getting 50 cents on the dollar for food security programs because of high transportation costs and poorly functioning commodity markets. We are recommending both the SFOPS and Agriculture Appropriations subcommittees include bill language in their respective FY 2017 bills ensuring that CDF funding can be used within non-emergency food aid programs. Continuing to utilize CDF in non-emergency programs will improve the efficiency of non-emergency food assistance programs and continue to build self-reliance among food insecure communities.

3. Local and Regional Procurement (LRP) Programs

The practice of buying food aid on local and regional markets for distribution can be quicker and more cost effective than delivering in-kind food aid sourced from the United States. Two independent evaluations by the Government Accountability Office and a Congressionally-mandated study by Management Systems International of the USDA LRP pilot program, authorized in the 2008 Farm Bill, found that LRP programs have an average cost saving of *at least* 25 percent compared with similar in-kind food aid programs. In some cases, these savings can increase to over 50 percent, as a Cornell University study documented, along with a 62 percent improvement in timeliness of delivery. In addition to being cost effective, buying food locally allows for support of local farmers and spurs recovery of local markets.

The flexibility, cost effectiveness, and timeliness of such programs means that USDA, USAID and their implementing partners can deliver U.S. food aid faster and at less cost to taxpayers while supporting local markets and communities in developing countries. Given the proven success of LRP programs, the 2014 Farm Bill established a permanent LRP program authorized at \$80 million annually. We appreciate the committee's past support for this program, including \$5 million for LRP in FY 2016 as part of the McGovern-Dole Food for Education appropriation. For FY 2017, we request you support full funding at authorized levels for the LRP program.

Thank you for your consideration of these requests.

Sincerely,

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| 1. Action Against Hunger | 9. InterAction |
| 2. Alliance to End Hunger | 10. Mercy Corps |
| 3. American Jewish World Service | 11. Mennonite Central Committee-US
Washington Office |
| 4. The Borgen Project | 12. Oxfam America |
| 5. Bread for the World | 13. Save the Children |
| 6. CARE | 14. WFP USA |
| 7. Church World Service | 15. Women Thrive Worldwide |
| 8. Global Poverty Project | 16. World Vision |

CC: Sen. Thad Cochran (R-MS)
Sen. Barbara Mikulski (D-MD)
Sen. Lindsey Graham (R-SC)
Sen. Patrick Leahy (D-VT)



ⁱ Source: *State of Food Insecurity in the World*, FAO, 2015, <http://www.wfp.org/hunger/stats>