

U.S. INTERNATIONAL FOOD ASSISTANCE REPORT 2002



**United States Agency for International
Development
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List of Abbreviations	vii
List of Partner Organizations	viii
Executive Summary	ix
Introduction: U.S. International Food Assistance—Framework for Stability	1
U.S. International Food Assistance	2
I. Food Security: Defining a Long-Term Global Strategy	5
A. Global Commitment to Food Security	6
B. Food Security and Nutrition	7
C. Causes of Food Insecurity	8
D. Constraints to Food Assistance	9
1. Food Aid Needs and Availability	9
2. Natural Disaster and Complex Emergency Food Aid Requirements	9
3. Global Availability of Food Aid	11
II. U.S. International Food Assistance: Program Descriptions and Fiscal Year 2002 Accomplishments	13
A. Highlights from the Farm Security and Rural Investment Act of 2002	13
B. Public Law 480	14
1. P.L. 480 Title I: Trade and Development Assistance	14
2. P.L. 480 Title II: Emergency and Development Assistance	15
3. Public Law 480 Title III: Food for Development	23
4. Public Law 480 Title V: Farmer to Farmer	23
C. Section 416(b) of the Agricultural Act of 1949: Surplus Commodities	25
1. Section 416(b): Surplus Commodities Highlights	25
D. Food for Progress	25
1. Food for Progress Highlights	26

- E. Integrated Assistance: Broadening the Impact of Food Aid27
 - 1. Global Food for Education Initiative and Successor McGovern-Dole International Food for Education and Child Nutrition Program27
 - 2. Food Assistance in the Fight against HIV/AIDS: Expanded Response to HIV/AIDS and Section 416(b) Programs28
 - 3. Bill Emerson Humanitarian Trust29
- F. Micronutrient Fortification30
- III. Food Aid Benefits to the U.S. Economy31
 - A. Direct Gain—Benefits to U.S. Producers, Processors, Packagers, and Transporters ...31

Appendixes	33
Appendix 1: U.S. International Food Aid Programs: Basic Descriptions	34
Appendix 2: U.S. Foreign Assistance—Fiscal Year 2002	35
Appendix 3: USDA Title I Program: Summary Budget, Commodity, and Tonnage Tables—Fiscal Year 2002	36
Appendix 4: USAID Title II Emergency Activities: Summary Budget, Commodity, Recipient, and Tonnage—Fiscal Year 2002	37
Appendix 5: USAID Title II Development Activities: Summary Budget, Commodity, Recipient, and Tonnage Tables—Fiscal Year 2002	39
Appendix 6: USDA Food for Progress Program—Fiscal Year 2002	43
Appendix 7: Section 416(b) Program Donations—Fiscal Year 2002: Donations by Region: Regular and World Food Program	44
Appendix 8: Section 416(b) Program Donations for the Global Food for Education Initiative—Fiscal Year 2002: Donations by Region: Regular and World Food Program	46
Appendix 9: USAID Bureau for Democracy, Conflict, and Humanitarian Assistance Office of Food for Peace Section 202(e) and Institutional Support Assistance Funds Allocation: Fiscal Years 1998–2002 (Development and Emergency Activities)	47
Appendix 10: Public Law 480 Title II Congressional Mandates—Fiscal Year 2002	48
Appendix 11: Summary: Total U.S. International Food Assistance—Fiscal Year 2002	49
Appendix 12: Food Aid Convention: Annual Grain Shipments—Fiscal Years 1998/99– 2001/02	50
Appendix 13: Countries with Approved U.S. Food Assistance Programs, Fiscal Year 2002	51

LIST OF ABBREVIATIONS

AIDS	acquired immunodeficiency syndrome
CARE	Cooperative for Assistance and Relief Everywhere, Inc.
CCC	Commodity Credit Corporation
EMOP	emergency operation
EXTENSA	Agriculture Extension Project (Honduras)
FAO	Food and Agriculture Organization of the United Nations
FINCA International	Foundation for International Community Assistance
FTF	Farmer-to-Farmer Program of P.L. 480
FY	fiscal year
GFE	Global Food for Education Initiative
HIV	human immunodeficiency virus
MT	metric ton
NGO	nongovernmental organization
OFDA	Office of U.S. Foreign Disaster Assistance (USAID)
P.L. 480	U.S. Public Law 480
PVO	private voluntary organization
SMART	Standardized Monitoring and Assessment of Relief and Transitions
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
WFP	World Food Program

LIST OF PARTNER ORGANIZATIONS

The following organizations implemented U.S. government food assistance programs in fiscal year 2002:

ACDI/VOCA.....	Agriculture Cooperative Development International/ Volunteers in Overseas Cooperative Assistance	NPA	Norwegian Peoples' Aid
ADRA.....	Adventist Development and Relief Agency International, Inc.	NRECA Int'l.....	National Rural Electric Cooperative Association International, Ltd.
Africare.....	Africare	NWMT.....	Northwest Medical Teams International
AKF	Aga Khan Foundation	OICI.....	Opportunities Industrialization Centers International
ARC.....	American Red Cross	PCI.....	Project Concern International
ATG.....	Armenian Technology Group	PRISMA	Projects in Agriculture, Rural Industry, Science & Medicine, Inc./Peru
CARE	Cooperative for Assistance and Relief Everywhere, Inc.	PRRO.....	Protracted Relief and Recovery Operation (WFP)
CI.....	Counterpart International	REST	Relief Society of Tigray (Ethiopia)
CRS	Catholic Relief Services	SCF	Save the Children Federation, Inc.
CWS	Church World Service	SHARE	World SHARE, Inc.
EOC.....	Ethiopian Orthodox Church	Salesian.....	Salesian Missions
FHI.....	Food for the Hungry, Inc.	TechnoServe.....	TechnoServe
FINCA Int'l	FINCA International	UMCOR.....	Armenia United Methodist Committee on Relief
GJARN	Global Jewish Assistance and Relief Network	VRF	Vishnevskaya Rostropovich Foundation
ICRC.....	International Committee of the Red Cross	WFP.....	United Nations World Food Program
IEFR	International Emergency Food Reserve	WVUS	World Vision International, Inc.
IMC	International Medical Corps		
IPHD.....	International Partnership for Human Development		
MC.....	Mercy Corps		

EXECUTIVE SUMMARY

The United States remains committed to achieving global food security through its international food assistance policy. Public Law 480 (P.L. 480), the Agricultural Trade Development and Assistance Act of 1954, commonly known as Food for Peace, is the principal instrument for U.S. international food assistance. P.L. 480 comprises several titles; each has specific objectives and provides commodity assistance to countries at different levels of economic development. Other significant laws providing international food assistance are the Food for Progress Act of 1985 and Section 416(b) of the Agricultural Act of 1949. The U.S. Agency for International Development (USAID) and the U.S. Department of Agriculture (USDA) administer all three laws.

The United States provided more than \$1.7 billion of food aid to 91 developing and reindustrializing countries, reaching millions of people worldwide, in fiscal year (FY) 2002. This assistance included emergency programs aimed at meeting the immediate needs of food-insecure populations, as well as development programs designed to address long-term strategies for food security.

The following list summarizes the total amount of U.S. food assistance allocated by the legislative authorities for FY 2002 (additional information is provided in the latter sections of this report):

- **P.L. 480 Title I: Trade and Development Assistance**—approximately 504,190 metric tons (MT) of commodities, valued at \$101.6 million, were provided to 9 countries under P.L. 480 Title I.
- **P.L. 480 Title II: Emergency Programs**—approximately 1,019,480 MT of emergency food aid, valued at \$599.4 million, was provided to 34 countries through 54 programs.*
- **P.L. 480 Title II: Development Programs**—1,042,624 MT of development food aid, totaling \$436.2 million, was provided to 42 countries through 118 programs.*
- **P.L. 480 Title III: Food for Development**—commodities for Title III were not programmed in FY 2002.
- **P.L. 480 Title V: Farmer-to-Farmer Initiative**—a total of 802 assignments were carried out in a total of 44 food-insecure countries, including 12 Independent States of the former Soviet Union; the estimated value of this program was \$11.7 million.
- **Section 416(b) of the Agricultural Act of 1949**—more than 1.6 million MT of surplus U.S. commodities, worth \$410 million, were moved through programs in 60 countries.
- **Food for Progress Act of 1985**—approximately 285,420 MT of commodities were provided to 25 countries at a value of \$86.1 million.

* Title II expenditure totals include freight costs.

- **Bill Emerson Humanitarian Trust**—over 575,000 MT of wheat was released in order to provide \$68 million in commodities to drought-affected populations in Southern Africa.

During FY 2002, the Farm Security and Rural Investment Act of 2002 reauthorized the P.L. 480 program until 2007. A number of legislative mandates were amended. For example, Title II minimum and subminimum markers were significantly increased—by 23 percent and 21 percent, respectively. In addition, administrative support [Section 202(e)] was increased to between 5 percent and 10 percent of the annual Title II program level, and use of internal transportation and distribution (internal transport, storage and handling) costs for development programs in least-developed countries was authorized.

In June 2002, the World Food Summit: Five Years Later convened to review progress to date and to propose actions for halving the number of food-insecure people by 2015. This summit session provided a forum for leaders around the globe to renew their commitment to the summit's tenets and to reinforce efforts and resources in order to attain its goal by 2015.

The Bill Emerson Humanitarian Trust enabled the U.S. government to respond quickly to the unanticipated complex food crisis in Southern Africa. Over 575,000 MT of wheat was released for use in P.L. 480 Title II emergency programs to meet the unforeseen and acute food needs in Southern Africa. In addition, given the devastating impact of human immunodeficiency virus (HIV) and acquired immunodeficiency syndrome (AIDS) on food security, the U.S. government remained dedicated to providing food assistance under this initiative in FY 2002. U.S. food resources were utilized to maximize and expand existing USAID programs by concentrating on care and support to affected populations; supporting orphans and vulnerable children, preventing the spread of new infections; and combating mother-to-child transmission of HIV.

LAST YEAR, THE INTERNATIONAL DONOR COMMUNITY SUPPLIED 7.4 MILLION METRIC TONS OF FOOD TO FIGHT HUNGER AND MALNUTRITION AROUND THE WORLD, ACCORDING TO THE FOOD AND AGRICULTURE ORGANIZATION. NEARLY THREE-FIFTHS OF THIS FOOD WAS GROWN IN THE UNITED STATES. BECAUSE OF THE SKILL OF THE AMERICAN FARMER, THE GENEROSITY OF THE AMERICAN PEOPLE, AND THE EFFICIENCY OF PROGRAMS LIKE FOOD FOR PEACE, MILLIONS OF DESPERATE PEOPLE RECEIVED THE NOURISHMENT THEY NEEDED TO LEAD HEALTHY, PRODUCTIVE LIVES.

—ANDREW S. NATSIOS, ADMINISTRATOR, USAID

INTRODUCTION

U.S. INTERNATIONAL FOOD ASSISTANCE— FRAMEWORK FOR STABILITY

Starting as simple transfers of food to those in need, U.S. international food assistance programs have evolved to achieve multiple objectives, including the promotion of sustained economic development. Public Law 480 (P.L. 480), the Agricultural Trade Development and Assistance Act of 1954, also known as Food for Peace, was the first permanent peacetime foreign-aid program. It ensured a steady supply of agricultural surplus to be donated to voluntary agencies and foreign governments for relief work, and it established the basis for our nation's food-aid programs.

In fiscal year (FY) 2002, the Farm Security and Rural Investment Act of 2002, referred to as the 2002 Farm Bill, reauthorized and extended the authority of P.L. 480 programs through FY 2007. This legislation reinforced the previous food-aid objectives that guide the food-assistance programs administered by the U.S. Agency for International Development (USAID) and the U.S. Department of Agriculture (USDA). In recognition of the fundamental role of food security in conflict prevention, the 2002 Farm Bill added a new strategic objective: "prevent conflicts." The objectives are outlined as follows:

- Combat world hunger and malnutrition and their causes.
- Promote broad-based, equitable, and sustainable development, including agricultural development.
- Expand international trade.
- Develop and expand export markets for U.S. agricultural commodities.
- Foster and encourage the development of private enterprise and democratic participation in developing countries.
- Prevent conflicts.

U.S. International Food Assistance

The U.S. international food-assistance program encompasses several food-aid vehicles, with governing legislative authorities that are implemented by two government agencies. USAID administers Titles II, III, and V of P.L. 480. USDA administers Section 416(b) of the Agricultural Act of 1949, Title I of P.L. 480, and Food for Progress. The list below provides a brief description of each international food-assistance activity. Additional information about these programs is provided in Section II of this report.

- 1. P.L. 480: Agricultural Trade Development and Assistance Act of 1954** (commonly referred to as Food for Peace)—the principal mechanism for U.S. international food assistance.
 - **P.L. 480 Title I**—concessional sales of U.S. agricultural commodities to developing countries and private entities.
 - **P.L. 480 Title II: Emergency and Development Assistance**—direct donation of U.S. agricultural commodities for emergency relief and development.
 - **P.L. 480 Title III: Food for Development**—government-to-government grants of agricultural commodities tied to policy reform.
 - **P.L. 480 Title V: Farmer-to-Farmer (FTF) Program**—voluntary technical assistance to farmers, farm groups, and agribusinesses.
- 2. Section 416(b) of the Agricultural Act of 1949**—overseas donations of surplus food and feed grain owned by the USDA Commodity Credit Corporation (CCC).
- 3. Food for Progress Act of 1985**—commodity donations available to emerging democracies and developing countries committed to the introduction or expansion of free enterprise in their agricultural economies.

Each of these food-aid instruments has specific objectives and provides aid to countries at various levels of economic development. Food aid may be distributed directly to those in need, or it may be monetized (sold) to provide cash resources for development projects. These projects help to facilitate increased agricultural production and household nutrition in order to enhance food security.

Not only do U.S. international food-assistance programs reflect our concern for those who are food insecure around the world, but they also promote the global leadership of the United States in agriculture. U.S. agricultural commodities are a vital resource for both emergency relief and development activities in promoting long-term food security with mutual benefits for U.S. citizens and aid recipients. The U.S. economy benefits both directly and indirectly from food aid. Millions of dollars' worth of agricultural commodities and processed food products, such as wheat flour, refined soybean oil, and blended cereals, are purchased under U.S. food-aid programs. Many of these commodities are refined and processed domestically,

as well as packaged in containers produced and printed in the United States. The vast majority of commodities are shipped to recipient countries on U.S.-flag carriers.

The U.S. government's numerous partnerships enhance the strength and visibility of its international food-assistance program around the world. U.S. government agencies depend on, and collaborate closely with, private voluntary organizations (PVOs), indigenous organizations, universities, U.S. businesses, international agencies (e.g., the World Food Program [WFP]), and other governments. Through its dedicated partnerships with U.S. companies and cooperating sponsors, the U.S. government integrates an array of food-aid interventions into development programs that address the underlying causes of food insecurity.

FOOD SECURITY IS A PREREQUISITE TO SUSTAINABLE, EQUITABLE ECONOMIC DEVELOPMENT AND INDEED A CRITICAL FACTOR FOR ECONOMIC AND SOCIAL STABILITY IN EVERY COUNTRY.

—ANN M. VENEMAN, AGRICULTURE SECRETARY

I.

FOOD SECURITY

DEFINING A LONG-TERM GLOBAL STRATEGY

Addressing global food security is essential to U.S. strategic interests because it promotes political and economic stability in addition to humanitarian goals. The 1990 Farm Bill first identified the concept of food security as an objective of U.S. food-assistance programs, defining food security simply as “access by all people at all times to sufficient food to meet their dietary needs for a productive and healthy life.” The USAID *Food Aid and Food Security Policy Paper*¹ and *The U.S. Contribution to World Food Security: The U.S. Position Paper Prepared for the World Food Summit*² further expanded and refined the definition of food security to encompass three distinct but interrelated dimensions, as follows:

1. **Access** by households and individuals to adequate resources in acquiring appropriate foods for a nutritious diet, depending on income available to the household, on the distribution of income within the household, and on the price of food
2. **Availability** of sufficient quantities of food of appropriate quality, supplied through household production, domestic output, commercial imports, or food assistance
3. **Utilization** of food, requiring a diet providing sufficient energy and essential nutrients, potable water, and adequate sanitation, as well as knowledge within the household of food storage and processing techniques, basic principles of nutrition, proper child care, and illness management

U.S. international food assistance plays a valuable role in achieving global food security, as its programs are designed to address problems of access, availability, and utilization of food through emergency or development interventions. Providing adequate food for sustenance in times of crisis is necessary, and it will remain a key component of food-assistance programs. Nonetheless, food relief alone is not sufficient to achieve global food security. Long-term food security that encompasses access, availability, and utilization requires an inclusive and targeted food-assistance strategy, promoting social and economic conditions that enable

¹ *Food Aid and Food Security Policy Paper*, USAID, 1995 (http://www.dec.org/pdf_docs/PNABU219.pdf).

² *The U.S. Contribution to World Food Security: The U.S. Position Paper Prepared for the World Food Summit*, USDA, 1996 (<http://www.fas.usda.gov/icd/summit/1998/country.doc>).

individuals to gain access to food, either through producing it themselves or by earning the income to purchase it.

A. Global Commitment to Food Security

WORLD FOOD SUMMIT* SEVEN COMMITMENTS TO FOOD SECURITY
<ol style="list-style-type: none"> 1. <i>Create a peaceful enabling environment with full and equal participation of women and men to ensure food security and poverty eradication.</i> 2. <i>Reduce poverty and facilitate access to food.</i> 3. <i>Adopt sustainable policies for agriculture, forestry, and rural development.</i> 4. <i>Facilitate trade, a key element in food security.</i> 5. <i>Improve forecasting and early response to prevent and resolve food security emergencies.</i> 6. <i>Promote optimal allocation and use of public and private investment for human resource development.</i> 7. <i>Implement, monitor, and follow-up the Summit's Plan of Action at all levels.</i> <p><i>*Rome, 1996.</i></p>

The Food and Agricultural Organization of the United Nations (FAO) organized the World Food Summit in 1996. The summit provided an international forum to direct attention toward combating worldwide hunger and food insecurity. The United States, along with 185 other countries, pledged to reduce the number of food-insecure people by half—from over 800 million in 1996 to no more than 400 million by the year 2015.

In June 2002, the World Food Summit: Five Years Later convened to review progress to date and to advocate more aggressive action for reducing the number of food-insecure people by half before 2015. This subsequent session provided a forum for leaders around the globe to renew their commitment to cut hunger in half and to accelerate and reinforce efforts and resources in order to meet the summit's target by 2015. Other decisive actions made during this session were the creation of an intergovernmental working group to develop voluntary guidelines for achieving the progressive realization of the right to food; the prioritization of agriculture and rural development in the budgets of developing countries, in development assistance, and in international financial institutions; and the consideration of voluntary contributions to the FAO Trust Fund on Food Safety and Food Security.³

To monitor progress toward achievement of the World Food Summit's goals, FAO reports annually on global efforts undertaken each year. According to FAO's recent estimates, 840 million people were undernourished from 1998 to 2000.⁴ Data from the 2002 report reiterate that the World Food Summit is far from reaching its goal; in fact, the number of undernourished persons is rising. To achieve its current goal by 2015, an average annual decline of 24 million people (almost 10 times the current rate) must be maintained.⁵ This new

³ *Report of the World Food Summit: Five Years Later*, FAO, 2002 (<http://www.fao.org/DOCREP/MEETING/005/Y7106E/Y7106E00.HTM>).

⁴ *The State of Food Insecurity in the World*, FAO, 2002 (<http://www.fao.org/docrep/005/y7352e/y7352e00.htm>).

⁵ *Ibid.*

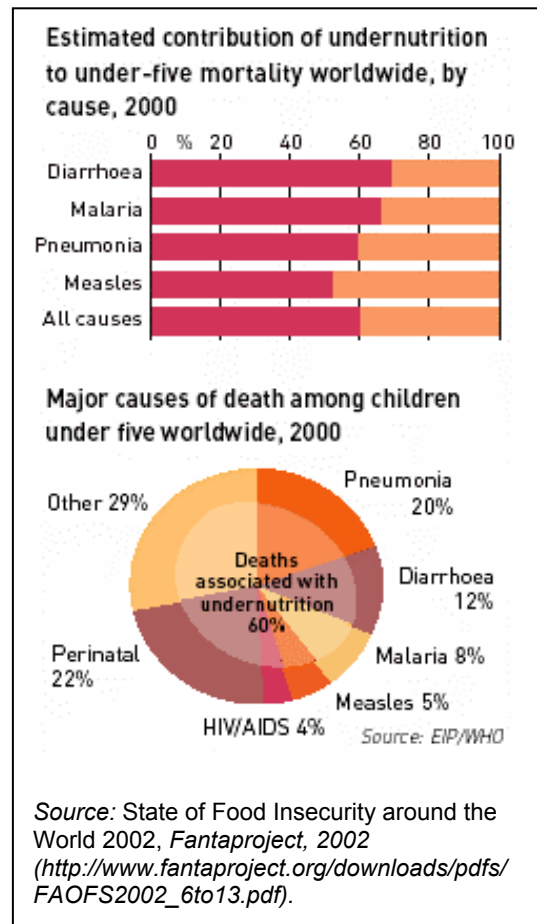
figure is a marked increase from the average annual decline of 22 million people, the imperative rate advocated by the 2001 report.⁶

B. Food Security and Nutrition

Without the serious commitment of donor institutions, emerging global trends—such as urbanization, the mounting prevalence of human immunodeficiency virus (HIV) and acquired immunodeficiency syndrome (AIDS), economic globalization, and the “technology gap”—threaten to exacerbate global disparities, posing significant threats to human welfare and political stability in the developing world. Achieving a reduction in the number of chronically undernourished and underweight people, therefore, will remain both a humanitarian goal and a strategic priority for the United States into the 21st century.

Linking food aid to food security and nutrition is crucial. Inadequate nutrition severely impacts the lives of children and pregnant mothers and the well-being of society as a whole. Malnutrition directly hinders physical and cognitive development and increases vulnerability to disease. As a consequence, economic productivity stagnates and prosperity is delayed for generations to come.

Malnutrition, an indicator of food insecurity, is a consequence of inadequate protein and micronutrient intake, as well as misguided feeding practices. Coupled with the poor sanitation, lack of access to clean drinking water, and insufficient health services, malnutrition increases vulnerability to disease. According to the World Health Organization, malnutrition affects one in every three people worldwide, afflicting all age groups and populations, particularly the poor and vulnerable.⁷ Six million children under the age of five die annually from hunger-related maladies, and over half of all cases involving child death are attributed to malnutrition.⁸



⁶ *The State of Food Insecurity in the World*, FAO, 2001 (<http://www.fao.org/DOCREP/003/Y1500E/Y1500E00.HTM>).

⁷ *What Do We Mean by Malnutrition?* World Health Organization, March 13, 2002 (<http://www.who.int/nut/nutrition2.htm>).

⁸ Frances Davidson, “Nutrition and Health,” in *Nutrition: A Foundation for Development* (Geneva: Subcommittee on Nutrition, UN Administrative Committee on Coordination, January 2002) (http://www.ifpri.org/pubs/books/intnut/intnut_04.pdf).

U.S. international food-assistance programs target women and children because malnutrition often affects them the most. Malnutrition frequently begins before birth, and malnourished mothers are more likely to deliver low-birth-weight babies. Consequently, many interventions (such as providing essential micronutrients to pregnant mothers and promoting exclusive breast-feeding for the first six months) concentrate on pregnant and lactating women, ultimately giving children a healthier start to life.

U.S. international food-assistance programs contribute to improving the nutritional status of women and children in recipient countries. Food security is pivotal to the concept of sustainable development, and freedom from hunger may be seen as a fundamental measurement for this progress.

C. Causes of Food Insecurity

Chronic poverty is the principal cause of food insecurity. Poverty perpetuates the vicious cycle of food insecurity, vulnerability, and dependency that plagues many people in developing countries. Often, food-insecure populations lack access to adequate land and water, which are necessary for achieving self-sufficient food production. In other cases, the economic opportunities to exchange labor for the income required to purchase requisite calories are inadequate.

Many factors converge to create food insecurity, including the following:

- Poverty
- Low agricultural productivity
- Environmental degradation
- Rapid population growth
- Natural disaster
- Cultural traditions
- Armed conflict
- Poor health and sanitation conditions
- Poor infrastructure
- Failed and inappropriate economic policies
- HIV/AIDS

These factors are frequently intertwined, creating complex scenarios that impede the attainment of food security. At the national level, food insecurity may be caused by insufficient agricultural production or the inability to import needed commodities. Civil strife or deficient infrastructure disrupts the development of distribution networks, even when food is available within a country or region. Finally, social conditions and cultural norms often hamper access to food, most notably by women and children. Appropriate agricultural and trade policies, investment in rural infrastructure, and improved sanitation, health care, and education all contribute to better nutrition and long-term food security.

The recent food crisis in Southern Africa revealed the devastating impacts of HIV/AIDS on food security, particularly for families affected by the disease. HIV/AIDS has added a new dimension to the concept of food insecurity, rendering populations more vulnerable as they have a limited ability to cope with and recover from shocks, such as drought and changes in market conditions. HIV/AIDS has been dubbed the “new variant famine” as nations and

international organizations grapple with appropriate responses to this unprecedented category of food crises.⁹

D. Constraints to Food Assistance

1. Food Aid Needs and Availability

The USDA Economic Research Service estimates both long-term global food-aid needs and the future availability of food aid. The service's *Food Security Assessment* for 2002–2003 postulates that

improvement of the food-security outlook for the 67 low-income developing countries over the subsequent 10 years will be slow.¹⁰ In 2002, average per capita food consumption remained unchanged for those 67 countries, while the number of nutritional requirements met by these countries was lower, compared with 2001.¹¹ Currently, one billion persons worldwide confront food insecurity, as opposed to the 896 million people estimated in 2001; this increased estimate engenders doubt about whether the World Food Summit's goal can be achieved by 2015.¹² Although the global number of food-insecure persons is predicted to decrease by 2012 to about 708 million, sub-Saharan Africa will likely experience little improvement in food security unless economic policy and political stability improve.¹³

Despite the fact that poverty is the major contributing factor to food insecurity, the Economic Research Service report explains that short-term shocks (natural shocks, poor economic policies, and political shocks) continue to exacerbate and perpetuate food insecurity. In 2002, for 50 of the 67 countries examined in the report, over 10 percent of the population did not possess the economic means to meet even the most basic nutritional requirements. Despite a marked increase in U.S. food allocations in 2002, the food-aid gap (the difference between available aid and what would be necessary to meet the average nutritional requirements of potential beneficiaries) stood at 17.7 million MT (in grain equivalent).¹⁴

2. Natural Disaster and Complex Emergency Food Aid Requirements

Natural disasters, such as drought in the Horn of Africa, floods in the Indian subcontinent, and earthquakes in Latin America, continue to necessitate a substantial provision of emergency food assistance. However, when natural disasters occur simultaneously in an unstable region,

It is simply unacceptable that in this day and age, hunger and malnutrition remain the number one cause of death worldwide. Not heart failure, not cancer, not even road accidents—hunger.

—James T. Morris,
Executive Director,
World Food Program

Source: World Food Program
(<http://www.wfp.org/newsroom/speeches/>).

⁹ Alex De Waal and Alan Whiteside, “HIV/AIDS, Food Crisis and Governance: ‘New Variant Famine’ in Southern Africa,” Durban: Health Economic and HIV/AIDS Research Division, University of Natal.

¹⁰ *Food Security Assessment*, USDA Economic Research Service, March 5, 2003 (<http://ers.usda.gov/publications/GFA14/>).

¹¹ Ibid.

¹² Ibid.

¹³ Ibid.

¹⁴ Ibid.

the resulting complex emergency can pose enormous challenges to U.S. international food-assistance programs. In Zimbabwe—where two years of consecutive drought was compounded by a myopic and ill-advised land-reform program, restrictive import policies, and hyperinflation—over half the population required emergency food assistance in FY 2002.

The U.S. government's and WFP's emergency responses strive to meet the critical food needs of people affected by natural disasters and complex emergencies. Natural disasters, protracted refugee operations, and complex civil emergencies almost always lead to food insecurity for the affected populations. Due to the prolonged nature of many complex crises, coping mechanisms are typically strained and resources are exhausted, in some cases leading populations to migrate continually. This displacement affects their ability to plant food crops or gain consistent employment.

In 2002, WFP, the United Nations' frontline agency in combating global hunger and a major recipient of U.S. international food aid, delivered 3.7 million MT of food. As a result of WFP's efforts, 72 million people affected by natural disasters and complex emergencies—including internally displaced persons, refugees, and returnees—were fed in 82 countries across the globe. The United States continued to be the largest donor in FY 2002, accounting for over 51 percent of WFP's total food resources for an array of WFP programs, encompassing the following:

- **Emergencies:** reaching the food insecure in circumstances of immediate natural or complex disasters or crises
- **Rehabilitation:** helping populations to get back on their feet
- **Development:** supporting activities to fight poverty, with a focused emphasis on women as agents for social change
- **School feeding:** providing meals in school
- **Food for work:** bringing community members into development activities through payment in food

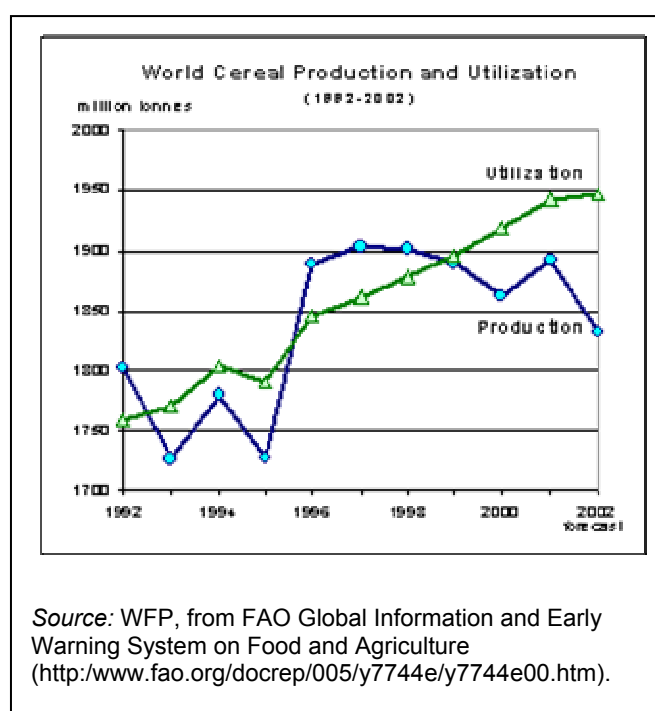
It is difficult to predict future emergency food needs. However, natural disasters will continue to occur, and political instability around the world will continue to create complex and lengthy emergencies. U.S. international food assistance aims to fulfill emergency food-aid needs, while tackling the underlying causes of food insecurity through development activities that promote self-sufficiency and open markets.

3. Global Availability of Food Aid

The Food Aid Convention is an agreement among seven countries and the European Union to provide a minimum supply of quality cereals as food aid. Since July 1999, the convention's structure and commitment levels have been improved through more efficient mechanisms to manage global food-aid flows. Reforms include the following:

- Permitting members to express contributions in terms of monetary value as well as commodity value
- Permitting members to count transport and other operational costs toward their minimum annual contributions
- Broadening the list of products eligible for consideration as donated food aid
- Limiting the use of concessional food-assistance loans

According to FAO's Global Information and Early Warning System on Food and Agriculture, the gap between world cereal production and world cereal utilization (actual demand) grew between 2000 and 2002. The gap was approximately 105 million MT in 2002.¹⁵ As a result, cereal food-aid shipments were increased to 10 million MT in 2002/2003.¹⁶ Subsequently, food-aid shipments by major donors still exceeded the minimum commitments agreed by the terms of the Food Aid Convention in 1999. (See Appendix 12.)



¹⁵ FAO Global Information and Early Warning System on Food and Agriculture, *Food Outlook* No. 5, December 2002 (<ftp://ftp.fao.org/docrep/fao/005/y8243e/y8243e.pdf>).

¹⁶ Food Aid Convention 1999 (<http://r0.unctad.org/commodities/agreements/foodaidconvention.pdf>).

*FOOD IS STRENGTH, AND FOOD IS PEACE, AND FOOD IS FREEDOM, AND FOOD IS
A HELPING HAND TO PEOPLE AROUND THE WORLD WHOSE GOOD WILL AND
FRIENDSHIP WE WANT.*

—JOHN F. KENNEDY, PRESIDENT OF THE UNITED STATES

II.

U.S. INTERNATIONAL FOOD ASSISTANCE

PROGRAM DESCRIPTIONS AND FISCAL YEAR 2002 ACCOMPLISHMENTS

The United States remains committed to assisting food-insecure populations affected by complex and natural emergencies and to supporting sustainable development. The three laws that grant the authority to execute the U.S. international food programs are the Agricultural Trade Development and Assistance Act of 1954 (P.L. 480), Section 416(b) of the Agricultural Act of 1949, and the Food for Progress Act of 1985. During FY 2002, the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill) reauthorized the P.L. 480 and Food for Progress programs until 2007. Amendments to a number of legislative mandates were established to enhance the current U.S. food-assistance programs.

A. Highlights from the Farm Security and Rural Investment Act of 2002

This section provides a brief summation of the most notable modifications to the 2002 Farm Bill:

- “Prevent conflicts” was added to the P.L. 480 program’s food-aid objectives.
- For Title II, the minimum and subminimum markers were significantly increased. The minimum amount of commodities to be purchased under Title II in each fiscal year increased from 2.025 million MT to 2.5 million MT. The subminimum, which sets the minimum amount of commodities to be purchased for nonemergency programs, was raised from 1.550 million MT to 1.875 million MT.
- Funding for administrative support—Section 202(e)—was increased to between 5 percent and 10 percent of the annual Title II program level. In addition, internal transport, storage, and distribution costs were authorized for development programs in many least-developed countries.

- P.L. 480 programs were authorized to monetize (sell commodities for U.S. dollars or foreign currency) at a “reasonable market price,” as opposed to the previous cost-recovery benchmark.
- The \$1 billion cap on annual spending of Title II resources was eliminated.
- The legislated amounts available to cover noncommodity and administrative costs were increased, and the cap on the tonnage that could be provided was removed.
- A mandate to streamline the procedures, guidelines, and program management of the Title II, Food for Progress, and 416(b) food-assistance programs was added.
- For FY 2003, \$100 million of CCC funds were mandated to carry out programs under the McGovern-Dole International Food for Education and Child Nutrition Program, formerly known as the Global Food for Education Initiative (GFE).

B. Public Law 480

The primary mechanism of U.S. international food assistance is the Agricultural Trade Development and Assistance Act of 1954 (P.L. 480), commonly known as Food for Peace. P.L. 480 comprises Titles I, II, III, and V, which provide assistance to countries at various economic levels according to each title’s specific objective. Titles I, II, and III provide commodity assistance; Title V provides agricultural technical assistance. USDA and USAID administer P.L. 480 programs.

1. P.L. 480 Title I: Trade and Development Assistance

Administered by USDA, P.L. 480 Title I is a concessional sales program of U.S. agricultural commodities that aims to promote U.S. commodity exports and foster broad-based, sustainable development in recipient countries. Repayment under Title I is made in U.S. dollars or in local currencies on credit terms up to 30 years, at low interest rates, with a maximum grace period of five years. Developing-country governments and private entities are authorized to participate in the program.

Countries eligible for the Title I program include developing countries with a paucity of foreign exchange, complicating their ability to meet food needs through commercial channels. Priority is given to countries with the greatest need for food, especially those countries supporting viable economic-development activities that enhance their food security and agricultural productivity. In addition, countries must demonstrate the potential for becoming

U.S. INTERNATIONAL FOOD ASSISTANCE PROGRAMS	
1.	<i>P.L. 480</i>
	<ul style="list-style-type: none"> • <i>Title I</i> • <i>Title II</i> <ul style="list-style-type: none"> – <i>Emergency</i> – <i>Development</i> • <i>Title III</i> <ul style="list-style-type: none"> – <i>Government to Government</i> • <i>Title V</i> <ul style="list-style-type: none"> – <i>FTF</i>
2.	<i>Section 416(b) of the Agricultural Act of 1949</i>
3.	<i>Food for Progress</i>

commercial markets for U.S. agricultural commodities. Title I programs are flexible in order to allow for changing economic and foreign-policy situations, market-development opportunities, the existence of adequate storage facilities, and possible disincentives to local agricultural production.

The primary commodities available under Title I are bulk corn, wheat, soybeans, and rice. Commodities are purchased in the U.S. market and distributed or sold by the developing country's government in its local markets. Subsequently, the proceeds generated by the sales are utilized to support development objectives, which must be explicitly stipulated in the agreement.

USAID DEVELOPMENT GOALS
1. <i>Broad-based economic growth and agricultural development</i>
2. <i>Governance and democracy</i>
3. <i>Education and training</i>
4. <i>Population and health</i>
5. <i>Environment</i>
6. <i>Save lives, reduce suffering, and restore potential development</i>

a. P.L. 480 Title I: Highlights

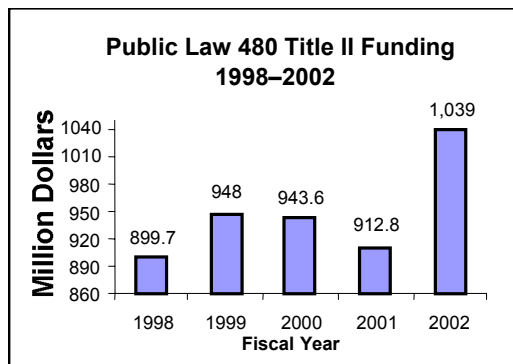
In FY 2002, Title I resources administered under P.L. 480 amounted to over 504,190 MT of commodities, through concessional sales totaling approximately \$101.6 million among nine countries. The Philippines was the largest recipient of Title I resources, valued at almost \$20 million.

2. P.L. 480 Title II: Emergency and Development Assistance

A significant portion of U.S. international food aid is used to respond to emergency situations and to implement development projects under Title II, administered by the USAID Bureau for Democracy, Conflict, and Humanitarian Assistance. Title II programs address two objectives: (1) food aid to vulnerable groups in emergency situations and (2) long-term development programs to improve food security. Emergency and development (nonemergency) food-assistance interventions support broader USAID goals. Emergency relief activities directly support USAID's goal of saving lives and reducing suffering.

Title II-funded PVO development programs promote agricultural productivity growth to improve long-term food security as well as health and household nutrition. Other components of development activities support education and training, with a concentration on opportunities for women and girls, and income-generating schemes.

Title II PVO development activities adhere closely to a number of regulations: environmental



measures to minimize adverse environmental impacts, including erosion and water and air pollution; periodic economic analyses to ensure that food aid does not act as a disincentive to host-country agricultural production; and periodic surveys to ensure that adequate storage facilities are available to safely preserve donated commodities. USAID missions continue to improve integration of Title II activities with other USAID development interventions and to bolster national and local governments' participation in development activities.

This has resulted in improved program quality and a reduction in Title II costs through the increased collaboration among USAID missions, PVOs, international organizations, and other food-assistance donors.

Title II programs in recipient countries are implemented by an array of cooperating sponsors that specialize in humanitarian relief and development assistance. These include PVOs, nongovernmental organizations (NGOs), and international organizations. One of USAID’s major implementing partners for delivering emergency food assistance is WFP.

The Title II appropriation supports both emergency and development (nonemergency) activities. Emergency activities and development activities are not mutually exclusive. As USAID places increasing emphasis on linking emergency relief with development strategies for longer-term food security in crisis-prone regions, the Title II emergency portfolio also encompasses a number of developmental relief transition activities. Similarly, the nonemergency development portfolio incorporates activities to strengthen local capacity to respond to famine and natural and complex disasters as well as to provide a safety net for orphans, the elderly, the infirm, and the disabled. Title II activity levels are subject to five congressional mandates set forth in Sections 203 and 204 of P.L. 480 Title II. These mandates are described in Appendix 10.

a. P.L. 480 Title II: Emergency Programs

Title II emergency food assistance strives to save lives and rebuild productive livelihoods through the provision of food-aid programs. These programs are designed to meet the “critical food needs of targeted groups” while incorporating the “do no harm” approach (see inset below). Title II emergency programs are designed to respond to fluid and complex situations while preparing communities for the transition from relief to recovery.

Over half of the current Title II emergency programs address complex emergencies characterized by conflict and insecurity, collapse in civil society and political stability, lack of infrastructure, and HIV/AIDS. All of these elements pose substantial program and operating challenges in responding effectively to the needs of food-insecure populations.

SIX “DO NO HARM” CORE VALUES OF THE EMERGENCY PROGRAMS
<ol style="list-style-type: none"> 1. <i>Include an exit strategy that supports community stabilization.</i> 2. <i>Encourage local capacity building and beneficiary participation.</i> 3. <i>Do not undermine local agricultural production or local markets.</i> 4. <i>Integrate with development assistance.</i> 5. <i>Seek gender and ethnic equity based on need.</i> 6. <i>Encourage impartial and neutral food-distribution networks.</i>

Beneficiaries of USAID Title II emergency food aid are food-insecure populations who have been directly or indirectly affected by natural disasters, such as floods or drought, or complex humanitarian situations involving civil conflict. Recipients often include refugees, internally displaced persons, repatriated persons, and persons who are malnourished or at risk of becoming malnourished. Generally, women and children account for the vast majority emergency-food-assistance recipients.

Beneficiary levels are established at the outset of the program through various assessment methodologies,

usually conducted with the collaboration of cooperating sponsors and international agencies. These methodologies may include vulnerability assessment mapping, nutritional surveys, data from early warning systems, and livelihood assessments, depending on the situation and context. Assessments may consider beneficiaries' coping mechanisms, poverty level, local market environment, and/or nutritional status as indicators for determining food-aid requirements. Continual assessment of conditions has proved critical to calibrating emergency situations.

Title II emergency programs have shifted from direct food-aid distribution to integration of transitional elements into relief activities. This shift has helped address the medium-term food-security needs of target populations. Emergency programs often encompass several types of activities for the purpose of addressing the wide-ranging needs of beneficiaries. They often include the following:

- Food for asset creation
- Supplementary feeding
- Therapeutic feeding
- Food for work
- Food for agriculture

These emergency food-aid activities help to begin the important transition from relief to development.

b. P.L. 480 Title II: Emergency Program Highlights

In FY 2002, the Title II emergency programs provided 1,019,480 MT of emergency food aid from appropriated Title II resources and 575,000 MT (grain equivalent) of purchased commodities from the Bill Emerson Humanitarian Trust. Combined, these commodities were valued at \$667.4 million. These food-aid resources met the critical needs of over 34 million food-insecure and nutritionally at-risk persons affected by natural disasters and/or complex emergencies in a total of 34 countries worldwide.¹⁷ These figures represented a marked increase over FY 2001 in both the quantity of emergency food-aid resources provided and the number of countries served.¹⁸ The largest portion of the increase was from Bill Emerson Humanitarian Trust resources, whose primary purpose is to respond to unanticipated emergency requirements. A total of 55 Title II emergency food-aid programs were implemented; 18 percent of the programs were implemented through grants to PVOs, and 82 percent of the programs were implemented through donations to WFP.¹⁹

The following activities and accomplishments illustrate some of the successful Title II emergency programs for FY 2002:

¹⁷ *Office of Food for Peace Annual Report: FY 2002* (http://www.dec.org/pdf_docs/PDABU959.pdf).

¹⁸ In FY 2001, the Emergency Programs Division of the Office of Food for Peace provided a total of 728,418 MT of emergency food aid to 26 countries.

¹⁹ *Office of Food for Peace Annual Report: FY 2002*.

- Afghanistan:** Title II emergency programs responded to a special request to provide a food salary supplement for civil servants in Afghanistan with the explicit objective of reestablishing the national civil service. Approximately 31,050 MT of commodities, valued at \$25 million, were provided to Afghani civil servants. A review of the program revealed that the food supplement assisted workers in holding their jobs by boosting purchasing power and helped foster better local and national government relationships as well as solid goodwill for the United States.
- Southern Africa:** In FY 2002, the Southern African countries of Lesotho, Malawi, Mozambique, Swaziland, Zambia, and Zimbabwe faced a severe food-security crisis, which stemmed from the convergence of several factors: adverse climatic conditions for two consecutive growing seasons, mismanagement of grain reserves, and dubious government policies. In addition, the devastating impact of the HIV/AIDS epidemic significantly exacerbated the effects of the drought by reducing agricultural production and household income and assets. The U.S. government was one of the first donors to respond to the crisis. By the end of FY 2002, the U.S. donation represented approximately 70 percent of WFP's emergency operation (EMOP). Title II emergency programs and Bill Emerson Humanitarian Trust resources provided over \$173.7 million in food assistance, or about 332,000 MT.
- Guatemala:** To respond swiftly to a declared nutritional emergency in Guatemala, both emergency and development programs of the Office of Food for Peace, the USAID Office of U.S. Foreign Disaster Assistance (OFDA), and cooperating sponsors collaborated effectively to address the prevalence of acute wasting as it reached crisis proportions in some areas. Four U.S. PVOs with ongoing development-assistance programs formed an alliance—led by Cooperative for Assistance and Relief Everywhere, Inc. (CARE)—to support the Ministry of Health. A six-month nutritional emergency project was launched, with a clear phase-out plan from the outset. The alliance was authorized to begin emergency food distributions from existing development-program food stocks in October 2001, allowing an immediate in-country response. Concurrently, the Office of Food for Peace mobilized 3,700 MT of emergency food aid, valued at \$2.7 million, to meet the

PUBLIC LAW 480 TITLE II: FISCAL YEAR 2002 EMERGENCY SPOTLIGHT

Standardized Monitoring and Assessment of Relief and Transitions

*Office of Food for Peace development-assistance resources were utilized to pioneer the pilot testing of a methodology that integrated the collection of the crude mortality rate into ongoing nutrition surveys. During FY 2002, Title II emergency programs supported a workshop on the Standardized Monitoring and Assessment of Relief and Transitions, an interagency global initiative to improve the assessment, monitoring, reporting, and evaluation of humanitarian assistance interventions. Though the need for standardized methodology has often been highlighted, the workshop was the first time that donors, PVOs, NGOs, international agencies, and academics united to resolve problems and reach consensus on methodology, data, and indicators. The workshop established a broad consensus on the use of mortality and nutritional status indicators and the importance of ensuring that data are timely and reliable for policy and program decision making. The Standardized Monitoring and Assessment of Relief and Transitions methodology is currently being pilot tested in Southern Africa and Afghanistan. Other sites are yet to be identified.**

Source: Office of Food for Peace Annual Report: FY 2002.

* C. Grobler-Tanner, *Summary Brief, Standardized Monitoring and Assessment of Relief and Transitions (SMART) Technical and Policy Working Sessions, Food and Nutrition Technical Assistance Project, July 2002* (<http://www.smartindicators.org>).

needs of people suffering malnutrition. Reports and preliminary data suggested that, although pockets of acute malnutrition persisted, this response reduced acute-malnutrition rates.

c. P.L. 480 Title II: Development Programs

The P.L. 480 Title II development (nonemergency) food aid program constitutes the single largest source of USAID funding in promoting food security and enjoys substantial support from a unique combination of U.S. political, agricultural, commercial, and nongovernmental sectors.

Development programs concentrate on promoting food security in nonemergency settings through interventions implemented by PVOs; international organizations, including UN agencies; and local NGOs. Title II nonemergency programs are a resource that can be used in needy countries for direct feeding. Commodities are also monetized in order to finance development activities. The commodities programmed through Title II development activities encourage interventions that augment household nutrition and agricultural productivity.

Whether programmed in kind or sold in needy countries, development food aid is used to improve food access, availability, and utilization. Food aid directly supplements the diets of young children and pregnant and lactating mothers. When used in food-for-work programs, it directly supports labor activity that establishes the commercial and agricultural infrastructure necessary for rural development.

Commodity sales encourage local and U.S. market development by promoting private-sector participation while improving food security in developing countries. Local-currency proceeds are used to implement critical interventions to confront food insecurity. For example, monetization proceeds are used to implement activities encompassing basic health services, nutrition, education, agricultural extension and training, and local capacity building. When fully integrated with other USAID resources, Title II development food aid enhances the effectiveness of child-survival, agriculture, income-generation, basic-education, and community-development activities targeting the rural poor.

Title II development programs concentrate on two main activities, plus three other special areas of emphasis:

1. **Health and household nutrition** activities directly support and strengthen proven interventions for child survival and better household nutrition. These activities include the promotion of breast-feeding, immunization against preventable childhood diseases, better-balanced dietary practices, increasing micronutrient consumption, and prenatal care. Improving water quality and sanitation also contributes to healthier households.
2. **Agricultural productivity** activities support increased productivity through technical assistance and training to small farmers and their families. These interventions promote sustainable farming practices, more productive and diversified farming systems, improved post-harvest management, marketing, and natural-resource management. They increase the

sustainability of the production systems, thereby contributing to improvements in the availability of and access to food for poor rural households.

3. Other Activities:

- **Education** (food for education) activities integrate school feeding programs with other resources to improve the quality of education through the promotion of educational opportunity, progress, and achievement. Increases in education through food-for-education programs are capable of having a long-term impact on food security by enhancing productivity, increasing incomes, and improving health and nutrition. Female education is a vital measure of development, and food-for-education activities underscore the importance of female school participation.
- **Humanitarian assistance** is general relief provided through the nonemergency food-assistance programs. It provides safety nets to food-insecure populations. Frequently, humanitarian assistance is provided in conjunction with other development activities to foster self-reliance in targeted communities. Humanitarian assistance is provided through direct feeding programs and targets individuals unable to take advantage of development activities in their communities: orphans, the elderly, patients in hospices and hospitals, and persons and families living with HIV/AIDS.
- **Microenterprise** interventions constitute only a small percentage of the Title II development portfolio. Many credit activities are gender targeted to enhance access to resources for women. These programs expand opportunities for productive activities, which, in turn, increase incomes and improve access to food. Such credit programs also teach valuable lessons in business practices, group decision making, and leadership.

d. P.L. 480 Title II: Development Program Highlights

Title II development aid of \$436.2 million benefited well over 37 million people in FY 2002. A total of 118 Title II development programs were implemented in 42 countries: 84 programs were implemented through grants to PVOs, and 37 programs were implemented through WFP.²⁰ (See Appendix 5 for more detailed information.)

The examples below illustrate the breadth of Title II nonemergency food resources implemented by cooperating sponsors, as well as how these activities have helped in allaying food insecurity and fostering self-sufficiency.

- **Guinea:** Africare/Guinea was implementing the “hearth” nutrition model, a community-based nutrition rehabilitation program for malnourished children. This approach helps to rehabilitate moderately malnourished children by using mothers called *mamans lumières* (mothers of light). These mothers of comparatively well-nourished children in the community serve as models for other mothers. Through behavior modeling and counseling

²⁰ *Office of Food for Peace Annual Report: FY 2002.*

by *mamans lumières*, mothers within the same community learn how to prepare nutritious meals with locally available food items, as well as proper sanitation practices. After six months, an average of 76 percent of participating children showed improved nutritional status.

- **Honduras:** The scarcity of water resources in Honduras has helped people begin to realize the value of conserving water and protecting water sources. CARE initiated a major effort in conserving water through drip irrigation. The Agriculture Extension Project (EXTENSA) installed 134 sprinkler and 162 drip microirrigation systems. In addition, 16 watershed management plans and 28 plans for water-source protection were implemented.
- **Kenya:** The provision of food rations through Catholic Relief Services programs to Kenyan children and their families and caregivers affected by HIV/AIDS had a dramatic impact on individuals and communities. One nutritious meal a day improves a child's concentration dramatically in school, while bolstering his or her immune system. At the household level, beneficiary caregivers reported that the provision of food rations freed up their income for other expenses, such as school supplies for the children and household necessities. Households were creative in using corn-soy blend and vitamin A-fortified oil to enhance their diets by incorporating these products into their regular dishes: chapatis and *ugali*.
- **Haiti:** Through Title II resources, Catholic Relief Services helped to provide potable water to over 2,300 residents of a community in Haiti. As a result, these inhabitants were no longer compelled to travel three to four kilometers down precipitous mountain slopes to fetch water. This daily routine took the heaviest toll among children, resulting in irregular or tardy school attendance. Health problems in the community decreased, as fewer cases of intestinal infections were reported. Moreover, villagers reported that with the enhanced irrigation possibilities, the land became more productive, contributing to increased consumption and revenue.

e. P.L. 480 Title II: Other Programs

Section 202(e) and Institutional Support Assistance Cooperative Agreements

USAID administers Section 202(e) of P.L. 480 and Institutional Support Assistance Program grants for its cooperating sponsors. Given cooperating sponsors' role as implementers of food-aid programs, reinforcing their capacity is an investment in improved programming and management. Institutional support assistance grants have led to remarkable improvements in Title II program design and implementation, as well as better training, better performance monitoring, and improved results reporting.

FOOD AID AND FOOD SECURITY ASSESSMENT

The Food Aid and Food Security Assessment was conducted to review progress in implementing the Food Aid and Food Security Policy Paper and to assess whether the Title II development programs were successful in achieving and reporting on the food-security goals outlined in the policy paper. The Food Aid and Food Security Assessment report documented significant achievement of food-security results by development programs. Nutritional status of children in more than half of the programs reviewed improved, there were significant advances in reducing diarrheal disease, immunization rates increased. For nearly all agricultural programs reviewed, yields improved.

Source: Office of Food for Peace Annual Report: FY 2002 (http://www.dec.org/pdf_docs/PDABU959.pdf).

- **Section 202(e)** funds are used primarily to support in-country administrative and managerial abilities to manage food-assistance programs. The total amount of Section 202(e) funds programmed in FY 2002 was more than \$34.0 million, including approximately \$10.0 million for WFP. Funds were used to develop computer-based information systems that improved food-delivery logistics, commodity tracking, and impact assessment. Section 202(e) resources also contributed to improved identification of food-insecure populations, as well as regular monitoring of program performance.
- **Institutional Support Assistance Program** cooperative agreements have been instrumental in increasing the capacity of cooperating sponsor staff to provide better accountability and oversight for their diverse multiyear food-assistance activities. In FY 2002, institutional support grants totaled over \$4.5 million.

f. International Food Relief Partnership

In an effort to expand and diversify P.L. 480's sources of food-aid commodities, the U.S. Congress endorsed the International Food Relief Partnership Initiative in November 2000. This initiative enables USAID to award grant agreements to U.S. nonprofit commodity producers for generating shelf-stable prepackaged foods. These commodities are available to other U.S. PVOs and NGOs for rapid transportation, delivery, and distribution.

In FY 2002, the Office of Food for Peace provided \$2.5 million of Title II emergency resources under this initiative with Breedlove Dehydrated Foods. This company produces a nutritious dried vegetable-soup mix to be used as a meal supplement for humanitarian relief operations overseas. Eight new grants were awarded to nonprofit U.S.-based organizations to distribute the Breedlove Dehydrated Foods commodity in Angola, Cambodia, Haiti, Indonesia, Moldova, Nicaragua, Romania, and Zambia to meet those countries' food needs.

PUBLIC LAW 480 TITLE II: FISCAL YEAR 2002 DEVELOPMENT SPOTLIGHT

Bangladesh

Title II development programs help reduce the vulnerability of target populations to shocks that increase food insecurity, thereby reducing the need for an emergency response.

Flooding is an annual phenomenon in Bangladesh. Despite its predictable cycle, populations living in active floodplains experience repeated loss of assets and submerging of households, leading to relocation and severe disruption or loss of means of livelihood. Under CARE Bangladesh's Title II development program, in conjunction with the local government and NGO partner organizations, the three-year Flood Proofing Project was undertaken from 1997 to 1999 to combat the negative effects of floods on livelihoods and food security. A key intervention under this pilot project was to raise homesteads above the historical 20-year flood level. The households most vulnerable to flooding, and those targeted under the project, were the poorest households in the communities. During the severe floods of 1998, only 8.4 percent of the households participating in the project experienced inundation, compared with 26 percent of nonparticipant households. Households with raised homesteads experienced a dramatic decrease in the loss of food stocks and other assets during the flood season. Fewer raised households had to sell or mortgage assets. More than 75 percent of nonraised households reported some level of asset divestment, mostly to purchase food. This contrasted with 62 percent of the raised households, which were in general poorer households to begin with. The project clearly helped reduce the vulnerability of these very poor Bangladeshi households, preventing further deterioration in their economic status and protecting both current and future food security levels.

Source: Office of Food for Peace Annual Report: FY 2002.

3. Public Law 480 Title III: Food for Development

The P.L. 480 Title III program is a USAID-administered instrument for enhancing food security and supporting long-term economic development in least-developed countries. The U.S. government donates agricultural commodities to the recipient country and funds their transportation to the point of entry in the recipient country. These commodities are sold on the domestic market, and the revenue generated from their sale is used to support and implement economic-development and food-security programs. Title III is a government-to-government program, and it provides USAID with an opportunity to address critical policy constraints within the recipient government’s development agendas. Funds were not appropriated for Title III in FY 2002.

4. Public Law 480 Title V: Farmer to Farmer

Authorized under Title V of P.L. 480, the FTF Initiative was established in 1986. The program began as a pilot project funded through P.L. 480 to provide technical assistance to farmers in Central America and the Caribbean. It was later expanded worldwide in 1986. It was based on the transfer of knowledge from agricultural producers and businesses in the United States to middle-income countries and emerging democracies.

The FY 2002 Farm Bill reauthorized the FTF Program for an additional five years, through September 30, 2007. This legislation also renamed the program the John Ogonowski Farmer-to-Farmer Program in honor of the pilot of American Airlines Flight 11 to Los Angeles, which crashed into the World Trade Center in New York City on September 11, 2001. Finally, the recent legislation placed a special emphasis on sub-Saharan Africa and the Caribbean.

The FTF Program provides voluntary technical assistance—American volunteer farmers—on a people-to-people basis to farmers, farm groups, and agribusinesses to improve production, marketing, and distribution of agricultural commodities. The stimulation of private enterprise, agricultural cooperatives, and associations is also a key component of the program.

In 1991, a special initiative of the FTF Program was authorized as one of the first U.S. assistance programs for the Independent States of the former Soviet Union. The Independent States Program was treated as a separate

FARMER-TO-FARMER VOLUNTEER ASSIGNMENTS: COUNTRIES OTHER THAN THE INDEPENDENT STATES, FISCAL YEAR 2002	
Ethiopia	1
Ghana	8
Kenya	10
Malawi	13
Mali	1
Mozambique	6
Nigeria	80
Rwanda	2
Senegal	1
South Africa	12
Togo	1
Uganda	11
Zambia	4
Zimbabwe	8
Subtotal Africa	158
Bolivia	34
Brazil	2
Ecuador	5
El Salvador	6
Guatemala	1
Guyana	5
Haiti	5
Honduras	10
Jamaica	14
Mexico	9
Nicaragua	15
Paraguay	1
St. Lucia	2
Uruguay	1
Subtotal Latin America–Caribbean	110
Bangladesh	19
India	20
Nepal	11
Philippines	13
Subtotal Asia–Near East	63
TOTAL	331

portfolio until the FY 2002 Farm Bill, which authorized the merger of this program into the worldwide portfolio.

a. P.L. 480 Title V: FTF Highlights

In FY 2002, volunteers undertook 802 assignments in 44 food-insecure countries. In 12 Independent States, 471 assignments were completed. In 32 other targeted countries in Asia, Africa, and Central and South America, volunteers completed an additional 331 assignments. Approximately \$11.7 million was programmed under the P.L. 480 FTF Program in FY 2002.²¹

The following examples demonstrate the types of activities undertaken under the FTF Program:

- Nepal:** As a result of the efforts of FTF volunteers in cooperation with extension agents and coffee growers, 11 district coffee producers’ associations were formed as units of Nepalese growers. Farmers reported yield increases of 20 to 30 percent, and roasting capacity grew by 300 percent. The Gulmi District Cooperation Federation installed a 20-kilogram-capacity roasting machine and started marketing roasted coffee in local markets. The processing plant served more than 500 coffee growers within Gulmi District.
- Armenia:** In 1999 FTF volunteers introduced artificial insemination and new genetics to goat breeding in Armenia. As a direct result, USDA established a goat-breeding center with more than \$300,000 in assistance. FTF volunteers continued to provide staff training in improved breeding techniques, milk selection, and cheese production. Cheese, milk, and goat sales increased by 29 percent, and revenues increased by 38 percent.
- Nigeria:** FTF volunteers also helped to build the capacity of Nigerian NGOs involved in microenterprise activities. Through the FTF volunteers’ assistance, the Fantsuam Foundation, an NGO providing loans to women’s groups, increased its clients from 80 to 500 individuals within six months. FTF volunteers helped the NGO transfer its handwritten records to computerized spreadsheets in order to minimize errors and provided essential training in these new technologies.
- Georgia:** FTF volunteers helped in a Georgian frozen-food exporter’s success. The company expanded its market to Russia and Europe through the volunteers’ demonstration of innovative trade-promotion and marketing techniques. Volunteers further helped the company to develop a monitoring program that improved the use of pesticides, which greatly enhanced product quality.

FARMER-TO-FARMER VOLUNTEER ASSIGNMENTS: INDEPENDENT STATES, FISCAL YEAR 2002	
Armenia	19
Azerbaijan	38
Belarus	12
Georgia	35
Kazakhstan	32
Kyrgyz Republic	31
Moldova	38
Russia	143
Tajikistan	16
Turkmenistan	26
Ukraine	47
Uzbekistan	34
Total	471

²¹ FTF Program funds for FY 2002 came from three sources: \$586,000 from Title I, \$10 million from Title II, and \$1.2 million in development assistance funds transferred from the Nigeria mission in the Africa Bureau of USAID.

C. Section 416(b) of the Agricultural Act of 1949: Surplus Commodities

The Agricultural Act of 1949 authorizes the donation by USDA of surplus food and feed grain owned by the CCC. Section 416(a) authorizes surplus-food assistance to be distributed domestically, and surplus food shipped to developing countries for assistance programs is covered under Section 416(b). Surplus commodities acquired by the CCC as a result of price-support operations may be made available under Section 416(b) if they cannot be sold or otherwise disposed of without disrupting price-support programs or at competitive world prices. These donations are prohibited from reducing the amounts of commodities traditionally donated to domestic feeding programs or agencies, from preventing the fulfillment of any agreement entered into under a payment-in-kind program, or from disrupting normal commercial sales.

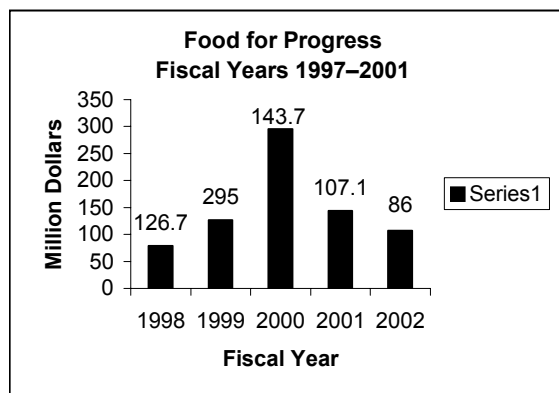
1. Section 416(b): Surplus Commodities Highlights

Over 1.6 million MT of commodities, valued at \$410 million, were allocated to Section 416(b) programs and GFE in FY 2002. Programs were implemented in 60 countries. Examples of Section 416(b) agreements are outlined below, and GFE is discussed in more detail in Section E.1, below.

- **Jordan:** USDA donated 200,000 MT of wheat, valued at \$26 million, to finance development projects in Jordan. Funds were used to improve agricultural productivity, promote efficient use of limited water resources, and enhance farmers' abilities to obtain agricultural inputs and to market their products.
- **Pakistan:** USDA donated 60,000 MT of soybean oil, totaling \$30 million, whose sale supported long-term poverty-reduction and rural development programs targeting the impoverished in Pakistan. More specifically, programs funded under this donation encompassed health, education, rural water supply, sanitation, and agriculture.
- **Lesotho:** World Vision, Inc., received 15,000 MT of wheat, valued at \$2 million. This small but significant donation supported the most food-insecure rural households afflicted by the double burden of drought and the HIV/AIDS pandemic in Lesotho. World Vision sought to increase agricultural production, improve agricultural marketing systems, implement HIV/AIDS-prevention activities, and reduce the incidence of sexually transmitted diseases.
- **Mongolia:** In Mongolia, USDA donated 25,000 MT of wheat, valued at more than \$3.5 million, whose sale supported land privatization, livestock breeding, restocking assistance to people who lost livestock during the severe winter, and the provision of expertise on water, rangeland, and herd management.

D. Food for Progress

The USDA-administered Food for Progress Program, authorized under the Food for Progress Act of 1985, assists developing countries, particularly emerging democracies "that have made commitments to introduce or expand free enterprise elements in their agricultural economies through changes in commodity pricing, marketing, input availability, distribution, and private



sector involvement.” The program authorizes the CCC to finance the sale and exportation of U.S. agricultural commodities on credit terms or on a grant basis. Commodities may be provided under the authority of P.L. 480 Title I or under the authority of Section 416(b) of the Agricultural Act of 1949. Agreements for Food for Progress are awarded to governments or PVOs, nonprofit agriculture organizations, cooperatives, intergovernmental organizations, or other private entities.

The 2002 Farm Bill extended the authority for the Food for Progress Program to provide assistance in the administration and monitoring of food-assistance programs to strengthen private-sector agriculture in recipient countries through FY 2007. The annual level of commodities is specified as not less than 400,000 MT of food commodities. Administrative costs were increased to \$15 million, and further resources under the CCC for transport were authorized to \$40 million.

1. Food for Progress Highlights

In FY 2002, 285,420 MT of commodities, valued at over \$86 million, were programmed through the Food for Progress Program to support private-enterprise-development and food-security activities in 25 countries. The summaries below provide examples of Food for Progress agreements approved in FY 2002.

- **Philippines:** USDA donated 25,000 MT of wheat, totaling \$5 million, to rehabilitate and maintain agricultural infrastructure in the Philippines. Proceeds from the sale of wheat helped to rehabilitate a seawall and drainage and irrigation canals and to build drive-in cattle-disinfectant facilities and plant nurseries.
- **Ecuador:** USDA donated 27,000 MT of wheat, valued at \$3.9 million, to the Foundation for International Community Assistance (FINCA International) in Ecuador to provide loans to low-income enterprises and to develop 320 village banking groups for microentrepreneurs, especially women.
- **Côte d’Ivoire:** USDA donated 9,620 MT of rice, valued at \$1.8 million, to Opportunities Industrialization Centers International in Côte d’Ivoire to assist at least 450 farm families in improving their farming skills and technologies through training and extension; to establish and strengthen 15 local farmers’ marketing associations; to train 210 microentrepreneurs in better business management; to provide 600 selected microentrepreneurs with microcredit; and to establish more than 300 income-generating enterprises.
- **Dominican Republic:** USDA donated 8,000 MT of soybean oil and 1,000 MT of nonfat dry milk, valued at \$7.5 million, to National Rural Electric Cooperative Association

International, Ltd., to provide grants and loans to finance rural electrification expansion and rehabilitation projects in the Dominican Republic. The association also provided loans to promote rural economic development through the provision of electric services to small industries, commercial activities, agricultural processing activities, water supply, and other income-generating activities throughout the Dominican Republic.

- **Nigeria:** The International Partnership for Human Development in Nigeria received 12,500 MT of rice, worth \$2.5 million. The partnership sold the rice and used the proceeds to develop an agricultural-training and technology-transfer farmers' center in the state of Akwa Ibom. Up to 600 farmers will be trained annually over a 10-year period.

E. Integrated Assistance: Broadening the Impact of Food Aid

The U.S. government's humanitarian response often involves the coordination of multiple agencies, PVOs, and NGOs and close partnerships with numerous bilateral, international, regional, and subregional organizations. Integrated assistance has advanced international food security efforts that use flexible programs to draw on funding from various sources as well as on the strengths of various organizations and agencies. The following initiatives demonstrate the strength of U.S. food aid in helping address broader development issues.

1. Global Food for Education Initiative and Successor McGovern-Dole International Food for Education and Child Nutrition Program

An estimated 120 million children around the world do not attend school, in part because of hunger or malnourishment. The majority of these children are girls. In July 2000, GFE was created. The program, which supports both food security and education in needy countries, is based on the federal government's school meals program. Through the use of surplus commodities under the Section 416(b) of the Agricultural Act of 1949, these school feeding programs help to ensure that children attend and remain in school, and they help to improve childhood development and achievement.

The United States demonstrated its continued commitment to global education and nutrition for children with the 2002 Farm Bill's authorization of the McGovern-Dole International Food for Education and Child Nutrition Program, which builds on the successes of the GFE pilot to support education, child development, and food security for some of the world's poorest children. The McGovern-Dole International Food for Education and Child Nutrition Program will be launched while GFE is concluding its programs in FY 2003.

Since GFE's inception, USDA has donated approximately 800,000 MT of commodities to provide nutritional school meals for nearly seven million children in 38 countries. These efforts have resulted in more children entering schools, improved student performance, and greater parental and community involvement in education.

The following are direct examples of GFE's impact since FY 2000:

- **Overall impact:** Results demonstrated measurable improvements in school enrollment, including increased access by girls. In projects involving more than 4,000 participating schools, WFP reported an overall enrollment increase exceeding 10 percent, with an 11 percent rise in enrollment by girls. The PVOs reported an overall enrollment increase of 5.7 percent in GFE-participating schools. In some projects, increases in enrollment were as high as 32 percent.
- **Bangladesh:** Through Land O'Lakes, GFE programs in Bangladesh contributed to increased school attendance in certain districts: 22 percent in Nagla and 29 percent in Nayanagar. As a result of increased attendance, some schools lacked sufficient desks. Consequently, parents and the community responded by building additional desks and chairs.
- **Bosnia-Herzegovina:** Catholic Relief Services contracted with 16 bakeries to provide school meals. The bakeries hired additional employees and in some cases expanded their product lines. This economic ripple effect also benefited companies that provided paper wrappers for the five million sandwiches, as well as meat and cheese producers and processors.
- **Eritrea:** Mercy Corps received more than 17,300 MT of wheat, valued at \$2.3 million, to conduct school feeding programs. Proceeds acquired from the sale of the commodity were used to purchase high-energy biscuits for about 35,000 primary-school students in up to 150 schools. Small grants were provided to parent-teacher associations to buy uniforms and to offer rewards for girls' attendance and good performance. In addition, funds were also used to help parent-teacher association members organize promotion campaigns for girls' education and assist teachers in improving teaching methods in terms of gender equity. Reports indicated that student enrollment increased after high-energy biscuits were introduced for breakfast in 95 schools. Further, according to teachers and school administrators, students who dropped out earlier in the school year tried to reenroll.

2. *Food Assistance in the Fight against HIV/AIDS: Expanded Response to HIV/AIDS and Section 416(b) Programs*

The Expanded Response to HIV/AIDS Initiative, created in FY 2000, committed approximately \$10 million in P.L. 480 Title II resources to improve the lives of children and their families affected by HIV/AIDS. Given the devastating impact of HIV/AIDS on food security, the U.S. government remained dedicated to providing food assistance under this initiative in FY 2002. U.S. Government food resources are utilized to maximize and expand existing USAID programs by concentrating on the following interventions:

- Care and support to people affected by the virus
- Support to orphans and vulnerable children
- Prevention of new infections
- Prevention of mother-to-child transmission of HIV

Under USAID’s Office of Food for Peace, HIV/AIDS food-supported activities are integrated into existing Title II programs to contribute toward the overall enhancement of household food security. Title II’s HIV/AIDS food assistance is implemented through NGOs already engaged in activities with people infected or affected by HIV/AIDS. This approach allows for effective programming, because the NGOs understand the needs and concerns in those communities.

- **Uganda:** A consortium led by Agriculture Cooperative Development International/Volunteers in Overseas Cooperative Assistance had profound impact on women and children under its HIV/AIDS feeding program. In a sample group of HIV-infected children, 91 percent gained or maintained weight, and in a sample group of HIV-infected women, 63 percent gained or maintained weight.

AID TO ORPHANS IN UGANDA

Five-year-old Cleophas Mutesigensi is just one of numerous orphans who are benefiting from Title II HIV/AIDS food assistance in Uganda. Orphaned and living with HIV/AIDS, he is the primary beneficiary of food rations that support him and his four orphaned siblings, all under 10 years of age. His caretaker reports that since Cleophas started receiving food rations, he has gained two kilos, and there is marked improvement in his eyesight.

- **Rwanda:** Catholic Research Services (and its subrecipients Caritas Internationalis, World Relief, and CARE) continued to distribute food to beneficiaries in Rwanda through its safety-net and HIV/AIDS programs. This food-assistance component was intended to complement the ongoing activities of the subrecipients in the area of HIV/AIDS prevention and mitigation. These programs supplemented the beneficiaries’ nutritional intake while increasing their opportunities and productivity through exposure to income-generating activities as well as vocational, educational, and life-skills training. In FY 2002, 22,000 beneficiaries were served dry monthly rations for 12 months under the HIV/AIDS program in Rwanda. The beneficiaries were mainly orphans, infants in prisons with their mothers, street children, the elderly, and disabled people living in institutions.
- **Africa:** USDA provided approximately \$25.6 million in food-aid commodities during FY 2002 for seven programs in nine African countries under Section 416(b) of the Agricultural Act of 1949. USDA donated the commodities to WFP for distribution to vulnerable populations in Ghana, Mozambique, Tanzania, Uganda, Zambia, Zimbabwe, and three countries in the West Africa Regional program.

3. Bill Emerson Humanitarian Trust

Although the Bill Emerson Humanitarian Trust is not a food-aid program, it is a valuable resource that can be utilized to respond to unforeseen humanitarian food crises in developing countries. The Emerson Trust is a food reserve of up to 4 million MT of wheat, corn, sorghum, and rice, administered under the authority of the secretary of agriculture. When an unanticipated emergency emerges that cannot be met with P.L. 480 resources, the secretary of agriculture may authorize the release of commodities from the reserve in order to meet those immediate needs. Each year, 500,000 MT may be released, plus up to another 500,000 MT that was not released in prior years.

The reserve was originally authorized by the Agricultural Trade Act of 1980 as the Food Security Wheat Reserve and was later broadened to include a number of other commodities. In

1998, the reserve was renamed the Bill Emerson Humanitarian Trust and was reauthorized through 2007 under the 2002 Farm Bill. In FY 2002, the Emerson Trust enabled the U.S. government to respond quickly to the complex food crisis in Southern Africa. A total of 575,000 MT was authorized for use in P.L. 480 Title II emergency programs to meet the unforeseen and acute food needs in Southern Africa.

F. Micronutrient Fortification

Cereal grains used in food aid are often milled for easy preparation and consumption (for example, wheat is often milled into flour). This milling process, however, removes certain micronutrients from the whole grains, and the milled product is often fortified with calcium and iron and enriched with four B vitamins to restore some of the lost nutrients. With recent policy decisions enacted in 1999 and 2000, all vegetable oils intended for food aid are fortified with vitamin A and all milled dry cereal commodities intended for U.S. government food aid must meet minimum micronutrient standards.

BENEFITS OF VITAMIN A
<p><i>Research has revealed that enhancing the vitamin A status of undernourished populations can produce remarkable results, such as the following:</i></p> <ul style="list-style-type: none"> • <i>Prevent 1.3 million to 2.5 million deaths annually of children under five years of age</i> • <i>Save thousands of children from irreversible blindness</i> • <i>May reduce the risk of mother-to-child transmission of HIV</i> • <i>Reduce maternal mortality by up to 44 percent in women of reproductive age</i> <p><i>Source: Frances Davidson, "Nutrition and Health," in Nutrition: A Foundation for Development (Geneva: Subcommittee on Nutrition, UN Administrative Committee on Coordination, January 2002).</i></p>

Hidden hunger, a common name for micronutrient deficiency, plagues over two million people and robs women and children of good health.²² For example, vitamin A is an important nutrient for its many benefits in building resistance to infection and contributing to the reduction of mortality. Blended foods, with up to 14 different vitamins and minerals designed for child feeding, have helped to provide children with the nutrients necessary for healthy development and growth.

Since 2000, USAID and USDA have enforced minimum micronutrient standards for all dry cereal products processed for food aid. Enforcement is conducted under USDA's Total Quality Systems Audit Program, whereby food-processing plants are periodically audited to ensure their technical capacity to meet the minimum micronutrient standards. Minimum standards, based on vitamin A and iron, were recommended by USAID based on studies by

Sharing U.S. Technology to Aid in the Improvement of Nutrition, through the Micronutrient Assessment Project. To demonstrate the U.S. government's continued concern regarding sufficient micronutrients in food aid, the 2002 Farm Bill mandated that the current micronutrient-fortification pilot program must be a permanent program by September 30, 2003.

²² *The State of Food Insecurity in the World*, FAO, 2002.

OF THE 50 LARGEST CUSTOMERS OF U.S. AGRICULTURAL PRODUCTS, 43 WERE FORMER RECIPIENTS OF U.S. INTERNATIONAL FOOD ASSISTANCE.

III.

FOOD AID BENEFITS TO THE U.S. ECONOMY

Although U.S. international food assistance is grounded in American humanitarianism, it also provides economic benefits in the United States. P.L. 480 programs boost the U.S. economy by creating major markets for agricultural goods and new markets for U.S. industrial exports and by providing hundreds of thousands of jobs to Americans. Food aid benefits almost every state in the nation, both directly and indirectly, as goods and services used to provide food assistance are purchased, processed, and packaged in the United States and transported primarily on U.S. carriers.

Food assistance that is used to support development activities can alleviate poverty and promote economic growth in recipient countries. Nearly a quarter of the \$51 billion of U.S. agricultural exports go to developing countries.²³ Research has shown that as incomes in developing countries rise, consumption patterns change and food imports increase. Of the 50 largest customers for U.S. agricultural goods, 43—including Egypt, Indonesia, Korea, Taiwan, and Thailand—formerly received food assistance. In short, aid leads to trade, from which Americans stand to benefit directly.

A. Direct Gain—Benefits to U.S. Producers, Processors, Packagers, and Transporters

The U.S. government commits approximately 0.13 percent of its gross national income to foreign assistance, and 6.1 percent of foreign-development-assistance resources are allocated for food aid. Approximately 80 percent of all foreign-food-assistance funds are spent in the United States to purchase goods and services from businesses throughout the nation. Foreign-food-assistance programs have contributed to creating major markets for agricultural goods, as well as new markets for U.S. industrial exports, providing thousands of jobs for Americans. Millions of dollars' worth of agricultural commodities and bulk agricultural commodities are purchased for the P.L. 480 programs. Further, U.S. processing manufacturers produce wheat flour, cornmeal, vegetable oil, and other processed food products, such as corn-soy blend. Processed commodities are packaged in bags, tins, and other containers that are produced and printed in the United States.

²³ International Food Policy Research Institute News Release: "New Study Reports that Foreign Aid Creates U.S. Jobs," June 14, 1995 (<http://www.ifpri.org/pressrel/061495a.htm>).

**IMPACT OF FOOD AID:
STATE AND INDUSTRY SPOTLIGHT**

***Fortificants** that are added to commodities to combat micronutrient deficiencies are purchased from companies in Connecticut, Illinois, Kansas, Missouri, New Jersey, and Tennessee.*

***Bags and other containers** are produced in Arkansas, California, Florida, Iowa, Kansas, Missouri, Ohio, Utah, and Texas.*

***Shipping** of commodities originates out of one of 14 ports in Texas or out of a port in California, Florida, Louisiana, North Carolina, South Carolina, or Washington State.*

Finally, U.S. commodities travel from producer and processor to port, where they are loaded for shipping to recipient countries—mostly on U.S.-flag ships.

Perhaps the most obvious beneficiaries of P.L. 480 purchases are states possessing large agricultural sectors. Nevertheless, the benefits are broadly distributed across the United States. Since FY 1997, 39 states have benefited from more than \$1 million in purchases under the program. Companies that process, package, or ship U.S. commodities are located in 11 states:

Arkansas, Illinois, Indiana, Iowa, Kansas,

Louisiana, Nebraska, Tennessee, Texas, Washington, and Wisconsin. These states, which account for 75 percent of food-aid expenditures, benefit the most from this program.

1. **U.S. International Food Aid Programs: Basic Descriptions**
2. **U.S. Foreign Assistance—Fiscal Year 2002**
3. **USDA Title I Program: Summary Budget, Commodity, and Tonnage Tables—Fiscal Year 2002**
4. **USAID Title II Emergency Activities: Summary Budget, Commodity, Recipient, and Tonnage—Fiscal Year 2002**
5. **USAID Title II Development Activities: Summary Budget, Commodity, Recipient, and Tonnage Tables—Fiscal Year 2002**
6. **USDA Food for Progress Program—Fiscal Year 2002**
7. **Section 416(b) Program Donations—Fiscal Year 2002: Donations by Region: Regular and World Food Program**
8. **Section 416(b) Program Donations for the Global Food for Education Initiative—Fiscal Year 2002: Donations by Region: Regular and World Food Program**
9. **USAID Bureau for Democracy, Conflict, and Humanitarian Assistance Office of Food for Peace Section 202(e) and Institutional Support Assistance Funds Allocation: Fiscal Years 1998–2002 (Development and Emergency Activities)**
10. **Public Law 480 Title II Congressional Mandates—Fiscal Year 2002**
11. **Summary: Total U.S. International Food Assistance—Fiscal Year 2002**
12. **Food Aid Convention: Annual Grain Shipments—Fiscal Years 1998/99–2001/02**
13. **Countries with Approved U.S. Food Assistance Programs, Fiscal Year 2002**

APPENDIX 1

U.S. International Food Aid Programs: Basic Descriptions

Program	Agency	Purpose
P.L. 480 Title I	USDA	Concessional commodity sales through long-term loans.
P.L. 480 Title II	USAID	Development and emergency-relief programs in partnership with PVOs, NGOs, WFP, and government-to-government programs (emergency only).
P.L. 480 Title III	USAID	Government-to-government commodity donations to least-developed countries, linked to policy reforms.
Food for Progress Act of 1985	USDA	Commodity donations offered for emerging democracies and developing countries making commitments to introduce or expand free enterprise elements in their agricultural economies. Agreements may be with governments, PVOs, NGOs, private entities, cooperatives, and intergovernmental organizations.
Agriculture Act of 1949 Section 416(b)	USDA	Surplus commodities to PVOs, NGOs, WFP, and government to government, donated to accomplish foreign-food-aid objectives.
Bill Emerson Humanitarian Trust	USDA/ USAID	A 4 million MT reserve that can be tapped to meet emergency humanitarian food needs in developing countries. As of October 2002, there were 1.9 million to 2 million MT in reserve.

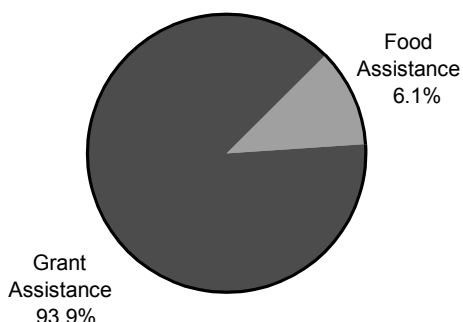
APPENDIX 2

U.S. Foreign Assistance—Fiscal Year 2002 (\$000)

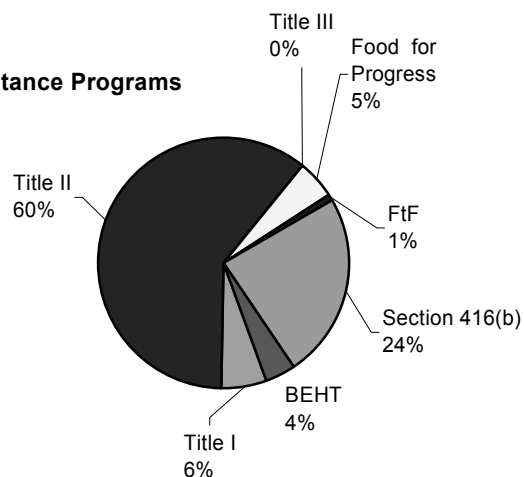
Grant Assistance*		\$12,816,000
(Enacted Amounts)		
Economic Support Fund	\$ 3,289,000	
Development Assistance	\$ 1,178,000	
Child Survival	\$ 1,468,000	
Support for Eastern European Democracy/Independent States	\$ 621,000	
International Disaster Assistance	\$ 326,000	
Peace Corps	\$ 279,000	
Migration and Refugee Assistance	\$ 805,000	
Other Assistance	\$ 3,501,000	
Non 150 Accounts	\$ 1,349,000	
Food Assistance Programs†		\$1,713,000
Title I	\$ 101,600	
Title II	\$ 1,035,600	
Title III	\$ 0	
Food for Progress	\$ 86,100	
Section 416(b)	\$ 410,000	
FTF	\$ 11,700	
Bill Emerson Humanitarian Trust	\$ 68,000	
Total U.S. Foreign Assistance		\$14,529,000

* Grant Assistance totals are based on the Organization for Economic Cooperation and Development's Development Assistance Convention guidelines for determining foreign assistance allocations.
 † Title II programs include shipping costs.

U.S. Foreign Assistance



Food Assistance Programs



APPENDIX 3

*USDA Title I Program: Summary Budget, Commodity, and Tonnage Tables—
Fiscal Year 2002*

TITLE I PROGRAMS			
Country	Commodity	MT	Value
Ecuador	Wheat	27,940	\$4,999,990
Eritrea	Wheat	52,830	\$8,027,680
Guatemala	Wheat	31,500	\$6,299,750
Indonesia	Rice	90,130	\$19,000,000
Pakistan	Soybeans	45,290	\$9,999,990
Peru	Wheat	47,550	\$9,703,770
Philippines	Rice, soybean meal	94,510	\$19,999,840
Sri Lanka	Wheat	55,920	\$7,999,940
Uzbekistan	Rice	58,520	\$15,621,530
Total Title I		504,190	\$101,652,490

Source: USDA Foreign Agricultural Service, March 2003.

Note: Values exclude freight financing of Title I and Title I-funded Food for Progress. Commodities under Title III were not appropriated in FY 2002.

APPENDIX 4

USAID Title II Emergency Activities: Summary Budget, Commodity, Recipient, and Tonnage—Fiscal Year 2002

COUNTRY	SPONSOR	COMMODITIES	RECIPIENTS ¹ (000)	TONNAGE (MT)	VALUE ² (\$000)	202e (\$000)
Africa						
Angola	ICRC WFP/PRRO	Beans, vegetable oil Beans, corn, corn-soy blend, vegetable oil, peas	— 1,036.8	620 89,830	\$552.9 \$68,671.8	— \$306.8
Burundi	WFP/PRRO	Corn-soy blend, corn, peas	5,354.4	4,620	\$2,424.2	—
Congo— Democratic Republic	WFP/PRRO	Beans, corn, corn-soy blend, vegetable oil	1,419.9	19,510	\$16,542.0	\$125.8
Djibouti	WFP/PRRO	Wheat flour, lentils	27.0	1,900	\$1,059.3	\$191.4
Eritrea	WFP/IEFR	Corn-soy blend, sorghum, wheat flour, wheat	755.3	13,400	\$5,564.5	\$2.9
Ethiopia	SCF-UK WFP/IEFR WFP/PRRO	Vegetable oil, wheat Corn-soy blend, wheat Peas, vegetable oil, corn-soy blend, wheat	— 253.4 1,601.5	18,360 69,400 20,000	\$6,686.1 \$30,533.2 \$9,571.0	— \$52.1 \$12.7
Great Lakes Region	WFP/PRRO		—	—	—	\$20.2
Guinea	WFP/PRRO	Bulgur, corn-soy blend, lentils, vegetable oil	126.0	5,150	\$3,220.3	—
Guinea-Bissau	WFP/PRRO	Corn-soy blend, rice	111.0	2,000	\$1,297.7	\$133.1
Kenya	WFP/PRRO	Corn, corn-soy blend, vegetable oil, peas, wheat flour	265.1	10,100	\$4,668.4	\$65.8
Liberia	WFP/PRRO	Bulgur, vegetable oil, corn-soy blend	112.0	5,480	\$3,432.5	—
Malawi	WFP/IEFR	Beans, corn, vegetable oil	2,532.2	16,940	\$8,900.3	\$43.0
Mozambique	WFP/IEFR	Beans, corn, vegetable oil	276.0	9,890	\$4,791.7	\$23.8
Rwanda	WFP/PRRO	Cornmeal, peas	128.1	5,050	\$3,115.1	—
Sierra Leone	CARE CRS WFP/PRRO WVUS	Bulgur, corn-soy blend, lentils, vegetable oil Bulgur, corn-soy blend, lentils, vegetable oil, peas Bulgur, corn-soy blend, lentils, vegetable oil Bulgur, corn-soy blend, lentils, vegetable oil	176.9 58.1 289.5 —	6,530 12,900 8,850 9,060	\$4,448.9 \$7,845.0 \$5,847.8 \$6,214.5	\$68.8 \$51.9 — \$77.6
Somalia	CARE WFP/PRRO	Lentils, sorghum, corn Corn-soy blend, peas, corn	252.0 771.1	23,470 5,700	\$16,027.2 \$3,702.4	\$99.6 \$56.7
Southern Africa	WFP/IEFR	Corn, corn-soy milk, corn-soy blend, soy flour, cornmeal, vegetable oil	1,683.6	78,900	\$46,394.1	—
Sudan	ADRA CARE CRS NPA WFP/IEFR WFP/PRRO	Corn-soy blend, lentils, soy-fortified sorghum grits, vegetable oil Corn-soy blend, lentils, sorghum, vegetable oil Corn-soy milk, lentils, sorghum, nonfat dry milk, vegetable oil Lentils, sorghum, vegetable oil, corn- soy milk Corn-soy blend, lentils, sorghum, vegetable oil, wheat Peas, vegetable oil	— 29.1 512.9 107.5 1,770.3 90.0	1,810 1,790 12,010 6,140 49,500 480	\$874.0 \$1,464.8 \$10,421.4 \$6,526.4 \$40,541.4 \$364.8	— \$53.7 \$328.0 \$101.0 \$126.8 \$5.3

Appendix 4 continued next page

APPENDICES

COUNTRY	SPONSOR	COMMODITIES	RECIPIENTS ¹ (000)	TONNAGE (MT)	VALUE ² (\$000)	202e (\$000)
Tanzania	WFP/PRRO	Corn, peas	—	8,000	\$4,429.0	—
Uganda	WFP/PRRO	Peas, corn, Cornmeal	896.1	28,660	\$15,332.2	\$140.0
West Africa Coastal	WFP/PRRO		—	—	—	\$155.7
Zambia	WFP/IEFR	Corn	712.6	8,500	\$2,965.9	\$13.4
	WFP/PRRO	Corn, beans	—	8,760	\$4,230.8	\$45.2
Zimbabwe	WFP/IEFR	Beans, corn-soy blend, soy-fortified cornmeal, vegetable oil, cornmeal	547.9	20,120	\$13,046.8	\$68.4
	WVUS	Beans, soy-fortified cornmeal, vegetable oil, corn-soy blend	100.0	19,710	\$12,475.8	\$193.4
Subtotal Africa			21,996.3	603,140	\$374,184.2	\$2,563.1
Asia and the Near East						
Afghanistan	WFP/IEFR	Lentils, vegetable oil, corn-soy blend, peas, wheat	14,407.4	282,870	\$159,472.7	\$629.1
Algeria	WFP/PRRO	Wheat flour	147.0	4,000	\$2,008.8	\$23.3
Indonesia	WFP/PRRO	Rice	—	12,650	\$4,990.9	—
Nepal	WFP/PRRO	Lentils, vegetable oil, rice	139.4	5,270	\$2,352.2	\$32.2
Pakistan	WFP/IEFR	Vegetable oil, lentils	—	3,030	\$2,262.6	—
Sri Lanka	WFP/PRRO	Rice	—	2,000	\$753.4	\$19.7
Subtotal Asia and the Near East			14,693.8	309,820	\$171,840.6	\$704.3
Europe and Eurasia						
Armenia	WFP/PRRO	Lentils, vegetable oil, wheat flour	114.2	1,500	\$910.8	\$17.1
Azerbaijan	WFP/PRRO	Peas, wheat flour	135.8	4,000	\$2,239.0	\$24.2
Balkans	WFP/IEFR	Wheat flour	615.4	3,000	\$1,737.9	\$10.1
Tajikistan	WFP/IEFR	Wheat flour	1,114.2	35,000	\$19,882.5	\$117.4
	WFP/PRRO	Wheat flour	—	11,000	\$6,344.8	\$106.7
Subtotal Europe and Eurasia			1,979.6	54,500	\$31,115.0	\$275.5
Latin America and the Caribbean						
Guatemala	CARE	Beans, corn-soy blend, rice, vegetable oil	4.4	150	\$175.0	—
	CRS	Beans, corn-soy blend, rice, vegetable oil	—	1,970	\$1,264.0	—
	SCF	Beans, corn-soy blend, rice, vegetable oil	0.4	100	\$164.3	—
	SHARE	Beans, corn-soy blend, rice, vegetable oil	—	190	\$179.1	—
	WFP/IEFR	Beans, corn-soy blend, corn, vegetable oil	102.6	1,040	\$582.8	\$3.5
	WFP/PRRO	Beans	—	250	\$286.7	—
Haiti	CARE	Lentils, bulgur, vegetable oil, soy- fortified bulgur	—	4,160	\$2,438.2	\$24.3
Nicaragua	WFP/PRRO	Beans, corn	138.9	2,000	\$898.9	—
Subtotal Latin America and the Caribbean			246.3	9,860	\$5,989.0	\$27.8
WORLDWIDE SUBTOTAL					\$583,128.8	
Unallocated Pre-position plus Unallocated					42,160	\$12,913.9
WORLDWIDE TOTAL³			38,916.0	1,019,480	\$596,042.7	\$3,570.7

Source: USAID Bureau for Democracy, Conflict, and Humanitarian Assistance Food for Peace Information System, May 2003.

¹ Recipient figures are derived from the USAID *Office of Food for Peace Annual Report: FY 2002* and represent beneficiaries reached in FY 2002. Beneficiary numbers are not available for all activities. This total excludes 59,400 beneficiaries from the Europe and Eurasia total.

² Value includes commodities plus freight.

³ Adjusted for confirmed fallout and unallocated commodities; total value excludes \$68 million from the Bill Emerson Humanitarian Trust.

APPENDIX 5

USAID Title II Development Activities: Summary Budget, Commodity, Recipient, and Tonnage Tables—Fiscal Year 2002

COUNTRY	SPONSOR	COMMODITIES	RECIPIENTS ¹ (000)	TONNAGE (MT)	VALUE ² (\$000)	202(e) (\$000)
Africa						
Angola	CARE	Beans, wheat, corn	—	6,690	\$1,401.4	—
	CRS	Beans, wheat, corn	—	2,100	\$440.1	—
	SCF	Beans, wheat, corn	—	6,200	\$1,298.6	—
	WVUS	Beans, wheat	—	10,950	\$2,293.9	—
Benin	CRS	Cornmeal, vegetable oil, wheat-soy blend, rice, wheat, lentils	69.0	7,460	\$3,228.8	\$241.3
	WFP	Corn, peas	89.0	2,390	\$786.4	\$186.2
Burkina Faso	CRS	Beans, soy-fortified bulgur, vegetable oil, rice, lentils, cornmeal	683.1	19,990	\$10,018.1	\$158.0
	WFP	Peas	27.8	500	\$315.5	\$33.8
Burundi	WFP	Corn-soy blend	25.0	130	\$71.8	\$15.1
Cameroon	WFP	Beans	142.1	350	\$284.2	\$49.1
Cape Verde	ACDI/ VOCA	Corn, wheat, peas	—	16,340	\$3,163.0	\$545.7
	WFP	Beans, corn-soy blend	157.5	980	\$611.0	\$169.0
Central African Republic	WFP	Corn-soy blend, cornmeal	88.2	1,550	\$759.9	\$147.8
Chad	Africare	Wheat flour	—	5,570	\$2,868.2	\$964.6
	WFP	Corn-soy blend, soy-fortified cornmeal	116.0	1,700	\$874.4	—
Eritrea	Africare		—	—	—	\$58.4
Ethiopia	Africare	Vegetable oil, wheat	—	—	—	\$224.5
	CARE	Vegetable oil, wheat	3.5	1,430	\$592.0	\$2,199.3
	CRS	Corn-soy blend, vegetable oil, wheat, lentils, rice	165.2	10,630	\$5,243.8	\$1,855.9
	EOC	Vegetable oil, wheat	12.2	400	165.6	\$803.7
	FHI	Vegetable oil, wheat	8.4	870	\$370.2	\$831.5
	REST	Vegetable oil, wheat	47.1	9,620	\$4,178.9	\$1,865.6
	SCF	Vegetable oil, wheat, corn-soy blend	14.7	1,040	\$542.2	\$1,218.1
WVUS	Vegetable oil, wheat	20.7	1,570	\$695.2	\$604.5	
Gambia	WFP	Corn-soy blend	163.4	300	\$135.6	\$291.2
Ghana	ADRA	Soy-fortified b\bulgur	55.0	1,650	\$643.5	—
	CRS	Soy-fortified sorghum grits, vegetable oil, wheat-soy blend, bulgur, wheat	573.6	32,720	\$10,354.6	\$292.6
	OICI	Wheat	—	4,500	\$1,017.0	\$551.2
	WFP	Lentils, wheat, vegetable oil	254.3	600	\$391.8	\$158.8
Guinea	ADRA	Vegetable oil	—	1,210	\$959.6	—
	Africare	Vegetable oil	—	2,420	\$1,919.1	\$272.3
	OICI	Vegetable oil	—	820	\$650.3	\$150.0
	WFP	Peas	39.0	130	\$69.0	—

Appendix 5 continued next page

APPENDIXES

COUNTRY	SPONSOR	COMMODITIES	RECIPIENTS ¹ (000)	TONNAGE (MT)	VALUE ² (\$000)	202(e) (\$000)
Kenya	ADRA	Wheat	—	4,160	\$902.7	\$66.5
	CARE	Wheat	—	8,640	\$1,874.9	—
	CRS	Beans, corn-soy blend, vegetable oil, wheat	13.0	22,380	\$5,738.5	\$105.3
	FHI	Wheat	—	4,380	\$950.5	\$121.8
	Techno-Serve	Wheat	—	4,050	\$878.9	\$105.4
	WFP	Corn, vegetable oil, corn-soy blend, beans, peas	1,155.0	4,480	\$1,963.0	\$821.3
	WVUS	Beans, corn, vegetable oil, wheat	2.0	3,250	\$705.2	—
Liberia	CRS	Bulgur, lentils, vegetable oil, wheat flour, corn-soy blend	34.8	3,200	\$1,304.9	—
	WFP	Bulgur, peas	280.0	1,950	\$905.1	\$307.3
Madagascar	ADRA	Vegetable oil, wheat, wheat flour	—	3,680	\$1,216.6	\$102.2
	CARE	Vegetable oil	10.0	6,060	\$2,262.7	\$77.6
	CRS	Corn-soy blend, soy-fortified bulgur, vegetable oil	49.5	9,230	\$3,667.7	\$26.4
	WFP	Rice, corn-soy blend, corn	271.1	3,000	\$1,356.0	\$480.0
Malawi	CRS	Corn, corn-soy blend, vegetable oil	15.3	8,900	\$3,868.4	\$85.1
	WFP	Cornmeal	20.0	2,000	\$930.0	\$60.0
Mali	Africare	—	—	—	—	\$186.7
	WFP	Cornmeal, peas	810.0	2,700	\$1,354.5	\$295.0
Mauritania	WFP	Peas, wheat, rice	9,099.8	3,440	\$1,033.7	\$356.5
	WVUS	Soy-fortified sorghum grits, wheat-soy blend, vegetable oil	22.4	7,340	\$2,178.9	\$383.5
Mozambique	ADRA	Wheat	—	5,880	\$1,286.6	\$181.0
	Africare	Wheat	—	5,500	\$1,205.8	\$54.2
	CARE	Wheat	—	12,060	\$2,644.2	\$132.6
	FHI	Wheat	—	6,570	\$1,441.8	\$117.3
	SCF	Wheat	—	5,960	\$1,310.4	\$206.8
	WFP	Beans	120.0	500	\$394.0	\$104.2
	WVUS	Wheat	—	21,910	\$4,827.0	\$530.6
Niger	Africare	Rice, soy-fortified bulgur, vegetable oil	151.0	17,850	\$9,374.3	\$493.2
	WFP	Rice, lentils, corn-soy blend, soy-fortified sorghum grits	331.1	1,300	\$840.0	\$111.8
Rwanda	ACDI/VOCA	Vegetable oil	—	800	\$788.0	\$388.8
	CRS	Corn, peas, vegetable oil, corn-soy blend, cornmeal	46.3	5,870	\$4,419.8	\$399.7
	WFP	Beans, corn-soy blend, corn, vegetable oil	320.0	2,580	\$1,582.5	\$224.0
	WVUS	Beans, corn, vegetable oil	6.9	6,200	\$4,592.3	\$12.4
Senegal	WFP	Rice, peas, vegetable oil	644.4	4,090	\$1,789.8	\$215.2
Sierra Leone	WFP	—	—	—	—	\$155.7
Tanzania	WFP	Corn	65.0	1,400	\$397.6	\$224.8
Uganda	ACDI/VOCA	Corn-soy blend, vegetable oil, wheat	6.0	12,880	\$6,627.9	\$397.2
	Africare	Wheat	—	2,650	\$1,017.6	\$135.6
	CRS	Corn, lentils, vegetable oil	0.5	220	\$115.5	—
	Techno-Serve	Wheat	—	5,580	\$2,142.7	\$62.9
	WFP	Corn-soy blend, beans	92.5	2,800	\$1,185.8	\$363.3
	WVUS	Wheat	—	2,700	\$1,036.8	\$53.7

COUNTRY	SPONSOR	COMMODITIES	RECIPIENTS ¹ (000)	TONNAGE (MT)	VALUE ² (\$000)	202(e) (\$000)
WAR— Senegal/ Gambia	CRS	Corn, lentils, vegetable oil, wheat- soy blend	4.5	1,670	\$1,043.1	\$199.0
Zambia	WFP	Peas, beans	674.2	1,170	\$862.8	\$186.6
Subtotal Africa			17,000.1	383,790	\$140,362.2	\$22,419.4
Asia and the Near East						
Bangladesh	WFP	Wheat, corn-soy blend	2,860.0	34,100	\$7,905.7	\$1,091.2
	WVUS	Peas, vegetable oil, wheat	88.1	67,100	\$16,068.1	\$205.0
Cambodia	WFP	Corn-soy blend	152.0	2,400	\$1,084.8	\$193.4
Egypt	WFP	Wheat flour, vegetable oil, peas	291.3	9,110	\$3,839.3	\$160.0
India	CARE	Corn-soy blend, vegetable oil	6,858.4	96,774	\$45,604.4	\$500.0
	CRS	Bulgur, vegetable oil, corn-soy blend	967.8	50,220	\$21,161.5	\$2,768.8
	WFP	Corn-soy blend	5,213.2	15,000	\$6,780.0	—
Indonesia	CARE	Rice, wheat-soy blend	11.7	2,520	\$885.8	—
	CRS	Rice, wheat-soy blend	35.0	4,890	\$1,668.1	—
	CWS	Rice, wheat-soy blend, vegetable oil	25.1	1,800	\$728.2	—
	MC	Rice, vegetable oil, wheat-soy blend	18.0	2,380	\$871.5	—
	WVUS	Beans, rice, vegetable oil, wheat- soy blend	166.0	2,950	\$1,255.3	—
Laos	WFP	Corn-soy blend	34.6	930	\$513.4	\$186.7
Pakistan	WFP	Vegetable oil, wheat	1,080.0	10,700	\$2,871.9	\$86.4
Sri Lanka	WFP	Corn-soy blend, lentils	166.0	1,240	\$571.2	\$80.0
Yemen	WFP	Wheat-soy blend, vegetable oil	147.3	560	\$394.8	\$174.7
Subtotal Asia and the Near East			18,114.5	302,674	\$112,204	\$5,446.2
Latin America and the Caribbean						
Bolivia	ADRA	Lentils, peas, rice, soy-fortified bulgur, wheat flour, corn-soy blend	11.6	8,000	\$3,993.7	\$160.0
	CARE	Corn-soy blend, lentils, peas, wheat flour	15.5	11,970	\$5,917.5	\$200.0
	FHI	Corn-soy blend, lentils, peas, soy- fortified bulgur, wheat flour, wheat-soy blend	21.2	1,850	\$902.8	\$240.0
	PCI	Lentils, peas, bulgur, soy blend, wheat flour, wheat-soy blend	5.1	450	\$237.5	\$49.9
	SCF	Corn-soy blend, lentils, wheat flour, peas, wheat-soy blend	37.5	12,380	\$6,321.8	\$200.0
	WFP	Wheat	1,250.0	6,000	\$2,193.0	\$192.0
Ecuador	WFP	Wheat	1.0	5,000	\$1,530.0	\$54.7
Guatemala	CARE	Corn-soy blend, rice, soy-fortified bulgur, vegetable oil, corn, soybean meal	55.1	15,720	\$4,476.4	\$311.1
	CRS	Beans, rice, vegetable oil, corn, soybean meal, corn-soy blend	90.0	12,440	\$3,215.6	\$207.7
	SCF	Beans, rice, vegetable oil, corn-soy blend, soybean meal, corn	50.8	14,740	\$3,947.1	\$632.9
	SHARE	Beans, rice, vegetable oil, corn-soy blend	139.6	12,310	\$4,538.6	\$431.0
	Techno- Serve	—	—	—	—	\$62.9
	WFP	Corn, corn-soy blend	84.0	8,700	\$2,638.8	\$3.2

Appendix 5 continued next page

APPENDICES

COUNTRY	SPONSOR	COMMODITIES	RECIPIENTS ¹ (000)	TONNAGE (MT)	VALUE ² (\$000)	202(e) (\$000)
Haiti	CARE	Beans, soy-fortified bulgur, vegetable oil, lentils, wheat-soy blend, wheat	56.2	22,120	\$4,901.7	—
	CRS	Lentils, soy-fortified bulgur, vegetable oil, wheat-soy blend, wheat, cornmeal	122.0	18,500	\$5,447.3	—
	SCF	Lentils, soy-fortified bulgur, vegetable oil, wheat-soy blend, wheat	13.7	9,140	\$2,291.1	—
	WFP	Bulgur, beans, vegetable oil, corn-soy blend	283.2	2,450	\$1,280.2	\$159.1
	WVUS	Lentils, soy-fortified bulgur, vegetable oil, wheat-soy blend, wheat	37.3	26,530	\$6,622.8	—
Honduras	CARE	Wheat, beans, rice, corn-soy blend, vegetable oil, cornmeal, rice	12.0	17,670	\$5,184.1	\$185.0
	WFP	Corn-soy blend, corn, beans	137.6	3,800	\$1,252.0	\$73.6
Nicaragua	ADRA	Beans, corn-soy blend, rice, vegetable oil, wheat, lentils	9.2	11,890	\$3,594.2	—
	CRS	Wheat, corn-soy blend, rice, beans, vegetable oil, lentils	13.8	11,520	\$3,512.6	—
	PCI	Beans, corn-soy blend, rice, vegetable oil, wheat, lentils	31.8	11,530	\$3,237.7	—
	SCF	Beans, corn-soy blend, rice, vegetable oil, corn, wheat	9.7	10,550	\$2,796.1	—
	WFP	Corn	84.0	3,860	\$1,096.2	\$171.9
Peru	ADRA	Vegetable oil, beans, corn-soy blend, wheat flour	50.8	23,250	\$9,524.0	—
	CARE	Vegetable oil, wheat	—	17,590	\$6,134.6	—
	Cáritas del Perú	Vegetable oil, lentils, wheat flour, wheat	41.0	24,860	\$9,434.6	—
	CRS	Vegetable oil, wheat	—	2,790	\$933.5	—
	PRISMA	Vegetable oil, wheat, corn-soy blend	119.9	26,660	\$10,369.9	—
	Techno-Serve	Vegetable oil, wheat	—	1,890	\$632.0	—
Subtotal Latin America and the Caribbean			2,783.6	356,160	\$118,157.4	\$3,335.0
WORLDWIDE SUBTOTAL					\$370,723.6	
Unallocated					\$36,122.2	
WORLDWIDE TOTAL³			37,898.2	1,042,624	\$406,845.8	\$31,800.6

Source: USAID Bureau for Democracy, Conflict, and Humanitarian Assistance Food for Peace Information System, September 2003.

¹ Recipient figures are projected and may not reflect actual number reached. Direct and indirect beneficiaries for activities funded with monetization are not available.

² Value includes commodities plus freight.

³ Adjusted for confirmed fallout and unallocated commodities; total value excludes Institutional Support Assistance Program grants, totaling \$2,627,028.

APPENDIX 6
USDA Food for Progress Program—Fiscal Year 2002

COMMODITY CREDIT CORPORATION FUNDED				
Country	Sponsor	Commodity	MT	Commodity Value ¹
Armenia	UMCOR, ATG	Nonfat dry milk, vegetable oil, wheat, wheat flour	18,200	\$4,873,100
Bulgaria	ARC	Beans, soybean meal, vegetable oil, wheat flour	10,400	\$3,399,760
Burkina Faso	NWMT	Vegetable oil	4,220	\$2,924,460
Cambodia	Salesian	Rice, soybeans, vegetable oil	2,860	\$1,432,640
Central African Republic	IPHD	Beans, corn-soy blend, rice, vegetable oil	4,050	\$1,637,250
Columbia	Salesian	Nonfat dry milk	680	\$1,349,120
Congo, Republic of	IPHD	Rice, vegetable oil	3,490	\$1,236,070
Côte d'Ivoire	OICI	Rice	9,620	\$2,116,400
Dominican Republic	NRECA Int'l	Nonfat dry milk, vegetable oil	9,000	\$7,528,000
Ecuador	FINCA Int'l	Wheat	27,000	\$3,618,000
El Salvador	PCI	Soybean meal	6,000	\$1,194,000
Guyana	Food for the Poor	Beans, corn-soy blend, cornmeal, nonfat dry milk, textured soy protein, vegetable oil, wheat, wheat flour	27,500	\$4,895,300
Honduras	Techno-Serve	Soybean meal	9,000	\$1,791,000
Indonesia	Gov't, CARE, CWS	Nonfat dry milk, soybean meal	28,000	\$10,927,000
Kenya	CRS	Vegetable oil	2,140	\$1,483,020
Kyrgyzstan	MC	Dehydrated potatoes, rice, vegetable oil, wheat flour	3,340	1,979,420
Nigeria	IPHD	Rice	12,500	\$2,750,000
Philippines	CI	Corn	10,600	\$1,091,800
Romania	IPHD	Corn-soy blend, dehydrated potatoes, rice, soybeans, vegetable oil	3,890	\$936,470
Russia	VRF	Soybean meal	30,000	\$5,970,000
Sierra Leone	IMC	Dehydrated vegetables, rice, vegetable oil	2,080	\$724,500
Tajikistan	CARE AKF	Corn-soy blend, dehydrated potatoes, nonfat dry milk, vegetable oil, wheat flour	32,640	\$13,727,520
Ukraine	GJARN	Buckwheat, lentils, nonfat dry milk, peas, rice, vegetable oil, wheat flour	5,000	\$2,687,500
Uzbekistan	ARC	Corn-soy blend, lentils, peas, rice, soybeans, vegetable oil, wheat flour	22,710	\$4,927,000
Vietnam	CRS	Nonfat dry milk	500	\$992,000
Total			285,420	\$86,191,330

Source: USDA Foreign Agricultural Service, March 2003. Agricultural Service, March 2003.

Note: Totals subject to change.

¹ Value does not include freight.

APPENDIX 7

Section 416(b) Program Donations—Fiscal Year 2002: Donations by Region: Regular and World Food Program

Country by Region	MT Donated (000)		Commodity Value (\$000)	
	REGULAR ¹	WFP	REGULAR ¹	WFP
Africa				
Angola	—	39.70	—	\$4,985.10
Burundi	—	0.14	—	\$39.62
Congo, Democratic Republic of	—	18.40	—	\$3,980.10
Ethiopia	—	80.00	—	\$11,316.00
Ghana	17.00	—	\$2,278.00	—
Guinea	1.75	4.53	\$1,080.30	\$869.76
Guinea-Bissau	1.33	—	\$634.01	—
Kenya	—	20.55	—	\$3,923.15
Lesotho	15.00	—	\$2,010.00	—
Liberia	—	2.00	—	\$384.00
Madagascar	—	1.09	—	\$112.27
Malawi	—	3.30	—	\$904.20
Rwanda	—	8.52	—	\$1,678.85
Sierra Leone	—	9.50	—	\$1,824.00
Sudan	—	52.41	—	\$5,398.23
Tanzania	3.65	12.85	\$1,268.75	\$4,042.05
Uganda	—	1.49	—	\$343.65
Zambia	—	22.00	—	\$3,031.20
Zimbabwe	—	8.50	—	\$1,617.00
Total Africa	38.73	284.98	\$7,271.06	\$44,449.18
Asia and the Middle East				
Afghanistan	5.00	82.30	\$9,920.00	\$12,153.50
Cambodia	5.00	—	\$9,920.00	—
India	17.26	—	\$11,961.18	—
Indonesia	5.65	—	\$11,209.60	—
Korea, North	—	207.00	—	\$50,398.78
Laos	—	1.50	—	\$330.00
Mongolia	25.00	—	\$3,350.00	—
Pakistan	101.80	—	\$75,711.40	—
Philippines	26.05	—	\$12,787.00	—
Total Asia and the Middle East	185.76	290.80	\$134,859.18	\$62,882.28
Europe				
Moldova	12.76	—	\$3,088.12	—
Romania	1.80	—	\$2,009.21	—
Ukraine	8.60	—	\$1,892.00	—
Total Europe	23.16	—	\$6,989.33	—
Latin America and the Caribbean				
Dominican Republic	—	0.81	—	\$155.52
Peru	1.50	—	\$2,976.00	—
Total Latin America & Caribbean	1.50	0.81	\$2,976.00	\$155.52

Appendix 7 continued next page

Country by Region	MT Donated (000)		Commodity Value (\$000)	
	REGULAR ¹	WFP	REGULAR ¹	WFP
Near East				
Jordan	200.00	—	\$26,800.00	—
Lebanon	40.00	—	\$5,763.00	—
West Bank & Gaza	80.00	—	\$9,790.00	—
Yemen	88.00	—	\$29,262.00	—
Total Near East	408.00	0	\$71,615.00	0
Independent States				
Azerbaijan	10.00	—	\$1,340.00	—
Georgia	35.00	—	\$4,690.00	—
Tajikistan	—	33.36	—	\$8,568.88
Uzbekistan	56.00	—	\$9,856.00	—
Total Independent States	101.00	33.36	\$15,886.00	\$8,568.88
Program Totals	758.15	609.95	\$239,596.57	\$116,055.86

Source: USDA Foreign Agricultural Service, March 2003.

Note: Metric tons reflect agreement amounts; freight costs are not included. Values are based on shipped amounts reported as of November 2002.

¹ Government-to-government and PVO agreements.

APPENDIX 8

Section 416(b) Program Donations for the Global Food for Education Initiative—Fiscal Year 2002: Donations by Region: Regular and World Food Program

Country by Region	MT Donated (000)		Commodity Value (\$000)	
	REGULAR ¹ GFE	WFP GFE	REGULAR ¹ GFE	WFP GFE
Africa				
Benin	3.36	—	\$665.06	—
Cameroon	—	0.39	—	\$85.80
Congo	9.00	—	\$3,254.50	—
Côte d'Ivoire	—	0.69	—	\$175.45
Eritrea	17.30	—	\$2,318.20	—
Ethiopia	—	6.88	—	\$1,947.04
Gambia	—	1.59	—	\$349.80
Ghana	—	1.02	—	\$224.40
Guinea	—	1.41	—	\$484.27
Kenya	—	10.97	—	\$1,129.91
Mozambique	—	7.00	—	\$1,776.50
Tanzania	—	2.35	—	\$389.55
Uganda	6.97	0.25	\$1,506.95	\$173.25
Total Africa	36.63	32.55	\$7,744.71	\$6,735.97
Asia and the Middle East				
Bangladesh	59.35	—	\$12,871.40	—
Bhutan	—	1.07	—	\$143.38
Kyrgyzstan	0.61	—	\$204.19	—
Pakistan	—	1.30	—	\$903.67
Vietnam	16.80	—	\$3,674.95	—
Total Asia and the Middle East	76.76	2.37	\$16,750.54	\$1,047.05
Europe				
Albania	24.82	—	\$4,280.84	—
Bosnia-Herzegovina	24.40	—	\$3,269.60	—
Total Europe	49.22	0	\$7,550.44	0
Latin America and the Caribbean				
Bolivia	2.17	—	\$1,620.69	—
El Salvador	—	6.93	—	\$995.09
Guatemala	28.31	—	\$3,232.76	—
Honduras	11.42	1.40	\$1,639.47	\$144.20
Nicaragua	2.00	8.00	\$1,386.00	\$1,556.50
Total Latin America and the Caribbean	43.90	16.33	\$7,878.92	\$2,695.79
Near East				
Lebanon	8.00	—	\$824.00	—
Yemen	5.00	—	\$1,395.00	—
Total Near East	13.00	0	\$2,219.00	0
Independent States				
Georgia	3.10	—	\$1,776.40	—
Total Independent States	3.10	0	\$1,776.40	0
Program Totals	222.61	51.25	\$43,920.01	\$10,478.81

Source: USDA Foreign Agriculture Service, March 2003

Note: Metric tons reflect agreement amounts; freight costs are not included. Values are based on shipped amounts reported as of March 2003. ¹ Government-to-government and PVO agreements.

APPENDIX 9

USAID Bureau for Democracy, Conflict, and Humanitarian Assistance Office of Food for Peace Section 202(e) and Institutional Support Assistance Funds Allocation: Fiscal Years 1998–2002 (Development and Emergency Activities)

	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
Section 202(e) Levels	\$28,000,000	\$28,000,000	\$28,000,000	\$28,000,000	\$34,637,607
Section 202(e) Funds for Institutional Support Assistance Grants	\$865,180	\$1,911,401	\$2,687,044	\$2,316,300	\$1,851,044
Food for Peace Development Assistance Levels	\$5,000,000	\$5,097,000	\$5,100,000	\$5,461,000	\$6,022,000
Development Assistance Funds Used for Institutional Support Assistance Program Grants	\$4,134,820	\$3,088,599	\$2,312,956	\$2,245,700	\$2,627,028
Institutional Support Assistance Program Grant Levels (From Section 202(e) and Development Assistance Funds)	\$5,935,636	\$5,000,000	\$5,000,000	\$4,562,000	\$4,478,072

Source: USAID Bureau for Democracy, Conflict, and Humanitarian Assistance Office of Food for Peace, May 2003.

APPENDIX 10

Public Law 480 Title II Congressional Mandates—Fiscal Year 2002

	Minimum	Subminimum	Monetization	Value-added	Bagged in United States
FY 2002 Target	2,025,000	1,550,000	15.0%	75.0%	50.0%
Final Status Sept. 2002	2,652,584	1,351,294	63.5%	49.8%	74.8%

Minimum: Total approved metric tons programmed under Title II. Metric-ton grain equivalent used to report against target.

Subminimum: Metric tons for approved non-emergency programs through PVOs and community development organizations and WFP. Metric-ton grain equivalent used to report against target.

Monetization: Percentage of approved Title II programs that are monetization programs.

Value-added: Percentage of approved nonemergency programs that are processed, fortified, or bagged.

**Bagged in
United States:** Percentage of approved non-emergency bagged commodities that are whole grain to be bagged in the United States.

Source: USAID Bureau for Democracy, Conflict, and Humanitarian Assistance Office of Food for Peace, May 25, 2003.

APPENDIX 11

Summary: Total U.S. International Food Assistance—Fiscal Year 2002

		MT	U.S. Dollars
P.L. 480	Title I	504,190	\$101,652,490
	Title II Emergency	1,019,480	\$436,184,200
	Development	1,042,624	\$599,434,000
Subtotal P.L. 480		2,566,294	\$1,137,270,690
Food for Progress	Title I funded	0	\$0
	CCC funded	285,420	\$86,191,330
Subtotal Food for Progress		285,420	\$86,191,330
Section 416(b)	Regular	980,760	\$283,516,580
	WFP	661,200	\$126,534,670
Subtotal 416(b)		1,641,960	\$410,051,250
Bill Emerson Humanitarian Trust		575,000	\$68,000,000
FTF			\$11,700,000
GRAND TOTAL		5,068,674	\$1,713,213,270

Note: Title II dollar levels are all-inclusive, whereas all other food assistance programs are commodity value only.

APPENDIX 12

Food Aid Convention: Annual Grain Shipments—Fiscal Years 1998/99–2001/02

Donor	Minimum Annual Contribution (1995 Convention)	1998/99	1999/00*	2000/01	2001/02 (Provisional)	Minimum Annual Contribution (1999 Convention)	
						Tonnage Commitment	Value Commitment (In Euros)
Australia	300,000	273,064	296,713	251,865	245,828	250,000	130,000,000
Canada	400,000	487,095	470,640	288,402	393,367	420,000	
European Union	1,755,000	1,962,481	1,970,768	2,357,778	1,836,717	1,320,000	
Japan	300,000	560,135	337,357	637,749	453,735	300,000	
USA	2,500,000	4,734,121	5,692,116	6,798,280	7,124,407	2,500,000	
Other ²	95,000	110,232	139,995	140,045	132,360	105,000	
TOTAL	5,350,000	8,127,128	8,907,589	10,474,119	10,186,414	4,895,000	

Source: International Grains Council Secretariat, furnished by USDA. For more information about the secretariat, visit <http://www.igc.org.uk>.

Note: 1999 Convention Contributions can be in metric tons, monetary value, or a combination of the two. All shipments listed were in respect of the Food Aid Convention, 1995.

² Argentina, Switzerland, Norway.

* Includes contributions under International Emergency Food Reserve—Immediate Response Account, as reported by WFP.

