

Highlights of GAO-03-607, a report to congressional requesters

## Why GAO Did This Study

After the events of September 11, 2001 led to the defeat of the Taliban, the United States and the international community developed an assistance program to support Afghanistan's new government and its people. Key components of this effort include food and agricultural assistance. GAO was asked to assess (1) the impact, management, and support of food assistance to Afghanistan and (2) the impact and management of agricultural assistance to Afghanistan, as well as obstacles to achieving food security and political stability.

### What GAO Recommends

GAO recommends that the Secretary of State and the Administrator of USAID take an active role in an international– Afghan effort to develop an agricultural rehabilitation strategy.

GAO suggests that Congress consider amending the Agriculture Trade Development and Assistance Act of 1954, as amended, and the Merchant Marine Act of 1936, as amended, to allow the purchase of commodities overseas and waive the U.S.-flag vessel requirement under certain circumstances.

The agencies agree with the need to develop a strategy, but USAID does not think it should lead the effort. In terms of providing flexibility, WFP agrees, but U.S. agencies disagree with the need to amend legislation.

#### www.gao.gov/cgi-bin/getrpt?GAO-03-607.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Loren Yager (202) 512-4347 or yagerl@gao.gov.

# FOREIGN ASSISTANCE

## Lack of Strategic Focus and Obstacles to Agricultural Recovery Threaten Afghanistan's Stability

## What GAO Found

The emergency food assistance that the United States and the international community provided from January 1999 through December 2002 helped avert famine by supplying millions of beneficiaries with about 1.6 million tons of food. However, the inadequacy of the international community's financial and in-kind support of the World Food Program's (WFP) appeal for assistance disrupted the provision of food assistance throughout 2002. Because of a lack of resources, WFP reduced the amount of food rations provided to returning refugees from 150 kilograms to 50 kilograms. Meanwhile, as a result of the statutory requirement that U.S. agencies providing food assistance purchase U.S.-origin commodities and ship them on U.S.-flag vessels, assistance costs and delivery times were higher by \$35 million and 120 days, respectively, than if the United States had provided WFP with cash or regionally produced commodities. Had the U.S. assistance been purchased regionally, an additional 685,000 people could have been fed for 1 year.

U.S.- provided vegetable oil distributed by WFP in Hirat, Afghanistan



Source: GAO

The livelihood of 85 percent of Afghanistan's approximately 26 million people depends on agriculture. Over 50 percent of the gross domestic product and 80 percent of export earnings have historically come from agriculture. Over the 4-year period, because of continued conflict and drought, the international community provided primarily short-term agricultural assistance such as tools and seed. As a result, the assistance did not significantly contribute to the reconstruction of the agricultural sector. In 2002, agricultural assistance was not adequately coordinated with the Afghan government; a new coordination mechanism was established in December 2002, but it is too early to determine its effectiveness. As a result of the weak coordination, the Afghan government and the international community have not developed a joint strategy to direct the overall agricultural rehabilitation effort. Meanwhile, inadequate assistance funding, continuing terrorist attacks, warlords' control of much of the country, and the growth of opium production threaten the recovery of the agricultural sector and the U.S. goals of food security and political stability in Afghanistan.