

# U.S. Department of Agriculture Foreign Agricultural Service Strategic Plan

## FY 2012-2016



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## Message from the Administrator


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The Foreign Agricultural Service (FAS) is U.S. agriculture's link to the constantly changing global marketplace. FAS serves as the principal coordinator for international activities within the U.S. Department of Agriculture (USDA), drawing on the broad expertise of U.S. agricultural organizations. These groups range from governmental to non-governmental, and from the private sector to the academic and research community. As departmental coordinator for international activities, FAS helps strengthen food and agricultural systems in developing countries, establishing a foundation for future trading opportunities while supporting U.S. national security interests.

The core mission of FAS is to facilitate trade and international cooperation, which are critical to the economic vitality of the U.S. agricultural sector and the Administration's top economic priority: job creation. FAS also supports U.S. agriculture in its vital role of helping to feed hungry people around the world through USDA food assistance programs and provision of technical expertise to developing countries.

FAS's core functions, which are carried out by a cadre of highly professional staff stationed in Washington, DC, and in 95 overseas field offices in 75 foreign countries, are delivered through three key activity pillars: trade promotion, trade policy, and capacity building/food security. These are supported by a global market intelligence network, which helps policy-makers better position the broad array of tools and services designed to facilitate agricultural trade and link U.S. agriculture to the world. From market development programs to export credit guarantee risk insurance programs; from foreign market research to scientific exchange programs, FAS deploys its resources to expand market opportunities for U.S. food and agricultural products.

Over the next five years, FAS staff will continue to collaborate with others across the U.S. government and partner with the private sector and others to link U.S. agriculture to the world, to further the economic prosperity of rural America and U.S. farmers, ranchers, fishermen, foresters and agribusinesses.



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Suzanne Heinen  
FAS Acting Administrator

## Strategic Plan Framework

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For U.S. agriculture to continue to thrive, we must continue to open, expand, and maintain access to foreign markets, where 95 percent of the world's consumers live. That's why the U.S. Department of Agriculture's Foreign Agricultural Service (FAS) works around the globe to build new markets, to sustain and expand existing ones, to improve the competitive position of U.S. agriculture, and to ensure food security and build agricultural capacity in fragile and developing markets – the markets of tomorrow.

In support of the USDA Strategic Plan and the Administration's top economic priority of job creation, the FAS Strategic Plan for 2012-2016 has one goal: to help generate an additional \$89 billion worth of U.S. economic activity by the end of FY 2016. This will be accomplished by using all the tools in the FAS tool box -- through market development programs, trade shows, prevention/resolution of market access issues, trade capacity building, and market-expanding trade agreements. This goal is based on a projected increase in agricultural exports to \$175 billion by end-year 2016, from the \$108.6 billion worth exported in the baseline year of FY 2010.

Strategic Objectives include performance measures that track progress towards attaining each objective and the overarching goal. These measures specify baseline information (where available) and long-term performance targets. Strategies and means describe how FAS will operate in the international trade and food security arenas and define the tools that its staff will employ to achieve the Agency's objectives. There are also a number of external factors that will affect FAS's efforts to achieve its overarching goal.

FAS's strategic framework includes a commitment to provide exceptional service and consistent excellence in management across the Agency. FAS also has separate management plans under six Management Initiatives that detail strategies to achieve objectives in enterprise governance, financial resource management, human capital management, performance and efficiency, information technology, and emergency preparedness.

## Legislative and Departmental Authorities

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FAS was established on March 10, 1953, by Secretary's Memorandum No. 1320, Supplement 1. Public Law 83-690, approved August 28, 1954, transferred the agricultural attaches from the Department of State to FAS. These memoranda were consolidated in Title 5 of the Agricultural Trade Act of 1978, as amended. Secretary's Memorandum No. 1020-39 dated September 30, 1993, transferred the functions of the former Office of International Cooperation and Development to FAS.

Title 5 of the Agricultural Trade Act of 1978, most recently amended in 2008, states that the Administrator of FAS is given the power to "exercise such functions and perform such duties related to foreign agriculture," and may also be assigned other duties by law or by the Secretary of Agriculture (Title 5, section 502b). Additionally, the Administrator is responsible for oversight of FAS, the General Sales Manager, and the Agricultural Attaché Service (Title 5, section 502c).

Specifically, 7 USC §5693, mandates: *"The Service shall assist the Secretary in carrying out the agricultural trade policy and international cooperation policy of the United States by –*

- (1) Acquiring information pertaining to agricultural trade;*
- (2) Carrying out market promotion and development activities;*
- (3) Providing agricultural technical assistance and training; and*
- (4) Carrying out the programs authorized under this Act, the Food for Peace Act (7 U.S.C. 1691 et seq.), and other Acts." (Title 5, section 503)"*

USDA Regulation 1051-001 (June 2005) defines the role of the Foreign Agricultural Service as the Department's lead agency in coordinating all agricultural matters with foreign countries. Regulation 1051-002 (December 2004) further states that FAS's responsibilities "include, but are not limited to, the responsibility to coordinate the carrying out by Department agencies of their functions involving foreign agriculture policies and programs and their operations and activities in foreign areas; acting as a liaison on these matters and functions relating to foreign agriculture with the Department of State, the United States Trade Representative (USTR), the U.S. Agency for International Development (USAID) and foreign governments; conducting functions of the Department relating to the World Trade Organization, and legislation affecting international agricultural trade; and administering and directing the Department's programs in international development, technical assistance and training carried out under the Foreign Assistance Act of 1961, as amended."



## FAS's Unique Role in Government

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FAS is unique within the U.S. Government for its sole focus on global food and agricultural trade and food security issues. Its core capabilities include the following:

*Global network of agricultural attachés and locally engaged staff providing eyes, ears, and voice for U.S. agriculture*

FAS has foreign service officers and locally engaged staff across the globe to address trade policy and market development issues as they arise. FAS brings:

- Ability to link foreign buyers and U.S. sellers to promote U.S. food and agricultural products;
- On-ground intelligence on foreign agricultural markets, crop conditions, and agro-political dynamics;
- Institutional knowledge of host countries;
- Long-term, agriculture-specific relationships with foreign stakeholders;
- Talented and highly skilled locally engaged staff; and
- Cultural and linguistic competencies.

*Direct connection and partnership with the broad U.S. agricultural community, from farmers and ranchers to food processors, from U.S. Government (including Congress) to non-governmental organizations,*

FAS works closely with the U.S. agricultural industry and other federal and state government agencies involved in agricultural trade issues. FAS focuses its efforts on maintaining a level playing field in existing markets, and working to expand opportunities in countries with market potential.

*Market development, risk mitigation, trade capacity-building, and food security programs*

FAS administers an array of programs to facilitate food and agricultural trade and increase global food security:

- Market development and promotion programs;
- General Sales Manager (GSM) export credit guarantee programs to offset foreign country risk;
- Trade capacity building to strengthen international trade and overseas agricultural development; and
- Non-emergency food assistance through direct feeding and monetization programs.

*Expertise in international trade policy negotiations and enforcement, and in working to reduce or eliminate Technical Barriers to Trade (TBT) and Sanitary and Phyto-Sanitary (SPS) trade restrictions*

FAS works to create and maintain a level playing field in the international marketplace. We work with other USDA agencies to resolve both tariff or non-tariff barriers that affect the export of U.S. food and agricultural products.

*Comprehensive, timely, unbiased, and first-hand agricultural analysis and market intelligence*



FAS plays a critical role in USDA's efforts to collect, analyze, and evaluate global commodity market intelligence and data for all major agricultural commodities. USDA analysis is considered to be among the most credible, timely, and reliable in the world. Policymakers' ability to make sound decisions about trade policies, market development programs, food security issues, and export assistance activities is dependent on the quality of this underlying analysis. Agricultural markets and key private sector constituents rely on the information to develop and implement domestic and international programs and make key business decisions.

*Ability to harness full capabilities of U.S. Government resources to achieve strategic objectives abroad*

FAS, in its leadership role for USDA international activities, can tap into the technical expertise and experience of USDA staff and land-grant universities, including minority-serving institutions. Through Country Strategy Statements and the Unified Export Strategy, FAS leads the development of a department-wide strategy to achieve USDA goals abroad. FAS is committed to program monitoring and evaluation to establish best practices throughout the Agency. FAS places a high level of importance on managing for results that supports the Agency's capacity to administer public resources, ensure accountability and transparency, and ensure programming is driven by evidence, not by anecdote.

## Mission and Vision Statement

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Linking U.S. Agriculture to the World to Enhance Export Opportunities and Global Food Security

### Core Values

FAS is guided by the following core values:

- √ **SERVICE** – We will respond quickly to the needs of our customers and stakeholders.
- √ **EXCELLENCE** – We will excel in every aspect of our work.
- √ **RESPECT** – We will earn the respect and trust of our customers and colleagues through the accuracy of our analysis and with the unbiased treatment of individuals and information.
- √ **VALUE THROUGH DIVERSITY** – We will treat everyone with respect, fairness, and integrity, as we recognize that our strength comes from the diversity of staff and our stakeholders.
- √ **INNOVATION** – We will foster an environment that encourages innovative approaches and ideas to be generated, explored and implemented.
- √ **COLLABORATION** – We will operate as an open and interactive team, collaborating with internal and external partners to deliver excellent products and services.
- √ **EFFECTIVENESS** – We will produce concrete results for the investments we are entrusted.

## **Strategic Goal:**

**Increase U.S. food and agricultural exports to \$175 billion by end-year 2016, resulting in \$89 billion of additional economic activity, through market development programs, trade shows, prevention/resolution of market access issues, trade capacity building, and market-expanding trade agreements.**

Increased economic activity in food-related sectors of the economy help rural communities build and maintain prosperity. Nowhere is this more evident than in food and agricultural trade. For every \$1 billion of food and agricultural exports, an estimated 7,800 jobs are supported and an additional \$1.34 billion in economic activity is generated. <sup>1/</sup>

U.S. farmers and ranchers are among the most productive and efficient in the world. However, they face complex, unfair obstacles in the global marketplace where 95 percent of the world's consumers are. Cooperative efforts with U.S. industry will ensure that U.S. producers have fair market access, understand market trends, and help in overcoming constraints.

FAS expands international market opportunities for U.S. food and agricultural products in many ways. Our unrivaled global network of agricultural affairs and agricultural trade offices connect agricultural exporters to foreign customers and provides crucial information on international agricultural markets. In addition, FAS delivers technical and regulatory capacity building programs that help partner countries understand and accept U.S. agricultural and trade policies and new technologies. Our Washington-based staff of trade specialists and technical experts coordinates closely with our network of 95 overseas offices in 75 countries around the world.

Our strategic goal is based on a projected increase of \$66 billion in U.S. food and agricultural exports (to \$175 billion) by end-year 2016, over the baseline of \$108.7 billion in fiscal year 2010. We will achieve this goal through eight objectives aligned under three core activity pillars: capacity building/food security, trade policy, and trade promotion.

<sup>1/</sup> The projected increase in economic activity is based on research performed by the USDA's Economic Research Service (ERS), and procedures established and approved by the Trade Promotion Coordinating Committee (TPCC) and used in preparation of the annual National Export Strategy report submitted to the Congress. (Reference: <http://www.ers.usda.gov/data/trademultiplier/econeffects/2010overview.aspx>)

## Pillar # 1: Trade Promotion

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FAS's trade promotion activities help U.S. food and agricultural exporters take full advantage of market opportunities. Congress has provided FAS with a set of market development tools to support U.S. exporters facing fierce competition in the international marketplace. FAS administers these programs, working in partnership with private sector organizations, state and regional trade groups, and U.S. food and agricultural exporters. The results of FAS's efforts ultimately benefit both the farm and non-farm sectors of the U.S. economy through job creation and additional economic activity.

### Objective 1.1: Increase effectiveness of FAS market development programs and outreach activities

*Time Frame for Completion: Ongoing activities, 2012-2016*

#### *Strategies and Means:*

- Provide timely and efficient delivery of market development programs (e.g., improved websites, user manuals and an enhanced Unified Export Strategy database system);
- Leverage private sector resources for market development programs that expand trade by communicating the value of FAS market development programs, trade capacity building programs, and exports, to U.S. stakeholders;
- Expand and enhance partnerships with Small- and Medium-Sized Exporters (SMEs), by improving communication through State Departments of Agriculture and the National Association of State Departments of Agriculture (NASDA) and better matching exporter assistance solutions to SME/related agricultural companies; and
- Increase public awareness of export opportunities through education and outreach efforts, including reaching out to new-to-export SMEs and new-to market agriculture-related companies to encourage active participation in foreign trade shows and a wide variety of exporter assistance education tools.

#### *Cost/Benefit Summary:*

	<i>Baseline (FY 2011)</i>	<i>Target (FY 2016)</i>
<i>Cost of Investment:</i>	\$Millions	\$Millions
Staffing & Administrative Overhead Cost:		
- Appropriations	\$30.9	\$29.5
- Transfers from USDA/CCC	\$8.4	\$8.4
Program Funding:		
- Foreign Market Development (FMD)	\$34.5	\$34.5
- Market Access Program (MAP)	\$200.0	\$200.0
- Emerging Markets Program (EMP)	\$10.0	\$10.0
- Technical Assistance for Specialty Crops (TASC)	\$9.0	\$9.0
- Quality Samples Program	\$2.5	\$2.5
- Country Strategic Support Funds (CSSF)	\$2.0	\$2.0
Total Costs:	\$297.3	\$295.9
<i>Benchmark Benefits of Investment:</i>		
+ Total Number of companies participating in SRTG activities	2009	2140
+ Value of agricultural exports resulting from participation in foreign food and agricultural trade shows	\$1.1 Billion	\$1.35 Billion
+ % of cooperators rating at least moderately effective	65%	75%
+ Economic Return Ratio (\$ Total Return/Total Costs)	\$35/\$1 invested	\$40/\$1 invested

**Verification and Validation of Results:** Cost data are derived from annual funding levels for the baseline and projected budget outlays for the target year. Appendix A: Future Program Evaluations and Other Analyses provides a list of evaluations and analyses, and general scope, methodology, and time tables used to estimate the benchmark benefits of investments in activities described in this strategic objective.

## Objective 1.2: Manage FAS credit guarantee programs to yield the greatest benefit to U.S. agriculture

**Time Frame for Completion:** Ongoing activities, 2012-2016

### Strategies and Means:

- Focus FAS credit program tools on maintenance or development of markets in need of credit to enhance U.S. food and agricultural exports;
- Expand network and outreach with all interested parties, foreign and domestic, having specific regional or commodity expertise, working closely with FAS Field Offices;
- Ensure long-term program sustainability by improving risk assessment and recovery of assets and revising methodology for determining fee structure and refining actuarial data to ensure it appropriately reflects long-term operational costs; and
- Work closely with U.S. commodity exporters, financial institutions, and industry trade groups to improve delivery of the programs.

### Cost/Benefit Summary:

	<i>Baseline Average Annual (FY 2007-2010)</i>	<i>Target Average Annual (FY 2012-2016)</i>
<u>Cost of Investment:</u>	\$Millions	\$Millions
Staffing & Administrative Overhead Cost --		
- Appropriations <sup>1/</sup>	\$6.8	\$6.8
- Transfers from USDA/CCC	\$1.7	\$0.0
Program Funding --		
- Default Estimates	\$86.5	\$89.1
+ Participant Fee Revenue	(\$21.5)	(\$21.8)
Total Cost:	\$73.5	74.1
<u>Benchmark Benefit of Investment:</u>		
+ GSM-102 Loan Guarantees Underwritten	\$3.135 Billion	\$3.300 Billion
+ Agricultural Trade Multiplier (\$1.34 based on ERS Study)	\$4.201 Billion	\$4.422 Billion
+ Total Accrued Returns	\$7.336 Billion	\$7.722 Billion
+ Economic Return Ratio (\$: Total Returns/Total Costs)	\$99.81/\$1 invested	\$104.21/\$1 invested

<sup>2/</sup> Total appropriations amount reported above for staffing and administrative overhead cost includes \$6.4 million in FAS salaries and expenses and \$0.4 million in Farm Service Agency (FSA) salaries and expenses.

**Verification and Validation of Results:** Cost data are derived from annual funding levels for the baseline and projected budget outlays for the target year. Appendix A: Future Program Evaluations and Other Analyses provides a list of evaluations and analyses, and general scope, methodology, and time tables used to estimate the benchmark benefits of investments in activities described in this strategic objective.

## Objective 1.3: Maintain a global market intelligence information system that supports policy and program objectives

**Time Frame for Completion:** Ongoing activities, 2012-2016

### Strategies and Means:

- Promote awareness of FAS analytical and intelligence resources through Global Agricultural Information Network (GAIN) reports, publications on global production, supply, and distribution (PS&D), publicly available databases of PS&D information, and network of industry and government contacts maintained by FAS headquarters and overseas staff.
- Provide timely and accurate market information (e.g., the P S&D System, Export Sales Reporting System, attaché reporting, market analysis, FAS Trade Leads System, overseas customer database); and
- Analyze satellite imagery to generate intelligence, especially on regions where information is scarce or unreliable.

### Cost/Benefit Summary:

	<i>Baseline (FY 2011)</i>	<i>Target (FY 2016)</i>
<i>Cost of Investment:</i>	\$Millions	\$Millions
Staffing & Administrative Overhead Cost --		
- Appropriations	\$30.7	\$29.2
- Reimbursements & Transfers	\$1.9	\$1.9
Total Costs:	\$32.6	\$31.1
<i>Benchmark Benefits of Investment:</i>		
+ Value of agricultural trade leads generated by FAS's overseas field offices using Trade Leads System (TLS) to match overseas buyers with U.S. exporters	\$4 Million	\$50 Million
+ Global market intelligence reporting system used by public sector and private sector in decision-making pertaining to food and agricultural trade	Provides critical data and analysis needed for policy formulation	Provides critical data and analysis needed for policy formulation
+ % accuracy of quarterly export forecasts, widely used as the "benchmark" by commodity trader	90%	95%

**Verification and Validation of Results:** Cost data are derived from annual funding levels for the baseline and projected budget outlays for the target year. Appendix A: Future Program Evaluations and Other Analyses provides a list of evaluations and analyses, and general scope, methodology, and time tables used to estimate the benchmark benefits of investments in activities described in this strategic objective.

## Pillar # 2: Trade Policy

The Agency's trade policy work ensures that U.S. exporters can sell safe, wholesome U.S. food and agricultural products around the world. With its network of overseas attachés and Washington experts, FAS is well positioned to address complex problems. FAS partners with other government agencies, trade associations, as well as regional and international organizations, in a coordinated effort to negotiate trade agreements; establish transparent, science-based standards; and eliminate trade barriers.

### Objective 2.1: Negotiate and enforce market-expanding trade agreements for U.S. exporters of food and agricultural products

*Time Frame for Completion: Ongoing activities, 2012-2016*

*Strategies and Means:*

- Pursue trade liberalization through the negotiation of trade agreements coordinated through the multilateral World Trade Organization, bilateral, and regional engagements;
- Monitor compliance with trade agreements through formal and informal mechanisms; and
- Support enforcement actions.

*Cost/Benefit Summary:*

	<i>Baseline (FY 2011)</i>	<i>Target (FY 2016)</i>
<i>Cost of Investment:</i>	\$Millions	\$Millions
Staffing & Administrative Overhead Cost --		
- Appropriations	\$29.3	\$28.0
- Reimbursements & Transfers	\$0.0	\$0.0
Total Cost:	\$29.3	\$28.0
<i>Benchmark Benefits of Investment:</i>		
+ Aggregate value of U.S. food and agricultural exports to South Korea, Colombia, and Panama	\$8.4 billion	\$10.5 Billion
+ Diversity of agricultural commodities for which annual U.S. exports to S. Korea, Colombia and Panama exceed \$1 million	427	487

*Verification and Validation of Results:* Cost data are derived from annual funding levels for the baseline and projected budget outlays for the target year. Appendix A: Future Program Evaluations and Other Analyses provides a list of evaluations and analyses, and general scope, methodology, and time tables used to estimate the benchmark benefits of investments in activities described in this strategic objective.

### Objective 2.2: Prevent or resolve foreign Technical Barriers to Trade (TBT) or Sanitary/Phyto-Sanitary (SPS) measures that hinder U.S. food and agricultural exports

*Time Frame for Completion: Ongoing activities, 2012-2016*

*Strategies and Means*

- Monitor foreign proposals and mobilize USDA resources to avoid restrictive new regulations;



- Negotiate solutions to free U.S. exports detained at foreign ports, and to proposed/existing trade barriers, including those affecting the products of new technologies;
- Represent U.S. agriculture in diplomatic interactions with foreign governments;
- Build coalitions of like-minded countries to oppose unnecessary TBT and SPS measures by cultivating bilateral and regional relationships; and
- Help developing-country partners comply with internationally recognized SPS and TBT standards and resolve specific trade issues through technical assistance, training and exchanges.

**Cost/Benefit Summary:**

	<i>Baseline (FY 2011)</i>	<i>Target (FY 2016)</i>
<i>Cost of Investment:</i>	\$Millions	\$Millions
Staffing & Administrative Overhead Cost --		
- Appropriations	\$32.6	\$31.1
- Reimbursements & Transfers	\$2.3	\$2.3
Total Cost:	\$34.9	\$33.4
<i>Benchmark Benefits of Investment:</i>		
+ Value of trade preserved through resolution of foreign market access issues such as U.S. export detainment, and restrictive SPS & TBT issues, and trade regulations	\$4.1 Billion	\$3.9 Billion

**Verification and Validation of Results:** Cost data are derived from annual funding levels for the baseline and projected budget outlays for the target year. Appendix A: Future Program Evaluations and Other Analyses provides a list of evaluations and analyses, and general scope, methodology, and time tables used to estimate the benchmark benefits of investments in activities described in this strategic objective.

### **Objective 2.3: Pursue the development of rules-based international systems that facilitate global trade**

**Time Frame for Completion: Ongoing activities, 2012-2016**

**Strategies and Means:**

- Support the development and adoption of international standards based on science through bilateral/regional engagements, technical assistance, scientific exchanges, and educational training, and coordination with international bodies (e.g., Codex, IPPC, OIE, FAO, APEC, G-20, etc.);
- Advocate globally for development and adoption of science-based, international standards and policies, including those guiding the development of new technologies;
- Ensure international agreements (e.g., climate change, Bio-safety Protocol) are no more trade restrictive than necessary to meet objectives of agreements and do not impinge on U.S. agricultural policies;
- Provide analysis of the trade implications of USDA policies as part of the decision-making process; and
- Raise global awareness of scientific methods and evidence underlying U.S. positions on standards and regulations for international agricultural trade.

**Cost/Benefit Summary:**

	<b>Baseline (FY 2011)</b>	<b>Target (FY 2016)</b>
<i>Cost of Investment:</i>	\$Millions	\$Millions
Staffing & Administrative Overhead Cost --		
- Appropriations	\$19.5	\$18.6
- Reimbursements & Transfers	\$38.5	\$32.9
Total Cost:	\$58.0	\$51.5
<i>Benchmark Benefits of Investment:</i>		
+ Number of World Trade Organization (WTO) members	153	160
+ Number of foreign SPS, TBT, and COA measures reviewed	1,568	1,800
+ Number of SPS, TBT, and COA issues raised with foreign countries	348	315

**Verification and Validation of Results:** Cost data are derived from annual funding levels for the baseline and projected budget outlays for the target year. Appendix A: Future Program Evaluations and Other Analyses provides a list of evaluations and analyses, and general scope, methodology, and time tables used to estimate the benchmark benefits of investments in activities described in this strategic objective.

## Pillar # 3: Trade Capacity Building and Food Security

FAS programs that advance food security and build trade capacity help further U.S. agriculture's trade interests in developing countries, particularly those with promising market potential. USDA technical assistance and training support economic growth, build capacity to integrate into the global economy, and become viable, agricultural trading partners. Trade capacity building facilitates understanding and acceptance of U.S. and international trade and regulatory standards and policies, as well as new technologies food assistance and agricultural development programs bolster food security and reduce hunger and malnutrition. FAS takes the lead in coordinating the deployment of USDA experts for international development activities, ensuring alignment with U.S. trade and foreign policies, as well as the National Security Strategy.

### Objective 3.1: Address food security challenges by building food and market systems that expand trade and economic growth through food assistance programs

**Time Frame for Completion:** Ongoing activities, 2012-2016

#### Strategies and Means:

- Improve literacy, health, hygiene and nutrition of school- aged beneficiaries in targeted countries via the McGovern-Dole International Food for Education program;
- Increase productivity and expand trade in the agriculture and food sector through the Food for Progress program; and
- Improve the efficiency and effectiveness of USDA food assistance programs.

#### Cost/Benefit Summary:

	<i>Baseline Average Annual (FY 2011)</i>	<i>Target Average Annual (FY 2016)</i>
<u>Cost of Investment:</u>	\$Millions	\$Millions
Staffing & Administrative Overhead Cost --		
- Appropriations	\$27.6	\$26.6
- Reimbursements & Transfers	\$6.5	\$6.1
Program Funding:		
- McGovern-Dole Int'l Food For Education Program	\$199.1	\$184.0
- P.L. 480, Title I/Funded Food For Progress Program	\$28.1	\$0.0
- CCC Funded/Food For Progress Program	\$162.5	\$170.0
- Local & Regional Procurement Pilot Project	\$23.4	\$0.0
Total Cost:	\$447.2	\$386.7
<u>Benchmark Benefits of Investment:</u>		
+ Number of women and children benefitting from the McGovern-Dole International Food for Education Program	4.3 Million	3.9 Million
+ Number of persons benefitting from assistance under the Food For Progress Program	1,212,000	969,000

**Verification and Validation of Results:** Cost data are derived from annual funding levels for the baseline and projected budget outlays for the target year. [Appendix A: Future Program Evaluations and Other Analyses](#) provides a list of evaluations and analyses, and general scope, methodology, and time tables used to estimate the benchmark benefits of investments in activities described in this strategic objective.

## Objective 3.2: Enhance partner countries' capacity for agricultural development and participation in international trade

**Time Frame for Completion:** Ongoing activities, 2012-2016

### *Strategies and Means:*

- Deploy experts from a wide range of USDA agencies in capacity building programs to help strengthen agricultural systems and markets in developing countries;
- Work with foreign counterparts to develop and adopt market-based policies and institutions and expand international trade through trade capacity building in strategically targeted markets;
- Help to create enabling environment for increased private-sector participation in agricultural value chains;
- Leverage partnerships with U.S. government agencies, land grant universities, other institutions, and the private sector to conduct technical assistance and training for food-insecure nations; and
- Engage in U.S. government initiatives, strategic planning, and policy discussions to further capacity building objectives and food security goals.
- Support trade capacity through research, development, and extension of improved techniques and technologies.

### *Cost/Benefit Summary:*

	<b>Baseline Average Annual (FY 2011)</b>	<b>Target Average Annual (FY 2016)</b>
<i>Cost of Investment:</i>	\$Millions	\$Millions
Staffing & Administrative Overhead Cost --		
- Appropriations	\$15.0	\$13.8
- Reimbursable & Transfers	\$240.1	\$85.8
Program Funding --		
- Cochran Program	\$3.5	\$3.5
- Borlaug Program	\$1.0	\$1.0
- Scientific Exchange Program	\$0.050	\$0.005
- Afghanistan Reconstruction & Stabilization	\$2.5	\$5.5
<b>Total Cost:</b>	<b>\$250.15</b>	<b>\$109.605</b>
<i>Benchmark Benefits of Investment:</i>		
+ Countries that have benefitted from FAS-led agricultural trade capacity building, as a result of one or more of the following activities: FAS-administered agricultural and natural resource capacity building programs; USDA deployed experts supporting sustainable agriculture; and U.S.-based agricultural training programs.	113	96

**Verification and Validation of Results:** Cost data are derived from annual funding levels for the baseline and projected budget outlays for the target year. [Appendix A: Future Program Evaluations and Other Analyses](#) provides a list of evaluations and analyses, and general scope, methodology, and time tables used to estimate the benchmark benefits of investments in activities described in this strategic objective.

## Management Initiatives

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By strengthening management operations and engaging employees, FAS will improve customer service, increase employee satisfaction, and develop and implement strategies to enhance leadership, performance, diversity, and inclusion. This transformation will result in process improvements and increased performance.

FAS's plan includes:

- Improve program delivery by enhancing leadership, encouraging employee inclusion, and focusing on improving customer and employee satisfaction;
- Provide civil rights leadership training to its employees, applicants, and customers to reduce the inventory of program civil rights complaints, analyze overseas field operations for systemic improvements and increase the use of early resolution processes (a form of alternative dispute resolution) for civil rights and equal employment opportunity complaints;
- Coordinate outreach efforts to increase access to programs and services among women-owned and minority businesses interested in exporting food and agricultural products;
- Incorporate new strategies and policies to improve performance, encourage efficiency, and align activities to the Agency's and Department's strategic goals;
- Implement modern information technology systems and policies in a cost-effective manner to improve program delivery and communicate more effectively with constituents;
- Improve Agency emergency preparedness and security measures to protect employees and ensure the continued delivery of its products and services; and
- Enhance human resource policies and practices to develop a workforce more representative of the national population, with the necessary skills to improve the delivery of services.

### Initiative I: Engage Employees to Enhance Performance

Engaging employees to transform FAS into a high-performing, inclusive agency that benefits from leadership at all levels will require a pointed and comprehensive effort. FAS will continue to generate opportunities to listen to employees' concerns and ideas. The Agency also will design and implement beneficial systemic changes to processes that affect employee satisfaction and human resources.

FAS's plan includes:

- Developing and implementing comprehensive strategies to improve leadership;
- Effectively managing employee development, talent management, employee progression; and
- Measuring and increasing the satisfaction of its customers and employees.

### Initiative II: Provide Civil Rights Services to Employees and Customers

Protecting civil rights is a top priority of FAS. To be successful, all employees must be committed to respecting the civil rights of fellow employees and constituents. FAS will follow the Department's lead in administering programs to ensure equal employment opportunity and civil rights.

FAS's plan includes:

- Increasing early resolution usage in program civil rights and equal employment opportunity complaints;
- Reducing the inventory of program civil rights complaints; and

- Analyzing field operations for systemic improvements.

### **Initiative III: Improve Efforts to Increase Access to FAS Programs and Services**

FAS will coordinate and measure outreach efforts to ensure that all stakeholders have equal and fair access to FAS programs and services. By promoting FAS values and priorities, the Agency will develop or expand enterprise-wide, results-driven initiatives and coordinated efforts. Our work, which is collectively focused on facilitating food and agricultural trade, will increase jobs and income and the economic viability of rural America through export-led growth.

FAS's plan includes:

- Measuring and increasing participation in programs designed to assist small- and medium-sized firms with exporting;
- Evaluating program application processes to ensure fairness;
- Building partnerships with non-profit and faith-based organizations.

### **Initiative IV: Re-Engineer FAS Business Processes to Increase Performance, Efficiency, and Alignment**

With increasingly tight budgets and expanding responsibilities, FAS must to ensure the effective and efficient use of its resources. The Agency must maintain effective financial controls so that program dollars achieve the outcomes for which they were intended. FAS, led by the Office of the Chief Operating Officer, will strengthen its financial management by improving internal controls and by implementing systems that permit real-time reporting. These systems will allow the Agency to optimize the use of program funding available to facilitate trade which supports the creation of jobs and economic opportunities across the country.

FAS will also use performance metrics to track areas of success and those needing improvement. This information will allow agency decision-makers to better align resources to achieve the highest outcome.

FAS's plan includes:

- Using Lean Six Sigma and other methodologies to streamline operations and improve customer service;
- Promoting sound financial management through leadership, policy, and oversight;
- Implementing strong and integrated internal control systems;
- Increasing the use of performance measurements and standards;
- Implementing and maintaining an infrastructure to provide agency leadership with the real-time financial management information; and
- Reviewing and addressing problem areas affecting management efficiency.

### **Initiative V: Recruit and Hire Skilled, Diverse Individuals to Meet the Program Needs of FAS**

FAS is working to streamline its hiring process for both the applicant and the hiring manager. FAS is evaluating its human resources policies to support recruitment and retention initiatives. Additionally, FAS is addressing the gap between employee engagement and performance expectations.

FAS's plan includes:

- Addressing current or future gaps in skill sets and workforce capacity;
- Increasing diversity in its workforce;
- Aligning its human resources policies;
- Streamlining hiring processes; and
- Establishing an employee satisfaction action team.

## **Initiative VI: Enhance Collaboration and Coordination on Critical Issues Through Enterprise Governance**

More than ever, the problems facing our customers require a holistic response. To enable program areas and staffs to more effectively and efficiently accomplish the objectives established in this plan, FAS will establish and implement an enterprise governance process to ensure the agency focuses its efforts on the most critical and complex challenges. This process is being designed to strengthen collaboration and cooperation across program areas, offering an innovative environment for learning, sharing, and problem solving across traditional organizational boundaries.

FAS's plan includes:

- Establishing enterprise governance charter to more effectively address critical challenges;
- Identifying opportunities to implement enterprise governance to increase collaborative problem-solving across FAS; and
- Creating new, results-based reporting mechanisms to improve communication, problem solving, and decision making.



## Appendix A: Program Evaluations

FAS used several tools in developing this strategic plan, including but not limited to: program evaluations; advisory committees; Office of Inspector General (OIG), Government Accountability Office (GAO), and other external reviews; and internal management studies. The following table offers a representative sample of these tools as they relate to FAS's single strategic goal:

Program Evaluations Used to Develop the Strategic Plan				
FAS - Goal Activity Pillar/Objectives	Evaluations/Analyses	Brief Description	What Was The Effect?	Date
All Programs/Activities	OIG and GAO audits and reviews	FAS programs and activities are reviewed on a variable schedule	Improvements made to address recommendations	Variable
FAS Single Strategic Goal and Pillar 1/ Objective 1.2	Independent Economic Research Service (ERS) annual macroeconomic estimates of agricultural export multiplier effect	Review, analysis, and update of macroeconomic models that estimate number of jobs created and additional economic activity generated from the export of agricultural products at both farm and non-farm levels	Estimates the impact of agricultural export activity on jobs and income at both farm and non-farm levels	Annually
Pillar 2/ Objective 2.3	Assessment of Serbia's Sanitary and Phytosanitary (SPS) system conducted by FAS in collaboration with Texas A&M University	Identification of needs was addressed through USDA technical assistance in support of a science based internationally compatible SPS system in Serbia	Needs existing within the SPS system were identified and prioritized; those that FAS could provide training within a 2-3 year period were confirmed, and achievements of SPS program to-date were recognized	October 2010
Pillar 3/ Objective 3.1	Independent, third-party evaluation of USDA Local and Regional Food Aid Procurement Pilot Project (LRP Project)	Comprehensive, analytical report for the U.S. Congress on the timeliness, cost-effectiveness and market impact of LRP	Qualitative and quantitative assessment of cost and impact of use of LRP in food assistance programs	One-time Evaluation
Pillar 3/ Objective 3.1	Foreign Agricultural Service (FAS) Survey of Non-Governmental Organizations (NGOs)	Survey of NGOs who distribute school lunches and other assistance available through the McGovern-Dole International Food for Education and Child Nutrition Program	Assists FAS program managers and NGOs in better targeting program resources	Ongoing
Pillar 3/ Objective 3.2	Joint Command Provincial Reconstruction Team Evaluations	Periodic progress reviews of U.S. Government-wide effort to rebuild war-torn Afghan provinces	Provides feedback on progress made to assist Afghan provinces in attaining and sustaining food security and self-sufficiency	Ongoing

FAS will undertake directly or work with other organizations to conduct new and ongoing evaluations over the next five years. The following table offers a representative sample of some of the longer-term cost/benefit evaluations, as they relate to FAS's strategic goal.

Future Program Evaluations and Other Analyses				
FAS Goal - Activity Pillar/Objectives	Evaluations/Analyses	General Scope	Methodology	Timetable
FAS Single Strategic Goal and Pillar 1/ Objective 1.2	Economic Research Service (ERS) annual macroeconomic estimates	Review, analyze, and estimate the impact of agricultural export activity on jobs and income at both farm and non-farm levels.	ERS uses sophisticated econometric modeling techniques to estimate the macroeconomic impact of exports on various economic criteria, including jobs and income, at both farm and non-farm levels.	Annually
Pillar 1/Objective 1.1	Third Party Evaluator (Global Insight, Inc.)	Study analyzed the economic impact of market development programs on U.S. exports in the period of the 2002 Farm Bill.	The 2007 study reported that every dollar of market development programming expended by government and industry resulted in a Return On Investment (ROI) of \$25 in increased food and agricultural exports; the 2010 updated report noted an increase in ROI to \$35 per dollar expended.	3-5 year intervals
Pillar 2/Objective 2.3	Afghanistan SPS Project	Review, analyze, and estimate the impact of the three-year SPS project being implemented in Afghanistan.	Contractor will work with stakeholders to develop an evaluation plan to measure the effectiveness and impact of the Afghanistan SPS Project.	End of first year of implementation
Pillar 3/Objective 3.1	FAS survey of non-governmental organizations (NGOs)	NGOs that distribute school lunches and other assistance available through the McGovern-Dole Food for Education and Child Nutrition Program.	Standardized survey and reporting tool used by NGOs to report results of program outlays in various countries targeted for program resources.	Ongoing
Pillar 3/Objective 3.2	Surveys for Agricultural Attaches	Collect long-term data on capacity-building projects and scientific exchanges after closeouts to determine long-term benefit/impact.	Standardized FAS field office surveys	Ongoing
Pillar 3/Objective 3.2	Joint Command Provincial Reconstruction Team Evaluations	Review, analyze, and make adjustments as necessary to maximize effectiveness of efforts to rebuild basic Afghan infrastructure.	Provincial Reconstruction Teams are multi-disciplinary and meet regularly to coordinate massive effort to help Afghan provinces attain food security.	Ongoing

## Appendix B: Strategic Consultations

The FAS regularly consults with external stakeholders, including FAS’s customers, partners, technical and policy experts on food and agricultural trade, agro-industry, research and academia, regarding our programs’ effectiveness. Additionally, the Strategic Plan was developed in accordance with guidance from the Office of Management and Budget (OMB) and the Government Performance and Results Modernization Act of 2010. With the full support of its senior leadership, FAS regularly consults with stakeholders and seeks validation of all goals, objectives and performance measures from employees and the public.

Strategic Consultations			
Program Activity	Timeline	Customer/Stakeholder	Purpose
Trade Promotion	Bi-annually, usually in Washington DC or Baltimore, MD	U.S. Agricultural Export Development Council	These regularly scheduled conferences are specifically tailored to be listening sessions to help FAS leader- ship and staff better address the issues and needs of diverse commodity and food export interests across the United States.
Trade Promotion	Ongoing	Cooperators and U.S. Industry	FAS partners with 75 cooperator groups representing a cross-section of the U.S. food and agriculture industry. In turn, these groups also provide input on market access issues for hundreds of products.
Trade Policy	Periodic meetings scheduled in consultation with Office of Secretary of Agriculture on as-needed basis	U.S. Agricultural Technical Advisory Committees	Ensures that representative elements of the private sector have an opportunity to provide their views on trade and trade policy matters to the U.S. government.
Trade Policy	Periodic meetings scheduled in consultation with Office of Secretary of Agriculture on as-needed basis	U.S. Agricultural Policy Advisory Committee	Ensures that representative elements of the private sector have an opportunity to provide their views on trade and trade policy matters to the U.S. government.
Capacity Building/Food Security	Annually	Private Voluntary Organizations (PVOs) attending the International Food Aid and Development Conference	Largest food aid and development conference in the United States where USDA and USAID meet with PVOs and U.S. farmer associations to coordinate food aid implementation and exchange ideas.
	Ongoing	U.S. Agency for International Development and U.S. Department of State	Cooperating funding partners for many of FAS’s trade capacity building programs and activities, and principal U.S. Government foreign assistance and foreign policy leaders.

## Appendix C: FAS Linkages to USDA Strategic Plan

USDA Objective	FAS Strategy Pillar/Objective:
<p>1.3 Facilitate access to international markets.</p>	<p>1.1 <u>Trade Promotion</u>: Increase effectiveness of market development programs and outreach activities.</p> <p>1.2 <u>Trade Promotion</u>: Manage credit programs to yield the greatest benefit to U.S. agriculture.</p> <p>1.3 <u>Trade Promotion</u>: Maintain a market intelligence information system, second to none.</p> <p>2.1 <u>Trade Policy</u>: Negotiate and enforce agreements that expand market access for U.S. exporters of food and agricultural products.</p> <p>2.2 <u>Trade Policy</u>: Prevent or resolve Technical Barriers to Trade (TBT) or foreign Sanitary/Phyto-Sanitary (SPS) measures that hinder U.S. food and agricultural exports.</p> <p>2.3 <u>Trade Policy</u>: Pursue the development of rules-based international systems that facilitate global trade.</p>
<p>3.1 Ensure U.S. agricultural resources contribute to enhanced food security.</p>	<p>3.1 <u>Trade Capacity Building and Food Security</u>: Administer food assistance programs to: a) help meet international food security challenges and b) build systems that will lead to economic growth and long-term trade opportunities.</p>
<p>3.2 Enhance America’s ability to develop and trade agricultural products derived from new technologies.</p>	<p>3.2: <u>Trade Capacity Building and Food Security</u>: Increase in-country capacity to implement science-based regulatory systems.</p>
<p><u>USDA Management Initiatives</u></p> <p>I. Engage USDA employees to transform USDA into a model agency.</p> <p>II. Provide Civil Rights Services to Agriculture Employees and Customers.</p> <p>III. Coordinate Outreach and Improve Consultation and Collaboration Efforts to Increase Access to USDA Programs and Services.</p> <p>IV. Leverage USDA Departmental Management to Increase Performance, Efficiency &amp; Alignment.</p> <p>V. Enhance the USDA Human Resources Process to Recruit and Hire Skilled, Diverse Individuals to meet the Program Needs of USDA.</p> <p>VI. Enhance Collaboration and Coordination on Critical Issues through Cross-cutting Department-wide Initiatives.</p>	<p><u>FAS Management Initiatives</u></p> <p>I. Engage Employees to Enhance Performance.</p> <p>II. Provide Civil Rights Services to Employees and Customers.</p> <p>III. Improve Efforts to Increase Access to FAS Programs and Services.</p> <p>IV. Re-Engineer FAS Business Processes to Increase Performance, Efficiency, and Alignment.</p> <p>V: Recruit and Hire Skilled, Diverse Individuals to Meet the Program Needs of FAS.</p> <p>VI: Enhance Collaboration and Coordination on Critical Issues Through Enterprise Governance.</p>

