

FACT SHEET

Doubling Financial Resources Available for Agricultural Development

Today, the President called upon Congress to double U.S. financial support for agricultural development in developing countries, to more than \$1 billion in 2010. A permanent solution to food insecurity requires restoration of rapid and sustained economic growth that directly engages the world's poorest populations, many of whom depend on agricultural labor for most or all of their household income and food consumption. We can directly improve the lives of poor populations by growing rural economies through broad-based agriculture growth. Doing so will help the world achieve the goal of halving the proportion of people who suffer from hunger and decrease the price of food in the local market, making food more affordable and dramatically cutting hunger. The President has also asked that Secretary Clinton and the leadership of USAID develop a comprehensive Food Security Initiative to be launched later this year.

Focus Areas for Agricultural Development Assistance

- Increase productivity and rural incomes by modernizing developing country agriculture through:
 - Expanding development and use of modern technology, working in collaboration with U.S. land-grant universities and strengthened host country research institutions;
 - Boosting access to quality seeds, fertilizers, irrigation, and rural credit;
 - Linking small producers to markets;
 - Strengthening agricultural value chains, including by organizing farmers, establishing warehouse receipt systems, increasing access to loans and connecting goods to local and regional markets;
 - Strengthening national and regional trade and transport corridors; and
 - Encouraging private investment in agriculture productivity.

- Reduce the dependency on international food aid and draw the poorest into the growth process through social safety nets (e.g., jobs, education, healthcare).

- Build multilateral partnerships and leverage the strength of the private sector, NGOs, and our universities.

Target Countries

In FY 2010 (not including Afghanistan and Pakistan), the Administration will request from Congress over \$1 billion, effectively doubling funding for agriculture development. For FY 2009, the United States identified 5 target countries in West Africa to receive additional development assistance for food security based on the food price crisis; for FY 2010, we plan to expand to additional countries in Africa, Asia, and the Western Hemisphere chosen on the basis of a combination of:

- High prevalence of hungry people in need;
- Reasonable prospects for expanded agricultural productivity; and
- Potential for role as regional breadbasket.