

U.S. INTERNATIONAL FOOD ASSISTANCE REPORT 2001



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Development
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THIS REPORT MAY BE ORDERED FROM

USAID DEVELOPMENT EXPERIENCE CLEARINGHOUSE

1611 NORTH KENT STREET, SUITE 200

ARLINGTON, VA 22209-2111

TELEPHONE: (703) 351-4006

FAX: (703) 351-4039

URL: [HTTP://WWW.DEC.ORG](http://www.dec.org)

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LIST OF ABBREVIATIONS

ACDI/VOCA.....	Agriculture Cooperative Development International/ Volunteers in Overseas Cooperative Assistance	kg	kilogram
ACLF.....	Action Contre la Faim	lb	pound
ADRA	Adventist Development and Relief Agency International, Inc.	LWR.....	Lutheran World Relief, Inc.
AIDS	Acquired Immunodeficiency Syndrome	MCI.....	Mercy Corps International
AKF.....	Aga Khan Foundation	MT	metric ton
AP.....	all-purpose	NGO.....	nongovernmental organization
ARC	American Red Cross	NIS.....	New Independent States of the former Soviet Union
CARE.....	Cooperative for Assistance and Relief Everywhere, Inc.	NPA	Norwegian People's Aid
CARITAS.....	Cáritas del Perú	NRECA.....	National Rural Electric Cooperative Association (Philippines)
CCC.....	Commodity Credit Corporation	OICI.....	Opportunities Industrialization Centers International, Inc.
CRS	Catholic Relief Services	PAS	Project Aid Siberia
CSB	corn-soy blend	PCI	Project Concern International
CWS	Church World Service	PFD	Partners for Development
DIA.....	Dutch Inter-Church Aid	P.L. 480.....	U.S. Public Law 480
DCHA	Bureau for Democracy, Conflict, and Humanitarian Assistance (USAID)	PRISMA.....	Projects in Agriculture, Rural Industry, Science & Medicine, Inc./Peru
EOC.....	Ethiopian Orthodox Church	PRRO.....	Protracted Relief and Recovery Operation (WFP)
ERS	Economic Research Service (USDA)	PVO	private voluntary organization
FAC.....	Food Aid Convention	REST.....	Relief Society of Tigray (Ethiopia)
FAM.....	Food Aid Management	SCF	Save the Children Federation, Inc.
FAO.....	Food and Agriculture Organization of the United Nations	Section 202(e)....	P.L. 480-authorized financial support for Title II activities
FFE.....	Food for Education	Section 416(b)....	Surplus Commodity Donations (Agricultural Act of 1949)
FHI	Food for the Hungry, Inc.	SF	Soy Fortified
FOCUS.....	Focus Humanitarian Assistance	SHARE	World SHARE, Inc.
FTF.....	Farmer-to-Farmer Program of P.L. 480	SM.....	Salesian Missions
FY.....	fiscal year	SUSTAIN.....	Sharing U.S. Technology to Aid in the Improvement of Nutrition
GFE	Global Food for Education	TAP	Transitional Activity Program
GFEI.....	Global Food for Education Initiative	TASO.....	AIDS Support Organization
GIEWS	Global Information and Early Warning System on Food and Agriculture (FAO)	TECHSRV	TechnoServe
GJARN.....	Global Jewish Assistance and Relief Network	TQSA	Total Quality Systems Audit (USDA)
HIV.....	Human Immunodeficiency Virus	UNICEF	United Nations Children's Fund
HRW wheat.....	Hard Red Winter Wheat	USAID	United States Agency for International Development
ICRC	International Committee of the Red Cross	USDA.....	United States Department of Agriculture
IDP	Internally Displaced Person	WFP	United Nations World Food Program
IEFR.....	International Emergency Food Reserve	WHO.....	World Health Organization
IOCC.....	International Orthodox Christian Charities	WVUS.....	World Vision International, Inc.
IPHD	International Partnership for Human Development		
ISA grant	Institutional Support Assistance grant		

LIST OF PARTNER ORGANIZATIONS

The following organizations implemented U.S. government food assistance programs in fiscal year 2001:

ACDI/VOCA	Agriculture Cooperative Development International/Volunteers in Overseas Cooperative Assistance	IPHD.....	International Partnership for Human Development
ADRA.....	Adventist Development and Relief Agency International, Inc.	IRC	International Rescue Committee
Africare		IRD	International Relief and Development
ACLF	Action Contre La Faim	LWR	Lutheran World Relief, Inc.
AKF	Aga Khan Foundation	MCI.....	Mercy Corps International
ARC.....	American Red Cross	NPA	Norwegian Peoples' Aid
ATG.....	Armenian Technology Group	NRECA	National Rural Electric Cooperative Association
CARE	Cooperative for Assistance and Relief Everywhere, Inc.	OICI.....	Opportunities Industrialization Centers International, Inc.
CARITAS	Cáritas del Perú	PAS.....	Project Aid Siberia
CHF	Cooperative Housing Foundation	PCI.....	Project Concern International
Counterpart.....	Counterpart	PFD.....	Partners for Development
CRS	Catholic Relief Services	PRISMA	Projects in Agriculture, Rural Industry, Science & Medicine, Inc./Peru
DIA.....	Dutch Inter-Church Aid	REST	Relief Society of Tigray (Ethiopia)
EOC.....	Ethiopian Orthodox Church	SCF	Save the Children Federation, Inc.
FFTP.....	Food for the Poor, Inc.	SHARE	World SHARE, Inc.
FHI.....	Food for the Hungry, Inc.	SM	Salesian Missions
GJARN	Global Jewish Assistance and Relief Network	TECHSRV	TechnoServe
ICRC.....	International Committee of the Red Cross	WFP	United Nations World Food Program
IOCC	International Orthodox Christian Charities	WVUS	World Vision International, Inc.
		Zamarano	Zamarano

EXECUTIVE SUMMARY

The United States is committed to achieving global food security through its international food assistance policy. Such a policy strives to promote U.S. strength and worldwide leadership in agriculture and to impact the U.S. economy favorably. 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. All three laws are administered by the U.S. Agency for International Development (USAID) and the U.S. Department of Agriculture (USDA).

In fiscal year (FY) 2001 the United States provided more than \$1.7 billion (6 million metric tons [MT]) of food aid to 92 developing and reindustrializing countries, reaching millions of people worldwide. This assistance reflected both emergency programs aimed at meeting the immediate needs of food-insecure populations and 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 2001 (additional information is provided in the latter sections of this report):

- **P.L. 480 Title I: Trade and Development Assistance**—Approximately 753,200 MT of commodities, valued at \$105.2 million, were programmed to 7 countries under P.L. 480 Title I. These totals do not include Title I-funded commodities under Food for Progress.
- **P.L. 480 Title II: Emergency Programs**—Approximately 728,418 MT of emergency food aid, valued at \$446.4 million, was provided to 26 countries through 48 programs.
- **P.L. 480 Title II: Development Programs**—Over 1.3 million MT of development food aid, totaling \$466.4 million, was provided to 38 countries through 115 programs.
- **P.L. 480 Title III: Food for Development**—Commodities for Title III were not programmed in FY 2001.
- **P.L. 480 Title V: Farmer-to-Farmer Initiative**—A total of 776 assignments were undertaken in a total of 42 food-insecure countries, including 12 New Independent States of the former Soviet Union. The estimated total is \$12.0 million.
- **Section 416(b) of the Agricultural Act of 1949**—More than 2.8 million MT of surplus U.S. commodities, estimated at \$629.9 million, were moved through programs in 52 countries.

- **Food for Progress Act of 1985**—Approximately 436,270 MT of commodities, valued at over \$107.1 million, were programmed in 19 countries.

Noteworthy highlights and important initiatives that played a vital role in the U.S. food assistance programs in FY 2001 include the following events. The U.S. government continues its commitment to fight Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS) through its Expanded Response to HIV/AIDS Initiative (formally known as the Leadership and Investment to Fight an Epidemic Initiative). In FY 2001, the USAID Office of Food for Peace initiated a new activity in Uganda through a consortium of private voluntary organizations, assisting 60,000 people living with HIV/AIDS and their immediate dependents; approximately 30 percent were children. The Office of Food for Peace continued its work in the targeted countries of Malawi, Rwanda, and Kenya to reinforce efforts in HIV mitigation and skill-building approaches. USDA shipped 10,000 MT of commodities with its overall commitment of approximately \$25.7 million to strengthen HIV/AIDS health awareness and training programs in African and Eastern European countries.

In its first year of implementation, USDA's Global Food for Education Initiative (GFEI) provided an estimated 499,105 MT of commodities to 35 countries, feeding over seven million schoolchildren. Through GFEI, developing countries in need are given the opportunity to improve school enrollment, attendance, and performance, as well as the nutrition of their children, through school feeding programs, provided through the World Food Program or private voluntary organizations. Section II.D of this report provides more detailed information about these U.S. food aid initiatives.

*FOOD ASSISTANCE IS A TANGIBLE EXPRESSION OF THE
AMERICAN PEOPLE'S GENEROSITY.
—ANDREW S. NATSIOS, ADMINISTRATOR, USAID*

INTRODUCTION

U.S. INTERNATIONAL FOOD ASSISTANCE— FRAMEWORK FOR STABILITY

US. international food assistance programs have progressively evolved from a simple transfer of food to those in need to become catalysts for 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 essentially established the basis for our nation's existing food aid framework.

The Federal Agriculture Improvement and Reform Act of 1996, commonly referred to as the 1996 Farm Bill, reauthorized and amended P.L. 480, subsequently improving the U.S. food assistance response to global food insecurity. Under this legislation, the following food aid objectives were outlined and continued to serve as the guide for U.S. Agency for International Development (USAID) and U.S. Department of Agriculture (USDA) food assistance programs through fiscal year (FY) 2001:

- 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.

In FY 2001, as part of its broad management reform efforts, the Bush Administration initiated a review of current U.S. international food aid programs to identify opportunities for consolidation and for enhancing the reliability, efficiency, and management of those programs. The National Security Council chaired the review, with representation from all relevant U.S. government agencies, including USAID, USDA, the Department of State, the Office of Management and Budget, and the Office of the U.S. Trade Representative. The primary policies discussed included minimizing potential agency duplication of operations, shifting U.S. international food donation programs from dependence on availability of surplus U.S. commodities by increasing appropriations requests, and placing greater focus on direct feeding of needy people. Preliminary recommendations facilitated the shaping of

particular policies endorsed in the 2002 Farm Bill in May 2002, and management reform efforts are ongoing.

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. Titles II, III, and V of P.L. 480 are administered by USAID; Title I of P.L. 480, Section 416(b) of the Agricultural Act of 1949, and Food for Progress are administered by USDA. 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: The Agricultural Trade Development and Assistance Act of 1954** (commonly known 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, helping to increase agricultural production and household nutrition and thereby increasing populations' food security.

U.S. international food assistance programs not only reflect our concern for those in need around the world but also promote U.S. strength and global leadership in agriculture. The U.S. agricultural surplus is a vital resource for both emergency relief and development activities in promoting long-term food security with mutual benefits for U.S. citizens and for aid recipients. The U.S. economy benefits both directly and indirectly by food aid, through the purchase of U.S. goods and services and through the promotion of economic growth in

recipient countries. Millions of dollars of agricultural commodities and processed fortified food products, such as wheat flour, refined soybean oil, and blended cereals, are purchased under U.S. food aid programs. The processed commodities are packaged in containers that are produced and printed in the United States, and the majority of commodities are shipped to recipient countries on U.S.-flag carriers. When food assistance is used to support development activities, it effectively alleviates poverty and promotes local economic growth in recipient countries.

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 is able to program an array of effective activities for better integration of food aid into development activities to address the root causes of food insecurity.

*THE TEST OF OUR PROGRESS IS NOT WHETHER WE ADD MORE TO THE
ABUNDANCE OF THOSE WHO HAVE MUCH; IT IS WHETHER WE PROVIDE ENOUGH
FOR THOSE WHO HAVE TOO LITTLE.
—PRESIDENT FRANKLIN D. ROOSEVELT*

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 beyond its humanitarian goal. The 1990 Farm Bill first identified the concept of food security as an objective of U.S. food assistance programs. In the bill, food security was defined 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. Position Paper for the World Food Summit*² further expanded and refined the definition of food security to encompass the three following dimensions:

1. **Access** by households and individuals to adequate resources to acquire appropriate foods for a nutritious diet
2. **Availability** of sufficient quantities of food of appropriate quality, supplied through domestic production or imports
3. **Utilization** of food through adequate diet, water, sanitation, and health care

U.S. international food assistance continues to play an important role in achieving global food security, because its programs are designed to address access, availability, and utilization of food through emergency or development interventions. Providing adequate food for sustenance in times of crisis is necessary and 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 individuals to gain access to food, either by producing it themselves or by earning the income to buy it.

¹ *Food Aid and Food Security Policy Paper*, USAID, 1995.

² *U.S. Position Paper for the World Food Summit*, November 1996.

A. Global Commitment to Food Security

WORLD FOOD SUMMIT* SEVEN COMMITMENTS TO FOOD SECURITY

1. *Create a peaceful enabling environment with full and equal participation of women and men to ensure food security and poverty eradication.*
2. *Reduce poverty and facilitate access to food.*
3. *Adopt sustainable policies for agriculture, forestry, and rural development.*
4. *Facilitate trade, a key element in food security.*
5. *Improve forecasting and early response to prevent and resolve food security emergencies.*
6. *Promote optimal allocation and use of public and private investment for human resource development.*
7. *Implement, monitor, and follow-up the Summit's Plan of Action at all levels.*

*Rome 1996

The World Food Summit of 1996, organized by the Food and Agricultural Organization (FAO) of the United Nations, 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. Consequently, the World Food Summit's food security concepts and the commitments made have served as planning tools in the U.S. international food assistance framework for the most food-insecure countries.

To monitor progress toward the goals set by the 1996 World Food Summit, FAO's *State of Food Insecurity in the World* reports annually on global efforts undertaken each year. Current data from the 2001 report indicate that if the target of halving the number of hungry people is to be met by 2015, efforts must be bolstered rapidly to an average annual decline of 22 million people, as opposed to the annual rate of 20 million people calculated in 1996.³

According to FAO's estimates, in 1997–99, of the 815 million undernourished people in the world, 777 million were in developing countries. Further, only 32 of the 99 developing countries studied documented reductions in their numbers of undernourished persons between 1990–92 and 1997–99. The remaining 67 countries experienced no change or an increase in undernourished persons, for a total increase of 77 million undernourished persons.⁴

In June 2002, during the drafting of this report, FAO hosted a follow-up meeting, “The World Food Summit: Five Years Later,” to review progress achieved toward its worldwide goal of reducing the number of hungry people by half in 2015. Representatives from the U.S. government and other committed world leaders attended the summit to review the current data and discuss more aggressive measures for attaining the current goal as well as to define how progress can be accelerated through better targeting of resources.

³ FAO, press release on *State of Food Insecurity in the World 2001*, October 2001.

⁴ FAO, press release on *State of Food Insecurity in the World 2001*, October 2001.

B. Food Security and Nutrition

The emerging global trends—such as urbanization, the mounting prevalence of Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS), and global trade, investment, labor, and information—threaten to widen the disparities in developing countries, posing significant impediments to human nutrition.

Linking food aid to food security and nutrition is crucial. Inadequate nutrition severely impacts the lives of children, when they do not develop at a normal rate, and of pregnant mothers, when they fail to gain weight. Malnutrition directly inhibits physical and cognitive development and increases vulnerability to disease, stymieing economic productivity and prosperity for those populations in developing food-deficit countries.

Malnutrition, an indicator of food insecurity, is a consequence of inadequate intake of vital proteins and micronutrients and inadequate feeding practices. Malnutrition coupled with the lack of sanitation, lack of clean drinking water, and lack of health services increases vulnerability and the severity of disease. According to the World Health Organization (WHO), malnutrition deeply affects one in every three people worldwide, afflicting all age groups and populations, particularly the poor and vulnerable.⁵ Approximately 55 percent of deaths among children under the age of five in developing countries are associated with malnutrition.⁶

A child who eats enough to avoid immediate hunger can still be malnourished. Good nutrition relies on a combination of adequate nutritious food, good health services and proper care for both pregnant women and children.

—Carol Bellamy, Executive Director, UNICEF

U.S. international food assistance programs target women and children because malnutrition often affects them the most. In 1998 the UN Children's Fund (UNICEF) reported that 60 percent of women of childbearing age in South Asia and 20 percent of those in sub-Saharan Africa were underweight.⁷ Malnutrition frequently begins before birth, and malnourished mothers are more likely to deliver low-birth-weight babies, who have increased chances of becoming malnourished. 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 enjoy more productive lives as adults.

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 and malnutrition may be seen as a fundamental gauge for measuring this progress.

⁵ *What Do We Mean by Malnutrition?* WHO, March 13, 2002.

⁶ Frances Davidson, "Nutrition and Health," in *Nutrition: A Foundation for Development* (Geneva: Subcommittee on Nutrition, UN Administrative Committee on Coordination, January 2002).

⁷ *State of the World's Children 1998*, UNICEF.

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 ensnares many populations in developing countries. Often, food-insecure populations lack access to adequate land and water to produce food or the economic opportunity to exchange labor for the income required to purchase food in sufficient amounts.

Many factors, such as the following, conspire to create food-insecure situations:

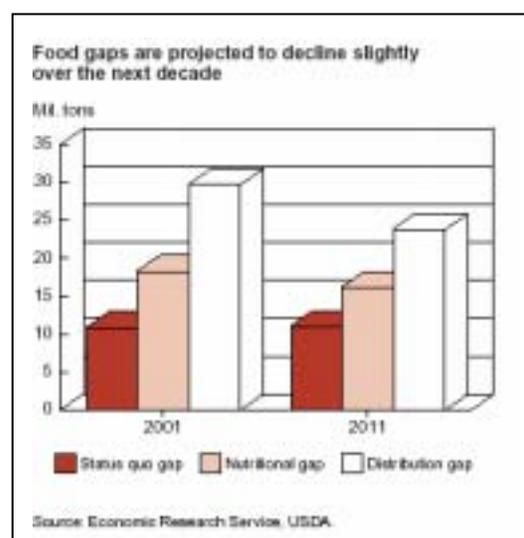
- Poverty
- Low agricultural productivity
- Environmental depredation
- Rapid population growth
- Natural disaster
- Cultural traditions
- Armed conflict
- Poor health and sanitation conditions
- Poor infrastructure
- Failed economic policies

These factors are frequently intertwined, creating complex scenarios that impede the attainment of food security. At the national level, food insufficiency may be caused by inadequate agricultural production or inability to import commodities. Civil strife or inadequate infrastructure more than likely disrupts or prevents 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 or utilization of food, notably by women. Appropriate agricultural and trade policy, investment in rural infrastructure, and improved sanitation, health care, and education all contribute to better nutrition and long-term food security.

D. Constraints to Food Assistance

1. Food Aid Needs and Availability

The USDA Economic Research Service (ERS) estimates both long-term global food aid needs and the future availability of food aid. The March 2002 USDA/ERS *Food Security Assessment*⁸ reveals that the food security situation for the regularly monitored 67 low-income countries declined in FY 2001. One reason for this decline was the shortfall in food production in many countries



⁸ *Food Security Assessment*, USDA/ERS, March 2002.

coupled with global economic recessions, which intensified foreign exchange limitation and therefore made it difficult to import food. The report projects that the distribution gap—the amount of food needed to increase consumption in each income cohort to meet nutritional requirements—will reach 24 million MT in 2011 and that the number of hungry people (people who consume less than 2,100 calories per day) will decrease to 765 million, which will represent an annual decrease of 1.6 percent. However, not only will this rate fall short of the 3.5 percent annual decline in the number of hungry people needed to reach the goal of the World Food Summit, but 47 of the 67 countries will remain below nutritional requirements by 2011. This description illustrates the urgency of reducing the inequalities in purchasing power and income in these countries.

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 destabilize livelihoods across vast areas and to precipitate substantial requirements for emergency food assistance. However, when natural disasters occur simultaneously in an unstable region, the resulting complex emergency can pose enormous challenges to U.S. international food assistance programs in attempting to respond. What were once recognized as sporadic natural disasters are now occurring with marked frequency and regularity in certain regions, particularly where governments are ill prepared to mitigate the impact of weather and other natural phenomena. Afghanistan has provided a clear example of the challenges presented by complex emergencies: Millions of drought-affected and displaced people received assistance against a backdrop of ongoing civil war, the international war on terrorism, a four-year drought, and monumental logistic challenges posed by infrastructure constraints.

The U.S. government's emergency response strives 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, which affects their ability to plant food crops or gain employment.

In 2001, WFP, the United Nations' frontline agency in combating global hunger and a major recipient of U.S. international food aid, delivered 4.2 million MT of food, valued at \$1.74 billion. As a result of WFP's efforts, 77 million people affected by natural disasters and complex emergencies—including Internally Displaced Persons (IDPs), refugees, and returnees—were fed in 82 countries across the globe to. In FY 2001, the United States was the largest donor, providing approximately 63 percent of WFP's total food resources for a variety of WFP programs, encompassing the following:

- **Emergencies:** reaching the food-insecure in circumstances of immediate natural or complex disasters or crises
- **Rehabilitation:** assisting populations to get back on their feet

- **Development:** supporting activities to fight against poverty, with a large emphasis on women as agents
- **School feeding:** providing meals in school
- **Food for work:** bringing community members into development activities through payment of food

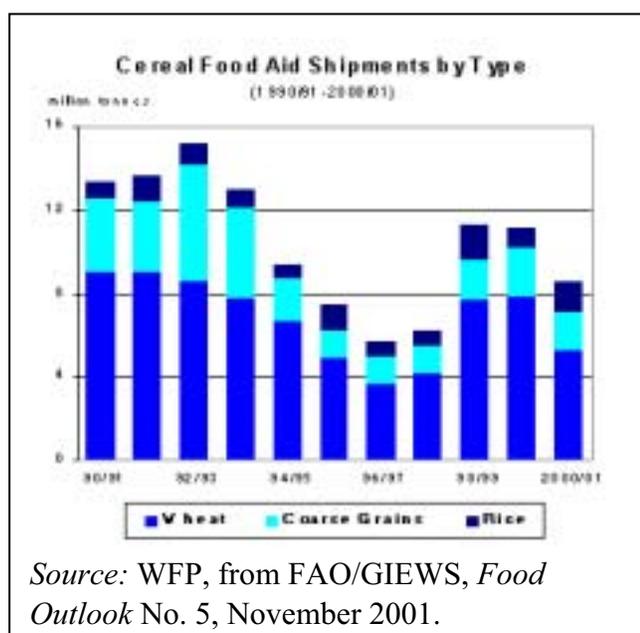
It is difficult to predict future emergency food needs; however, natural disasters will continue to occur, and political instability around the world will continue to create complex and lengthy emergencies. U.S. international food assistance aims to fulfill emergency food aid needs while tackling the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

3. *Global Availability of Food Aid*

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

- Permitting contributions to be expressed in terms of monetary value as well as quantity
- Permitting transport and other operational costs to be counted toward a member's minimum annual contribution
- 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 (FAO/GIEWS),⁹ preliminary indications in November 2001 suggested an increase to 9.5 million MT in cereal food aid shipments in 2001/02. The estimated increase in food aid shipments was partly attributed to larger needs in Afghanistan as well as concerns around weak international prices and relatively large stocks in some countries. Although global cereal production has improved



⁹ FAO/GIEWS, *Food Outlook* No. 5, November 2001.

since last year (1.87 billion MT), persistent emergencies and demand for food aid remain significant in many countries. Food aid shipments to Afghanistan are expected to rise in FY 2002 along with continual shipments to other needy countries.

Based on WFP data, U.S. cereal shipments in 2000/01 amounted to 8.5 million MT—24 percent less than in 1999/2000 because of reductions in shipments to the Russian Federation. However, food aid shipments by major donors still exceeded the “minimum commitments” agreed under the FAC in 1999. (See Appendix 12.)

*THE UNITED STATES CONTINUES TO BE THE MAIN SOURCE
OF FOOD AID, PROVIDING 55 PERCENT OF THE TOTAL.*

II. U.S. INTERNATIONAL FOOD ASSISTANCE

PROGRAM DESCRIPTIONS AND FISCAL YEAR 2001 ACCOMPLISHMENTS

The United States continues its long and generous tradition of assisting food-insecure populations affected by complex and natural emergencies and 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 the drafting of this report, the Farm Security and Rural Investment Act of 2002 was enacted. This law will affect future operations of the U.S. government's food assistance programs.

A. 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, all providing commodity assistance—except for Title V, which provides agricultural technical assistance—to countries at various economic levels through each title's specific objective. P.L. 480 programs are administered by USDA and USAID.

1. Public Law 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.

U.S. INTERNATIONAL FOOD ASSISTANCE PROGRAMS

1. *P.L. 480*
 - *Title I*
 - *Title II*
 - *Emergency*
 - *Development*
 - *Title III*
 - *Government to Government*
 - *Title V*
 - *Farmer-to-Farmer*
2. *Section 416(b) of the Agricultural Act of 1949*
3. *Food for Progress*

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 shortage of foreign exchange earnings, experiencing difficulty meeting all of their food needs through commercial channels. Priority is given to countries with the greatest need for food that are undertaking viable economic development activities to enhance their food security and agricultural development, alleviate poverty, and promote broad-based, equitable and sustainable development. In addition, countries must demonstrate the potential for becoming commercial markets for U.S. agricultural commodities. The allocations take into account 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. These commodities are purchased in the U.S. market and distributed or sold by the developing country’s government in its local markets. Subsequently, sales proceeds in local currency are utilized to support development objectives, which must be explicitly stipulated in the agreement.

a. P.L. 480 Title I: Highlights

In FY 2001, Title I resources administered under P.L. 480 amounted to over 753,200 MT of commodities, through concessional sales totaling approximately \$105.2 million among seven countries. (These totals exclude Title I funded under Food for Progress.) Of the total amount of Title I-funded sales, the Philippines—the largest recipient—accounted for \$40.0 million, to support agricultural training institutes and research programs, strengthen ties with local agricultural colleges and universities, and bolster market development projects for Filipino farmers. In addition, USDA provided a \$15.0 million program to private-sector entities in Indonesia. Title I donations under the Food for Progress Program are described in Section II.C of this report.

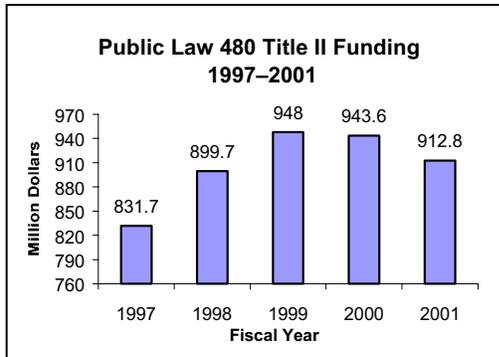
USAID DEVELOPMENT GOALS
1. <i>Broad-based economic growth and agricultural development</i>
2. <i>Governance and democracy</i>
3. <i>Education and training</i>
4. <i>Population and health</i>
5. <i>Environment</i>
6. <i>Save lives, reduce suffering, and restore potential development</i>

2. Public Law 480 Title II: Emergency and Development Assistance

A large amount of U.S. international food aid is used to respond to targeted relief operations and to implement development projects under Title II, administered by the Bureau for Democracy, Conflict and Humanitarian Assistance (DCHA) at USAID. 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 (non-emergency) food assistance interventions support broader USAID goals. Emergency relief activities support directly USAID’s goal of saving lives and reducing suffering.

Title II–funded PVO development programs promote agricultural improvements that are critical to long-term food security, and they promote improved health and household nutrition to ensure sustainable development. Other components of development activities support education and training, with a concentration on opportunities for women and girls.

Title II PVO development activities adhere closely to a number of regulations: environmental measures to minimize adverse environmental impacts, including erosion and water or air pollution, a periodic economic analysis to ensure that food aid does not act as a disincentive to host-country agricultural production and markets, and assurance that adequate storage facilities are available to safeguard 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. The result is increased collaboration among USAID Missions, PVOs, international organizations, and other food assistance donors, leading to improved program quality and often to a reduction in cost.



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 (non-emergency) activities. In recent years, the increasing number of complex emergencies and natural disasters necessitating emergency relief, in tandem with increased demands for non-emergency activities, has severely strained limited food assistance budgets. Nevertheless, 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 development-oriented transitional activities. Similarly, the non-emergency 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

The overall aim of Title II emergency food aid is to save lives and rebuild productive livelihoods through the provision of food aid programs. Title II emergency food aid programs are designed to meet the “critical food needs of targeted groups” while incorporating the “do no harm” approach.

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

SIX CORE VALUES OF “DO NO HARM” OF THE EMERGENCY PROGRAMS

1. *Include an exit strategy that supports community stabilization.*
2. *Encourage local capacity building and beneficiary participation.*
3. *Do not undermine local agricultural production or local markets.*
4. *Integrate with development assistance.*
5. *Seek gender and ethnic equity based on need.*
6. *Encourage impartial and neutral food distribution networks.*

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, frequently caused by civil strife. More specifically, beneficiaries include refugees, IDPs, repatriated persons, and persons who are malnourished or at risk of becoming malnourished—particularly, children under the age of five, pregnant and lactating mothers, the handicapped, the infirm, and the elderly. Generally, women and children account for the vast majority requiring emergency food assistance.

Beneficiary levels are established at the outset of the program through various assessment methodologies, usually conducted collaboratively by cooperating

sponsors and international agencies.¹⁰ Assessments may consider beneficiaries’ coping mechanisms, poverty level, local market environment, and/or nutritional status as indicators to determine food aid needs. Continual assessment of conditions within the context has proved critical to recalibrating beneficiary levels, thus better targeting beneficiaries with the level and type of assistance required.

Title II emergency programs are designed to meet the short- and medium-term food security requirements of beneficiaries. Activities within Title II emergency programs have shifted from solely direct, general food aid distribution to integrated transitional development and self-reliance interventions. As emergency programs vary according to a country’s situation, programs of implementing partners are flexible and thus might encompass several activity types in their interventions to address beneficiaries’ wide-ranging needs. Subsequently,

¹⁰ This may include vulnerability assessment mapping, nutritional surveys, data from early warning systems, and livelihood assessments, depending on the situation and context.

program activities extend from general distribution to targeted feeding programs, such as the following:

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

These emergency food aid activities help to begin the process of rebuilding lives and livelihoods in addition to building a bridge from relief to development.

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

Title II emergency programs provided 728,418 MT of Title II emergency food aid, valued at \$446.4 million. These emergency food resources met the critical food needs of over 29.8 million food-insecure and nutritionally at-risk persons affected by natural disasters and/or complex emergencies in a total of 26 countries worldwide.¹¹ A total of 48 Title II emergency food aid programs were implemented; 32 percent of the programs were implemented through grants to PVOs, and 68 percent of the programs were implemented through donations to WFP. See Appendix 4 for more information.

The following activities and accomplishments illustrate some of the successful Title II emergency programs for FY 2001:

- **Kenya:** Since 1999, Kenya has experienced a severe drought. Many communities describe the drought as the worst that they can remember. Approximately 56,400 MT of Title II commodities, valued at \$27.5 million, were provided to WFP to extend its program from 19 to 22 districts. These commodities reached 4.4 million beneficiaries in direct feeding programs, such as school lunches to over 1 million children and a targeted selective feeding program for children under the age of five and pregnant and lactating women.
- **Kosovo:** Kosovo is a good example of how a well-coordinated strategy (a large portion of it being capacity building) can culminate in a country's successful transition from emergency relief to reconstruction. WFP took the lead in developing and executing a strategic approach of phasing in local distribution partners (NGOs) and the government's Centers of Social Work units, by strengthening their skills to provide social assistance to needy families, while gradually phasing out its presence in general food aid distribution. In FY 2001, \$33.0 million of Title II emergency resources were allocated to help with this transition. As a result, many Centers of Social Work and local distribution partners are working closely together, and sustainable and professional mechanisms have been established in some municipalities. The country's Social Assistance Scheme has been fully integrated into the government's social assistance system, and in most places the scheme is functioning well. WFP is gradually phasing out its assistance, from 100,000 beneficiaries in April 2001 to 70,000 in October 2001.

¹¹ Office of Food for Peace FY 2001 Annual Report.

- **Sudan:** WFP, in partnership with Cooperative for Assistance and Relief Everywhere, Inc. (CARE), resettled 3,600 IDPs, who had been entirely dependent on food aid for over seven years. As part of the resettlement program, these IDPs were provided with food rations to construct *hafirs* (wells) as sources of drinking water for the En Nahud and Western Kordofan communities. Land was also provided to the IDPs from the government, thus enabling them to secure their own food needs and sustain their lives and livelihoods without further external assistance.

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

The P.L. 480 Title II development (non-emergency) 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 non-emergency settings through interventions implemented by PVOs, international organizations and local NGOs, and UN agencies, such as WFP. Title II non-emergency programs are a flexible resource that can be used in needy countries for direct feeding or for selling commodities (monetization) in order to generate local currency for development activities. The commodities programmed through Title II development activities encourage activities that improve 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 and, when used as food for work, mobilizes indigent people's labor to feed families and build local commercial and agricultural infrastructure necessary for sustainable rural development.

Commodity sales (monetization) encourage local and U.S. market development by promoting private-sector participation. Local currency proceeds are used to implement critical interventions to help tackle contributing factors of food insecurity. For example, monetization proceeds are used to support the provision of 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

**PUBLIC LAW 480 TITLE II: FY 2001
EMERGENCY SPOTLIGHT**

Emergency Assistance in Drought-Ridden Afghanistan

The United States has provided nearly \$184 million in humanitarian aid to Afghanistan in response to the 4-year drought, the worst in 40 years. The drought has compromised coping mechanisms, depleted assets, and increased debt.

In FY 2001, Afghanistan received 83 percent of the total Title II emergency resources for the Central Asia region, most of which was implemented by WFP and the Aga Khan Foundation USA/Focus Humanitarian Assistance (FOCUS). Food for asset creation is a flexible approach used by WFP and implementing partners to respond to specific and local food needs. The food-for-asset-creation activity provided food rations to both able and non-able workers in specific communities to rehabilitate and reconstruct roads, irrigation channels, schools, and health clinics. These efforts aided the most food-insecure households, who were unable to work to access food rations, while able-bodied workers rehabilitated viable infrastructure to improve livelihoods of the entire community.

Sources: DHCA Office of Food for Peace and <http://www.whitehouse.gov/news> 2001.

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 proven interventions for child survival and better household nutrition. These include 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 improved natural resource management. These activities increase the sustainability of the production systems, thereby contributing to improvements in the availability of and access to food for poor rural households, now and in the future.
3. **Other Activities:**
 - **Education** (food for education [FFE]) activities integrate school feeding programs with other resources to improve the quality of education through the promotion of educational opportunity, educational progress, and educational achievement. Increases in education through FFE programs that are capable of having a long-term impact on food security include enhanced productivity, increased incomes, reduction in pregnancies, and improved health and nutrition. Female education is a vital measure of development, and FFE activities underscore the importance of female school participation and advancement to higher levels.
 - **Humanitarian assistance** is general relief provided through the non-emergency food assistance programs. It provides safety nets to food-insecure populations. Frequently, humanitarian assistance is provided in conjunction with other development activities to meet the needs of 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, thereby increasing short- and longer-term access to resources by women. Activities 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 programs provided over \$466.4 million of development aid to well over 26 million beneficiaries in FY 2001. A total of 115 Title II development programs were implemented in 38 countries: 84 programs were implemented through grants to PVOs, and 31 programs were implemented through WFP. See Appendix 5 for more detailed information.

The examples below illustrate the breadth of Title II non-emergency food resources implemented by cooperating sponsors, as well as how these activities help in alleviating food insecurity and encouraging self-sufficiency.

- **Madagascar:** Madagascar has one of the highest rates of child malnutrition in the world: One of every two children under the age of two is considered malnourished. The best way to feed and protect the health of a child in early life (before six months of age) is to exclusively breast-feed. Breast-feeding is common in Madagascar, but it is frequently combined with the intake of liquids, often exposing the child to disease while creating a false sense of satiety. Following the promotion of exclusive breast-feeding practices by Title II cooperating sponsors (CARE, Catholic Relief Services, and the Adventist Development and Relief Agency), rates of exclusive breast-feeding surged from 32.9 percent in 1997 to 63.3 percent in 2001 in intervention areas. Such a positive result was achieved due to the coordination of all health and nutrition actors in Madagascar, including a working group funded by USAID.
- **Burkina Faso:** In the effort to increase indigent households' access to food and other basic needs essential to food security—health services and education—Catholic Relief Services used Title II resources to provide credit and saving services to 7,700 rural women who normally would not have access to such opportunities. A recent evaluation documented clear improvements in economic and food security status in the households of the credit recipients. Most of the profits from the women's small businesses are spent on their children for education, health care, and other household expenses, which are proxy indicators for increased income linked to improved food security. Increased incomes enabled them to contribute to their household expenditures. Several participants said that because they were breadwinners as well as housewives, their husbands now respected their advice about family matters and helped with household chores.

- Angola:** Title II resources are being used to revitalize agriculture production in Bié, one of the hardest-hit provinces after 20 years of civil war in Angola. The cooperating sponsor, CARE, aims to improve food security and reduce food aid dependency for up to 17,500 internally displaced families (approximately 105,000 people) through rehabilitating formerly viable farming systems. As a result of the program's distribution of seeds and tools to 16,600 internally displaced families returning to their homes, farmers produced an average amount of food for a four- to five-month period. Additionally, farmers are now able to sell some excess food to buy additional seeds to increase agricultural production further. This type of activity assists families to lessen their dependence on food aid.
- Indonesia:** The urban poor in Indonesia are susceptible to radicalism. Fundamentalists recruit from the ranks of the urban poor, using cash payments to entice participation in street protests. USAID/Indonesia's Transitional Activity Program (TAP) focuses on the food security and nutritional status of the urban poor, who have been deeply affected by the prolonged economic crisis in Indonesia. Over a three-year period (2001–03), Title II resources are expected to provide \$39 million (80,000 MT) in commodities, integrated with other programs through Catholic Relief Services, CARE, Mercy Corps International, Church World Services, and World Vision.

The TAP provides job opportunities for the unemployed and fosters greater community morale. During the program's first year, more than 40,000 training and employment opportunities were generated in urban areas. In addition, TAP has served as an effective conduit for emergency assistance in many of the complex emergency situations affecting Indonesia.

**PUBLIC LAW 480 TITLE II: FISCAL YEAR
2001 DEVELOPMENT SPOTLIGHT**

Bolivia

Bolivia is one of the poorest and most food-insecure countries in Latin America. Bolivia's 1998 infant mortality rate of 60 per 1,000 live births is the highest in South America, whose average rate is 31/1,000. In addition, the chronic malnutrition rate of 26.5 percent for children under three years of age is notably high, and it rises to between 35.6 percent and 49 percent when only the rural areas are considered.† Access to potable water and sanitation services remains limited, particularly in the rural areas.*

Since 1997, Food for the Hungry, Inc. (FHI), Bolivia has been implementing an integrated program to encompass agricultural productivity, maternal and child health, nutrition, water and sanitation, and FFE activities in remote highland and valley communities. As a result of this integrated approach, stunting in children aged 24 to 59 months has fallen by approximately 10 percentage points, to 42 percent for females and 43 percent for males. Moreover, notable increases in coverage of critical childhood immunization have been achieved. Almost 90 percent of children now receive the full course of diphtheria-pertussis-tetanus vaccinations. The proportion of families with access to a safe water supply has almost doubled, from 34 to 63 percent.

* World Development Indicators, World Bank, 2000.

† Demographic and Health Survey, 1998.

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 the Institutional Support Assistance (ISA) grants for its cooperating sponsors. Given their role as implementers in food aid programs, reinforcing their capacity is an investment in improved programming and management. ISA grants have led to remarkable improvements in Title II program design and implementation, as well as better training, performance monitoring, and generation of improved quality results reviews.

- **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 2001 was \$28.0 million, to include approximately \$10.0 million for WFP. Funds have been used to develop computer-based information systems to improve food delivery logistics, commodity tracking, and impact assessment. Section 202(e) resources have also contributed to improving identification of food-insecure populations, as well as regular monitoring of program performance and conducting environmental evaluations.
- **ISA** cooperative agreements have been instrumental in building the capacity of cooperating sponsor headquarters' staffs to provide better accountability and oversight for their diverse multiyear food assistance activities. In FY 2001, ISA grants totaled over \$4.5 million.

f. International Food Relief Partnership

In the 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

ON-LINE TOOLS FOR FOOD AID MANAGEMENT

Food Aid Management (FAM) is a technical support and resource center for U.S.-based cooperating sponsors of 16 PVO members, funded through the Office of Food for Peace's Institutional Support Assistance Program. FAM's mission is to promote the efficient and effective use of food aid resources to help alleviate hunger and contribute to food security. In addition to the Food Security Resource Center, FAM offers persons in the field access to information from anywhere in the world, 24 hours a day, seven days a week. The new FAM Web address is <http://www.foodaidmanagement.org>. Updated examples of useful links on FAM's Web page include the following:

- **Listservs:** FAM moderates six listservs (free e-mail discussion tools) to facilitate communication among FAM's working groups. Topics include "Commodity Management," "Environment," "Local Capacity Building," "Monetization," "Monitoring & Evaluation," and recently added "Nutrition."
- **Food Security Resource Center:** This is an on-line database of over 8,000 documents, CD-ROMs, and videos, all pertaining to Title II food aid and food-security-related issues. Documents available via the Internet have direct hyperlinks. It may be necessary to order hard copies of other resource materials.
- **Training Calendar:** FAM maintains a quarterly calendar of programs offered by various organizations working in the food security sector, with links to additional information and contacts.
- **Work Groups Gateway Page:** FAM operates four working groups, to encompass (1) environment, (2) monitoring and evaluation, (3) monetization, and (4) local capacity building. A calendar of upcoming meetings and events, meeting notes, and contact information can be accessed through this link.
- **Food Forum Online:** This quarterly newsletter is now available online.

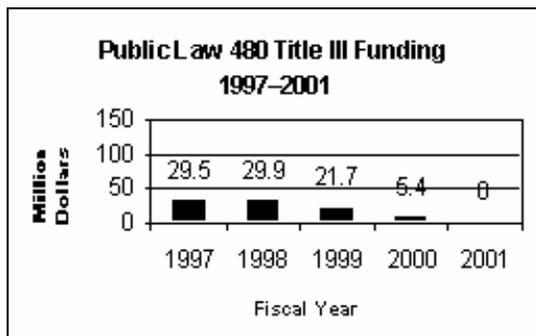
FAM also provides linkages to useful USAID documents and Web sites related to Title II.

2000. This initiative enables USAID to award grant agreements to U.S. nonprofit commodity producer organizations for the preparation and storage of shelf-stable prepackaged foods. These commodities are available for programming by the producer organizations to other U.S. PVOs and NGOs for rapid transportation, delivery, and distribution.

In FY 2001, Food for Peace programmed \$750,000 of Title II emergency resources with Breedlove Dehydrated Foods, which made 365 MT of Breedlove’s nutritionally based soup, as a meal supplement, available for humanitarian relief operations overseas. Grants were awarded to NGOs to distribute the product in Serbia, Kazakhstan, and Moldova, targeting hospitals, the elderly, and single-parent families.

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 the least developed countries. The U.S. government donates agricultural commodities to the recipient country and arranges for and covers the costs of purchasing and processing the commodities and transporting them to the port or point of entry in the recipient country. Commodities donated by the United States are sold on the domestic market, and the revenue generated from the sale in the recipient countries 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 national governments’ food security context and overall development agendas, while promoting agricultural policy reforms to encourage food production.

In FY 2001, funds were not appropriated for Title III.

4. Public Law 480 Title V: Farmer to Farmer (FTF)

Authorized under Title V of P.L. 480, the FTF Initiative was established in 1986 and reauthorized by the 1996 Farm Bill. The program began as a pilot project funded through P.L. 480 to provide technical assistance to farmers in Central America and the Caribbean and was later expanded to a worldwide operation in 1986.

FTF 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 FTF Program.

In 1991, a special initiative of the FTF Program was authorized as one of the first U.S. assistance programs for the New Independent States (NIS) of the former Soviet Union. FTF programs will continue to operate in all of the NIS countries through September 2003.

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

In FY 2001, volunteers undertook 776 assignments in 42 food-insecure countries. In 12 NIS countries, 421 assignments were completed. In 30 other targeted countries in Asia, Africa, and Central and South America, volunteers completed an additional 355 assignments. A total of \$12.0 million was programmed under the P.L. 480 FTF Program in FY 2001. This includes an additional \$1.5 million for a special initiative to expand program activities in Africa and the Caribbean; increase participation by minority farmers, organizations, and 1,890 Land Grant Colleges and Universities in the program; and build mentoring relationships between the current grantees and minority organizations.

The following examples demonstrate the types of activities undertaken in FTF programs:

- **Nigeria:** The FTF Program quickly mobilized an Auburn University aquaculture researcher and program manager to help farmers beat damaging rain to complete construction of fishponds and a fish hatchery. As a result, the Nigerian Union of Fishermen and Seafood Dealers was able to open two new chapters, in Ondo and Kano States, and recruited 3,000 new members because of interest generated from the successful work done by the FTF volunteer.
- **India:** Allahabad Dairy is one of the success stories in Eastern India. FTF volunteers were the first professionals in 50 years to visit 12 local villages to provide on-the-spot technical assistance to dairy farmers. A volunteer donated veterinary supplies worth \$1,200 (dewormers, antibiotics, aspirin, surgical gloves, and surgical needles) for more than 300 dairy farmers. Milk yields have increased by 30 percent as a result of improved dairy management.
- **Mexico:** After several years of FTF volunteer assistance in cocoa production, the Tia Tana Women’s Cooperative has significantly expanded its membership, to 150 members, with more growth expected. Volunteers have focused most recently on product development and direct market access. This has led to the potential for a lucrative sales partnership in

FARMER-TO-FARMER VOLUNTEER ASSIGNMENTS: COUNTRIES OTHER THAN THE NEW INDEPENDENT STATES, FY 2001		
Africa	Ethiopia	6
	Gabon	1
	Ghana	4
	Kenya	7
	Malawi	3
	Mozambique	5
	Nigeria	29
	South Africa	1
	Uganda	13
	Zambia	9
	Zimbabwe	19
	Subtotal Africa	97
Asia-Near East	Bangladesh	16
	India	20
	Mongolia	10
	Nepal	14
	Philippines	13
	Subtotal Asia-Near East	73
Latin America-Caribbean	Argentina	2
	Bolivia	27
	Brazil	2
	Ecuador	14
	El Salvador	12
	Guatemala	5
	Guyana	8
	Haiti	13
	Honduras	12
	Jamaica	32
	Mexico	9
	Nicaragua	42
Paraguay	1	
Uruguay	6	
Subtotal Latin America-Caribbean	185	
TOTAL	355	

the United States for women’s chocolate production groups, which have already begun processing and marketing their chocolate nationally and internationally. They are currently receiving orders for chocolate from an international broker for over 100 lb (45 kg) per month.

- Haiti:** Volunteers introduced five new, high-yielding varieties of peanuts to Haitian farmers, and production increased by more than 40 percent. After working to improve storage silo operations and conditions, storage loss due to molds and insects was reduced by more than half, to just 15 to 20 percent. In addition to FTF-sponsored assistance, volunteers have completed personal follow-up actions with support from their communities. They have facilitated a trip for Haitian farmers to the University of Florida to learn more about U.S. peanut production, as well as to forge contacts for future exports of Haitian Mamba peanut butter to Miami markets.
- Russia:** Volunteers supported four rural credit cooperatives to increase production loans to private farmers. Through a project jointly funded by USDA and USAID, the number of ruble loans doubled in the first half of FY 2001, while the number of ruble loans repaid tripled. FTF volunteers held training courses to assist credit cooperatives to receive accreditation and improve business planning and institutional management. Seven credit cooperatives that have been assisted since the inception of the program have doubled their memberships and increased the share capital of members by more than 180 percent. This has helped increase the number of loans to farmer members by 270 percent.

FARMER-TO-FARMER VOLUNTEER ASSIGNMENTS: NEW INDEPENDENT STATES, FISCAL YEAR 2001	
Armenia	20
Azerbaijan	27
Belarus	8
Georgia	31
Kazakhstan	30
Kyrgyz Republic	31
Moldova	26
Russia	150
Tajikistan	14
Turkmenistan	34
Ukraine	34
Uzbekistan	16
Total	421

B. 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 Commodity Credit Corporation (CCC). Surplus food assistance distributed domestically is authorized by Section 416(a), 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, preventing the fulfillment of any agreement entered into under a payment-in-kind program, or disrupting normal commercial sales.

1. Section 416(b): Surplus Commodities Highlights

In FY 2001 Section 416(b) programs provided over 3.0 million MT of commodities, valued at \$629.9 million, to include the Global Food for Education Initiative (GFEI), which is discussed in more detail in Section II.D.1 of this report. Programs were implemented in 60 countries. The following are examples of Section 416(b) agreements for FY 2001:

- **Afghanistan:** USDA donated about 240,000 MT of wheat, totaling \$32 million, to support feeding programs in Afghanistan. This wheat was processed into bread and then distributed to needy individuals throughout the country. WFP relied upon local staff, especially women, to distribute and monitor the delivery of food. This food donation contributed to averting famine caused by prolonged drought and by reduced food production in Afghanistan.
- **Eritrea, Ethiopia, and Kenya:** USDA donated about 350,000 MT, estimated at \$50.9 million, to these African countries to offset the impact of prolonged drought. Commodities were distributed through WFP to refugee camps and to other needy individuals throughout those countries.
- **Lebanon:** Mercy Corps International received 100,000 MT of wheat, valued at \$14.4 million, to support the continuation of the Rural Development Cluster Program. Proceeds from the sale of the wheat funded a variety of activities, including rehabilitation of agricultural infrastructure, development of agribusiness, protection of the environment, and scholarships for needy students attending universities.
- **North Korea:** WFP used about 346,000 MT of wheat, soybeans, corn-soy milk, vegetable oil, and corn that were donated by USDA. These commodities were valued at more than \$57 million, feeding the most food-insecure people.

C. 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 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.

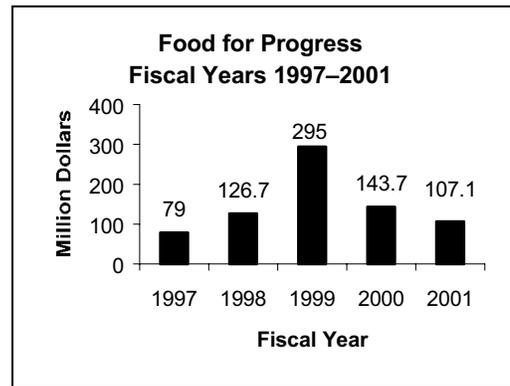
The 1996 Farm Bill extended the authority for the Food for Progress Program to provide assistance in the administration and monitoring of food assistance programs to strengthen

In FY 2001 the United States was the international community's leader in responding to the drought in Afghanistan by supplying more than 80 percent of food aid resources to WFP.

private-sector agriculture in recipient countries through FY 2002. The annual level of 500,000 MT of food commodities was established, with up to \$30 million in CCC funds for transport and \$10 million for administrative costs. The authority was also expanded to include intergovernmental organizations in Food for Progress programming; to make sales on credit terms to all eligible countries, in addition to the former Soviet Union; and to include the provision of technical assistance for monetization programs.

1. Food for Progress Highlights

In FY 2001, 436,270 MT of commodities, valued at over \$107.1 million, were programmed through Food for Progress to support private enterprise development and food security activities in 19 countries. The summaries below provide examples of Food for Progress agreements approved in FY 2001.



- Philippines:** USDA donated 10,000 MT of soybean meal and 2,000 MT of nonfat dry milk, totaling \$5.9 million, to the National Rural Electric Cooperative Association (NRECA) to assist in improving electrification in rural areas. Proceeds from the sale of these commodities contributed toward funding a credit program for 120 electric cooperatives in the Philippines, which will improve living conditions and enhance agricultural and economic development. NRECA is working with the Rural Electric Finance Corporation of the Philippines in establishing this loan program.
- El Salvador:** USDA donated about 11,000 MT of corn and soybean meal, worth \$1.7 million, to the Cooperative Housing Foundation to implement rural development activities in El Salvador. The sale of those commodities helped communities to rebuild their homes, roads, and bridges in response to a devastating earthquake.
- Togo:** Opportunities Industrialization Centers International, Inc. (OICI), received a donation of 6,000 MT of rice, estimated at \$1.3 million. OICI sold the rice in the local market and used the proceeds to conduct agricultural training, improve post-harvest technology, and develop cooperatives. The project also improved water and sanitation infrastructure in targeted areas, and it plans to conduct HIV/AIDS education campaigns.
- Indonesia:** USDA donated 33,000 MT of wheat and 2,500 MT of soy flour to International Relief and Development. These commodities were provided to local mills and noodle producers to help revive the milling and noodle production sectors, generate employment, and provide low-cost noodles to targeted poor communities. Further, contracts with local noodle factories delivered fortified noodles to 968 schools, feeding approximately 150,000 students.

D. Integrated Assistance: Broadening the Impact of Food Aid

U.S. government 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

“CHILDREN CAN’T LEARN ON EMPTY STOMACHS. AS THE MOST BASIC OF HUMAN ESSENTIALS, FOOD IS THE FIRST STEP TOWARD SELF-RELIANCE.”
—AGRICULTURE SECRETARY DAN GLICKMAN

An estimated 300 million children in developing countries are chronically hungry, and 120 million do not attend school. Others are enrolled in school but underperform or drop out, in part due to hunger or malnourishment. In July 2000, the Global Food for Education Initiative (GFEI) was initiated. The intent was to use the federal government’s school meals program as a model in effectively supporting both food security and education in needy countries.

SUMMARY OF FY 2001 PROGRAM APPROVALS (as of January 9, 2002)				
Number of Countries		Number of Programs		Total Tonnage 499,105 MT*
Africa	16	WFP	33	Total Allocation \$228 million
Asia & Middle East	7	PVOs	21	Total Children Fed Over 7 million
Former Soviet Union and Eastern Europe	4	Government to government	1	
Latin America and the Caribbean	8	Total	55	
Total	35			

Source: USDA Foreign Agricultural Service, 2 March 2002.

*Excludes unallocated reserve

The purpose of GFEI is to bolster school enrollment, attendance, and performance, as well as nutrition, in poor countries through the use of surplus commodities under the Section 416(b) of the Agricultural Act of 1949.

In GFEI’s first year of implementation, 499,105 MT of commodities were donated to 35 countries, implemented by WFP, PVOs, and the government of the Dominican Republic. The following are examples of projects receiving grants under GFEI in FY 2001.

- **WFP:** USDA donated 188,000 MT of food to WFP to support its school feeding programs in 23 countries. These school feeding programs were implemented in many regions and countries, including Chad, Ethiopia, Cambodia, El Salvador, and Tajikistan.
- **Nicaragua:** Project Concern International (PCI) received more than 4,000 MT of food, valued at \$3 million, to implement a school feeding program in northern Nicaragua. PCI monetized more than 3,000 MT to conduct training programs in parent participation in educational programs. The remaining food was distributed to more than 19,000 children.
- **Albania:** CARE received 18,500 MT of wheat, worth approximately \$4.5 million, to conduct school feeding programs and rehabilitate schools in northern Albania. CARE purchased food in local markets to implement school feeding programs for over 15,000 children in 45 selected schools for an entire school year. CARE will soon begin rehabilitating over 30 identified schools.

- **Bosnia:** USDA donated nearly 25,000 MT of wheat, valued at \$6 million, to Catholic Relief Services (CRS) for its school feeding program in Bosnia. CRS milled part of the wheat into flour and distributed the flour to 100 schools, feeding over 30,000 students. The remaining wheat was sold, and the proceeds went toward rehabilitating schools and developing parent-teacher organizations.

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

In FY 2001, USAID and USDA continued to provide food assistance to combat HIV/AIDS around the world. A large portion of food assistance is under the Expanded Response to HIV/AIDS Initiative (formally known as the Leadership and Investment to Fight an Epidemic Initiative). Starting in FY 1999, the U.S. government committed \$100 million to programs and approximately \$10 million in P.L. 480 Title II resources to improve the lives of children and their families impacted by HIV/AIDS.

More specifically, U.S. government resources are being used to maximize and expand existing USAID programs by concentrating on the following interventions:

- Care and support to those affected
- Support to orphans and vulnerable children
- Prevention of new infections
- Prevention of mother-to-child transmission of HIV

USAID Office of Food for Peace HIV/AIDS food-supported activities are integrated into existing Title II programs to contribute toward the overall enhancement in household food security. All of Title II's HIV/AIDS 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.

In 2001, the Office of Food for Peace initiated a new activity in Uganda through a consortium of PVOs, under the lead of Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA). The ACDI/VOCA program in Uganda is unique in that it channels its support through a local consortium called the AIDS Support Organization (TASO), a network covering over 60,000 people living with HIV/AIDS and their families.

In addition to initiating the Uganda program, the Office of Food for Peace continued to work with the targeted countries Malawi, Rwanda, and Kenya. Approximately \$343,000 of “vulnerable children” funds—child survival resources—were programmed into ongoing country programs in Malawi and Rwanda to help further develop NGOs’ HIV/AIDS activities and options for HIV mitigation. In Rwanda, these additional resources assisted child-headed households to attend skill-building classes; resources in Kenya were used to improve targeting of children and their families affected by HIV/AIDS.

USDA committed to provide approximately \$25.7 million in food aid commodities in the fight against the HIV/AIDS pandemic for 10 programs in Africa and Eastern Europe, under Section 416(b) of the Agricultural Act of 1949. In FY 2001, over 10,000 MT (\$6.5 million) of these commodities were programmed through WFP for HIV/AIDS health awareness and training programs. The remaining shipments will be completed in FY 2002.

E. Micronutrient Fortification

Cereal grains used in food aid are often milled for easy preparation and consumption, such as milling wheat into flour. This milling process, however, removes certain micronutrients from the whole grains, and the milled product is normally 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 export food aid must meet the minimum standards for micronutrients.

Vitamin A is an important nutrient for its many benefits in building resistance to infection and contributing to the reduction of mortality. Blended foods, particularly those designed for child feeding, are fortified with up to 14 different vitamins and minerals.

Since February 2000, USAID and USDA have enforced minimum micronutrient standards for all dry cereal products processed for U.S. government export food aid (except sorghum, which was added to the enforcement program in the latter part of the year). Enforcement is conducted under USDA’s Total Quality Systems Audit (TQSA) 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

ACDI/VOCA AND COOPERATING SPONSORS: THE UGANDA HIV/AIDS ACTIVITIES

In FY 2001, \$30 million of P.L. 480 Title II resources were granted to ACDI/VOCA to support HIV/AIDS interventions in Uganda implemented through a local consortium, the AIDS Support Organization, comprising World Vision Uganda, Africare, and CRS. The integration of food aid assistance with ongoing activities provides a holistic response in helping people and their families affected by HIV/AIDS.

The project aims to provide nutritious food for people living with HIV/AIDS and their immediate family members. Further, significant resources will contribute toward the care of individuals and households affected by HIV/AIDS by boosting their nutritional status, and consequently their ability to withstand some of the devastating opportunistic infections associated with HIV/AIDS.

The project serves nine districts and targets 60,000 people living with HIV/AIDS and their immediate dependents; approximately 30 percent are children. Food will be distributed with the help of local community leaders and food distribution committees. Taking food to the community has inherent benefits of enabling communities’ involvement in the HIV/AIDS response and diminishing the stigma of those affected.

BENEFITS OF VITAMIN A

Research has revealed that enhancing the vitamin A status of undernourished populations can produce remarkable results, such as the following:

- *Prevent 1.3 million to 2.5 million deaths annually of children under five years of age*
- *Save thousands of children from irreversible blindness*
- *May reduce the risk of mother-to-child transmission of HIV*
- *Reduce maternal mortality by up to 44 percent in women of reproductive age*

Source: Frances Davidson, "Nutrition and Health," in Nutrition: A Foundation for Development (Geneva: Subcommittee on Nutrition, UN Administrative Committee on Coordination, January 2002).

recommended by USAID based on studies by Sharing U.S. Technology to Aid in the Improvement of Nutrition (SUSTAIN), through the Micronutrient Assessment Project.

In 2001 SUSTAIN, under the aegis of USAID, conducted a study to assess the effectiveness of the new TQSA mechanism in order to ensure that required P.L. 480 commodities comply with the micronutrient fortification standards. Comparing micronutrient levels of cereals produced before and after TQSA enforcement, findings "strongly suggest a major improvement in the micronutrient content of fortified P.L. 480 commodities, particularly for wheat flour and bulgur." For example, the pass rate for wheat flour dramatically increased, from 19 to 99.6 percent, and vitamin A levels in corn-soy blend (CSB) jumped from 128 to 155 percent of the minimum.

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 benefits the U.S. economy. P.L. 480 programs benefit 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.¹² Research has shown that as incomes in developing countries rise, consumption patterns change and food imports increase. Of the 50 largest customers of U.S. agricultural goods, 43—including Egypt, Indonesia, Korea, Thailand, and Taiwan—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 0.5 percent of its total budget to foreign assistance, and almost 25 percent of foreign assistance resources are allocated for food aid. Eighty percent of all foreign assistance funds are spent in the United States to purchase goods and services from businesses throughout the nation. Foreign assistance programs have contributed to creating major markets for agricultural goods, as well as new markets for U.S. industrial exports, thereby 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 CSB. Processed

¹² International Food Policy Research Institute News Release: "New Study Reports that Foreign Aid Creates U.S. Jobs," June 14, 1995.

commodities are packaged in bags, tins, and other containers that are produced and printed in the United States.

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

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

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

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

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

Perhaps the most self-evident benefits from P.L. 480 purchases are to large agricultural producer states. Nevertheless, the benefits are actually distributed more broadly across the United States. Since FY 1997, 39 states have benefited from more than \$1 million in purchases under the program. The 11 states that most benefit from this program as residing companies either process, package, or ship U.S. commodities are Louisiana, Texas, Illinois, Kansas, Tennessee, Indiana, Washington, Wisconsin, Nebraska, Iowa, and Arkansas. These states account for 75 percent of the expenditures.

1. **U.S. International Food Aid Programs: Basic Descriptions**
2. **U.S. Foreign Assistance FY 2001 (\$000)**
3. **USDA Title I Program: Summary Budget, Commodity, and Tonnage Tables—Fiscal Year 2001**
4. **USAID Title II Emergency Activities: Summary Budget, Commodity, Recipient, and Tonnage—Fiscal Year 2001**
5. **USAID Title II Development Activities: Summary Budget, Commodity, Recipient, and Tonnage Tables—Fiscal Year 2001**
6. **USDA Food for Progress Program—Fiscal Year 2001**
7. **Section 416(b) Program Donations—Fiscal Year 2001: Donations by Region: Regular and World Food Program**
8. **Section 416(b) Program Donations for Global Food for Education—Fiscal Year 2001: 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 1997–2001 (Development and Emergency Activities)**
10. **Public Law 480 Title II Congressional Mandates—Fiscal Year 2001**
11. **Summary: Total U.S. International Food Assistance—Fiscal Year 2001**
12. **Food Aid Convention: Annual Grain Shipments—Fiscal Years 1996/97–2000/01**
13. **Countries with Approved U.S. Food Assistance Programs, Fiscal Year 2001**

APPENDIX 1

U.S. International Food Aid Programs: Basic Descriptions

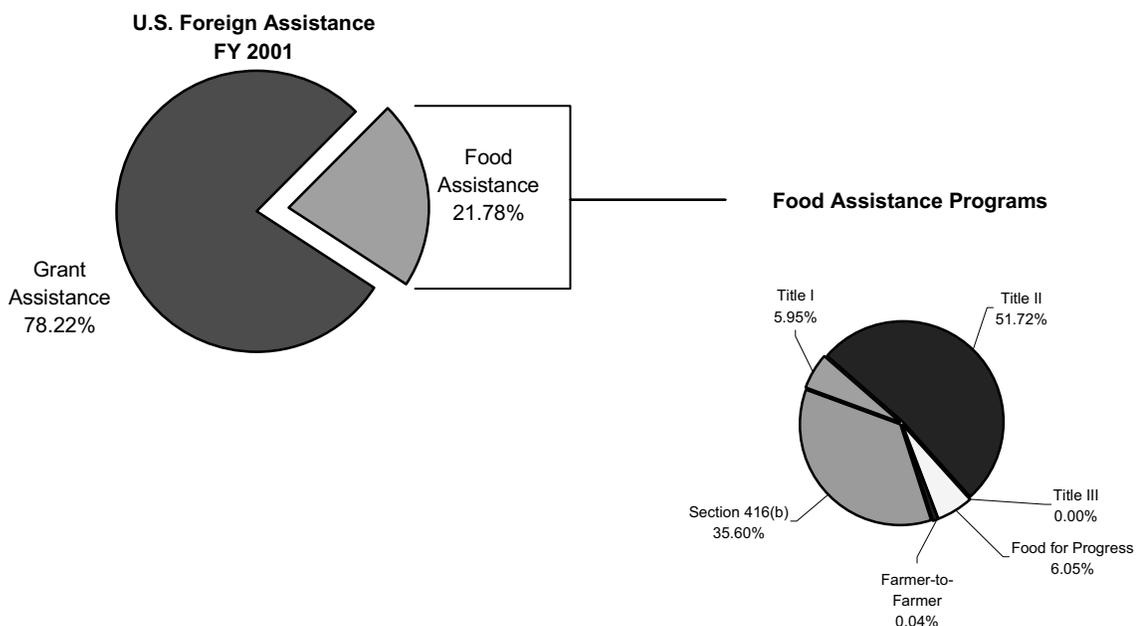
Program	Agency	Purpose
P.L. 480: Title I	USDA	Concessional commodity sales through long-term loans.
P.L. 480: Title II	USAID	Development and emergency relief programs in partnership with PVOs, NGOs, WFP, and government-to-government programs (emergency only).
P.L. 480: Title III	USAID	Government-to-government 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. Currently there is 2.5 million MT in reserve.

APPENDIX 2
U.S. Foreign Assistance FY 2001 (\$000)

Grant Assistance		\$ 6,354,000
(Enacted Amounts)		
Economic Support Fund	\$ 2,315,000	
Development Assistance	\$ 1,302,000	
SEED/NIS*	\$ 1,483,000	
International Disaster Assistance	\$ 270,000	
Peace Corps	\$ 270,000	
Migration and Refugee Assistance	\$ 714,000	
Food Assistance Programs		\$ 1,769,469
Title I	\$ 105,200	
Title II	\$ 915,169	
Title III	\$ 0	
Food for Progress	\$ 107,110	
Section 416(b)	\$ 629,990	
FTF	\$ 12,000	

Total U.S. Foreign Assistance		\$ 8,123,468
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*Support for Eastern European Democracy/NIS



APPENDIX 3

***USDA Title I Program: Summary Budget, Commodity, and Tonnage Tables—
Fiscal Year 2001***

TITLE I PROGRAMS			
Country	Commodity	MT	Value
Eritrea	Corn, Wheat	82,000	\$10,000,000
El Salvador	Vegetable Oil	6,200	\$2,500,000
Indonesia	Wheat	110,600	\$15,000,000
Peru	Wheat	78,000	\$9,800,000
Philippines	Corn, Peas, Rice, Soybean Meal	306,200	\$40,000,000
Sri Lanka	Wheat	63,000	\$7,900,000
Uzbekistan	Rice, Soybeans	107,200	\$20,000,000
Total Title I		753,200	\$105,200,000

Source: USDA Foreign Agricultural Service, November 8, 2002.

Note: Values exclude freight financing of Title I and Title I-funded Food for Progress. Commodities under Title III were not appropriated in FY 2001.

APPENDIX 4

USAID Title II Emergency Activities: Summary Budget, Commodity, Recipient, and Tonnage—Fiscal Year 2001

COUNTRY	SPONSOR	COMMODITIES	RECIPIENTS ¹ (000)	TONNAGE (MT)	VALUE ² (\$000)	202e (\$000)
Africa						
Angola	ICRC	Beans, SF Cornmeal, Veg. Oil	355.0	12,330.0	\$10,718.3	—
	WFP/PRRO	Beans, Corn, CSB	858.1	24,870.0	\$17,065.6	\$747.2
Burundi	WFP/PRRO	CSB, Cornmeal, Veg. Oil, Peas	282.0	11,900.0	\$7,973.1	—
Chad	WFP/IEFR	Corn, SF Cornmeal	375.0	5,000.0	\$3,161.7	—
Congo— Democratic Republic	ICRC	Beans, Corn, Veg. Oil	—	620.0	\$632.3	—
	WFP/PRRO	CSB, Peas, Cornmeal	3.5	17,150.0	\$13,612.0	\$281.0
Eritrea	WFR/IEFR	CSB, Lentils, Veg. Oil	747.0	4,000.0	\$2,829.7	\$143.5
Ethiopia	CRS	CSB, SF Cornmeal, Veg. Oil, Wheat	1,593.3	97,510.0	\$45,310.5	—
	REST	CSB, Lentils, Veg. Oil, Wheat	333.3	36,250.0	\$15,344.9	—
	WFP/IEFR	CSB, Peas, Veg. Oil, Wheat	272.0	27,530.0	\$12,578.8	\$940.3
	WFP/PRRO	Peas, Veg. Oil, Wheat	386.4	11,300.0	\$5,248.3	—
Guinea	WFP/IEFR	Cornmeal, Peas, Veg. Oil	40.0	650.0	\$402.8	\$48.5
	WFP/PRRO	Bulgur, Beans, CSB, Lentils, Veg. Oil	—	13,120.0	\$7,177.6	—
Kenya	WFP/IEFR	Lentils, Beans, Corn, CSB, Peas, Veg. Oil, Wheat	5,392.9	65,400.0	\$33,710.0	\$1,444.1
	WFP/PRRO	Wheat, Peas, Veg. Oil,	—	8,040.0	\$5,028.8	\$100.0
Sierra Leone	CARE	Bulgur, CSB, Lentils, Veg. Oil	131.6	14,280.0	\$8,300.2	\$252.1
	CRS	Bulgur, CSB, Lentils, Veg. Oil	86.5	10,270.0	\$6,429.3	\$135.1
	WFP/PRRO	Bulgur, CSB, Peas, Veg. Oil	1,289.1	17,500.0	\$11,901.9	—
	WVUS	Bulgur, CSB, Lentils	276.4	9,880.0	\$6,343.8	\$86.3
Somalia	CARE	Lentils, Sorghum, Corn	504.0	14,470.0	\$9,702.1	\$56.1
Sudan	ADRA	Bulgur, CSB, Corn, Lentils, SF Sorghum Grits, Veg. Oil	58.0	1,410.0	\$1,437.2	\$34.0
	CARE	CSB, Lentils, Non-fat Dried Milk, SF Sorghum Grits, Veg. Oil	126.5	5,010.0	\$3,584.2	\$43.9
	CRS	CSB, Lentils, Sorghum, Veg. Oil	—	11,440.0	\$6,587.2	—
	DIA	—	—	—	\$76.8	—
	NPA	Lentils, Sorghum, Veg. Oil	173.4	3,290.0	\$3,007.8	\$10.2
	WFP/IEFR	CSB, Lentils, Sorghum, Veg. Oil,	2,191.5	26,320.0	\$26,194.7	—
Tanzania	WFP/IEFR	SF Cornmeal	1,100.0	10,000.0	\$6,134.1	—
	WFP/PRRO	Cornmeal, Peas, CSB,	—	33,410.0	\$22,187.4	—
Uganda	WFP/PRRO	Peas, Veg. Oil, Corn, Cornmeal	807.7	26,740.0	\$14,425.1	—
Subtotal Africa			17,383.2	519,690.0	\$307,106.2	\$4,322.3
Asia and the Near East						
Afghanistan	WFP/IEFR	Lentils, Veg. Oil, Wheat Soy Blend, Wheat	351.8	42,530.0	\$22,093.1	\$710.2
	WFP/PRRO	Wheat, Corn, CSB	—	17,280.0	\$7,201.8	\$313.1
Cambodia	WFP/IEFR	Rice, Veg. Oil	500.0	2,960.0	\$1,390.9	\$96.6
	WFP/PRRO	CSB	350.0	1,000.0	\$621.6	—
India	CRS	—	—	—	—	—
Korea, North	WFP/IEFR	CSB	7,924.5	4,000.0	\$1,776.0	—
Pakistan	WFP/IEFR	Veg. Oil, Wheat	60.0	4,000.0	1,855.3	—
Subtotal Asia and the Near East			9,186.3	71,770.0	\$34,938.7	\$1119.9

Appendix 4 continued next page

APPENDICES

COUNTRY	SPONSOR	COMMODITIES	RECIPIENTS ¹ (000)	TONNAGE (MT)	VALUE ² (\$000)	202e (\$000)	
Europe and Eurasia							
Armenia	WFP/PRRO	Lentils, Veg. Oil	90.4	970.0	\$741.9	—	
Azerbaijan	WFP/PRRO	Peas, Wheat Flour, Veg. Oil	—	4,100.0	\$2,500.7	—	
Balkans	WFP/IEFR	Beans, Veg. Oil, Wheat Flour	922.3	51,320.0	\$33,978.0	—	
Georgia	WFP/IEFR	Beans, Veg. Oil, Wheat Flour	582.0	14,000.0	\$7,291.0	\$432.6	
	WFP/PRRO	Wheat Flour	—	4,000	\$1,914.1	—	
Tajikistan	WFP/IEFR	Peas, Veg. Oil, Wheat Flour	1,253.2	12,000.0	\$7,084.2	\$388.4	
	WFP/PRRO	Wheat Flour, Veg. Oil	272.8	10,280.0	\$5,546.9	\$128.4	
Subtotal Europe and Eurasia			3,120.7	96,670.0	\$59,056.8	\$949.5	
Latin America and the Caribbean							
El Salvador	WFP/IEFR	Beans, Corn, Rice, Veg. Oil	200.0	1,750.0	\$926.1	\$62.1	
	WFP/PRRO	Beans, Corn, Veg. Oil	—	1,290.0	\$532.8	—	
Guatemala	WFP/PRRO	Beans, Corn, Veg. Oil	—	1,130.0	\$479.9	—	
Honduras	WFP/PRRO	Beans, Corn, Veg. Oil	—	1,640.0	\$834.7	\$84.4	
Nicaragua	ADRA	Beans, CSB, Lentils	—	1,610.0	\$906.9	—	
	PCI	Beans, CSB, Lentils	—	1,190.0	\$712.2	—	
	SCF	Beans	—	480.0	\$282.6	—	
	WFP/PRRO	Beans, Corn	—	740.0	\$280.1	—	
Subtotal Latin America and the Caribbean			200.0	9,830.0	\$4,955.3	\$146.5	
WORLDWIDE SUBTOTAL				697,960	\$406,057.0		
Unallocated Preposition plus Unallocated				30,458.0	\$33,817.3	—	
WORLDWIDE TOTAL³				29,890.2	728,418	\$439,874.3	\$6,538.2

Source: USAID/DCHA Food for Peace Information System, April 2002.

¹ Recipient figures are derived from the USAID Office of Food for Peace FY 2001 Annual Report and represent beneficiaries reached in FY 2001. Beneficiary numbers are not available for all activities.

² Value includes commodities plus freight.

³ Adjusted for confirmed fallout and unallocated commodities; total value excludes \$229,295 for FY 2000 ocean freight.

APPENDIX 5

USAID Title II Development Activities: Summary Budget, Commodity, Recipient, and Tonnage Tables—Fiscal Year 2001

COUNTRY	SPONSOR	COMMODITIES	RECIPIENTS ¹ (000)	TONNAGE (MT)	VALUE ² (\$000)	202(e) (\$000)
Africa						
Angola	CARE	Beans, Wheat	—	4,270.0	\$1,476.8	—
	CRS	Beans, Wheat	—	1,340.0	\$460.2	—
	SCF	Beans, Wheat	—	3,940.0	\$1,362.9	—
	WVUS	Beans, Wheat	—	6,950.0	\$2,397.1	—
Benin	CRS	Cornmeal, Veg. Oil, Wheat-Soy Blend, Rice, Wheat, Lentils	68.5	8,610.0	\$3,446.6	\$110.4
	WFP	Corn, Peas	44.0	1,880.0	\$547.6	\$268.4
Burkina Faso	Africare	Rice, Wheat Flour	—	4,700.0	\$2,336.6	\$342.1
	CRS	Beans, SF Bulgur, Veg. Oil, Rice	449.0	15,350.0	\$8,242.9	\$128.8
	WFP	Peas	258.6	800.0	\$373.6	—
Burundi	WFP	Peas, Corn, CSB	30.0	2,980.0	\$1,190.5	\$139.4
Cape Verde	ACDI	Corn, Wheat	—	17,780.0	\$3,568.9	\$403.1
Central African Rep.	WFP	CSB	77.3	480.0	\$244.3	—
Chad	Africare	Wheat Flour	—	2,290.0	\$1,309.9	\$387.6
Djibouti	WFP	CSB	—	240.0	\$98.2	\$24.6
Ethiopia	Africare	Veg. Oil, Wheat	—	60.0	\$54.0	\$167.5
	CARE	Veg. Oil, Wheat	4.8	2,590.0	\$1,575.6	\$366.5
	CRS	CSB, Veg. Oil, Wheat, Lentils, Rice	104.8	12,260.0	\$6,105.5	\$194.2
	EOC	Veg. Oil, Wheat	15.3	2,510.0	\$1,274.6	\$41.0
	FHI	Veg. Oil, Wheat	22.2	3,670.0	\$1,294.4	\$183.6
	REST	Veg. Oil, Wheat	40.4	9,400.0	\$4,018.6	\$155.9
	SCF	Veg. Oil, Wheat	17.3	1,430.0	\$727.5	\$547.5
	WFP	Wheat	1,422.0	30,000.0	\$7,725.0	\$1,616.6
	WVUS	Veg. Oil, Wheat	26.5	3,250.0	\$1,371.6	\$19.8
Gambia	WFP	CSB	—	200.0	\$81.8	\$29.2
Ghana	ADRA	Wheat, SF Bulgur	41.3	35,150.0	\$8,119.6	\$613.7
	CRS	SF Sorghum Grits, Veg. Oil, Wheat	275.0	15,160.0	\$5,117.7	\$73.5
	OICI	Wheat	—	4,100.0	\$947.1	\$274.2
	TECHSRV	Wheat	—	16,000.0	\$3,696.0	—
	WFP	Peas	—	400.0	\$146.8	\$23.6
Guinea	ADRA	Veg. Oil	—	1,120.0	\$877.0	\$398.9
	Africare	Veg. Oil	—	1,880.0	\$1,472.0	\$379.6
	OICI	Veg. Oil	—	1,000.0	\$783.0	\$465.8
Kenya	ADRA	Wheat	—	4,950.0	\$1,089.0	\$14.6
	CARE	Wheat	—	8,400.0	\$1,848.0	—
	CRS	Beans, CSB, Veg. Oil	2.2	11,030.0	\$2,474.6	\$73.8
	FHI	Wheat	—	4,440.0	\$976.8	\$34.5
	TECHSRV	Wheat	—	3,330.0	\$732.6	\$105.4
	WFP	Corn, Veg. Oil, CSB	361.0	4,110.0	\$1,262.3	—
	WVUS	Beans, Corn, Veg. Oil, Wheat	2.0	2,950.0	\$649.0	\$81.9
Liberia	CRS	Bulgur, Lentils, Veg. Oil, Wheat Flour, CSB	35.3	4,470.0	\$1,850.2	\$476.5
	WFP	Bulgur, Peas	140.0	3,190.0	\$1,211.5	—

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APPENDIXES

COUNTRY	SPONSOR	COMMODITIES	RECIPIENTS ¹ (000)	TONNAGE (MT)	VALUE ² (\$000)	202(e) (\$000)
Madagascar	ADRA	Veg. Oil	—	2,370.0	\$1,031.0	\$100.1
	CARE	Veg. Oil	—	—	—	—
	CRS	CSB, SF Bulgur, Veg. Oil	45.5	5,430.0	\$2,425.6	\$40.6
	WFP	Rice, CSB, Corn	659.6	4,540.0	\$1,714.5	—
Malawi	CRS	Corn, CSB, Veg. Oil, Wheat	6.2	5,230.0	\$1,726.4	—
Mali	AFRICARE	Wheat Flour	—	2,600.0	\$1,487.2	\$165.8
	WFP	Cornmeal	191.1	1,770.0	\$885.0	—
Mauritania	WFP	Peas, Wheat	141.2	7,600.0	\$2,348.3	—
	WVUS	SF Sorghum Grits, Wheat-Soy Blend, Veg. Oil	22.4	8,530.0	\$2,378.9	\$198.4
Mozambique	ADRA	Wheat	—	6,920.0	\$1,633.4	\$346.1
	Africare	Wheat	—	3,660.0	\$828.7	\$132.5
	CARE	Wheat	—	12,340.0	\$2,886.5	\$358.8
	FHI	Wheat	—	13,290.0	\$3,133.1	\$299.8
	SCF	Wheat	—	8,080.0	\$1,856.4	\$323.7
	WFP	Beans	315.0	500.0	\$269.0	—
	WVUS	Wheat	—	53,470.0	\$12,389.0	\$1,082.3
Niger	Africare	Rice, SF Bulgur	77.1	9,100.0	\$4,376.5	\$383.6
	WFP	Rice, Lentils, CSB, SF Sorghum Grits	44.1	4,820.0	\$2,445.0	—
Rwanda	ACDI	Veg. Oil	—	1,600.0	\$1,568.0	\$242.9
	CRS	Corn, Peas, Veg. Oil, CSB, Cornmeal	45.1	7,640	\$4,651.5	—
	WFP	Peas	75.0	110.0	\$70.3	—
	WVUS	Beans, Corn, Veg. Oil	77.7	6,000	\$4,103.9	\$111.2
São Tomé	WFP	Cornmeal	33.1	800.0	\$320.0	—
Senegal	WFP	Rice, Peas	223.6	2,170.0	\$833.8	—
Tanzania	WFP	CSB, Corn	—	3,030.0	\$934.0	—
Uganda	ACDI	CSB, Veg. Oil, Wheat	6.0	21,280.0	\$10,995.9	\$480.9
	Africare	Wheat	—	1,210.0	\$468.3	\$110.2
	CRS	Wheat	—	3,500	\$1,354.5	\$251.0
	TECHSRV	Wheat	—	5,860.0	\$2,267.8	\$58.4
	WFP	CSB	55.0	1,440.0	\$733.0	—
	WVUS	Wheat	—	2,700.0	\$1,044.9	—
Subtotal Africa			5,455.5	466,250.0	\$157,698.3	\$12,828.5
Asia and the Near East						
Bangladesh	CARE	Wheat	—	227,630.0	\$46,664.2	—
	WFP	Veg. Oil, Wheat	—	23,260.0	\$5,857.3	\$808.5
	WVUS	Peas, Veg. Oil, Wheat	88.5	63,850.0	\$15,136.6	\$338.1
Cambodia	WFP	CSB	—	1,000.0	\$409.0	\$174.5
Egypt	WFP	Veg. Oil, Lentils	372.2	520.0	\$322.6	\$7.7
India	CARE	CSB, Veg. Oil	14,115.9	106,690.0	\$47,497.7	\$500.0
	CRS	Bulgur, Veg. Oil, CSB	739.9	53,700.0	\$22,043.5	\$403.1
	WFP	CSB, Rice	3,094.7	21,500.0	\$8,747.5	—
Indonesia	CARE	Rice, Wheat-Soy Blend	31.2	5,110.0	\$2,073.3	—
	CRS	Rice, Wheat-Soy Blend	44.4	7,830.0	\$3,150.8	—
	CWS	Rice, Wheat-Soy Blend, Veg. Oil	25.1	2,100.0	\$917.5	—
	MCI	Rice, Veg. Oil, Wheat-Soy Blend	43.8	7,620.0	\$3,110.8	—
	WVUS	Beans, Rice, Veg. Oil, Wheat-Soy Blend	87.0	6,790.0	\$2,891.3	—
Morocco	WFP	Veg. Oil	—	730.0	\$591.3	—
Subtotal Asia and the Near East			18,642.7	528,330	\$159,413.4	\$2,231.9

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COUNTRY	SPONSOR	COMMODITIES	RECIPIENTS ¹ (000)	TONNAGE (MT)	VALUE ² (\$000)	202(e) (\$000)
Latin America and the Caribbean						
Bolivia	ADRA	Lentils, Peas, Rice, SF Bulgur, Wheat Flour, CSB	72.2	2,350.0	\$1,074.0	\$248.4
	CARE	CSB, Lentils, Peas, Wheat Flour	26.5	4,020.0	\$1,898.1	\$194.4
	FHI	CSB, Lentils, Peas, SF Bulgur, Wheat Flour, Wheat-Soy Blend	163.6	19,700.0	\$9,438.8	\$360.0
	PCI	Lentils, Peas, SF Bulgur, CSB, Wheat Flour	105.4	4,980.0	\$2,316.5	\$350.0
	WFP	Wheat	425.0	3,000.0	1,191.0	—
Dominican Republic	WFP	Bulgur, Rice, Veg. Oil, CSB	195.0	3,510.0	\$1,525.1	\$147.0
Guatemala	CARE	CSB, Rice, SF Bulgur, Veg. Oil, Corn, Soy Bean Meal	27.6	15,480.0	\$4,146.6	\$311.1
	CRS	Beans, Rice, Veg. Oil, Corn, Soy Bean Meal, CSB	20.3	15,560.0	\$4,027.0	\$207.6
	SCF	Beans, Rice, Veg. Oil, CSB, Soy Bean Meal	28.6	13,460.0	\$2,943.6	\$458.8
	SHARE	Beans, Rice, Veg. Oil, CSB	144.0	8,370.0	\$3,159.1	\$235.0
	WFP WVUS	Peas, Veg. Oil, CSB	— —	990.0 —	\$422.4 —	\$47.2 —
Haiti	CARE	Beans, SF Bulgur, Veg. Oil, Lentils, Wheat Soy Blend, Wheat	224.0	35,038.0	\$9,633.4	—
	CRS	Lentils, SF Bulgur, Veg. Oil, Wheat-Soy Blend, Wheat	225.0	44,472.0	\$10,621.7	—
	WFP	Peas, SF Bulgur, Beans, Corn, Wheat-Soy Blend	90.0	7,680.0	\$2,938.2	\$792.8
Honduras	CARE	Wheat, Beans, Rice, CSB, Veg. Oil, Cornmeal, Rice	72.0	10,870.0	\$3,450.3	\$185.0
	WFP	CSB, Corn, Peas, Corn	89.0	2,710.0	\$818.5	—
Nicaragua	ADRA	Beans, CSB, Rice, Veg. Oil, Wheat	8.7	3,480.0	\$1,080.7	\$101.9
	CRS	Wheat	—	2,120.0	\$489.7	—
	PCI	Beans, CSB, Rice, Veg. Oil, Wheat	14.0	4,310.0	\$1,377.6	\$91.7
	SCF	Beans, CSB, Rice, Veg. Oil, Corn, Wheat	15.1	4,980.0	\$1,732.8	\$109.1
	WFP	CSB, Rice, Corn	72.5	2,580.0	\$945.4	—
Peru	ADRA	Veg. Oil, Beans, CSB, Bulgur, Peas, Wheat Flour, Lentils	111.3	22,440.0	\$10,003.9	—
	CARE	Veg. Oil	—	20,040.0	\$8,717.4	—
	CARITAS	Veg. Oil, Lentils, Veg. Oil, Wheat Flour, Bulgur, Peas, CSB	82.9	26,690.0	\$11,650.6	—
	CRS	Veg. Oil	—	3,030.0	\$1,318.0	—
	PRISMA	Veg. Oil, CSB, Lentils, Bulgur, Peas	162.4	20,570.0	\$9,386.2	\$245.0
	TECHSRV	Veg. Oil	—	3,170.0	\$1,379.0	—
	WFP	Veg. Oil	—	120.0	\$97.2	—
Subtotal Latin America and the Caribbean			2,375.1	305,720.0	\$107,782.8	\$4,084.9

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APPENDIXES

COUNTRY	SPONSOR	COMMODITIES	RECIPIENTS ¹ (000)	TONNAGE (MT)	VALUE ² (\$000)	202(e) (\$000)
WORLDWIDE SUBTOTAL					\$424,894.5	
Unallocated					\$22,405.5	
WORLDWIDE TOTAL³			26,473.3	1,300,300.0	\$447,300.0	\$19,145.3

Source: USAID/DCHA Food for Peace Information System, April 2002.

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 \$305,534 for FY 2000 freight. ISA grants totaling \$2,316,300 are not included.

APPENDIX 6
USDA Food for Progress Program—Fiscal Year 2001

COMMODITY CREDIT CORPORATION (CCC) FUNDED				
Country	Sponsor	Commodity	MT	Commodity Value ¹
Albania	Counterpart	Beans, AP Flour	6,000	\$1,850,000
Bosnia-Herzegovina	PFD	HRW Wheat	24,200	\$9,262,000
	IOCC	Sunflower Seed Oil		
Central American Regional	PCI	Vegetable Oil	6,000	\$4,158,000
Equatorial Guinea	IPHD	Rice, Bread Flour, Vegetable Oil	1,850	\$599,450
Haiti	SM	Rice	5,000	\$1,100,000
Honduras	Zamarano	Tallow	3,000	\$1,146,000
Nigeria	PFD	Nonfat Dry Milk	1,870	\$3,710,080
Philippines	NRECA	Nonfat Dry Milk, Soybean Meal	12,000	\$5,958,000
Russia	ACLF	Buckwheat Oats, Beans, Rice, Veg. Oil	34,750	\$14,759,790
	ARC	Buckwheat Oats, AP Flour, Beans, Veg. Oil, Rice		
	PAS	Sunflower Seed Oil, Beans, Peas, AP Flour, Lentils, Rice, Nonfat Dry Milk, Veg. Oil		
	GJARN	AP Flour, Apples, Peas, Lentils, Nonfat Dry Milk, Rice, Veg. Oil		
Tajikistan	CARE	AP Flour, Nonfat Dry Milk, Veg. Oil, Dehy. Potatoes	31,080	\$13,720,630
	AKF	Nonfat Dry Milk, Veg. Oil, Dry Whole Milk, CSB, AP Flour		
	SCF	Dehy. Potatoes, Nonfat Dry Milk, AP Flour		
Total			125,750	\$56,263,950

Note: Totals subject to change.

¹ Value does not include freight.

TITLE I FUNDED			
Country	Commodities	MT	Value
Albania	Beans, Vegetable Oil, Wheat Flour	8,920	\$2,668,320
Azerbaijan	Rice, Nonfat Dry Milk	4,000	\$1,056,400
Bosnia-Herzegovina	Wheat	25,000	\$3,350,000
Ecuador	Wheat	60,800	\$8,147,200
El Salvador	Soybean Meal, Corn	10,980	\$1,705,020
Guyana	Wheat	28,200	\$4,274,800
Indonesia	Wheat, SF Flour	35,500	\$5,144,500
Mozambique	Wheat, Vegetable Oil	17,800	\$3,226,700
Russia	Rice, Nonfat Dry Milk, Peas, Beans, Corn, Vegetable Oil, Wheat Flour	97,200	\$13,970,430
S. Balkans/Kosovo	Soybean Meal, Vegetable Oil, Corn	9,000	\$3,816,000
Togo	Rice	6,000	\$1,320,000
Turkmenistan	Rice, Vegetable Oil, Wheat Flour, Corn-Soy Milk	7,120	\$2,167,520
Total		310,520	\$50,846,890
Overall Food for Progress Program Totals		436,270	\$107,110,840

Source: USDA Foreign Agricultural Service, February 2002.

APPENDIX 7

Section 416(b) Program Donations—Fiscal Year 2001: Donations by Region: Regular and World Food Program

Country by Region	MT Donated (000)		Commodity Value (\$000)	
	REGULAR ¹	WFP	REGULAR ¹	WFP
Africa				
Algeria	—	7.50	—	1,977.50
Angola	—	50.01	—	6,308.47
Burundi	—	19.00	—	3,797.00
Cameroon	5.00	—	670.00	—
Chad	10.00	—	2,330.00	—
Congo, Democratic Republic of	—	11.00	—	2,433.00
Congo	10.00	.40	1,340.00	277.20
Djibouti	—	6.00	—	1,398.00
Eritrea	—	116.00	—	17,970.36
Ethiopia	—	130.00	—	17,420.00
Kenya	—	103.20	—	15,560.10
Liberia	—	4.20	—	906.60
Mozambique	—	0.16	—	110.88
Rwanda	—	12.37	—	2,113.01
Sierra Leone	—	17.80	—	4,319.40
Sudan	—	89.20	—	12,386.20
Tanzania	—	31.20	—	5,428.80
Uganda	—	6.13	—	1,416.09
Zambia	—	4.60	—	473.80
Total Africa	25.00	608.77	4,340.00	94,296.41
Asia and the Middle East				
Afghanistan	—	240.20	—	32,186.80
Bangladesh	80.00	55.00	55,440.00	7,370.00
Cambodia	—	26.70	—	6,961.90
Gaza Strip	50.00	—	8,097.50	—
Korea, North	—	346.00	—	57,057.00
Lebanon	100.00	—	14,435.40	—
Pakistan	240.00	—	81,015.00	—
Sri Lanka	45.00	—	6,030.00	—
Yemen	107.50	—	32,060.00	—
Total Asia and the Middle East	622.50	667.90	197,077.90	103,575.70
Europe				
Bosnia-Herzegovina	64.00	—	\$8,706.00	—
Federal Republic of Yugoslavia	50.00	—	\$9,950.00	—
Montenegro	26.00	—	\$3,372.00	—
S. Balkans/Kosovo	—	38.50	—	\$10,580.50
Total Europe	140.00	38.50	22,028.00	10,580.50
Latin America and the Caribbean				
Colombia	—	10.00	—	1,340.00
Dominican Republic	—	2.19	—	420.48
El Salvador	47.59	—	8,722.42	—
Guatemala	4.35	—	1,842.00	—
Guyana	1.50	—	1,148.30	—
Honduras	19.00	2.65	3,131.00	361.45
Jamaica	9.20	—	5,438.10	—
Nicaragua	21.57	2.75	5,850.77	371.75
Total Latin America & Caribbean	103.20	17.59	26,132.59	2,493.68

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	—
Total Near East	200.00	0	26,800.00	0
NIS Countries				
Armenia	—	15.20	—	3,541.60
Georgia	—	20.96	—	5,205.68
Russia	30.00	20.20	5,970.00	5,534.60
Tajikistan	15.73	26.50	4,125.09	6,864.50
Total NIS Countries	45.73	82.86	10,095.09	21,146.38
Program Totals	1,136.43	1,415.62	286,473.58	232,092.67

Source: USDA Foreign Agricultural Service, February 2002.

Note: Metric tons reflect agreement amounts; freight costs are not included. Values are based on shipped amounts reported as of February 1, 2002.

¹ Government-to-government and PVO agreements.

APPENDIX 8

*Section 416(b) Program Donations for Global Food for Education—
Fiscal Year 2001: 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	3.35	—	\$658.13	—
Cameroon	—	1.06	—	\$109.18
Chad	—	4.87	—	\$1,254.41
Congo	8.30	—	\$2,861.40	—
Côte d'Ivoire	—	0.70	—	\$154.00
Eritrea	17.43	—	\$6,863.52	—
Ethiopia	—	11.58	—	\$3,800.53
Gambia	—	3.47	—	\$863.61
Ghana	—	1.07	—	\$290.85
Guinea	—	0.15	—	\$42.45
Kenya	—	70.90	—	\$11,361.90
Madagascar	4.90	—	\$1,795.30	—
Mozambique	—	8.80	—	\$2,330.20
Senegal	7.55	—	\$1,706.63	—
Tanzania	—	2.05	—	\$355.15
Uganda	0.64	7.28	\$384.04	\$1,443.02
Total Africa	42.17	111.93	\$14,269.02	\$22,005.30
Asia and the Middle East				
Bhutan	—	1.75	—	\$355.19
Cambodia	—	1.66	—	\$440.88
Lebanon	27.00	—	\$3,835.00	—
Nepal	—	5.66	—	\$2,666.97
Pakistan	—	5.86	—	\$4,060.98
Vietnam	43.30	—	\$9,182.20	—
Total Asia and the Middle East	70.30	14.93	\$13,017.20	\$7,524.02
Europe				
Albania	19.24	—	\$3,268.59	—
Bosnia-Herzegovina	24.63	—	\$3,300.42	—
Total Europe	43.87	0	\$6,569.01	0
Latin America and the Caribbean				
Bolivia	8.95	7.88	\$3,931.39	\$1,055.92
Colombia	—	3.66	—	\$489.77
Dominican Republic	62.20	0.31	\$16,704.60	\$68.20
El Salvador	—	9.04	—	\$1,306.22
Guatemala	21.02	—	\$2,383.07	—
Honduras	—	9.45	—	\$1,292.60
Nicaragua	4.03	15.94	\$2,419.13	\$4,683.00
Peru	—	10.00	—	\$1,340.00
Total Latin America and the Caribbean	96.20	56.28	\$25,438.19	\$10,235.71
Near East				
Total Near East	—	—	—	—

Appendix 8 continued next page

Country by Region	MT Donated (000)		Commodity Value (\$000)	
	REGULAR ¹ GFE	WFP GFE	REGULAR ¹ GFE	WFP GFE
NIS Countries				
Georgia	10.80	—	\$1,447.20	—
Kyrgyzstan	7.79	—	\$2,176.05	—
Moldova	28.40	—	\$7,519.45	—
Tajikistan	—	4.46	—	\$1,222.18
Total NIS Countries	46.99	4.46	\$11,142.70	\$1,222.18
Program Totals	299.52	187.60	\$70,436.12	\$40,987.21

Source: USDA Foreign Agriculture Service, February 2002

Note: Metric tons reflect agreement amounts; freight costs are not included. Values are based on shipped amounts reported as of February 1, 2002

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 1997–2001 (Development and Emergency Activities)

	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
Section 202(e) Levels	\$28,000,000	\$28,000,000	\$28,000,000	\$28,000,000	\$28,000,000
Section 202(e) Funds for ISAs	\$3,158,874	\$865,180	\$1,911,401	\$2,687,044	\$2,316,300
Food for Peace Development Assistance Levels	\$5,140,000	\$5,000,000	\$5,091,000	\$5,100,000	\$6,000,163
Development Assistance Funds Used for ISAs	\$2,776,762	\$4,134,820	\$3,088,599	\$2,312,956	\$2,245,700
ISA Levels (From Section 202(e) and Development Assistance Funds)	\$4,681,983	\$5,935,636	\$5,000,000	\$5,000,000	\$4,562,000

Source: USAID/DCHA Office of Food for Peace, April 2001.

APPENDIX 10

Public Law 480 Title II Congressional Mandates—Fiscal Year 2001

	Minimum	Subminimum	Monetization	Value-added	Bagged in United States
FY 2001 Target	2,025,000	1,550,000	15.0%	75.0%	50.0%
Final Status Sept. 2001	2,464,862	1,531,494	65.3%	42.5%	60.8%

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 non-emergency 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/DCHA Office of Food for Peace, October 25, 2001.

APPENDIX 11

Summary: Total U.S. International Food Assistance—Fiscal Year 2001

		MT	U.S. Dollars
P.L. 480	Title I	753,200	\$105,200,000
	Title II Emergency	728,418	\$446,407,500
	Development	1,300,300	\$468,761,600
Subtotal P.L. 480		3,141,518	\$1,020,369,100
Food for Progress	Title I Funded	310,520	\$50,846,890
	CCC Funded	125,750	\$56,263,950
	Subtotal Food for Progress	436,270	\$107,110,840
Section 416(b)	Regular	1,435,950	\$356,909,700
	WFP	1,603,190	\$273,079,880
	Subtotal 416(b)	3,039,140	\$629,989,580
Farmer to Farmer			\$12,000,000
GRAND TOTAL		6,616,928	\$1,769,469,520

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 1996/97–2000/01

Donor	Minimum Annual Contribution (1995 Convention)	1997/98	1998/99	1999/00*	2000/01	Minimum Annual Contribution (1999 Convention)	
						Tonnage Commitment	Value Commitment (In Euros)
Australia	300,000	293,221	273,064	754,652	1,123,696	250,000	130,000,000
Canada	400,000	417,917	487,095	157,426	69,114	420,000	
European Union	1,755,000	2,201,162	1,962,481	145,832	229,612	1,320,000	
Japan	300,000	302,626	560,135	— ¹	— ¹	300,000	
USA	2,500,000	2,818,500	4,734,121	9,361,910	10,224,727	2,500,000	
Other ²	95,000	77,221	110,232	526,725	812,087	105,000	
TOTAL	5,350,000	6,110,647	8,127,128	10,946,545	12,459,236	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 FAC, 1995.

¹ Figures for Japan were not available.

² Argentina, Switzerland, Norway.

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

APPENDIX 13

*Countries with Approved U.S. Food Assistance Programs, Fiscal Year 2001***Title I
(7 countries)**

Eritrea
El Salvador
Indonesia
Peru
Philippines
Sri Lanka
Uzbekistan

**Title III
(0 countries)**

None

**CCC-funded
Food for Progress
(10 countries)**

Albania
Bosnia-Herzegovina
Central American Reg.
Equatorial Guinea
Haiti
Honduras
Nigeria
Philippines
Russia
Tajikistan

**Title I-funded
Food for Progress
(12 countries)**

Albania
Azerbaijan
Bosnia-Herzegovina
Ecuador
El Salvador
Guyana
Indonesia
Mozambique
Russia
S. Balkans/Kosovo
Togo
Turkmenistan

**Title II
(52 countries)**

Afghanistan
Angola
Armenia
Azerbaijan

Balkans
Bangladesh
Benin
Bolivia
Burkina Faso
Burundi
Cambodia
Cape Verde
Central African Rep.
Chad
Congo, Democratic
Republic of
Djibouti
Dominican Republic
Egypt
El Salvador
Eritrea
Ethiopia
Gambia
Georgia
Ghana
Guatemala
Guinea
Haiti
Honduras
India
Indonesia
Kenya
Korea, North
Liberia
Madagascar
Malawi
Mali
Mauritania
Morocco
Mozambique
Nicaragua
Niger
Pakistan
Peru
Rwanda
São Tomé
Senegal
Sierra Leone
Somalia
Sudan
Tajikistan
Tanzania
Uganda

**Section 416(b)
(65 countries)**

Afghanistan
Albania
Algeria

Angola
Armenia
Bangladesh
Bhutan
Bolivia
Bosnia-Herzegovina
Burundi
Cambodia
Cameroon
Chad
Colombia
Congo
Congo, Democratic Republic of
Côte d'Ivoire
Djibouti
Dominican Republic
Ecuador
El Salvador
Eritrea
Ethiopia
Gambia
Gaza Strip
Georgia
Ghana
Guatemala
Guinea
Guyana
Haiti
Honduras
Indonesia
Jamaica
Jordan
Kenya
Korea, North
Kyrgyzstan
Lebanon
Liberia
Madagascar
Moldova
Mozambique
Mongolia
Montenegro
Morocco
Nepal
Nicaragua
Pakistan
Peru
Russia
Rwanda
Senegal
Sierra Leone
Sri Lanka
S. Balkans/Kosovo
Sudan
Tajikistan
Tanzania
Turkmenistan

Uganda
Vietnam
Yemen
Yugoslavia, Federal
Rep. of
Zambia

**FTF
(42 countries)**

Argentina
Armenia
Azerbaijan
Bangladesh
Belarus
Bolivia
Brazil
Ecuador
El Salvador
Ethiopia
Gabon
Georgia
Ghana
Guatemala
Guyana
Haiti
Honduras
India
Jamaica
Kazakhstan
Kenya
Kyrgyz Republic
Malawi
Mexico
Moldova
Mongolia
Mozambique
Nepal
Nicaragua
Nigeria
Paraguay
Philippines
Russia
South Africa
Tajikistan
Turkmenistan
Uganda
Ukraine
Uruguay
Uzbekistan
Zambia
Zimbabwe