

A Review of the Title II Development Food Aid Program

Over 800 million people in developing countries do not have, at all times, physical and economic access to sufficient, safe, and nutritious foods to meet their daily dietary needs and food preferences for an active and healthy life. A major response by the U.S. Government to the problem of food insecurity is the nearly one billion dollars spent annually on food aid. The United States Agency for International Development (USAID) Title II development (non-emergency) food aid program constitutes the single largest source of funding focused on sustainable food security.

Title II development food aid directly supplements the diet of young children and pregnant and lactating mothers, mobilizes people's labor to feed families, and builds local commercial and agricultural infrastructure necessary for sustainable rural development. Proceeds from the monetization of Title II development food aid are used to support nutrition, education, agricultural extension and training, and local capacity building, which help insure that the program's longer-term objective of sustainable increases in food security is met. When Title II development food aid is integrated with other USAID resources, it enhances the effectiveness of child survival, agriculture, income generation, basic education and community development activities targeting the rural poor.

In 1995, USAID issued a Food Aid and Food Security Policy Paper that defined the general purposes and use of food aid resources in developing countries. In 2001, USAID's Office of Food for Peace (FFP) and Office of Program, Policy and Management (PPM), through the Global Health Bureau's Health, Infectious Disease and Nutrition (GH/HIDN) Food and Nutrition Technical Assistance project (FANTA), carried out an assessment of the Title II food aid development programs and their progress in meeting the food security goals laid out in the policy paper. The report, "The Food Aid and Food Security Assessment: A Review of Title II Development Food Aid Programs," is available on the FANTA website, www.fantaproject.org.

Food Aid and Food Security Policy Paper

The primary objective of U.S. food aid programs is to enhance the food security of the poor in developing countries. In 1995, USAID issued the Food Aid and Food Security Policy Paper that defined the general purposes and use of Title II emergency and development (non-emergency) food aid resources in support of this objective. The Policy Paper represented a fundamental shift in three components of Title II development activities: programming and geographic focus, performance reporting, and resource integration.

The Policy Paper articulated the following major goals and priorities for shifting the emphasis of Title II programs:

- Reduction in the level of chronic undernourishment in the most food insecure regions and households, especially in sub-Saharan Africa and South Asia;
- Reduction of household malnutrition, especially in children and mothers, and the causes of malnutrition, particularly low agricultural productivity;
- Application of results management to Title II development programs;
- Greater attention and more resources allocated to strengthening the development and management capacity of USAID's food aid partners;
- Integration of Title II programs with USAID Missions' strategies and integration of U.S. food resources with complementary resources from cooperating sponsors¹ (CSs), USAID, other donors and host country governments;
- Support for a shift away from relieving immediate food needs towards building sustainable medium- and long-term food security, including greater emphasis on local capacity-building;

- Recognition of a relief-to-development framework; and
- Commitment to building a better partnership among all food aid partners.

FFP commissioned this assessment of the Title II Development Assistance Programs (DAPs)² to determine the degree of success DAPs have had in achieving and reporting on the food security goals set forth in the 1995 Policy Paper. The Food Aid and Food Security Assessment involved a broad range of consultations. Information and data were collected from FFP, other USAID offices, Title II CSs and during field visits to Benin, Bolivia, Ghana and Mozambique.

Specifically, the objectives of the assessment were to:

1. Describe how the Title II development program changed its regional and sectoral priorities.
2. Assess management and implementation priorities, especially management for results and resource integration.
3. Determine the results achieved in the agriculture, household nutrition and education sectors, using a qualitative assessment methodology and the best readily available quantitative data.
4. Recommend future program and legislative directions.

Shifts in Regional and Sectoral Priorities

From FY 1995 to FY 2001, the Title II P.L. 480 development program increased from 45 programs valued at \$280 million to 84 programs valued at \$380 million in 28 developing countries in sub-Saharan Africa, Asia, Latin America and the Caribbean. In FY 2001, household nutrition programs accounted for 35 percent of program value, agriculture programs for 49 percent, education programs and humanitarian

¹ Cooperating sponsors (CSs) are private voluntary organizations (PVOs), cooperatives, and international organizations that receive commodity donations from USAID's Office of Food for Peace, through funding provided by Public Law 480, Title II, also known as the Food for Peace program. Cooperating sponsors address the needs of the food insecure both through five-year development projects and emergency food assistance.

² Development Assistance Programs (DAPs) are multi-year Public Law (P.L.) 480, Title II, Food for Peace programs to identify food security problems and to design appropriate responses using food aid. Program implementers, or cooperating sponsors (CSs), are required to monitor and evaluate progress toward improving household food security.

assistance programs for eight percent each, and non-agriculture-related microenterprise for one percent.

Since the Policy Paper was issued, the Title II program has increased its focus on the most food insecure regions and countries, especially in sub-Saharan Africa, and increased its program emphasis on improving agricultural productivity and household nutrition. The Title II program has increased the proportion and amount of overall resources and programs devoted to sub-Saharan Africa from approximately \$60 million to \$140 million and from 22 to 45 programs. The shift to South Asia is less obvious. The number of South Asian programs increased only recently— after a decrease in the first five years following the release of the Policy Paper— from five to nine, but with a relatively smaller value increase from approximately \$120 million to \$135 million. There has been a concomitant decrease in the proportion of resources for the Latin American and Caribbean region since FY 1995. Programs in Latin American countries with relatively lower levels of food insecurity (food deficits) and food insecure populations have been replaced with programs in countries with greater numbers of food insecure and the programs within those countries have been increasingly focused on the most food insecure populations.

There was a marked increase in the proportion of programs that incorporated household nutrition from 53 percent in FY 1995 to 67 percent in FY 2001, peaking at 83 percent in FY 1997. The decrease since FY 1997 was due to an increase in the number of new programs that did not include a household nutrition component but favored agricultural programming. Since FY 1997, the percentage of DAPs with agricultural components increased from 70 percent to 81 percent. Still, the proportion of Title II development resources in the two priority sectors— household nutrition and agricultural productivity— has remained fairly constant at approximately 80

percent since FY 1998. The shifts in resource allocation between the priority sectors reflect an emphasis on longer term-solutions to food insecurity, in accordance with the intent of the Policy Paper.

Two trends with significant implications for food security are the HIV/AIDS pandemic and African urbanization. The HIV/AIDS pandemic has not been adequately addressed in DAPs; modifications reflecting the effects of HIV/AIDS on the food security objectives of health and nutrition interventions and agricultural programs are still quite limited. CSs require assistance in designing new types of programs that take into account the reduction in labor and the significant drain on household and community resources that result from HIV/AIDS.

A growing body of literature suggests that there is an increasing concentration of poverty and food insecurity in rapidly expanding urban centers. The Title II portfolio does not reflect this evident trend and, moreover, FFP and the Missions have steered CSs away from working with urban populations to focus on rural areas, even when there are clearly documented urban food insecurity problems. FFP should apply the same food security rationale and criteria to a DAP that addresses food insecurity in an urban setting as it applies to a DAP with a rural focus.

Achievements and Constraints in Management and Implementation of Title II

Over the past six years, CSs have made considerable progress in program assessment, program design, resource integration, partnering and capacity-building, while facing some significant constraints. Program assessments have advanced considerably as the technical sophistication of CSs has increased, although gaps remain. Review of DAP proposals submitted over time shows

significant improvement in identifying and describing critical country-level food security problems; most assessments incorporate a participatory methodology. However, the improvement in macro-level diagnostics is not matched by quantitative data collection and analysis at the local level.

Greater incorporation of local data into the design of DAPs would strengthen the results. Monitoring and evaluation systems have been developed that focus on reporting to the Mission and FFP. However, the use of information for field program management needs strengthening. In the area of program design and integration, CSs have increased and maintained a predominant focus on the Policy Paper priority sectors and have developed small-scale, locally affordable and appropriate innovations in agriculture and health and nutrition. CSs have increased resource and programmatic integration in DAPs, although there is need for improvement. As emphasized in the Policy Paper, they have focused attention on building local capacity so that, in the future, people can use knowledge and skills in agriculture and health and nutrition, and earn income to feed themselves.

Capacity-building of local partners is a high priority and major focus for all CSs. Unfortunately, the time required for sufficient capacity development often exceeds the five-year time frame of DAPs. Despite the focus on capacity-building, most DAPs lack a clearly defined and adhered-to exit strategy. Many CSs seem to have expectations that they will be continually re-funded to work in their current countries. Sustainable capacity in communities and households will not be achieved if CSs do not eventually leave. Capacity-building intermediate objectives and affiliated activities need to stress the skills considered essential to sustainability, and comprise an important element of the exit strategy of a DAP.

Partnerships and collaboration within and between Title II and Mission programs

have increased substantially since the mid-1990s when the Policy Paper was issued. Missions have worked with governments, donors and CSs to develop food security and/or nutrition strategies that identify the main determinants of food security and malnutrition, the location of the food insecure populations and the priority interventions necessary to address food insecurity. Missions have been able to use Title II food aid resources to support their broader development objectives by integrating Title II programs in their Strategic Plans. Comparisons of DAPs from the mid-1990s with those developed after 2000 illustrate a clear shift in the intensity and sophistication of partnerships. The partnerships described in the new DAPs (FY 2002-FY 2006) should strengthen the results of both the Title II program and the Missions' country strategies, encourage local participation and enhance sustainability.

The principal management and implementation constraints are in policy guidance, friction between USAID and its partners over the mix of cash and food resources and the transparency and timeliness of FFP's management. For example, the Title II program continues to lack a clear relief-to-development framework from which to build program policy and develop appropriate program designs and sequencing.

There is a constant tension arising from the pressure to use commodity resources as food and the need for cash resources for sustainable impacts. The Policy Paper emphasizes that to achieve sustainable results, food distribution activities need to be combined with complementary program interventions funded from monetization, Section 202(e) or other cash funding sources. The bulk of new complementary cash resources has been gained from monetization of food aid. Over the past seven years, the proportion of food aid monetized has increased from 28 percent to 75 percent of all Title II development food aid resources. This has made it difficult to meet the 75 percent value-added mandate.³

³ P. L. 480, section 204(b)(1), Use of "Value-Added Commodities" requires that: "...in making agricultural commodities available under this title, the Administrator shall ensure that not less than 75% of the quantity of such commodities required to be distributed during each fiscal year be in the form of processed, fortified, or bagged commodities."

Consultations with people across the spectrum of food aid stakeholders reveal that the value-added mandate has created considerable friction among food aid partners and other food aid constituents, although this has ebbed somewhat in recent years. According to FFP's partners, resolution of issues surrounding the mandate has not been completely transparent.

The importance of transparency, consistency, flexibility and communication continually surfaced in discussions with food aid partners. A common concern expressed by CSs and USAID staff relates to the timeliness of the DAP guidelines. Although CSs receive drafts of the guidelines for comment and discussion, the final versions are often issued late in the process, shortly before the DAP proposal submission date. Frequent changes in administrative procedures in an attempt to balance the multiple objectives of the program and the legislation make it difficult and more costly for CSs to follow through on planned program designs and achieve expected results. Two common complaints were inconsistency and a lack of transparency in the review process, and too much emphasis on political or administrative issues at the expense of important technical concerns. Concerns were also expressed about an inadequate number of technical reviewers and unclear roles and lines of authority.

Sectoral Results, Lessons Learned and Constraints

In the past six years, Title II program improvement has been dramatic in the priority sectors of agriculture and household nutrition, while the less emphasized education sector has made modest gains.

Agriculture. Perhaps the most dramatic sectoral improvement has been in agriculture. The Title II agricultural portfolio has changed significantly since the Policy Paper was released. Prior to 1995, most Title II "agricultural" activities,

such as road rehabilitation and reforestation, had only an indirect relationship to agriculture. There were very few production and marketing interventions. The change in the Title II agricultural portfolio following the 1995 Policy Paper implied a dramatic shift in Title II programming, implementation and accountability and the transition required considerable retooling by CSs.

CSs have made significant progress in introducing new technologies and effective food security assessment tools and training materials. Over the review period, Title II agricultural programs have introduced appropriate technologies and practices that have increased yields (mostly basic grains and root crops) and reduced storage losses. While there is significant annual variability in yield results for nearly all DAPs, very few performed poorly over the entire life of the activity (LOA). Most programs succeeded in improving yields, and many exceeded their targets.

During this period, successful collaboration between Title II programs and local and international agricultural research centers has steadily increased. Through Food for Work (FFW) activities, Title II resources have significantly contributed to the rehabilitation of critical infrastructure destroyed by natural disasters or during complex emergencies. CSs have been successful at organizing large numbers of farmer groups and marketing associations, distributing improved inputs and providing training. The extension staffs are well trained and hardworking. CSs have increasingly formed partnerships that facilitate local participation, improve results and enhance sustainability.

There are, however, some weaknesses in the design and implementation of food availability and access interventions. First, although the seasonal food gap is nearly always described as a key characteristic of household food insecurity, CSs do not use well-established interventions to address it. Second, CSs do not adequately and consistently take into account the

farmers' perspective on adapting innovations. Third, CSs insufficiently analyze market constraints and opportunities, which contributes to significant deficiencies in the design of appropriate and profitable market-oriented interventions. Fourth, not enough emphasis is placed on sustainability and the design and follow-through of timely exit strategies. Fifth, with few exceptions, CSs need to place more emphasis on overcoming obstacles to incorporating women as active economic agents and full participants in their programs. Finally, the Title II program has not given sufficient consideration to rural liquidity constraints. Many of the Title II food access interventions have stalled or faltered because of cash flow and credit problems among rural households.

Household Nutrition: Maternal Child Health and Nutrition (MCHN).

Notable improvements in the quality of nutrition and health programming have been achieved in the years since the Policy Paper was released. MCHN programs have evolved from center-based efforts where growth monitoring and food supplementation were the major objectives to integrated community-based development programs with long-term health, nutrition and sustainability objectives.

The Title II MCHN sector has made important advances in the health and nutrition of program participants in the last six years. Improvements in the nutritional status of children have been reported by more than half of the programs reviewed in a wide range of countries. Diarrheal disease has been reduced and immunization rates have increased. Improvements in key household-level nutrition and health behaviors and in the delivery of essential MCHN services have contributed to positive impacts on child nutrition and health status.

Better program diagnosis and design have contributed to these notable achievements. Program designs are more locally appropriate as better problem

assessment and diagnostic tools have been developed and community participation has significantly increased. CSs have developed alternative approaches for reaching vulnerable populations not reached by government health systems. MCHN programs are better targeted at the most vulnerable women and children. Supplementary feeding programs have been integrated with complementary activities designed to directly improve food consumption by the child and/or mother in the home and improve the biological utilization of food through the provision of essential health services and improvements in health care behaviors.

However, a number of weaknesses are constraining programs from having a greater impact on nutrition and health. Many DAP proposals fall short of identifying key community and household level nutrition and health problems, particularly those related to behaviors that have a direct impact on nutrition. Title II programs have been successful at moving away from didactic approaches to nutrition education. However, the nutrition education curricula in many DAPs are too broad, incorporate topics that are not associated with DAP interventions and lack specificity in terms of behavior-change objectives.

Direct provision of essential health services by CSs may create a disincentive for Ministry of Health (MOH) partners to seek long-term solutions to the problems they face in delivering services. Many of the DAPs reviewed are focused too much on delivering health services, thus limiting the potential impact that food and related inputs can have on nutritional status and neglecting the comparative advantage of food aid.

Although MCHN programs are targeted at the most vulnerable women and children, inadequate attention is given to women's nutrition in Title II MCHN programs, particularly maternal food consumption and dietary practice during adolescence, pregnancy and lactation.

Food for Education (FFE). FFE programs integrate food with other resources to enhance educational outcomes, specifically educational opportunity, progress and achievement. Since the Policy Paper, CSs have proactively adapted their programs based on the lessons they have learned from experimenting with the FFE model. CSs have shifted from isolated food input provision to a broader range of complementary interventions. These include targeting marginal groups, providing take-home rations, mobilizing Parent-Teacher Associations (PTAs) and using other donor and private resources to complement food with interventions such as provision of Vitamin A and deworming medicine.

Assessment of the overall performance of Title II FFE programs is difficult due to lack of standardized annual monitoring indicators. Still, all FFE programs did some annual reporting on enrollment, drop-out and promotion rates. FFE programs appear to be increasing school enrollment overall and promotion rates are generally close to targets. Reducing drop-out rates appears to be more difficult than initially thought. Furthermore, CSs designing and implementing FFE programs would clearly benefit from a better understanding of the constraints and opportunities for increasing girls' education.

Key Recommendations

Included here are the key recommendations of the assessment. These recommendations identify actions that have the most potential for improving Title II programming and management. Further detail on the key recommendations and additional recommendations for program improvements may be found in the report. Readers interested in a particular topic area should also refer to the full report, "The Food Aid and Food Security Assessment: A Review of the Title II Development Food Aid Program."

A. Implementation of the Policy Paper Programmatic and Management Priorities

1. FFP should adopt the following as the primary determinants of whether food aid is used in the form of food, local currency or a combination of both: the nature of the food security problem, the design of the appropriate solution, local market conditions, availability of complementary resources and CSs' management and technical capacity.
2. CSs should make greater efforts to find appropriate ways to use food to address food insecurity issues.
3. Congress should expand funds available through the current P.L. 480, Title II, section 202(e) mechanism, create a complementary source of cash funds for Title II programming and/or fund internal transport, shipping and handling costs directly, so that a larger share of the proceeds from monetization would be available for programming. Congress should reevaluate the effectiveness of the value-added mandate.
4. FFP should intensify its consultation with its food aid partners in formulating policy, particularly when the policy addresses a controversial issue.
5. FFP should put priority on developing a relief-to-development strategy for Title II resources that recognizes the oscillatory and coincident nature of most relief and development transitions.
6. FFP should prepare guidance on improving food security for HIV/AIDS-affected households and for households in urban and peri-urban environments.
7. CSs should intensify efforts to integrate their Title II activities with other complementary development efforts or partners. Missions should improve integration of the Title II program with a broader spectrum of Strategic Objectives.

8. CSs should focus on institutionalizing their strengthened capacity and improving quality control in the field.

9. CSs and FFP should standardize the methodology for results reporting and widen the dissemination and use of best practices across the Title II program.

10. FFP should allow greater flexibility in DAP length in conjunction with stricter exit criteria. CSs should assist communities to find alternatives to CS services early in the program cycle.

11. FFP should establish clear, concise DAP guidelines and not rewrite them each year. CSs should be held accountable to the guidance that was in place at the time DAPs were approved.

12. FFP should establish a clear line of authority and clarify for its Title II partners the roles of different management units within USAID (FFP, Regional Bureaus and Missions).

B. Agricultural Productivity Sector

13. CSs and FFP should make sure that DAP proposals demonstrate knowledge of local farming systems and market opportunities, emphasize interventions that address the priority concerns and constraints of farm families and describe the information systems to be used to refine interventions during DAP implementation.

14. CSs need to make sure that they adequately deal with three potential problem areas: 1) finding the right balance between food and cash crops, 2) dealing with household cash flow and liquidity constraints, and 3) closing the seasonal food gap through an increased focus on improved storage, small-scale post-harvest transformation, crop diversification and market opportunities.

15. When a DAP includes a marketing component, it is absolutely necessary that the CS conduct a market study as part of

the DAP proposal preparation and that it demonstrate adequate evidence of technical competency of the CS or a close collaborator.

16. CSs should build a gender strategy into DAPs and commit to being persistent and creative in finding workable solutions throughout the length of the activity.

C. Household Nutrition: Maternal Child Health and Nutrition Sector

17. CSs should put major emphasis on changing critical nutritional and health behaviors.

18. CSs should continue to use growth monitoring and promotion as a key strategy to improve the nutritional status of children under three years of age and improve referral and follow-up of malnourished children.

19. CSs should focus increased attention on strategies to improve women's nutrition.

20. CSs should focus efforts with Ministries of Health on the integration of nutrition into essential maternal and child health services.

21. CSs should establish country-specific criteria and verification methods to ensure that the neediest communities are selected and food resources are not used ineffectively.

For more information, go to www.fantaproject.org for a copy of "The Food Aid and Food Security Assessment: A Review of the Title II Development Food Aid Program."



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This publication was made possible through the support provided to the Food and Nutrition Technical Assistance (FANTA) Project by the Office of Food for Peace of the Bureau for Democracy, Conflict and Humanitarian Assistance and the Office of Health, Infectious Disease and Nutrition of the Bureau for Global Health at the U.S. Agency for International Development, under terms of agreement No. HRN-A-00-98-00046-00 awarded to the Academy for Educational Development (AED). The opinions expressed herein are those of the author(s) and do not necessarily reflect the views of the U.S. Agency for International Development.

Recommended citation:
Food and Nutrition Technical Assistance (FANTA) Project. *A Review of the Title II Development Food Aid Program*. Washington, DC: Food and Nutrition Technical Assistance Project, Academy for Educational Development, 2002.