

USDA LOCAL & REGIONAL PROCUREMENT

MINIMUM REQUIREMENT FY 2021

\$25.5 MILLION

FY 2020 President's Request: N/A

FY 2020 Enacted: \$20 Million

WHAT IS USDA LOCAL AND REGIONAL PROCUREMENT?

The Local and Regional Procurement (LRP) program enables the U.S. Department of Agriculture to procure local and regional commodities for field-based projects in developing countries. It complements existing food aid programs and fills in the nutritional and food aid gaps created by unexpected emergencies. LRP runs in conjunction with the McGovern-Dole International Food for Education programs.

WHAT DOES IT BUY?

Funds are provided to partners through grants, cooperative agreements, and other mechanisms to implement need-based programming that leverages resources, skills, and partnerships with local farmers to supplement and enhance school meals with nutrition-rich products such as beans, groundnuts, and sweet potatoes.

WHY IS IT IMPORTANT?

- ▶ LRP is a small program with significant impact. In FY 2017, LRP programs reached 48,000 people in Kenya, Tanzania, and Benin, with only a \$5 million award.
- ▶ LRP quickly delivers emergency and nonemergency food and nutrition assistance. A GAO report found that shipping food from the United States to sub-Saharan Africa took 100 days longer than procuring food from local or regional sources.
- ▶ LRP is efficient. A USDA LRP pilot program found that buying grains in or near the country to which the U.S. donates food aid saved 53% relative to purchasing U.S.-sourced grains and saved 25% in the case of other foods, such as beans.
- ▶ The procurement of food from local markets stimulates local economies by increasing farmers' incomes and creates jobs in the community. In FY 2019, the USDA identified five priority countries for local and regional procurement programs: Burkina Faso, Cambodia, Liberia, Nepal, and Nicaragua.

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WHY SHOULD AMERICANS CARE?

- ▶ LRP reduces the need for U.S. foreign assistance. A local program in Ethiopia that purchases food from small-holder farmers to use in school feeding programs generates over \$16 million for farmers and contributes to children's education.



LOOKING TO THE FUTURE

TITLE V – Agriculture Appropriations Bill USDA Local & Regional Procurement

WHAT MORE COULD BE DONE?

- ▶ The 2018 Farm Bill reauthorized the USDA’s LRP program at \$80 million annually. The appropriations for the program consistently fall below the authorized amount.
- ▶ The 2018 Farm Bill authorized up to 10% of McGovern-Dole funds to be used to purchase food in the country or region where it will be distributed. Additional investment would allow LRP programs to further complement existing food aid programs—especially the McGovern-Dole Food for Education program—and fill in nutritional gaps for targeted populations or food availability gaps created by unexpected emergencies.
- ▶ Greater funding for LRP programs could generate significant development effects by spurring local economic activity and forming and strengthening sustainable local markets over the long term.

6 YEAR FUNDING HISTORY

(In millions)

