

THE TRUTH ABOUT FOOD AID:

Addressing Common Misconceptions of International Food Assistance Programs in the Farm Bill

Claim:

International food assistance programs are intended to be “pure in-kind commodity donation programs.”

Fact Check:



According to [Section 2 of the Food for Peace Act](#) (P.L. 480), Food for Peace programs are designed to: “(1) combat world hunger and malnutrition and their causes; (2) promote broad-based, equitable, and sustainable development, including agricultural development; (3) expand international trade; (4) foster and encourage the development of private enterprise and democratic participation in developing countries; and (5) prevent conflicts.”

Section 201 (7 USC § 1721) lists seven goals that Food for Peace Title II programs are mandated to pursue, including to “carry out activities that attempt to alleviate the causes of hunger, mortality, and morbidity; promote economic and community development; promote food security and support sound environmental practices; ... and build resilience to mitigate and prevent food crises and reduce the future need for emergency aid.”

Further, Section 202(e)(1)(c) requires that organizations participating in Food for Peace Title II programs implement the strongest “income-generating, community development, health, nutrition, cooperative development, agricultural, and other developmental activities.”

International food assistance programs are a powerful diplomatic tool connecting U.S. citizens to international communities and building local markets that, in the long run, can foster strong U.S. trade partners, such as South Korea.

Claim:

The use of commodities in Food for Peace Title II continues to decrease.

Fact Check:



Funding for Food for Peace Title II has increased year on year, as has the use of commodities.

Funding for the purchase of U.S. agricultural commodities used in Food for Peace Title II programs increased by \$280 million—nearly 54%—in FY2022 due to the drawdown of the Bill Emerson

Humanitarian Trust (BEHT) in April 2022. Even in FY2021, before BEHT drawdown, Food for Peace Title II made up half of USAID Bureau for Humanitarian Assistance (BHA) food assistance across all accounts.

The proportion of Food for Peace Title II funding that is used to purchase U.S. agricultural commodities has averaged roughly 30% annually since FY2015. Any increase to the appropriated base funding level allows for additional agricultural commodities to be purchased for the program.

NGOs continue to support increases to Food for Peace Title II through the annual appropriations process—often in partnership with other food aid actors, like commodity groups and shippers—and thank Congress for continued support of these programs.

Claim:

Food for Peace Title II is handing out cash and vouchers at the expense of in-kind commodity use.

Fact Check: 

In FY2021, only **0.85% of Food for Peace Title II funding** supported the use of cash or other market-based assistance. The majority of program funds went to the purchase of commodities (32%) and transportation and storage of commodities (39%).

NGO implementing partners are not swapping out commodities for cash or vouchers on a one-for-one basis. NGOs strongly support funding to carry out capacity-building and development activities—like water, sanitation, and hygiene interventions, agriculture income generation, and nutrition interventions—codified at Section 202(e)(1)(c).

These interventions complement commodity use by increasing sustainability and building local agriculture markets, enabling recipient countries to reduce their reliance on U.S. assistance, feed themselves, and eventually become trade partners.

Claim:

Food for Peace Title II can and should spend 50% or more of its annual budget on the purchase of U.S. in-kind food aid.

Fact Check: 

Procuring and shipping U.S. in-kind food to Yemen, Ethiopia, and beyond requires costly, time-intensive, and comprehensive logistical support.

These expenses include port fees, warehousing and handling, fumigation, and trucking—among other transportation, distribution, and staff costs—which requires significant funding to ensure food arrives safely to communities that need it most.

Transportation and management costs alone account for roughly 60% of Food for Peace Title II funding. Given the high cost of delivering commodities, increasing the commodity procurement budget to 50% of total Title II funding is not operationally feasible. There would be no funding to ship the newly procured food.

Claim:

Internal handling and shipping costs (ITSH) and funding for staff salaries and development activities (Section 202(e)) are “black holes” without any accountability or reporting. There is no oversight for where that money goes.

Fact Check:



As mandated through the Food for Peace Act, USAID and implementing partners (NGOs and the U.N.) are required to report annually on line-item costs for carrying out Food for Peace Title II emergency and non-emergency programming.

USAID’s BHA produces an annual report to Congress called the International Food Assistance Report that details costs by expense category, project, and country, ranging from commodity type, metric tonnage per project per year, number of program participants reached, and years of implementation.

Additionally, implementing organizations are required to maintain a detailed budget and reporting structure throughout the grant cycle. This process is overseen by BHA’s grant officers throughout the lifecycle of the award, and any cost modifications or budgetary amendments that account for changing costs, such as inflation, must be approved by BHA.

Claim:

NGO Farm Bill proposals seek to maximize non-commodity programming.

Fact Check:



NGOs proudly support the critical role that U.S. commodities play in providing emergency food aid to communities that would otherwise go without. Food aid is particularly helpful in contexts where there is insufficient or no food readily available in local markets, and where donated food would not contribute to market distortions that would negatively impact local farmers.

For this reason, NGOs are only proposing to amend authorizations in Food for Peace Title II non-emergency programs to allow for context-specific and adaptive programming that best fit the needs of communities facing hunger and crisis. We would like to see this reflected by making the use of U.S. in-kind aid a programming option, rather than a requirement, as currently written in legislation.

This change would have virtually no impact on Food for Peace Title II emergency programs and overall metric tonnage volume for commodities based on the NGO proposal to establish a 30% commodity floor in Food for Peace Title II.

Claim:

If NGOs only want to make small changes to these programs, it is not really going to make a difference.

Fact Check: 

With extreme hunger levels globally, every efficiency and effectiveness gain is essential. Though these proposals affect less than 5% of the commodities used in Food for Peace Title II, implementing partners can reach thousands more.

One NGO estimates that for the three Resilience and Food Security Activities (RFSAs) in their portfolio that use U.S. commodities, the cost of delivering programs totals approximately \$4 million per year. If this funding was used to implement programs, we would feed over 60,000 additional people each year.

Streamlining award management would allow valuable staff time and resources to be spent on programming instead of administrative tasks while maintaining the same level of reporting and oversight. For just two of the cost categories (202(e) and ITSH), NGOs spend an estimated 16 days of extra time on budgeting these categories separately.