The Honorable Dan Glickman, Distinguished Fellow, The Chicago Council on Global Affairs House Foreign Affairs Committee Modernizing Food Aid: Improving Effectiveness and Saving Lives February 14, 2018

I would like to thank Chairman Royce, Ranking Member Engel, and Members of the House Foreign Affairs Committee for inviting me to testify. This Committee has shown steadfast leadership and vision on issues of food assistance, development, and food security. I am honored to join my voice with this distinguished group of witnesses.

In the wake of the President's FY2019 budget request, this Committee's leadership is more important than ever. Indiscriminate and disproportionate cuts to our international affairs and development accounts undermine our national security and long-term economic prosperity. I applaud the Committee's continuing support of robust development and diplomacy which invests in a safer, more prosperous world. The global food crisis of 2007-08 demonstrated how spikes in food prices can plunge millions into hunger and deeper poverty, sparking riots that can undermine stability for years. The US spends less than 1% of the total budget on international assistance, but thanks to reforms made by Congress, these programs are extremely effective. Mitigation of famine, through food assistance, and prevention of chronic hunger through food security programming promotes stability and limits food-related civil unrest.

Additionally, food security and development programs impact the economic future of American farmers, ranchers and agribusiness. Emerging markets, currently, make up only 20% of US exports, however, growth in low-income countries is expected to rise to 5.8% by 2019. In fact, Africa has some of the fastest growing economies in the world. The African food and agriculture sector is projected to reach \$1 trillion by 2030. With the right incentives and the benefit of rising incomes, these economies will blossom and the US will be well-positioned to expand into new markets.

The US has a bipartisan legacy of generosity. From the Marshall Plan to rebuild Europe following World War II to George W. Bush's Emergency Plan for AIDS Relief (PEPFAR), Americans believe in helping others. We remain the largest single contributor to the World Food Programme. This generosity is particularly true of our agricultural community. American farmers have always taken great pride in their ability to feed the world and we have made great strides in combatting hunger and malnutrition. There are currently almost 200 million fewer hungry people than 25 years ago. Over the past 60 years, USDA's Food for Peace program has reached almost 4 billion of the world's neediest in almost 150 countries.

Our modern approach to aid has showed that there cannot be a one-fit-all approach to food assistance. There are a variety of tools needed to address different circumstances. This includes a distinct difference in the way we think about food assistance and agricultural development. In 2016, the McGovern-Dole International Food for Education Program, reached 2 million children using over 50,000 metric tons of US-sourced commodities. Just this last fall, USDA's Food for Progress delivered 100,000 tons of US red winter wheat to feed refugees in Jordan.

Our food aid programs were established in the 1940s to provide friendly nations with surplus US commodities. It was mutually beneficial, stabilizing US agricultural commodity prices and feeding those in-need globally. There is a deep and abiding connection between the agriculture community and our food assistance programs. In-kind aid will always need to be a part of our food assistance tools and in some cases be the bulk of our effort. For example, in 2017, Food for Peace purchased agricultural commodities from 16 states across the US. A report by the American Enterprise Institute calculated that between 2006 and 2012, food aid programs are responsible for purchasing 8.7% of all pulse crops produced and exporting 18.7% of total pulses during that same period. Similarly, food aid programs consume 5.8% of all grain sorghum produced. However, over the past half century, Congress has consistently recognized the need to adapt these programs to reflect the rapidly changing nature of global humanitarian efforts and the modernization of the US agricultural sector to meet different types of need. Following a disaster, if markets have collapsed and there is insufficient local capacity, in-kind commodities are critical to feeding local populations. This can include commodities like corn and soy or protein-rich therapy foods like Plumpy'Nut for the severely malnourished. But when local markets are functioning appropriately, new techniques like vouchers and debit cards can be utilized to great effect. These new advances and the new nature of our current crises means our programs need to constantly assess how to be more efficient, effective, and adaptable while maximizing the use of tax payer dollars.

When I last addressed this committee in 2015, resources were already stretched thin. Just that year, agencies were addressing near-famine in South Sudan, a devastating earthquake in Nepal, the Ebola outbreak in West Africa, and continuing efforts to combat the rising humanitarian crisis in Iraq and Syria. Now, in 2018, an estimated 136 million people need humanitarian assistance and the United Nations predicts global needs to increase by 5 percent this year alone. Famine has been declared in South Sudan, and it looms in Somalia, Yemen, and Nigeria, threatening 20 million with starvation. The World Food Programme is facing six level-3 emergencies, which is the designation given to the largest and most resource-intensive crises. In the longer-term, shifting population demographics in Africa mean a rising youth population could threaten regional stability if economic opportunity and incomes remain stagnate. For example, about 70% of migrant flows are people younger than 30. Unfortunately, the biggest issue facing food assistance and humanitarian relief agencies is not technical expertise or diversion, but a lack of funding. For the last 10 years, on average, appeals for assistance were only 2/3rds funded.

Our current food assistance programs have done an incredible job addressing hunger, in all its forms, with less resources for an increasing number of crises. This is thanks to the flexibility granted by Congress over the past years and in the last Farm Bill. It has allowed programs to leverage a wide range of tools from in-kind commodities to mobile money and e-vouchers. The continued adaptability of our programs will be critical in the face of dynamic new challenges and the protracted nature of humanitarian crises. As with anything, improvements can be made to ensure the programs use the right tools at the right time to maximize beneficiaries.

1. In the case of acute and sudden disasters, a report by Government Accountability Office (GAO) found that shipping food from the United States to sub-Saharan Africa took 100 days longer than procuring food from local or regional sources. Additionally, GAO

reported that food from the United States can take four to six months to reach beneficiaries. In instances of natural disaster like an earthquake or typhoon, speed is critical to mitigate loss in the short term. Continuing to leverage tools like prepositioning, which places food aid at strategic sites around the world, and local or regional procurement can improve planning and efficiency of food delivery.

2. Monetization, the selling of US goods in local markets, often causes more harm than good. It can disrupt local markets and impacts smallholder farmers in the region for decades. Congress has recognized the need to scale-back monetization requirements in the past and it should again consider eliminating the current 15% requirement.

Finally, bridging the gap between development and food assistance programs will be necessary to not just limit ongoing disasters, but to prevent future issues. Programs like McGovern-Dole and the Feed the Future initiative work to bridge the gap between dependence and the transition to prosperity. With over 500 million smallholder farmers in the world, the US is uniquely positioned to provide technical expertise, improve nutrition, foster basic research advances such as better seeds and fertilizer, and help build infrastructure to decrease post-harvest loss or increase access to electricity. I have seen firsthand how these small advances can make all the difference to farming families struggling to get their crops to market.

In the last two years, USAID has worked with 11 other agencies, including USDA, to write the Global Food Security Strategy. This five year whole-of-government strategy lays out clear objectives for US agricultural development programs, which would supplement our food assistance and break the cycle of dependence. However, without the reauthorization of the Global Food Security Act, this strategy cannot be enacted. I urge my colleagues to continue the bipartisan leadership they have shown in the past and enact legislation that supports long-term US engagement on global food security issues.

Thank you again to the Chairman, Ranking Member and the Committee for inviting me to speak. I look forward to your questions.