

Hearing: A 2022 Review of the Farm Bill: International Trade and Food Assistance Programs
House Subcommittee on Livestock and Foreign Agriculture
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Thank you, Chairman Costa, Ranking Member Johnson, and members of the Subcommittee, for the opportunity to provide testimony today on the implementation of international food aid programs authorized under Title III of the Farm Bill. My name is Bill O’Keefe, and I am the Executive Vice President of Mission and Mobilization for Catholic Relief Services (CRS), the humanitarian relief and development agency of the Catholic community and Church in the United States.

CRS was founded in 1943 due to an outpouring of concern from Catholics across the United States to help thousands of survivors and refugees of World War II with emergency food, water, and shelter assistance. It was from this initial response that CRS realized the overwhelming needs that existed not only in mid-war Europe, but across the globe for people impacted by poverty and facing crises, leading CRS to establish its mission of serving the world’s most vulnerable. Today, we partner with over 2,000 local, national, and international Catholic institutions and structures, faith-based and secular organizations, and the U.S. government to assist people on the basis of need, not creed, race, or nationality. Motivated by the desire to preserve and uphold the sacredness and dignity of all human life, CRS serves more than 150 million people in over 100 countries globally. Through life-saving assistance for those impacted by unanticipated socioeconomic, political, and climate-related shocks and long-term, holistic development projects, CRS is working to sustainably reduce poverty, build resilience, and promote peace and prosperity for all God’s children.

After two-and-a-half decades of historic and landmark progress that reduced the number of hungry and malnourished people in the world by half, global hunger is steadily on the rise for the seventh year in a row. The interconnected and compounding drivers of hunger that are a consequence of what we refer to as the “three Cs” – climate change, conflict, and now COVID-19 – are exacerbating chronic and severe food insecurity for people living in highly vulnerable and fragile contexts. This has contributed to a significant backslide in once-achieved, record-breaking progress, pushing our world entirely off-track to achieving zero hunger and malnutrition by 2030.

As a leading U.S. government implementing partner responding to emergencies around the globe, it is abundantly clear that U.S. international food aid programs have and continue to fulfill a dynamic role as mainstays of the American international response to the global hunger crisis and reflect the generosity of the American people. Through the combined work of Farm Bill-authorized international food aid programs like Title II Food for Peace, McGovern-Dole Food for Education, Food for Progress, the Farmer-to-Farmer program, the Bill Emerson Humanitarian Trust, and the International Agricultural Education Fellowship that effectively deliver a hand-up to people in need, the U.S. government in partnership with organizations like CRS continue to inspire hope for those who are often left-behind.

As work begins to reauthorize the 2023 Farm Bill, CRS requests the following reforms to enhance international food aid programs:

- We request full flexibility for non-emergency Title II Food for Peace development programming, eliminating constraints around associated costs, such as 202(e) and the commodity requirement.

- We request that the Community Development Fund is reauthorized at an appropriated funding level to ensure continued and long-term flexible funding to support activities that holistically address hunger needs and build resilience.
- We request additional funding, at the discretion of the U.S. Department of Agriculture, for expanded local and regional procurement activities in the McGovern-Dole Food for Education program to enhance sustainability.
- We request that funding for commodities provided in the Bill Emerson Humanitarian Trust be made accessible to respond to unanticipated food crises; authorize a replenishment mechanism to respond to recurrent food security needs arising globally; allow for the repositioning of emergency food aid so that food can arrive as quickly as possible in the face of an emergency; and permit the trust to cover associated costs, like ocean freight and warehousing, when Commodity Credit Corporation funding is not available.

The Food for Peace Program

For more than 65 years, the Food for Peace program has provided food assistance to over four billion people in need around the world. Today, the program provides funding for both emergency and development food security responses. In an emergency, Food for Peace delivers U.S.-sourced agricultural commodities to people facing crises. This emergency aid allows people to receive enough food to survive and prevents them from either having to migrate in search of better opportunities or sell off critical assets like seeds or livestock.

Food for Peace also authorizes a minimum of \$365 million a year – of which \$15 million supports the Farmer-to-Farmer program – for non-emergency, development programming that works with the most vulnerable communities in the late-recovery stage to build back better and create a pathway towards resiliency so that communities can once again provide for themselves and thrive. These multisectoral, multi-year programs address a number of sectors simultaneously – agriculture, nutrition, land regeneration, water management, infrastructure improvements, and market engagement – in order to holistically meet the needs of communities. The root causes of hunger, malnutrition and poverty are many and often interrelated; therefore, multisectoral programming effectively breaks down those silos that occur too often in foreign assistance, allowing implementers to tackle challenges from a systems-based approach.

CRS is currently utilizing Food for Peace Title II funding to respond to emergencies in Ethiopia, Sudan, South Sudan, and Madagascar, in addition to non-emergency funding for multi-year Resilience Food Security Activities (RFSAs) in Kenya, Uganda, Ethiopia, the Democratic Republic of Congo, Haiti, Niger, and Madagascar.

Food for Peace in Southern Madagascar

The effects of an increasing global temperature, resulting in more frequent and extreme climate-related disasters, environmental degradation, increased resistance of agricultural pests and diseases, and decreased nutritional quality of staple crops, is posing a severe threat to the global food and agriculture system. Unfortunately, those who have contributed the least to the climate crisis will suffer the greatest consequences due to the impact on their livelihoods from lessening crop yields at best, or total crop failure at the very worst. CRS is already witnessing the devastating impacts of climate change on the lives of the communities we serve.

In Southern Madagascar, Catholic Relief Services, using emergency Title II Food for Peace resources, is responding to one of the worst multi-year droughts in the country's history. Poor rainfall, in addition to the economic impacts of the COVID-19 pandemic, sandstorms, and pest infestations, have driven nearly two million people into crisis-level hunger, with approximately 30,000 experiencing famine-like conditions. Through funding provided by the U.S. Agency for International Development (USAID) that totals \$40 million over two years, CRS is distributing emergency food aid to over 220,000 people and providing nutrition counseling and monitoring to over 25,000 children who are vulnerable to wasting, the most acute form of malnutrition. Additionally, CRS is repairing water points to provide much-needed water in this extremely arid environment, while simultaneously training program participants on how to maintain and manage their water supply. As a part of this emergency response, CRS is also building the foundation for resilience by integrating long-term solutions to drought and poverty. We are working with communities to strengthen local governance structures and are encouraging climate-smart agricultural practices. Additionally, the program supports youth and gender-sensitive approaches to agricultural development and community decision-making, while fostering financial literacy to help participants learn how to save and manage their money. For Madagascar's poorest people, Food for Peace is a lifeline that is staving off hunger and alleviating human suffering.

Nearby to this response, CRS is implementing a five-year Resilience Food Security and Nutrition Program that works with the most vulnerable people, households, and communities to prevent and reduce acute food insecurity in Madagascar's Deep South. The project pursues a multisectoral approach to support families by improving their health; livelihoods through agriculture, fisheries, and livestock; and social services and safety nets. Through this response, CRS – with the support of the U.S. government – is addressing the root causes of hunger and poverty by building the foundations for sustainable agriculture-led growth that will prevent previously vulnerable populations from falling back into poverty.

Title II Food for Peace Recommendations

We thank Congress for continuing to support the Food for Peace Title II program and honor the good work it does in places like Madagascar. Additionally, CRS supports the reauthorization of Title II Food for Peace in the 2023 Farm Bill, acknowledging its role in providing both emergency food assistance and implementing risk-reducing and resilience-building activities that reduce poverty among the most vulnerable, thereby decreasing the need for future humanitarian assistance. However, as unprecedented crises continue to arise globally, and with funding and resources failing to keep up with the pace of the global need, we recommend improvements to the program to ensure that CRS and other implementers are utilizing the best and most appropriate tools in our toolbox, reaching as many families in need as possible.

A core focus of CRS' implementation of Food for Peace development programs is on improving the livelihoods of smallholder farm families as a means to achieving food security and optimal nutrition. This requires transitioning families from subsistence farming into greater engagement with markets with the goal of sustainability. We do this by: 1) building sustainable sources of income through savings groups, diversified livelihoods, new small-scale business opportunities, and links to sources of loans and other financial instruments; 2) improving capacity within local governments and civil society actors to carry forward new skills and practices introduced in programs, but also to continually learn and adapt practices to new challenges long after a program ends; and 3) by building lasting linkages between beneficiaries, service providers, and other market actors so that once the program is over, the network remains in place.

These activities require the use of cash-based resources, rather than in-kind commodities, and the ability to design programs based on present, on-the-ground needs, as opposed to legislative policy directives.

That is why CRS is requesting full flexibility of funding for Title II non-emergency resources, so that implementing partners have the agency to utilize the best and most appropriate modality choice to make responses and interventions context-specific and poverty-reducing. The statutory 20% cap on 202(e) funding, which provides fully flexible cash to support multisectoral development interventions (like the above) that are essential to graduating communities out of poverty, is not sufficient to meet the needs and objectives of Title II development programming. This is even more true today, as programming costs are increasing due to COVID-19 and global food supply shortages and price inflation as a result of the war in Ukraine. While we recognize the need for some in-kind aid in contexts like Madagascar or Ethiopia, we need the flexibility to pursue context-specific approaches using market-based analyses that address the needs of the people we are serving on the ground, which requires a more proportionate balance of food and cash.

CRS also supports the reauthorization of the Community Development Fund (CDF), Development Assistance funding provided through State, Foreign Operations appropriations, that is transferred to the Bureau for Humanitarian Assistance to directly fund or supplement Food for Peace development programming. The funding provided in CDF allows for fully flexible direct assistance, much like 202(e), to support sustainability activities that improve livelihoods, the nutritional status of communities, and enhance long-term economic productivity. **We request that Congress maintain the mechanism for CDF in the next Farm Bill, reauthorizing it at an appropriated funding level to ensure continued and long-term flexible funding to support activities that holistically address hunger needs and build resilience.**

Lastly, we emphasize the need for continued integration of climate adaptation interventions into Title II non-emergency, development responses to ensure that communities hardest hit by the impacts of a changing climate are not further pushed into poverty and food insecurity. Universally mainstreaming climate-smart and agroecological approaches into long-term food security activities enables rural farmers to strengthen their climate resilience, sustainably improve their incomes and livelihoods, incorporate locally led approaches for community capacity building, and strengthen the global food system. These activities include restoring degraded landscapes, developing better water management systems, planting drought-resistant crops, repairing soil health, and preserving biodiversity.

COVID-19's Impacts on Food Security

In the early days of the COVID-19 pandemic, when widespread movement restrictions were in place and schools across the world were closed, children who participate in the McGovern-Dole Food for Education program were impacted by unanticipated disruptions to their daily meals and education. For many of the children, who overwhelmingly come from chronically food insecure households, a school meal is the only reliable source of food they are guaranteed to receive on a daily basis. Furthermore, the pandemic's stress on the global food and agriculture system resulted in inflated prices and widespread food shortages, making nutritious food less affordable and accessible to marginalized households and communities.

Thanks to the flexibility of USDA to help the McGovern-Dole program quickly pivot projects across the world – such as CRS's Learning for Life project in Guatemala – were able to adapt and pivot to the challenges posed by the pandemic by administering take-home rations at socially distanced food aid

distribution sites. This allowed caregivers to collect food to feed themselves and their children, in addition to receiving learning materials so young children can continue their education at home.

McGovern-Dole Food for Education Recommendations

CRS recognizes the tremendous work of the McGovern-Dole program in serving millions of primary school children, infants, and new mothers across 40 countries in the two decades since its inception in 2002. Additionally, we express our utmost gratitude to Congress for continuing to fund and support the program's existence. Currently, CRS leads implementation in nine McGovern-Dole funded projects in: Guatemala, Honduras, Burkina Faso, Sierra Leone, Mali, Guinea-Bissau, Benin, Togo, and Laos. Each of these programs focus on improving childhood nutrition, promoting literacy, and supporting optimal maternal health outcomes for pregnant and lactating women. CRS also believes that continued support and robust investments in the McGovern-Dole Food for Education program aligns well with the U.S. Government's commitment to improving the nutrition, health, and education of vulnerable children worldwide as a member of Global School Meals Coalition. The coalition aims to make nutritious meals available for all children around the world by 2030. We stand with USDA in their commitment to graduation and a transition to public ownership, supporting efforts to build the capacity of host country governments to sustainably maintain their own independent school meal programs.

In the 2018 Farm Bill, a change to the McGovern-Dole program was incorporated that required USDA to allocate 10% of total McGovern-Dole funding to support local and regional procurement (LRP) activities. Previously, the agency had the discretion to choose which McGovern-Dole projects would receive funding for LRP. The United States Department of Agriculture (USDA) interpreted this change by universally applying LRP to all McGovern-Dole programs across the board. CRS welcomes the universal application of LRP activities into all active McGovern-Dole programs, enabling McGovern-Dole implementers the ability to supplement U.S. in-kind aid with culturally appropriate and locally sourced commodities, with the additional benefit of stimulating the local market by supporting livelihoods within the community.

In the upcoming Farm Bill, CRS requests that Congress allow for increased LRP activities to be determined on a yearly basis at the discretion of USDA, within a congressionally directed authorizing window, to promote long-term sustainability and transition schools to a self-sustaining home-grown school feeding system. Furthermore, we request that the current status quo of 10% serves as a floor for McGovern-Dole LRP funding going forward, and that increases to LRP do not come at the expense of McGovern-Dole programs that improve food security; reduce the incidence of hunger; improve literacy and primary education – particularly with respect to girls; and maternal, infant, and child nutrition programs for pregnant women, nursing mothers, infants, and children who are 5 years of age and younger.

In places like Sierra Leone, where CRS is implementing McGovern-Dole projects in two districts, the host government has shown increasing interest in a home-grown school feeding model for schools across the country, acknowledging its role in serving as a vital safety net system for hungry children who rely on daily school meals. An increase in LRP commodities will allow McGovern-Dole programs the opportunity to work with local farmers to become a reliable market for schools in the community. Purchasing staple foods locally helps create a bridge that supports rural economies and livelihoods,

diversifies school meals with locally appropriate foods to increase nutritional outcomes in young children, and strengthens local infrastructure and capacity.

Additionally, investments in LRP support USAID's Locally Led Development Initiative by engaging local actors in a holistic and meaningful way as co-equal partners working to strengthen local capacity, enable local actors to facilitate decision-making and develop their own solutions, and mobilize local resources to catalyze sustainable and transformative development outcomes.

CRS in South Sudan

Conflict is the primary driver of hunger globally with more than half of the world's hungry people living in areas of extreme violent conflict. Protracted crises, like conflict, combined with poor governance and corruption pose the most significant and grave threat to global food security, beyond – though exacerbated – by other drivers like climate change and COVID-19. South Sudan provides one of the clearest examples of the inexplicable linkage between hunger and conflict and the vicious cycle it creates. Since South Sudan's founding in 2011, the nation has been mired by extreme violent conflict, resulting in high levels of displacement, both internally and externally. Furthermore, the ongoing conflict has severely impacted food production in the country, with a record 5.8 million people currently facing a severe hunger crisis. Some areas are dealing with fighting. Others struggle with the influx of 1.6 million displaced people. This is in addition to a persistent El Nino-driven climate pattern which has caused the most severe drought in decades, with nearly half of the country's population unsure of where their next meal will come from.

Since January 2015, CRS continues to implement emergency relief and long-term development programs within South Sudan to provide agriculture, nutrition, and water and sanitation assistance, as well as promote peacebuilding and social cohesion to thousands of program participants. In seven years, CRS has distributed food and nutritional supplements to over half a million people; provided bags of grain and training on post-harvest storage to roughly 4,000 farmers; repaired 80 water sources; and trained communities on how to keep their water supply safe and flowing. We do this work in partnership with USAID through two programs: The Livelihoods Recovery and Resilience Program and the Resilience Food Security Program both funded by the USAID's Bureau for Humanitarian Assistance. Together, CRS is having an impact in over 1.3 million lives through integrated and multisectoral programming. A major component of the Livelihoods Recovery and Resilience Program is distributing in-kind food aid from the U.S. to families in need in exchange for work on community projects that rebuild roads and irrigation systems.

The Bill Emerson Humanitarian Trust

While Title II Food for Peace provides significant emergency resources to many countries around the world, hunger needs have ballooned significantly in recent years. The Bill Emerson Humanitarian Trust (BEHT) was created with the intent that U.S. government emergency resources could be scarce in any given year, therefore resources provided in the trust can supplement emergency food needs when Food for Peace resources have been fully utilized.

The trust was originally established in 1980 to hold up to four million metric tons of wheat. It was later expanded to include a number of other commodities and was renamed the Bill Emerson Humanitarian Trust in 1988. Today, the BEHT has morphed into an all-cash reserve for the purchase of U.S.

commodities for when unforeseen food needs arise. USDA and USAID jointly administer the BEHT, and the Commodity Credit Corporation (CCC) holds all BEHT funds. Equivalent to a rainy-day fund, the BEHT allows USDA and USAID the option to provide additional food assistance quickly, without having to rely on supplemental appropriations from Congress.

Unfortunately, despite increasing hunger needs and funding shortfalls, the resources in the trust have been mostly untapped, even though there is significant mobilization capacity and thousands, if not millions, of additional people who could benefit from this lifesaving assistance. Most recently, the trust was last accessed in 2014 to supplement a Food for Peace emergency response in South Sudan. The response required a \$50 million drawdown from the trust and \$130 million in associated costs from the CCC. At the time, very remote regions of South Sudan, where millions of people were on the brink of starvation, were impossible to reach by land and required more costly airdrops of food to urgently arrive to these areas. The funding in the BEHT made this effort possible; otherwise, hundreds of thousands of South Sudanese would have potentially faced death due to catastrophic levels of hunger as a result of ongoing war.

The Bill Emerson Humanitarian Trust Recommendations

Due to persistent global food insecurity, and looming famines around the world, **CRS requests that Congress make reforms to the BEHT that: 1) eliminate the barriers for accessing funding, 2) provide a replenishment mechanism to ensure long-term use of the trust in the face of growing global food insecurity, 3) allow for prepositioning of food in advance of anticipated crises, and 4) cover all associated costs, such as ocean freight and warehousing, when CCC funding is no longer available.** According to the President's fiscal year 2023 budget request, the trust currently holds approximately \$282 million in funding.

Additional Farm Bill Recommendations

CRS thanks Congress for continuing to support Farmer-to-Farmer (F2F), Food for Progress (FFPr), and the International Agricultural Education Fellowship. Each of these programs, in combination with Title II Food for Peace, McGovern-Dole Food for Education, and the Bill Emerson Humanitarian Trust, provide a holistic package of interventions that are layered and sequenced as communities transition from crises and recovery to long-term development interventions that connect smallholder farmers to markets, build connections with private sector enterprises, and foster a legacy of food security in communities that were once dependent on U.S. government assistance. In the upcoming Farm Bill, CRS supports:

- The reauthorization of the FFPr program, acknowledging its achievements in places like Uganda, where CRS has helped local vanilla farmers improve their livelihoods. Additionally, we support the reauthorization of pilot programs funded by FFPr for direct technical assistance of \$10 million annually to support agriculture extension projects, rather than through monetization, as authorized in the 2018 Farm Bill for fiscal years 2019-2023.
- The reauthorization of the International Agricultural Education Fellowship, established in the 2018 Farm Bill, to allow U.S. citizens – in partnership with implementing organizations like CRS – the opportunity to establish school-based agricultural education and youth extension programs in communities ripe for capacity building and scaling.
- The reauthorization of the F2F program, which partners American farmer volunteers with local smallholder farmers, producer groups, and rural businesses to develop their local capacity with

the goal of increasing food production and rural incomes, expanding economic growth, and addressing environmental and natural resource management challenges. We hope F2F's reauthorization will build off lessons learned from COVID-19 by continuing to pair US volunteers with local experts to encourage sustainable knowledge and skills transfer.

The War in Ukraine's Impacts on Food Security

The ongoing conflict in Ukraine is having an undeniable impact on the state of global food security within Ukraine and around the world. As a top exporter of wheat and sunflower oil, accounting for 40% and 60% of the global supply, respectively – many countries throughout North and East Africa and the Middle East are already feeling the effects of food price spikes and global supply shortages. Furthermore, agricultural inputs like fertilizer – which are vital for strong crop yields – have also taken a massive hit to its global supply due to sanctions imposed on Russia, who is the lead global supplier of potash, ammonia, and other soil nutrients. Countries on the brink of famine, like South Sudan, Yemen and in the Horn of Africa, are particularly vulnerable to the worsening impacts of the ongoing war in Ukraine, with an unfortunate likelihood of new hotspots arising in places like Lebanon, Egypt, and Jordan. In fact, global projections predict a food price crisis worse than 2008 and 2009, when widespread food scarcity led to civil unrest throughout the Middle East.

While there is great uncertainty as to how significantly food prices and availability will be impacted over the next four to six months, it is clear that the worst is yet to come. Staple crops like wheat, maize (predominantly for livestock), and sunflower oil, in addition to fertilizers and crude oil – a necessary input for food use, production, and distribution – have already seen price increases as high as 200 - 300% from pre-conflict levels. In anticipation of what is yet to come, the U.S., in partnership with implementing organizations like CRS, need to be prepared to mobilize rapidly in advance of a potentially deteriorating global food security situation. **As with any evolving humanitarian crisis, funding needs to be applied in a flexible and adaptive manner to avoid programming delays and ensure that the most appropriate modality is utilized to efficiently meet the needs of impacted populations and local market conditions. Additionally, interventions – even in a response setting – need to prioritize long-term resilience building, disaster preparedness, and strengthening of local structures to have the greatest possible impact.**

Conclusion

As Pope Francis urgently reminds us, “There needs to be a constant acknowledgement that the right of every person to be free of poverty and hunger depends on the duty of the entire human family to provide practical assistance to those in need.” This is why CRS thanks Congress for continuing its moral leadership in support of international food assistance programs like Food for Peace, McGovern-Dole Food for Education, Farmer-to-Farmer, the Bill Emerson Humanitarian Trust, the International Agriculture Education Fellowship, and Food for Progress.

In light of climate change, conflict, and COVID-19 aggravating severe hunger needs globally – and most recently, the conflict in Ukraine causing extreme price volatility and food supply shortages – we urge Congress to implement vital reforms to improve international food aid programs, such as:

- Allowing for full flexibility in non-emergency Title II Food for Peace development programming, eliminating constraints around associated costs, such as 202(e) and the commodity requirement.

- Authorizing the Community Development Fund at an appropriated funding level to ensure continued and long-term flexible funding to support activities that holistically address hunger needs and build resilience.
- Expanding local and regional procurement activities in the McGovern-Dole Food for Education program to enhance sustainability.
- Allowing resources in the Bill Emerson Humanitarian Trust to be made more accessible to respond to unanticipated food crises; authorizing a replenishment mechanism to respond to recurrent food security needs arising globally; allowing for the repositioning of emergency resources so that food can arrive as quickly as possible in the face of an emergency; and permitting the trust to cover associated costs, like ocean freight and warehousing, when Commodity Credit Corporation funding is not available.

These changes will allow us to nuance our responses to the numerous emergencies around the world, thus enhancing program impact and ensuring that CRS and our partners are reaching those in need with the most appropriate and context-specific responses to reduce vulnerability and address the root causes of hunger and malnutrition. Furthermore, CRS will supplement our Farm Bill outreach and requests by working with appropriators on the Agriculture Appropriations Subcommittee to increase U.S. investments to key accounts in the upcoming fiscal year and beyond. While policy-related improvements to Title III food aid programs through the Farm Bill reauthorization process are critical for catalytic community-level change, commensurate increases to baseline funding through congressional appropriations is equally crucial for programs to keep up with rapidly increasing global needs.

As a leading implementer of U.S. international food aid programs, we can attest to the very real and lifesaving impact that these programs are having on countless lives around the world. Our proposed reforms reflect our experiences working with marginalized communities on the ground and a sincere understanding of how to make these great programs even better. We are grateful for your consideration of our recommendations and look forward to continuing our partnership with Congress, especially with members of this Subcommittee, and the Administration to strengthen Farm Bill Title III international food aid programs, protecting their core focus of alleviating hunger and human suffering to save lives.

Thank you for this opportunity.