U.S. INTERNATIONAL FOOD AID PROGRAMS REAUTHORIZED IN H.R. 2642 ARE CRITICAL FOR ALLEVIATING HUNGER

October 15, 2013

Dear Farm Bill Conferees:

As congressional conferees reconcile the differences between House and Senate versions of H.R. 2642, the *Federal Agriculture Reform and Risk Management Act of 2013 (FARRM Act)*, the undersigned organizations greatly appreciate and support the reauthorization of international food aid programs—Food for Peace (P.L. 480), Food for Progress, McGovern-Dole International Food for Education and Child Nutrition and the Bill Emerson Humanitarian Trust.

However, we do not support provisions that deviate significantly from the current transparency and structure of those programs by --

- allowing the use of P.L. 480 Title II and Food for Progress funds to pay the costs of unspecified "activities" conducted in recipient countries;
- decreasing the minimum funding level for non-nonemergency (developmental) Title II programs; and
- capping the amount of funds that can be spent on developmental programs.

Keeping U.S. commodities the differentiating characteristic of these programs has been the touchstone of their success, and we believe that proven approach paves the way for a sustainable future.

U.S. food aid programs provide a reliable pipeline of commodities and nutritionally-fortified foods to developing countries to meet emergency needs and for multi-year programs that help people overcome chronic hunger. USDA's Economic Research Service estimates that over the next decade there will be an annual food gap of 15 million metric tons to meet minimum caloric needs in 76 food insecure countries (June 2013). Countries with food shortfalls and high levels of malnutrition need imported food aid because local supplies are limited.

Enhanced Timeliness and Responsiveness.

The timeliness and responsiveness of P.L. 480 Title II to local needs have been enhanced since the 2008 Farm Bill, and both the House and Senate versions of H.R. 2642 continue those enhancements. Warehouses strategically-located at U.S. and foreign ports are used to pre-position commodities so they can be delivered within a matter of weeks in case of an emergency. This food aid pipeline is critical to maintain and must not be dismantled. It is indeed lifesaving and no alternative system is available to replace it.

By keeping a steady stream of commodities available, these programs create economies of scale and there is flexibility to divert U.S.-flag vessels carrying food aid cargoes to an emergency, should the need arise. Once commodities arrive at an overseas port, P.L. 480 Title II funds cover most internal transportation, storage and handling costs, as well as costs associated with management, oversight and adoption of improved program methodologies. We also believe that logistics and distribution practices in these programs can be fine-tuned to create greater efficiencies without abandoning the core U.S. nature of these time-tested programs.

Successful, Accountable Programs.

The United States has well-honed systems to procure, transport and deliver wholesome foods, making sure the food gets where it is supposed to go. Because U.S. commodities, processors, transportation systems and vessels are used, these programs also support U.S. jobs, the U.S. economy and our U.S.

Merchant Marine national defense sealift capability. Overseas, U.S. private voluntary organizations and cooperatives work closely with local communities to implement food aid programs – extending America's goodwill, providing accountability for resources and incorporating technical assistance to improve nutrition, incomes and productivity of the poor.

Effectively Meeting Local Needs.

Making a variety of commodities available and incorporating capacity-building activities allow programs to be tailored to meet local needs. U.S. processors develop fortified and blended cereals and fortified nutbutters specifically for food aid programs to meet the nutritional needs of malnourished infants, toddlers and pregnant and lactating women, and for emergency rations. Fortified vegetable oil, soybeans, corn, wheat, rice, sorghum, dehydrated potatoes, and dry beans, peas and lentils are among the other products that provide basic nutrients and meet shortfalls in poor countries – and they are important for food-forwork and supplemental nutrition programs. In cases where credit, hard currency, and other market constraints limit the ability of a developing country to import sufficient amounts of commodities, monetization can be an effective mechanism to boost supplies and the sales proceeds are used to support development activities – multiplying the benefits. Through P.L. 480 Title II nonemergency programs, the capacity of local organizations, cooperatives and businesses are strengthened, helping poor communities escape the hunger cycle, moving from dependence to self-reliance.

We appreciate your consideration of our views and concerns and would be glad to discuss them with you.

Sincerely,

Adventist Development and Relief Agency International

Alliance for Global Food Security

American Maritime Congress

American Maritime Officers

American Maritime Officers Service

American Soybean Association

APL Limited

Association of American Port Authorities

Central Gulf Lines, Inc.

Food for the Hungry

Great Lakes Ports Association

Hapag-Lloyd USA, LLC

Intermarine LLC

International Organization of Masters, Mates & Pilots

International Relief & Development

Joint Aid Management

Lake Charles Harbor and Terminal District

Liberty Maritime Corporation

Maersk Line Limited

Marine Engineers' Beneficial Association

Maritime Institute for Research and Industrial Development

National Association of Wheat Growers

National Corn Growers Association

National Council of Farmer Cooperatives

National Potato Council

National Sorghum Producers

North American Millers' Association

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OIC International
PCI
Sailors' Union of the Pacific
Salesian Missions
Seafarers International Union
Transportation Institute
U.S. Dry Beans Council
US Rice Producers Association
USA Dry Pea & Lentil Council
USA Maritime
USA Rice Federation
Waterman Steamship Corporation
World Vision