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Contact: Sara Fuentes
sfuentes@navyleague.org

NAVY LEAGUE OF THE UNITED STATES OPPOSES CHANGES TO THE FOOD FOR PEACE PROGRAM (P.L. 480) Proposed Changes to Food for Peace Program Will Have Devastating Impacts to U.S.-flag Merchant Marine, National Security

ARLINGTON, Va. — The 47,000 members of the Navy League of the United States strongly opposes proposed changes to the food aid programs authorized in the farm bills, specifically H.R. 2642, the Federal Agriculture Reform and Risk Management Act of 2013, and S. 954, Agriculture Reform, Food, and Jobs Act of 2013. The Administration and some in Congress want to change public law 480 and send cash instead of food aid, weakening our nation's Merchant Marine and our national security. The Navy League urges the Farm Bill conferees to reject those changes.

Proposed changes will undermine the longstanding and successful Food for Peace (P.L. 480) program; instead of transporting American-grown food on American-flagged ships, the proposed changes would create a cash-transfer scheme wherein tax dollars are sent to foreign countries. This type of aid is already provided by the United States, with more than \$11 billion devoted to programs like the Economic Support Fund, International Disaster Assistance, Development Assistance, International Financial Institutions and the Millennium Challenge Corporation.

The Food for Peace program, which the proposed language will devastate, is unique in that it provides assured access to food for the hungry while also preserving American jobs and national security. The current requirement that half of P.L. 480 cargoes are carried by reasonably priced U.S.-flag vessels provides an essential source of peacetime cargoes for the U.S. Merchant Marine.

The U.S.-flag Merchant Marine is an essential part of our national security. The Department of Defense (DoD) depends on the Merchant Marine for more than 95% of our national defense sealift needs in times of war or national emergency. The U.S. maritime industry has played an integral role supporting our nation's military; more than 90% of all cargoes bound to and from Iraq and Afghanistan were transported on U.S.-flag ships.

The same "military useful" vessels that provide this needed resource also participate in the food aid programs under cargo preference. The Department of Defense has stated that any reductions to food aid cargoes would have to be offset to maintain readiness. Replacing this sealift capacity would cost DoD \$9 billion. Considering that the United States has less than 100 flagged ships involved in international trade and only 12,000 Merchant Mariners, even small changes can be devastating.

The Navy League recommends supporting preservation of the current structure of in-kind food donation programs. The current program assures reliable sealift resources to the Department of Defense at a low price, preserves national security, and provides wider benefits to the U.S. including tax revenues, jobs, and savings for other programs. Cargo preference programs like Food for Peace are not an added cost to food aid as the United States Maritime Administration reimburses the cost differentials to USAID to preserve these needed capabilities and ensure that not one dollar for food aid is diverted from those that need it. More than \$1.9 billion in U.S. economic output, 40,000 jobs, and our national security are at stake.

The Navy League of the United States is a civilian nonprofit, nonpartisan organization dedicated to informing the American people and their government that the United States of America is a maritime nation, and that its national defense and economic wellbeing are dependent upon strong sea services — U.S. Navy, U.S. Marine Corps, U.S. Coast Guard and U.S.-flag Merchant Marine.

Please contact Sara Fuentes at sfuentes@navyleague.org with any questions.

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"Citizens in Support of the Sea Services"