FUTURE OF FOOD AID Panel

Remarks of Ina Schonberg

It is a pleasure and a privilege to speak to you today.

Food aid plays an important role in both addressing food insecurity and the immediate and underlying causes of hunger and malnutrition. Programming agencies are carrying out effective programs using food aid, to save lives, to reduce hunger and malnutrition, and to protect productive assets in times of stress.

Like many organizations, Save the Children has been responding to the on-going Darfur crisis, and feeding close to ½ million people each month. We are engaged in safety net programming for to hard-to-reach pastoralists in vulnerable regions of Ethiopia, and have carried out pilot projects that allow recipients to purchase food locally with cash and vouchers, where local markets are thriving but people are still in need (for example, as a transitional strategy following our WFP-funded food distribution in post-tsunami Indonesia).

Live other examples you heard about this morning, we have also developed effective and creative responses to localized causes of food insecurity, using food aid resources. Save the Children has been recognized for staving off localized famine in northern Mozambique in a program that a Michigan State University-supported study evaluated as having a 100% return on investment. This program assisted impoverished farmers to grow $30 million worth of food, over 5 years, that would not have otherwise been available for consumption by those largely subsistence households.

In Bolivia, we demonstrated the potential for poor and remote communities to transform themselves, by adopting their own strategies for "healthy and productive communities." Here we have linked very poor farmers to local and even international markets. Save the Children helped them improve production, processing and packaging in 18 product areas, dramatically increasing incomes. We also convinced those communities to invest more local resources and improve their strategies to support the health and nutrition of their children, resulting in improved practices and behaviors that reduced child malnutrition.

These programs show that the US government, in providing flexibility in food aid uses and resources, has created dramatic positive impacts around the world, not just in feeding the hungry for a day, or a month, or even a year – but in helping solve the underlying problems of food insecurity (not all of them – to be sure – but enough that real change has been made in countless communities around the world).

While food aid plays an important role in global efforts to address both urgent food crises and chronic hunger and malnutrition, there remains a need for additional cash resources both within and outside of PL 480. It is cash that provides the flexibility to support a variety of targeted activities that can address the root causes of vulnerability and the risks

that affect chronically hungry and food insecure populations. These development oriented activities cannot adequately be addressed by the existing foreign aid budget - on which many demands and conflicting priorities are placed. In fact, there is very limited scope within the US government's current development assistance portfolio that targets the chronically malnourished, or small and subsistence farmers. Unless, or until these resources are made available, we must look at how Title II resources can be used more effectively and efficiently to contribute solutions in highly food insecure contexts.

In looking to the near future of food aid, there are some important challenges – that practitioners, implementing agencies, the donors who make this work possible, and the constituencies that support that work must address:

We must ensure that the flexibility for effective, efficient, and creative solutions, appropriate to country specific contexts, is not just retained, but enhanced.

Furthermore, an even greater challenge is to push farther and ensure that our interventions are not just changing the lives of 40,000 people in a narrow geographic location – but 4 million or 40 million, which is what we need to make real progress toward the millennium development goal of cutting the number of the world's hungry in half by 2015 (that would mean impacting 425 million lives). Food aid alone will not achieve this, but it has a very important role to play, and we have a responsibility to see that it plays that role well.

As the Farm Bill is slated for re-authorization this year, it provides an immediate opportunity to enhance and expand the efficiency and flexibility that is necessary to really effect these large scale changes. In the upcoming Farm Bill, we should be looking for 3 things: efficiency, effectiveness, and a focus on people.

The first point is efficient food aid resourcing:

1) Efficient resourcing of food aid for emergency response requires sufficient annual appropriations for emergencies in most years through Title II. Where this is inadequate, USAID should have the ability to turn directly and efficiently to the Bill Emerson Humanitarian Trust, which was established as a food reserve to respond to food emergencies.

In order to make the Humanitarian Trust a consistently available tool for responding to extra-ordinary need, an automatic replenishment mechanism for the Trust is absolutely necessary and should be authorized within this year's Farm Bill.

2) Save the Children endorses "local" procurement of food for programming as a useful tool for responding rapidly in appropriate contexts. In fact, positive market impacts may be possible if carried out as part of a regular, predictable program, outside of emergency contexts.

Secondly, we should be seeking effective food aid programs to address food insecurity. Beyond program design, resourcing is a factor:

a. Development food aid must be predictable to be effective. Resources designated for programming to address chronic problems must be protected, with sufficient resources appropriated annually. We continue to endorse a funding level of $ 2 billion annually for Title II.

Over the past several years, food aid needs have been at least $2 billion per year, and some years significantly more. However, annual appropriations (without supplementals) have not reached this level. USAID has had to turn to development resources within Title II to respond to emergency needs. An annual appropriation that more closely reflects the actual need will allow the US to respond to emergency food needs more efficiently, and will maintain the predictability that is essential for effective non-emergency programs.

b. Development food aid programs need cash to be effective. To maximize effectiveness, we must enhance the scope and flexibility of current cash support mechanisms. Specifically, we seek an increase in Section 202(e) funding to 25% of the overall Title II budget, and remove limits on its use for food aid program support.

These resources should be available for management, operational, and program costs. Food distribution alone will not solve the underlying causes of food insecurity and chronic hunger. Sufficient cash resources are essential to address these problems, and fulfill the mandate of Title II as stated in PL 480 section 2: "to use the abundant agricultural productivity to promote the foreign policy of the United States by enhancing the food security of the developing world….." The focus of Title II is not just food aid but food security.

Thirdly – we should maintain a vision for food aid that puts people first.

We should remove export development language that links aid to the expansion of export markets. This is not only politically expedient given international debates about food aid, but reflects the intent of recent farm bills. Policies and practices for food aid should be established and operated based on the food security needs of recipient countries and vulnerable populations.

Thank you for your time.