

**Talking Points for Mark Keenum
Under Secretary for
Farm and Foreign Agricultural Services**

**Address to the
International Food Aid Conference
“Partnering to Enhance Food Aid Worldwide”
April 18, 2007**

Introduction

- Thank you, Teresa, for the kind introduction. I am very pleased and honored to be here.
- Impressed by turnout.
 - More than 700 people registered, representing 28 countries.
- Glad to join our partners at USAID and in the PVO community.
- Personal Background:
 - As was mentioned, I have been at USDA for 4 months after 18 years working in the U.S. Senate (Sen. Cochran)
 - I had involvement on funding the various food aid programs.
 - Senator Thad Cochran has a long history of support for U.S. food aid activities.
 - Also as mentioned, with 4 children under the age of 2.5, (2.5 year old triplets—2 girls and a boy—and an 11-month-old daughter).
 - I go to USDA for rest and relaxation.

- You know, as I consider the work that you do, it is a noble cause. I recognize that the global hunger issues addressed by those in this room are enormous.
- And, of all the numerous areas of responsibility that I have at USDA, I am personally most excited about working in the area of Food Aid.
 - As you know, there are 850 million people worldwide who are thought to be “food insecure.” But that’s a rather neutral phrase, when some of them literally are starving.
 - 25,000 people a day are estimated to die from malnutrition.
 - Over 6 million children under the age of five die each year from malnutrition and hunger related diseases—I find this to be shocking in the 21st Century.
 - Although these numbers are alarming, they would be much greater if it wasn’t for the good work of many of the people in this room.

USDA Food Aid Programs

- As you know, eradicating chronic hunger and malnourishment is one of the most significant and compelling challenges the world faces.
- I am proud that the United States continues its efforts to confront this challenge.
 - We are the world’s leading food aid provider.
 - Through our government programs, U.S. citizens have supplied around 55 percent of total food aid over the past 10 years.
 - These programs strive to alleviate hunger and provide development assistance to lift millions of individuals out of poverty.

- USDA, USAID, the World Food Programme, the PVO community, and their allies in the private sector work together to accomplish this task.
 - You know, U.S. food aid programs are sometimes criticized for:
 - using only commodities
 - propose to use cash for local purchases
 - As Secretary Johanns mentioned earlier, the Administration's Farm Bill proposals would give USDA the flexibility to use up to 25% for cash purchases.
 - Grains, cereals and oilseeds represent the majority of the food provided through the programs. The United States contributes 2.8 million metric tons of these products through the food aid programs.
 - To better put this into perspective, the U.S. commercially exports 200 million metric tons of grains and oilseeds, thus we only contribute less than 1.5% of this total to Food Aid.
 - These figures point out that food aid is substantial and is extremely important to the recipients. But food aid is relatively small when compared to our overall productivity and size of industry. We believe that the cash provision will make a major difference for recipients without hurting our industry.
 - Using up to 25% of the food aid money for cash purchases would allow us to have flexibility in delivering food aid in times of emergency – which would help to save lives—only for emergencies and only if supplies can be acquired locally.
 - The United States is committed to maintaining in-kind food aid as the main tool in our food aid programs. We will continue to defend this position within the WTO.

- In 2005, the United States contributed nearly 50 percent of all food aid.
 - The next largest contribution came from the 27 Member Nations of the European Union, which contributed 18 percent of total food aid.
 - So, the U.S. supplies 50% of all food aid and chooses to do it primarily with the products produced by its citizens—then we clearly have the prerogative to do so.
- Three of the programs responsible for this tonnage are administered by USDA:
 - The Food for Progress Program,
 - The McGovern-Dole International Food for Education and Child Nutrition Program, and
 - The P.L. 480, Title I Program.
- The Food for Progress Program has supplied over 12 million metric tons of commodities to developing countries and emerging democracies over the past two decades totaling nearly \$3 billion.
- Last year, the United States provided more than 215,000 metric tons of commodities valued at about \$125 million supporting 19 developing countries.
- This year, more than 2 million people will be helped by this program.
- The Administration's FY08 Budget request estimates a budget of \$163 million.
- The highly successful McGovern-Dole Program
 - Supports education, child development, and food security in low-income, food-deficit countries that are committed to universal education.

- In the last five years, the McGovern-Dole program has helped feed more than 10 million children in more than 40 countries.
 - This year it will feed nearly 2.5 million people in 15 developing countries, including Cambodia, Guatemala, and Liberia.
 - And, we've requested an FY08 budget of \$108 million.
- USDA, also administers the P.L. 480, Title I Program which provides concessional, government-to-government commodity sales for countries having trouble obtaining financing for food purchases. In recent years, we have had relatively limited activity and as such, the Administration has not requested funding in the Budget.
 - USAID administers the P.L. 480, Title II, the food donation title. USDA procures the commodities that are used for Title II and that's done in Kansas City. We anticipate that Title II will do almost all of the P.L. 480 business in the upcoming fiscal year.
 - With the \$350 million supplemental, we anticipate a FY07 budget at over \$1.6 billion.
 - Another area I'd like to touch on briefly is the important work achieved through Monetization of commodities. We not only provide commodities to feed people directly, but proceeds from selling U.S. commodities are also used for long-term developmental goals, including:
 - infrastructure improvements,
 - expanded agricultural production,
 - improved health facilities,
 - business training,
 - community development, and
 - capacity building of local non-government organizations (NGOs).

- These efforts are just another example of one of our many tools to help people in need.

Food Aid Quality Issue

- Our efforts to alleviate hunger are among the most important things we do. And, one of the most significant topics to address is Food Aid Quality.
- Of particular interest is whether current food aid formulations and product manufacturing processes fully address the needs of at-risk recipients and reflect the best available science.
- We share the concerns of many stakeholders in providing quality products that meet the needs of recipients.
- In order to address these concerns, USDA and USAID are jointly taking the initiative to do an in-depth review of types and quality of food products used in the administration of U.S. Food Aid programs.
 - Specifically, USDA, first, plans to conduct a thorough review of the existing contract specifications used to obtain food aid commodities in order to implement necessary beneficial revisions;
 - And, secondly, USDA will work to improve our post production commodity sampling and testing regime based on sound scientific standards.
 - Thirdly, USAID plans to take the lead role in conducting a study on both the quality and formulation of food aid products.
 - The primary purpose of this study will be to identify appropriate product mixes for unique food aid recipient groups to ensure that the crucial delivery of safe, wholesome products to undernourished populations, particularly vulnerable groups, including infants and young children, women of child-bearing age, and people living with HIV/AIDS

are given special consideration based on their dietary needs.

- In fact, just today, USDA published its “Requests for Information” announcements on the “Federal Business Opportunities” website, requesting solicitations of interest from qualified parties to generate independent expertise to conduct the project. And, I understand that USAID has already done this.
- In addition, our goal will be to have consultations with nutritionists, scientists, commodity associations, the World Food Programme, the PVO community, SUSTAIN, and Congressional Committees to make sure that all viewpoints are heard. We want to ensure that the food aid we provide is the highest caliber and meets the nutritional requirements necessary to address chronic hunger.

Conclusion

- Our agencies are enthusiastic about the improvements for food aid commodities this effort portends.
 - They are well coordinated, timed, and funded.
- The people of the United States have supplied food aid for over 50 years to at-risk populations around the world.
- These improvements should take the US food aid community well into the next 50 years of service
- I look forward to working closely with you, and I sincerely seek your counsel and advice as we proceed on this noble effort to reduce the number of malnourished people and to save lives.
- I can’t think of a higher calling.
- I want to commend you for the work you do. And again, I sincerely welcome your counsel and advice.

- Thank you.