

**Testimony of Sarah Charles**  
**Assistant to the Administrator for the Bureau for Humanitarian Assistance**  
**U.S. Agency for International Development**  
**Before the**  
**Senate Committee on Agriculture, Nutrition, and Forestry**

**Introduction**

Chairwoman Stabenow, Ranking Member Boozman, and distinguished Members of the Committee, thank you for the opportunity to discuss the United States Agency for International Development's food assistance programs authorized by the Food for Peace Act. As a result of this Committee's leadership and support, the United States continues to be the world's largest donor of humanitarian food assistance—at a time when steadfast commitment to global food assistance programs has never been more vital.

**U.S. Global Leadership**

After steadily declining for more than a decade, today, world hunger is rising sharply due to persistent global conflict, the lingering effects of the COVID-19 pandemic, climate change, and the far-reaching impacts of Russia's war in Ukraine. We are now facing a global food security crisis of historic proportions: today, the Famine Early Warning Systems Network (FEWS NET) estimates that 126 million people in the most vulnerable countries are acutely food insecure, representing a 70 percent leap from pre-pandemic levels in 2019. U.S. in-kind food assistance, funded through the Food for Peace Title II account and last year's unprecedented drawdown of the full balance of the Bill Emerson Humanitarian Trust (BEHT), has been vital to our response to these unprecedented needs.

The food security crisis gripping the Horn of Africa is the most severe food security crisis facing the world today. After five consecutive below-average rainy seasons, the Horn is experiencing the worst drought on record in at least 70 years. The scale of need is massive, with approximately 23 million people across Ethiopia, Somalia, and Kenya requiring emergency food assistance to meet their basic needs and many communities experiencing very high levels of acute malnutrition and excess mortality from hunger. Women and children are particularly vulnerable, as nearly 5 million children are acutely malnourished in Ethiopia, Kenya, and Somalia, and 1.4 million are severely malnourished, a condition that increases a child's risk of death by a factor of 12.

In response to these needs, USAID mobilized quickly last year, contributing more than \$1.5 billion to humanitarian food assistance and nutrition programming in the Horn of Africa. Of this, approximately \$465 million consisted of Title II emergency food assistance and resources from the BEHT drawdown. These resources were used to provide commodities such as wheat, split peas, sorghum, and vegetable oil to feed communities affected by the drought, as well as

ready-to-use supplemental foods (RUSF) and ready-to-use therapeutic foods (RUTF) to treat acute malnutrition in children. Title II resources played a role in filling critical needs for these commodities in the Horn at a time when international and regional producers were unable to meet heightened demands late last year. By boosting RUTF and RUSF production capacity in the United States and using prepositioning authority to expedite procurement and delivery of these commodities, USAID was able to help mitigate against future supply chain disruptions.

According to food security experts, the scale-up of humanitarian assistance—mobilized primarily by the United States—was integral in preventing the onset of famine in parts of Somalia late last year, unmistakably demonstrating the life-saving impact of U.S. assistance.

However, the crisis continues to deteriorate. An unprecedented sixth consecutive poor rainy season looms on the horizon this spring, and in the absence of sustained humanitarian assistance, famine is projected to emerge in parts of southern Somalia between April and June. USAID will continue to prioritize the Horn of Africa response in 2023, but the Agency faces a sharp decline in humanitarian resources now that it has nearly exhausted the generous supplemental appropriations provided by Congress in 2022. Preventing famine and large-scale deaths across the region in the coming year will require sustained and robust humanitarian assistance from the international community, which is why USAID continues to urgently and consistently call on all donors to help fill critical funding gaps.

In Yemen, we are seeing how the aftershocks of global events can be felt continents away—and how fragile food security is. After eight years of civil war, Yemen continues to suffer through one of the worst humanitarian crises in the world, with needs amplified by Russia’s war in Ukraine. Nearly 75 percent of Yemen’s population—more than 23 million people—require humanitarian assistance and approximately 17 million people are experiencing acute food insecurity. The country imports 90 percent of its food supply, historically sourcing about 50 percent of wheat imports from Russia and Ukraine, making it vulnerable to various global events, including Russia’s further invasion of Ukraine. In the last year, Putin’s war caused price spikes and food shortages in Yemen, putting food further out of reach for many Yemenis. For example, between January and September of 2022, the price of basic food items increased 22 percent in southern Yemen and 12 percent in northern Yemen, reducing families’ purchasing power and impeding their access to food. Measures supported by the United States, including the Black Sea Grain Initiative, an initiative to move Ukrainian wheat through the Black Sea, have been vital in increasing access to Ukrainian wheat and will help stabilize wheat prices, making food access more predictable for families.

To respond to specific needs in Yemen, USAID supports implementing partners, including international nongovernmental organizations and the World Food Program, reaching approximately 13 million vulnerable people every month with food. In Fiscal Year (FY) 2022,

USAID provided nearly \$972 million, including \$752 million to support emergency food assistance programming. USAID’s emergency food assistance utilizes agricultural commodities sourced in the United States, agricultural commodities from other sources, as well as cash transfers and vouchers for the purchase of food in local markets. This combination of food assistance activities ensures that communities have food, while also supporting local markets where they are functioning. In some cases, this also gives families the opportunity to complement U.S.-sourced commodities with fresh produce. USAID food assistance has saved lives and reduced suffering, as earlier analysis projected that 2 million more Yemenis – 19 million people in total – would be experiencing acute food insecurity during this time frame.

Programs authorized by the Food for Peace Act have been paramount in helping to demonstrate U.S. leadership abroad. However, the scale of global need has stretched the limits of U.S. food assistance programs, revealing significant constraints to USAID’s effectiveness and efficiency. As Congress looks toward the upcoming reauthorization of the Food for Peace Act as part of an omnibus agriculture authorization act known as the Farm Bill over the coming months, we look forward to working with the Committee to ensure that U.S. assistance remains fit-for-purpose to meet rising needs worldwide.

### **Current State of Food for Peace Act Programming**

USAID utilizes resources authorized under Title II of the Food for Peace Act and appropriated via annual agriculture appropriations bills to fund emergency and non-emergency food assistance programs worldwide. In Fiscal Year 2022, USAID provided approximately \$2.6 billion in Title II Food for Peace assistance, procuring nearly 1.8 million metric tons of food from the United States and reaching nearly 45 million beneficiaries in 31 countries. Nearly 90 percent of Title II assistance was for emergency responses, while 10 percent was for non-emergency resilience and food security programs.

USAID provides emergency food assistance to vulnerable populations affected by natural disasters, such as droughts and floods, and complex emergencies, such as conflict. When appropriate, U.S. in-kind food assistance is often used to respond to an emergency where local markets are not functioning; there is not enough food in local markets to meet needs; or beneficiaries do not have physical access to markets. The types of food provided to beneficiaries can vary based on dietary needs, cultural factors, and nutritional requirements of beneficiary populations. Because U.S. in-kind food assistance takes an average of four to six months to reach beneficiaries, USAID prepositions commodities in warehouses that are strategically located across the globe to reduce delivery times. In Fiscal Year 2022, a total of 90 percent of Title II emergency food assistance commodities were programmed in just five countries: Ethiopia, Yemen, Sudan, South Sudan, and the Democratic Republic of Congo.

The Farm Bill also typically reauthorizes the Bill Emerson Humanitarian Trust (BEHT), a reserve that can be used to allow the United States to meet emergency humanitarian food needs and respond to unanticipated food crises when all other Title II Food for Peace Act resources have been exhausted. In April 2022, USAID and the U.S. Department of Agriculture (USDA) took the extraordinary measure of fully drawing down the BEHT to respond to the unprecedented global food security needs in Ethiopia, Kenya, Somalia, Sudan, South Sudan, and Yemen—providing more than 480,000 metric tons of wheat, sorghum, split peas, lentils, vegetable oil, and specialized nutritious foods.

In addition to emergency programs, USAID also works with communities that are susceptible to recurrent shocks to improve and sustain their food and nutrition security through non-emergency programs authorized in Section 202(b) of the Food for Peace Act, called Resilience Food Security Activities (RFSAs). These unique, multi-year programs build on emergency food security interventions to strengthen the resilience of people, communities, countries, and systems in a way that reduces chronic vulnerability and facilitates inclusive growth. In FY 2022, USAID obligated a total of \$378 million in non-emergency food security awards across 24 programs spanning 12 countries.

### **Constraints in USAID Food Assistance Programming**

Over the past decade, and with the bipartisan support of Congress, USAID has worked to ensure that programs authorized by the Food for Peace Act can meet the humanitarian challenges of the day. For example, previous iterations of the Food for Peace Act included a 13 percent cap on critical resources that support the administration, management, and distribution of food assistance programming, known as Section 202(e) resources. As the 13 percent cap became untenable, Congress raised the cap to 20 percent of available Title II funding, giving USAID the ability to support emergency programming while also enabling the design of high-quality non-emergency activities to build resilience in communities based on local context and beneficiary needs.

However, USAID is also impacted by the economic fallout of the compounding global events driving the global food security crisis, making it increasingly important to optimize every dollar of assistance. The cost of delivering humanitarian assistance continues to rise rapidly: for example, the World Food Program reported that since Russia's further invasion of Ukraine on February 24, 2022, the cost of global humanitarian operations has increased 44 percent over 2019 levels. These rising operational costs have stretched critically-needed 202(e) resources to the brink, limiting USAID's ability to support high-quality, context-based resilience programming as well as increasingly expensive emergency program logistics.

For example, in Haiti, due to rising pressure on 202(e) resources, the 2021 RFSA solicitation required the design to include a minimum of 50 percent use of U.S. in-kind

commodity use annually. During the question and answer period, partners, including local Haitian organizations, expressed concern about the need to program commodities, noting that in-kind imports distort local markets and would be antithetical to the program's goal to build resilience amongst farmers. Partners were also concerned about the lack of warehousing and storage capacity, potential displacement of local production and trade, and the policies of the host government. In 2022, during the program's first year of implementation, escalating insecurity exacerbated challenges to programming commodities. Due to port closures, commodities sat in the port, uncollected for upwards of 3 months, collecting fees and leading to large scale commodity loss. Additionally, all activities had to be paused in October, following protests that resulted in the looting of commodities from partner warehouses, including that of a RFSA consortium partner.

In addition to the high cost of delivering assistance, the strict accounting requirements set out by the Food for Peace Act make it increasingly difficult for USAID to partner with new and local partners for Title II programming. To ensure compliance with U.S. law, USAID requires that partners account for costs associated with programming across four separate categories: Section 202(e), Internal Transportation Storage and Handling (ITSH), ocean freight, and inland freight. Tracking spending across these accounts is a laborious task for partners, requiring them to invest in complex and custom financial tracking systems. Ultimately, these requirements are burdensome for existing partners, limit the opportunities for new and local partners to participate in programming authorized by the Food for Peace Act, and increase the risk of mismanagement of funds.

Finally, in 2020, USAID merged the Office of Food for Peace and the Office of U.S. Foreign Disaster Assistance to form the Bureau for Humanitarian Assistance (BHA) as part of the broader USAID Transformation effort. The Bureau is designed to streamline the Agency's humanitarian assistance delivery and eliminate the artificial siloes created by dividing humanitarian assistance between two separate offices. While USAID has made significant strides to ensure that programming is coherent across BHA, the administrative and accounting requirements associated with programming assistance across multiple appropriations accounts has led to continued duplication of effort and inefficiency.

### **Opportunities Looking Ahead**

Thanks to the leadership and generosity of Congress, programs authorized by the Food for Peace Act have nourished hungry communities and saved lives for more than half a century. The Farm Bill reauthorization amid an unprecedented global food security crisis provides an unparalleled opportunity for Congress and USAID to work together to reauthorize the Food for Peace Act and ensure that the U.S. government can maximize American generosity and continue to meet the humanitarian challenges of today and tomorrow.

As Congress works to reauthorize the Food for Peace Act, technical changes to the legislation could have profound and transformational impacts on the future of U.S. food assistance, while maintaining the United States' legacy as the leading donor of humanitarian food assistance, including by providing in-kind, U.S. sourced agricultural commodities.

For example, by updating authorities to make U.S. commodities in non-emergency programs a programming option, rather than a requirement, USAID's partners would have increased flexibility to use Title II resources to design non-emergency activities that are tailored to the local drivers of hunger and that contribute to sustainable development outcomes. USAID would continue to provide U.S.-sourced commodities through Title II emergency programs, while maintaining the flexibility to design non-emergency programs for the singular purpose of helping communities build resilience.

Congress could also consider establishing a single associated cost category to combine the authorizations under Section 202(e) and ITSH. By combining cost categories, Congress would maintain oversight of funds while streamlining budgeting and lessening the administrative burden for partners, laying the foundation for USAID to build a more diverse partner base to better serve their own communities.

Finally, there is a significant opportunity to help maximize efficiencies within the Bureau for Humanitarian Assistance by modernizing the existing statute to reflect the Bureau's current structure. For example, Section 207(f) of the Food for Peace Act authorizes programs that are used to support important monitoring, evaluation, and oversight programs including the Famine Early Warning Systems Network (FEWS NET), the Food Aid Quality Review (FAQR), technical assistance to implementing partners, program impact evaluations, and the maintenance of informational technology systems. As written, these funds can only be used to design evaluation and technical assistance for Title II programs, rather than the full spectrum of Bureau-implemented food assistance programs. Broadening authorizations, including the 207(f) authorization, to simplify the management of technical assistance and evaluation contracts would help reduce inefficiencies and duplication of effort across the Bureau. Ultimately, this would help USAID realize the efficiency envisioned by the creation of the Bureau for Humanitarian Assistance.

Taken together, incremental changes to the Food for Peace Act as part of the Farm Bill reauthorization act could strengthen U.S. food assistance programs, ensuring that food aid programs are updated to meet the needs of today and we can continue to save even more lives for years to come. Let me be clear, though: even if Congress does not take these steps, we must at minimum ensure that the Food for Peace Act is reauthorized and extended before many key authorities expire at the end of this fiscal year.

## **Conclusion**

In the face of a global food security crisis, U.S. food assistance programs have never been more vital. Thanks to this Committee's leadership and partnership, bags of U.S. commodities with the words "From the American People" affixed to the front continue to be an affirmation of American values worldwide and source of life-saving support and hope to those affected by some of the world's worst humanitarian crises.

As we confront an even hungrier future, and this Congress considers the reauthorization of the Food for Peace Act, I look forward to working closely with this Committee to optimize Food for Peace Title II programming to ensure that U.S. food assistance programs can continue to reach those in need for decades to come.