

**Statement by  
Alexis Taylor  
Deputy Under Secretary for Farm and Foreign Agricultural Services  
Before the House Committee on Agriculture  
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Mr. Chairman and members of the Committee, I appreciate this opportunity to provide information on the programs and accomplishments of the Farm and Foreign Agricultural Services (FFAS) mission area of the U.S. Department of Agriculture. The FFAS mission area is composed of the Farm Service Agency, the Risk Management Agency, and the Foreign Agricultural Service. Much of our work in the past several years has focused on implementing the Agricultural Act of 2014 (the 2014 Farm Bill) in record time.

**The Farm Service Agency (FSA)**

FSA programs encompass five of the twelve titles of the 2014 Farm Bill. The agency's primary focus is on Title I – Commodities, Title II – Conservation, and Title V – Credit.

**Commodity Programs**

The 2014 Farm Bill significantly changed FSA's safety net programs. It repealed the Direct and Counter-Cyclical Program and the Average Crop Revenue Election program, and introduced the new Price Loss Coverage (PLC) and Agriculture Risk Coverage (ARC) programs. In total, approximately \$5.2 billion in ARC and PLC payments were made for 2014-crop revenue and/or yield losses to over 900,000 farms, with over 70 percent of these payments for ARC-County on corn. Producers of long grain rice, wheat, peanuts, and soybeans were also major recipients of ARC/PLC payments.

FSA implemented these complex programs in record time—which included working with farmers to reallocate base acres and update yields, plus processing program elections for over 1.7 million farms—required an “all hands on deck” approach to reach producers, and involved the hard work of dedicated FSA staff plus close collaboration with our land grant university and state and county extension partners. FSA's university partners at Texas A&M, the Food and Agricultural Policy Research Institute, the University of Illinois, and others, developed web-based decision tools so farmers could input their own farm data and explore multi-year scenarios associated with adopting ARC or PLC for the length of the farm bill, as well as the intersection of these programs with our crop insurance offerings.

Further, FSA worked with extension specialists in virtually every state on an extensive ARC/PLC education and outreach effort. In 2014 and 2015, over 400,000 attendees participated in approximately 5,000 ARC/PLC events that provided producers with valuable information on how to best manage risk through their ARC and PLC choices. The ARC/PLC web tools were demonstrated at over 2,500 of these events and the tool developers hosted “hotlines” for producers who needed additional assistance. In addition, FSA mailed over 5 million postcards to producers and landowners to inform them of upcoming deadlines for important decisions, and worked closely with media partners, who produced over 1,000 news stories on ARC/PLC.

For 2016, the timing of yield and price data postings and ARC/PLC payments will be similar to 2015. In early March, FSA started posting yield data that, when paired with season average price projections, allows producers to calculate their 2015-crop ARC guarantees. Both ARC and PLC payments depend on the 12-month market year average price, and payment amounts for ARC-County depend on calculations for 100,000 crop/county/practice (irrigated vs. non-irrigated) combinations. By statute, ARC and PLC payments cannot be made until October of any given year. In October 2016, 2015-crop year ARC/PLC payments will begin and will continue throughout the fall and early winter, as market year average price data for additional commodities become available.

For both calendar years 2014 and 2015, the new Margin Protection Program for Dairy (MPP-Dairy) enrolled approximately 25,000 producers — over half of all U.S. dairy operations, and covers 166.3 million pounds of milk production for calendar year 2016. MPP-Dairy offers: (1) catastrophic coverage for an annual \$100 administrative fee, and (2) optional buy-up coverage. Catastrophic coverage provides payments when the national dairy margin (the difference between milk prices and feed costs) is less than \$4 per hundredweight (cwt). Producers may purchase buy-up coverage, for a premium, that provides payments when margins are between \$4 and \$8 per cwt.

With relatively calm dairy markets in 2015, margins were near historical averages and payments were made only at the highest buy-up coverage level, with 261 dairy operations receiving modest payments. However, if we apply 2015 MPP-Dairy enrollment and payment rules to 2009-2014 milk prices and feed costs, a time of greater margin variability, the program would have paid out considerably more. Specifically, if MPP-Dairy had been in place in 2009-2014, producers would have received \$2.5 billion in payments in return for the \$500 million in premiums and fees that they would have paid to enroll.

Although the marketing assistance loan program was largely unchanged by the 2014 farm bill, the Consolidated Appropriations Act of 2016 re-authorized commodity certificates retroactive to the 2015 crop, which provides an additional loan repayment option for producers. FSA implemented these certificates within two months of their enactment, including retroactive provisions that benefit cotton producers back to August 1, 2015, the start of the cotton marketing year. Producers can purchase commodity certificates when the loan rate for a given crop exceeds the exchange rate (i.e. the Adjusted World Price, National Posted Price, or Posted County Price). Eligible crops include wheat, rice, upland cotton, peanuts, feed grains, soybeans, designated minor oilseeds, pulse crops (lentils, dry peas, large and small chickpeas), and wool.

### **Disaster Assistance Programs**

Immediately after 2014 Farm Bill passage, FSA focused on implementing the livestock and tree disaster assistance programs – including the Livestock Forage Disaster Program (LFP); the Livestock Indemnity Program (LIP); the Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP); and the Tree Assistance Program (TAP).

Over 650,000 producers so far received more than \$5.8 billion in assistance for 2011-15 losses through LFP, providing feed assistance to producers who suffered from long-term

drought. In addition, more than 15,000 producers to date have received payments for 2011-15 losses under LIP, which provides financial assistance to producers who incur livestock deaths caused by blizzards and other natural disasters. ELAP payments are capped by the 2014 Farm Bill at \$20 million annually. Hundreds of beekeepers lose hives each year many due to colony collapse disorder, and represent more than half of ELAP recipients. ELAP payments have been factored to recipients in two of the three fiscal years since FY 2012 because of the cap; the FY 2015 payment factor will soon be available.

TAP provides assistance to orchardists and nursery tree growers to help them replant or rehabilitate eligible trees, bushes, and vines lost by natural disaster. Since the enactment of the 2014 Farm Bill, approximately 650 Florida producers, the majority of whom were affected by citrus greening, received TAP assistance totaling approximately \$7.8 million. Citrus greening drops the average productive lifespan of the tree from 50 or more years to 15 or less.

In addition, more than 25,000 producers each year benefit from the Noninsured Crop Disaster Assistance Program (NAP), which covers 55,000 crops. This program was expanded in the 2014 Farm Bill to include protection at higher coverage levels, similar to provisions offered under the Federal crop insurance program. NAP continues to offer coverage at the catastrophic level based on 50 percent of expected production at 55 percent of the average market price for the crop. However, producers can now obtain additional coverage levels ranging from 50 to 65 percent of expected production, in 5 percent increments, at 100 percent of the average market price for the 2014-18 crops years. In 2015, producers elected these higher levels of coverage for over 4,000 crops. Beginning, limited resource, and other traditionally underserved farmers are eligible for a waiver of the NAP service fee and a 50 percent reduction in premium for additional levels of coverage.

### **Conservation Reserve Program**

The Conservation Reserve Program (CRP) has a 30-year track record of providing tremendous conservation and environmental benefits. CRP allows USDA to contract with landowners so that environmentally sensitive land is not farmed or ranched, but instead used for conservation benefits. In return, FSA provides participants with annual rental payments, incentive payments, and cost-share assistance. Contract duration is between 10 and 15 years. CRP improves water quality, reduces soil erosion, and restores habitat for ducks, pheasants, turkey, quail, deer, pollinators, and other wildlife. In doing so, CRP spurs hunting, fishing, recreation, tourism, and other economic development across rural America.

As of February, 23.7 million acres were enrolled in CRP contracts, 13.1 million acres below peak enrollment in 2007. This enrollment figure includes 16.9 million acres under general sign-up enrollment authority and 6.8 million acres under continuous sign-up enrollment authority. CRP general sign-up is a competitive process conducted on a periodic basis, while CRP continuous sign-up occurs on an on-going basis throughout the year. CRP contracts on 1.66 million acres (combined general and continuous) are set to expire on September 30, 2016; program payments total approximately \$1.8 billion annually.

Because CRP is currently near the Farm Bill imposed 24-million-acre cap, any new enrollments will be limited to the number of acres expiring each year. These limited enrollment opportunities make it imperative that FSA enroll the most environmentally sensitive acreage to maximize environmental benefits on a per-acre basis. We are pursuing continuous signup options to achieve this targeting, and in FY 2015, continuous signup enrollment reached 837,000 acres, the largest enrollment ever.

In lieu of a general signup in FY 2015, a 1-year contract extension was offered for general signup contracts that were not over 14 years in length, and were set to expire on September 30, 2015. About 500,000 acres received this 1-year extension (about 58 percent of eligible acres).

FY 2016 activities include a general signup period, plus continuous and grasslands signups. The FY 2016 general enrollment period began on December 1, 2015, and ended on February 26, 2016. In addition, sign-up in CRP Grasslands—a new 2014 farm bill program—is on-going. The 24-million-acre statutory cap is making competition under both general and grasslands sign-up especially fierce.

We are proud of the impact that CRP has had on the rural landscape. Since its inception in 1985, we estimate that CRP has prevented more than 8 billion tons of soil from eroding and reduced nitrogen and phosphorous runoff into rivers and streams by 95 percent and 85 percent, respectively, relative to similar lands that are cropped. On average over the past five years, CRP has protected more than 175,000 stream miles with riparian forest and grass buffers, enough to go around the world 7 times, and since 1996, has created about 2.7 million acres of restored wetlands.

CRP also provides greenhouse gas benefits. Over the past 5 years, CRP has sequestered an average of 46 million metric tons of CO<sub>2</sub> equivalent per year. This is equal to removing about 9 million cars from the road annually, and the CO<sub>2</sub> equivalent reduction is worth \$2 billion per year.

## **Energy**

USDA recognizes that the bioeconomy has the potential to create unprecedented growth in the rural economy, by creating opportunities for the production, distribution and sale of biobased products and fuels. Therefore, FSA made available \$100 million in grants under the Biofuel Infrastructure Partnership (BIP), nearly doubling the number of fueling pumps nationwide that supply renewable fuels to American motorists, such as E15 and E85. Twenty-one states are participating in the BIP, with matching funds from state and private partners, providing \$210 million to strengthen the rural economy and increase the demand for corn and agricultural commodities used in the production of biofuels. We are also proud of our effort to partner with the Department of Energy and Navy to create advanced drop-in biofuels that will power both the Department of Defense and private sector transportation throughout America. Each partner has committed over \$160 million to this effort.

## **Farm Credit Programs**

Access to credit remains a critical issue for producers, in particular for new and beginning farmers and ranchers. In 2015, FSA provided nearly 38,000 loans, valued at a record \$5.7 billion, to over 27,500 farmers and ranchers who were temporarily unable to obtain commercial financing. Over 20,000 loans went to beginning farmers and ranchers in 2015, 40 percent more than in 2009. These included more than 4,000 farm ownership loans, which enabled beginning farmers to purchase farmland, construct or repair buildings, and make farm infrastructure improvements. FSA also increased its assistance to minority and women farmers and ranchers, providing these groups with over 9,000 loans – 65 percent higher than in 2009.

FSA's microloan program, which provides direct operating loans of up to \$50,000 to pay for startup expenses such as land rent, essential tools, livestock and farm equipment, and annual expenses such as seed, fertilizer, utilities, marketing, and distribution expenses, has greatly improved FSA's ability to provide credit to beginning farmers and ranchers. Since its inception in January 2013, FSA has issued over 17,000 microloans, and nearly 70 percent have gone to beginning farmers and ranchers. And, as of January 2016, microloans are now available to help with farm land, building purchases, and soil and water conservation improvements.

Building on the success of collaborative efforts in 2014 and 2015 that helped producers with their ARC/PLC and MPP-Dairy decisions, FSA is developing additional partnerships. In 2015, FSA announced the availability of \$2.5 million in cooperative agreement funding for nonprofits and universities to facilitate program outreach to underserved communities, including veterans, beginning farmers and ranchers, minority producers, and organic/specialty crop producers. The first round of proposals was submitted in late November, 2015 and awardees will soon be announced. These 1-year cooperative agreements are focused on increasing access to FSA programs and improving technical assistance outreach and financial education.

### **The Risk Management Agency (RMA)**

The Federal crop insurance program is a vital risk-mitigation tool available to our Nation's agricultural producers. It provides risk management solutions that are market driven and reflect the diversity of the agricultural sector, including specialty crops, organic agriculture, forage and rangeland, as well as staple row crops.

Over its history, the value of the Federal crop insurance program to American agriculture has grown. In 2015, the crop insurance program provided coverage on more than 298 million acres of farm and ranch land and protected over \$102 billion of agricultural production. As of February 25, 2016, indemnity payments to producers on their 2015 crops total just over \$5.6 billion on a premium volume of just under \$10 billion. Our current projection for the 2016 crop year shows the value of protection will be slightly less than \$100 billion.

### **Program Expansion**

In addition to maintaining and building upon existing programs, RMA has also made great progress in implementing the 2014 Farm Bill. The Supplemental Coverage Option (SCO) is now available for 58 crops and the Actual Production History Yield Exclusion is available for 50 crops. Expansion will continue as more data becomes available. The Stacked Income Protection

Plan for Producers of Upland Cotton (STAX) is currently available for every county that has a crop insurance policy for cotton, and producers now have the ability to request coverage even if it is not available in their county. Peanut Revenue Protection is available in every county with peanut coverage, and Margin Protection Insurance is available for wheat, corn, rice, and soybeans in select counties. Coverage Level by Practice is now available for 52 crops. Enterprise Unit by Practice is now available for 16 crops. RMA now offers organic price elections on 56 different crops, up from 4 in 2011. In addition, in 2016 RMA will offer Whole Farm Revenue Protection insurance in every county in the nation—a first for the crop insurance program. All of these options provide producers more ways to tailor crop insurance for their specific needs.

To further expand crop insurance options for all growers, Pasture, Rangeland, and Forage is now available in every state in the continental United States. RMA continues to engage with ranchers to improve this policy.

In an effort to ensure that producers continue to receive premium subsidies, RMA worked with the Natural Resources Conservation Service, the Farm Service Agency, private partners, and commodity groups to inform farmers and ranchers about new conservation compliance requirements. Any farmer or rancher that was potentially out of compliance received three letters and at least one phone call. As a result, over 98 percent of crop insurance customers complied with the provisions. Most of the remaining two percent are likely retired, deceased, or operating under a different entity. RMA has implemented several exemptions to ensure beginning farmers and ranchers, and those who are new to USDA programs, as well as those who have formed new entities, do not lose premium subsidy. To date, over 1,000 exemptions have been granted.

Incentives authorized in the 2014 Farm Bill make crop insurance more affordable for beginning farmers and ranchers by providing a 10 percent premium discount, as well as a waiver of the catastrophic and additional coverage administrative fees. Over 13,500 producers have taken advantage of these incentives. Beginning farmers and ranchers have saved over \$14.5 million in premiums and administrative fees because of this program.

The Farm Bill included several reforms to the Federal crop insurance program; however, there remain further opportunities for improvements and efficiencies. The President's 2017 budget includes two proposals to reform crop insurance, which are expected to save \$18 billion over 10 years. This includes reducing subsidies for revenue insurance that insure the price at the time of harvest by 10 percentage points and reforming prevented planting coverage. These reforms will make the program less costly to the taxpayer while still maintaining a quality safety net for farmers.

### **Program Integrity**

RMA has also been working on a process to reduce improper payments. RMA has developed and received approval from the Office of Management and Budget for a new sampling and review methodology for measuring improper payments. Throughout the development process, RMA worked closely with the Office of the Inspector General to address concerns the oversight agency had with the previous methodology. The collaborative effort has resulted in significant improvements to the improper payment sampling methodology and review process. The new methodology will allow RMA to more accurately estimate an improper payment rate for the crop insurance program and identify root causes of the improper payments. I am proud to report that the improper payment rate for Fiscal Year 2015 is 2.2 percent, down from 5.5 percent

in FY 2014. Beginning in fiscal year (FY) 2017, RMA will determine an improper payment rate for each approved insurance provider in addition to the overall program rate.

### **The Foreign Agricultural Service (FAS)**

The Foreign Agricultural Service (FAS) is USDA's lead international agency, linking U.S. agriculture to markets around the world to enhance export opportunities and global food security.

The efforts of FAS employees, both in Washington and around the globe, combined with market promotion programs authorized in the 2014 Farm Bill, and collaboration with the U.S. agricultural community, have contributed to the strongest seven-year stretch in history for U.S. agricultural trade. From fiscal years 2009 to 2015, U.S. agricultural exports climbed more than 45 percent in value, totaling over \$911 billion. In FY 2015, American agricultural producers achieved \$139.7 billion in exports, the third highest year on record. In addition, agricultural exports have increased in volume, demonstrating an increasing global appetite for American-grown products. In 2014, U.S. agricultural exports supported more than one million American jobs. Credit for these accomplishments belongs to America's hardworking farm and ranch families.

FAS supports U.S. producers through a network of agricultural economists, marketing experts, negotiators, and trade specialists in Washington, D.C. and 93 international offices covering 170 countries. We are proud that our role in opening and maintaining markets has resulted in billions of dollars of additional U.S. agricultural exports. FAS also contributes to the Department's goal of enhancing global food security. The food assistance programs, technical assistance, and capacity building activities administered by FAS have provided assistance that has helped millions of people worldwide. Trade policy, trade promotion, and capacity building are the core functions at the heart of the programs and services that FAS provides to U.S. agriculture.

### **Trade Policy**

FAS expands and maintains access to foreign markets for U.S. agricultural products by removing trade barriers and enforcing U.S. rights under existing trade agreements. Working with our sister agency, the Animal and Plant Health Inspection Service (APHIS), we are instrumental in resolving sanitary, phytosanitary, and technical barriers to trade. FAS also works with foreign governments, international organizations, and the Office of the U.S. Trade Representative (USTR) to establish international standards and rules to improve accountability and predictability for agricultural trade.

Congressional passage of the bipartisan Trade Promotion Authority (TPA) bill last summer boosted the Administration's ability to complete negotiations of the landmark Trans-Pacific Partnership (TPP) agreement. When implemented, the TPP agreement, with eleven Pacific Rim countries representing nearly 40 percent of global GDP, will provide new market access for America's farmers and ranchers by lowering tariffs and eliminating other barriers. Rural America needs the good deal laid out in the TPP agreement. The Administration is committed to working closely with Congress to obtain support for this historic deal so that our businesses can sell more rural-grown and rural-made goods around the world.

FAS trade negotiators are also advocating on behalf of U.S. agriculture in the Transatlantic Trade and Investment Partnership (T-TIP) negotiations. Our exports to the European Union (EU), which currently is our fourth largest agricultural export market, were valued at \$12.3 billion in FY 2015; however, European barriers to U.S. exports help create a deficit in our agricultural trade to that region. FAS experts are an integral part of the T-TIP negotiating team and USDA's economic analysis underpins the negotiating strategy on agriculture. Our negotiators seek the elimination of all agricultural tariffs and remain resolute in pushing back on the EU's requests for geographical indications that do not comport with the U.S. intellectual property system. The T-TIP is an opportunity to address not only market access commitments, but non-tariff, sanitary and phytosanitary and technical barrier to trade issues that impede U.S. agricultural exports.

Closer to home, another important market for U.S. agriculture is Cuba. USDA is proposing to establish an in-country presence in Cuba to cultivate key relationships, gain firsthand knowledge of the country's agricultural challenges and opportunities, and develop programs for the mutual benefit of both countries. Since Congress authorized agricultural exports to Cuba in 2000, the United States has shipped nearly \$5 billion in agricultural and food products to Cuba. Cuba's geographical proximity and demand for U.S. products makes it a natural market, but as Secretary Vilsack has said "We are now stymied by an embargo that has certainly outlived its purpose." A more open and normalized trade relationship with Cuba will benefit both countries and help address the competitive disadvantages that U.S. agricultural products currently face in this market. USDA's Economic Research Service (ERS) analysis suggests that greater liberalization could lead to higher and more diversified sales to Cuba, similar to what the United States exports to the Dominican Republic, a country with similar population and per capita income. U.S. agricultural exports to the Dominican Republic averaged \$1.1 billion a year between 2012 and 2014, compared to \$365 million to Cuba. Moreover, the United States exports a broad range of agricultural products – beef, turkey, breakfast cereals, and fresh apples – to the Dominican Republic that Cuba does not currently import in sizable amounts.

## **Trade Promotion**

Over numerous farm bills, Congress has authorized and refined an effective combination of agricultural market development and export credit guarantee programs. These programs that are designed to develop markets, facilitate financing of overseas sales, and resolve market access barriers dovetail with the FAS mission. We must open, expand, and maintain access to foreign markets, where 95 percent of the world's consumers live. FAS partners with a broad spectrum of cooperator groups representing the U.S. food and agricultural industry and manages a toolkit of market development programs to help U.S. exporters develop and maintain markets for hundreds of products.

The largest market development program operated by FAS is the Market Access Program (MAP). Through MAP, FAS partners with nonprofit U.S. agricultural trade organizations, U.S. agricultural cooperatives, nonprofit State Regional Trade Groups, and small-scale U.S. commercial entities to share the costs of overseas marketing and promotional activities, such as consumer promotions, market research, and trade show participation. The 2014 Farm Bill makes available \$200 million of CCC funds annually for MAP. That amount is matched with industry contributions to aid in the creation, expansion, and maintenance of foreign markets for hundreds



of U.S. agricultural products. A range of U.S. commodities from Texas beef and cotton, to Minnesota pork and soybeans, to California grapes and almonds, and apples and pears from the Pacific Northwest, all benefit from MAP. In FY 2016, MAP is providing funding to 62 U.S. agricultural trade associations, state regional trade groups, and agricultural cooperatives.

The Foreign Market Development Program (FMD) is another FAS-administered market development program reauthorized by Congress in the 2014 Farm Bill. FMD is a cost-share program that aids in the creation, expansion, and maintenance of long-term export markets for U.S. agricultural products. The 2014 Farm Bill makes available \$34.5 million of CCC funds annually for FMD. The program fosters a market development partnership between FAS and U.S. agricultural producers and processors who are represented by nonprofit commodity or trade associations known as Cooperators. Under this partnership, FAS and each Cooperator pool their technical and financial resources to conduct overseas market development activities. FMD-funded projects generally address long-term opportunities to reduce foreign import constraints or expand export growth opportunities. For example, FMD-supported projects include efforts to reduce infrastructural or historical market impediments, improve processing capabilities, modify codes and standards, or identify new markets or new uses for the agricultural commodity or product. In FY 2016, FMD is providing funding to 23 U.S. agricultural trade associations.

Working with our agricultural cooperator partners, our MAP and FMD programs have been shown to be highly effective. An independent study released in 2010 by IHS Global Insight, Inc. found that trade promotion programs like MAP and FMD provide \$35 in economic benefits for every dollar spent by government and industry on market development. FAS contracted with an independent company to update the cost-benefit analysis of these programs. Results of this study are expected in the spring of 2016.

### **Building Capacity and Food Security**

FAS leads USDA's efforts to help developing countries increase food security, improve their agricultural systems, and build their trade capacity. FAS's non-emergency food aid programs help meet recipients' nutritional needs and also support agricultural development and education.

The McGovern-Dole International Food for Education and Child Nutrition Program (McGovern-Dole) provides agricultural commodities and technical assistance for school feeding and maternal and child nutrition projects in low-income, food-deficit countries committed to universal education. The program is projected to assist 3.4 million women and children worldwide in 2017.

Congress identified fostering local self-sufficiency and ensuring the longevity of programs in recipient countries as one of the priorities for awarding McGovern-Dole grants. FAS and its partner organizations work to ensure that the communities served by McGovern-Dole can ultimately continue the sponsored activities on their own or with support from other sources such as the host government or local community. By procuring local foods such as fruits and vegetables, FAS will be able to offer more nutritionally rich meals and boost local farmer incomes, which will in turn build community support for our McGovern-Dole programs.

Building community support enhances long-term success and increases the probability that local governments take over school feeding programs. For example, in Bangladesh, FAS is

witnessing success in obtaining local support and sustainability. The Government of Bangladesh pledged that from 2015 onward it will spend \$49 million annually for school feeding programs in poor areas. By 2017, the Government of Bangladesh will manage school feeding in 50 percent of the schools currently receiving food under McGovern-Dole.

Since Congress established the Food for Progress (FFPr) program in 1985, it has been a cornerstone of USDA's efforts to support sustainable agricultural production in developing nations that are committed to free enterprise in the agriculture sector. Under FFPr, proceeds from the sale of donated U.S. agricultural commodities are used to fund projects that improve agricultural market systems and trade capacity. More than 263,000 metric tons of U.S.-produced commodities will be donated this fiscal year. In FY 2015, FAS awarded nine agreements that covered six countries in Latin America, Sub-Saharan Africa, and the Middle East. The recipients involve six private, voluntary organizations and three government (Mali, Honduras and Jordan), and range in activities from building governments' capacity to improving agriculture productivity, and increasing rural communities' access to credit. In FY 2016, USDA selected Angola, Bangladesh, Burkina Faso, Guatemala, Haiti, Malawi, Mozambique, Pakistan, the region of Liberia and Cote d'Ivoire, and the region of Senegal, The Gambia, and Guinea Bissau as priority countries and regions. Currently, FAS oversees \$814.6 million in programming in 57 countries that were funded in 2011-2015.

We also have the ability to respond to requests by governments with FFPr. Last May, Secretary Vilsack traveled to Jordan for the signing of a Food for Progress agreement to provide 100,000 metric tons of U.S. wheat, valued at approximately \$25 million, to the Government of Jordan. As one of our most steadfast partners in the Middle East, the Government of Jordan will be able to access the expertise of USDA to improve its agricultural productivity and therefore relieve some of the economic burden that it is currently facing. Proceeds from the sale of the commodities will improve the country's agricultural productivity and security through water conservation (over 20 percent of Jordanians are water insecure).

As authorized in the 2014 Farm Bill, we are continuing to implement the Local and Regional Procurement (LRP) program. We are working to finalize a new LRP rule and begin FY 2016 programming. We know from USDA's "Farm to School" efforts that bringing locally grown foods into the schools has multiple benefits—including added nutrition, improved science skills, and increased incomes for local growers. We want to expand this success to our international school feeding programs. The FY 2017 LRP program will focus on improving supply chains and procuring supplementary food for school meals in McGovern-Dole programs.