

FOREIGN AGRICULTURAL SERVICE
Statement of Ken Isley, Administrator
Before the House Committee on Agriculture
Subcommittee on Livestock and Foreign Agriculture

December 10, 2019

Chairman Costa, Ranking Member Rouzer, Members of the Subcommittee, I am pleased to appear before you with my colleague, Trey Hicks, Director of the Office of Food for Peace, U.S. Agency for International Development (USAID). I appreciate the opportunity to discuss the implementation of the international food assistance and capacity building programs administered by the United States Department of Agriculture (USDA) as authorized by the Agriculture Improvement Act of 2018 (2018 Farm Bill). As Administrator of the Foreign Agricultural Service (FAS), I want to thank the Subcommittee for your continued support for the work of the Agency and the Department.

Introduction

Last December, when Congress passed and President Trump signed the 2018 Farm Bill, the Department immediately prioritized implementing new, updated, and reauthorized programs quickly and effectively. The Trade and Foreign Agricultural Affairs mission area, which includes FAS, hit the ground running. The Trade Title of the 2018 Farm Bill includes authorization, and in some cases funding, for USDA's agricultural development and capacity building programs. I am pleased to report that we effectively implemented all such programs for fiscal year 2019. Additionally, we have published new regulations for USDA international food assistance programs that position the Agency to seamlessly implement these programs in fiscal year 2020 when full year appropriations are finalized.

International Food Assistance Programs

FAS-administered international food assistance programs reauthorized through FY 2023 by the 2018 Farm Bill include: the Food for Progress Program (FFPr); the McGovern-Dole International Food for Education and Child Nutrition Program (McGovern-Dole); and the Local and Regional Food Aid Procurement Program (LRP). The 2018 Farm Bill also amended two fellowship programs which received FY 2019 funding: the Borlaug International Agricultural Science and Technology Fellowship Program (Borlaug) and the Cochran Fellowship Program

(Cochran).

I would note that the President's 2020 Budget is focused on eliminating duplication and increasing efficiency, effectiveness, performance and accountability. The Budget prioritizes USAID bilateral assistance, including food security programs led by USAID's Bureau of Food Security (the interagency lead for Feed the Future), food aid, education, and related development programs and does not seek funds for the FFPr or McGovern-Dole.

Implementation Launch

With the challenges created by the late December reauthorization of Farm Bill programs, the partial government shutdown through most of January, and mid-February securing of full year 2019 appropriations behind us, FAS launched the implementation of our FY 2019 food assistance programs. Importantly, the programs are authorized to be implemented by Private Voluntary Organizations (PVOs), intergovernmental organizations, and other eligible entities. In March, we held a public meeting with eligible entities and stakeholders to solicit input on implementing Farm Bill programs.

Food for Progress

For FFPr, FAS issued the FY 2019 Notice of Funding Opportunity (NOFO) in March. Proposals were solicited to meet the two principal objectives of FFPr: to improve agricultural productivity in developing countries and emerging democracies and to expand trade in agricultural products. Donated U.S. agricultural commodities are shipped to recipient countries and sold on the local market in a process that is often referred to as monetization. The proceeds, which we recently reported averaged about 72 percent of the cost to U.S. taxpayers in FY 2018, support agricultural, economic, or infrastructure development projects. FFPr projects have trained farmers in animal and plant health, improved farming methods, developed road and utility systems, established producer cooperatives, provided microcredit, and developed agricultural value chains. FFPr project implementers have included PVOs, foreign governments, universities, and intergovernmental organizations.

In August, we announced awards of more than \$138 million to improve agricultural productivity in developing countries and expand trade in agricultural products. The countries to be covered through these projects in FY 2019 include Ethiopia, Indonesia, Paraguay, the

Philippines, Benin, Burkina Faso, Côte d'Ivoire, Ghana, Nigeria, and Venezuela. There is also a project focused across the East African Community. The allocation for Venezuela is contingent upon initiation of a democratic transition. Together, these projects are intended to reach over 238,000 beneficiaries directly over the next five years.

A FFPr project in East Timor has helped to support the export of locally cultivated crops that do not compete with U.S. production and created opportunities for subsistence farmers to increase their income. USDA's FFPr activities in East Timor touch along the entire agricultural value chain from providing seedlings to farmers, to equipment purchases and assistance in exporting harvested crops. FFPr-supported activities have resulted in new commercial market relationships between U.S. companies and East Timor producers. The program benefits local producers of several commodities, including cloves, vanilla, coffee, black pepper, and cacao. After improved agricultural techniques were implemented, the project's first yields of organic, fair-trade certified coffee commenced in 2019 with more than 19 tons headed to international buyers, including U.S. importers. Each year thereafter production is expected to increase gradually to a total of 1,000 tons by 2029. U.S. companies have also recently purchased more than 50 tons of cloves and 4 tons of vanilla.

Most recently, an updated FFPr regulation was published in August to reflect a 2018 Farm Bill-required expansion of eligible entities to include U.S. public and non-profit colleges and universities.

McGovern-Dole

The McGovern-Dole program's statutory objectives are to improve food security; reduce hunger; improve literacy and primary education, with an emphasis on girls; and carry out maternal, infant, and child nutrition programs. Awards are made for multi-year McGovern-Dole projects. Entering FY 2020, McGovern-Dole had a total of 40 active projects valued at \$961 million in 30 countries. The projects are expected to reach over 4.5 million beneficiaries in FY 2020.

FAS issued the FY 2019 NOFO for McGovern-Dole in March. Proposals were solicited to provide school meals for preschool and primary school children, and nutrition programs for pregnant women, nursing mothers, infants, and children five years of age or younger, in countries with high food insecurity. FY 2019 awards were announced in August. \$170 million

in funding was awarded to support school feeding programs in Cambodia, Guinea-Bissau, Haiti, Malawi, Mauritania, Mozambique, Togo, and Uzbekistan.

Last year, Kenya, whose school feeding program was originally launched by the World Food Programme(WFP) in 1980 and which was funded by McGovern-Dole starting in 2004, became the first country in Africa to transition all schools previously supported by McGovern-Dole to a government-supported national school meal program. The Government of Kenya has become a leader in school feeding, developing home grown school meals policies and programs. USDA worked closely with our implementing partner, WFP, to support Kenya's efforts. McGovern-Dole projects in Kenya in the past have supported more than 4,000 schools.

In November, FAS published an updated McGovern-Dole regulation to implement a 2018 Farm Bill-required change to provide for not more than 10 percent of program funds to be used directly for local and regional procurement of commodities. This reflects new authority separate from authority for an existing, stand-alone LRP program.

Local and Regional Food Aid Procurement Program

First authorized as a permanent program in the 2014 Farm Bill, the LRP program was designed to provide a complementary mechanism for delivering international food assistance. Including local commodities, such as fruits and vegetables, can increase the acceptability and palatability of nutritious meals, strengthen supply chains, and boost local support for sustainability. LRP is also authorized to help expedite provision of safe and quality foods to populations affected by food crises and disasters. Some key objectives of LRP include strengthening the ability of local and regional farmers, community farmer groups, farmer cooperatives and associations, processors, and agribusinesses to provide safe and nutritious high-quality commodities. Funding preference is given to entities incorporating locally or regionally procured commodities into activities under McGovern-Dole, with the aim to strengthen the ability of local host governments to take ownership of McGovern-Dole projects.

The FY 2019 appropriations act directed \$15 million of FY 2019 McGovern-Dole funds to be used to conduct the LRP program. USDA announced a preliminary allocation of these funds in August to projects in Burkina-Faso, Cambodia, and Nicaragua. These three USDA LRP projects are estimated to reach more than 105,000 school-age children, augmenting over 20 million meals.

A recent example of an LRP award was funding for a \$2 million, 2-year project designed to incorporate orange-fleshed sweet potatoes into daily school meals in Mozambique. Farmers received assistance growing sweet potatoes that were then harvested and purchased for use at schools, to improve the diet of 25,000 school-aged children. With the proceeds earned from selling the sweet potatoes, the farmers were able to reinvest in the following year's crops.

Borlaug and Cochran Fellowship Programs

Borlaug and Cochran fellowship programs offer mentoring to policymakers with the aim to promote food security, trade, and economic growth. Both programs award funds on a rolling-basis. Opportunities to host Borlaug and Cochran fellows are circulated through the U.S. Land Grant University System, USDA, other federal government agencies, the U.S. Agricultural Export Development Council, U.S. private agri-businesses, and agricultural consultants.

Under the 2018 Farm Bill, both programs were subject to minor amendments, but remained operating without interruption.

Cochran Fellowship Program

As directed, Cochran now allows for training in the U.S. or at colleges or universities overseas with specific U.S. ties. For FY 2019 funds, FAS published its first NOFOs in March and began to award funds under the 2018 Farm Bill amendments in April.

Since 1984, Cochran has provided short-term training for over 18,500 international Fellows from 126 countries worldwide. Cochran operates in middle-income and emerging market countries, providing training opportunities for senior and mid-level specialists and administrators working in agricultural trade and policy; agribusiness development; management; animal, plant, and food sciences; extension services; agricultural marketing; and many other areas representing the public and private sectors of interest to agriculture. Cochran supports existing and potential foreign trade partners to expand markets for U.S. exports and strengthen and assist eligible countries in developing agricultural systems that can strengthen and enhance trade opportunities for U.S. exporters.

For example, a 2018 Cochran program, conducted in partnership with the University of Nebraska-Lincoln, provided training to eight Fellows from Brazil's food marketing and distribution industries. The objective of the training was to expose the Fellows to the marketing, usage, and availability of U.S. beef. As a result of this Cochran training, a Brazilian company

purchased U.S. beef valued at \$200,000, marking the first sale of U.S. beef as a direct result of Cochran intervention.

Borlaug Fellowship Program

For Borlaug, FAS issued a NOFO for FY 2019 funds in May and began awarding funds under the 2018 Farm Bill in June.

The Borlaug International Agricultural Science and Technology Fellowship Program (Borlaug) was established in March 2004 to honor the Nobel Laureate Dr. Norman E. Borlaug. The program promotes agricultural productivity, food security, trade, and economic growth by providing training and collaborative research opportunities to early and mid-career scientists, researchers, or policymakers from developing and middle-income countries. Borlaug Fellows spend 8 to 12 weeks in the United States and work individually with U.S. scientists in their fields to learn new research techniques, gain exposure to the latest scientific developments in agriculture, and access fully-equipped laboratories. Since the program's inception, USDA has supported more than 850 Borlaug Fellows from 69 countries.

For example, a Borlaug Fellow from Thailand's National Bureau of Agricultural Commodity and Food Standards attended Oregon State University where she evaluated models to improve pesticide dietary risk assessments for maximum residue levels (MRLs). She developed a dietary risk assessment tool which supports the Thai government when defending their pesticide MRLs from challenges. This contributes to strengthening the capacity of the Thai government as a U.S. trading partner by establishing MRLs for pesticides through enhanced adoption of science-based standards.

Coordinating USDA Food Aid Programs

From selecting countries and priorities to reviewing proposals, monitoring agreements, evaluating project performance, and reporting progress, USDA's food assistance staff coordinate with colleagues across the Department and the U.S. Government, particularly USAID, as well as with donors, stakeholders, and recipients. USDA food assistance staff work daily with their colleagues at USAID and meet regularly with USAID's Office of Food for Peace to discuss issues related to priority country selections, commodity specifications, leveraging resources, and managing constraints. Collaboration with our interagency partners and stakeholders does not occur just in Washington. As Administrator of FAS, I know the benefits of FAS staff collaborating in posts around the world. USDA's food assistance program staff work also

closely with our overseas posts and their overseas colleagues from USAID, the State Department, the Department of Commerce, the Office of the U.S. Trade Representative, the Millennium Challenge Corporation, and numerous other agencies and stakeholders.

Conclusion

Thank you for the opportunity to testify. I am pleased to report that the implementation of the international food assistance and capacity building programs administered by the USDA as authorized by the 2018 Farm Bill has been successful. I would be pleased to answer any questions of the subcommittee.

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