USAID REPORT TO CONGRESS ON FOOD SECURITY

Fiscal Year (FY) 2024 REFS Food Security Report

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The agreement supports increased funding for agricultural research and development and directs the Secretary of State to ensure that the Vision for Adapted Crops and Seeds program is closely coordinated with Feed the Future's ongoing efforts and research strategy.

Not later than 90 days after the date of enactment of the Act, the Secretary of State and USAID Administrator, in consultation with the heads of other relevant Federal agencies, shall jointly submit a report to the appropriate congressional committees detailing:

- 1. Steps that will be taken to improve the sustainability of Feed the Future outcomes;
- 2. Including graduation metrics for target countries.

1.

Sustainability of development gains is a key facet of USAID's work. In all areas, USAID aims to implement programs that support communities to move beyond the need for U.S. assistance, and position them as stronger allies and trading partners. USAID investments under Feed the Future, the U.S. government's flagship global hunger initiative, are made with the same objectives in mind. Born from the 2007-2008 global food price crisis, the U.S. government launched Feed the Future to support longer-term investment in agriculture to improve countries' food security – helping to prevent future food emergencies, rather than just respond to them.

Our investments in Feed the Future have created a sustained impact. During the first decade of Feed the Future, in areas where we focused our efforts, the prevalence of extreme poverty decreased by an average of 19 percent, and the proportion of households experiencing hunger decreased by an average of 30 percent. In addition, the prevalence of stunting among children under five declined by an average of 26 percent—representing a total of 1.8 million children with reduced risk of stunting. Over the life of the initiative, Feed the Future participants have accessed \$5 billion in agriculture-related financing and generated over \$28 billion in sales of agricultural products and services.

However, there is more that can be done, especially as the world navigates significant challenges that impact the resilience and stability of the global food system. Even before Russia's invasion of Ukraine, the world's food system was reeling from protracted conflicts, the enduring impacts of the Covid-19 pandemic, and increasingly frequent and severe weather and climate shocks. Russia's invasion of Ukraine up-ended global fuel, food, and fertilizer supplies, causing prices to spike and revealing critical weaknesses in the global food system—namely the vulnerability of certain net food importer nations, especially highly food insecure countries in Africa, to changes in global markets. Over the past year, global prices have declined and levels of poverty and food insecurity have either declined or stabilized, but global needs are still higher today than before the onset of the food security crisis. Over 735 million people around the world suffer from chronic hunger, including over 260 million people in sub-Saharan Africa.

Recovering progress lost due to these unprecedented shocks requires strategic, concentrated investments that help public funds go further and have a lasting impact. Fundamentally, we know the best way to fight hunger and poverty is to invest in agricultural growth, since it is up to four times more effective at eliminating extreme poverty in low and middle income countries than growth in other sectors. Over the past decade, Feed the Future has done just that—investing in agriculture-led growth, building resilient food systems, and enhancing access to nutritious diets in a set of target countries with high levels of need. However, over time those areas of focus multiplied along with global need, and now Feed the Future divides its budget among a total of 40 countries around the world.

In accordance with Congress' intent in FY24 appropriations, USAID is working toward increasing the impact and longevity of our food security investments through Feed the Future. We prioritize investments in countries that show both high potential for driving inclusive economic and agricultural growth, and the commitment to invest in their own food systems.

Increasing investments in those countries represents the greatest opportunity to reduce hunger, malnutrition, and poverty for millions of people by driving regional economic growth, enhancing access to nutritious food and healthy diets, building more climate and shock-resilient food systems and supply chains, and developing stronger regional trade policy and enabling environments.

Enhancing food system transformation in those countries could address some of the structural challenges that exacerbated the recent global food security crisis by supporting a regional "breadbasket" where additional investment would drive increased food availability for millions of those most in need and drive a regional, trade-centric economic growth agenda.

Through rigorous analysis, USAID identified a unique window of opportunity in southern Africa, and we are working to concentrate more of our resources within those countries. This effort would catalyze a whole-of-government approach to leverage the full capabilities of the interagency, provide sorely needed financing to agricultural small- and medium enterprises (SMEs), and crowd in private sector investment to realize long-term progress beyond our programs. Through this effort, we can maintain our impact and give rise to a new breadbasket that can create lasting change, enrich farmers, lower food prices, and pull millions of people out of poverty.

In addition to these efforts to focus on countries which can see lasting change, we also know that the U.S. government cannot stop hunger alone. We appreciate Congress' support of further engagement with the private sector, which is something we have taken seriously. In order to ensure Feed the Future investments are catalyzing long-term change, USAID works with more than 60 U.S. companies, such as Cargill, Bayer, John Deere, Starbucks and Keurig Dr. Pepper. USAID is also calling on our allies and other donors to step up and help us meet the need. For example, Ireland joined with USAID on programming in Malawi where we are working to mobilize \$200 million in private sector investments to advance food security and nutrition. This includes partnerships with U.S. companies, the Feed the Future Peanut Innovation Lab and the International Potato Center (CIP), which are helping get improved seeds and techniques out to small holder farmers. This partnership has been such a success, we are working with the Irish to expand this type of collaboration to Zambia.

Additionally, the U.S. Department of State is spearheading an effort in line with the three objectives of the Global Food Security Strategy. The Vision for Adapted Crops and Soils (VACS) brings together dedicated communities and individuals from research, advocacy, and policy to shine a light on opportunity crops – that is, nutrient-rich traditional and indigenous crops with great, unrealized potential to improve food and nutrition security in the context of climate change that have suffered historically from underinvestment – provide to build more resilient food systems. VACS seeks to build supply and demand for this diverse range of crops and promote sustainable land use with such opportunity crops.

In Africa, VACS undertook a multi-phase research agenda to identify a shortlist of opportunity crops covering all of the African Union regions and each of the major crop types (cereals, legumes, vegetables, fruits, roots and tubers, nuts and oil seeds, and tree crops) with an end goal

of achieving positive year-round nutrition outcomes. Guided by the Steering Committee (U.S. Government, Food and Agriculture Organization (FAO), African Union (AU)), a team of VACS researchers across several institutions led an interdisciplinary consultative process engaging an international cadre of nutritionists, plant breeders, soil scientists, climate crop modelers, and data scientists which included two in-person convenings. The first convening resulted in an Indicative Opportunity Crop List, and the second resulted in a set of recommendations for high impact investment in line with the results of the climate crop modeling of a subset of 20 opportunity crops.

The International Fund for Agricultural Development (IFAD), the CGIAR, and FAO each set up multi-donor funding mechanisms to solicit funding for initial VACS investments. To ensure donor coordination, these three institutions jointly agreed to form a VACS Implementers Group, develop a global monitoring framework and operational guidelines. Nearly \$200 million public and private-sector funds have been mobilized for VACS. The United Kingdom and the Netherlands have committed funding to the CGIAR, Japan to the FAO, the United States to all members of the Implementers Group, and Norway to the Global Crop Diversity Trust. Cargill and ADM have each committed funds to the CGIAR and IFAD, respectively. VACS has also attracted the interest of various multilateral development banks, and the State Department Office of Global Food Security is working to build strong partnerships between interested parties to support long-term VACS investments.

2.

The Global Food Security Act of 2016 requires that Feed the Future identify "criteria and methodologies for graduating target countries and communities from assistance... as such countries and communities meet... progress benchmarks." It highlights potential benchmarks as "building resilience, reducing risk, and enhancing the sustainability of outcomes from United States investments in agriculture and nutrition security." The reauthorized Global Food Security Act of 2022 updates the timeline for these assessments. It requires that "during the final year of each strategy required under section 5, complete country graduation reports to determine whether a country should remain a target country based on quantitative and qualitative analysis."

To meet the requirements of the Global Food Security Act and reauthorizations, USAID has revised metrics within each of the characteristics of a graduation-ready country. Current metrics are listed below and subject to updates:

The country has demonstrated **significant and sustained development progress** as measured by:

- Agricultural total factor productivity as measured by USDA;
- Progress on agricultural transformation captured through IFPRI's Agricultural GDP+;
- Improvements in wellbeing, including progress on poverty (measured through prevalence of poverty from the World Bank), hunger (FAO's Food Insecurity Experience Scale), and malnutrition (stunting and wasting from the World Bank).

The country has demonstrated **sustained political commitment** to reductions in poverty, hunger and malnutrition by enacting legislation and policies that will support progress on poverty, hunger and malnutrition reduction and by investing in key sectors relevant to reducing hunger, poverty and malnutrition measured by:

- Government effectiveness score from the World Bank;
- Total government expenditure on agriculture from FAO.

The country has the **financial capacity** to support/maintain the investments needed to support continued progress on poverty, hunger, and malnutrition as measured by:

- Economic growth captured through the World Bank's annual percentage change in GDP growth measure;
- External debt based on IMF data;
- The percentage of agriculture funding that is from donors based on FAO data.

The country has the **human**, **civil society**, **and institutional capacity** to support/maintain the investments needed to support continued progress on poverty, hunger, and malnutrition as demonstrated by the capacity of relevant government institutions and civil society as measured by:

- Legatum Prosperity Index;
- VDem's Civil society participation index.