Central African Republic: Meeting Unforeseen Need Faster & More Efficiently

In December 2013, conflict escalated in the Central African Republic (CAR), marking an important shift in an already difficult security, political and humanitarian context. A violent takeover of the government by the Seleka armed opposition alliance in March 2013 and sustained inter-communal fighting led to the displacement of over 600,000 people and a spike in food insecurity across large areas of the country. While USAID’s Office of Food for Peace (FFP) originally made an initial Title II contribution in response to the crisis, the conditions on the ground rapidly deteriorated while the U.N. World Food Program (WFP) was awaiting arrival of the Title II food, which has a 5-6 month lead time to arrive in country.

In response to an urgent WFP call for immediate support to address growing needs, USAID/FFP awarded $3 million in Impact Funds to WFP in summer 2014. With these monies, WFP rapidly accessed foods in Cameroon to shore up the CAR food pipeline while waiting for the Title II food to follow. With Impact Funds, WFP procured 2,530 MT of commodities for general food distribution activities, ensuring life-saving support to populations displaced by the ongoing conflict. This $3 million was part of a total $42 million package of Title II food assistance channeled through WFP and UNICEF to assist Central Africans both inside CAR and in neighboring countries in FY 2014.
Democratic Republic of Congo: Ending monetization saves money, reduces budget uncertainties for partners

USAID’s Office of Food for Peace (FFP) has had development food assistance programs in the DRC since FY 2008, focusing on areas in the east that are highly food insecure and affected by large scale influxes of people displaced by conflict. Historically, these programs relied on monetization or the sale of US food in the DRC, to generate U.S. dollars to implement development activities. In FY 2012, FFP’s three Private Voluntary Organization (PVO) development partners received a total of 47,460 tons of U.S. commodities, with a commodity and freight value of $24.4 million, to sell for currency to implement their programs. Despite the fact that sales prices for wheat have been very close to the estimated Import Parity Price (or the price a purchaser pays or can expect to pay for imported goods), partners were only able to sell wheat for a 56.1 percent rate of return to a single buyer, generating proceeds in the amount of $13.7 million. The U.S. government therefore lost $10.7 million on the transaction. The loss of resources would often result in partners having to cut back on planned program activities; in this case, one partner was forced to cut their water and sanitation activities because the funds generated were not sufficient to implement the projects as planned.

In 2013 and 2014, instead of monetizing, FFP provided the partners with approximately $17 million per year in Impact Funds to cover administrative costs and program activities previously funded through monetization. The U.S. government saved the funds that would have been lost in the monetization process, estimated at approximately $10 million per year. Partners are now assured of a specific amount of funds to implement development activities and are relieved of the time and effort previously required to develop and manage complex monetization sales.

Savings = $10 Million

Changes in the Agricultural Act of 2014 mean new flexibilities for Food for Peace. As noted in the Food for Peace Act, Section 202(e) funds, called Impact Funds by USAID, can be used for enhancing programs, including through the use of local and regional procurement and other market based food assistance interventions; meeting the specific administrative, management, personnel, storage, and distribution costs of programs; and implementing income-generating, community development, health, nutrition, cooperative development, agriculture, and other development activities.
Ethiopia: Enhancing Impact through a complementary cash for work program

In Ethiopia nearly 65 percent of the population is under the age of 24. The large majority of these youth live in rural areas and those with little or no land of their own face severely limited livelihood options. In 2014, USAID’s Office of Food for Peace (FFP) development partner, The Relief Society of Tigray (REST), approached USAID/FFP with a plan. Working with the regional government and piloting a shift to cash transfers, REST proposed to hire 168,452 landless youth using a mix of cash and food transfers in exchange for their participation in a vast watershed rehabilitation program that would enhance the Title II development program in the area. Having seen what REST could accomplish in Tigray through its ongoing development project, USAID/FFP provided approximately $4.4 million in Impact Funds in support of the plan. The approach was designed not only to improve the landscape but wages paid to workers also served to give a boost to the local economy.

When seasonal agriculture-based employment opportunities were not available (and based on proximity to well-supplied markets) landless youth received food or cash transfers for their work —transforming eroded hillsides into cultivable terraces and reclaimed culverts. The land was then redistributed to 7,000 landless youth, for future management, giving them regular access to land and diversified income. For the vulnerable youth in Tigray, this program not only helped to bridge a significant hunger gap-- it also provided a concrete investment in their ability to provide for themselves in the future. The increased amount of 202(e) funds provided in the Food for Peace Act as well as the language allowing for enhanced programming with Impact Funds enabled USAID/FFP to provide these resources through the existing $217 million 5-year Title II development program with REST.
Haiti: Protecting Development Gains

USAID’s Office of Food for Peace (FFP) development programs are frequently established to build the resilience of vulnerable communities facing both recurrent crisis and chronic poverty. When a shock such as a hurricane or drought hits in the midst of programming, the projects often are used as platforms to implement short-term emergency measures to respond to immediate needs and to protect development gains. In Haiti, due to prolonged droughts in the Northwest part of the country and the loss of two consecutive harvests, USAID/FFP used $4 million of Impact Funds to reinforce the work of NGO partner CARE’s $80 million Title II development program.

CARE is implementing a four-year FFP project directly supporting the Government of Haiti’s long term national social safety net to prevent hunger and malnutrition among the country’s most vulnerable, chronically food insecure households. With the Impact Fund resources, CARE set up a one-year emergency food voucher activity to enhance the ongoing development project and improve household access to locally-produced, nutritious foods. The food voucher activity targeted approximately 60,000 individuals in the Jean Rabel commune and was considered the most timely and cost-effective modality for these rural areas. It was also considered most appropriate to USAID efforts to support local agriculture. Beneficiaries must use 80 percent of the voucher value on locally-grown products and almost half the value must be used on fresh food, stimulating local agricultural production and the purchase of nutritious, diversified foods. Prior to the new flexibility provided in the Farm Bill for Section 202(e), a rapid, short term infusion of Title II resources for a voucher program to protect development gains and alleviate the stress of drought on target communities would have been impossible.

A second response to drought was similarly undertaken with another NGO partner, Action Against Hunger (AAH, or ACF), a CARE sub-grantee for the development program. USAID/FFP provided AAH with almost $3 million in Impact Funds for a cash-for-asset program to prevent further deterioration of the food security and nutritional status of vulnerable households in the Haut Artibonite region. Throughout the year, approximately 6,000 food insecure beneficiaries participated in cash-for-asset activities, including the rehabilitation of rural roads, construction of irrigation and drainage canals, and protection of soil. As a result, beneficiaries built and strengthened community assets, while receiving relief from the ongoing drought. The assets are designed to reinforce the larger development objectives of the USAID/FFP project and improve the resilience of target communities, reducing their dependence on food aid over the medium to long-term.

60,000 people reached = 60,000 people
South Sudan: Enhancing Impact to Avert Famine

Renewed conflict in South Sudan in December 2013 led to brutal ethnic violence and widespread displacement. More than 1.5 million South Sudanese fled their homes; these internally displaced peoples (IDPS) were left unable to plant crops or have access to their cattle, both primary sources of income and food. Further complicating the situation, fighting obstructed the normal “dry season” prepositioning of relief food at a time when the numbers in need of food assistance were growing dramatically. As the conflict dragged on and it became clear that food supply chains – both for commercial and relief food – were broken, the U.N. declared that South Sudan stood on the brink of famine. It called for an urgent humanitarian response and the U.N. World Food Program (WFP) began planning for a large scale air operation that would allow food to be delivered by airplane and helicopter, or air-dropped to people cut off by the conflict and rains. Heavy rains and poor infrastructure make roughly 60 percent of the country’s roads impassable 6 months a year.

The United States was able to signal to the world the urgency of getting the aircraft in place by providing a very early contribution of $8 million in Impact Funds to support the establishment of an air lifeline for South Sudan. This contribution ‘set the table’ for a rapid scale up of the fleet and supported the rapid leasing of six heavy lift aircraft, along with a fleet of helicopters, to airlift and airdrop food to nearly one million people in otherwise inaccessible areas, averting the worst case of famine. Thousands of tons of Title II U.S. in-kind food were airlifted to people in need during the rainy season, in Jonglei, Unity, and Upper Nile states. These efforts, combined with movement of food by road, boat and barge, made possible the effective delivery of the 84,950 tons of critically needed Title II food aid provided by FFP in FY 2014.

Other extraordinary measures for South Sudan in 2014 included tapping prepositioned U.S. food stocks all over the world, and drawing resources from the Bill Emerson Humanitarian Trust to buy additional food in the United States. This emergency food aid fund is rarely used and is available to respond to extraordinary humanitarian need when existing budgets cannot meet urgent lifesaving requirements. The United States purchased $50 million of U.S. food for South Sudan with these funds. Total FFP support for South Sudan in FY 2014 was more than $307 million.

Changes in the Agricultural Act of 2014 provided new flexibilities for Food for Peace. As noted in the Food for Peace Act, Section 202(e) funds can now be used for enhancing Title II programs, including through the use of local and regional procurement and other market based food assistance interventions. These special uses of 202(e) are referred to as Impact Funds by USAID for distinction from other 202(e) uses.