USAID’s Office of Food for Peace (FFP) receives its funding from two sources: 1) the Food for Peace Act, part of the Farm Bill, which is legislation authorized by the Congressional agricultural committees and allocated to FFP by the U.S. Department of Agriculture, and 2) the Foreign Assistance Act, legislation authorized by the Congressional foreign affairs committees and allocated to FFP by the Department of State.

I. Food for Peace Act
The Food for Peace Act established FFP in 1954 and is authorized, along with all U.S. agriculture programs, through the Farm Bill. Congress amends and reauthorizes the Farm Bill every five years, the most recent version is the Agriculture Improvement Act of 2018 (P.L. 115-334, “2018 Farm Bill”).

A. Title II
Title II of the Food for Peace Act funds U.S. food assistance to meet emergency food needs around the world and development (non-emergency) activities to address the root causes of food insecurity. Title II resources are predominantly U.S. commodities purchased on the commercial market and accounts for less than one percent of total U.S. food exported.

1 In addition to Food for Peace programs, the Farm Bill also funds USDA Title III Food for Development, Food for Progress, and McGovern-Dole Global Food for Education programs as well as USAID Bureau for Food Security Title V Farmer to Farmer projects.
1. Section 202(e) Funds
Section 202(e) funds cover the administrative costs of programming U.S. food. They can also enhance programming of Title II in-kind food assistance through market-based activities, including local and regional procurement of commodities, cash transfers for food, food vouchers, or offset monetization\(^2\). See the FFP Section 202(e) fact sheet for more information.

2. Section 207(f) Funds
Section 207(f) funds cover costs associated with program oversight, monitoring and evaluation. They support activities including the Famine Early Warning Systems Network (FEWS NET), program impact evaluations and the maintenance of FFP information technology systems. See the FFP Section 207(f) fact sheet for more information.

3. Internal Transportation, Storage, and Handling
Internal Transportation, Storage, and Handling (ITSH) funding covers costs directly associated with getting Title II commodities to the final distribution point, including the transportation, storage and distribution of Title II food aid. See the FFP ITSH fact sheet for more information.

**B. Bill Emerson Humanitarian Trust**
The Bill Emerson Humanitarian Trust (BEHT) is a sparingly used special authority in the Farm Bill that allows the United States to respond to unanticipated food emergencies abroad, when other Title II resources are not available. When unforeseen food needs arise, USDA releases the funds – usually at the request of the USAID Administrator – then USAID uses the funds to purchase U.S. commodities in the same way it purchases traditional Title II commodities. This resource is essential because it allows FFP to respond without compromising its ability to provide assistance to other needy populations. See the FFP BEHT fact sheet for more information.

II. FOREIGN ASSISTANCE ACT
The 1961 Foreign Assistance Act, subsequently amended over the years, promotes “the foreign policy, security and general welfare of the United States by assisting peoples of the world in their efforts towards economic development and internal and external security, and for other purposes.”

A. Development Assistance

1. Community Development Funds
FFP uses Community Development Funds (CDF), provided through USAID’s Bureau for Food Security (BFS), to complement Title II resources and support community-level development activities aimed at increasing the resilience of the rural poor and accelerating their participation in agricultural development and food security programs. These funds, along with Title II development activities, link FFP to the U.S. Government’s larger global hunger and food security initiative, Feed the Future. See the FFP CDF fact sheet for more information.

B. International Disaster Assistance
USAID uses International Disaster Assistance (IDA) funds to support emergency humanitarian assistance operations in response to international crises. FFP shares these funds with the Office of U.S. Foreign Disaster Assistance, which provides non-food items in response to crises.

1. Emergency Food Security Program Funds
Emergency Food Security Program (EFSP) funds address the highest priority, immediate, emergency food security needs using market-based activities and complementary activities (such as agricultural input vouchers, capacity development, biometrics, monitoring or other relevant activities). While Food for Peace has used ESFP funding since 2010, the Global Food Security Act codified this authority in 2016.

---

\(^2\) Monetization is the sale of U.S. food commodities overseas in order to generate money to conduct development activities.