



International Food Aid: U.S. and Other Donor Contributions

Charles E. Hanrahan

Senior Specialist in Agricultural Policy

Carol Canada

Information Research Specialist

February 11, 2011

Congressional Research Service

7-5700

www.crs.gov

RS21279

Summary

The United States is the world's major provider of international food aid to low-income developing countries. This report provides three indicators of the U.S. contribution to global food aid: (1) shipments of major donors compiled by the International Grains Council (IGC), (2) U.S. contributions to the United Nations World Food Program (WFP), and (3) the U.S. commitment under the 1999 Food Aid Convention (FAC).

Data from the International Grains Council show that U.S. food aid accounted for 58% of food aid shipments by major donors during 1995/96-2008/09.

A substantial portion of U.S. food aid is channeled through the WFP. During 1996-2010, around 48% of donor contributions to the WFP came from the United States.

The Food Aid Convention (FAC), now expired, was an agreement among donor countries to provide a minimum amount of food aid to low-income developing countries. The food aid commitment agreed to by all FAC signatories in 1999 was approximately 4.9 million metric tons (mmt). The United States pledged to provide 2.5 mmt or 51% of the total commitment.

Although the Food Aid Convention has expired, member countries of the IGC's Food Aid Committee have continued to meet regularly to review food aid needs and food aid shipments. At its December 2010 meeting, Food Aid Committee member countries agreed to begin a formal process of renegotiating the convention.

Contents

International Food Aid Shipments of Major Donors.....	1
Food Aid Contributions to the World Food Program.....	2
Commitments under the Food Aid Convention	3

Figures

Figure 1. Average Annual Food Aid Contributions (%) by Major Donors, 1995/1996-2008/2009	1
Figure 2. Food Aid Contributions to the World Food Program, 1996-2010.....	2
Figure 3. Donor Food Aid Commitments under the Food Aid Convention	3

Tables

Table 1. Annual Commitments under the Food Aid Convention	4
---	---

Appendixes

Appendix A. Food Aid by Major Donor, 1995/96-2006/07	5
Appendix B. Food Aid Contributions to the World Food Program, 1996-2010	6
Appendix C. Food Aid Convention 1999—Annual Operations: 2000/2001-2009/2010 (July/June)	9

Contacts

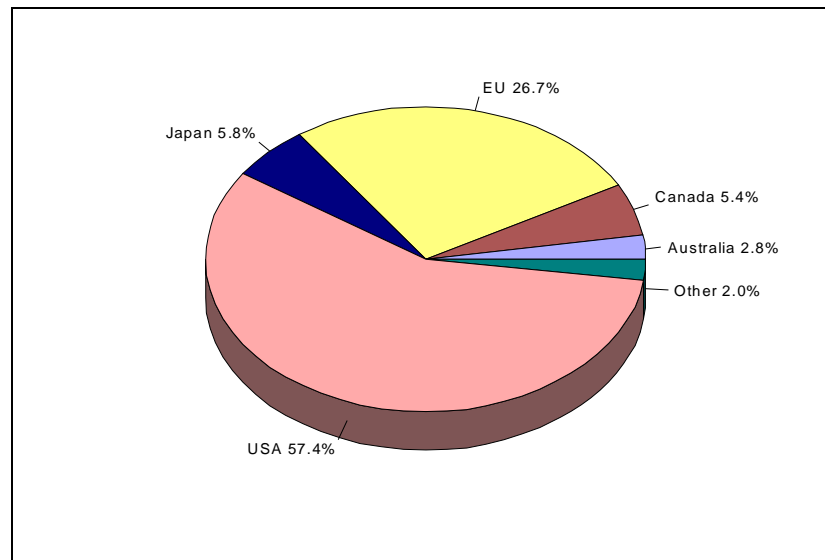
Author Contact Information	10
----------------------------------	----

International Food Aid Shipments of Major Donors

The United States is the major contributor to international food aid, supplying on average, since 1995, around 57% of the annual total food aid donated by members of the Food Aid Committee of the International Grains Council (IGC) and signatories of the 1999 Food Aid Convention (**Figure 1**).¹ U.S. contributions have averaged 5.8 mmt annually, but U.S. food aid shipments have varied from year to year (**Appendix A**).² The lowest amount shipped was 2.5 mmt in 1996/1997; the largest shipments, 7.1 mmt, were in 2001/2002. U.S. shipments of commodity food aid were 4.2 mmt in 2008/2009.

Food aid from the European Union (including food aid provided both by the European Commission and by individual EU member countries) has been more stable and averaged around 2.6 mmt or 27% of average annual food aid shipments. Japan and Canada provided 6% and 5%, respectively, of the total from major donors. Historically, the United States, the EU, Canada, Japan, and Australia have accounted for about 98% of total food aid shipments. The United States contributes U.S. commodities, while the European Union and its member countries and Canada provide a mix of cash and commodities. Japan's contributions are provided primarily as cash rather than commodities.

Figure 1. Average Annual Food Aid Contributions (%) by Major Donors, 1995/1996-2008/2009



Source: Food Aid Operations 2008/09, International Grains Council Food Aid Committee.

Because the IGC's food aid data are reported on a July/June marketing year basis, its data for U.S. food aid shipments do not correspond, for example, to fiscal year food aid data reported by the U.S. Department of Agriculture in annual budget documents or by the U.S. Agency for

¹ Information on the International Grains Council, the Food Aid Convention, and the Food Aid Committee is available at <http://www.igc.int/en/Default.aspx> and at <http://www.foodaidconvention.org/en/Default.aspx>. The member countries of the Food Aid Committee are Argentina, Australia, Canada, the European Union, Japan, Norway, Switzerland and the United States.

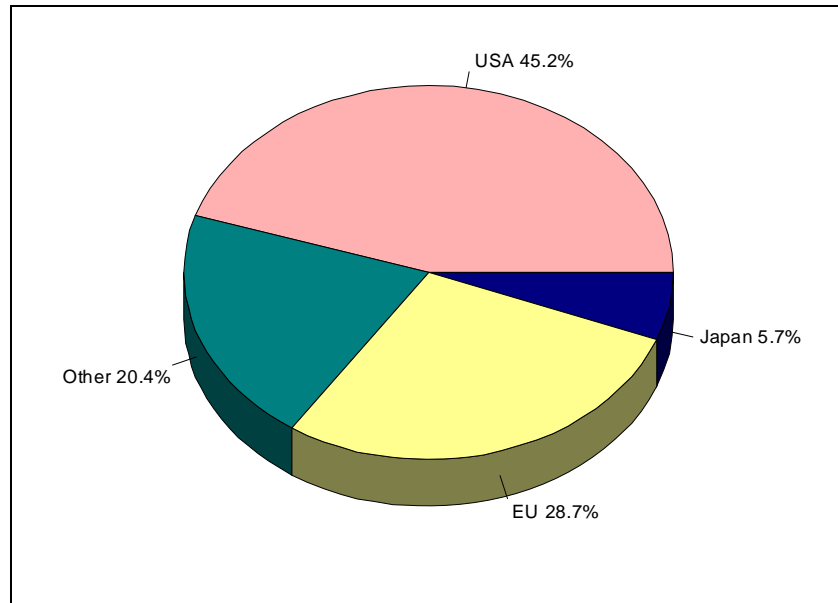
² Data on food aid shipments provided by the International Grains Council are reported on a marketing year basis (July-June).

International Development in its budget documents or annual food aid reports. The source of the data in **Figure 1** and **Appendix A** is the annual report *Food Aid Shipments*, prepared by the Food Aid Committee of the International Grains Council, which has been renamed *Food Aid Operations*.³

Food Aid Contributions to the World Food Program

A substantial portion of U.S. food aid is channeled through the United Nations World Food Program (WFP), the intergovernmental agency that provides food aid for development projects and humanitarian relief in low income countries. More than 56 donors, mainly countries, but also some non-governmental organizations and private corporations, contribute to the WFP. The United States is the major donor, providing over the last 15 years around 45% of total WFP contributions (**Figure 2** and **Appendix B**). Over that same 15-year period, the EU (European Commission plus EU member countries' contributions) accounted for 29% of total WFP contributions. Japan, whose contributions are in cash, provided around 6%. The remaining donors combined provided 20% to WFP food aid resources. Donor contributions to the WFP are not in addition to, but are included in, the data reported in **Figure 1** and **Appendix A**.

Figure 2. Food Aid Contributions to the World Food Program, 1996-2010



Source: World Food Programme.

Note: Data as of January 11, 2010.

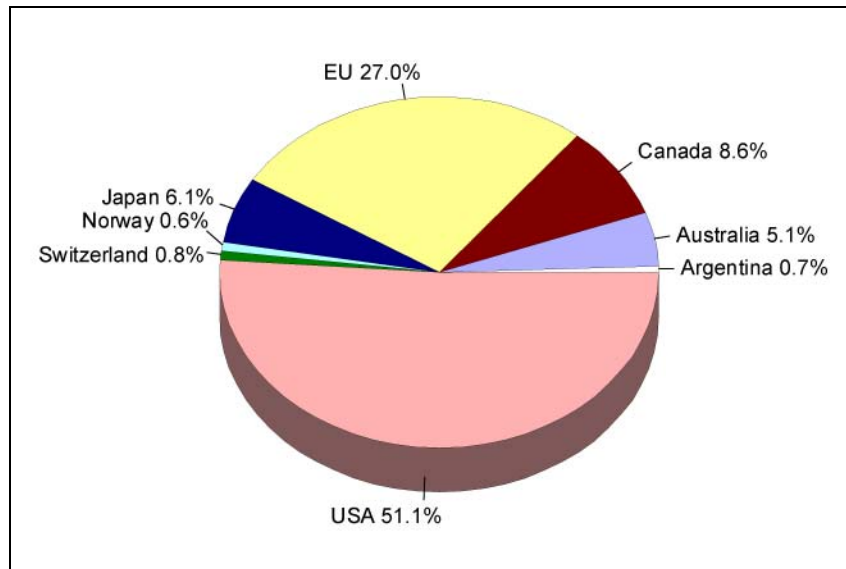
³ International Grains Council, Food Aid Committee, *Food Aid Operations 2008/2009: Report on Operations by Members of the Food Aid Convention*, February 2010, viewed at http://www.igc.int/downloads/publications/fas/faoperations_0809.pdf.

Commitments under the Food Aid Convention

The Food Aid Convention (FAC), first agreed to in 1967 during the Kennedy Round of multilateral trade negotiations held under the auspices of the General Agreements on Tariffs and Trade (GATT), was an international agreement that constituted a framework of cooperation on food aid between major donors. The food aid commitment under the FAC was a minimum commitment and was intended to be a guarantee of food security for low-income developing countries. The signatories of the FAC were Argentina, Australia, Canada, the European Union and its member countries, Japan, Norway, Switzerland, and the United States. Signatories could provide more than their minimum commitment. The current FAC was negotiated in 1999 and expired in 2003.

Under the FAC, the donors could express their annual food aid commitments in either tonnage or in value. Other donors—the EU, Canada, and Japan—use a mix of commodities and cash. The total commitment under the most recent FAC (1999-2003) was 4.9 mmt (see **Figure 3** and **Appendix B**). The United States made the largest commitment, 2.5 mmt or 51% of the total. The combined EU commitment (Commission and member countries) was around 27%. Commitments by Canada, Japan, and Australia were, respectively, 8.6%, 6.1%, and 5.1% (**Table 1**).

Figure 3. Donor Food Aid Commitments under the Food Aid Convention
(% of total commitment)



Source: International Grains Council Food Aid Committee, Food Aid Convention.

Although the FAC expired in 2003, a working committee of the IGC was established to prepare for its renegotiation.⁴ The Food Aid Committee of the IGC continues to meet periodically to review donor food aid contributions in relation to commitments under the 1999 FAC and to global food needs and has agreed to periodic extensions of the 1999 FAC. Concurrently, trade-related aspects of food aid are being negotiated in the multilateral trade round known as the Doha

⁴ IGC-FAC Press Release, 8 December 2004, viewed at <http://www.igc.org.uk/press/pr041208.htm>.

Development Agenda (DDA). Renegotiation of the FAC has been on hold pending completion of DDA trade negotiations. However, at their biennial meeting in December 2010, members of the Food Aid Committee agreed to begin the formal process of renegotiating the Food Aid Convention.⁵

Table I. Annual Commitments under the Food Aid Convention
(metric tons wheat equivalent)

	Annual Commitments	Percent	Average Food Aid Shipments 1999-2003	Percent
Argentina	35,000	0.72%	553	0.01%
Australia	250,000	5.11%	235,242	2.42%
Canada	420,000	8.58%	386,859	3.98%
EU	1,320,000	26.97%	2,072,822	21.34%
Japan	300,000	6.13%	550,945	5.67%
Norway	30,000	0.61%	109,318	1.13%
Switzerland	40,000	0.82%	62,217	0.64%
USA	2,500,000	51.07%	6,294,145	64.81%
Total	4,895,000	100.00%	9,712,101	100.00%

Source: International Grains Council Food Aid Committee, The Food Aid Convention.

⁵ Food Aid Committee, Press Release, December 20, 2010, "Meeting of the Food Aid Committee, London 14 December 2010," viewed at http://www.foodaidconvention.org/Pdf/p_r/prfacdec10.pdf.

Appendix A. Food Aid by Major Donor, 1995/96-2006/07

	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02
	(metric tons wheat equivalent)						
Argentina	13,400	—	—	10,135	2,740	—	26
Australia	298,146	305,127	293,221	273,064	296,713	251,865	245,828
Canada	448,764	468,431	417,917	487,095	470,640	293,477	412,082
EU	2,413,991	2,049,691	2,201,162	1,969,892	1,970,768	2,357,778	1,836,717
Japan	474,870	326,835	302,626	561,643	337,357	637,749	531,755
Norway	6,233	32,816	19,306	61,293	75,960	85,876	74,318
Switzerland	75,479	38,636	57,915	38,939	61,295	54,169	58,042
USA	2,849,384	2,553,283	2,818,500	4,734,121	5,692,116	6,798,280	7,124,407
Total	6,580,267	5,774,819	6,110,647	8,136,182	8,907,589	10,479,194	10,283,175
	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
	(metric tons wheat equivalent)						
Argentina	—	—	—	—	—	—	—
Australia	203,820	177,984	168,083	180,667	114,530	216,726	163,857
Canada	499,382	351,168	437,341	448,534	474,438	520,903	551,475
EU	1,980,781	2,218,065	2,151,958	2,853,063	2,488,053	2,178,310	2,263,456
Japan	666,910	580,953	578,261	354,289	318,964	428,301	556,078
Norway	144,927	165,510	145,586	196,034	179,408	102,955	89,382
Switzerland	67,892	69,689	71,854	61,608	71,051	69,872	59,368
USA	6,054,197	5,801,724	5,363,186	4,830,710	3,869,162	3,630,343	4,256,834
Total	9,617,909	9,365,093	8,916,269	8,924,905	7,515,606	7,147,410	7,940,450
	Total	Annual	Average				
		(percent)	(metric tons)				
Argentina	26,301	0.02%	2,192				
Australia	3,189,631	2.76%	227,831				
Canada	6,281,647	5.43%	448,689				
EU	30,933,685	26.74%	2,209,549				
Japan	6,656,591	5.75%	475,471				
Norway	1,379,604	1.19%	98,543				
Switzerland	855,809	0.74%	61,129				
USA	66,376,247	57.37%	4,741,161				
Total	115,699,515	100.00%	8,264,251				

Source: International Grains Council Food Aid Committee, *Food Aid Shipments renamed to Food Aid Operations*, various issues.

Appendix B. Food Aid Contributions to the World Food Program, 1996-2010

(thousand dollars)

Government Donors	1996*	1997*	1998	1999	2000	2001	2002	2003
United States of America	494,980	408,380	873,051	721,157	795,676	1,201,223	939,349	1,458,913
European Union	603,981	550,522	522,601	464,844	443,049	449,679	563,054	623,392
EU Commission	196,873	237,254	184,645	167,576	117,794	126,833	177,326	200,874
EU Countries	407,108	313,269	337,956	297,268	325,255	322,846	385,728	422,518
Austria	4,774	4,910	3,853	3,710	2,832	1,117	3,302	2,199
Belgium	19,472	17,416	16,908	10,782	6,284	5,342	5,831	8,405
Bulgaria	0	0	0	0	0	0	0	0
Cyprus	0	0	0	0	0	0	0	0
Czech Republic	0	0	0	0	0	0	0	0
Denmark	53,064	44,248	43,384	46,900	41,922	39,786	40,158	39,268
Estonia	0	0	0	0	0	0	0	0
Finland	16,045	13,768	13,801	15,345	15,219	14,352	17,444	17,793
France	19,203	21,884	24,742	27,693	26,170	35,957	14,457	14,939
Germany	96,036	68,487	61,779	53,089	46,750	58,228	60,920	46,503
Greece	150	170	25	1	130	0	0	200
Hungary	0	0	65	74	65	65	65	65
Ireland	3,149	4,284	4,378	5,021	7,644	7,338	10,349	11,815
Italy	34,876	9,112	10,632	20,824	19,936	39,748	41,787	41,074
Latvia	0	0	0	0	0	0	0	0
Lithuania	0	0	0	0	0	0	0	0
Luxembourg	218	0	270	130	1,205	1,748	2,919	4,132
Malta	0	0	28	0	0	0	0	1
Netherlands	78,804	45,972	45,532	55,003	62,801	59,173	58,795	50,422
Poland	0	0	0	684	225	200	215	215
Portugal	0	0	185	2,285	0	358	0	447

Government Donors	1996*	1997*	1998	1999	2000	2001	2002	2003
Romania	0	0	0	0	0	0	0	0
Slovakia	0	0	25	518	15	15	15	697
Slovenia	0	0	227	141	0	57	36	0
Spain	13,720	12,245	2,725	2,511	3,256	3,952	2,607	6,754
Sweden	33,164	35,985	29,511	28,415	30,778	27,721	31,224	42,341
UK	34,434	34,789	80,212	24,284	60,056	27,694	95,718	135,734
Japan	124,032	98,991	123,757	106,438	260,099	90,592	92,896	130,136
All Others	222,166	253,647	200,133	220,074	195,017	165,160	226,342	342,673
Total Government Donors	0	0	1,719,541	1,509,679	1,682,692	1,902,530	1,816,080	2,530,865
Total Financial Institutions, Pooled Funding,, and Private Sector Donors	0	0	4,479	2,833	11,149	4,125	5,560	24,250
Total	1,445,159	1,311,540	1,724,019	1,512,512	1,693,841	1,906,655	1,821,641	2,555,115

Government Donors	2004	2005	2006	2007	2008	2009	2010	Total
United States of America	1,065,404	1,173,720	1,123,696	1,184,181	2,076,430	1,749,214	1,551,859	16,817,231
European Union	647,631	871,802	747,321	763,147	1,262,752	1,173,994	970,232	10,660,161
EU Commission	200,501	263,940	265,762	250,437	355,435	344,078	289,928	3,379,256
EU Countries	447,130	607,862	481,559	512,710	907,317	829,916	680,303	7,280,904
Austria	2,189	4,093	1,839	3,794	3,935	1,722	1,329	45,598
Belgium	11,705	13,941	11,132	17,642	24,784	39,111	37,349	246,104
Bulgaria	5	0	10	10	15	0	0	40
Cyprus	5	0	400	656	200	814	684	2,759
Czech Republic	98	1,236	308	561	817	309	159	3,489
Denmark	43,436	53,202	43,817	44,731	56,544	41,885	40,158	672,502
Estonia	0	0	0	42	242	0	94	378
Finland	18,000	23,794	18,320	25,562	28,257	28,585	26,473	292,757
France	30,424	37,809	25,294	32,149	40,357	21,666	20,684	393,428
Germany	65,331	69,533	59,680	65,836	100,747	132,086	95,350	1,080,356

Government Donors	2004	2005	2006	2007	2008	2009	2010	Total
Greece	16	3,637	4,201	5,094	8,540	5,438	356	27,958
Hungary	65	120	65	65	65	65		844
Ireland	13,684	19,820	31,005	34,414	39,852	22,549	19,318	234,620
Italy	0	45,790	12,394	31,601	101,656	30,000	29,831	469,263
Latvia	0	0	0	0	0	0	37	37
Lithuania	0	0	112	306	27	0	0	446
Luxembourg	5,413	10,933	15,387	12,207	14,276	13,273	12,362	94,472
Malta	0	0	0	0	0	0	0	29
Netherlands	77,738	115,348	79,985	75,630	117,435	77,594	74,424	1,074,657
Poland	356	200	1,200	755	1,164	535	691	6,438
Portugal	723	874	488	111	111	112	0	5,693
Romania	0	0	0	147	301	75	72	595
Slovakia	25	30	48	44	72	30	15	1,548
Slovenia	34	97	0	107	135	108	119	1,062
Spain	17,466	11,552	16,993	29,641	117,116	213,848	80,727	535,113
Sweden	44,540	84,259	58,520	64,754	81,708	72,487	84,768	750,177
UK	115,884	111,595	100,372	66,851	168,961	127,624	155,301	1,339,508
Japan	135,730	160,472	71,386	118,902	178,181	202,684	214,406	2,108,700
All Others	393,259	512,212	756,949	648,906	1,528,867	888,823	1,030,636	7,582,706
Total Government Donors	2,219,586	2,680,726	2,422,954	2,519,578	4,669,046	3,693,205	3,441,837	32,808,318
Total Financial Institutions, Pooled Funding, and Private Sector Donors	22,437	37,479	276,398	195,558	377,184	321,510	325,296	1,608,260
Total	2,242,023	2,718,205	2,699,352	2,715,137	5,046,230	4,014,715	3,767,133	37,173,277

Source: World Food Program. Data as of January 11, 2011. See <http://www.wfp.org/about/donors/wfp-donors>.

* 1996 and 1997 includes both the totals for government donors and financial institutions, pooled funding, and private donors.

If a country contributed to the WFP program before joining the EU then the amounts contributed are shown in this table; however, their contributions were not added to the total for the EU countries or EU total. Instead it was added to all others.

Appendix C. Food Aid Convention 1999—Annual Operations: 2000/2001-2009/2010 (July/June)

(metric tons: wheat equivalent)

Donor	annual commitment	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Argentina	35,000	-	-	-	-	-	-	-	-	-	-
Australia	150,000	251,865	245,828	203,820	177,984	168,083	180,667	114,530	216,726	163,857	165,081
Canada	420,000	307,575	412,082	499,382	351,168	437,341	448,534	474,438	520,903	551,475	524,148
European Union ^a	tonnage: 1,320,000 + value: €130,000,000	2,337,508	1,836,717	1,980,781	2,218,065	2,151,958	2,853,063	2,488,053	2,178,310	2,263,456	1,691,765
Japan	300,00	637,749	531,755	666,910	580,953	578,261	354,289	318,964	428,301	556,078	691,326
Norway	30,000	85,876	74,318	144,927	165,510	145,586	196,034	179,408	102,955	89,382	62,774
Switzerland	40,000	54,169	58,042	67,892	69,689	71,854	61,608	71,051	69,872	59,368	47,861
United States	2,500,000	6,798,280	7,124,407	6,054,197	5,801,724	5,363,186	4,830,710	3,869,162	3,630,343	4,256,834	3,745,514
TOTAL^b		10,473,022	10,283,149	9,617,909	9,365,093	8,916,269	8,924,904	7,515,606	7,147,410	7,940,450	6,928,469

Source: Food Aid Convention. See <http://www.foodaidconvention.org/en/default.aspx>.

Notes: These figures refer to the wheat equivalent of actual shipments completed during the years shown, including EU value commitments (as estimated by the IGC Secretariat). They are not adjusted for any product limits under Article IV of the Food Aid Convention 1999 and do not necessarily represent the performance of members in relation to their annual commitments.

- a. And EU member States. Shipments include estimated tonnage under FAC “value” contributions.
- b. Includes contributions under IEFR Immediate Response Account (IRA), as reported by WFP.

Author Contact Information

Charles E. Hanrahan
Senior Specialist in Agricultural Policy
chanrahan@crs.loc.gov, 7-7235

Carol Canada
Information Research Specialist
ccanada@crs.loc.gov, 7-7619