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Farm Bill Primer: International Food Aid Programs, McGovern-Dole and Local and Regional Procurement

The U.S. government administers international food assistance programs that aim to alleviate hunger and improve food security around the world. The U.S. Department of Agriculture (USDA) administers several of these programs, including the McGovern-Dole International Food for Education and Child Nutrition Program (McGovern-Dole) and the Local and Regional Procurement Program (LRP). These two programs have several parallel provisions that aim to achieve the same goal of providing nonemergency food aid in an effort to help communities boost agricultural productivity, strengthen local food systems, and improve nutrition.

This In Focus provides an overview of the McGovern-Dole and LRP programs, including their legislative authority, statutory requirements, funding trends, recent projects, and selected issues for Congress.

Legislative Authority

The Food for Peace Act of 1954 (FFPA; P.L. 83-480, 7 U.S.C. §1691 et seq.), commonly referred to as “P.L. 480,” provides statutory authority for the United States to provide foreign food assistance. FFPA provisions for McGovern-Dole appear in 7 U.S.C. §1736o-1; provisions for LRP appear in 7 U.S.C. §1726c of the act. (For more on international food aid programs, see CRS Report R45422, *U.S. International Food Assistance: An Overview*.)

McGovern-Dole focuses on improving children’s health and nutrition by providing primarily in-kind aid (via food commodities sourced in the United States) to school-aged children, pregnant and nursing mothers, and infants. McGovern-Dole also supports capacity-building efforts by governments in recipient countries by providing technical assistance to establish national feeding programs. USDA primarily works with the governments and organizations in recipient countries to implement the national feeding program. Congress established McGovern-Dole in the 2002 farm bill (P.L. 107-171) and has reauthorized the program in subsequent farm bills. Provisions for McGovern-Dole are organized under Subchapter IV: General Provisions of P.L. 480, which establishes statutory requirements for several in-kind international food assistance programs.

LRP provides funding to partner organizations to procure locally or regionally sourced commodities to be used for international food assistance. The procured commodities are distributed to program participants that receive food assistance. Although Congress has not directed program-specific uses for LRP funding, USDA typically has used LRP to supplement in-kind assistance in McGovern-Dole projects. LRP started as a pilot program in the 2008 farm bill (P.L. 110-246). The program was authorized in the 2014 farm bill

(P.L. 113-79) and reauthorized in the 2018 farm bill (P.L. 115-334). Provisions for LRP are organized under Subchapter III: Emergency and Private Assistance Programs of P.L. 480. **Table 1** compares selected statutory requirements for McGovern-Dole and LRP.

Table 1. Selected McGovern-Dole and LRP Statutory Requirements

McGovern-Dole	LRP
Origin of agricultural commodities: Agricultural commodities must either be produced in the United States or be produced and procured in the recipient country or another developing country in the same region (7 U.S.C. §1736o-1(a)).	Origin of agricultural commodities: Agricultural commodities must be produced in and procured from a developing country (7 U.S.C. §1726c(a)(3)).
Food aid distribution: Importation of agricultural commodities shall not have a disruptive impact on farmers or the local economy of the recipient country (7 U.S.C. §1733(b)).	Food aid distribution: Provision food aid to affected populations without significantly increasing commodity costs for low-income consumers who procure commodities sourced from the same markets at which the eligible commodity is procured (7 U.S.C. §1726c(c)).
Program timespan: The program shall establish procedures that provide assistance for multiple years (7 U.S.C. §1736o-1(f)(1)); multiyear programs are given priority (7 U.S.C. §1736o-1(f)(2)).	Program timespan: A portion of funds shall be made available for projects that provide development assistance projects for a minimum of one year (7 U.S.C. §1726c(d)(3)(B)).

Source: 7 U.S.C. Ch. 41: Food For Peace.

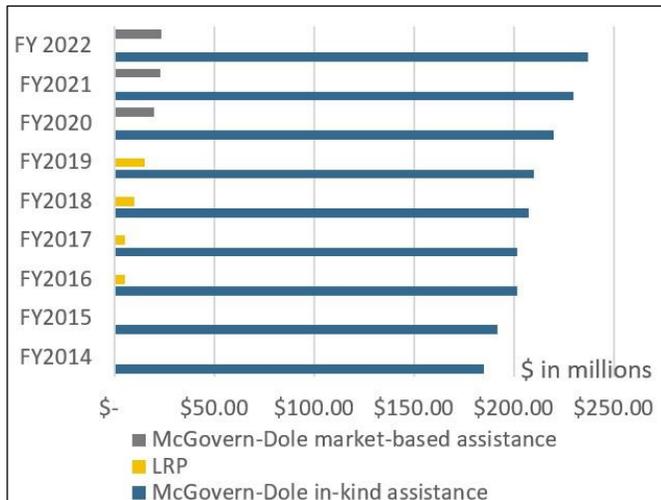
Funding

In the 2014 farm bill, Congress authorized appropriations for LRP of \$80 million annually, giving preference to eligible organizations that have, or are working toward, projects under McGovern-Dole. The FY2016-FY2019 appropriation acts funded LRP through a set-aside from McGovern-Dole that grew from \$5 million to \$20 million annually during this time frame. Funding for LRP has not been authorized since 2019.

McGovern-Dole receives discretionary appropriations, which have steadily risen over the past several years—from \$185 million for FY2014 to \$237 million for FY2022 (**Figure 1**). The program has been responsive to emerging food needs: in 2020, McGovern-Dole adjusted programming to meet needs

related to the Coronavirus Disease 2019 (COVID-19) and provided over 48 metric tons of in-kind food aid valued at about \$38 million. The 2018 farm bill amended FFA to authorize USDA to use up to 10% of annual McGovern-Dole funding to procure local or regional agricultural food commodities through the McGovern-Dole program itself. This offered USDA a second avenue through which it could procure commodities either locally or regionally for McGovern-Dole. From FY2020 to FY2022, Congress authorized funding for local purchases of agricultural food commodities through the McGovern-Dole program itself. For FY2022, Congress appropriated \$23.7 million for local and regional procurement of agricultural commodities through McGovern-Dole.

Figure 1. McGovern-Dole and LRP Appropriations



Source: Figure created by CRS using FY2014-FY2022 annual appropriations.

Issues for Congress

Historically, the United States provided international food aid predominately via in-kind commodities. McGovern-Dole is the second-highest funded in-kind international food assistance program after the Food for Peace Act, Title II program. However, in recent years, Congress has appropriated funds for local and regional procurement of agricultural commodities for food assistance through market-based assistance provisions of LRP and McGovern-Dole. Congress may consider the advantages and disadvantages of in-kind assistance and market-based assistance and the overlap between McGovern-Dole and LRP market-based assistance provisions.

In-Kind Versus Market-Based Food Assistance

In-kind and market-based assistance have unique advantages and challenges. According to USDA, McGovern-Dole's in-kind assistance may be particularly appropriate when food supplies at the local and regional level are scarce. Proponents of in-kind aid contend it supports American agriculture by providing U.S.-grown commodities and supports American jobs by shipping those commodities on U.S.-flag ships. Critics of in-kind aid emphasize that it takes longer to reach recipients than market-based assistance and can be more

costly, as shipping on U.S.-flag vessels typically costs more than shipping on foreign-flag vessels. (For more on international food aid and shipping, see CRS In Focus IF12018, *International Food Assistance and Agricultural Cargo Preference*.)

Proponents of market-based assistance, such as LRP, emphasize that it allows for quicker response times than in-kind assistance. According to the U.S. Government Accountability Office (GAO), LRP can arrive 14-16 weeks sooner than in-kind aid. Proponents also contend that market-based assistance is less costly than in-kind aid, allowing donors to reach more people in need with less funding. Critics of market-based assistance contend that in poorly controlled settings, cash transfers or food vouchers could be stolen or used to purchase nonfood items. Additionally, using LRP in food-deficit regions or in underdeveloped markets could create local or regional shortages, causing food prices to rise. Congress may consider whether the current mix of market-based and in-kind assistance is achieving U.S. international food assistance priorities.

Implementation Challenges

According to USDA, the McGovern-Dole program seeks to involve local communities and governments in project implementation to foster local capacity building and self-sufficiency. The 2018 farm bill conference report (H.Rept. 115-1072) directed USDA to incorporate LRP assistance, particularly in the final years of McGovern-Dole projects, "to support the transition to full local ownership and implementation." USDA routinely partners with local organizations to manage and oversee projects; in some instances, however, difficulties in recipient communities have impeded the program's success. For example, 2020 McGovern-Dole projects in Nepal and Laos cited inadequate incentives for community members, insufficient training, and weak program monitoring as factors that negatively affected program implementation. Congress may consider whether the current McGovern-Dole authorization is sufficiently flexible to support personnel that are critical to in-country program delivery and to support the transition to local ownership.

Potential for Program Duplication

Some experts suggest there is duplication in LRP and in the market-based McGovern-Dole programs, as both contain provisions related to market-based food assistance. Market-based food assistance provided via McGovern-Dole is statutorily required to be used for food for education projects as well as maternal, infant, and child nutrition projects in recipient countries. LRP does not have the same statutory requirements for use of funds but gives preference to active McGovern-Dole projects. Congress could consider whether there is a need to more clearly differentiate the two programs, possibly by adjusting their respective authorizations to establish distinct program parameters or objectives or by adding specific funding directives in annual appropriations acts.

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