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Hearing on Evaluating Current U.S. Global Food Security Efforts and Determining Future U.S. Leadership Opportunities

Before the Senate Foreign Relations Committee Subcommittee on International Development and Foreign Assistance, Economic Affairs and International Environmental Protection Washington, D.C.

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I would like to thank Chairman Cardin and Ranking Member Corker for calling this important hearing on U.S. Global Food Security Efforts, with a focus on the Feed the Future Initiative. I am Conor Walsh and am here today to represent Catholic Relief Services (CRS). I have been with CRS for 17 years, and currently serve as the Country Representative for Tanzania. On behalf of the organization, we appreciate the opportunity to provide our assessment of U.S. Global anti-hunger efforts, and in particular Feed the Future.

About Catholic Relief Services

Catholic Relief Services is the relief and development agency of the U.S. Catholic Church. CRS was originally formed by U.S. Catholic Bishops during World War II to aid in the resettlement of war refugees in Europe. Today, our work focuses on aiding the poor overseas, using the gospel of Jesus Christ as our mandate. The Church's social teaching informs the work of CRS and guides us to aid the poorest people in the poorest places, without regard to race, creed, or nationality.

The Catholic Church has broad and deep experience combating poverty and hunger around the world and CRS has direct experience as an implementer of U.S. foreign assistance programs. The U.S. Bishops and CRS have close ties to the Church in developing countries, and CRS often partners with institutions of the local Catholic Church to implement programs. By partnering with Church institutions, CRS is often afforded the opportunity to work with communities inaccessible to the local government or other actors.

CRS presently operates in almost100 countries and serves about 100 million people annually. Our programs address food security, agriculture, HIV and AIDS treatment, health, education, civil society capacity building, emergency relief, and peace building. In addition to partnering with Church institutions, CRS works with a variety of other partners to implement our programming, including other Private Voluntary Organizations (PVOs), U.S. and foreign-based non-governmental organizations (NGOs), local and national governments, international organizations like the World Food Program, and national and local non-profit organizations in the countries and regions where we work.

Catholic Relief Service's Response to Global Food Insecurity

Improving food security for the poor and most vulnerable overseas has long been a major priority of CRS. We use a variety of funding sources for this work, both public and private.

Historically, most U.S. government funding for food security has been in the form of food aid. As a result, food aid is the largest portion of CRS' public funding for development and emergency food security programs. We receive funding from sources like the Food for Peace non-emergency account administered by the U.S. Agency for International Development (USAID),¹ as well as U.S. Department of Agriculture's (USDA) McGovern-Dole Food for Education and Food for Progress programs, which allows CRS to conduct a wide range of agriculture and food security initiatives. These include helping smallholder farmers boost agricultural yields, introduce new crop varieties, establish value chains, and train farmers in necessary skill sets to become profitable and engaged in formal markets. CRS food security programming also includes village run savings and loan associations, which link to our agro-enterprise activities. Additionally, CRS has long engaged in mother and child nutrition programs that provide nutritious foods and educate mothers in better health and nutrition practices for their children.

In addition to public donor funding, CRS raises substantial private funds which we dedicate to food security programs. We regularly leverage these private resources with public donor funding. Every year during Lent, CRS conducts a program called "Rice Bowl" in Catholic parishes and with other partners across the U.S. to educate Catholics about global hunger and generate funds for food security projects. In a new program called "Helping Hands," CRS collaborates with Stop Hunger Now, a private food aid organization, to conduct food packing events that provide food for the most vulnerable abroad. And recently, through leadership from InterAction,² U.S. PVOs have pledged a combined \$1 billion in private funding over the next three years to food security programming, with CRS making up \$150 million of this pledge.

CRS presently operates in 17 of the 20 Feed the Future countries, and in eight of these countries – Ethiopia, Guatemala, Haiti, Honduras, Malawi, Mali, Tanzania, and Zambia – we implement major food security programs.

General Observations Concerning Feed the Future

CRS supports the Feed the Future Initiative. Prior to the Obama Administration, the vast majority of U.S. foreign assistance efforts directed to food security were funded through U.S. food aid programs. While these programs were and continue to be a critical part of U.S. foreign assistance, they were never funded commensurate to the level of need. Now, through the President's comprehensive approach to eradicating global hunger, Feed the Future, coupled with existing U.S. food aid programs, we have begun to see more attention to, and more appropriate levels of funding for, food security programming.

The Administration has promoted Feed the Future as a "whole of government" initiative to provide a country-led, comprehensive approach to improving food security. We understand the enormity of

¹ Food for Peace is also referred to as Title II, or Title II of P.L. 480. Food for Peace Funding is split between emergency food relief, and non-emergency programs that fund development food assistance activities.

² InterAction is an alliance of U.S.-based international nongovernmental organizations (NGOs) focusing on overseas disaster relief and development.

this challenge. A truly comprehensive approach requires a wide range of stakeholders including the global donor community through the G-8 and G-20 processes, as well as multilateral organizations, regional governing and economic communities, recipient countries, beneficiaries, and aid implementers. The whole of government vision requires pulling together new and existing programs and funding mechanisms to achieve common food security objectives. Appreciating these challenges, we offer the following thoughts on specific aspects of Feed the Future from the perspective of our field offices and provide suggestions for how to strengthen its impact on the world's most vulnerable communities. These suggestions deal with 1) the focus of Feed the Future programming, 2) the funding instruments used by Feed the Future, and 3) the ability of organizations like CRS to provide input and advice on the implementation of the Feed the Future Initiative.

The Focus of Feed the Future

As indicated in its October 2012 Progress Report, the Feed the Future Initiative intends to reduce global hunger largely through increased agriculture-driven economic growth for smallholder farmers and resilience programs for populations at risk of food crises. These are laudable goals that CRS fully supports because we also believe the key to tackling global hunger is to increase food security for the poorest people in the poorest countries. In Feed the Future countries, some smallholder farmers need direct assistance to boost agriculture production and additional skills to connect them to market-driven, value chain development efforts. However, we are concerned that some Feed the Future efforts risk placing too little emphasis on smallholder farmers and other vulnerable groups.

Possibly driven by pressures to show results quickly and demonstrate the impact of scarce development funds, some Feed the Future investments appear focused on improving the capacity of existing commercial agriculture producers, sometimes at the expense of addressing the needs of smallholder farmers and other vulnerable populations. Commercial producers often already have access to assets and credit, and sit at the higher end of value chains to produce significant quantities for local consumption and export. They already consistently sell products of reliable quality in attractive packaging, meeting domestic, regional, and international certification standards. While CRS supports efforts to build a strong commercial agriculture sector in the developing world, building the capacity of existing and relatively successful commercial agricultural producers will not necessarily improve the lives of the poorest, who are the most food insecure. Support must be delivered equitably across all segments of the agricultural sector – big, medium and small – and opportunities must be made for smaller producers to work on an equitable basis with the other parts of the agricultural value chain. Otherwise, the food produced will have little impact on food security, especially if it is for export, is not distributed well within a country, or remains too expensive for the poor to buy. As examples, we have observed Feed the Future programming that is biased towards medium and large scale producers, instead of smallholder farmers, in Tanzania and Guatemala.

In Tanzania, CRS is a subcontractor to ACDI/VOCA under the "NAFAKA" contract. Our work within this project is directly linked to vulnerable groups, but overall is a very small part of the Feed the Future programming in Tanzania. The bulk of Feed the Future resources have gone to agricultural producers targeted by Tanzania's national agricultural investment plan, the Southern Agricultural Growth Corridor of Tanzania (SAGCOT). SAGCOT seeks to concentrate public, donor, and private sector investments in a corridor spanning the country's center, starting from its Western border with Zambia and stretching across to Dar es Salaam. These regions targeted by SAGCOT already are relatively better off economically compared to other parts of the country, and beneficiaries within this corridor are relatively wealthier farmers, some of whom are already involved in large-scale commercial production. We have raised concerns with the USAID mission

that not enough attention is being placed on smallholder farmers, the bulk of whom are in northern areas of the country. The mission has been sympathetic to these concerns and is beginning to place more emphasis on addressing the needs of vulnerable groups. However, we feel there continues to be a bias in favor of wealthier areas and farmers because of a development approach that assumes that benefits reaped by larger producers will eventually cascade down to smallholder farmers and vulnerable groups – which is a problematic assumption. We fear that if the benefits of Feed the Future continue to be spread unevenly in Tanzania, the results will ultimately exacerbate rather than alleviate income disparities, thus contributing to political instability.

In Guatemala, Feed the Future is focused on three main goals: 1) market-led, value-chain agricultural development, 2) strengthening the health care sector, and 3) prevention and treatment of undernutrition. All three Feed the Future components are aligned towards complementary goals and target the same regions of the country. CRS currently operates in Guatemala implementing a six-year Food for Peace development food assistance program that contributes to these goals by supporting nutrition interventions for mothers and children under two, and by linking farmers at the bottom tier of producers into the Feed the Future supported value chain programming. But we see that the value chain, market-led agricultural development efforts have focused mainly on improving the capacity of the better-off, commercial agricultural producers in these areas to produce for and connect to national and international markets. While we ultimately expect to graduate 700 farm families into the Feed the Future value chain program, there are still over 20,000 smallholder farmers in these regions that we are not working with, and who could also benefit if Feed the Future provided them the necessary support.

Feed the Future must do more to directly address food insecurity of the poor at the same time it works to strengthen existing commercial agricultural producers. In particular, Feed the Future can and should do more to target smallholder farmers who make up lower-level producers. These farmers have little access to credit, own small parcels of land or work land in a communal fashion, produce primarily for themselves and for local consumption, and use less mechanization, less certified seed, and less fertilizer in their agricultural production. From our perspective, the measure of success in tackling hunger is whether smallholder farmers are producing more food, are earning more income, have better access to credit, are able to provide a healthy diet for themselves and their children, can maintain and build up productive assets like farm tools and livestock, and whether they can afford to keep their children in school.

Balancing of Funding Instruments

As a whole of government initiative, Feed the Future brings together funding from traditional food aid programs, as well as the Millennium Challenge Corporation (MCC), the Global Agriculture and Food Security Program (GAFSP), nutrition funding within the Global Health Initiative, and other specialized programs, to achieve a common set of goals. However, Feed the Future's core funding comes out of the Development Assistance account within USAID and is administered by the Bureau of Food Security (BFS). As reported in the 2012 Feed the Future Progress report, this core funding will be a little over \$950 million in FY 2012.

We believe Feed the Future programs have largely been awarded as contracts, as opposed to cooperative agreements. We began tracking funding mechanisms used by BFS in 2011 using information available on www.usaspending.gov and www.foreignassistance.gov. Our findings showed that there was about a 2 to 1 ratio, in terms of dollars, going into contracts over cooperative

agreements. We attempted to repeat this analysis for 2012, however we learned from USAID that not all data concerning Feed the Future funding is publicly available, thus skewing our results for 2012. Nevertheless, our offices in Feed the Future countries have reported to us their experiences. From this, we understand that Feed the Future funding in Zambia and Tanzania has balanced contracts and cooperative agreements. In contrast, funding in other Feed the Future countries, like Ghana and Uganda, has been mostly in the form of contracts.

The distinction between contracts and cooperative agreements is an important one. When faith-based groups like CRS undertake U.S. funded foreign assistance projects, the awards are generally in the form of cooperative agreements. There are a few main reasons behind this:

- First, we seek funding based not by the potential profit to be made via government contracts, but instead by the number of people we can help to live better, more dignified lives. This conscious choice is reflected in our accounting systems as well as our project management structures, which are aligned with the regulations and requirements of cooperative agreements.
- Second, cooperative agreements generally entail a contribution to the program funding by the implementing organization in our case, we are able to leverage substantial private donor funding to compliment the resources provided by USAID.
- Third, cooperative agreements give both USAID and implementing organizations more flexibility in the way programs are designed and implemented. This flexibility allows funding recipients to contribute their considerable expertise to program design, to better respond to realities on the ground, to adjust strategies as conditions change, and to operate in ways that do not impede on our core principles or violate tenets of our founding faiths.
- Fourth, the award terms and governing regulations of cooperative agreements allow for meaningful engagement and mutual ownership of program goals and results by local partner organizations and host communities, who are primary stakeholders of capacity-building organizations such as CRS, and whose empowerment is a prominent goal of USAID FORWARD.
- Lastly, there is a general assumption that contract mechanisms allow the donor to achieve desired results within a short period of time and according to precise specifications, designs and cost estimates. However, our experience has shown that the most lasting impacts are achieved through development interventions that are long-term and painstakingly implemented through multiyear investments in physical resources as well as human capital that build the skills and capacity of beneficiaries and local partners. Fighting poverty is not like building a bridge or a school, but rather consists of a process aimed at changing behaviors, power relationships and distribution of resources, building the capacities of local organizations and communities for lasting change.

As noted earlier, CRS currently has a Feed the Future subcontract in Tanzania, and we also are implementing a Feed the Future cooperative agreement in Zambia and work as a sub-recipient to CARE for a cooperative agreement in Ethiopia. Nevertheless, the heavy reliance on contracts by Feed the Future has greatly discouraged PVOs from contributing as implementers of Feed the Future programming. This is regrettable because these organizations have much to offer Feed the Future countries. U.S. PVOs have deep experience in implementing highly successful anti-hunger

programs, and in many cases within the Feed the Future target countries. PVOs have been working directly in poor communities on food security programming for years, giving them on the ground relationships and networks that can be leveraged to further program goals. PVOs tend to collaborate with each other, both in program implementation and in after program learning, allowing our community to identify and perfect models that move very poor people up the economic ladder. In fact, there is a rich body of demonstrated success within the PVO community that can easily be scaled up and incorporated into the larger Feed the Future country-led approach. As just one example, CRS has recently completed the Global Development Alliance program "ACORDAR" in Nicaragua, where we worked with smallholder farmers to build their entrepreneurial skills, increase food production, and help them engage in formal markets, thereby bringing them to the next level of market-readiness and commercial farming. Through a balance in funding instruments, Feed the Future could do more to harness this expertise that PVOs offer.

Input in Program Design and Country Development Plans

In addition to contributing to Feed the Future as an implementer, CRS and other non-profit organizations have also attempted to share our experiences and expertise by providing input into Feed the Future planning and program design.

CRS began engaging with the current Administration on food security when the Obama transition team started conducting outreach sessions. We have often participated in Feed the Future meetings here in Washington, D.C. with the Administration. USAID-Washington, USDA, and the State Department should be complimented for their outreach efforts and open door policy. We would also like to voice our appreciation for their efforts to develop Feed the Future progress indicators across implementing agencies. This is difficult, but very important work, as it creates a truly results-based framework and standardizes it across assistance programs. In the field, CRS has had more varied success engaging those charged with Feed the Future implementation.

In Zambia, our office has indicated that the USAID mission has been very good at engaging US PVOs and local NGOs in both Feed the Future strategy development, and bringing their input into the Comprehensive Africa Agriculture Development Programme (CAADP) discussions regarding Zambia.³

In Tanzania, CRS and several dozen NGOs and other stakeholders participated in a feedback session with consultants hired to design and validate the Feed the Future strategy. It was unclear how the input provided was used. Participants called attention to the need to include smallholder and vulnerable farmers in actions specifically designed to address their needs, and to the complexities of promoting nutritional and agricultural productivity objectives under one strategy. CRS subsequently organized a meeting for local NGOs and international PVOs with the USAID Feed the Future team which was a very helpful opportunity to learn more about the Feed the Future plan, but by then the program had been fully designed and most of the grants and contracts awarded. While the Feed the Future team seemed genuinely interested in engaging with civil society actors, including vulnerable groups, it also appeared they were uncertain how to achieve this. No continuous consultations or mechanisms for obtaining such feedback are in place, except for bi-annual partners meetings which

³ Comprehensive Africa Agriculture Development Programme (CAADP) is an entity of the African Union, and consists of African countries that have pledged at least 10% of their annual budgets to agricultural investments. CAADP has played a significant role in facilitating the writing of country development plans used to guide Feed the Future funding.

do not lend themselves to open dialogue and discussion since they are generally formal presentations from the various contractors and grantees as opposed to discussion opportunities.

In Kenya, we took the initiative to assemble a group of US-based PVOs and Kenyan NGO partners to engage USAID and the Government of Kenya on food security. We were united in seeking greater input into Feed the Future planning and the wider country-led approach. This effort, however, has not reaped any significant changes that we can see.

In Ghana, the U.S. Alliance to End Hunger used funding from a private grant to assemble U.S. PVOs (including CRS) and Ghanaian NGOs to engage the Government of Ghana and USAID and give input on Feed the Future implementation. CRS also organized a stakeholder meeting with several food security focused groups, farmers organizations, and other local NGOs to review actions on Ghana's country plan. These efforts have resulted in constructive dialogue, but more dialogue and learning needs to occur. For instance, while Food for Peace activities are no longer funded in Ghana, there is a wealth of information from past Food for Peace programming, that should be gathered and institutionalized for lessons learned. Such experience can certainly inform and improve Feed the Future programming in other countries.

In general, our experiences in the field tell us that most Feed the Future countries do not regularly seek input from either U.S.-based PVOs who have implemented food security programming for many years, or from local NGOs that have both a stake in the development of their country, and something to offer to further this goal. In the instances where we have organized our communities to provide such information, we have seen, at best, mixed acceptance of our advice.

We feel that Feed the Future's lack of engagement with PVOs and local organizations to seek their input represents another missed opportunity for Feed the Future to meet its goals by building on the successes of past programs PVOs have implemented. Several Feed the Future countries either currently receive, or have in the recent past received, food aid funding directed at assisting smallholder farmers and other vulnerable populations. As noted above, PVOs have a tremendous amount of experience implementing these programs, and have both lessons learned and best practices that can be scaled up to great effect. We believe, however, the sharing of this information must be done in a more systematic and regular way.

We recommend that Feed the Future establish a permanent and effective mechanism for U.S.-based PVOs and local NGOs to communicate their experience and knowledge to Feed the Future, and that Feed the Future planners make every effort to adopt, incorporate, and learn from the information we provide. While we have in mind a mechanism for ongoing dialogue to achieve this, we also recommend USAID undertake a mapping exercise of recent food security interventions in Feed the Future countries. This will help Feed the Future identify what has been done to date, and could very well lead to the adoption of lessons learned and best practices that were achieved by past programs.

Conclusion

Chairman Cardin, Ranking Member Corker, thank you again for this opportunity to present testimony before the Subcommittee. I hope the observations and assessments we have provided concerning Feed the Future prove useful to you as you provide oversight of the initiative. To summarize the main points we covered:

- We support Feed the Future's efforts to develop commercial agriculture sectors, but believe that additional emphasis must be placed more on directly helping smallholder farmers and other vulnerable populations;
- Feed the Future should work to better balance the mix of contracts and cooperative agreements, so that organizations like CRS, which have experience implementing food security programs, can better bring their experiences and resources to Feed the Future efforts; and
- Feed the Future must more systematically and regularly capture input from U.S.-based PVOs and local NGOs, to effectively utilize these experiences to inform Feed the Future planning.

As you continue your oversight of U.S. Food Security efforts and of the Feed the Future Initiative, we hope you will continue to look to CRS to offer ongoing assessments of USAID programs. Feed the Future is a welcomed departure from the past as it seeks to address the complexities of global hunger through a comprehensive approach that brings all stakeholders into the process. It is our conviction that U.S.-based PVOs and other civil society stakeholders should and will play a key role in that process.