

Highlights of [GAO-07-616T](#), a testimony before the Chairman and Ranking Minority Member, Senate Committee on Agriculture, Nutrition, and Forestry

Why GAO Did This Study

The United States is the largest provider of food aid in the world, accounting for over half of all global food aid supplies intended to alleviate hunger. Since the 2002 reauthorization of the Farm Bill, Congress has appropriated an average of \$2 billion per year for U.S. food aid programs, which delivered an average of 4 million metric tons of agricultural commodities per year. Despite growing demand for food aid, rising business and transportation costs have contributed to a 43-percent decline in average tonnages delivered over the last 5 years. For the largest U.S. food aid program, these costs represent approximately 65 percent of total food aid expenditures, highlighting the need to maximize the efficiency and effectiveness of food aid. To inform Congress as it reauthorizes the 2007 Farm Bill, GAO examined some key challenges to the (1) efficiency of delivery and (2) effective monitoring of U.S. food aid.

What GAO Recommends

In a draft report that is under review by U.S. agencies, GAO recommends that the Administrator of USAID and the Secretaries of Agriculture and Transportation work together to enhance the efficiency and effectiveness of U.S. food aid, by instituting measures to improve logistical planning, transportation contracting, and monitoring of food aid programs, among other actions.

www.gao.gov/cgi-bin/getrpt?GAO-07-616T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Thomas Melito (202) 512-9601 (MelitoT@gao.gov).

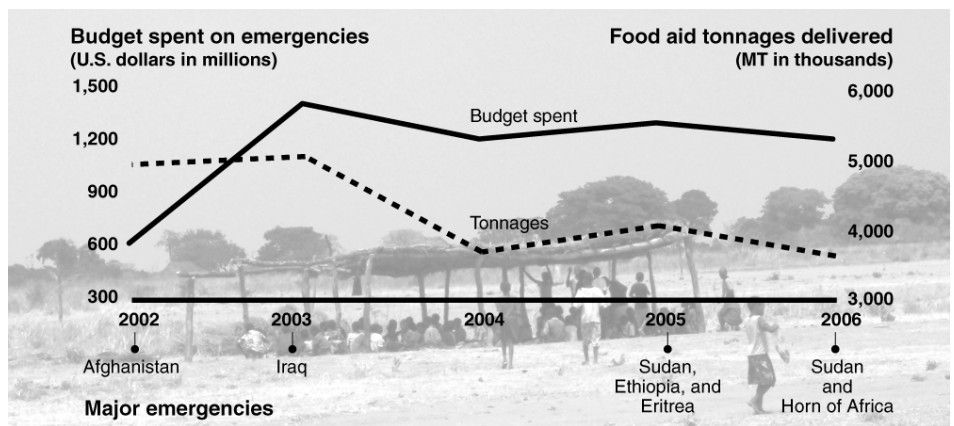
FOREIGN ASSISTANCE

U.S. Agencies Face Challenges to Improving the Efficiency and Effectiveness of Food Aid

What GAO Found

Multiple challenges combine to hinder the efficiency of delivery of U.S. food aid by reducing the amount, quality, and timeliness of food provided. These challenges include (1) funding and planning processes that increase delivery costs and lengthen time frames; (2) transportation contracting practices that create high levels of risk for ocean carriers, resulting in increased rates; (3) legal requirements that can result in the awarding of food aid contracts to more expensive service providers; and (4) inadequate coordination between U.S. agencies and food aid stakeholders in systematically addressing food delivery problems, such as spoilage. U.S. agencies have taken some steps to address timeliness concerns. USAID has been stocking or prepositioning food commodities domestically and abroad and USDA has implemented a new transportation bid process, but the long-term cost effectiveness of these initiatives has not yet been measured.

Selected Trends in U.S. Food Aid, Fiscal Years 2002 to 2006



Source: GAO analysis of USAID and USDA budget data. Note: Emergency funding reflects USAID only.

Given limited food aid resources and increasing emergencies, ensuring that food reaches the most vulnerable populations—such as poor women who are pregnant or children who are malnourished—is critical to enhancing its effectiveness. However, USAID and USDA do not sufficiently monitor the effectiveness of food aid programs, particularly in recipient countries, due to limited staff, competing priorities, and restrictions in the use of food aid resources. For example, although USAID has some non-Title II-funded staff assigned to monitoring, it had only 23 Title II-funded staff assigned to missions and regional offices in just 10 countries to monitor programs costing about \$1.7 billion in 55 countries in fiscal year 2006. As a result of such limitations, U.S. agencies may not be sufficiently accomplishing their goals of getting the right food to the right people at the right time.