FOREIGN ASSISTANCE

Multiple Challenges Hinder the Efficiency and Effectiveness of U.S. Food Aid

What GAO Found

Multiple challenges hinder the efficiency of U.S. food aid programs by reducing the amount, timeliness, and quality of food provided. Factors that cause inefficiencies include (1) insufficiently planned food and transportation procurement, reflecting uncertain funding processes, that increases delivery costs and time frames; (2) ocean transportation and contracting practices that create high levels of risk for ocean carriers, resulting in increased rates; (3) legal requirements that result in awarding of food aid contracts to more expensive service providers; and (4) inadequate coordination between U.S. agencies and food aid stakeholders in tracking and responding to food and delivery problems. U.S. agencies have taken some steps to address timeliness concerns. USAID has been stocking or prepositioning food 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.

The current practice of using food aid to generate cash for development projects—monetization—is also inherently inefficient. Furthermore, since U.S. agencies do not collect monetization revenue data electronically, they are unable to adequately monitor the degree to which revenues cover costs.

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

Numerous challenges limit the effective use of U.S. food aid. Factors contributing to limitations in targeting the most vulnerable populations include (1) challenging operating environments in recipient countries; (2) insufficient coordination among key stakeholders, resulting in disparate estimates of food needs; (3) difficulties in identifying vulnerable groups and causes of their food insecurity; and (4) resource constraints that adversely affect the timing and quality of assessments, as well as the quantity of food and other assistance. Furthermore, some impediments to improving the nutritional quality of U.S. food aid may reduce its benefits to recipients.

Finally, U.S. agencies do not adequately monitor food aid programs due to limited staff, competing priorities, and restrictions on the use of food aid resources. As a result, these programs are vulnerable to not getting the right food to the right people at the right time.