

REFORMING FOOD AID FOR THE FUTURE

For six decades, the United States has played a leading role in helping to alleviate global hunger through the Food for Peace Program. This history of success stems in part from the program's dual mission of distributing food aid to people in need while simultaneously supporting an American maritime industry capable of meeting our military's strategic sealift needs. To continue to meet these goals, the United States Agency for International Development (USAID) and the Department of Transportation (DOT), along with others in the Administration, reached an agreement in principle to reform Food for Peace by increasing USAID's control over program resources while simultaneously channeling critical investments to the Maritime Security Program (MSP). Transportation labor strongly supports this proposal. This policy shift will help the U.S. decisively meet new humanitarian assistance goals without sacrificing the U.S.-flag shipping industry or our sealift obligations.

Since passage of the Food for Peace Act (P.L. 480) in 1954, the United States has led the world in providing humanitarian assistance to the globe's neediest people. In particular, Title II of the Act, the nation's principal food assistance program, provides for the donation of U.S. agricultural commodities to the world's vulnerable populations. This program has been an effective, accountable, and transparent approach to aid that has benefitted billions of people over the last 60 years.

In addition to its humanitarian benefits, food aid also serves as a key contributor to the U.S. economy and national security. By helping ensure a reliable source of cargo, the program keeps our maritime sector strong and maintains a pool of skilled American mariners, U.S. ships, and private sector logistics networks that can be made available in times of war or national emergency. In fact, U.S.-flag ships have delivered the vast majority of logistical support to our overseas military contingencies, moving 90 percent of all military cargo to Afghanistan and Iraq.

In order to meet both of these important objectives, we support a new legislative framework for the reform of the Food for Peace Program so that it can meet changing needs related to both humanitarian aid and sealift requirements. Led by a joint effort of USAID, the DOT, and the USDA, we support legislation that reaffirms the importance of the Food for Peace Program, provides important changes to meet new international food assistance dynamics, and recognizes the role U.S.-flag ships play in support of economic and national security needs. Specifically, the proposal would allow USAID increased flexibility in the use of Title II funds while ensuring the continuity of sealift capabilities through increased and dedicated funding to MSP.

By channeling dedicated new resources into the MSP, in part to offset the cost of changes to food aid, the proposal would blunt the impact of reduced cargo and commit resources to a program dedicated specifically to the nation's sealift needs. For the last 20 years under the MSP, the U.S. government has successfully contracted with the owners of militarily useful U.S.-flag

commercial ships to make their vessels and international logistics networks available to the Department of Defense in times of war or national emergency. This proposal would ensure that (1) the MSP continues to have the resources to meet this function well into the future and (2) that the program, and our sealift needs, have increased and dedicated funding.

This new approach to Food Aid reform – supported by a coalition of unions, non-governmental relief organizations, and U.S.-flag shipping companies – strikes a constructive balance. By updating the Food for Peace Program to meet changing global dynamics while preserving the strength of our maritime industry and sealift capability, we believe this legislative proposal will ensure the continued viability of humanitarian aid operations into the future.

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