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COVID-19 and Global Food Security: Issues for Congress

Some Members of Congress have demonstrated an ongoing interest in global food security, including how the Coronavirus Disease 2019 (COVID-19) pandemic may affect global food security needs in 2020. Some policymakers are examining whether existing U.S. global food security programs are sufficient to meet potentially increased needs. They are also considering what legislative changes, if any, might help address the emerging global food assistance challenges caused by COVID-19.

Global Food Security Outlook

Food security generally refers to individuals' ability to access food that meets their food preferences and dietary needs to lead a safe and healthy life. Global food security worsened in 2019, according to the Global Network Against Food Crises and Food Security Information Network's Global Report on Food Crises 2020, which relied on data collected prior to the COVID-19 pandemic. The estimated number of acutely food-insecure people totaled 135 million in 2019, an increase of 22 million from 2018. (Acute food insecurity occurs when food deficits immediately endanger individuals' lives or livelihoods.) This deterioration reflects continued widespread conflict and health crises, and an increase in severe natural disasters like drought, hurricanes, and pest infestations. In addition to the acutely food insecure, the United Nations (U.N.) Food and Agriculture Organization (FAO) estimated that millions more experienced hunger, including chronic food insecurity, undernutrition, and malnutrition (821 million people experienced hunger in 2018; complete data for 2019 are not yet available).

Effects of COVID-19

Research suggests the COVID-19 pandemic is worsening the lack of consistent access to enough food both in already vulnerable populations and in previously food secure populations. The U.N. World Food Program (WFP) estimates that up to 265 million people may face acute food insecurity by the end of 2020, a 96% increase from its 2019 estimate. Research suggests that COVID-19 is constraining access to food for some populations, primarily through supply chain disruptions and declining household purchasing power. The FAO projects that global supplies of staple commodities, such as wheat and rice, will remain stable. However, social distancing and movement restrictions have resulted in supply chain disruptions, such as delays at ports and border crossings, and migrant workers being unable to travel for harvesting and food-processing work. Commodities such as fruits, vegetables, and fish are more perishable and labor-intensive than staple commodities, and thus more susceptible to transportation and labor force disruptions.

COVID-19 is also causing widespread job and income losses, largely due to movement restrictions and slowing

economies. As incomes decline, remittances, a key source of income for many poor households in some countries, are also expected to fall. Increased health care and sanitation costs related to COVID-19 may further strain household food budgets. Displaced populations and populations in conflict areas that were already struggling to access food before COVID-19 will be more vulnerable to supply chain disruptions and movement restrictions. Experts anticipate that these and other factors will negatively affect the ability of many households to afford food, driving up acute food insecurity in 2020.

Country and Multilateral Responses

Some foreign governments and multilateral institutions are providing financial or other assistance to mitigate the food insecurity impacts of COVID-19. For example, some governments, such as those of Ethiopia, Kyrgyzstan, and Nigeria, have instituted cash transfer and food aid programs for their citizens. In addition, the World Bank and WFP are providing cash transfers and food aid to vulnerable populations. WFP has also transitioned many of its school meal programs to provide take home rations, and it is reinforcing its stocks of pre-positioned food at storage hubs around the world to prepare for a potential need to further scale up food aid.

U.S. Policy

Congress funds a range of international food assistance programs that may be used to address global food security needs through annual Agriculture and Department of State, Foreign Operations, and Related Programs appropriations. The U.S. Department of Agriculture (USDA) and the U.S. Agency for International Development (USAID) implement international food assistance programs. USAID provides emergency food assistance through the Food for Peace Title II Program (Title II) and the Emergency Food Security Program (EFSP). USDA administers the Bill Emerson Humanitarian Trust (BEHT), a reserve of funds that can supplement emergency assistance in years with unanticipated food assistance needs. USDA also administers nonemergency food assistance through the McGovern-Dole Food for Education and Child Nutrition (McGovern-Dole), and Food for Progress (FFPr) programs. In FY2020, Congress provided more than \$4 billion for these and other related food assistance programs, compared with \$4.6 billion in FY2019. (For an overview of U.S. international food assistance programs, see CRS Report R45422, *U.S. International Food Assistance: An Overview*.)

Both USAID and USDA have sought to adapt their international food assistance programs in response to growing food insecurity amidst COVID-19. USAID has targeted its emergency food assistance not only to countries already receiving food assistance that saw their needs increase, but also countries that previously did not receive

U.S. food assistance but developed food security needs as a result of the pandemic. USAID is also modifying existing development programs to address longer-term food needs primarily through agricultural development and livelihood programs. For example, according to USAID, the agency’s Fish Right program in the Philippines, which predominantly focuses on biodiversity and marine conservation, launched an online platform in an effort to safely connect fisherfolk with consumers during COVID-19 movement restrictions and to help “protect fisherfolk income and prevent a food crisis.”

USDA has also sought to adapt its programming due to COVID-19. For example, in the wake of school closures due to COVID-19, some McGovern-Dole projects have pivoted from providing school meals to providing take-home rations. FFPr provides *in-kind* food assistance—U.S. food shipped to the recipient country—and technical assistance to local farmers. In April 2020, USDA published notices of supplemental funding opportunities for McGovern-Dole and FFPr in response to reports of increased transportation or distribution costs due to COVID-19-related movement restrictions.

Selected Issues for Congress

Over the years, Congress has granted USDA and USAID increased programming flexibilities in response to changing global needs and to agencies’ advocacy for a “right tool, right time” approach. These include the limited use of market-based approaches (e.g., cash transfers for food, food vouchers, and locally and regionally procured food [LRP]) in Title II, the establishment and expansion of the market-based EFSP, and the use of LRP in McGovern-Dole. However, COVID-19 presents a unique set of challenges, particularly those related to the distribution of food assistance. For example, in-kind food aid requires distribution sites, which can become overcrowded and potentially increase the risk of spreading COVID-19 among beneficiaries. As Congress considers increasing funds for food aid programs, Members may explore whether or not existing programs have the authorities to meet current needs while addressing COVID-19-related challenges.

FFP Title II Funding Structure

To address the anticipated global food crisis, and to support U.S. farmers, some in Congress have considered providing supplemental funding for Title II. When programming Title II commodities, USAID partly relies on funding for associated costs authorized in Section 202(e) of the Food for Peace Act, as amended (7 U.S.C. §1722(e)). Section 202(e) states that not less than 7.5% and not more than 20% of Title II funds shall be made available for certain associated costs. Examples of these costs include staff salaries, milling or fortifying commodities, and distribution site maintenance.

The Section 202(e) statutory cap may present a challenge to, and possibly prevent, the purchase and programming of Title II commodities. Some organizations implementing Title II projects have reported increased associated costs due to COVID-19-related project modifications (e.g., additional food distribution sites to reduce crowding and/or adding soap and other hygiene materials to food baskets). These modifications, which would increase Section 202(e) costs, have presented a challenge to USAID. If Section

202(e) costs risk exceeding the 20% cap, USAID may need to either reject the project modifications or decrease the overall amount of Title II assistance.

To address this challenge, some in the food aid community have advocated for Congress to lift the 20% cap on Section 202(e). This has prompted considerable debate. Advocates of lifting the cap assert that the funds are necessary to safely program Title II commodities during the pandemic; opponents have expressed concern that lifting the caps could reduce the portion of Title II funds used to purchase commodities, to the detriment of U.S. farmers.

Potential Increase in EFSP Funds

Some Members and stakeholders have advocated for increased funds for EFSP, arguing that its market-based interventions offer more flexibility than in-kind aid through Title II or BEHT and would be particularly helpful in adapting to COVID-19-related challenges (e.g., a mobile cash transfer for food means that an individual would not need to interact with another to receive assistance). Others suggest that there are situations in which in-kind food assistance remains the most appropriate intervention, particularly in areas in which food is sparse. Further, International Disaster Assistance (IDA), the account through which Congress funds EFSP, also provides for nonfood assistance, such as hygiene and medical supplies. Some assert that directing more funds toward EFSP would reduce available IDA funding for necessary health supplies.

As of this writing, two COVID-19 supplemental acts, P.L. 116-123 and P.L. 116-136, provided a combined \$558 million for IDA. USAID has indicated that \$100 million will be used for EFSP and the remainder will fund nonfood assistance, such as hygiene and medical supplies.

Possible Use of Reserve Funds

Some stakeholders have suggested using BEHT to bolster U.S. international food assistance in the wake of COVID-19. BEHT funds are subject to the same constraints on associated costs as Title II. While BEHT would allow for providing additional in-kind assistance, the program would face the same associated cost challenges as Title II.

Currently, Congress has authorized BEHT to finance only standalone in-kind assistance projects. BEHT funds cannot be used to cover increased associated costs for projects funded under other food assistance programs, such as Title II. However, some in Congress have considered amending BEHT authorities to allow funds to be used for the associated costs of existing Title II projects. This could allow USAID to cover additional Title II costs without requiring increased flexibilities in the Title II program (such as increasing the Section 202(e) cap). The potential impact of this change on the total amount of in-kind food assistance is difficult to estimate. Less BEHT funding might be used to purchase commodities. However, using BEHT to cover some Title II associated costs would allow USAID to purchase more commodities under Title II.

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