



## **Local and Regional Food Aid Procurement Program Report to the United States Congress Fiscal Year 2019**

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### ***Overview***

The U.S. Congress established the USDA Local and Regional Food Aid Procurement Program (LRP) (7 U.S.C. 1726c) through the Agricultural Act of 2014. The 2014 Farm Bill, Section 3206 of the Food, Conservation, and Energy Act of 2008, as amended by the Agricultural Act of 2014, provides that the Secretary of Agriculture will make grants to, or enter into cooperative agreements with, eligible organizations to implement field-based projects that consist of local or regional procurements of eligible commodities in developing countries to provide development assistance and respond to food crises and disasters. The 2014 Farm Bill provides USDA the authority to administer the program and authorizes annual appropriations of up to \$80 million through fiscal year (FY) 2018. The 2018 Farm Bill reauthorized the same level of funds, subject to appropriations, for 2019 to 2023. The 2019 Consolidated Appropriations Act directed \$15 million of FY 2019 McGovern-Dole International Food for Education and Child Nutrition (McGovern Dole) program funds to be used to conduct the LRP program. In FY 2019, 4,897 MT of commodities valued at \$5,111,183 were procured and delivered to schools through the LRP program.

The 2018 Farm Bill, signed into law of December 20, 2018, extends the reporting requirement that “Each year, the Secretary shall submit to the appropriate committees of Congress a report that describes the use of funds under” local and regional food aid procurement projects.

### ***Objectives***

Congress’ objective for USDA’s LRP program, as expressed in report language accompanying the 2014 Farm Bill, is “to complement existing food aid programs, especially the McGovern-Dole program, and to fill in nutritional gaps for targeted populations or food availability gaps generated by unexpected emergencies.”

USDA LRP is intended to build the capacity of farmers, producers, and cooperatives and to assist in meeting quality standards and product specifications to ensure food safety and nutritional content within each project and with its beneficiaries. To address market sensitivities around local and regional purchases, USDA LRP works with its recipients to improve the reliability and utility of market intelligence in areas where the USDA LRP Program is implemented and seeks to ensure that USDA LRP minimizes potential adverse impacts and maximizes potential benefits.

### ***Fiscal Year 2019 Solicitation***

On March 26, 2019, the Foreign Agricultural Service (FAS) announced a Notice of Funding Opportunity (NOFO) for FY 2019 proposals seeking to supplement existing McGovern-Dole Food for Education projects with LRP to promote sustainability. The NOFO requested the

following information: types and volumes of commodities produced; input supply; producer organizations; levels of aggregation, processing, distribution; end market use; and governance and enabling environment. This approach ensured that the funding would be used to support farmers, producers, and cooperatives to ensure that the commodities to the end users—school children—would continue to build sustainability for school feeding. Following publication of the NOFO, USDA held a public meeting to highlight important elements of the NOFO and to provide a forum in which implementing partners and other stakeholders could raise questions or concerns about the document. USDA received a total of six applications. USDA selected three proposals to fund for LRP projects, in Burkina Faso, Cambodia, and Nicaragua, to complement existing USDA McGovern-Dole programs. These three new projects intend to reach more than 105,000 participants over the course of their work.

### ***Fiscal Year 2019 New Projects***

#### **Project I: Burkina Faso**

In FY 2019, USDA awarded \$4.8 million to Catholic Relief Services-United States Conference of Catholic Bishops (CRS) to implement a four-year LRP project in Burkina Faso. The project plans to target four communities in the Namentenga Province. Using LRP funds, the project will procure vitamin A-fortified cottonseed oil, millet, rice, and cowpeas to complement the current USDA-donated commodities under the McGovern-Dole school feeding program in Burkina Faso. The LRP project anticipates reaching nearly 48,000 children in approximately 190 elementary schools and more than 900 community members, such as school cooks and transportation workers. Moreover, the project will scale-up rice value-chain improvements for women's rice processing groups in Nabingou Province and will facilitate access to microfinance institutions for these groups. Market analysis will be conducted in close collaboration with the National Society for the Management of Food Security Stores (SONAGESS). Data collected and the results of the monitoring will be used to inform procurement and mitigate potential negative impact on markets.

#### **Project II: Cambodia**

In FY 2019, USDA awarded \$4.7 million to the World Food Program (WFP) to implement a four-year LRP project in Cambodia. The project will reach an estimated 47,000 school children in more than 150 schools in five districts across three provinces. It will provide cash-based transfers for each school to procure animal protein, fresh vegetables, and iodized salt to supplement the FY 2019 McGovern-Dole program that includes U.S. fortified rice and vegetable oil. In addition, the project will work with stakeholders of school feeding in Cambodia to strengthen their capacity on procurement mechanisms, provide technical assistance to producers and suppliers to strengthen their market engagement, and work at the national level to institutionalize these capacities and systems for local procurement of school feeding.

#### **Project III: Nicaragua**

In FY 2019, USDA awarded \$5.5 million to Project Concern International (PCI) to implement a three-year LRP project in Nicaragua. The project plans to target two municipalities where McGovern-Dole is currently active in the Jinotega region to benefit an estimated 10,600 school-age children in approximately 60 schools. The LRP project will increase the capacity of schools and their communities to manage and administer local food procurement for school feeding programs; strengthen market linkages between schools, communities, and local food suppliers to

facilitate the ongoing supply of agricultural commodities for school meals; and improve agricultural cooperatives' and smallholder farmers' technical expertise to supply target schools with safe and nutritious foods for school feeding programs. LRP funds will be used to procure commodities to supplement the current USDA-donated commodities of corn-soy blend, rice, and vegetable oil under the McGovern-Dole school feeding program. The locally purchased commodities will include dry beans, vegetables (carrots, tomatoes, potatoes and cabbage), and animal-based proteins (eggs and milk products) to enhance daily school meals. The project will partner with parent-teacher associations associated with targeted schools and community leaders supporting feeding programs and improved education.

### ***Ongoing LRP Project Work in FY 2019***

#### **Guatemala**

In FY 2018, USDA awarded PCI, working collaboratively with CRS and Save the Children, \$4 million to implement a three-year LRP project in Guatemala. During FY 2019, the project delivered 33 MT of fresh food (fruits, vegetables and eggs) to 51 schools, feeding over 10,600 students. The project has worked to provide price information obtained from the price monitoring that is regularly conducted in local markets, so that both parties will have reference data on which to base their negotiating. In addition, the project has also worked on increasing the capacity of government institutions.

Currently, the Ministry of Education (MOE), Ministry of Agriculture (MOA), Secretariat for Food and Nutrition Security (SESAN), and Ministry of Health (MOH) participate in trainings and meetings on school feeding. Through the LRP program, parent associations have received training on quantifying food received, providing records of acceptance or rejection of the food deliveries, carrying out quality controls by using technical specifications, participating in meetings for school menu selection, and selecting fresh food suppliers. The program has implemented good farming practices that help ensure the quality and safety of the foods offered by the providers. It has also created technical food guides that illustrate the qualitative criteria for their products' acceptance to avoid putting students' health at risk.

#### **Honduras**

In FY 2018, USDA awarded CRS \$2.4 million to implement a two-year LRP project in the province of Intibucá, Honduras. Since August 2019, the project has delivered 100 MT of produce (carrots, pumpkin, squash, cabbage, lettuce, cucumber, tomato, radish, potatoes, green bananas, and lemons) and more than 10 MT of eggs to 314 schools, benefitting over 13,000 students. The LRP project is supported by the parent-teacher associations, which help with the transfer of food products from the receiving centers to the schools and coordinate the storage and management of food.

#### **Senegal**

In FY 2018, USDA awarded Counterpart International (CPI) \$3.6 million to implement a three-year LRP project in Senegal. The LRP project supports 270 schools and 30,000 school-age children that are supported by the McGovern-Dole program. The project promotes local cowpea, millet, orange flesh sweet potato, and mung bean production. In FY 2019, the project provided

technical assistance to schools, established cooperative procurement groups, and implemented training on mung bean production. In FY 2019, the project procured more than 40 MT of millet and 16 MT of cow peas. Additionally, in FY 2019, 207 kg of mung beans were produced by 10 school communities.

## Benin

In FY 2017, USDA awarded CRS \$1.96 million to implement a two-year LRP project in Benin. To date, the project has supported 80 schools by procuring locally produced commodities, including more than 111 MT of parboiled rice, 43 MT of cowpeas, 14 MT of shea butter, and 161 MT of maize.

In FY 2019, the project provided training on best practices for production techniques, soil preparation, risk mitigation against disease, and pest management. To ensure the sustainability of activities beyond the project's end date, the project trained producer associations in public procurement policies in Benin, best practices in contract farming, and how to register their associations in Benin. These trainings led to 10 producer associations becoming registered through the Regional Administration of Agriculture, Livestock and Fishery. Six others are currently going through the process.

## Kenya



Schools in Baringo, Turkana, and West Pokot are introducing locally grown foods into the lunch menu to increase diversity and nutrition as well as promote agriculture and local trade.  
Photo by WFP/ William Orleale

In FY 2017, USDA awarded \$1 million to WFP to implement a two-year LRP project in Kenya. The project supports the Government of Kenya's effort to expand the government's own national Home-Grown School Feeding Program (HGSMP) into the arid lands. In FY 2019, the project contracted local farmers to produce the drought-resistant crops of sorghum and cowpeas for use in the school meals program. The project procured 138 MT of sorghum and 79 MT of cow peas from farmer organizations in 2019.

The LRP project has helped the government assess the local agricultural sectors in three counties by identifying and mapping locally produced sorghum and cowpeas. It has also provided local farmers training on food production, post-harvest handling techniques, and marketing and sales. To help sustain the benefits of McGovern-Dole in improving nutrition in school-aged children, the LRP project continues to integrate health and nutrition education in the national school curriculum and has developed menus that use culturally acceptable, nutrient-rich food. The

curriculum includes a set of HGSMP dietary guidelines for government officials, school administrators, and school meals procurement committees.

### **Tanzania**

In October 2017, USDA awarded PCI \$2 million to implement a two-year LRP project called *Chakula Chetu*, which means “Our Food” in Swahili. The program was designed to enable a gradual transition away from donor-funded commodity procurement toward a locally led and sustainable school feeding program. In FY 2019, the project provided daily school meals to more than 14,400 students in 16 primary schools. The school meals were prepared with commodities from the LRP project purchased from local food suppliers, and from voluntary contributions from the community, including farmer groups. Total voluntary community contributions amounted to more than 40 MT in FY 2019.

At the request of the Ministry of Education, Science and Technology (MoEST), the project is helping design and develop Tanzania’s first National School Feeding Guideline and Manual. This will be part of the National Multisectoral Nutrition Action Plan—a collaborative effort between Tanzania’s Ministry of Health, Community Development, Gender, Elderly and Children (MoHCDGEC) and the MoEST.

### **Mozambique**

In FY 2017, USDA awarded World Vision, Inc. (World Vision) \$2 million to implement a two-year LRP project, benefitting 43 schools and nearly 25,000 school-age children in the Nampula Province of Mozambique. The project has worked to incorporate orange-fleshed sweet potatoes (OFSP) into the daily school meal. The project provided technical assistance to members of farmer groups on improved agricultural production techniques, disease and pest control, and agribusiness. More than 1,000 farmers were trained during the project period. The project also started awareness campaigns about the production of OFSP and its health benefits, trained

volunteer cooks in the preparation of locally procured commodities, and taught farmer group leaders about procurement and contracting.



Participating farmers and Orange Fleshed Sweet Potato harvested from fields. Photo by World Vision

Overall, the project procured 213 MT of beans, 194 MT of groundnuts, 159 MT of OFSP, and 25 MT of salt, making \$416,000 available to the local market. The farmer group members earned \$45,800 from the sale of the produce to schools and local markets. The income generated from the activity allowed the farmer groups to build a group fund and contribute to their economic independence. With their improved cash income, some farmers have opened small shops to meet the needs of community members for items not normally produced in the communities. Most of the farmer groups have obtained business registration certificates and opened bank accounts. They are now lobbying the banks to open branches closer to them to help facilitate their transactions.

## Rwanda

In FY 2016, USDA awarded WFP \$2 million to implement an LRP project aimed at complementing the existing McGovern-Dole project in Rwanda with local procurement of maize meal and beans. In FY 2019, a total of 41,500 students benefited from meals made with locally procured commodities, and 6,640 farmers benefited from a wide range of value chain support services. LRP support activities included training in post-harvest handling and storage to reduce loss, as well as good agricultural practices including soil preparation. LRP-supported cooperatives sold 1,166 MT of maize and beans to formal markets, generating over \$322,000 in sales for their members. The project is also facilitating the signing of forward delivery contracts to establish long-term relationships between smallholder farmers and the private sector to maximize sustainability.



Farmer in Nyamagabe, Rwanda showing the commodity bags used for the maize harvested under the USDA LRP program. Photo by WFP.

## Laos



A Laotian farmer watering her garden to provide fresh vegetables to the school lunch program. Photo by WFP

In FY 2016, USDA awarded WFP \$1 million to implement an LRP project in the northern Nalae District of Luang Namtha Province. The project has provided agricultural support to 1,132 farmers and Laotian communities in partnership with the Ministry of Agriculture and Forestry. The project built the capacity of farmers to produce nutritious and diverse foods through trainings on basic nutrition, food processing, greenhouse construction, soil improvement, and crop lifecycles. With increased use of greenhouses and improved farming practices, farmers sold 196 MT of produce in FY 2019. To seek sustainability of

the interventions beyond the end of the project, the project planted 9,070 fruit trees, expanded 54 greenhouses, and provided fish fingerlings to 208 households.

To promote schools as a sustainable market for the farmer groups, the project provided 47 schools with the equivalent of \$.10 per student per day through a cash-based transfer. The schools then purchased a variety of fresh vegetables, fish, and eggs to complement the U.S. rice, lentils, and vegetable oil provided under the McGovern-Dole project. Farmers groups provided 3-5 kgs of fresh vegetables to each school every day. In July of 2019, the project officially handed over the activities in Nalae district to the Government of Laos. Beginning in the 2019-2020 school year, the government assumed the responsibility of the school meals program implementation in Nalae district, including the cash-based transfer to the schools.