

FEED THE FUTURE: IMPACT

Feed the Future **addresses the root causes of poverty and hunger** by equipping people with the tools to feed themselves. This important work is reducing reliance on humanitarian aid and building stability around the world. Feed the Future supports key foreign policy priorities by bolstering American prosperity and security through an effective approach to international development.

Creating Opportunities for National Prosperity

Feed the Future's investments abroad deliver returns here at home.

- There are nearly 800 million hungry people in the world today. By 2050, there will be more than 9 billion mouths to feed. This is a huge challenge and opportunity.
- By 2050, a quarter of the world's entire population will be in Africa. Strategic investments on the continent have the potential to contribute an additional \$12 trillion to global growth.
- 95 percent of the world's consumers live outside of the United States. Our economic growth depends on maintaining and increasing access to markets abroad. Helping people rise out of poverty can also help increase demand for U.S. goods.
- Our work ensures that America can influence rapidly transforming regions and emerging markets. Feed the Future supports policies that help U.S. businesses compete with others and expand into new markets, reduce corruption, open trade in the agriculture sector, and increase foreign demand for American products. U.S. agricultural exports to Feed the Future partner countries have already increased by \$1 billion since 2009.

Strengthening National Security

As populations soar in many of the world's most fragile and impoverished regions and new stresses increase the risk of food insecurity, investments in building strong, resilient food systems are vital to U.S. national security.

- The world's poor spend 60 percent of their income on food. When food prices rise, the poor suffer most.
- Where hunger persists, instability and resentment grow and people become more prone to join insurgencies. Food security can address some of the drivers of violent extremism.
 - Boko Haram: A recent survey in Northern Nigeria found that unemployment and marginalization created fertile ground for Boko Haram to establish itself and recruit from local communities. Boko Haram took advantage of the development vacuum in Nigeria, using business loans to attract recruits.
 - Al-Shabab: Similarly, Al-Shabab in Somalia has recruited young men for as little as \$50 a month and a mobile phone.
- Lack of opportunities and food can push people to take desperate measures and align themselves with groups that are a threat to U.S. interests. Expanding economic opportunities in agriculture as alternatives to joining extremist groups is a critical part of the countering violent extremism equation.

Driving Effective Investment

Feed the Future catalyzes and leverages investments from governments and private sector partners to strengthen markets, scale technologies, and drive sustainable, private sector-led economic growth for maximum impact.

- In Africa, Feed the Future partner governments have outpaced their neighbors' domestic investment in agriculture. Our partner governments have increased their investments by an average of 25 percent, which translates to \$718 million in total additional investment per year.
- As part of a global partnership, Feed the Future and other donors helped mobilize \$2.3 billion in private investment in African agriculture and nutrition.

An Ounce of Prevention is Worth a Pound of Cure

Feed the Future investments are smart and save money in the long run.

• Improving Resilience: In 2016, Feed the Future's targeted resilience investments in Ethiopia helped the country mitigate drought. Regularly collected data found that among households that experienced the most severe

drought conditions, those in communities reached by our resilience programs had a minimal decline (4%) in their food security, while other households declined significantly (30%). A recent study in Kenya and Ethiopia estimated that every \$1 invested in resilience will result in nearly \$3 of savings by reducing humanitarian spending, avoiding losses and improving outcomes for poverty, hunger and nutrition.

Ending Reliance on Aid: In one community in Malawi, responding to urgent, life-saving needs cost \$390 per household over 9 months during drought in 2016. By contrast, in another community in Malawi, it only cost \$75.20 per year (\$376 over five years) to help a household feed itself with interventions like small-scale irrigation, extension, and access to improved inputs and markets. This community didn't need food assistance during the drought in 2016.



• <u>Boosting Nutrition</u>: Nutrition investments to reduce stunting are extremely cost-effective. A report by the Copenhagen Consensus estimated that **every \$1** spent on nutrition in the first 1,000 days of a child's life can save an average of \$45, and in some cases as much as \$166, in social, economic and environmental benefits associated with less stunting.

Delivering Accountability and Results

Feed the Future achieves results for the American taxpayer that bolster our security and prosperity.

Today, **9 million more people** are living above the poverty line, **1.7 million more households** are free from hunger, and **1.8 million more children** are free from the devastating effects of stunting where we work.

Feed the Future has leveraged nearly \$830 million in direct private sector capital investment, which is a conservative estimate of our overall private sector leverage.

The initiative has **unlocked \$2.7 billion in agricultural loans**, helping smallholder farmers and small and medium enterprises make the investments needed to grow their businesses.

Smallholder farmers have made nearly **\$2.6** billion in new agricultural sales since 2011 because of Feed the Future's work. With more income, farmers are able to better provide for their families, send their children to school and save for the future.

In 2016, Feed the Future helped reach more than **27 million children** under the age of five with interventions to improve their nutrition, with particular focus on the critical 1,000 days window between pregnancy and a child's second birthday.

Based on annual rates of reduction measured at mid-term, we project that **poverty** has dropped an average of **19**% and **child stunting** by **26**% across target regions in Feed the Future's focus countries since the initiative began.