

## Real World Impacts of Cutting Poverty-Focused and Humanitarian Foreign Assistance

With the release of the FY 2018 Congressional Budget Justification, leading NGOs, including Bread for the World, Catholic Relief Services, CARE USA, the International Rescue Committee, Interaction, Mercy Corps, ONE Campaign, Oxfam, PATH, Save the Children, and World Vision have analyzed the budget request and estimated the impact of the proposed cuts.

The numbers below reflect the estimated impacts of the Administration's proposed budget would have, in terms of human lives, on vulnerable men, women and children around the world.<sup>1</sup> We strongly urge Congress to reject the President's foreign affairs budget request and maintain current funding of \$60 billion for the International Affairs budget.

### Agricultural Development and Nutrition:

- In fiscal year 2016, over 10.5 million farmers were reached with improved technologies, management practices, and increased market access. A funding cut of 50% could translate to approximately **5.25 million farmers being cut from or losing access to programs** that help them grow their way out of poverty and decrease dependency.<sup>2</sup>
- In fiscal year 2015, 18 million children were reached with nutritional interventions and treatments that reduce stunting. A funding cut of 50% could result in **approximately 9 million children losing access to nutrition interventions and treatments, leaving them vulnerable to stunting with as much as a 22% reduction in their lifetime earning capacity.**<sup>3</sup>
- Countries targeted for complete elimination of agricultural funding include critical strategic focus countries such as Liberia, Cambodia, Malawi, Mozambique, Rwanda, Senegal, and Zambia. If acted upon, **this cut could result in as many as 3.4 million children across Cambodia, Malawi, Mozambique, and Zambia alone under the age of 5 not receiving critical nutritional assistance**<sup>4</sup>
  - In Cambodia, the prevalence of stunting among young children dropped by more than 23% in Feed the Future target regions from 44% in 2011 to 33.7% in 2014.<sup>5</sup>
  - In Malawi, the prevalence of stunting has declined by 14%, from 49.2% in 2010 to 42.3% in 2015.<sup>6</sup>

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<sup>1</sup> This estimate is divided by account and there is likely some level of beneficiary overlap between some of the accounts depending on geographic location. For example, displaced beneficiaries are likely to receive both food and non-food assistance. However, meeting urgent human needs and delivering sustainable development are integrative processes. As one service is reduced, overall impacts are effected not matter the level of

<sup>2</sup> The impact of reduced agricultural development funding was calculated by using the current level of funding and beneficiaries reach for the identified fiscal year for such activities. From this, the cost per beneficiary (CPB) was determined based on the number of farmers reached within the corresponding fiscal year. This CPB was used to project the impacts of funding cuts.

<sup>3</sup> The impact of reduced nutritional funding was calculated by using the most recently available data for the number of children reached and then determining the corresponding reduction based on percentage cuts cited above. Data in the impacts of stunting on lifetime earning potential: Lake, *Investing in Nutrition Security Is Key to Sustainable Development*; and Branca and Ferrari, *Impact of Micronutrient Deficiencies on Growth*.

<sup>4</sup> The impact is based upon FY2015 Feed the Future results.

<sup>5</sup> <https://feedthefuture.gov/country/cambodia>

<sup>6</sup> <https://feedthefuture.gov/country/malawi>

### Emergency International Food Assistance Programs:

- In fiscal year 2016, approximately 56.5 million people were reached with emergency food aid through the Emergency Food Security Program (EFSP) and through emergency Title II/Food for Peace programming. **Under the Administration's proposal to eliminate Title II Food Aid and only provide \$1.5 billion for the EFSP, 22.6 million people in crises could lose access to lifesaving food assistance.**<sup>7</sup>

### Title II/Food for Peace Non-Emergency Programs:

- In 2015, Food for Peace non-emergency programs helped nearly 8 million food-insecure people improve their ability to feed their families, grow more nutritious food and improve their and their communities' resilience. Non-emergency programs are critical components of the US government's toolkit to fight hunger and end the vicious cycle of hunger and humanitarian crises. **The FY 2018 request would end food security programming, which presently helps almost 8 million people become food secure and halt smart investments in building communities' self-sufficiency, likely resulting in greater humanitarian needs in the future.**<sup>8</sup>

### McGovern-Dole School Feeding Program:

- In 2015, the McGovern-Dole program benefited an estimated 2.9 million children in nine countries through school feeding in improve literacy rates and nutrition for primary school children, mothers, infants, and preschool children. Funding for the McGovern-Dole School Feeding Program is eliminated in the FY18 request, which would **result in 2.9 million children being cut off from nutrition, education, and hygiene programs.**<sup>9</sup>

### Water and Sanitation:

- The proposed cut of 45.6% to US assistance to water and sanitation programs could result in approximately **2.2 million people not gaining access to safe** and sustainable water sources, and/or sanitation services that prevent the spread of disease.<sup>10</sup>
- In 2015, over two thousand communities were certified as open defecation free, and a 45.6% cut to water and sanitation programs **could result in over 900 communities not receiving this certification which**

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<sup>7</sup> The overall impacts of reduce funding to emergency food aid (as comprised by Title II Emergency programs and the Emergency Food Security Program) is the sum of the estimated impacts for the contributing accounts as calculated below.

<sup>8</sup> The impacts of reduced funding for emergency title II food aid was calculated using the most recently available beneficiary data from USAID for FY2016 and the data presented at the December 2016 Food Aid Consultative Group (FACG) meeting, convened by the U.S. Department of Agriculture and the U.S. Agency for International Development. Funding levels for Title II non-emergency programs were determined by excluding the complimentary transfer of funding from the Community Development Fund, with this total then subtracted from overall Title II levels in order to isolate Title II emergency funding. This funding and beneficiary data was then used to calculate the average cost per beneficiary for the basis of these impact calculations. For non-emergency Title II, beneficiary reach numbers were pulled from the *Fiscal Year 2015 U.S. International Food Assistance Report* (available at: [http://pdf.usaid.gov/pdf\\_docs/PA00MHDH.pdf](http://pdf.usaid.gov/pdf_docs/PA00MHDH.pdf))

<sup>9</sup> Beneficiary reach numbers were pulled from the *Fiscal Year 2015 U.S. International Food Assistance Report* (available at: [http://pdf.usaid.gov/pdf\\_docs/PA00MHDH.pdf](http://pdf.usaid.gov/pdf_docs/PA00MHDH.pdf))

<sup>10</sup> The impact of reduced funding for WASH programming was calculated by dividing current appropriations (FY 2016/FY 2017 CR) and dividing by the cost per beneficiary of \$100. The estimate of \$100 average per capita cost for water and sanitation is based on field data collected from WASH Cost-IRC International Water and Sanitation Centre, WASH Advocates, Millennium Water Alliance, CARE, WaterAid America, Water.org, Water to Water, Water For People, World Vision, Plan USA, Catholic Relief Services, USAID, The World Bank, The Bill and Melinda Gates Foundation, and other organizations, reflecting major variations in geography, hydrology, climate, and accessibility that affect program design and delivery in target populations.

could stymie disease prevention in those communities.<sup>11</sup>

#### Education:

- Developing countries look to the United States for support and guidance to achieve economic prosperity, social stability and political freedom through education. Since the implementation of USAID's Education Strategy (2011-2015), Congress has allocated an average of \$822 million a year, enabling USAID to reach approximately 41.6 million learners in over 45 countries, train 450,000 teachers annually, distribute 146 million textbooks, and repair 11,000 classrooms.<sup>12</sup> A single USAID-sponsored program in Egypt increased students' oral reading fluency by 82% and benefitted 4.2 million children in grades 1-3.<sup>13</sup> In Kenya, a similar program more than tripled the percentage of students able to read with fluency in English (from 12% to 47%).<sup>14</sup> President Trump's FY18 budget request calling for a 53% cut to basic education programming would jeopardize decades of progress, development and monies invested by the United States.
- The Administration's request proposes reducing funding for basic education by 53%, **including the complete elimination of funding for the following countries for basic education: Djibouti, Liberia, Malawi, Mozambique, Rwanda, South Africa, Zambia, Burma, Cambodia, Laos, Ukraine, Tajikistan, Dominican Republic, Nicaragua, Peru, Barbados and Eastern Caribbean.**<sup>15</sup>

#### International Disaster Assistance:

- The International Disaster Assistance (IDA) account, which funds USAID's Office of Foreign Disaster Assistance (OFDA), provides lifesaving assistance to tens of millions of desperate people a year whose lives have been torn apart by conflicts and natural disasters. Cuts to the US humanitarian assistance accounts are extremely irresponsible at a time when we have the highest number of displaced people since World War II. Over 65 million people - or roughly a population the size of France - have had to flee their homes. With famine declared in South Sudan, and Somalia, Yemen and Nigeria on the brink of famine, 20 million people are currently at risk of dying due to starvation in the next six months in these four countries. Yet, the FY 2018 request only includes \$1 billion for OFDA's non-food humanitarian responses (medicine, clean water and sanitation, and shelter, etc), which is 40% below FY 2016 levels. If these levels were enacted, USAID would not have the resources to provide assistance **to tens of millions of vulnerable men, women and children**, as compared to FY 2016.<sup>16</sup>

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<sup>11</sup> The number of communities impacted was estimated by applying the percentage of cuts to the actual results for the indicator "Number of communities certified as "open defecation free" (ODF) as a result of USG assistance" ForeignAssistance.gov. Special Data Sets Performance and Results 2015 Actual Results. <http://beta.foreignassistance.gov/>. See WHO's "How Much it Would Cost to Act" for more information: [www.who.int/water\\_sanitation\\_health/watandmacr3.pdf](http://www.who.int/water_sanitation_health/watandmacr3.pdf)

<sup>12</sup> Data pulled from USAID's website (<https://www.usaid.gov/education>) and USAID's 2011-2015 Progress Report, accessible here: [https://www.usaid.gov/sites/default/files/documents/1865/2011-2015\\_ProgressReport\\_r13\\_Final\\_WEB.pdf](https://www.usaid.gov/sites/default/files/documents/1865/2011-2015_ProgressReport_r13_Final_WEB.pdf).

<sup>13</sup> RTI International. *Girls' Improved Learning Outcomes: Final report*. Cairo, Egypt: USAID and RTI international, 2014. Accessed June 12, 2017. [http://pdf.usaid.gov/pdf\\_docs/PA00JTBC.pdf](http://pdf.usaid.gov/pdf_docs/PA00JTBC.pdf)

<sup>14</sup> Bulat, Jennae. *Why Education? Why Early Grade Reading?* Chapel Hill, NC: RTI International and USAID. 2015. Accessed June 12, 2017. <http://www.rti.org/sites/default/files/brochures/egrareresultsflyer.pdf>

<sup>15</sup> The FY 2018 Congressional Budget Justification severely cuts or eliminates funding for Development Assistance or ESF in these countries which eliminates the source of funding for implementing basic education programming.

<sup>16</sup> In FY 2016, the IDA appropriation was \$2.8 billion, of which approximately 40% (\$1.12 billion) was provided through Food For Peace for emergency food and 60% (\$1.68 billion) was provided for non-food assistance such as emergency kits, tents, medicine etc through OFDA. The FY 2018 request for non-food items is \$1 billion, a \$680 million (40%) reduction from the FY 2016 level.

- IDA provides both food and non-food humanitarian responses, and the FY 2018 requested budget proposes cutting the whole account by 44% below FY 2017 levels. If this cut was enacted across countries in crisis, the impact would be devastating. USAID could lose the resources needed to reach the number of people they are targeting by 44%, which could result in estimated impacts of:<sup>17</sup>
  - **945,000** fewer **South Sudanese** reached with humanitarian assistance;
  - **3,285,000** fewer **Yemenis** reached with humanitarian assistance;
  - **1,800,000** fewer **Syrians** reached with humanitarian assistance;
  - **642,000** fewer **Nigerians** reached with humanitarian assistance; and
  - **1,276,000** fewer **Somalis** reached with humanitarian assistance.

#### Migration and Refugee Assistance:

- The Migration and Refugee Assistance (MRA) account, provided through the State Department's Bureau of Population, Refugee and Migration (PRM), provides lifesaving assistance to refugees who have fled their homes, in most cases because of violent conflicts like the civil war in Syria. **The proposed cut of 18% to the MRA could result in over 3.5 million refugees and Internally Displaced Persons (IDPs) not receiving assistance globally, including about 1 million in the Middle East and 1.1 million in Africa.** Cutting off assistance to immediate life-saving health care, water/sanitation services, shelter assistance, gender-based violence treatment and psychosocial support at a time of multiple famines and raging conflict around the world would likely lead to increased levels of refugees and IDPs and greater instability globally.<sup>18</sup>

#### The Global Fund to Fight AIDS, TB, and Malaria:

- The Administration's budget request decreases funding to the Global Fund by 17%. The Global Fund calculates that this cut could translate to:<sup>19</sup>
  - **299,250** fewer lives saved through Global Fund-supported programs;
  - Loss of potential to prevent **4.28 million** new HIV, tuberculosis (TB) and malaria infections;
  - **240,750 fewer people** put on antiretroviral therapy;
  - **69,750** fewer women on treatment to prevent passing HIV to their babies;
  - **344,250** fewer people on TB treatment and care;
  - **9,675** fewer people on treatment for multidrug-resistant TB;
  - Nearly **14 million** fewer mosquito nets distributed to protect children and families from malaria;

<sup>17</sup> Cuts were determined by dividing the current number of targeted beneficiaries by 44%, the proposed cut by the President to the IDA account. USAID targeted number of beneficiaries are found here:

[http://reliefweb.int/sites/reliefweb.int/files/resources/Four\\_Famine\\_Two\\_Page\\_Infographic\\_5242017.pdf](http://reliefweb.int/sites/reliefweb.int/files/resources/Four_Famine_Two_Page_Infographic_5242017.pdf) and <https://www.usaid.gov/crisis/syria/fy17/fs05>. It is important to note that the cost of responding to humanitarian crises varies extensively across countries and can change dramatically year to year depending on the type and length of crises OFDA responds to and that these are estimated cuts.

<sup>18</sup> In [UNHCR's 2016 Global Focus Report](#), it is estimated that UNHCR assisted almost 50 million refugees and IDPs globally, including 14 million in the Middle East and almost 16.5 million in Africa. As the U.S. contribution to UNHCR's FY16 budget was 39.8%, it is estimated that U.S. assistance contributed to supporting about 19 million refugees and IDPs globally, including 5.6 million in the Middle East and 6.6 million in Africa. An 18% cut to these levels would result in reduced assistance to about 3.5 million refugees and IDPs globally, including 1 million in the Middle East and 1.1 million in Africa. The actual number of refugees and IDPs that would not receive services if PRM's budget were cut by 18% would likely be **higher** given that MRA funding is also provided directly to ICRC, IOM and individual NGOs to carry out work in the same region, in addition to the UNHCR contribution.

<sup>19</sup> These numbers estimate the impacts of a \$225 million dollar cut to Global Fund programs, as identified by the Friends of the Global Fight. [http://www.theglobalfight.org/wp-content/uploads/2017/05/TheGlobalfight\\_Infographic3\\_052317\\_cuts.pdf](http://www.theglobalfight.org/wp-content/uploads/2017/05/TheGlobalfight_Infographic3_052317_cuts.pdf)

- **2.7 million** fewer households receiving indoor residual spraying to protect children and families from malaria; and,
- A lost opportunity to spur \$4.95 billion in long-term economic gains.

#### **President's Emergency Plan for AIDS Relief:**

- Using amFAR calculations, an 11% cut to the President's Emergency Plan for AIDS Relief, the bilateral HIV/AIDS program, **could mean that more than 491,000 people experience interruptions to treatment; could mean more than 152,000 children are orphaned; and could result in more than 77,000 AIDS-related deaths.**<sup>20</sup>

#### **Global Health Programs - Malaria:**

- In 2016, more than 30 million bed nets were distributed to prevent the transmission of malaria. With a 10% cut to funding for the President's Malaria Initiative, **over 20 million bed nets could not be distributed in the future. Two people typically sleep under a net, meaning an additional 40.5 million people could be at risk because of this cut,** drastically undermining more than 15 years of investment, work, and progress to reducing the threat of malaria globally.<sup>21</sup>

#### **Global Health Security:**

- The U.S. Army estimates that if a severe infectious disease pandemic were to occur today, the number of U.S. fatalities could be almost twice as great as the total number of battlefield fatalities—over 1 million as of September 2016—from all of America's wars since the American Revolution in 1776.<sup>22</sup> Preventing these pandemics is therefore in the U.S.' best interest, yet the Administration proposed cutting \$72.5 million in base funding for global health security programming within USAID, instead replacing it with \$72.5 million in unspent Ebola funds. The proposal also did not include \$70 million Congress provided in FY17 for an Emergency Reserve Fund, and although not in the 150 International Affairs Budget, the Centers for Disease Control and Prevention's base health security funding was cut by 14%. Taken together, these changes will ultimately make Americans less safe and secure, increasing the likelihood that a pandemic will spread silently and globally before it can be detected and stopped.

#### **Gender Programs:**

- Funding for programs with a gender component was cut by 55% from 2016 to 2018. While these funds at times overlap with other sector funds, making it more challenging to assess the impact, it is possible **these cuts could mean that 1.78 million fewer girls would receive an education, or that 1.25 million fewer women would receive anti-corruption training, or 710 thousand fewer women would receive social assistance support.**<sup>23</sup>

<sup>20</sup> Estimated using data and modeling compiled by amFAR:

[http://www.amfar.org/uploadedFiles/amfarorg/Articles/On\\_The\\_Hill/2017/amfar\\_infographic14\\_042617.pdf](http://www.amfar.org/uploadedFiles/amfarorg/Articles/On_The_Hill/2017/amfar_infographic14_042617.pdf)

<sup>21</sup> The fully-loaded cost of a bed net is approximately \$4. A cut of \$81 million (or 10%) to the Presidential Malaria Initiative could result in over 20 million less bed nets the USG could purchase and distribute. Further information found here: <https://www.pmi.gov/docs/default-source/default-document-library/pmi-reports/2017-pmi-eleventh-annual-report.pdf>

<sup>22</sup> <http://www.gao.gov/assets/690/682707.pdf>

<sup>23</sup> Estimated by applying 55% cuts to gender disaggregated results data. ForeignAssistance.gov. Special Data Sets Performance and Results 2015 Actual Results. <http://beta.foreignassistance.gov/>.