

HAITI: USAID Funded Food Voucher Program Hurt Farmers, Favored U.S. Exports

"They call the program 'Down with Hunger,' but to me, it's a 'Long Live Hunger' program"

By <u>Haiti Grassroots Watch</u> Global Research, October 11, 2013 <u>Haïti Liberté</u> 9 October 2013 Region: Latin America & Caribbean Theme: Poverty & Social Inequality In-depth Report: HAITI

A "test" food voucher program in the Grande Anse *département* (province) on Haiti's southern peninsula promoted consumption of imported rather than local food for almost 18,000 families, despite claims to the contrary.

In addition, the program – run by CARE with funding from the U.S. Agency for International Development (USAID) and supposedly meant for victims of the Hurricane Tomas who had lost their crops – did not begin until 11 months after the storm hit on November 5, 2010.

The program launched in October 2011, when food security was improving. The "Food Security Outlook" report for that period – July-December 2011 – noted that parts of Grande Anse were "stressed," but went on to say that "with the promise of more or less satisfactory harvests in Grand' Anse [sic], the upper Artibonite, and the Southeast, food security conditions in these areas are expected to improve between October and December." The report is one put out every three months the Famine Early Warning Systems Network (FEWSNET), a U.S. government-run office that predicts hunger and famine in conjunction with the Haitian government and USAID.

Despite the improved forecast, CARE launched "Tikè Manje" ("Food Voucher") program, which later changed its name to "Kore Lavni Nou" ("Supporting Your Future"). Funded by USAID, it also had the endorsement of the government's "Aba Grangou" ("Down with Hunger") leadership. After a timid beginning in October 2011, the program got into full swing in the spring of 2012 – <u>16 months after</u> Hurricane Tomas – a year-long Haiti Grassroots Watch (HGW) investigation determined.

HGW asked the head of the government's *Aba Grangou* program why CARE's program was allowed to start so late.

"The project was meant to help people affected by Hurricane Tomas," Director Jean Robert Brutus admitted. "By the time the project started, Grande Anse had probably already started to recuperate. But since it had already been set up, the U.S. government decided to implement it."

When CARE was asked why Grande Anse was selected, rather than other areas of the country – notably the Northwest, which habitually suffers from extreme hunger – the program's coordinator, Tamara Shukakidze, said that CARE and another USAID contractor chose Grande Anse to carry out "a test" after the hurricane caused damage. In interviews

with HGW, Brutus also used the word "experiment."

The program "is simply a test in certain regions to see if we can implement the program everywhere in the country," explained Shukakidze in a March 2013 interview, while the program was still ongoing. At the time, CARE was hoping to be a contractor for a future USAID-funded US\$20 million "social security net" program that will include food vouchers, CARE spokesman Pierre Seneq told HGW.

People get imported food, government gets a 10% cut

Some 12,000 families were chosen by CARE and community leaders for the *Kore Lavni Nou* program, reportedly according to the following criteria: families with no or little land, with two or less animals, and/or with a child head-of-household or family members who were disabled, extremely elderly, HIV positive, or had other challenges.

Each beneficiary received a monthly voucher worth 2,000 gourdes (about \$US46.51) that could be redeemed at specific merchants for specific quantities of rice, vegetable oil, beans, imported dried herring, corn meal, pasta, and bouillon cubes. HGW research in several Grande Anse communes revealed that almost all the products came from U.S. producers. (HGW was not able to visit every single *Kore Lavni Nou* store.)

U.S. law stipulates that almost all U.S. food aid must be U.S. grown and processed food.

Like many other food voucher and cash transfer programs in the country, CARE signed a contract with the mobile telephone company Digicel to assure the cash transfers. In addition to paying Digicel for those services, the CARE program – and all others – have to pay the Haitian government 10% on all "mobile money transactions, including transfer to beneficiaries, vendor payment, and cash out," according to a 2013 USAID report.

After Hurricane Sandy caused damage to some Grande Anse farms in October 2012, CARE extended the program with a "Phase 2," adding 5,708 people to the roll, meaning that a total of 17,708 beneficiaries in Grande Anse received food coupons up through the end of August 2013, according to CARE spokesman Seneq. (Another 8,000 families in the Artibonite and Northwest provinces were also added to the rolls for the period April 2013-end of October 2013.)

"A total of over US\$5 million will be directly distributed to families facing food insecurity," Seneq explained in a Jun. 18, 2013 email.

According to the USAID 2013 BEST report, CARE received US\$7.4 million for the Grande Anse program.

Program criticized by farmers, agronomists, others

Dejoie Dadignac, coordinator of *Rezo Pwodiktè ak Pwodiktris Agrikòl Dam Mari* (ROPADAM – Network of Dame Marie Agricultural Producers), told HGW that the food voucher program represents "a terrible threat" to Grande Anse farmers.

ROPADAM was one of seven organizations that signed a four-page document denouncing the program in July 2012. The organizations said they were shocked that their communities had been targeted since, according to Haitian government documents, "not one of the communes is classified as having 'extreme hunger.'"

"As everyone knows, Grande Anse is a breadbasket for vegetables and fruit," the organizations noted in their press release. "And we see that this food aid program is taking place during our harvest months, when a lot of vegetables and fruits go to waste."

More shocking to Dadignac and the organizations was the almost exclusive promotion of foreign food.

"At every little store we visit, even ones that used to sell cement or tin sheeting, we see a sign: 'USAID,'" Dadignac told HGW in September 2012. "In their radio advertising, they say they are giving people plantains and breadfruit, but that's not what we see. We see rice, spaghetti, oil, while our products are left out."

"We thought other departments would be coming to get our products to take care of the hunger problem," Dadignac added. "We didn't think we'd end up seeing all this imported food here!"

A CARE press release from 2012 claims that the "program supports consumption of locally produced, traditionally appropriate, products which are readily available in all communities." However, visits by HGW journalists to stores in two communes during Phase 1 and two communes during Phase 2 did not find any "locally produced" food aside from Haitian spaghetti, made with imported wheat, and – in some, but not all locations – beans.

Asked if CARE used or was planning to use local food, spokesman Pierre Seneq confirmed that mostly imported food was utilized in the current programs, but that CARE was planning to source some local food in future programs.

Jean Robert Brutus, head of *Aba Grangou*, also admitted that the Grande Anse programs mostly used foreign food.

"Everyone wanted [the program] to use local food, but the market could not always provide it," Brutus told HGW. He also said that people cannot be forced to buy one thing over another.

"We don't force people who have vouchers to buy local products, but we encourage them, and we encourage the distributors to make local products available," Brutus said. "We need to make an effort to guarantee producers that their products will be competitive with imported products and will be purchased, so that they start to produce again."

Brutus did not give details on how Haitian rice and other local products would be able to compete with the highly subsidized and/or cheaply produced foreign food.

In the meantime, the agronomists in Grande Anse are as despondent as Dadignac and other farmers. "It's true, there are places in Grande Anse where people are hungry," agronomist Vériel Auguste admitted.

Veriél is a member of a farmers cooperative. Like every farmer and agronomist contacted by HGW, he bemoaned the use of foreign food to help hungry people, since it undercuts local production, makes people dependent, and, in the long run, contributes to even more hunger.

"They call the program 'Down with Hunger,' but to me, it's a 'Long Live Hunger' program,"

he said.

Auguste also pointed out that the province has a lot of cultivable land sitting empty, in part because cheap imported food undercuts Haitian production, and in part because Haitian farmers get no technical support from the government.

"A long time ago, every week we would see four boats loaded with food leave [Jérémie] every week, and there would still be food left on the wharf!" he said. "Not any longer... but the land is there. It can still be farmed."

Agronomist Jean Wilda Fanor, who has worked in Grande Anse for over 25 years, said much the same thing.

"Instead of an *Aba Grangou* program that promotes imported food, the government should help develop the internal market so producers can sell their products," said Fanor, who currently works for *Entraide Protestante Suisse* (Swiss Protestant Aid).

Questioned by HGW in June 2013, the head of the government's *Coordination Nationale de Securité Alimentaire* agency (CNSA or National Coordination for Food Security) also expressed reserves about voucher programs that favor U.S. food.

"The objective is to allow people to buy local food," CNSA director Pierre Gary Mathieu said. "If it is poorly targeted and people buy imported rather than local food, then it penalizes local production."

Mathieu said he was aware of the "deviation" in Grande Anse, which was a "very bad" experience, but added that thought it had been corrected. However, as noted above, Phase 1 and 2 of CARE's program were identical.

Beneficiaries and Vendors Happy

But the program does have its cheerleaders. In publicity materials, CARE lauds its program, which undoubtedly did feed families. And of course, store owners were very pleased.

Silvain Julien said his store became part of the program in March 2012 – 16 months after Hurricane Tomas.

"The program is going very well, and people are asking me if it will continue," Julien said. His store was packed with bags of Tchako rice from the U.S.-based cooperative Riceland, one of the world's largest rice exporters and the largest recipient of U.S. government farm subsidies. According to Oxfam Senior Research Marc Cohen, between 1995 and 2010, Riceland collected over US\$500 million from Washington.

Julien said *Kore Lavni Nou* "really helps people... not only the beneficiaries, but also me, as a businessman. I used to sell 50 sacks [of rice], but now I sell 100 sacks. So business has really improved." Program beneficiaries were also pleased.

HGW wanted to investigate whether all beneficiaries were indeed victims of hurricanes Tomas or Sandy, and/or if they fit the CARE criteria. Due to lack of time and human resources, a survey with a representative sample was not possible.

However, HGW did note that Catholic Relief Services (CRS), which also carried out a USAID-

funded food voucher program in the region, said there were signs of some corruption in a report given at a September 2012 food voucher workshop sponsored by USAID. A CRS PowerPoint obtained by HGW noted that "partisan infiltration of beneficiary" lists was one of several challenges.

Not all *Kore Lavni Nou* beneficiaries were willing to speak openly. But at one household in Chambellan – where at least two voucher beneficiaries lived together – Marie Edith Dubrevil was happy to talk. She represented herself as someone living in "misery," and told HGW that her region was "miserable." She said that she started getting coupons in June or July 2012, about 18 months after Hurricane Tomas, thanks to a church worker.

"Every now and then one of the supervisors would check to see if my name got onto the list," Dubrevil said. "Two months ago my name came up... Now, thanks to the program, I get rice, and it's good rice... I wasn't able to eat that kind of thing because I am poor, but now, thanks to CARE and USAID, I applaud them, because my life has changed!"

Dubrevil and her aunt, 89-year-old Louima Leon, who is also a beneficiary, said that before the program, they mainly ate breadfruit, plantains, sweet potatoes, yam, and taro. "Now we eat rice, beans, and cornmeal," Leon said. [See Aid or Trade? for more on diet changes]

Imported supplants local

Since the earthquake, the U.S. alone has provided US\$22.5 million worth of food vouchers to 179,000 people, according to the 2013 version of the USAID-BEST Analysis, a report on USAID-funded food aid produced every year.

While the CARE program focused on imported food, some programs have utilized – at least in part – locally produced food. The CRS food voucher program in Grande Anse allowed beneficiaries to buy yams and potatoes, according to the agency's report, made public at the September 2012 workshop. (HGW was not able to look into the CRS program.)

Another report, from *Action Contre la Faim* (ACF), described a post-earthquake program for 15,000 families who received "fresh food" vouchers. Merchants included street vendors (most of whom are women) as well as shops.

Other food aid programs in Haiti use locally procured food. In 2012, the World Food Program (WFP) bought over 27% of its food locally, according the BEST report. The WFP is also piloting the purchase and distribution of local milk as part of the national school meal program.

In their written report on the workshop, *Aba Grangou* representatives Frisnel Désir and Rédjino Mompremier expressed their concerns, noting that the programs reviewed were all short-term, "with no integration of regional production and with no exit strategies. In other words, once the project is over, the beneficiary will return to his or her original situation."

Désir et Mompremier also called for more focus on local products and on outreach to promote the use of local rather than imported goods.

"People who are hungry clearly give imported products more social value," they wrote. "The integration of local products needs to be accompanied by other measures related to production and to transportation all the way to the point of sale in the future."

Jean Robert Brutus, director of *Aba Grangou*, told HGW that everyone "learned lessons" from the Grande Anse program. Brutus promised that the new food voucher program will promote local food as much as possible, and will be "structured in a way that encourages food producers in the region to produce food."

"If [a farmer] knows there is a guarantee that people will buy, he will produce," Brutus said.

So far, details of new program have not been announced, but as of this writing, it appears the current U.S. Farm Bill will be extended again, meaning that most U.S. food aid programs will need to use U.S. products.

Agronomists Auguste and Fanor both told HGW that Grande Anse farmers will need more than a "guarantee" to improve their output. Both said the government must intervene to deal with the structural issues. But neither the government nor foreign agencies have yet announced any major agricultural projects aimed at increasing production in Grande Anse.

As he walked around his demonstration plot, Auguste talked excitedly about the potential of the peninsula. But he was also very worried, because every year he sees more people leaving their fields, nailing shut their fences, boarding up their homes, and leaving for the capital.

"If we don't root out the structural causes and try to solve them, we are going to become like Savane Desolée," said Auguste, referring to an arid region near Gonaïves whose name in English means "Desolate Savannah."

Fanor called on the government to build roads, help with irrigation systems, and create seed banks. "The state has a major role to play," he told HGW.

In the meantime, the farmers in the ROPADAM network continue to farm and to promote their products, like "*verichips*" – similar to potato chips but made with breadfruit (called "*lanm veritab*" in Kreyòl).

"We are the breadbasket for Haiti," Dadignac told HGW. "We have a government that has given up. We need agronomists, technicians, who can help us produce more. We need agricultural stores where we can find seeds and things. That's what should be in the government's program."

On Sep. 27, USAID announced the launch of a new program, "Kore Lavi" ("Support Life"). CARE will work with the Ministry of Social Affairs to, among other actions, "reach approximately 250,000 households by providing food vouchers," USAID said in news release.

HGW asked CARE if the new program would be like the "test" program in Grande Anse, with an emphasis on mostly imported food. CARE promised a response via email by Oct. 5, but then never followed through.

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