



USAID: TAXPAYERS' DOLLARS FINANCE BIG AG'S EXPANSION IN AFRICA

For years, US international food aid has prioritized domestic commercial interests by shipping food grown, processed, and packaged exclusively in the US to countries in need. Similarly, the US Agency for International Development's (USAID) programs for agriculture aim to create new market opportunities for US exports in developing countries and increase the control of local food systems by Northern, mostly US-based, corporations. Of the <u>six multinationals</u> that control 75 percent of the world's seed and pesticide markets, three are US-based. USAID has spearheaded a great push to expand the use of patented seeds and synthetic fertilizers and pesticides, especially in Africa. The aid agency is also known for its pro-GMO stance and its effort to drive the adoption of agribusiness-friendly reforms in Africa and the developing world.

Between 2010 and 2014, the US program Feed the Future (FtF) received <u>\$11 billion</u> from USAID and other federal agencies for activities around food security and agriculture development.



→ Since the 2007-2008 high food price crisis, USAID has prioritized partnering with large agribusinesses in its food and agriculture programs. Launched in 2009, the USAID-led FtF program finances infrastructure to facilitate private sector investments, favors partnerships with large-scale buyers of food, and supports the creation of large trade and investment corridors in Africa. The Southern Agricultural Growth Corridor of Tanzania (SAGCOT), which aims to convert nearly one third of the country's land to commercial agriculture, received \$139 million from USAID between 2010 and 2012. Although FtF hails SAGCOT as a successful model of investment, the corridor supports projects that have been marked by land disputes and abusive contract farming schemes. The US also played a key role in the creation of the G8's New Alliance for Food Security and Nutrition, a large initiative that partners with agroindustry and agrochemical companies to increase private investments in African agriculture.

→ Encouraging smallholders to adopt the use of hybrid seeds and synthetic fertilizers. By 2014, FtF was responsible for "1.8 million African farmers (7 million globally) apply[ing] new technologies such as high-yielding seed varieties on about 3.7 million acres of land." USAID partners with large input producers including Dupont, Syngenta, and Yara, and with the Alliance for a Green Revolution in Africa, an entity co-founded by the Gates Foundation, to boost commercialization and adoption of so-called "improved" seeds and fertilizers.

→ Promotion of genetically modified (GM) crops in Africa. Since 2005, USAID has allocated nearly \$28 million to the <u>African Agricultural Technology Foundation</u>, which carries out research and advocacy in favor of GM crops in Africa. This funding is just the tip of the iceberg. USAID also bankrolls several Africa-focused GM research projects (notably through partnerships involving <u>Monsanto</u> and <u>Dupont</u>) and lobbies for the regional harmonization of seed and GM laws in the <u>Common Market for Eastern and Southern Africa</u> and the <u>Economic Community of West African States</u>.

→ USAID has spearheaded the creation and promotion of tools to benchmark countries' agricultural policies. USAID's <u>benchmarking tools</u> promote regulatory reforms to favor agribusiness profits, such as fast tracking and lowering the cost of commercial seed registration. Since 2013, USAID has funded the World Bank's <u>Enabling the Business of Agriculture</u> (EBA) project to create a business ranking of countries for agriculture. In 2014, the White House <u>stated</u> that the project (formerly called Benchmarking the Business of Agriculture) was to be rolled out as part of the of the Obama Administration's "Doing Business in Africa campaign," which intended to increase US exports and investments in African economies.

For more information, read the Oakland Institute's report: <u>The Unholy Alliance, Five Western Donors</u> <u>Shape a Pro-Corporate Agenda for African Agriculture</u>.