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## AGENCY-WIDE

### **PURPOSE STATEMENT**

#### *Mission*

The Foreign Agricultural Service (FAS) is the lead U.S. agency tasked with promoting exports of U.S. agricultural products. FAS advances the growth of U.S. agricultural exports through market intelligence, trade policy, trade capacity building, and trade promotion programs. FAS engages foreign markets all along the market development spectrum – from developing economies to mature markets – facilitating an environment for trade growth opportunities for U.S. agriculture.

FAS serves as the voice for U.S. agriculture in international affairs, bringing together the diverse views of American farmers, ranchers, processors, and trade associations, as well as U.S. government agencies and non-governmental organizations. Enacted legislation from 1930 allows FAS agricultural attachés and locally employed staff in international offices to serve as the eyes, ears, voice, and hands of U.S. agriculture around the world. These international offices are often the first point of contact for companies looking to export to a foreign market. FAS leadership in foreign agricultural affairs is accomplished through its global network of civil servants, foreign service officers, and locally employed staff.

FAS's mission success is achieved through relationship-building to create and maintain an open and positive global trade environment. With its long-standing partnerships and collaborations with the U.S. agricultural industry, other U.S. government agencies, and non-governmental organizations, FAS consistently evaluates and addresses customer needs. Equally essential are FAS's relationships with international partners, including foreign governments, international organizations, and international agriculture associations, as employees evaluate, advise on, and support the strengthening of the global market environment for U.S. food and agricultural products.

FAS prides itself on flexibility and adaptability to meet the ever-evolving trade environment challenges while delivering on its mission. FAS advocates for trade-promoting, science-based policies through trade agreements, partnerships, bilateral engagement, and international fora to address the evolving challenges of feeding a growing global population. FAS trade promotion and trade capacity building programs proactively expand export opportunities by creating awareness and demand for U.S. agricultural products and offering tools to support market participation.

#### **Trade Policy**

FAS pursues fair and open markets by advocating for, developing, and enforcing trade-promoting and evidence-based policies intended to address trade barriers. A global, rules-based trade system sets the stage for smoothly functioning agricultural markets, broader economic development, greater food safety, and increased global food security. FAS continues to pursue these policies through trade agreements, partnerships, bilateral engagements, and engagement in international fora.

FAS partners with U.S. government agencies and trade associations, as well as regional and international organizations, to increase market access and transparency by participating in international negotiations and encouraging the establishment of science-based standards that facilitate global trade. FAS works to prevent or mitigate the effects of foreign country policy decisions by providing technical advice and support to governments around the world. Working with the overall U.S. government lead on trade, the Office of the United States Trade Representative (USTR), FAS negotiates and enforces trade agreements (bilateral, multilateral, and plurilateral) to maintain current markets and create new market opportunities for U.S. agriculture.

### **Trade Supporting Initiatives**

FAS's policy work to reduce trade barriers is complemented with FAS's programs and activities that proactively expand export opportunities. These trade-supporting initiatives succeed by creating awareness of U.S. agricultural products and offering tools to support market participation.

FAS trade capacity building activities and programs promote economic growth in developing countries through the implementation of activities that support integration into the global agricultural trade economy. These activities strengthen local infrastructure and regulatory systems, develop science-based frameworks for monitoring and mitigating plant and animal diseases, improve consistency with U.S. practices and positions, and increase compliance with international obligations. Market development and promotion programs, including participation at international trade shows and Agribusiness Trade Missions (ATMs), expand export opportunities for U.S. agriculture by building demand for U.S. products and supporting U.S. promotional efforts in foreign markets.

By partnering with U.S. agricultural industry groups, as well as State and Regional Trade Groups (SRTGs), FAS administers several programs that contribute to U.S. agricultural exports including: Market Access Program (MAP), Foreign Market Development Cooperator Program (FMD), Cochran and Borlaug Programs, Technical Assistance for Specialty Crops Program (TASC), Emerging Markets Program (EMP), and Quality Samples Program (QSP). In addition, FAS Export Credit Guarantee Programs expand U.S. agricultural exports through loan guarantees that enable private financial institutions to extend financing to buyers of U.S. agricultural products in emerging markets, particularly when other financing is difficult to obtain.

### **Market Analysis & Advice**

FAS employees gather overseas policy developments, market data, and intelligence to inform domestic decision-making and support U.S. foreign policy around the globe. The Agency is trusted by U.S. decision-makers and entities worldwide to provide relevant, sound, and reliable information related to foreign agricultural markets, international trade barriers, crop conditions, and related policy developments. Through market analysis in Washington and reporting from FAS overseas offices on foreign production and demand, FAS contributes to the USDA economic information system establishing official estimates of world agricultural supply and

demand that drive trading on commodity markets worldwide. FAS maintains key public-facing databases to provide convenient access to up-to-date international market information to inform strategy and business decisions.

As the U.S. lead in global agricultural affairs, FAS uses its market intelligence, local presence in foreign markets, and global contacts to maintain long-standing relationships. These contacts are valuable to U.S. agricultural exporters in establishing and communicating the institutional understanding of other countries' agricultural sectors. Collecting and communicating market information is invaluable for U.S. exporters, as it provides a level playing field for U.S. organizations working abroad and supports these organizations in identifying new market opportunities.

### **Efficient Operations**

Consistent with the Departmental goal of ensuring USDA programs are delivered efficiently, effectively and with integrity, FAS has reorganized with focus on Agency operations to ensure FAS's diverse staff administers and delivers on mandated programs in the most efficient and effective way possible.

In addition to the professional cadre of staff headquartered in Washington, D.C., FAS has a highly skilled global network of 93 offices providing coverage in 171 countries around the world that: serve as first responders in cases of market disruption, provide critical market and policy intelligence to support U.S. agricultural strategic goals, and represent U.S. agriculture in consultations with foreign governments.

As of September 30, 2019, FAS had 587 in permanent full-time employment which include 495 in headquarters, 92 Foreign Service Officers, and 42 Locally Engaged Staff (LES) whom are not included as part of FAS' permanent full-time employment count.

### ***Legislative and Departmental Authorities***

FAS was established on March 10, 1953, by Secretary's Memorandum No. 1320, Supplement 1. Public Law 83-690, enacted August 28, 1954, transferred the agricultural attachés from the Department of State to FAS. These memoranda were consolidated in Title 5 of the Agricultural Trade Act of 1978, as amended. Secretary's Memorandum No. 1020-39, dated September 30, 1993, transferred the functions of the former Office of International Cooperation and Development to FAS.

Title 5 of the Agricultural Trade Act of 1978 most recently amended in 2008, states that the Administrator of FAS is given the power to "exercise such functions and perform such duties related to foreign agriculture," and may also be assigned other duties by law or by the Secretary of Agriculture (Title 5, section 502b). Additionally, the Administrator is responsible for oversight of FAS, the General Sales Manager, and the Agricultural Attaché Service (Title 5, section 502c).

Specifically, U.S. Code, Title 7, Chapter 87, 5693, mandates: *“The Service shall assist the Secretary in carrying out the agricultural trade policy and international cooperation policy of the United States by–*

- 1) Acquiring information pertaining to agricultural trade;*
- 2) Carrying out market promotion and development activities;*
- 3) Providing agricultural technical assistance and training; and*
- 4) Carrying out the programs authorized under this Act, the Food for Peace Act (7 U.S.C. 1691 et seq.), and other Acts.” (Title 5, section 503)”*

USDA Regulation 1051-001 (June 2005) defines the role of the FAS as the Department’s lead agency in coordinating all agricultural matters with foreign countries. Regulation 1051-002 (December 2004) further states that FAS’ responsibilities “include, but are not limited to, the responsibility to coordinate the carrying out by Department agencies of their functions involving foreign agriculture policies and programs and their operations and activities in foreign areas; acting as a liaison on these matters and functions relating to foreign agriculture with the Department of State (DoS), the United States Trade Representative (USTR), U.S. Agency for International Development (USAID), and foreign governments; conducting functions of the Department relating to the World Trade Organization (WTO) and legislation affecting international agricultural trade; and administering and directing the Department’s programs in international development, technical assistance and training carried out under the Foreign Assistance Act of 1961, as amended.”

**OIG and GAO Reports**

*Table FAS-1. Completed OIG Reports*

<b>ID</b>	<b>Date</b>	<b>Title</b>
		None

*Table FAS-2. In-Progress OIG Reports*

<b>ID</b>	<b>Title</b>
07601-0001-24	Oversight of the Agricultural Trade Promotion Program

*Table FAS-3. Completed GAO Reports*

<b>ID</b>	<b>Date</b>	<b>Title</b>	<b>Result</b>
GAO-19-124	12/06/2018	TOBACCO EXPORTS Agencies Have Implemented Restrictions on Promoting Tobacco Overseas but Additional Actions Could Strengthen Their Efforts	USDA is implementing the GAO recommendations
GAO-19-466	07/31/2019	FOREIGN ASSISTANCE Federal Monitoring and Evaluation Guidelines Incorporate Most but Not All Leading Practices	USDA is implementing the GAO recommendations
GAO-19-590	09/26/2019	U.S. ASSISTANCE TO CENTRAL AMERICA Department of State Should Establish a Comprehensive Plan to Assess Progress toward Prosperity, Governance, and Security	USDA will collaborate with the Department of State’s implementation of the GAO recommendation

*Table FAS-4. In-Progress GAO Reports*

<b>ID</b>	<b>Title</b>
103266	Status of Funding for the U.S. Strategy for Engagement in Central America
103831	Promoting Resilience in Global Food Security

2021 USDA EXPLANATORY NOTES – FOREIGN AGRICULTURAL SERVICE

**AVAILABLE FUNDS AND STAFF YEARS**

Table FAS-5. Available Funds and Staff Years (Dollars in Thousands)

Item	2018		2019		2020		2021	
	Actual	SY	Actual	SY	Enacted	SY	Budget	SY
Salaries and Expenses:								
Discretionary Appropriations	\$199,666	700	\$213,890	638	\$215,513	638	\$193,703	598
Supplemental Appropriations	6,382	30	6,382	30	6,063	30	6,063	30
McGovern-Dole Program:								
Discretionary Appropriations	207,626	-	210,255	-	220,000	-	-	-
Transfers In	90	-	-	-	-	-	-	-
Adjusted Appropriation	413,764	730	430,527	668	441,576	668	199,766	628
Balance Available, SOY	37,571	-	84,998	-	-	-	-	-
Other Adjustments (Net)	40,745	-	-	-	-	-	-	-
Total Available	492,080	730	515,525	668	441,576	668	199,766	628
Balance Available, EOY	(84,998)	-	-	-	-	-	-	-
Obligations	407,082	730	515,525	668	441,576	668	199,766	628
Subtotal Obligations, FAS	407,082	730	515,525	668	441,576	668	199,766	628
Ob. Under Other USDA Appr.:								
Commodity Credit Corporation for:								
Market Access Program Admin. Costs	5,604	23	5,604	23	5,604	23	5,604	23
Tech Assist for Specialty Crops Prgm Admin. Costs	1,086	3	1,086	3	1,086	3	1,086	3
Emerging Markets Program Admin. Costs	970	5	970	5	970	5	970	5
Quality Samples Program Admin. Costs	177	1	178	1	178	1	189	1
Foreign Market Dev. Prgm Admin. Costs	1,321	6	1,321	6	1,321	6	1,321	6
Food for Progress Admin. Costs	6,020	15	6,020	15	6,020	15	-	-
Cotton and Wool Project Admin. Costs	247	1	189	1	270	1	-	-
Legal Services	350	-	350	-	350	-	350	-
McGovern-Dole Program	3,500	11	3,500	11	3,500	11	-	-
Landsat data and support (Remote Sensing)	5,247	3	5,314	3	5,288	3	5,620	3
IRM Activities	17,214	2	17,287	2	17,342	2	18,430	2
IRM Activities (non-CCC)	4,670	3	4,221	3	4,235	3	4,500	3
Under Secretary (Travel)	500	1	500	1	500	1	500	1
Emerging Markets Program	2,600	1	2,600	1	2,600	1	2,600	1
USDA Satellite Imagery	75	-	75	-	75	-	75	-
P.L. 480 Title II	112	2	112	2	112	2	-	-
Other Agreement	24,412	-	10,790	-	-	-	-	-
Total, Other USDA	74,105	77	60,117	77	49,451	77	41,245	48
Total, Agriculture Appropriations	481,187	807	575,642	745	491,027	745	241,011	676
Other Federal Funds:								
U.S. Agency for International Development (USAID)								
and others for developmental assistance	33,895	170	31,586	208	35,000	208	35,000	208
Total, Other Federal	33,895	170	31,586	208	35,000	208	35,000	208
Total, FAS	\$515,082	977	\$607,228	953	\$526,027	953	\$276,011	884

**PERMANENT POSITIONS BY GRADE AND STAFF YEAR**

*Table FAS-6. Permanent Positions by Grade and Staff Years*

Item	2018 Actual			2019 Actual			2020 Enacted			2021 Budget		
	D.C.	Field	Total	D.C.	Field	Total	D.C.	Field	Total	D.C.	Field	Total
ES	4	-	4	4	-	4	4	-	4	4	-	4
SES	5	17	22	4	16	20	4	16	20	4	16	20
GS-15	48	-	48	58	22	80	58	22	80	58	22	80
GS-14	128	1	129	121	28	149	121	28	149	121	28	149
GS-13	154	1	155	156	22	178	163	22	185	163	22	185
GS-12	120	1	121	86	3	89	86	3	89	86	3	89
GS-11	32	-	32	24	-	24	24	-	24	24	-	24
GS-10	2	-	2	2	-	2	2	-	2	2	-	2
GS-9	11	1	12	18	1	19	18	1	19	18	1	19
GS-8	7	-	7	7	-	7	7	-	7	7	-	7
GS-7	18	-	18	14	-	14	14	-	14	14	-	14
GS-6	-	-	-	1	-	1	1	-	1	1	-	1
GS-5	2	-	2	-	-	-	-	-	-	-	-	-
GS-4	-	-	-	-	-	-	-	-	-	-	-	-
GS-3	1	-	1	-	-	-	-	-	-	-	-	-
GS-2	-	-	-	-	-	-	-	-	-	-	-	-
GS-1	-	-	-	-	-	-	-	-	-	-	-	-
Other Graded	23	95	118	53	24	77	53	24	77	53	24	77
Ungraded	-	-	-	-	-	-	-	-	-	-	-	-
Total Permanent	555	116	671	548	116	664	555	116	671	555	116	671
Unfilled, EOY	89	1	90	53	24	77	-	-	-	-	-	-
Total Perm. FT EOY	466	115	581	495	92	587	555	116	671	555	116	671
Staff Year Est	730	247	977	668	285	953	668	285	953	628	256	884

## **VEHICLE FLEET**

### ***Motor Vehicle Fleet***

The passenger motor vehicles of the Foreign Agricultural Service (FAS) are used almost exclusively by Foreign Service Officers and their staffs stationed at posts overseas. FAS' overseas mission requires the use of official government vehicles to conduct field crop assessment trips to gather agricultural data, official travel to countries within regional coverage, transportation to local government offices, travel to representation events with agribusiness organizations, transporting official visitors, and providing mail/messenger courier services.

Although FAS owns its overseas vehicle fleet, these vehicles are subject not only to USDA Directives, but are also under the authority of the Chief of Mission at each station. Each overseas station has an established vehicle policy to which USDA Foreign Service Officers must adhere and the Chief of Mission has the authority to determine other authorized uses that are permitted in accordance with the Foreign Affairs Manual Governing Asset Management.

### ***Replacement Criteria***

For fiscal year 2021, there are three anticipated vehicle purchases. The vehicles purchased will replace existing vehicles and will require the disposal of three vehicles. The vehicles anticipated to be replaced average ten (10) years in age and average 40,000 miles. All other vehicles are working properly. FAS' overseas vehicle fleet currently consists of: one (1) sedan, seven (7) mini-vans, seven (7) 4x2 Light Trucks, and thirty-eight (38) 4x4 Light Trucks.

### ***Reductions to Fleet***

Passenger vehicles normally may not be replaced unless they either have a mileage of 100,000 or seven years or more of age. Armored vehicles have a shorter life-span and are normally replaced every five years. Condition of the vehicle and cost analysis of maintenance and operating cost are also factors for replacement. Each post that has a vehicle is required to record daily usage, including fuel cost and maintenance in a Vehicle Log book.

Impediments to managing the motor vehicle fleet: FAS will dispose of 3 vehicles in fiscal year 2020 to reduce the vehicle fleet size to 50 to comply with the Deputy Secretary reduction to the fleet size for underutilized vehicles.

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Table FAS-7. Size, Composition, and Annual Costs of Vehicle Fleet<sup>a</sup>

Fiscal Year	Sedans and Station Wagons	Lt. Trucks, SUVs, and Vans (4x2)	Lt. Trucks, SUVs, and Vans (4x4)	Medium Duty Vehicles	Ambulances	Buses	Heavy Duty Vehicles	Total Vehicles	Annual Operating Costs <sup>b</sup>
2018	1	17	38	-	-	-	-	56	\$209
Change	-	-	-	-	-	-	-	-	+89
2019	1	17	38	-	-	-	-	56	298
Change	-	-3	-	-	-	-	-	-3	-23
2020	1	14	38	-	-	-	-	53	275
Change	-	-	-3	-	-	-	-	-3	+5
2021	1	14	35	-	-	-	-	50	280

<sup>a</sup> Includes vehicles owned by the agency and leased from commercial sources or GSA.

<sup>b</sup> Excludes acquisition costs and gains from sale of vehicles as shown in FAST.

**SHARED FUNDING PROJECTS***Table FAS-8. Shared Funding Projects (Dollars in Thousands)*

Item	2018 Actual	2019 Actual	2020 Enacted	2021 Budget
<b>Working Capital Fund:</b>				
Administration:				
Material Management Service.....	171	165	175	172
Mail and Reproduction Services.....	433	515	536	549
Integrated Procurement Systems.....	108	91	85	85
Procurement Operations Services.....	-	-	10	14
Human Resources Enterprise Management Systems....	12	15	11	11
Subtotal.....	724	786	817	832
Communications:				
Creative Media & Broadcast Center.....	61	53	22	104
Finance and Management:				
National Finance Center.....	252	259	239	227
Internal Control Support Services.....	59	33	42	35
Financial Management Support Services.....	899	1,358	1,188	1,175
Subtotal.....	1,210	1,650	1,469	1,437
Information Technology:				
Information Technology Office.....		-	45	45
Client Technology Services.....	925	1,496	1,749	1,735
National Information Technology Center.....	2,590	2,525	2,815	2,710
Enterprise Network Services.....	168	377	828	783
Subtotal.....	3,683	4,398	5,438	5,273
Correspondence Management.....	84	109	110	118
Total, Working Capital Fund.....	5,763	6,997	7,855	7,763
<b>Department-Wide Shared Cost Programs:</b>				
GSA Space - NCRCDC.....	95	98	98	98
DHS GSA Building Security NCRCDC.....	204	290	290	290
Advisory Committee Liaison Services.....	12	12	14	14
Agency Partnership Outreach.....	74	76	79	79
Human Resources Self-Service Dashboard.....	6	6	6	-
Human Resources Transformation.....	9	-	-	-
Medical Services.....	40	49	29	-
Office of Customer Experience.....	19	26	30	30
People's Garden.....	5	-	-	-
Personnel and Document Security.....	323	298	303	303
Physical Security.....	-	-	59	43
Security Detail.....	44	43	47	47
Security Operations.....	103	104	59	64
TARGET Center.....	13	12	12	12
USDA Enterprise Data Analytics Services.....	-	-	55	55
Virtual University.....	10	-	-	-
Total, Department-Wide Reimbursable Programs.....	957	1,013	1,081	1,035
<b>E-Gov:</b>				
Budget Formulation and Execution Line of Business.....	5	5	5	33
Enterprise Human Resources Integration.....	17	17	-	-
E-Rulemaking.....	21	18	6	6
Financial Management Line of Business.....	1	1	1	1
Geospatial Line of Business.....	13	13	13	13
GovBenefits.gov.....	-	-	8	8
Human Resources Line of Business.....	3	3	3	3
Integrated Acquisition Environment.....	14	15	10	10
Total, E-Gov.....	74	70	45	73
Agency Total.....	6,794	8,079	8,981	8,871

**SALARIES AND EXPENSES**

**LEAD-OFF TABULAR STATEMENT**

*Table FAS-9. Lead-Off Tabular Statement*

**Salaries and Expenses**

2020 Appropriation .....	\$215,513,000
Change in Appropriation .....	-21,810,000
Budget Estimate, 2021.....	193,703,000

**APPROPRIATIONS LANGUAGE**

*The appropriations language follows (new language underscored; deleted language enclosed in brackets):*

For necessary expenses of the Foreign Agricultural Service, including not to exceed \$250,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), [\$215,513,000] \$193,703,000, of which no more than 6 percent shall remain available until September 30, [2021] 2022, for overseas operations to include the payment of locally employed staff: *Provided*, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1737) and the foreign assistance programs of the United States Agency for International Development: *Provided further*, That funds made available for middle-income country training programs, funds made available for the Borlaug International Agricultural Science and Technology Fellowship program, and up to \$2,000,000 of the Foreign Agricultural Service appropriation solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to documentation by the Foreign Agricultural Service, shall remain available until expended.

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**PROJECT STATEMENT**

Table FAS-10. Project Statement (Dollars in Thousands, Staff Years (SY))

Foreign Agricultural Service Salaries and Expenses (Dollars in Thousands)										
Program/Activity	2018 Actual		2019 Actual		2020 Enacted		2021 Budget Request		Change from 2020 Enacted	
	B.A.	SY	B.A.	SY	B.A.	SY	B.A.	SY	B.A.	SY
Direct Appropriations:										
FAS Salaries and Expenses Direct Appropriations.....	199,666	700	213,890	638	215,513	638	193,703	598	-21,810	-40
Supplemental Appropriations:										
CCC Export Programs Admin	6,382	30	6,382	30	6,063	30	6,063	30	0	0
Supplemental Appropriations .....	6,382	30	6,382	30	6,063	30	6,063	30	0	0
Transfers In:										
Congressional Relations .....	90	0	90	0	90	0	90	0	0	0
Subtotal, Transfers In.....	90	0	90	0	90	0	90	0	0	0
<b>Total, Discretionary Funding.....</b>	<b>206,138</b>	<b>730</b>	<b>220,362</b>	<b>668</b>	<b>221,666</b>	<b>668</b>	<b>199,856</b>	<b>628</b>	<b>-21,810</b>	<b>-40</b>
Carryover from Prior Years:										
Overseas Activities Funding .....	0	0	4,000	0	12,833	0	11,622	0	-1,211	0
Trade Show Fees .....	1,004	0	2,143	0	2,620	0	0	0	-2,620	0
Cochran, Borlaug, Security Supp'l and Buying Power Maintenance....	28,488	0	29,582	0	18,470	0	8,470	0	-10,000	0
Subtotal, Carryover .....	29,492	0	35,725	0	33,923	0	20,092	0	-13,831	0
Recoveries, Other .....	526	0	233	0	233		117	0	-116	0
<b>Total Available.....</b>	<b>236,156</b>	<b>730</b>	<b>256,320</b>	<b>668</b>	<b>255,822</b>	<b>668</b>	<b>220,065</b>	<b>628</b>	<b>-35,757</b>	<b>-40</b>
Balances, Available End of Year.....	-35,725	0	-33,923	0	-20,092		0		20,092	0
<b>Total Obligations.....</b>	<b>\$200,431</b>	<b>730</b>	<b>\$222,397</b>	<b>668</b>	<b>\$235,730</b>	<b>668</b>	<b>\$220,065</b>	<b>628</b>	<b>\$15,665</b>	<b>-40</b>

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**FUNDING DETAIL**

*Table FAS 11. Funding Detail (Dollars in Thousands, Staff Years (SY))*

<u>Allocation</u>		Foreign Agricultural Service Salaries and Expenses (Dollars in Thousands)									
		2018 Actual		2019 Actual		2020 Enacted		2021 Budget Request		Change from 2020 Enacted	
		<u>B.A.</u>	<u>SY</u>	<u>B.A.</u>	<u>SY</u>	<u>B.A.</u>	<u>SY</u>	<u>B.A.</u>	<u>SY</u>	<u>B.A.</u>	<u>SY</u>
Direct Appropriations:											
Trade Policy .....		\$53,907	210	\$74,647	212	\$71,887	212	\$67,796	212	-\$4,091	0
Trade Supporting Initiatives .....		68,467	237	66,605	209	69,344	209	60,048	180	-9,296	-29
Market Analysis & Advice.....		46,792	127	48,510	111	49,568	111	44,552	111	-5,016	0
Efficient Operations .....		30,500	126	24,128	106	24,714	106	21,307	95	-3,407	-11
Subtotal, Direct Appropriations .....		199,666	700	213,890	638	215,513	638	193,703	598	-21,810	-40

## **JUSTIFICATIONS OF INCREASES/DECREASES**

**Salaries and Expenses: A net decrease of \$21,810,000 and a decrease of 40 staff years from FY 2020.**

The funding change for each goal is requested for the following items:

### ***Goal 1: Trade Policy***

1. A net decrease of \$4,091,000 for Trade Policy (\$71,887,000 and 212 staff years available for 2020).
  - A. An increase of \$514,000 for International Cooperative Administrative Support Services (ICASS) costs;
  - B. An increase of \$86,000 for Capital Security Cost Sharing (CSCS);
  - C. An increase of \$834,000 for Locally Engaged Staff (LES) costs;
  - D. An increase of \$243,000 for rightsizing;
  - E. An increase of \$587,213 for pay costs and the agency contribution rate increase for the Federal Employees Retirement System (FERS) employees;
  - F. A decrease of \$2,890,213 for management support contracts costs; and
  - G. A decrease of \$3,465,000 for administrative costs.

### ***Goal 2: Trade Supporting Initiatives***

2. A net decrease of \$9,296,000 and 29 staff years for Trade Supporting Initiatives (\$69,344,000 and 209 staff years available for 2020).
  - A. An increase of \$513,000 for ICASS costs;
  - B. An increase of \$86,000 for CSCS;
  - C. An increase of \$833,000 for LES costs;
  - D. An increase of \$242,000 for rightsizing;
  - E. An increase of \$587,213 for pay costs and the agency contribution rate increase for FERS employees;
  - F. A decrease of \$641,000 for travel;
  - G. A decrease of \$4,655,000 and 29 staff years due to attrition; and
  - H. A decrease of \$6,261,213 for management support contracts.

### ***Goal 3: Market Analysis and Advice***

3. A net decrease of \$5,016,000 for Market Analysis and Advice (\$49,568,000 and 111 staff years available for 2020).
  - A. An increase of \$513,000 for ICASS costs;
  - B. An increase of \$86,000 for CSCS;
  - C. An increase of \$833,000 for LES costs;
  - D. An increase of \$242,000 for rightsizing;

- E. An increase of \$587,500 for pay costs and the agency contribution rate increase for FERS employees;
- F. A decrease of \$2,035,500 for management support contracts; and
- G. A decrease of \$5,242,000 for administrative costs.

***Goal 4: Efficient Operations***

- 4. A net decrease of \$3,407,000 and 11 staff years for Efficient Operations (\$24,714,000 and 106 staff years available for 2020).
  - A. An increase of \$587,427 for pay costs and the agency contribution rate increase for FERS employees;
  - B. A decrease of \$1,829,000 and 11 staff years due to attrition;
  - C. A decrease of \$130,000 to establish an Office of Information Affairs; and
  - D. A decrease of \$2,035,427 for management support contracts.

The Fiscal Year 2021 Salaries and Expense budget requests a reduction of \$21,810,000 from FY 2020. This request would result in a decrease of \$13,222,353 for management support contracts; a decrease of \$8,707,000 for administrative costs; a decrease of \$6,484,000 due to attrition; a decrease of \$641,000 for travel costs; and a decrease of \$130,000 in operations to establish an Office of Information Affairs.

There will be an increase of \$2,349,353 for the agency contribution rate increase for FERS employees (\$812,872), increases in pay costs (\$408,388 for annualization of FY 2020 and \$483,468 for FY 2021) and awards (\$644,625); an increase of \$2,500,000 for LES; an increase of \$1,540,000 for ICASS; an increase of \$727,000 for rightsizing; and an increase of \$258,000 for CSCS. Costs increases for LES, ICASS, and CSCS are determined by the State Department (DoS). ICASS is assessed by the State Department (DoS) for common administrative support at overseas posts. CSCS is implemented by DoS to share costs for safe, secure, and in some cases new U.S. diplomatic facilities. LES pay increases are also determined by DoS. The awards increase will support a one percentage increase in awards spending, consistent with objectives outlined in the President's Management Agenda, to enhance workforce development. The FERS increase will cover the expenses for the mandated increase of USDA's contribution to FERS, effective January 1, 2020.

Rightsizing was established by Public Law 108-447 in December 2004 and applies to all U.S. Government agencies operating overseas under Chief of Mission authority. The U.S. Government Accountability Office defines rightsizing as: "aligning the number and location of staff assigned overseas with foreign policy priorities and security costs and other constraints. Rightsizing may result in the addition or reduction of staff, or a change in the mix of staff at a given Embassy or Consulate." Since FY 2006, FAS rightsizing analysis, known as Global Review, is conducted in a close dialogue with agricultural stakeholders to ensure expanded export opportunities for U.S agriculture overseas. Based on the FY 2019 rightsizing effort, FAS

has plans to establish two new offices in Cote D'Ivoire and Cambodia which will include a growth of two Locally Employed Staff. In addition, rightsizing adjustments are planned in Africa, Middle East, Asia, the Western Hemisphere and in Europe. The additional staff resources would improve trade servicing, market intelligence, capacity building and market access in the affected regions.

To ensure USDA programs are delivered efficiently, effectively and with integrity, FAS has reorganized to ensure FAS's diverse staff and complex work portfolio administers and delivers on mandated programs in the most efficient and effective way possible. Realignment of the Agency enables utilization of inhouse specialized skillsets to afford reductions in management support contracts and eliminates redundant administrative related costs to better serve our customers with more flexibility and rapid response capability.

FAS' strategic vision mirrors its commitment to provide exceptional service and consistent management excellence across the agency. FAS has a separate management plan that details its strategic framework to achieve its goals in the areas of enterprise governance, financial resource management, human capital management, performance and efficiency, information technology, and emergency preparedness.

The S&E request has been reduced to fund the establishment of a new Office of Information Affairs (OIA). OIA will consolidate Freedom of Information Act (FOIA) related activities for the Department's Staff Offices, the Research, Education and Economics (REE) Mission Area, and the Trade and Foreign Agricultural Assistance (TFAA) Mission Area beginning in Fiscal Year 2021.

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS** (Dollars in Thousands)*Table FAS-12. Geographic Breakdown of Obligations and Staff Years*

State/Territory/Country	2018		2019		2020		2021	
	Actual	SY	Actual	SY	Enacted	SY	Budget	SY
District of Columbia	132,698	615	159,976	576	189,308	550	162,848	510
Florida	568	-	-	-	-	-	-	-
Other Countries	36,581	115	34,247	92	66,514	118	57,217	118
Algeria	445	-	493	-	-	-	-	-
Angola	110	-	110	-	-	-	-	-
Argentina	1,341	-	1,079	-	-	-	-	-
Australia	637	-	609	-	-	-	-	-
Austria	197	-	187	-	-	-	-	-
Bangladesh	303	-	377	-	-	-	-	-
Belgium	2,522	-	2,175	-	-	-	-	-
Bosnia and Herzegovina	70	-	75	-	-	-	-	-
Brazil	2,535	-	2,216	-	-	-	-	-
Bulgaria	164	-	131	-	-	-	-	-
Burma	417	-	479	-	-	-	-	-
Canada	1,372	-	1,406	-	-	-	-	-
Chile	607	-	564	-	-	-	-	-
China	9,561	-	8,795	-	-	-	-	-
Colombia	1,385	-	1,378	-	-	-	-	-
Costa Rica	825	-	786	-	-	-	-	-
Croatia	107	-	94	-	-	-	-	-
Cuba	1	-	-	-	-	-	-	-
Czechia	-	-	147	-	-	-	-	-
Dominican Republic	778	-	702	-	-	-	-	-
Ecuador	205	-	227	-	-	-	-	-
Egypt	1,174	-	1,213	-	-	-	-	-
El Salvador	159	-	143	-	-	-	-	-
Ethiopia	547	-	532	-	-	-	-	-
France	1,021	-	905	-	-	-	-	-
Germany	973	-	1,321	-	-	-	-	-
Ghana	784	-	736	-	-	-	-	-
Guatemala	777	-	979	-	-	-	-	-
Haiti	25	-	34	-	-	-	-	-
Honduras	69	-	52	-	-	-	-	-
Hong Kong	1,205	-	1,239	-	-	-	-	-
Hungary	70	-	59	-	-	-	-	-
India	1,560	-	1,147	-	-	-	-	-
Indonesia	897	-	832	-	-	-	-	-
Israel	277	-	233	-	-	-	-	-
Italy	1,216	-	947	-	-	-	-	-
Jamaica	108	-	88	-	-	-	-	-
Japan	3,735	-	4,098	-	-	-	-	-
Jordan	84	-	81	-	-	-	-	-
Kazakhstan	249	-	252	-	-	-	-	-
Kenya	790	-	763	-	-	-	-	-
Malaysia	484	-	383	-	-	-	-	-
Mexico	3,052	-	2,875	-	-	-	-	-
Morocco	458	-	724	-	-	-	-	-
Mozambique	79	-	72	-	-	-	-	-

2021 USDA EXPLANATORY NOTES – FOREIGN AGRICULTURAL SERVICE

State/Territory/Country	2018		2019		2020		2021	
	Actual	SY	Actual	SY	Enacted	SY	Budget	SY
Netherlands	755	-	783	-	-	-	-	-
New Zealand	125	-	149	-	-	-	-	-
Nicaragua	91	-	104	-	-	-	-	-
Nigeria	545	-	632	-	-	-	-	-
North Korea	2,485	-	2,272	-	-	-	-	-
Pakistan	995	-	631	-	-	-	-	-
Panama	185	-	217	-	-	-	-	-
Peru	1,109	-	994	-	-	-	-	-
Philippines	975	-	821	-	-	-	-	-
Poland	558	-	544	-	-	-	-	-
Romania	135	-	143	-	-	-	-	-
Russia	1,322	-	1,161	-	-	-	-	-
Saudi Arabia	645	-	634	-	-	-	-	-
Senegal	743	-	725	-	-	-	-	-
Serbia	102	-	106	-	-	-	-	-
Singapore	185	-	169	-	-	-	-	-
South Africa	962	-	1,242	-	-	-	-	-
Spain	715	-	571	-	-	-	-	-
Sri Lanka	26	-	35	-	-	-	-	-
Switzerland	1,055	-	929	-	-	-	-	-
Taiwan	1,674	-	234	-	-	-	-	-
Tanzania	49	-	44	-	-	-	-	-
Thailand	1,215	-	1,315	-	-	-	-	-
Tunisia	108	-	97	-	-	-	-	-
Turkey	954	-	1,011	-	-	-	-	-
Ukraine	515	-	457	-	-	-	-	-
United Arab Emirates	1,180	-	1,186	-	-	-	-	-
United Kingdom	1,015	-	1,297	-	-	-	-	-
Venezuela	562	-	262	-	-	-	-	-
Vietnam	1,949	-	1,594	-	-	-	-	-
Distribution Unknown	-	-	-	-	-	-	-	-
Obligations	236,156	730	256,320	668	255,822	668	220,065	628
Lapsing Balances	-	-	-	-	-	-	-	-
Bal. Available, EOY	-35,725	-	-33,923	-	-20,092	-	-	-
Total, Available	200,431	730	222,397	668	235,730	668	220,065	628

2021 USDA EXPLANATORY NOTES – FOREIGN AGRICULTURAL SERVICE

**CLASSIFICATIONS BY OBJECTS** (Dollars in Thousands)

Item No.	Item	2018 Actual	2019 Actual	2020 Enacted	2021 Budget
Personnel Compensation:					
	Washington D.C.	\$62,463	\$66,636	\$69,301	\$66,033
	Personnel Compensation, Field	24,291	26,044	27,086	25,815
11	Total personnel compensation	86,754	92,680	96,387	91,848
12	Personal benefits	30,695	34,516	35,897	36,301
13.0	Benefits for former personnel	-	-	-	-
	Total, personnel comp. and benefits	117,449	127,196	132,284	128,149
Other Objects:					
21.0	Travel and transportation of persons	8,906	8,933	10,386	9,745
22.0	Transportation of things	1,248	1,278	1,329	1,263
23.1	Rental payments to GSA	95	98	98	98
23.2	Rental payments to others	3,749	2,580	2,683	2,549
23.3	Communications, utilities, and misc. charges	3,396	4,854	5,596	5,316
24.0	Printing and reproduction	520	50	52	49
25	Other contractual services	-	-	-	-
25.1	Advisory and assistance services	29,102	15,114	17,476	17,250
25.2	Other services from non-Federal sources	11,426	2,864	2,979	2,830
25.3	Other goods and services from Federal sources	1,846	580	580	580
25.4	Operation and maintenance of facilities	17	792	1,372	2,030
25.5	Research and development contracts	18,886	49,487	51,562	41,374
25.6	Medical care	179	1,083	1,101	1,046
25.7	Operation and maintenance of equipment	1,442	5,088	5,262	4,999
25.8	Subsistence and support of persons	17	80	83	79
26.0	Supplies and materials	1,542	1,499	1,534	1,457
31.0	Equipment	527	787	1,353	1,251
32.0	Land and structures	-	-	-	-
33.0	Investments and loans	-	-	-	-
41.0	Grants, subsidies, and contributions	84	34	-	-
	Total, Other Objects	82,982	95,201	103,446	91,916
99.9	Total, new obligations	200,431	222,397	235,730	220,065
	DHS Building Security Payments (included in 25.3).....	\$204	\$290	\$290	\$290
Position Data:					
	Average Salary (dollars), ES Position	\$176,651	\$180,184	\$183,788	\$187,463
	Average Salary (dollars), GS Position	\$102,829	\$104,886	\$106,983	\$109,123
	Average Grade, GS Position	13.0	13.0	13.1	13.2

## STATUS OF PROGRAMS

The Foreign Agricultural Service (FAS) is the foreign affairs agency with primary responsibility for the United States Department of Agriculture's (USDA) overseas programs—international trade agreements and negotiations, market development, and the collection of statistics and market information. FAS's programs and global network of agricultural attachés and locally employed staff provide an unparalleled resource for understanding trade policy and market development issues as they arise.

### TRADE POLICY

Greater access to foreign markets for U.S. agricultural producers requires an aggressive trade policy to lower tariffs, to reduce non-tariff barriers, to eliminate export subsidies, to reduce trade-distorting domestic subsidies and to foster the development of rules-based international systems that facilitate global trade. FAS works with other USDA agencies, the Office of the United States Trade Representative (USTR), and others in the U.S. Government to negotiate new trade agreements and enforce existing trade agreements. In addition, FAS preserves trade through resolution of foreign market access issues such as U.S. export detainment, restrictive Sanitary and Phytosanitary (SPS) & Technical Barriers to Trade (TBT) issues, and trade regulations. FAS overseas attachés and Washington-based analysts cover more than 170 countries worldwide to prevent and resolve trade problems involving U.S. products and to provide country and regional intelligence to support U.S. exporters and agricultural producers. FAS combines its intelligence gathering, analytical skills, overseas presence, extensive industry contacts, technical expertise, and relations with other U.S. Government agencies to develop and implement coordinated strategies to open overseas markets for U.S. agriculture. These efforts directly augment the private sector's ability to export and support the President's goals of job creation and sustainable economic growth. Notable achievements in these areas in 2019 include:

**U.S. Wins World Trade Organization (WTO) Cases on China's Domestic Support and Tariff Rate Quota (TRQ) Administration for Wheat, Rice, and Corn.** The United States made important progress on two cases at the WTO in 2019 to the benefit of U.S. grains producers. America's wheat, corn, and rice industries are vitally important to our national economy. Together, exports to China from these industries average \$20 billion per year. These exports contribute an additional estimated \$70 billion to the U.S. economy every year and supports 200,000 American jobs.

**Trade Preserved.** In FY 2019 FAS negotiated the release of hundreds of detained shipments from the United States to dozens of countries. These shipments represent well over \$95 million and range from two juvenile giraffes in Taiwan to soybeans in Pakistan to citrus in Peru to beef in Germany. Detained shipments risk being destroyed and have an immediate impact on U.S. companies, especially small and medium-sized companies that cannot afford to lose an entire container or more of product.

## **TRADE SUPPORTING INITIATIVES**

FAS supports U.S. industry efforts to build, maintain, and expand overseas markets for U.S. food and agricultural products. The agency administers several export development programs including the Foreign Market Development (Cooperator) Program (FMD), Market Access Program (MAP), Technical Assistance for Specialty Crops (TASC) Program, Quality Samples Program (QSP), Emerging Markets Program (EMP); and the Agricultural Trade Promotion program (ATP). These programs provide funds to U.S. organizations to conduct a wide range of activities including market research, consumer promotion, trade servicing, capacity building, and market access support. The results of FAS' efforts ultimately benefit both the farm and non-farm sectors of the U.S. economy through the creation of jobs and new market opportunities. Working with the State Regional Trade Groups (Food Export USA Midwest, Food Export USA Northeast, the Western United States Agricultural Trade Association, and the Southern United States Trade Association) and other industry organizations, FAS encourages outreach efforts that focus on facilitating export readiness for U.S. small- to medium-sized enterprises (SMEs). FAS facilitates U.S. industry participation in a range of international trade shows and manages credit guarantee programs to benefit U.S. agricultural exports.

### **MARKET DEVELOPMENT PROGRAMS**

**MAP-Funded Promotions Help to Increase California Table Grape Exports to Vietnam by Over 50 Percent.** The California Table Grape Commission conducted MAP-supported promotions in targeted retail chains in Vietnam from August through December 2018. Using in-store sampling, product demonstrations, display contests, and themed point-of-purchase materials, a total of 314 participating retail stores promoted California grapes. These promotions contributed to total California grape export volume to Vietnam and a 54 percent increase over the previous year, reaching 1.5 million 19-pound boxes, for an export value of \$39.3 million.

### **INTERNATIONAL TRADE SHOWS**

In 2019, over 900 U.S. companies and organizations participated in 22 USDA-endorsed trade shows in 16 countries which drew buyers from all over the world. On-site sales totaled nearly \$300 million and 12-month projected sales reported by exhibitors were estimated at over \$2 billion. The companies made over 15,000 serious business contacts and displayed more than 5,000 new products. One such example:

**Seafood Expo Global 2019 Hooks Record Catch for U.S. Exporters.** Seafood Expo Global (SEG), the most important international event for the seafood industry, took place May 2019 in Brussels, Belgium. This annual event attracted over 29,000 buyers, suppliers, media and other seafood professionals from more than 150 countries and more than 1,900 exhibitors from 78 countries. The USA pavilion was composed of three industry association pavilions. Southern U.S. Trade Association, Food Export USA Northeast, and the Alaska Seafood Marketing Institute. In total, 43 U.S. exhibitors displayed their products in the USA pavilion. USA Pavilion

exhibitors reported record breaking on-site sales of over \$194 million and 12-month projected sales of over \$1.2 billion.

#### ***AGRIBUSINESS TRADE MISSIONS (ATMs)***

FAS conducts ATMs in countries and regions around the world that demonstrate strong economic growth potential, decreasing barriers to trade, or have other relevant market conditions that support U.S. agricultural exports. ATMs: provide first-hand education to U.S. businesses and State Department of Agriculture representatives about economic conditions and regulatory environments in host-country markets, allow U.S. businesses to conduct one-on-one business meetings with counterpart companies from targeted countries, and enable senior leadership from USDA to engage government representatives in trade-related policy dialogue that furthers U.S. interests and bolsters bilateral relations. In 2019, FAS conducted six Agribusiness Trade Missions that enabled more than 170 U.S. companies and organizations to engage in 3,200 one-on-one meetings with foreign buyers, generating more than \$78 million in projected 12-month sales. One such example:

**U.S.-Colombia ATM.** FAS led the successful ATM to Bogota, Colombia from June 3-6, 2019, coordinated by USDA and the American Chamber of Commerce of Bogota. There were 42 U.S. companies, six State Departments of Agriculture representatives, 10 cooperators, two State Regional Trade Groups, along with 15 companies from Panama on the mission. There were 541 individual business meetings with projected 12 months sales over \$16.7 million. It was the largest ATM ever organized by USDA. Since 2012, U.S. agricultural exports to Colombia increased 164 percent to \$2.91 billion, making Colombia the largest market in South America.

#### ***COUNTRY STRATEGY SUPPORT FUND***

FAS Washington works closely with FAS Posts to link the use of the Country Strategy Support Fund (CSSF) to the strategic trade expansion goals of FAS and USDA. The fund supports market promotion and other FAS strategic priorities, including market access as demonstrated by the example below:

**CSSF Helps Grow U.S. Seafood Sales to Morocco.** FAS Rabat recruited and sponsored Moroccan buyers to the U.S. Pavilion at the Seafood Expo held in Brussels, Belgium, May 7–9, 2019. FAS facilitated 20 meetings with U.S. exhibitors and trade associations. While buyers recorded no on-site purchases, they estimate that sales will grow by 5 percent over the next 12 months, totaling \$262,500. This will include U.S. hake, shrimp, scallops, rockfish, and wild salmon.

#### **COMMODITY CREDIT CORPORATION (CCC) EXPORT CREDIT GUARANTEE AND FACILITY GUARANTEE PROGRAMS**

The objective of the CCC Export Credit Guarantee Program (GSM-102) is to increase sales of U.S. agricultural commodities to international markets by facilitating the extension of export credit to countries – mainly developing countries – that have enough financial strength to have foreign exchange available for scheduled payments. In 2019, the GSM-102 program supported \$2.0 billion

in agricultural commodity exports. The largest markets were Mexico, South America, Central America, Caribbean Region and Africa/Middle East. The most heavily registered commodities included yellow corn, soybeans, soybean meal, wheat, soybean oil, white corn, cotton, and distiller’s dried grains (DDGs). Accomplishments for 2019 include:

- The GSM-102 program supported \$746 million in U.S. yellow corn sales in 2019. U.S. yellow corn exports to Jamaica, Costa Rica, and Colombia, through the GSM-102 program, accounted for 38 percent, 37 percent, and 17 percent, respectively in 2019. The GSM-102 program also supported virtually all U.S. yellow corn sales (\$5 million) to Ecuador. GSM-102 helps U.S. exports to compete with other major yellow corn suppliers, such as Argentina and Brazil, in these markets.
- Soybeans were the second largest commodity supported by the GSM-102 program, with \$478 million in sales for 2019. U.S. soybean sales under the program to Panama, Mexico, and Tunisia accounted for 22 percent, 16 percent, and 13 percent, respectively in 2019. With the help of the GSM-102 program, the United States was able to compete in Tunisia’s soybean market against competitors Brazil and Ukraine.

**GSM-102 Program  
Exports Supported by Region  
FY 2019**

<u>Country/Region</u>	<u>\$ Millions</u>
Africa & Middle East	147
Asia Region	37
Caribbean Region	187
Central America Region	451
Mexico	607
South America Region	481
South Korea	107
Southeast Asia Region	0
Turkey	7
<b>Total</b>	<b>\$2,024</b>

**PROGRAM MANAGEMENT/OVERSIGHT**

In 2019, FAS continued to proactively manage GSM-102 program risk and costs. To help meet this goal, FAS continued its annual analysis of historical program defaults and recoveries to determine true net default rates and applied actuarial data to the credit reform subsidy model. Average program subsidy was negative at -0.22 percent in 2019 and is currently estimated at -0.21 percent for 2020.

FAS has adequate controls in place to ensure the program is administered in compliance with applicable laws, regulations, policies, and procedures. FAS continued annual testing of GSM-102 program internal controls in accordance with OMB Circular A-123 and the Improper Payments Elimination and Recovery Act (IPERA). There were no control deficiencies identified and no corrective actions needed for 2019. FAS tests this program more frequently – and tests a larger set of internal controls – than required to ensure appropriate financial and operational control over this program.

### **EFFICIENT OPERATIONS**

FAS funds several food aid programs, namely Food for Progress (FFP) and the McGovern-Dole International Food for Education and Child Nutrition Program. FFP uses the food resources of the United States to support developing countries to develop and expand their agricultural economies. The McGovern-Dole Program provides for the donation of U.S. agricultural products, as well as financial and technical assistance, to support school feeding and maternal and child nutrition projects. These programs are implemented with strict adherence to their legal mandates and effective management, ensuring FAS is both effective and efficient in its food aid delivery.

### **FOREIGN FOOD ASSISTANCE PROGRAMS**

FAS actively administers food assistance programs (Food for Progress (FFPr), the McGovern-Dole International Food for Education and Child Nutrition (McGovern-Dole) Program, and the Local and Regional Food Aid Procurement (LRP) Program) to help developing countries strengthen economic development and facilitate the transition from food assistance recipients to commercial importers. No programs were furnished under the P.L. 480, Title I program, which did not receive an appropriation. In 2019, FAS projects focused on making school feeding programs sustainable and improving developing countries' abilities to produce and trade agricultural commodities. The programs featured a mix of monetization and direct distribution to meet the specific food security needs and challenges of recipient countries. In 2019, FAS programmed approximately 292.5 metric tons of food assistance with a value of approximately \$309.8 million. Of this amount, estimated commodity costs were \$115 million with transportation and other non-commodity costs estimated at \$156 million. A total of 16 countries received food assistance through FAS-administered programs.

#### **FAS FOOD ASSISTANCE PROGRAM SUMMARY, 2019**

<b><u>Program</u></b>	<b><u>\$ Millions</u></b>	<b><u>MT (000)</u></b>
CCC Funded/FFPr	125.8	204.4
McGovern-Dole Food for Education	169.0	61.1
LRP	<u>15.0</u>	<u>27.0</u>
<b>Total, Food Assistance</b>	<b>\$309.8</b>	<b>292.5</b>

**CCC FUNDED - FOOD FOR PROGRESS (FFPr)**

The FFPr program assists developing countries and emerging democracies by introducing and expanding private enterprise in the agricultural sector. In 2019, CCC funding provided 204.4 MT of commodities. Implementing partners were either private voluntary organizations (PVOs) or foreign governments that monetize (commercially sell) the commodities and use sales proceeds to fund development projects. Countries receiving CCC-funded FFPr assistance and the quantity of the commodities programmed in 2019 are shown in the tables below. In FY 2019, \$790 million from agreements funded from FY 2013 – 2019 benefited 37 countries. These programs have demonstrated success in assisting farmers and agribusinesses, increasing agricultural productivity, improving rural infrastructure for developing markets, and increasing trade. The following is a success story for FFPr:

**Pakistan – Expanding Access to Domestic and International Horticultural Markets.** The Pakistan Agricultural Development (PAD) project was implemented in 2016 in partnership with Winrock International to improve productivity and expand market access in four horticulture value chains. red chili, tomato, dates and banana. In 2019, PAD trained chili and date producers on meeting phytosanitary and food safety standards and improving post-harvest practices to meet domestic and international market demands. Since September 2018, over 16,000 PAD beneficiaries have achieved approximately \$47.4 million in combined sales.

**2019 CCC –FUNDED FFPr**

(\$ Millions)

<b><u>COUNTRY</u></b>	<b><u>TOTAL VALUE</u></b>
East African Community	13.3
Ethiopia	17.4
Indonesia	20.6
Paraguay	13.9
The Philippines	13.3
West Africa Regional	<u>47.3</u>
<b>Subtotal</b>	<b>\$125.8</b>

**MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM**

The McGovern-Dole International Food for Education and Child Nutrition (McGovern-Dole) program feeds school children with U.S.-sourced commodities and enhances the literacy, nutrition, and hygienic practices of the children and their families. The program supports communities of pre- and primary school-age children and provides nutrition programs for women, infants, and children in foreign countries. Authorized by the Farm Security and Rural

Investment Act of 2002, the program became operational in 2003. About \$169 million in assistance was made available under the program in 2019, with approximately 28 percent of these funds allocated to commodity and freight costs. The remaining funds supported complementary activities focused on ensuring sustainability, educational instruction, teacher training, school infrastructure construction, water and sanitation improvements, and administrative expenses.

**Tanzania - Turning the Tide on Unsanitary School Conditions.** In 2016, USDA awarded Project Concern International (PCI) \$33.2 million to implement a five-year McGovern-Dole school project for 235,197 pre-primary and primary school children in the most food insecure region of Tanzania. Through this program, PCI has developed a comprehensive school water, sanitation and hygiene (SWASH) package of activities that have greatly increased access to clean water and basic hygiene facilities boosting the link between health, nutrition and education. To address the challenges and health repercussions of limited SWASH infrastructure at schools, PCI in collaboration with local government authorities and communities invested in the construction of improved latrines, handwashing facilities and water systems in 191 primary schools of the 231 targeted. With support from USDA and in partnership with the Government of Tanzania, PCI has helped a total of 103,456 school children gain access to an improved latrine at school. Of that number, more than 87% now have consistent access to clean and safe water.

#### **LOCAL AND REGIONAL PROCUREMENT PROGRAM**

The objectives of the USDA Local and Regional Procurement (LRP) program are to ensure the cost effectiveness and timely provision of safe, quality foods to populations affected by food crises and disasters; to strengthen the ability of local and regional farmers, community farmer groups, farmer cooperatives, processors, and agribusinesses to provide high quality commodities in support of school feeding programs, and responses to food crises and disasters; and increase the capacity of organizations and governments to procure commodities in support of school feeding programs, development activities, and responses to food crises and disasters. A notable success of the program:

**Rwanda – USDA Supports Improved Nutrition of Students through Local Procurement of Maize Meal and Beans.** In FY 2016, USDA awarded the World Food Programme (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. A total of 41,521 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, including training in post-harvest handling and storage to reduce spoilage and post-harvest loss, and good agricultural practices including soil preparation, have resulted in cooperatives' increased production, quality, and improved market access.

**2019 LRP FUNDING ALLOCATIONS***(\$ Millions)*

<b><u>COUNTRY</u></b>	<b><u>ESTIMATED TOTAL VALUE</u></b>
Burkina Faso	4.8
Cambodia	4.7
Nicaragua	<u>5.5</u>
<b>Subtotal</b>	<b>\$15.0</b>

**PROGRAM EVALUATION**

The following monitoring and evaluation accomplishments support FAS' commitment to ensuring a strong culture of evaluation, accountability, and learning from evidence. FAS' project-level monitoring and evaluation system were finalized and published in 2019. The updated indicator handbook includes new and revised standard indicators that aid USDA in aligning with interagency initiatives such as Feed the Future. FAS' Monitoring and Evaluation (M&E) Policy was also updated to reflect the whole-of-government emphasis on strong evidence, including key principles for M&E of foreign assistance programs as described in guidelines for the Foreign Aid Transparency and Accountability Act (FATAA). In a recent collaborative success, FAS fulfilled its long-term commitment to transparency by partnering with USAID to publicly post evaluations of USDA international food assistance projects in the Development Experience Clearinghouse (DEC), USAID's public portal for M&E and programmatic documents. Leveraging the DEC as a repository for FAS' publicly available evaluations allow data users to access USG international food assistance evaluations on one platform.

## PUBLIC LAW 480 – TITLE I & TITLE II

### **PURPOSE STATEMENT**

Under programs authorized by P. L. 480, as amended, U.S. agricultural commodities are exported to developing countries as food assistance. No commodities may be made available except upon determination that adequate storage facilities are available in the recipient country at the time of exportation to prevent spoilage or waste and that the distribution will not be a substantial disincentive to the recipient country's domestic production.

No agreements may be made with the government of any country which engages in a consistent pattern of gross violations of internationally recognized human rights or other flagrant denial of the right to life, liberty, and personal security unless the use of the commodities themselves or proceeds from their sale are targeted to the neediest people of that country and are made available through channels other than the government.

Facilities and funds of the Commodity Credit Corporation (CCC) are, by law, used in carrying out programs for exporting agricultural commodities. The law also authorizes making appropriations to cover costs of such programs. When funds for Title I ocean freight differential and Title II become available, advances are made to the Corporation for estimated costs. If the amounts appropriated are greater than actual costs, the excess is carried forward for use in future years.

The following activities are carried out under P.L. 480, as amended:

***1. P.L. 480 Title I- Financing sales of agricultural commodities to developing countries or private entities for dollars on credit terms, or for local currencies (including for local currencies on credit terms) for use under section 104; and for furnishing commodities to carry out the Food for Progress Act of 1985, as amended.***

All sales of commodities are made pursuant to agreements concluded under Title I authority, using funds appropriated for P.L. 480. Title I agreements are intended to encourage economic development in recipient countries. P.L. 480 Title I sales are made to developing countries as defined in section 402(5) of P.L. 480 and must not disrupt world prices or displace expected commercial sales (sections 403(e) and (h)). Agreements with private entities as well as foreign governments are authorized (sections 101-102).

Repayments for agricultural commodities sold under Title I, with interest at a concessional rate as determined by the Secretary, may be made either in U.S. dollars or in local currencies on credit terms up to 30 years, with a grace period of up to five years. Interest is charged from the date of last delivery in each calendar year. Payments received under fiscal year 1992 and subsequent agreements are deposited in a financing account for use by the U.S. Treasury to offset U.S. Government outlays.

Under the Food for Progress Act of 1985, CCC may provide agricultural commodities on a grant basis or may finance the sale and exportation of agricultural commodities on credit terms to support developing countries and countries that are emerging democracies and have made commitments to introduce or expand free enterprise elements in their agricultural economies. For commodities furnished on a grant basis, the Corporation may pay, in addition to acquisition costs and ocean transportation, such related commodity and delivery charges as specified for commodities supplied under Title II.

For most sales agreements under Title I, CCC will pay ocean freight charges only to the extent of the difference between U.S.-flag rates and foreign-flag rates when U.S.-flag vessels are required to be used by authority of the Merchant Marine Act. This difference in rates is known as the ocean freight differential. In limited cases, full transportation costs to port of entry or point of entry abroad may be included with the cost of the commodity in the amount financed by CCC to ensure that U.S. food aid will reach the neediest recipients.

Section 411 of P.L. 480 authorizes the President to waive payments of principal and interest under dollar credit sales agreements for countries which are least developed and either (1) have an International Monetary Fund standby agreement or a structural adjustment program of the International Bank for Reconstruction and Development in effect; or (2) do not have an agreement in effect but are pursuing a policy to promote democratic, market-oriented and long-term economic development. If such authority is used to waive payments, no new Title I assistance may be provided for that country for two years following the date of the authorized waiver unless the President provides prior written justification to the Congress.

***2. P.L. 480 Title II- Commodities supplied in connection with dispositions abroad.***

P.L. 480 Title II grants fund emergency and development food aid programs authorized under Title II of the Food for Peace Act (P.L. 83-480). Funding for Title II is appropriated to the U.S. Department of Agriculture and is administered by the U.S. Agency for International Development (USAID). There is no request for P.L. 480 Title II, as part of an Administration effort to streamline foreign assistance prioritize funding and use funding effectively and efficiently as possible.

**LEAD-OFF TABULAR STATEMENT**

*Table P.L. 480-1. Lead-Off Tabular Statement*

**Public Law 480 Title 1**

2020 Appropriation.....	\$142,000
Change in Appropriation.....	-30,000
Budget Estimate, 2021.....	112,000

**Public Law 480 Title II**

2020 Appropriation.....	\$1,725,000
Change in Appropriation.....	-1,725,000
Budget Estimate, 2021.....	0

**APPROPRIATIONS LANGUAGE**

*The appropriations language follows (new language underscored; deleted language enclosed in brackets):*

FOOD FOR PEACE TITLE I DIRECT CREDIT AND FOOD FOR PROGRESS PROGRAM ACCOUNT (INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the credit program of title I, Food for Peace Act (Public Law 83-480) and the Food for Progress Act of 1985, [\$142,000] \$112,000, shall be transferred to and merged with the appropriation for “Farm [Service Agency] Production and Conservation Business Center, Salaries and Expenses”.

FOOD FOR PEACE TITLE II GRANTS

[For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Food for Peace Act (Public Law 83-480), for commodities supplied in connection with dispositions abroad under title II of said Act, \$1,725,000,000, to remain available until expended.]

**PROJECT STATEMENT**

*Table P.L. 480-2. Project Statement (Dollars in Thousands, Staff Years (SY))*

**Foreign Agricultural Service  
P.L 480 Title I  
(Dollars in Thousands)**

<u>Program/Activity</u>	2018		2019		2020		2021		Change from	
	<u>Actual</u>		<u>Actual</u>		<u>Enacted</u>		<u>Budget Request</u>		<u>2020 Enacted</u>	
	<u>B.A.</u>	<u>SY</u>	<u>B.A.</u>	<u>SY</u>	<u>B.A.</u>	<u>SY</u>	<u>B.A.</u>	<u>SY</u>	<u>B.A.</u>	<u>SY</u>
Direct Appropriations:										
P.L. 480 Title I - Admin. Expenses.....	\$149		\$142		\$142		\$112		-\$30	0
Subtotal, Direct Appropriations.....	149		142		142		112		-30	0
<b>Total, Discretionary Funding.....</b>	<b>149</b>	<b>0</b>	<b>142</b>	<b>0</b>	<b>142</b>	<b>0</b>	<b>112</b>	<b>0</b>	<b>-30</b>	<b>0</b>
Sequestration .....	0		0		0		0		0	0
Recoveries, Other .....	0		0		0		0		0	0
<b>Total Available.....</b>	<b>149</b>	<b>0</b>	<b>142</b>	<b>0</b>	<b>142</b>	<b>0</b>	<b>112</b>	<b>0</b>	<b>-30</b>	<b>0</b>
Balances, Available End of Year.....			0		0		0		0	0
<b>Total Obligations .....</b>	<b>149</b>	<b>0</b>	<b>142</b>	<b>0</b>	<b>142</b>	<b>0</b>	<b>112</b>	<b>0</b>	<b>-30</b>	<b>0</b>

2021 USDA EXPLANATORY NOTES – FOREIGN AGRICULTURAL SERVICE

Foreign Agricultural Service

P.L. 480 Title II

(Dollars in Thousands)

Program/Activity	2018		2019		2020		2021		Change from	
	Actual		Actual		Enacted		Budget Request		2020 Enacted	
	B.A.	SY	B.A.	SY	B.A.	SY	B.A.	SY	B.A.	SY
Direct Appropriations:										
P.L. 480 Title II - Donation.....	\$1,716,000		\$1,716,000		\$1,725,000		0		-\$1,725,000	0
Subtotal, Direct Appropriations .....	1,716,000		1,716,000		1,725,000		0		-1,725,000	0
<b>Total, Discretionary Funding.....</b>	<b>1,716,000</b>	<b>0</b>	<b>1,716,000</b>	<b>0</b>	<b>1,725,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,725,000</b>	<b>0</b>
Carryover from Prior Years:										
P.L. 480 Title II - Donation.....	208,714		234,679		181,039		0		-181,039	0
Subtotal, Carryover .....	208,714	0	234,679	0	181,039	0	0	0		
Recoveries, Other .....	152,495		89,273		0		0		0	0
<b>Total Available.....</b>	<b>2,077,209</b>	<b>0</b>	<b>2,039,952</b>	<b>0</b>	<b>1,906,039</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,906,039</b>	<b>0</b>
Balances, Available End of Year.....	-234,679		-181,039		0		0		0	0
<b>Total Obligations .....</b>	<b>1,842,530</b>	<b>0</b>	<b>1,858,913</b>	<b>0</b>	<b>1,906,039</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,906,039</b>	<b>0</b>

**JUSTIFICATIONS OF INCREASES/DECREASES***P.L. 480 Title I*(1) A decrease of \$30,000 (\$142,000 available in 2020)

Funds will be used to carry out the administrative functions for outstanding loans. Funding will be used to cover program management, financial management, overhead and other functions. This decrease reflects the overall reduction in program funding to meet budgetary constraints.

*P.L. 480 Title II*(2) A decrease of \$1,725,000 (\$1,725,000 available in 2020)

P.L. 480 II grants fund emergency and development food aid programs authorized under Title II of the Food for Peace Act (P.L. 83-480). Funding for Title II is appropriated to the U.S. Department of Agriculture and is administered by the U.S. Agency for International Development (USAID). There is no request for P.L. 480 Title II, in 2021, as part of an Administration effort to streamline foreign assistance.

**CLASSIFICATION BY OBJECTS***Table P.L. 480-3. Classification by Objects**P.L. 480 Title I (thousands of dollars)*

<b>Item No.</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Enacted</b>	<b>2021 Budget</b>
25.3	Other goods and services from Federal sources	\$149	\$142	\$142	\$112
	Total, Other Objects	149	142	142	112
99.9	Total, new obligations	149	142	142	112

*P.L. 480 Title II (thousands of dollars)*

<b>Item No.</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Enacted</b>	<b>2021 Budget</b>
41.0	Grants, subsidies, and contributions	\$1,842,530	\$1,858,913	\$1,906,039	0
	Total, Other Objects	1,842,530	1,858,913	1,906,039	0
99.9	Total, new obligations	1,842,530	1,858,913	1,906,039	0

**MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM**

**PURPOSE STATEMENT**

The program provides for the donation of U.S. agricultural commodities and associated financial and technical assistance to carry out preschool and school feeding programs in foreign countries. Maternal, infant, and child nutrition programs are also authorized under the program.

**LEAD-OFF TABULAR STATEMENT**

*Table MGD-1. Lead-Off Tabular Statement*

**McGovern-Dole**

2020 Appropriation.....	\$220,000,000
Change in Appropriation.....	-220,000,000
Budget Estimate, 2021.....	0

**APPROPRIATIONS LANGUAGE**

*The appropriations language follows (new language underscored; deleted language enclosed in brackets):*

[For necessary expenses to carry out the provisions of section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1), \$220,000,000, to remain available until expended: *Provided*, That the Commodity Credit Corporation is authorized to provide the services, facilities, and authorities for the purpose of implementing such section, subject to reimbursement from amounts provided herein: *Provided further*, That of the amount made available under this heading, not more than 10 percent, but not less than \$20,000,000, shall remain available until expended to purchase agricultural commodities as described in subsection 3107(a)(2) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1(a)(2)).]

2021 USDA EXPLANATORY NOTES – FOREIGN AGRICULTURAL SERVICE

**PROJECT STATEMENT**

*Table MGD-2. Project Statement (Dollars in Thousands, Staff Years (SY))*

Program/Activity	Foreign Agricultural Service McGovern-Dole (Dollars in Thousands)									
	2018		2019		2020		2021		Change from	
	Actual		Actual		Enacted		Budget Request		2020 Enacted	
	B.A.	SY	B.A.	SY	B.A.	SY	B.A.	SY	B.A.	SY
Direct Appropriations:										
McGovern-Dole.....	\$207,626	0	\$210,255	0	\$220,000	0	0	0	-\$220,000	0
Total, Discretionary Funding .....	207,626	0	210,255	0	220,000	0	0	0	-220,000	0
<b>Total, Discretionary Funding.....</b>	<b>207,626</b>	<b>0</b>	<b>210,255</b>	<b>0</b>	<b>220,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-220,000</b>	<b>0</b>
Carryover from Prior Years:										
McGovern-Dole.....	9,083	0	49,182	0	49,182		0	0	-49,182	0
Subtotal, Carryover .....	9,083	0	49,182	0	49,182	0	0	0		
Recoveries, Other .....	40,745	0	780	0	0	0	0	0	0	0
<b>Total Available.....</b>	<b>257,454</b>	<b>0</b>	<b>260,217</b>	<b>0</b>	<b>269,182</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-269,182</b>	<b>0</b>
Balances, Available End of Year.....	-49,182	0	-49,182	0	0	0	0	0	0	0
<b>Total Obligations.....</b>	<b>208,272</b>	<b>0</b>	<b>211,035</b>	<b>0</b>	<b>269,182</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-269,182</b>	<b>0</b>

**JUSTIFICATIONS OF INCREASES/DECREASES**

**McGovern-Dole: A decrease of \$220,000,000 from Fiscal Year 2020 H.R. 1865.**

(1) A decrease of \$220,000,000.

The 2021 Budget prioritizes development assistance programs and proposes to eliminate the McGovern-Dole food aid program. In kind food aid is associated with high transportation and other costs and is inefficient compared to other types of development assistance. In addition, the McGovern Dole program has unaddressed oversight and performance monitoring challenges.

**CCC EXPORT CREDIT GUARANTEE PROGRAMS**

**PURPOSE STATEMENT**

The Export Credit Guarantee program provides credit guarantees to encourage financing of commercial exports of U.S. agricultural products. By reducing financial risk to lenders, credit guarantees encourage exports to buyers in countries — mainly developing countries — that have sufficient financial strength to have foreign exchange available for scheduled payments.

**LEAD-OFF TABULAR STATEMENT**

*Table GSM-1. Lead-Off Tabular Statement*

**Commodity Credit Corporation (CCC) Credit Export Programs**

2020 Appropriation.....	\$6,381,000
Change in Appropriation.....	0
Budget Estimate, 2021.....	6,381,000

**APPROPRIATIONS LANGUAGE**

*The appropriations language follows (new language underscored; deleted language enclosed in brackets):*

For administrative expenses to carry out the Commodity Credit Corporation’s Export Guarantee Program, GSM 102 and GSM 103, \$6,381,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which \$6,063,000 shall be transferred to and merged with the appropriation for “Foreign Agricultural Service, Salaries and Expenses”, and of which \$318,000 shall be transferred to and merged with the appropriation for [“Farm Service Agency, Salaries and Expenses”]Farm Production and Conservation Business Center, Salaries and Expenses”.

2021 USDA EXPLANATORY NOTES – FOREIGN AGRICULTURAL SERVICE

**PROJECT STATEMENT**

*Table GSM-2. Project Statement (Dollars in Thousands)*

FOREIGN AGRICULTURE SERVICE													
CCC Export Credit Guarantee Programs													
(Dollars in Thousands)													
Program/Activity	2018 Actual		2019 Actual		2020 Enacted		2021 Budget Request		Change from 2020 Enacted		Subsidy Rates		
	P.L.	B.A.	P.L.	B.A.	P.L.	B.A.	P.L.	B.A.	P.L.	B.A.	2019	2020	2021
Discretionary Funds:													
FSA Administrative Expenses....	0	\$2,463	0	\$2,463	0	\$318	0	\$318	0	0			
FAS Administrative Expenses.....	0	6,382	0	6,382	0	6,063	0	6,063	0	0			
Subtotal, Direct Appropriations	0	8,845	0	8,845	0	6,381	0	6,381	0	0			
<b>Total, Discretionary Funding .....</b>	<b>0</b>	<b>8,845</b>	<b>0</b>	<b>8,845</b>	<b>0</b>	<b>6,381</b>	<b>0</b>	<b>6,381</b>	<b>0</b>	<b>0</b>			
Mandatory Funds:													
GSM 102 .....	\$1,977,571	0	\$2,024,007	0	\$5,000,000	0	\$5,000,000	0	0	0	-0.22%	-0.2%	-0.24%
Facilities .....	0	0	-	0	500,000	0	500,000	0	0	0	-2.52%	-0.24%	-1.98%
Subtotal, Mandatory Funds ...	1,977,571	0	2,024,007	0	5,500,000	0	5,500,000	0	0	0			
<b>Total Available .....</b>	<b>1,977,571</b>	<b>8,845</b>	<b>2,024,007</b>	<b>0</b>	<b>5,500,000</b>	<b>0</b>	<b>5,500,000</b>	<b>6,381</b>	<b>0</b>	<b>0</b>			
<b>Total Obligations .....</b>	<b>1,977,571</b>	<b>8,845</b>	<b>2,024,007</b>	<b>0</b>	<b>5,500,000</b>	<b>0</b>	<b>5,500,000</b>	<b>6,381</b>	<b>0</b>	<b>0</b>			

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS***Table GSM-3. GSM 102 Geographic Breakdown of Obligations (Dollars in Thousands)*

Country	2018		2019		2020		2021	
	Actual	SY	Actual	SY	Enacted	SY	Budget	SY
Argentina	-	-	-	-	\$99,000	-	-	-
Armenia	-	-	-	-	-	-	\$21,000	-
Azerbaijan	-	-	-	-	-	-	21,000	-
Brazil	-	-	\$408,879	-	497,000	-	806,000	-
Chile	\$9,050	-	6,817	-	9,000	-	20,000	-
China	-	-	-	-	99,000	-	21,000	-
Colombia	77,846	-	64,955	-	75,000	-	129,000	-
Costa Rica	88,498	-	36,179	-	107,000	-	104,000	-
Dominican Republic	50,094	-	25,218	-	90,000	-	71,000	-
Ecuador	-	-	-	-	10,000	-	-	-
Egypt	-	-	4,663	-	80,000	-	27,000	-
El Salvador	66,380	-	52,431	-	82,000	-	107,000	-
Georgia	-	-	-	-	-	-	21,000	-
Ghana	-	-	-	-	-	-	21,000	-
Guatemala	429,098	-	406,110	-	763,000	-	832,000	-
Honduras	21,056	-	18,359	-	17,000	-	33,000	-
India	-	-	-	-	80,000	-	21,000	-
Indonesia	-	-	-	-	80,000	-	21,000	-
Jordan	-	-	-	-	-	-	21,000	-
Kenya	50,536	-	-	-	48,000	-	31,000	-
Korea, South	136,266	-	107,177	-	-	-	-	-
Lebanon	-	-	-	-	40,000	-	21,000	-
Mauritius	-	-	-	-	40,000	-	21,000	-
Mexico	-	-	-	-	100,000	-	21,000	-
Mongolia	46,101	-	36,532	-	69,000	-	101,000	-
Nicaragua	27,289	-	-	-	62,000	-	-	-
Nigeria	109,325	-	79,295	-	140,000	-	175,000	-
Panama	561,258	-	690,699	-	1,206,000	-	1,530,000	-
Paraguay	43,204	-	16,366	-	80,000	-	66,000	-
Peru	-	-	-	-	80,000	-	21,000	-
Philippines	-	-	-	-	20,000	-	27,000	-
Qatar	-	-	-	-	-	-	21,000	-
Senegal	-	-	-	-	-	-	21,000	-
South Africa	10,107	-	-	-	10,000	-	6,000	-
South Korea	-	-	-	-	631,000	-	320,000	-
Suriname	-	-	-	-	-	-	21,000	-
Turkey	251,463	-	70,327	-	304,000	-	269,000	-
United Arab Emirates	-	-	-	-	80,000	-	21,000	-
Vietnam	-	-	-	-	2,000	-	10,000	-
Obligations	1,977,571	-	2,024,007	-	5,000,000	-	5,000,000	-
Total, Available	1,977,571	-	2,024,007	-	5,000,000	-	5,000,000	-

**GEOGRAPHIC BREAKDOWN OF OBLIGATIONS**

*Table GSM-4. Facilities Geographic Breakdown of Obligations (Dollars in Thousands)*

<b>Country</b>	<b>2018 Actual</b>	<b>SY</b>	<b>2019 Actual</b>	<b>SY</b>	<b>2020 Enacted</b>	<b>SY</b>	<b>2021 Budget</b>	<b>SY</b>
Chile	-	-	-	-	80,000	-	80,000	-
China	-	-	-	-	70,000	-	80,000	-
Egypt	-	-	-	-	70,000	-	50,000	-
El Salvador	-	-	-	-	70,000	-	80,000	-
Guatemala	-	-	-	-	70,000	-	80,000	-
Nigeria	-	-	-	-	70,000	-	-	-
Pakistan	-	-	-	-	-	-	50,000	-
United Arab Emirates	-	-	-	-	70,000	-	80,000	-
Obligations	-	-	-	-	500,000	-	500,000	-
Total, Available	-	-	-	-	500,000	-	500,000	-

**CLASSIFICATION BY OBJECTS**

*Table GSM-5. Classification by Objects (Dollars in Thousands)*

<b>Item No.</b>	<b>Item</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Estimate</b>	<b>2021 Budget</b>
25.3	Other goods and services from Federal sources	8,845	8,845	6,381	6,381
	Total, Other Objects	8,845	8,845	6,381	6,381

## AGENCY-WIDE PERFORMANCE

### SUMMARY OF PERFORMANCE

The Foreign Agricultural Service (FAS) was re-established on March 10, 1953, by Secretary's Memorandum No. 1320, Supplement 1. FAS is a trade agency that promotes U.S. agricultural exports.

FAS has four strategic goals and two strategic objectives that contribute to one Strategic Objective within the Department's Strategic Plan. The following table summarizes the results for the Departmental Key Performance Indicators (KPIs) for which FAS is responsible.

*Table FAS- 2 KPI's-*

KPI	2018 Actual	2019 Target	2019 Actual	2019 Result	2020 Target	2021 Target
Value of trade preserved through resolution of foreign market access issues such as U.S. export detainment, restrictive SPS & TBT issues, and trade regulations (Billions)	12.75	5.5	2.5	Unmet*	6-8	8
Value of agricultural exports resulting from participation in foreign agricultural trade shows and trade missions (Billions)	2.13	1.75	2.2	Exceeded	2.13	2.35

\*Expanding export markets for U.S. agriculture continues to face headwinds from the larger trade war.

FAS supports ratification and monitoring of completed trade agreements and bilateral trade remedies (e.g., China). FAS also implements trade programs that include the Market Access Program and Foreign Market Development Program, as well as \$300 million in additional programs, under the Agricultural Trade Promotion (ATP) program. FAS continues to expand activities at trade shows and direct marketing outreach through additional Agricultural Trade Missions (ATM). The agency will also expand regional collaboration to better support administration priorities and address trade barriers.

Overseas markets remain vital to U.S. farmers. For many agricultural products, a significant portion (one-third or higher) of domestic production (on a volume basis) is exported. Exports are an important source of income for food processing companies, packaging materials companies, transportation, and other related industries. The fiscal year 2020 agricultural exports are forecast at \$139.0 billion, up \$3.5 billion from last year.

**Selected Accomplishments Toward the Achievement of KPI Outcomes**

- In 2019, FAS negotiated the release of hundreds of detained shipments from the United States to dozens of countries. The shipments represented over \$95 million and included two juvenile giraffes to Taiwan, soybeans to Pakistan, citrus to Peru, and beef to Germany.
- In 2019, the first shipment of U.S. beef to Argentina arrived in Buenos Aires since 2003 restrictions. Following months of coordinated effort among FAS, Food Safety and Inspection Service (FSIS), and Animal and Plant Health Inspection Service (APHIS); the shipment arrived just ahead of Argentina hosting the G-20 Summit. Following a September agreement on the export certificate, both sides coordinated closely to expedite the audit and approval process required to open the Argentinian market to U.S. beef. The value of the Argentinian market for U.S. beef is estimated to be \$3 to \$5 million annually.
- FAS reviewed 2,273 WTO notifications and provided comments on 136 in 2019, defending U.S. exporters against market-crippling proposed changes. Two notable successes are the proposed Moroccan certification requirements that would have affected \$12 million in shelf-stable food and plant products and the Saudi prohibitions against promoting “ready-to-feed” infant formulas.
- In 2019, over 900 U.S. companies and organizations participated in 22 USDA-endorsed trade shows in 16 countries which drew buyers from all over the world. On-site sales totaled nearly \$300 million and 12-month projected sales reported by exhibitors were estimated at over \$2 billion. The companies made over 15,000 serious business contacts and displayed more than 5,000 new products.
- In 2019, FAS conducted four Agribusiness Trade Missions, which included participants from 149 U.S. agribusinesses, 24 cooperator groups, three State Regional Trade Groups (SRTGs) and representatives from 20 State Departments of Agriculture. In total, these organizations participated in 1,760 one-on-one business meetings, generating more than \$56 million in 12-month projected sales.
- MAP funds provide cost-sharing assistance to eligible U.S. organizations for activities such as participation in trade fairs and exhibits. In 2019, Cotton Council International’s MAP-funded technical seminars, held in April 2019, resulted in Vietnam and Indonesia spinning mills reporting their intention to purchase more than 2.2 million bales of U.S. cotton, valued at about \$750,000.

**Selected Accomplishments Expected at the 2021 Proposed Resource Level**

- Continued tracking of new developments and amended standards and regulations through the SPS and TBT Committees of the WTO while enhancing service to industry through expansion of public databases of foreign SPS/TBT measures.
- Minimize disruption to agricultural trade and encourage the adoption of new technologies by encouraging the development of risk-based and science-based

regulatory approaches through bilateral and multilateral discussion.

- Reduce the threat of disruption to agricultural trade by continuing efforts to shorten the gap for new biotech approvals between China and the United States.
- Increase the adoption of new technologies by engaging with a coalition of like-minded countries supportive of the use and trade of products derived from innovative agricultural production methods, focusing on plant biotechnology, and new livestock production technologies.
- In 2021, FAS will target 20-25 international trade shows and continue support to improve the USA Pavilions where possible at the endorsed trade shows.
- In 2021, FAS estimates conducting 4-6 Agribusiness Trade Missions in countries and regions around the world that demonstrate strong economic growth, lower trade barriers, or other relevant market conditions that support U.S. agricultural exports.