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

With the release of the Fiscal Year 2019 Congressional Budget Justification, leading NGOs, including Bread for the World, Catholic Relief Services, CARE USA, the International Rescue Committee, InterAction, Mercy Corps, ONE Campaign, Oxfam, PATH, Save the Children, and World Vision have analyzed the budget request and estimated the impact of the proposed cuts.

The numbers below reflect the estimated impacts of the Administration's proposed budget, in terms of human lives, on vulnerable men, women and children around the world.<sup>1</sup> We strongly urge Congress to reject the Administration's foreign affairs budget request and maintain Fiscal Year 2017 enacted funding of at least \$59.1 billion for the International Affairs budget. We further ask that funding for poverty-focused international affairs programs not come at the expense of other poverty-focused development, global health, and humanitarian programs that together engender a safer and more prosperous world.

#### This document will be updated as new data and information is made available.

#### Agricultural Development and Nutrition:

- In Fiscal Year 2016, almost 11 million farmers were reached with improved technologies, management practices, and increased market access. A funding cut of 48% could translate to approximately 5.28 million farmers being cut from or losing access to programs that help them grow their way out of poverty and decrease dependency.<sup>2</sup>
- In Fiscal Year 2016, more than 27 million children were reached with nutritional interventions and treatments that reduce stunting. A funding cut of 48% could result in approximately 13 million children losing access to nutrition interventions and treatments, leaving them vulnerable to stunting with as much as a 22% reduction in their lifetime earning capacity.<sup>3</sup>

#### **Emergency International Food Assistance Programs:**

 In Fiscal Year 2016, approximately 56.1 million people were reached with emergency food aid through the Emergency Food Security Program (EFSP) and through emergency Title II/Food for Peace programming. Under the Administration's proposal to eliminate Title II Food Aid and only provide \$1.5 billion for the EFSP, approximately 20 million people in crises could lose access to lifesaving food assistance as compared to Fiscal Year 2016.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> This estimate is divided by account and there is likely some level of beneficiary overlap between some of the accounts depending on geographic location. For example, displaced beneficiaries are likely to receive both food and non-food assistance. However, meeting urgent human needs and delivering sustainable development are integrative processes. Even if just one service is reduced, overall impacts and support to vulnerable populations are affected.

<sup>&</sup>lt;sup>2</sup> The impact of reduced agricultural development funding was calculated by using the FY17 level of funding and the <u>most recent</u> <u>beneficiary reach data available</u> from the US government's Feed the Future data.

<sup>&</sup>lt;sup>3</sup> The impact of reduced nutritional funding was calculated by using <u>the most recently available data</u> for the number of children reached through USAID's Feed the Future, Food for Peace Development, and Global Health Nutrition programs as part of a multi-sectoral effort to combat malnutrition, and then determining the corresponding reduction based on percentage cuts using FY17 funding. Data in the impacts of stunting on lifetime earning potential: Lake, *Investing in Nutrition Security Is Key to Sustainable Development*; and Branca and Ferrari, *Impact of Micronutrient Deficiencies on Growth*.

<sup>&</sup>lt;sup>4</sup> The overall impacts of reduce funding to emergency food aid (as comprised by Title II Emergency programs and the Emergency Food Security Program (EFSP)) was calculated using data from this <u>USAID Fact Sheet</u> and using an average of \$41.3 cost per beneficiary as averaged from FY 2016 data for EFSP programming.

#### **Non-Emergency Food Assistance Programs:**

- In Fiscal Year 2016, Food for Peace non-emergency programs helped more than 8 million food-insecure people improve their ability to feed their families, grow more nutritious food and improve their and their communities' resilience. Non-emergency programs are critical components of the US government's toolkit to fight hunger and end the vicious cycle of hunger and humanitarian crises. The Fiscal Year 2019 request would end food security programming, which presently helps 8 million people become food secure and halt smart investments in building communities' self-sufficiency, likely resulting in greater humanitarian needs in the future.<sup>5</sup>
- In Fiscal Year 2016, the U.S. Department of Agriculture, through the Food for Progress program, reached over 3.8 million small farmers and other producers, helping them improve their agricultural productivity and strengthen their capacity to engage with markets. While not all implementers support the modality of the program, without this assistance supported by mandatory funding, struggling small farmers will lose access to assistance that has helped them adopt sustainable growing practices, boost yields and the quality of their agricultural products, and connect with local, national and international buyers.<sup>6</sup>
- In 2015, the McGovern-Dole School Feeding program benefited an estimated 2.9 million children in nine countries through school feeding and take-home rations, and improved literacy rates and nutrition for primary school children, mothers, infants, and preschool children. Funding for the McGovern-Dole School Feeding Program is eliminated in the Fiscal Year 2019 request, which, if enacted, would result in approximately 2.9 million children being cut off from nutrition, education, and hygiene programs<sup>7</sup> and stymie efforts to build self-sufficient school feeding programs in countries with high rates of malnutrition like Nepal and Liberia.

#### Water and Sanitation:

While the budget request does not include a specific funding amount for Water and Sanitation, the development accounts that historically fund WASH programs (DA and ESF) were cut by 43% from Fiscal Year 17 enacted levels. Assuming an across the board cut to different sectoral accounts, cuts would result in approximately 2.1 million people not gaining access to safe and sustainable water sources, and/or sanitation services that prevent the spread of disease.<sup>8</sup>

<sup>&</sup>lt;sup>5</sup> See page 5 of the <u>USAID Food for Peace FY2016 Food Assistance Tables</u> for the number of beneficiaries reached.

<sup>&</sup>lt;sup>6</sup> USDA's "Food for Progress Funding Allocations-FY 2016."

<sup>&</sup>lt;sup>7</sup> Beneficiary reach numbers were pulled from the *Fiscal Year 2015 U.S. International Food Assistance Report* (available at: <a href="http://pdf.usaid.gov/pdf">http://pdf.usaid.gov/pdf</a> docs/PA00MHDH.pdf</a>)

<sup>&</sup>lt;sup>8</sup> The impact of reduced funding for WASH programming was calculated by dividing current appropriations (FY 2016/FY 2017 CR) and dividing by the cost per beneficiary of \$100. The estimate of \$100 average per capita cost for water and sanitation is based on field data collected from WASH Cost-IRC International Water and Sanitation Centre, WASH Advocates, Millennium Water Alliance, CARE, WaterAid America, Water.org, Wine to Water, Water For People, World Vision, Plan USA, Catholic Relief Services, USAID, The World Bank, The Bill and Melinda Gates Foundation, and other organizations, reflecting major variations in geography, hydrology, climate, and accessibility that affect program design and delivery in target populations.

• In 2015, over two thousand communities were certified as open defecation free, and a 43% cut to water and sanitation programs could result in approximately 850 communities not receiving this certification which could stymie disease prevention in those communities.<sup>9</sup>

### **Education:**

Developing countries look to the United States for support and guidance to achieve economic prosperity, social stability and political freedom through education. Since the implementation of USAID's Education Strategy (2011-2015), Congress has allocated an average of \$822 million a year, enabling USAID to reach approximately 41.6 million learners in over 45 countries, train 450,000 teachers annually, distribute 146 million textbooks, and repair 11,000 classrooms.<sup>10</sup> A single USAID-sponsored program in Egypt increased students' oral reading fluency by 82% and benefitted 4.2 million children in grades 1-3.<sup>11</sup> In Kenya, a similar program more than tripled the percentage of students able to read with fluency in English (from 12% to 47%).<sup>12</sup> President Trump's Fiscal Year 19 budget request calling for an estimated 36% cut to basic education programming from FY 2017 levels would jeopardize decades of progress, development and monies invested by the United States.

#### **International Disaster Assistance:**

The International Disaster Assistance (IDA) account, which funds USAID's Office of Foreign Disaster Assistance (OFDA), provides lifesaving assistance to tens of millions of desperate people a year whose lives have been torn apart by conflicts and natural disasters. Cuts to the US humanitarian assistance accounts are extremely irresponsible as the world experiences the highest number of displaced people since World War II. Over 66 million people - or roughly a population the size of France - have had to flee their homes. Ongoing large-scale destruction of urban infrastructure and widespread contamination of explosive remnants of war (ERWs) in Iraq, Syria and Yemen create challenges for people's return home and reconstruction as well as for public health, food security and rule of law. Famine-like conditions continue to threaten Nigeria, Somalia, South Sudan, and Yemen and new and worsening crises are unfolding in Central African Republic, Democratic Republic of Congo, and Bangladesh. IDA provides both food and non-food humanitarian responses, and the Fiscal Year 2019 requested budget proposes cutting the account by 14% from Fiscal Year 2017 levels. For comparison, in Fiscal Year 2016 OFDA met the needs of more than 101 million people, and a 14% cut would mean that approximately 14 million would be cut off from lifesaving assistance.<sup>13</sup>

#### Migration and Refugee Assistance:

<sup>&</sup>lt;sup>9</sup> The number of communities impacted was estimated by applying the percentage of cuts to the actual results for the indicator "Number of communities certified as "open defecation free" (ODF) as a result of USG assistance" ForeignAssistance.gov. Special Data Sets Performance and Results 2015 Actual Results. http://beta.foreignassistance.gov/. See WHO's "How Much it Would Cost to Act" for more information: <a href="http://www.who.int/water\_sanitation\_health/watandmacr3.pdf">www.who.int/water\_sanitation\_health/watandmacr3.pdf</a>

<sup>&</sup>lt;sup>10</sup> Data pulled from USAID's website (<u>https://www.usaid.gov/education</u>) and USAID's 2011-2015 Progress Report, accessible <u>here.</u>

<sup>&</sup>lt;sup>11</sup> RTI International. *Girls' Improved Learning Outcomes: Final report*. Cairo, Egypt: USAID and RTI international, 2014. Accessed June 12, 2017. <u>http://pdf.usaid.gov/pdf\_docs/PA00JTBC.pdf</u>

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

<sup>&</sup>lt;sup>13</sup> This analysis is based on beneficiary reach pulled from <u>USAID's 2017 Financial Report</u>, page 22.

Analysis last updated on March 8, 2018.

The Migration and Refugee Assistance (MRA) account, provided through the State Department's Bureau of Population, Refugee and Migration (PRM), provides lifesaving assistance to refugees who have fled their homes, in most cases because of violent conflicts like the civil war in Syria. The proposed cut of 17% to the MRA could result in over 3.2 million refugees and Internally Displaced Persons (IDPs) not receiving assistance globally, including about 950,000 in the Middle East and 1.1 million in Africa.<sup>14</sup> Cutting off assistance to immediate life-saving health care, water/sanitation services, shelter assistance, gender-based violence treatment and psychosocial support at a time of multiple famines and raging conflict around the world would likely lead to greater instability globally.

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

- The Administration's budget request decreases funding to the Global Fund by \$425 million. The Global Fund calculates that this cut could translate to:<sup>15</sup>
  - **565,250** fewer lives saved through Global Fund-supported programs;
  - Loss of potential to prevent **8 million** new HIV, tuberculosis (TB) and malaria infections;
  - 454,750 fewer people put on antiretroviral therapy;
  - **131,750** fewer women on treatment to prevent passing HIV to their babies;
  - **650,250** fewer people on TB treatment and care;
  - **18,275** fewer people on treatment for multidrug-resistant TB;
  - 26 million fewer mosquito nets distributed to protect children and families from malaria;
  - **5.1 million** fewer households receiving indoor residual spraying to protect children and families from malaria; and,
  - A lost opportunity to leverage **\$1.3 billion** in domestic investment to fight AIDS, TB and malaria;
  - A lost opportunity to spur nearly **\$9.4 billion** in long-term economic gains.

# President's Emergency Plan for AIDS Relief

- As of September 30, 2017, PEPFAR has supported 85.5 million people receiving HIV testing services, 13.3 million adults and children on life-saving treatment, and 2.2 million children born HIV-free. Nearly 250,000 health workers receive training to deliver HIV and other health services. <sup>16</sup>
- Based on analysis by the Kaiser Family Foundation, cuts to PEPFAR of \$800 million, as proposed by the Administration, would lead to more than 261,000 new HIV infections, 119,200 HIV-related deaths and 1.1 million people losing life-saving ARV treatment. <sup>17</sup>

## Maternal and Child Health:

Analysis last updated on March 8, 2018.

<sup>&</sup>lt;sup>14</sup> In <u>UNHCR's 2016 Global Focus Report</u>, it is estimated that UNHCR assisted almost 50 million refugees and IDPs globally, including 14 million in the Middle East and almost 16.5 million in Africa. As the U.S. contribution to UNHCR's FY16 budget was 39.8%, it is estimated that U.S. assistance contributed to supporting about 19 million refugees and IDPs globally, including 5.6 million in the Middle East and 6.6 million in Africa. A 17% cut to these levels would result in reduced assistance to about 3.2 million refugees and IDPs globally, including 950,000 in the Middle East and 1.1 million in Africa. The actual number of refugees and IDPs that would not receive services if PRM's budget were cut by 17% would likely be *higher* given that MRA funding is also provided directly to ICRC, IOM and individual NGOs to carry out work in the same region, in addition to the UNHCR contribution.

<sup>&</sup>lt;sup>15</sup> These numbers estimate the impacts of a \$425 million dollar cut to Global Fund programs, as identified by the Friends of the Global Fight. <u>https://www.theglobalfight.org/infographic-presidents-budget-cuts-fy2019/</u>

<sup>&</sup>lt;sup>16</sup> https://www.pepfar.gov/documents/organization/276321.pdf

<sup>&</sup>lt;sup>17</sup> Calculations based on Kaiser Family Foundation analysis found at https://www.kff.org/global-health-policy/issue-brief/what-could-usbudget-cuts-mean-for-global-health/

• A \$169.9 million cut to the bilateral maternal and child health account could mean more than **135,000** additional maternal, newborn, and child deaths each year. <sup>18</sup>

## Malaria:

In 2016, more than 30 million bed nets were distributed to prevent the transmission of malaria. With a 11% cut to funding for the President's Malaria Initiative, over 27 million bed nets could not be distributed in the future. Two people typically sleep under a net, meaning an additional 54 million people could be at risk because of this cut, drastically undermining more than 15 years of investment, work, and progress to reducing the threat of malaria globally.

## **Global Health Security:**

- In December 2014, Congress appropriated \$5.4 billion to fight the Ebola epidemic that was raging in West Africa. Most of that money went to quashing the epidemic directly, but recognizing the urgent need, approximately \$1 billion was allocated to USAID and the Center for Disease Control (CDC) to help developing countries improve their ability to detect and respond to infectious diseases.
- This additional financing has had significant impact, training epidemiologists, buying equipment, upgrading labs, and stockpiling drugs. Investments are yielding direct results: the Democratic Republic of Congo just recently beat its eighth Ebola outbreak in 42 days. Cameroon shortened its response time to outbreaks of cholera and bird flu from 8 weeks to just 24 hours.
- Yet, needs are still great and more work must be done to ensure continued global health security gains in pandemic response and disease control. Funds from the Ebola supplemental will end by Fiscal Year 2019, and if additional funding is not provided in Fiscal Year 2019 a funding cliff will emerge. Progress will halt, and potentially reverse. The CDC, for example, would have to pull back 80 percent of its staff in 39 countries, breaking ties with local ministries of health. USAID would have to shut down half of its programs in Africa, the Middle East, and Asia. Agencies are already implementing changes in anticipation of this scenario.<sup>19</sup>
- Therefore, the Administration's request of \$109 million for CDC and \$72.5 million for USAID for Global Health Security is grossly inadequate as agencies will have to wind down infectious disease and pandemic preparedness activities precipitously.
- Without additional funding in Fiscal Year 2019, the U.S. will not be able to contain emerging disease threats at their source. On the ground, surveillance and laboratory activities for respiratory syndromes, diarrheal diseases, foodborne illnesses, animal borne diseases, and others would end. New pathogens could spread undetected, leading to costly delays in the world's ability to detect outbreaks in new areas and populations. Frontline disease detectives, trained scientists and deployment of emergency response teams would not be in place, allowing diseases to spread and ultimately be imported to the United States.

<sup>&</sup>lt;sup>18</sup> Estimated cost of interventions implies half towards maternal and newborn health and half towards child health. Estimated cost to save a child's life from Bryce et al. "WHO estimates of the causes of death in children" Lancet 2005, 365(9465): 1147-52. Estimated cost to save a maternal and newborn lives averaged from Darmstadt et al., "Evidence-based, cost-effective interventions: how many newborn babies can we save?", Lancet 2005, 365: 977–88; Bartlett et al., "The Impact and Cost of Scaling up Midwifery and Obstetrics in 58 Low-and Middle-Income Countries", PLoS ONE 2014, 9(6): e98550

<sup>&</sup>lt;sup>19</sup> <u>Healthier World, Safer America: A US Government Roadmap for International Action to Prevent the Next Pandemic</u>. PATH. October 2017.

#### **Gender Programs:**

• If the budget request was enacted, funding in Fiscal Year 2019 for programs with a gender component would be cut by 57% as compared to 2015. While these funds at times overlap with other sector funds, making it more challenging to assess the impact, it is possible these proposed cuts could mean less support for enacting the Women, Peace and Security Agenda, that 1.83 million fewer girls would receive an education, or that 1.28 million fewer women would receive anti-corruption training, or 730,000 fewer women would receive social assistance support.<sup>20</sup>

<sup>&</sup>lt;sup>20</sup> Estimated by applying 57% cuts to gender disaggregated results data from ForeignAssistance.gov. Special Data Sets Performance and Results 2015, Actual Results. <u>http://beta.foreignassistance.gov/</u>. The most recent results data is from 2015 so the 2015 budget was used as a comparison. The percent of cut is a conservative estimate based on only funding for gender through the accounts combined under the new ESDF Account as it is unclear what funding is included under the gender sections of the Congressional Budget Justification. If all gender funding is included in the FY19 gender request is a 80% from FY15 and the impacts of cuts would drastically increase. *Analysis last updated on March 8, 2018.*