

## Risks of Food Aid

**W**hile food aid projects can play important roles in building food security, there are also risks – ways in which food aid may actually contribute to food *insecurity*. It is important to be aware of these risks when planning a food aid project. Major risks include dependency, discouraging local production, changing local tastes, misdirecting food, and ineffectiveness.

### Dependency

There are many examples of food aid programs that began as short-term relief distributions, but became long-term operations, with no end in sight. In these examples, the community has often become *dependent* on food aid; food aid has become an integral part of the local food economy. This kind of dependency stunts the growth and development of communities. When people rely on outside aid, they no longer look to their own resources, abilities and creativity to sustain them.

Of course, this is a danger with any resource-transfer program (cash programs, infrastructure programs etc.). It is especially a danger for food programs that are carried out without a clear “exit strategy.” An exit strategy focuses on two questions: *When will this program end?* and *How will this program help people feed themselves in the future?* In other words, the most effective food programs do not only deal with immediate hunger. They also build food security, and have a clearly defined end-point (an understanding of when the community will no longer require food aid).

Consider the various roles of food aid (see *tips* 401). Programs that only focus on the immediate needs such as health and nutrition may be in danger of creating dependency. Programs that also play a role in protecting and building livelihoods (food security), build community and/or promote peace and justice will contribute to the ability of communities to regain their self-sufficiency.

A relief and development organization in Ethiopia carried out a long-term feeding program that started with emergency feeding and then used food-for-work to promote food security. When comparing two of the project communities, the organization noted that one of the communities had developed a dependency on the food aid. People in that community expected and relied on the regular food distributions. Based on this study, the organization identified five danger signs of dependency:

- *high importance of food aid in the local economy*
- *community is not sharing in program costs*
- *community lacks sense of ownership*

- *lack of independent self-help initiatives*
- *community develops psychological dependency*

Some of these signs may not be problems in a short-term emergency operation, but raise more serious concerns in medium or long-term rehabilitation or development projects.

### Discouraging Local Production

One of the more common criticisms of food aid is that it floods the local market, depressing prices and discouraging local production. The timing of food aid is very important. If food aid is provided when local farmers are harvesting and bringing their crops to market, it is likely that the food aid will compete directly with the local commodities and harm the local farmers. Thus, it is important to know which commodities the food aid will compete with in the market and when those commodities are harvested.

Depending on the timing, lowering market prices can also be positive. When prices are high, because of limited supply in the off-season, or because traders are hoarding food stocks, vulnerable people often cannot afford to buy enough food. In these situations, food aid may help to bring prices down, making food more accessible to those who are hungry.

#### Major risks of food aid include:

- **Dependency**
- **Discouraging local production**
- **Changing local tastes**
- **Misdirecting food**
- **Ineffectiveness**

In Haiti, farmers often sell all their beans at harvest time, in order to pay off debts. Because they lack storage capacity and cannot hold back some beans for seed, these farmers must go to market to buy back beans at planting time when the prices are high. To do this, they need to take out more loans at high interest rates, again forcing them to sell off their entire crop at harvest to pay their creditors. By providing beans at planting time, thus lowering the prices, food aid may help to break cycles of debt for these marginal farmers.

### Changing Local Tastes

The food that is distributed through a food aid project is often different from the food that is normally eaten locally. This is often the case for food that is shipped from overseas. The most common examples are wheat distributions in rice or maize eating areas (e.g. West Africa and Central America) and canola oil distribution in place of other local oils.

When the food provided through food aid is different from local foods, there is a danger that people will begin to prefer foods that are not available locally – increasing their

dependency on outside sources and harming local production. This may be through changing tastes (e.g. preferring the taste of imported wheat) or differences in cooking quality (e.g. superior performance of canola oil over local varieties). It is best to discourage reliance on non-local commodities or highly processed products (e.g. milk powder, high-energy biscuits etc.). Ideally, food aid projects should encourage a return to locally appropriate patterns of production and consumption as quickly as possible.

In some cases, it has been argued that using unfamiliar or less desired commodities for food aid makes for better targeting (only the most vulnerable would want the undesirable food). However, there is little evidence to support this claim. In general, it is wise to select commodities that people like and know how to prepare. Of course, when the food aid commodity is similar to local commodities, it is important to avoid discouraging local production (see previous section).

When using different varieties of a similar commodity (e.g. Canadian pinto beans as opposed to local varieties) **it is very important that people not use the food aid for seed**. Some projects have resulted in large crop failures when local farmers thought they could plant the imported beans.

## Misdirecting Food

There is always a danger that some of the food will end up in the wrong hands. This is true for any resource (cash, clothing, etc.) provided to a resource-poor area. Soldiers, handlers, officials, and local leaders may dip their hands into the bag and take food for themselves. Each cup of grain taken in this way is one less meal for a hungry person.

Misdirection of food cannot always be avoided, especially in certain circumstances such as conflict situations. However, food aid does have some advantages over

resources like cash as it is very visible to all in the community. People will often notice when someone is skimming off a portion of food for personal use. It is difficult to run off with a tonne of wheat in your back pocket!

Clearly identifying the correct beneficiaries (tips 403) and carefully planning the logistics will help to minimize losses due to misdirected food.

## Ineffectiveness

Even when a food aid project avoids these negative outcomes, it may not meet its objectives or play an effective role in responding to hunger. It is important to monitor the project in order to assess whether a project is being effective and, if not, to revise the planning. If a project appears ineffective, it may be helpful to ask the following questions:

- *what is the role of this project?*
- *are the goals and objectives realistic?*
- *is the food reaching the intended beneficiaries?*
- *are the activities, timeframe, etc. meeting the needs of the local community?*
- *is there input from the community?*
- *what could be changed to make this project effective?*

Clear planning, ongoing monitoring, and careful reflection can help reduce the risks of food aid, and increase its effectiveness in meeting the needs of hungry people.

### Resources

*For more information on the risks of food aid or any other planning, monitoring or evaluation issues, contact the Canadian Foodgrains Bank at the address below, or email inquiries to [cfgb@foodgrainsbank.ca](mailto:cfgb@foodgrainsbank.ca)*