

## SCHEME | Food Aid (KR)

Food aid (KR) is grant aid provided to developing countries with food shortages for the purpose of buying rice, wheat, maize or other grains. Based on the food aid rules of the International Grain Agreement, which came into effect as part of the Kennedy Round (KR) at GATT in 1967, food aid began in 1968 and is referred to as “KR” because it came out of the Kennedy Round.

### JICS' Role

Since 2001, JICS, in accordance with contracts with developing countries' governments, has been serving as a procurement management agent helping ensure the fair and rapid procurement of food. It also acts as the secretariat for intergovernmental committees following up on how the food procured was distributed and monitoring accumulation of counterpart funds.

#### [Counterpart funds]

Developing countries' governments set aside local currency funds equivalent to a certain amount of the value of equipment procured by grant aid. These funds are then used for local economic and social development projects after consultation with the Japanese government.



Rice bound for Benin being loaded at the port of Shimizu, Japan

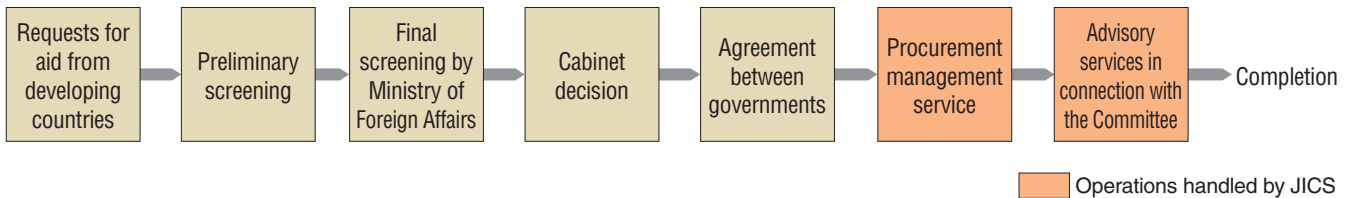


Haiti Rice being unloaded at Port-au-Prince



Senegal Handover ceremony for rice attended by officials of the Japanese and Senegalese governments

### Flow of Operations



### No. of Projects (FY2003)

#### No. of projects, by region



## CASE STUDY Food aid (Madagascar) FY2003

### Project outline:

Cyclones in February and March 2004 devastated rice production, leading to rice shortages and price increases in Madagascar. To alleviate food shortages, JICS procured 4,715 tons of rice from Japanese government stockpiles.

### Helping to stabilize food supplies

The rice procured was distributed in the capital of Antananarivo and also in the regions and outlying areas affected by the cyclones.

When the rice was handed over to Madagascar officials, Harison Randriarimanana, Minister for Agriculture, Livestock and Fisheries said, "Food aid from Japan is proof of the deep friendship and trust between our two countries, and I would like to express our gratitude to the Japanese public."

The donated rice was sold below market prices as government-issue rice. Plans are to use the profits from the sale of the rice to buy fertilizer for Madagascar's agricultural campaign in 2005-2006, and it is expected that this food aid will continue helping to stabilize food supplies there.



Newly-unloaded rice aid at a local port