



# Poverty-Focused Development Assistance (PFDA) 101

Countries struggling with extreme poverty do not have the resources to adequately finance their own economic and social development.

U.S. development assistance has made a big difference to millions of people in poverty. A well that provides clean drinking water for a village may cost a few hundred dollars, but the benefits far exceed that sum in terms of improving people's health, increasing the productivity of workers, and allowing girls to attend school rather than walking hours each day to find other sources of water.

Though poverty-focused development assistance (PFDA) comprises less than 1 percent of the entire budget of the U.S. government, it has crucially important functions. It provides lifesaving programs for millions of people who are hungry and poor, bolsters U.S. national security, and promotes trade and job creation both here and abroad.

PFDA programs focus on issues of human needs, such as agricultural development and nutrition, emergency humanitarian assistance, global health, education, gender equality, and water and sanitation. PFDA works to support people caught in humanitarian crises, such as conflicts or famine. It also builds long-term socioeconomic capacity so countries can eventually become self-sufficient.

PFDA is a general term for functions of the U.S. government as described above. Bread refers to this work collectively as "poverty-focused development assistance" (PFDA).

## Where PFDA is Carried Out

Bread for the World monitors a number of accounts within the overall International Affairs Budget (called the



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150 Account) of the federal government's budget. These accounts fund programs that touch on hunger and poverty, and these programs are carried out by a variety of departments and agencies across the federal government.

The State and Foreign Operations appropriations bill funds the overall 150 Account. Examples of PFDA accounts and their implementing departments/agencies are below:

## U.S. Agency for International Development (USAID)

- Development assistance: Builds long-term, sustainable capacity, such as improvements in agriculture; safe, reliable water; and basic education and training.
- International disaster assistance: Responds to human-caused and natural disasters; includes aid for health interventions, agriculture and food security, nutrition, water, and sanitation.
- Global health programs: Expands basic health services and strengthens national health systems to improve

people's health, especially for women, children, and vulnerable populations.

### Department of State

- Global health programs: Funds prevention, treatment, and care for people affected by HIV/AIDS, malaria, and tuberculosis.
- Migration and refugee assistance: Responds to needs of refugees by protecting people from conflict, providing humanitarian relief, and promoting sustainable solutions through established organizations.

### Department of Agriculture

- Food for Peace (P.L. 480): Provides food assistance during emergencies and disasters, and funds non-emergency development-oriented programs to address the underlying issues of food security.
- McGovern-Dole Food for Education Program: Provides U.S. agricultural commodities and financial and technical assistance to carry out preschool and school feeding programs in 16 countries. The program also supports maternal, infant, and child nutrition programs.

### Department of Health and Human Services (HHS)

- Global Health Account: Provides technical assistance and expertise, in partnership with the State Department, to address global health concerns and communicable diseases.

### Independent Agencies

- Peace Corps: Promotes inter-cultural exchange, business development, advances in information technology, agriculture, environment, health care, and education.
- Millennium Challenge Account: Funds country-proposed grants to reduce poverty and promote economic growth in countries that are governed justly, invest in their people, and have sound economic policies.
- Inter-American Foundation: Provides grants to non-governmental and community-based organizations in Latin America and the Caribbean for sustainable and participatory self-help programs.



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