

Details of USDA's Food Purchase and Distribution Program (FPDP)

Additionally, CCC Charter Act authority will be used to implement an up to \$1.4 billion FPDP through the Agricultural Marketing Service (AMS) to purchase surplus commodities affected by trade retaliation such as fruits, vegetables, some processed foods, beef, pork, lamb, poultry, and milk for distribution by the Food and Nutrition Service (FNS) to food banks, schools, and other outlets serving low-income individuals.

Commodity	Estimated Purchases (in million \$)
Pork	\$208
Dairy	\$68
Beef	\$151
Poultry	\$432
Lamb	\$17
Citrus*	\$104
Apples	\$88
Strawberries	\$2
Blueberries	\$5
Apricots	\$0.1
Plums/prunes	\$22
Pears	\$4
Figs	\$0.1
Sweetcorn	\$11
Raisins	\$24
Potatoes	\$22
Onions	\$0.4
Proc. Foods**	\$200
Total	\$1,359

*includes oranges, orange juice, grapefruit, lemons, and limes.

** includes tomato sauces, canned tomatoes, pasta, prepared cereals, soups/broths, and other products.

Purchasing:

AMS will buy affected products in four phases, starting after October 1, 2019 with deliveries beginning in January 2020. The products purchased can be adjusted between phases to accommodate changes due to: growing conditions; product availability; market conditions; trade negotiation status; and program capacity. AMS will purchase known commodities first. By purchasing in phases, procurements for commodities that have been sourced in the past can be purchased more quickly and included in the first phase.

Vendor Outreach:

To expand the AMS vendor pool and the ability to purchase new and existing products, AMS will ramp up its vendor outreach and registration efforts. AMS has also developed flyers on how the process works and how to become a vendor for distribution to industry groups and interested parties. Additionally, AMS will continue to host a series of free webinars describing the steps required to become a vendor. Stakeholders will have the opportunity to submit questions to be answered during the webinar. Recorded webinars are available to review by potential vendors, and staff will host periodic Question and Answer teleconferences to better explain the process.

Product Specifications:

AMS maintains purchase specifications for a variety of commodities, which ensure recipients receive the high-quality product they expect. AMS in collaboration with FNS regularly develops and revises specifications for new and enhanced products based on program requirements and requests. AMS will be prioritizing the development of those products impacted by unjustified retaliation. AMS will also work with industry groups to identify varieties and grades sold to China and other markets imposing retaliatory tariffs, such as premium apples, oranges, pears, and other products. AMS will develop or revise specifications to facilitate the purchase of these premium varieties in forms that meet the needs of FNS nutrition assistance programs.

Outlets:

The products discussed in this plan will be distributed to States for use in the network of food banks and food pantries that participate in The Emergency Feeding Assistance Program (TEFAP), elderly feeding programs such as the Commodity Supplemental Foods Program (CSFP), and tribes that operate the Food Distribution Program on Indian Reservations (FDPIR).

These outlets are in addition to child nutrition programs such as the National School Lunch Program, which may also benefit from these purchases.

Additionally, the rule provides flexibility for FNS to explore new channels of non-profit distribution of product, should the availability of distribution through traditional channels prove to be insufficient. FNS will offer products through traditional channels prior to consideration of new outlets.

Distribution:

AMS has coordinated with FNS, industry representatives, and other agency partners to determine necessary logistics for the purchase and distribution of each commodity, including trucking, inspection and audit requirements, and agency staffing.