

FY 2025 GLOBAL FOOD AID PROGRAM BUDGET
BRUCE SCHACTLER, GLOBAL FOOD AID PROGRAM DIRECTOR

FY 2025 PROGRAM BUDGET OVERVIEW & COMPARISON WITH FY 2024 BUDGET

FY24 Budget (July 1, 2023 – June 30, 2024)		FY25 Budget (July 1, 2024 – June 30, 2025)	
Program Operations	FY24 Budget	Program Operations	FY25 Budget
Personnel	\$205,000	Personnel	\$202,700
Travel	\$25,000	Travel	\$27,300
Subtotal	\$230,000	Subtotal	\$230,000
Marketing Operations & Pilot Projects		Marketing Operations & Pilot Projects	
Retainer for GF&N	112,000	Retainer for GF&N	112,000
Retainer Subtotal	\$112,000	Retainer Subtotal	\$112,000
Promotions, Trade Shows, Conferences, Presentations & Educational Events		Promotions, Trade Shows, Taste of Food Aid, Publications, Communications, Conferences, Presentations, Web, Educational Events & Special Projects	
Promo, Marketing, Trade Shows, Confs, Presentations & Ed Events Subtotal	\$26,000	Promo, Marketing, Trade Shows, Confs, Presentations, Publications & Ed Events Subtotal	\$ 28,000
Special Projects	\$32,000	Special Projects Washington DC	\$ 20,000
TOTAL Program FY24	\$400,000	TOTAL Program FY25	\$390,000

US GOVERNMENT SALES - DOMESTIC IS UP AND INTERNATIONAL IS ON THE WAY BACK

\$210 Million of Wild Alaska Seafood Purchased and it is only Spring!

Since October 2023, USDA has purchased \$210 million Wild Alaska Pollock, Pink Salmon and Sockeye Salmon for their regular domestic programs and the international food for education program in Sri Lanka, and for supplemental food and nutrition safety net programs like those funded through Section 32 and the Commodity Credit Corporation (CCC).

Purchases include Sockeye Salmon fillet portions, canned Red/Sockeye and Pink Salmon (including Kosher-labeled), and wild Alaska pollock (WAP) products comprised of “block” for reprocessing in School districts, breaded sticks for direct use in schools, and breaded sticks and nuggets as well as fillet portions for the extensive network of food banks and community centers. Distribution to schools, food banks, tribal nations and other programs will continue throughout the year.

The \$210 million also includes recent/pending solicitations. We anticipate additional purchases of salmon and WAP for regular programs in late summer and fall. In addition, we are initiating a Section 32 application at the recent request of the Alaska Pollock Surimi industry to support that sector.

Our activities in FY 2025, even with a budget slightly reduced from FY2024, will continue to address the Board’s priorities and industry’s needs as they arise. Through ASMI’s partnership with Industry, USDA is able to improve food and nutrition security and equity with healthy seafood among its 40 million program participants. It is most important to note, they will likely reach for Alaska seafood when they go to the grocery store, a QSR or other food outlet.

POSITIONING FY 2024 ACCOMPLISHMENTS FOR FY 2025

We always collaborate with industry and USDA to provide more seafood to every program, from School Lunch and food banks to nutritional feeding of elderly and families on tribal lands and other nutrition programs. This is a win-win because it helps the industry through programs intended to balance supply issues and offers more nutritious seafood to the millions of people supported by these programs.

In FY 2024, AGFAP again worked closely with USDA and the Alaska Congressional Delegation to position the Alaska seafood industry firmly within USDA’s programs, nutrition policy and new initiatives. One long-term effort to get ***more seafood into more food packages under the Women and Infants Supplemental Nutrition Program (WIC)*** took a giant step. The lengthy, once-a-decade process to update the WIC food packages just concluded with the final rule including canned Salmon and other canned fish in all WIC food baskets for pregnant and postpartum women and children from 12 months of age in the program. Senator Murkowski and the Alaska delegation co-sponsored a letter and signed on to Senate and House letters to protect the funding needed for the additional seafood access through WIC. We expect this to continue through the Appropriations process. We are already laying the groundwork to expand the types of seafood beyond canned fish in future WIC program updates. USDA adheres to the “Buy America” requirement to purchase only products sourced or made in the USA for its direct distribution programs. USDA does not purchase products directly for WIC. We are supporting the Delegation to introduce a request/amendment to require WIC to adhere to the “Buy America” requirement on WIC-approved grocery items.

We are also working to maintain our hard-fought recommendations for consumption of at least 2 weekly servings of Seafood for all Americans starting at 6 months in the upcoming *Dietary Guidelines for Americans (DGA) 2025-2030*. We also urge more alignment of programs with this major nutrition policy for Americans. The committee's work is well underway. We have provided, and will continue to provide, input through comments and recommendations as the process unfolds.

We will continue to work aggressively for the Alaska seafood industry, with a focus in FY 2025 on navigating the interagency and intergovernmental processes in place and being developed to respond to the FY24-25 Congressional authorization of \$2+ Billion in additional spending on international food aid and trade. ASMI is in an ideal position to assist the Alaska seafood industry to benefit from these additional funds, through the Global Food Aid Program's access to international food assistance opportunities and through the International Program's unified export strategy (UES) activities funded through the USDA Foreign Agriculture Service (FAS).

NEW PRODUCTS & PROGRAMS

In FY 2025, we will continue to explore markets for new products with the potential to expand the Alaska Seafood Industry's footprint in the ever-changing array of Government programs. We try to be at least one step ahead. In addition to our past work with herring in domestic and international programs and markets, the findings from our FY23 report of the global "food herring" market have the evidence base to support new opportunities for our Wild Alaska Herring in international food aid and commercial markets. There appear to be possibilities for shelf-stable canned Salmon, Herring and Alaska Pollock and for fishmeal to augment international food assistance activities under the United States Department of Agriculture (USDA) and the United States Agency for International Development (USAID) through a new CCC-funded mechanism to respond to urgent global food aid needs.

Alaska Canned Salmon, Herring & Pollock to Fill the Need for Shelf-Stable Protein

In our steady work with both international and domestic food aid programs, the worldwide need for quality protein and our long effort to look to the Alaska Seafood industry as a source for such, the AGFAP has worked with all involved agencies and our industry stakeholders. These efforts to develop products that industry can produce in commercial quantities, in forms and packaging that food aid programs can use, and that USDA can purchase year-round, position us very well. Particularly in the export programs that focus on disaster conditions, "shelf stable and high nutrition" are the qualities they look for and need.....and the Alaska Seafood industry can provide.

To that end, we presented USDA and USAID with Wild Alaska Canned herring and Wild Alaska Canned Pollock over the last few years and on May 2nd at a Food Aid Commodity Showcase in the USDA Secretary's Building in Washington DC. USDA already has an official specification for the Canned herring from our earlier work and has just agreed to develop an official specification for Canned Alaska Pollock. There is interest in both products. In this next year, we will be adding to



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REPORT TO ASMI BOARD OF DIRECTORS, MAY 2024

ALASKA GLOBAL FOOD AID PROGRAM

EXPANDING COMMERCIAL MARKETS THROUGH WORLD-WIDE FOOD AID

our evidence-based portfolio through several demonstration projects with the agencies (USAID and USDA) and their implementing partners. In anticipation of this, we have developed a new and similar label for each of these products, in consultation with our ASMI International staff and their super talented design teams. I believe you will recognize them and their inspiration.



QR Code for Canned Pink Salmon

Speaking of labeling, we are very pleased to present a new QR code as our first such support to the USDA program consumers. At the urging of USDA, we developed a QR code for canned Wild Alaska Pink Salmon with recipes and other information, in advance of the upcoming shipments starting later in May. We are asking our USDA Alaska suppliers to phase in and use our QR codes on their labels for USDA programs. We are delighted to be working with our ASMI Domestic Program colleagues, who put their wonderful talent into the design and execution of the QR web page. If this pilot program is successful and our USDA partners like it, we anticipate developing QR codes for all of the Wild Alaska Seafood products that USDA uses in their programs.

Point your phone to the QR code here:



Wild Alaska Surimi for US Schools

Made from our high-quality Wild Alaska Pollock, Surimi is a product that continues to increase its market share and sales volume, both geographically and demographically. The "new" Surimi destined for nutrition-based food programs such as schools, elderly and others is something we feel is ready for all USDA uses. To that end, we will be petitioning USDA to begin looking at our Wild Alaska Surimi as a new product they may implement into their many programs. A Section 32 request is being initiated and we are working with the producers on a new specification to meet USDA Child Nutrition (CN) labeling requirements.

Fishmeal for Monetization in International Development Programs

A significant portion of USG international food aid programs is funded through commodity monetization to support local development activities program countries. It works like this...The USDA purchases commodities from their suppliers under USAID (Title II) or USDA/FAS's international food and development (IFAD) programs and "donates" those commodities to NGO program implementers. They in turn work through a monetization outfit that executes a public tender to sell the commodities on the local market. The resulting local currency is used to fund local development programs in value chains that do not compete with US export markets. AGFAP was recently contacted and requested to work with USDA to develop a specification for our Wild Alaska Fishmeal that could be used in these monetization programs. We will begin that process with Alaska Seafood suppliers and USDA and then collaborate with the Food Aid agencies to develop a demonstration project to support this potential new product.

Whole/H&G Salmon for Tribal People

USDA continues to review its programs through better nutrition considerations and by listening to their consumers. In a new instance, USDA is listening and beginning to respond to their recipients in the Food Distribution on Indian Reservations program (FDPIR) and to this demographic of consumers more broadly. There are numerous requests for H&G and even whole fish to be added to the current VacPac 4 oz. portions. We have been approached by the USDA senior staff as well as the tribal representatives in USDA and the tribes themselves. We will begin to listen and respond to the wishes and need of both entities and advise USDA.

Equitable Access for Alaska and Off-Shore Locations

We are always looking at ways to increase food access among food-insecure fellow Alaskans. The regulations that relate to Alaska's "share" of Bonus buys (Section 32) and other such purchases are quite vague and concerning, to the point that Alaska food assistance recipients may not be receiving their fair share. These regulations and policies and may simply be in place to save on freight. We recently have a commitment from USDA senior staff to finally figure it out and to advise us soonest.

WORLDWIDE FOOD AID

School Meals Programs

Canned Pink Salmon is an integral part of the food ration in the McGovern-Dole (MGD) Food for Education and Child Nutrition Program in Sri Lanka. They serve it a couple of times a week in schools in a banana leaf. Canned Salmon has been programmed there for five years to date and is very well appreciated. USDA/AMS Under Secretary Alexis Taylor has just returned from a trade mission in the region and visited the school program in Sri Lanka. We were told that it was a true lifesaver during the COVID years as it is shelf stable and could be sent home for family meals.

Canned Salmon has been used in a dozen or more MGD programs in Asia, Africa, the Americas and the Caribbean since 2004. The programs changed around 2014 and use dropped off. Interest in canned salmon and other high protein shelf-stable seafood is picking up again and the recent Administration-led international food and trade initiatives through the CCC are giving shelf-stable products a boost. We anticipate our experience with canned Salmon in MGD and earlier Food for Progress (FFPr) programs coupled with the current success in Sri Lanka will put us in a good position.

Humanitarian Assistance & Emerging Crises

Our experience with the donation of canned Alaska Pink Salmon to the Philippines and more to Ukraine through Poland, addressing the many requirements to release the shipment onward to Ukraine to reach those in need, is invaluable in our discussions with USAID. They understand that this is not a new product and our years of experience working with implementing partners to program canned Salmon and canned Herring in countries in Africa, Asia, and the Americas -- including the United States -- have convinced USAID that these products will meet their needs for shelf-stable nutrition in Ukraine and other countries around the world. Stay tuned for new opportunities coming up in FY25.

COMMERCIAL MARKETS

Wild Alaska Herring

The Alaska Global Food Aid Program was first tasked to address the Alaska Herring resource as an underutilized species some 20 years ago by then Governor Frank Murkowski and I am still trying. Most recently I proposed to the BoF that the Kodiak Herring fishery be split into an A and B season to best access the herring at their various nutritional stages. This will broaden their uses in other potential products and bring some value to the fishery that, as you know, is virtually all but lost. However, CFEC stepped in and threw a wet rag on the proposal, claiming jurisdictional authority and “concerns” that caused the BoF to pause and take no action. A Herring Revitalization committee is now formed and ASMI has a designated seat at the table which I occupy. Also involved are ADFG, BoF, CFEC, a couple of fishermen (Bait and Roe) and a tribal subsistence representative. I am providing for you all a copy of our research of the herring market as it relates to the North Atlantic supply.

ASMI International will look at both the Asian and European markets through the eyes of our OMRs, to add a report for the Revitalization committee’s review on these principle sectors of the world herring market. The assessment team has completed the first draft of the RFM Alaska Herring report. They are meeting with RFM technical staff next week to discuss the areas of the assessment that need additional detail/data (likely, due to lack of recent/complete surveys due to no or extremely limited fishery). The assessment's progress is on track for the most part.

Saltonstall-Kennedy Funding Change

Again, this is a subject of effort that began 25 years ago and has had some success towards the goal of the seafood industry accessing more of these funds that were originally dedicated through the Saltonstall-Kennedy Act of 1954 (SK Act). Senator Ted Stevens created the Alaska Fisheries Marketing Board (AFMF) in 2003 after a 4-year effort in Congress.

The AFMB added \$32M to the effort to save the Alaska salmon fishery/market from 2003 thru 2007/8 and the results of that were dramatic and successful. In 2022 after another 10-year effort in Congress, Senator Sullivan passed the American Fisheries Advisory Committee Act (AFAC) that re-created the Committee that was an original part of the SK Act. This committee is now the entity that directs the spending of the SK competitive grant program that you are more familiar with.

In this 2024 funding cycle, the House cut the very minimal funding of \$12M by some 40% in the NOAA budget so the grants that were just awarded last week amounted to less than \$7M for the entire nation.....FYI, the total SK funds that come to Commerce from USDA in 2024 are \$376.5M and the SK Act specifically requires 60% to the Grant programs. However, Congress continually ignores this. Encouraging a change to a consistent and larger share than is real today, is an effort that is still underway nationally, and is one that the ASMI Board has always supported.

ASMI's leadership in this realm is recognized nationally, so a new letter supporting a larger share of the SK funds for the Grant program will have a positive effect towards a steady funding source in the true intent of the SK act, which is to "***...aid the American commercial fishing industry by promoting the free flow of domestically produced products in commerce and developing and increasing markets for this products.***"

I will present you with an industry draft letter as a separate action request.

This has been a very exciting and productive year so far and will surely have even better stuff by All Hands.

Bruce Schactler
Global Food Aid Program – Director
Kodiak