

August 11, 2022

The Honorable Scott Nathan
Chief Executive Officer
U.S. International Development Finance Corporation
1100 New York Avenue NW
Washington, D.C. 20527

The Honorable Samantha Power
Administrator
U.S. Agency for International Development
1300 Pennsylvania Avenue NW
Washington, D.C. 20523

Dear Administrator Power and Mr. Nathan:

Vladimir Putin's illegal invasion of Ukraine has resulted in historic levels food insecurity and the situation threatens nations which are at heightened risk of economic instability, hunger and famine. Globally, the United Nations currently estimates that 355 million people face acute hunger. As you know, those nations which previously relied upon Ukraine and Russia in the past for grain supplies are especially at risk.

The deal recently brokered by Turkey to allow grains to leave the Port of Odesa is fragile. The Russian military struck the port with missiles shortly after the deal was finalized, sending a clear signal that commercial vessel traffic in the northern Black Sea remains highly risky. Due to this most recent threat, as well as Russian missile attacks on commercial vessels in the Black Sea since February 24, 2022, vessel insurers are unlikely to cover the voyages of any vessel not already near the Port of Odesa. Because of this, even if the deal stands, it is unlikely that significant volumes of grain will leave Ukraine through Odesa.

In order to address this insurance coverage shortfall, I urge you to work with our partners and allies to coordinate a comprehensive response to facilitate insurance coverage of commercial vessels making voyages to Odesa for the purpose of exporting critically needed Ukrainian grains. Through the *Better Utilization of Investments Leading to Development (BUILD) Act*, Congress has given you both broad authorities to make financial support available through the International Development Finance Corporation (DFC) in order to reduce the impacts of international market failures and to advance U.S. foreign policy, development, and national security objectives. By leveraging existing funds through the DFC, in coordination with funds made available by our allies and partners, the U.S. can send positive signals to insurance providers and maritime carriers that their liabilities will be underwritten by sovereign guarantees.

Time is of the essence to mitigate the looming hunger crisis which, if not sufficiently addressed, will lead to a spiral of additional economic instability, refugee crises, and civil conflict across broad swathes of the Global South. This would most certainly impact the stability of Europe and even the United States. We have already seen spikes in illegal immigration across our southern border from countries impacted by global food insecurity. Failing to address the food crisis will undoubtedly exacerbate this. Providing as much certainty as possible to maritime carriers and insurers through

sovereign guarantees may allow additional volumes of grain to leave Odesa, and help blunt the global food crisis.

Thank you for your attention to this important matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. Rubio', with a stylized flourish at the end.

Marco Rubio
U.S. Senator