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August 17, 2016

The Honorable Phyllis K. Fong  
Inspector General  
Department of Agriculture  
1400 Independence Avenue, SW  
Washington, D.C. 20250

Dear Ms. Fong:

I am writing to request that the Office of Inspector General begin an immediate and thorough investigation of Planet Aid, a non-governmental organization, and its possible misuse of federal funds awarded by the U.S. Department of Agriculture's (USDA) Foreign Agricultural Service (FAS).

Planet Aid has received approximately \$133 million through numerous contracts with FAS. At least one of these contracts, a project in Mozambique under the McGovern-Dole International Food for Education and Child Nutrition Program, is still active. The United Nations Children's Fund (UNICEF) and the United Kingdom's Department for International Development (DfID) have both recently suspended contracts with a Planet Aid-affiliated entity as a result of allegations of misuse of funds.

Recent media reports from the Center for Investigative Reporting (CIR) have raised serious questions about the completion of specific projects in Malawi that were supposed to be carried out under FAS contracts with Planet Aid. For instance, the journalists found that managers working on USDA-funded projects did not believe they had received the full number of water pumps they had been promised.

The investigative journalists at CIR uncovered evidence that suggests Planet Aid has played a "shell game" with federal contracts from the U.S. Department of Agriculture (USDA). After obtaining contracts for projects in Malawi, Planet Aid has apparently engaged a subcontractor known as Development Aid from People to People in Malawi (DAPP). This organization subsequently passed these funds to other subcontractors, which CIR investigations have shown share a common command-and-control structure with Planet Aid and DAPP.

While this contracting and financing structure is opaque, possibly by design, it raises serious questions about whether American taxpayer dollars provided to Planet Aid were actually used as intended to achieve the maximum benefit for their target beneficiary: Malawian farmers and communities living in extreme poverty.

Similarly disturbing, media reports indicate that Planet Aid is connected to a global organization, the Teachers Group, which has been investigated by the Federal Bureau of Investigation and foreign law enforcement for fraud and corruption. The senior leadership of the Teachers Group is wanted by the International Criminal Police Organization. Former members of the group have described it as a "cult." Finally, in a 2001 FBI report obtained by CIR, investigators noted that the Teachers Group diverted funds "for personal use. Little, to no money goes to the charities."

In light of the investigations by both CIR and the British Broadcasting Corporation, DfID and UNICEF have suspended funding to DAPP. To date, the USDA has not taken similar action. The USDA has responded to media inquiries about its relationship with Planet Aid and its affiliates by stating that annual audits and site visits have uncovered no evidence of wrongdoing by Planet Aid or its subcontractors.

However, media reports indicate that "visiting auditors [were steered] to Potemkin village farms that looked prosperous but were merely for show." Given the alleged sophistication of the Teachers Group, it is plausible that USDA auditors have not been given the access they need to fully investigate the performance of Planet Aid and its affiliates. Clearly, a more complete investigation into Planet Aid's activities with FAS contracts is needed.

Every person or entity performing work for the U.S. government has the moral and legal responsibility to fulfill their obligations in an open and transparent manner. This responsibility is even more critical when the contracts being performed are intended to meet the food security needs of some of the poorest people on Earth. With Malawi's government having recently declared a food emergency in much of the country, fraud involving American humanitarian assistance to the country is unconscionable and must never be tolerated.

Allegations of fraud and waste involving American taxpayer dollars have surrounded Planet Aid and its affiliates for more than a decade. Internal communications that have been publicly reported show that employees at FAS raised concerns about potential fraud by Planet Aid at least four years ago and proposed an investigation at that time.

I urge you to begin a comprehensive inquiry immediately. I hope that such an investigation will be thorough and draw upon whatever resources are necessary to ensure that the issues surrounding this global organization are fully examined.

Thank you for your attention to this important matter. Please contact Jenn Holcomb, my Legislative Director, at (202) 225-6631 with any questions about this request.

Sincerely,



Betty McCollum  
Member of Congress