

Report to Congress on Progress Made in the Strategy to Advance Economic Prosperity, Combat Corruption, Strengthen Democratic Governance, and Improve Civilian Security in El Salvador, Guatemala, and Honduras Section 352(f) of The United States – Northern Triangle Enhanced Engagement Act (Div. FF, P.L. 116-260)

Consistent with Section 352(f) of The United States – Northern Triangle Enhanced Engagement Act (Div. FF, P.L. 116-260), the Department of State prepared this report to provide an update on the progress made in the Strategy to Advance Economic Prosperity, Combat Corruption, Strengthen Democratic Governance, and Improve Civilian Security in El Salvador, Guatemala, and Honduras.

Fiscal year 2022 was the first full fiscal year of implementation of the U.S. Strategy to Address the Root Causes of Migration in Central America (Root Causes Strategy, or RCS). The Department and USAID collected and analyzed context data (referred to as 'country commitment metrics') and fiscal year 2022 interagency performance data to inform policymakers as they monitor and assess progress toward achieving the strategic objectives of the RCS.

Notable Fiscal Year 2022 Achievements

U.S. government departments and agencies recorded results that often met or exceeded programmatic targets of the RCS strategy's five pillars:

- Pillar I: Addressing economic insecurity and inequality;
- Pillar II: Combatting corruption, strengthening democratic governance, and advancing rule of law;
- Pillar III: Promoting respect for human rights, labor rights, and a free press;
- Pillar IV: Countering and preventing violence, extortion, and other crimes perpetrated by criminal gangs, trafficking networks, and other organized criminal organizations;
- Pillar V: Combatting sexual, gender-based, and domestic violence.

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On 15 of 20 key performance metrics, U.S. departments and agencies recorded increases over the previous year, and 12 had results greater than corresponding annual targets. Three key interrelated factors helped drive fiscal year 2022 results: (1) focused attention and increased coordination among U.S. departments and agencies following approval of the RCS in July 2021, (2) the infusion of fiscal year 2020 foreign assistance funding in December 2021 and fiscal year 2021 funding in the spring of 2022, and (3) the launch of new programs, which had been on pause in fiscal years 2019 and 2020. These achievements helped stabilize or countervail at-times worrying national and regional economic, political, and social trends. Notable achievements in FY 2022 under each of the five RCS pillars include:

- Pillar I interventions include USAID, Department of Commerce, Inter-American Foundation, and Department of Labor support for more than 10,500 private sector firms in Northern Central America that helped generate more than \$320 million in sales and, according to statistics of the Partnership for Central America, created and sustained more than 115,000 jobs, an increase over the previous year. Under Central America Forward, since May 2021, companies have committed to invest over \$4.2 billion and have already deployed over \$650 million in investments, loans, and procurements. Also, under Central America Forward, the Partnership for Central America and the Department of State announced a "Good Governance Good Jobs" Joint Declaration to underscore our shared commitment to private sector engagement that supports these values.
- A Pillar II intervention, the Joint Task Force Alpha led by the Department of Justice, and other interagency efforts led by the Department of Homeland Security, generated concrete results in combatting migrant smuggling and preventing, disrupting, and dismantling human trafficking efforts. These collective efforts have resulted in 74 U.S. convictions of members of human trafficking organizations, foreign government charges against more than 200 individuals, more than 107,000 disruption activities, and more than 7,800 arrests.
- Pillar III Programs implemented by the Department of State, USAID, and the Department of Labor exceeded training targets for human rights and labor activities and continued providing support to more than 500 civil society organizations engaged in advocacy. USAID rapidly expanded its legal, digital, and physical protection support for at-risk journalists, human rights defenders,

anticorruption campaigners, and judicial officials. The Department of State and USAID launched a whole-of-government initiative called Voices (Voces in Spanish) at the 2022 Summit of the Americas in Los Angeles to respond to critical needs relating to closing civic space in Central America, with three priority areas:

(1) promote digital democracy and counter digital authoritarianism;

(2) promote freedom of expression and strengthen independent media; and(3) counter criminalization of civil-society actors and provide them physical, digital, and legal protection.

- Under Pillar IV, U.S. government programs reached over 58,000 youth with training and other support. U.S.-supported narcotics and asset seizures in Central America remain at historic highs. In FY 2022, the U.S. government supported over \$4.8 billion in illegal drug seizures, nearly \$458 million in illegal asset seizures, and trained more than 9,000 police across Central America.
- Under Pillar V, USAID reached more than 30,000 individuals in Guatemala and Honduras with gender-based violence-related services in FY 2022 compared to the 20,000 reached in fiscal year 2021. The Department of State's Office to Monitor and Combat Trafficking in Persons and USAID/El Salvador supported 39,485 vulnerable persons including migrants, trafficking survivors, and youth at-risk compared to the 15,000 supported in fiscal year 2021. State and USAID plan to continue programs under this pillar in FY 2023. USAID currently invests \$44.5 million to prevent and respond to gender-based violence (GBV) in Northern Central America. USAID/Honduras has developed a mission-wide GBV Strategy and Action Plan, while USAID/Guatemala and USAID/El Salvador will fund new standalone activities focused on preventing and responding to GBV.

Country commitment or context data help characterize the environment in which the U.S. government and its partners work. For example, in some cases, the negative trends reported last year have stabilized or reversed – intentions to migrate decreased, GDP growth per capita rates increased, and national homicide rates decreased. On other metrics, such as national youth unemployment and rule of law, El Salvador, Guatemala, and Honduras all fared worse. Only Honduras saw a small improvement in a metric related to accountability through media and civil society, with the same metric showing backsliding in El Salvador and Guatemala. El Salvador was the only country with improvements in self-reported trust in the police, with declining scores on this metric in Guatemala and

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Honduras. Finally, metrics related to enterprise development, child health, social protection, education quality, school completion, and press freedoms all show little or no change from the previous year.

Intentions to Migrate Decreased

Surveys conducted in 2022 by the Latin America Public Opinion Project showed that migration intentions decreased by double digits in Guatemala and Honduras, compared to 2021. Intentions remained the same in El Salvador. Not all who express intentions to leave will actually embark on the journey, with most respondents taking few or no concrete steps (e.g., speaking with friends or family, saving money, or making arrangements) to prepare. Migration intentions remain typically orders of magnitude higher than actual migration. Encounter data from U.S. Customs and Border Protection (CBP) further validate this finding: CBP encounters of Guatemalans, Hondurans, and Salvadorans at the U.S. Southwest border dropped substantially for Guatemala and Honduras between fiscal years 2021 and 2022 (decreases of 18 percent and 33 percent respectively), while levels from El Salvador changed only slightly, decreasing just 2 percent.

Economies Recover from COVID-19 Pandemic

After steep drop-offs due to the COVID-19 pandemic, rates of GDP growth per capita rebounded. Though Guatemala did not rebound as strongly as Honduras and El Salvador, it has almost returned to its pre-pandemic projected trend. The strong recovery of primary trading partners, including the United States, along with strong remittances, exports, and tourism all contributed to the region's recovery. However, the IMF assesses that growth has slowed down and will continue to do so as most countries reach their peak output and economic conditions (e.g., commodity prices, remittances) become less favorable. According to the International Labor Organization (ILO), unemployment rates will most likely remain unchanged in the next few years, and any expected job gains will be offset by growth in the working-age population. Youth unemployment – a key metric for the RCS – remains nearly double that of adults across the Northern Central American countries and the region. The U.S. government has worked to promote private sector investment through Central America Forward and programs that support small businesses and entrepreneurs. Private sector investments through Central America Forward reinforce good governance and human rights principles.

Corruption Problematic as Democratic Backsliding Continues

On nearly all well-known metrics of public corruption, all three Northern Central America countries continue to score lower than regional averages for Latin America and the Caribbean. In El Salvador, over 50 percent of respondents said they had little or no trust in their judicial system versus about 15 percent and 30 percent in Guatemala and Honduras, respectively. Both Guatemala's and El Salvador's democratic backsliding continued, as measured by the World Justice Project's overall rule of law index. El Salvador's democratic backsliding has been significant and since March 2022 the country has been operating under a state of exception, which suspends basic rights. The V-Dem Institute listed El Salvador as one of the top autocratizing countries in its 2022 Democracy Report. All three Northern Central America countries score in the bottom 50 percent on V-Dem's Liberal Democracy Index, which ranks countries on liberal and electoral aspects of democracy taking into consideration the fairness and freedom of elections, association and expression, civil liberties, voting rights, and constraints on the executive. The U.S. government provided support to anticorruption activists, justice sector actors, and independent media to promote transparency in Central America. Under the new Voices (Voces) initiative, the U.S. government seeks to highlight issues and support actors in closing civic space across the region.

We continue to utilize the Corrupt and Undemocratic Actors List, Section 353(b) of The United States – Northern Triangle Enhanced Engagement Act (Div. FF, P.L. 116-260). To date, 129 unclassified entries and one classified entry (later declassified) have been published to the Section 353 List. This includes 25 from El Salvador, 38 from Guatemala, 35 from Honduras, and 32 from Nicaragua. In accordance with the law, we will continue to promote accountability for corrupt and undemocratic actors by denying them entry into the United States using available tools as appropriate, including Section 7031(c), Section 353, INA 212(a)(3)(C) visa restriction provisions, and other tools provided by Congress.

Human Rights, Labor Rights, and Free Press Remain Under Pressure

El Salvador, Guatemala, and Honduras all experienced declines in press freedom. Freedom House continued to score all three countries as "partly free" in 2022. El Salvador recorded one of the steepest press freedom declines in the region for the second consecutive year. The U.S. government continued its support to human rights and other civil society organizations and provided training, technical support, and platforms for independent journalists.

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Despite Decreases in Homicide, Crime Continues to Threaten Stability

Across Northern Central America, homicide rates decreased, and seizures of illicit drugs and other items increased in recent years. Gangs and extortion remain a threat and transnational crime remains on the rise. Challenges remain with uneven capabilities among law enforcement and security services, inadequate resourcing of security needs, the impact of the pandemic on law enforcement, and the military's role in policing. El Salvador has imprisoned nearly two percent of its population in a now year-long state of exception. Trust in police increased in Guatemala and El Salvador in 2022. In Honduras, historically low levels of trust in police declined further. The U.S. government worked across the region to improve the professionalization of police and other security forces, helping communities become safer and counter organized crime.

GBV Remains Highly Prevalent in Northern Central America

The key performance metric counts the number of people reached by GBV services. Targets were exceeded and results increased over fiscal year 2021 levels. Given the high level of GBV in Northern Central America, USAID delivered a variety of GBV programs to improve the ability of women and girls to participate fully in society and contribute to their families and communities. In fiscal year 2023, USAID plans to launch new activities focused exclusively on GBV in El Salvador and Guatemala.

The Department of State and USAID will continue to collaborate with other departments and agencies to collect and analyze the results and country commitment (context) data presented in this report on an annual basis. The Department of State and USAID will also continue to collect, analyze, and disseminate analyses of migration-related data from multiple sources, including encounter data provided by CBP. Future annual reports to Congress will incorporate new programs and data as RCS implementation matures.

Next Steps and Related Reports: The Department of State anticipates submitting a Corrupt and Undemocratic Actors Report under Section 353(b) of the United States – Northern Triangle Enhanced Engagement Act (Div. FF, P.L. 116-260) in the summer of 2023.

Attachment

Appendix 1 – 2022 Results Report for the U.S. Strategy for Addressing the Root Causes of Migration in Central America



U.S. Strategy for Addressing the Root Causes of Migration in Central America: Fiscal Year 2022 Results Report

May 2023

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Results Report

Introduction

This second annual interagency Root Causes Strategy results report provides a summary of the combined accomplishments of U.S. government programs in fiscal year 2022 (October 1, 2021 to September 30, 2022), the first full fiscal year of RCS implementation.¹ Last year's report, covering fiscal year 2021, depicted initial progress and established an important benchmark or comparison for assessing future years' RCS results data. As such, the main purpose of this report is to update U.S. government policymakers on key performance and country commitment (context) data that will assist them in monitoring and assessing progress toward achieving RCS strategic objectives.

Performance metrics. These indicators help managers and policymakers monitor and assess results of programs implemented by the U.S. government and its partners.² This report compares fiscal year 2022 results to the prior year's results (increased, maintained, decreased) and, where available, pre-established annual targets (exceeded, met, not met).

Country commitment (context) metrics. Often gathered by independent third-parties, these indicators help policymakers monitor regional and national operating environments, including country commitment to reform. This report compares the most recent country-specific scores on these indicators to regional averages and prior years' scores (i.e., benchmarks).

Migration intentions

The cross-cutting question of migration intentions represents a prime example of a country commitment (context) metric. Surveys conducted in 2022 by the Latin America Public Opinion Project (LAPOP) showed that migration intentions decreased by double digits in Guatemala and Honduras, compared to 2021. Intentions remained the same in El Salvador, but were still lower than the other two countries. (See figure 1.) For all three countries, the decreases, while notable, largely were a return to historical averages following elevated levels in 2021, during the COVID-19 pandemic. In addition, not all who express intentions to leave will actually embark on the journey: While majorities of those intending to migrate say it is somewhat or very likely, few of them had taken two or more concrete steps (e.g., speaking with friends or family, saving money, or making arrangements) to prepare.

However, migration intentions historically have tracked closely with actual migration patterns, though intentions are typically orders of magnitude higher than actual migration. Encounter data from U.S. Customs and Border Protection (CBP) further validate this finding: CBP encounters of Guatemalans, Hondurans, and Salvadorans at the U.S. southwest border dropped substantially for Guatemala and Honduras between fiscal years 2021 and 2022 (decreases of 18 percent and 33 percent respectively), while levels from El Salvador changed only slightly (decreasing just 2 percent).

¹ The White House approved the Root Causes Strategy in July 2021.

² U.S. government departments and agencies that provided data for this report include Department of Commerce (Commerce), Department of Defense (Defense), Department of Labor (Labor), Department of State (State), Inter-American Foundation (IAF), U.S. Agency for International Development (USAID), and U.S. Department of Agriculture (USDA). State bureaus providing results data include Bureau of International Narcotics and Law Enforcement Affairs (INL); Bureau of Democracy, Human Rights, and Labor (DRL); Bureau of Political-Military Affairs; and the Office to Monitor and Combat Trafficking in Persons.

Figure 1: Percentage who answered, "yes" to, "Do you have intentions to emigrate?"

Source: Americas Barometer, Vanderbilt University El Salvador Guatemala Honduras 54% — 60% 41% 38% 36% 36% 40% 32% 32% Percent 29% 29% 28% 27% 25% 25% 25% 24% 24% **21%** 20% 18% 18% 15% 15% 14% 20% 0% 2005 2010 2015 2020 Year

Report outline

The report is organized by RCS pillar and strategic objective. Each pillar section of the report lists the strategic objectives, outlines key performance and country commitment metrics, highlights notable U.S. government program results, and provides an overview of regional and country context.

For each strategic objective, key performance metrics are summarized in a "Snapshot" table, which summarizes results, notes contributing agencies, describes the metric's link to the strategic objective, compares the fiscal year 2022 results to a target (where available), compares the result to the previous year (where available), and provides a brief performance narrative (see table 1).

Table 1: Performance Metric Snapshot Guide

Title of snapshot

Summary of results	Result compared to annual target	Performance narrative including relevant background, context, and other information describing
Contributing departments/agencies	Fiscal year 2022 result compared to 2021 result	or characterizing performance as measured by
Description of the link between and RCS pillar or strategic obje metric(s).		the metric.

For quick and easy reference, the Performance Metric Snapshot tables use icons to summarize comparisons of fiscal year 2022 results to targets and previous year's results (see table 2).

Table 2: Performance Metric Icon Guide

Target Icons	Definition	Results Icons	Definition
	Results met the annual target		Results increased
> 5	Results exceeded the annual target	IIII 6	Results decreased
K ₇	Results did not meet the annual target		Results maintained
ŀ	1	ل گ	Not available

³ appointment by Adrien Coquet from Noun Project

⁴ increase by mpanicon from Noun Project

⁵ right by Gonzalo Bravo from Noun Project

⁶ decrease by mpanicon from Noun Project

⁷ Left by Gonzalo Bravo from Noun Project

⁸ flat trend by Jacques Chatard from Noun Project

⁹ Blocked folder by cathy moser from Noun Project

Pillar I: Addressing economic insecurity and inequality

Pillar I comprises four strategic objectives:

- Foster a business enabling environment for inclusive economic growth,
- Increase and diversify trade,
- Enhance workforce development, health, education, and protection, and
- Build resilience to address climate change and food insecurity.

Agencies exceeded fiscal year 2022 targets (where available) and results increased over the previous year, with the exception of education and nutrition performance metrics. The education results were lower than fiscal year 2021 results due to programming changes and circumstances outside of the U.S. government's control. In Honduras, USAID did not meet targets for the number of children under five reached with nutrition interventions due to changes in the Government of Honduras' health administration.

Against a challenging economic backdrop, USAID and USDA support to micro, small, and medium enterprises in El Salvador, Guatemala, and Honduras helped create and sustain jobs in key geographic areas, amongst focus groups (e.g., women, youth, and marginalized communities), and in key sectors, including agriculture. USAID, Commerce, IAF, and DOL supported improved viability and growth of firms and enabled agribusiness producers, smallholder farmers associations, and companies to increase sales. In addition, IAF, USAID and DOL increased opportunities for youth to access gainful employment through workforce development initiatives.

Initiatives aimed at supporting the recovery from the COVID-19 pandemic are woven throughout the U.S. government's programming in northern Central America and include vaccine delivery, health systems strengthening, and safely returning children to in-person schooling. USAID and USDA continue to provide support to students, teachers, and administrators, particularly as they try to regain some of the education quality and enrollment losses as a result of the COVID-19 pandemic. These agencies also supported the availability, and sustainable management of safe water and sanitation for underserved and

vulnerable populations, and provided nutrition and food security amongst rising hunger in the region and in the world, as a result of the pandemic and the war in Ukraine.

Despite reductions in poverty rates and increases in GDP per capita prior to the compounding negative impacts of the pandemic and hurricanes Eta and lota, the economies of El Salvador, Guatemala, and Honduras remain largely informal and highly unequal. Inclusive growth that reaches women and marginalized populations, and includes decent work, will be critical to creating opportunities among citizens in the region. The COVID-19 pandemic exposed weakness in national health care systems, led to severe economic downturns, and devastated tourism. The consequences of climate change are only projected to get worse, further disrupting growing cycles, upending farmer livelihoods, and exacerbating food insecurity and malnutrition.

Foster a Business Enabling Environment for Inclusive Economic Growth

Central America Forward results

Under the Vice President's initiative "Central America Forward" (previously known as the "Call to Action"), led by the Department of State, since May 2021, companies have deployed over \$650 million in investments, loans, and procurements. This includes approximately \$100 million in El Salvador, \$215 million in Guatemala, and \$337 million in Honduras. Additionally, companies have created more than 15,000 jobs across the region, connected four million people to the Internet, brought more than one million people into the formal financial economy, and trained more than 160,000 people to enhance workforce development, including digital and language skilling, as well as programs that lead to certification and employment.

Three key performance metrics capture results for this strategic objective: jobs, sales, and firms. On all three of these, fiscal year 2022 results were greater than results for the previous year and, where available, targets were exceeded. Key country commitment metrics include GDP per capita growth, which rebounded in all three countries in 2021, and unemployment rates, which remained below regional averages. Female youth unemployment continues to sharply increase, while male youth unemployment did not change over the same time period.

Performance Metrics

Jobs Snapshot

More than 115,000 jobs associated with RCS programs in fiscal year 2022	Results exceeded annual targets (where available)
Contributing agencies USAID (91,613) USDA (23,458)	Results increased over 2021 levels

These indicators track U.S. government contributions to agricultural and nonagricultural private sector job creation and stability in northern Central America. U.S. government support addresses a key root cause of migration from Central America by providing income, helping reduce poverty, and strengthening ties to individuals' communities. Job creation provides a key path for economic opportunity, especially for youth who are likely to migrate or become involved in illegal activities.

USAID (two activities in Honduras, one activity in El Salvador, and four activities in Guatemala) and USDA support to private sector employers contributed to generating or sustaining 115,071 jobs in many sectors including forestry, plantation and livestock management, construction, tourism and hospitality, small manufacturing, and food production. USAID exceeded annual targets for this indicator in all three countries.

Firms Snapshot

More than 10,500 firms supported in fiscal year 2022	Results exceeded annual targets (where available)	US ar IA 10 wi
Contributing agencies USAID (8,765) IAF (1,868) Commerce (252)	Results increased over 2021 levels	El Ho Sk im Sti de
These indicators track U.S. government co	• •	m ac

These indicators track U.S. government contributions to the viability and/or expansion of new and existing private sector firms, including small and medium enterprises. This in turn supports inclusive, broad-based economic growth, empowerment, and stability - the lack of which contributes to a root cause of irregular migration from Central America. USAID (two activities in Guatemala and El Salvador each), Commerce and IAF provided technical assistance to 10,885 firms across Central America, with most (10,569) firms supported in El Salvador, Guatemala, and Honduras.

Technical support included workforce skills and enterprise development, improvement of agricultural practices, strengthening business models, development of commercial and marketing strategies, and increased access to financial resources with special attention to strengthening indigenous women involvement.

Sales Snapshot

More than \$320 million in sales generated by supported firms in fiscal year 2022

> **Contributing agencies** USAID (\$321,027,563)



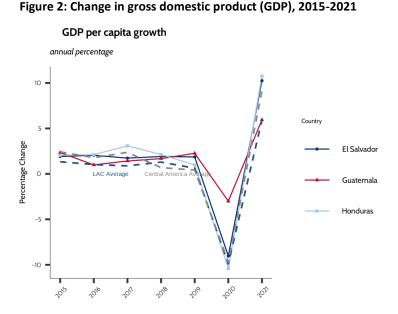
These indicators track outcomes of USAIDs agricultural, nonagricultural, and environment assistance programs. Increased productivity and production of small-holders or firms helps reduce poverty, a key root cause of migration, through improved livelihoods and broad-based economic growth.

Country Commitment Metrics

In 2021, El Salvador and Honduras' GDP rebounded sharply as seen in figure 2. Though Guatemala did not rebound as strongly as the other countries, it has almost returned to its pre-pandemic projected trend.¹⁰ The strong recovery of primary trading partners, including the United States, along with strong remittances, exports, and tourism, all contributed to the region's solid recovery. However, the IMF expects growth has and will continue to slow down as most countries reach their peak output and economic conditions (e.g. commodity prices, remittances) become less favorable.¹¹

Contrary to the promises of greater economic growth, the Bukele administration in El Salvador has stymied investment and growth by conducting itself in an unpredictable and unconstitutional manner, and an ongoing fiscal liquidity crisis continues to hinder economic growth. Although the economy has largely recovered from the pandemic, the projected annual economic growth rate for El Salvador remains low. **USAID** (one activity in El Salvador, two activities in Honduras, and four activities in Guatemala) provided specialized assistance to agribusiness producers and companies—including microenterprises and small-tomedium sized enterprises—and cooperatives to increase their sales. Region-wide sales were four times higher in fiscal year 2022 than the previous year, and fiscal year 2022 targets were exceeded. In El Salvador, 49 percent of supported small and medium enterprises were womenowned and 60 percent of supported micro enterprises were women-owned.

Technical support increased access to international markets, supported job creation, and assisted in the recovery from the economic crisis caused by COVID-19. Other initiatives enabled access to finance and acceleration programs that supported entrepreneurs, and small and growing businesses.

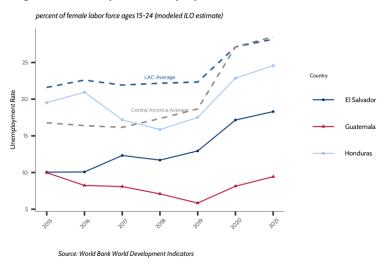


Source: World Bank World Development Indicators

¹⁰ IMF (2022): IMF Staff Country Report, Guatemala: 2022 Article IV Consultation-Press Release; Staff Report; and Informational Annex.

¹¹ IMF (2022): <u>Regional Economic Outlook, Western Hemisphere</u>.

Figure 3: Female youth unemployment rate



Unemployment rates of the three countries largely remained the same from 2020 to 2021, and remain below regional averages.¹² According to the ILO, unemployment rates will most likely remain unchanged in the next few years, and any expected job gains will be offset by growth in the workingage population.¹³ For youth (ages 15-24)—a key demographic for the Root Causes Strategy—the unemployment rate continued rising in 2021, although not as sharp as the rise in 2020, trending mostly consistent with the Central America and Latin America averages.¹⁴

Youth unemployment is nearly double that of adults across the northern Central American countries and the region,¹⁵ and more than 1 in 5—or almost 25 percent—of young people across the world are not in education, employment, or training. Most likely, youth unemployment underestimates the impact of the pandemic as many youth

have and continue to face scarce opportunities to find or secure decent employment, resulting in many of them dropping out of the labor force altogether.¹⁶

Male youth unemployment rates were largely stagnant from 2020 to 2021, and remained lower than the LAC and Central America averages in northern Central America.¹⁷ Female youth unemployment rates continued sharply increasing in 2021. The rates remained high in Northern Central America, but below regional rates (See figure 3). Honduras has the highest female unemployment rate of the three countries and Guatemala the lowest. Young men are much less likely to be unemployed in all three countries than young women. This aligns with global trends: young men are almost 1.5 times more likely than young women to be employed.¹⁸ In the LAC region, young women are twice as likely to be NEET as young men because they face many more barriers to entering and staying in the labor market including greater caregiving responsibilities, greater likelihood of being pulled out of education, gender discrimination, and restrictive social norms. In addition, young women also experienced greater impacts on their employment during COVID-19 pandemic because they tend to work in sectors such as education and care services that were some of the hardest hit. This gender gap and low unemployment levels are expected to persist into 2022.¹⁹

Increase and Diversify Trade

Two key performance metrics capture results for this strategic objective: training in trade and investment, and the number of trade facilitation agreements supported. Both of these metrics exceeded fiscal year 2022 targets. The key country commitment metric is export sophistication. All three countries experienced declines in export sophistication from 2019 to 2020 (year for which updated data was most recently released), with Honduras rating particularly low. Trade among Central American countries was negatively affected by the slowdown in economic activity caused by the COVID-19 pandemic and the war in Ukraine.

Performance Metrics

The Department of Commerce's Commercial Law Development Program (CLDP) exceeded targets on two key performance metrics: (1) person-hours of training completed in trade and investment, and (2) the number of World Trade Organization Trade Facilitation Agreement Provisions supported. These performance metrics track U.S. government contributions to reducing costs to traders and transporters, a key barrier to inclusive economic growth through cross-border trade.

¹² Youth Unemployment Rate. World Bank Development indicators.

¹³ ILO (2023) World Employment and Social Outlook, Trends 2023.

¹⁴ Youth Unemployment Rate. World Bank Development indicators.

¹⁵ World Bank Development Indicators. Youth Unemployment rate.

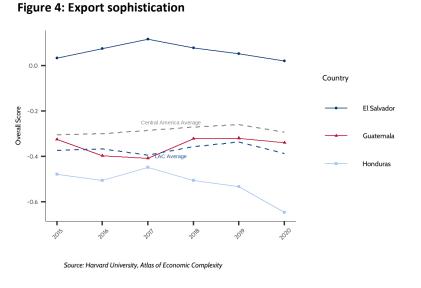
¹⁶ ILO (2022) <u>Global employment Trends for Youth 2022</u>.

¹⁷ Male Youth Unemployment Rate. World Bank Development indicators.

¹⁸ ILO (2022) <u>Global employment Trends for Youth 2022</u>.

¹⁹ ILO. (2022). Global employment Trends for Youth 2022.

Neither the Commerce Department nor USAID reported results in fiscal year 2022 for the average time (in hours) to trade goods along trade corridors due to the discontinuation of the World Bank's Doing Business Report in September 2021. In fiscal year 2021, the average number of hours to trade goods along trade corridors receiving U.S. government assistance was 66 across the three northern Central America countries.



Country Commitment Metrics

All three northern Central American countries experienced declines in export sophistication from 2019 to 2020 (year for which data is most recently available) with Honduras continuing to decline and score below regional averages. El Salvador continues to exceed regional averages, and Guatemala continues scoring between the Central America and LAC averages. (See figure 4.)

According to the Economic Commission for Latin America, the region's trade in goods recovered in 2021 and 2022, along with the regional trade in services due to the return of tourism to the region. However, in the second half of 2022, trade among Central American countries was negatively affected by the slowdown in economic activity.

In 2022, exports rose across LAC primarily due to shipments within the region and to the United States. In 2023, however, slowdowns are expected due to the conflict in Ukraine, COVID-19 resurgence in China, Europe's energy crisis, and the tightening of monetary policies.²⁰

Enhance Workforce Development, Health, Education, and Social Protection

Key performance metrics capturing results for this strategic objective include number of students supported through education programs, number trained in workforce development, number of schools with improved water and sanitation, and COVID-19 response. Agencies exceeded targets, where available, and, fiscal year 2022 results increased over fiscal year 2021 levels on all but the education metrics. Key country commitment metrics include education quality, lower secondary completion rates, child health and social protection coverage rates. Updated data for these metrics were not available as of the time of this report.

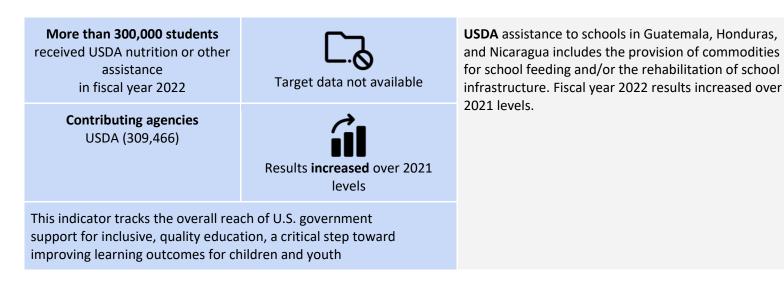
²⁰ The UN's Economic Commission for Latin America. (2022). <u>International Trade Outlook for Latin America and the Caribbean 2022: the challenge of boosting manufacturing exports</u>.

Education Reach Snapshot

More than 465,000 students supported through primary and secondary education programs in fiscal year 2022	Results exceeded annual targets	USAID (four activities in El Salvador, two activities in Guatemala, and two activities in Honduras) supported 465,923 students in primary and secondary schools.
Contributing agencies USAID (465,923) These indicators track the overall re support for inclusive, quality educa improving learning outcomes for ch	tion, a critical step toward	These results exceeded fiscal year 2022 targets for both primary and secondary education in all three countries by expanding the number of supported schools and outreach to high school-age learners. Nevertheless, activities faced challenges related to continued COVID-19-related school closures, internet connectivity, and slow re-enrollment of students for in-person learning. The decrease from 2021 levels was mainly due to a shift from supporting hybrid (including web-based) primary education to in-person education following the post-pandemic return to schools in Guatemala.

In addition, USAID provided support across all three northern Central American countries to 3,229 public and private schools. This support included attracting private sector investment; and support to teachers and administrators to develop safe returnto-school plans, implement COVID-19 protocols and reinforce healthy behaviors during the pandemic, coach teachers in teaching strategies, reintegrate returned child migrants, develop and distribute student leveling guides, and print and distribute classroom reading materials. In addition, 146 learning environments supported by USAID improved safety by building or repairing learning spaces and complementary educational spaces (e.g. courts, stages, libraries, playgrounds) to improve safety.

School-Based Nutrition Snapshot



In addition, USAID and USDA supported 2,430 parent teacher associations (USDA: 1,972, USAID: 458) in Central America. Support included preparing work plans and ensuring the inclusion of actions to support the safe return to school and literacy strengthening, such as the rehabilitation of school libraries, reading fairs, book festivals, and reading camps. Children and the broader education community participated to strengthen their reading skills.

Workforce Development Snapshot

More than 50,000 individuals trained in workforce development in fiscal year 2022	Results exceeded annual targets (where available)	Through workforce development programs supported by the Inter- American Foundation, USAID (one activity in Honduras, one in El Salvador, and one in Guatemala), and Labor
Contributing agencies IAF (38,817) USAID (11,916) DOL (99)	Results increased over 2021 levels	50,832 individuals completed vocational training across Central America. USAID programs exceeded fiscal year 2022 targets in all three countries.

In addition, in fiscal year 2022, 2,574 youth were newly employed after completing their vocational training (in the current or prior years). Others who completed training continued their education or obtained better jobs, among other outcomes.

providing other technical

increased since fiscal year

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2021.

al

These indicators track the reach and short- and medium-term outcomes associated with U.S. government-supported workforce development programs, which by their nature focus on youth, a key population for addressing the root causes of migration from Central America. Programs included technical training to improve and certify skills needed to pursue new or improved employment (e.g., soft skills, basic labor competencies, technical skills, and others based on employers' needs) and training to initiate enterprises, along with coaching and mentoring during the employment-seeking process. Programs also included partnerships with public and private sector partners to connect job seekers, including qualified at-risk youth, with employment opportunities, such as through job fairs and job placement services.

Water and Sanitation Snapshot

More than 2,500 schools with improved water or sanitation facilities in fiscal year 2022	Target data not available	The U.S. Department of Agriculture 's McGovern-Dole projects strengthened 2,757 schools in Honduras and
Contributing agencies USDA (2,757)	Results increased over 2021 levels	Guatemala and enabled access to improved water sources or sanitary facilities by assisting schools, supporting public financial
These indicators track U.S. government contrib drinking water, a public service essential for lor	, c	management, developing economic plans, and

These indicators track U.S. government contributions to sustainably increasing access to safe drinking water, a public service essential for long-term development. Lack of access to safe, reliable, and affordable drinking water negatively affects health outcomes and diverts time and financial resources away from other development needs, thus putting other development outcomes at risk. Increased financing for water and sanitation increases the availability and sustainable management of safe water and sanitation for underserved and vulnerable populations.

COVID-19 pandemic response

In fiscal year 2022, the U.S. government continued to support strengthening health systems to address current and future public health challenges, including support for COVID-19 response.

USAID's Municipal Governance activity in El Salvador delivered sanitation equipment to 20 municipalities for COVID-19 prevention in municipal infrastructure such as town halls, markets, and public streets. COVID-19 prevention campaigns were

also carried out in these municipalities: 2,000 radio spots were broadcast, reaching 500,000 people; trucks were equipped with loudspeakers reaching approximately 50,000 residents; and 19 municipalities posted prevention messages on their Facebook accounts, with an estimated reach of more than 200,000 people.

In Guatemala, COVID-19 continued to create challenges for the delivery of routine health services and has redirected focus from several critical health systems reforms including decentralization and revitalization of the primary health care model. In fiscal year 2022, USAID largely focused on increasing COVID-19 vaccine uptake at the last mile and continued to implement the Rural COVID-19 Vaccination Strategy. This included campaigns on radio, television, social media and also provided nutritious foodstuffs to over 40,000 individuals living in rural indigenous communities. Additionally, USAID continued to provide technical assistance to the Guatemalan government to implement the national decentralization law, which serves to ensure that municipalities provide decentralized healthcare services at the local level.

In Honduras, USAID supported access to and administration of COVID-19 vaccinations, reduced morbidity and mortality, mitigated transmission, and strengthened health systems. USAID also supported the Honduran government's Expanded Immunization Program with information management, administration of vaccines, and enhanced storage facilities for biological and vaccine supplies. USAID adapted some activities to respond to COVID-19, such as by redirecting funding for public hospital improvements, virology laboratories, construction of clinics, as well as repairs or expansions to medical supply and cold chain warehouses. Health providers were trained to implement tools to improve service provision including community-based action plans; a practical home management guide for COVID-19 patients; and easy-to-understand communication materials on COVID-19. USAID also provided in-kind support for health providers to respond to the pandemic, including cold chain and medical equipment, computers, molecular biology laboratories, one maternal health service center, and regional biological warehouses.

Country Commitment Metrics

Key country commitment metrics include education quality, lower secondary completion rates, child health and social protection coverage rates. Third-party sources collect and update data periodically, often annually or bi-annually.

Therefore, as of the writing of this report, updated data for these metrics has not been released. The fiscal year 2021 RCS results report contains analysis of the most recent data for these metrics; see <u>the fiscal year 2021 RCS results report to Congress</u> for a detailed review.

Other relevant data sources and regional and global trends offer some insight into the current state of affairs for this strategic objective. Effects of the COVID-19 pandemic and the state of the global economy have undone progress on improving conditions for health, education and the workforce. For all northern Central America countries, education quality remained almost stagnant from 2018 through 2020 and the COVID-19 pandemic most certainly exacerbated issues with education quality. According to the ILO's *Global Employment Trends for Youth*, we do not know what long-term effects COVID-19 pandemic-related measures such as school closures will have on educational outcomes, but likely they have contributed to structural inequalities and hindered access to quality education, financial support and opportunities for distance learning. During the pandemic many children, especially girls, may have been pulled out of education in order to work or shoulder caregiving responsibilities.²¹ Child health has suffered as well. According to the Pan American Health Organization (PAHO), administered vaccination doses and vaccination coverage rates—a key determinant of child health—have declined throughout Central America since 2020.²² Additionally, the less than optimal global economic conditions have driven many workers to take lower quality and often informal jobs that are more likely to limit access to fundamental workplace rights and social protections.²³

Build Resilience to Address Climate Change and Food Insecurity

Key performance metrics capturing results for this strategic objective include the number of individuals in the agriculture and food system who have applied improvement management practices or technologies, number of children reached with nutrition interventions, and number of individuals participating in food security programs. On metrics related to improving agricultural management practices and adopting new technologies, agencies exceeded annual targets (where available) and fiscal year 2022 results increased over the previous year. The food security and leveraging investment for food security metric targets were exceeded (where available) and results increased over fiscal year 2021. Nutrition metrics did not meet targets due to

²¹ ILO. (2022). <u>Global employment Trends for Youth 2022</u>.

²² Health in the Americas+. (2021). <u>Health Overview</u>.

²³ ILO. (2023). ILO World Employment and Social Outlook Trends 2023.

circumstances outside of the U.S. Government's control in Honduras, but overall results increased over 2021 levels. Key country commitment metrics include countries environmental policy score and the prevalence of severe food insecurity. Due to the timing of the writing of this report, updated data for these metrics had not been released.

Performance Metrics

Agriculture Technology Assistance Snapshot

More than 88,500 individuals applied improved management practices or technologies in fiscal year 2022	Results exceeded annual targets (where available)	USAID (two activities in Guatemala and two activities in Honduras) and USDA supported 88,689 individuals to apply new agricultural technologies. USAID exceeded fiscal year 2022 targets.
Contributing agencies USAID (59,374) USDA (29,315)	Results increased over 2021 levels	Small producers received technical assistance and training in applying agricultural practices and technology to their plots. These actions increased the
Agricultural technological assistance, financing and investment indicators track U.S. government contributions to reducing poverty and hunger through support for inclusive agriculture-led economic growth.		income of producers and improved livelihoods.

Additionally, USDA and USAID provided or facilitated access to nearly \$94 million in agriculture-related financing for small-holder farmers and microbusinesses. Financing was used for a variety of purposes including as harvest advances for the implementation of agricultural practices and technologies, and to counteract elevated costs of agricultural inputs and labor.

Programs administered by the Department of Commerce's Commercial Law Development Program (CLDP) trained 238 Hondurans in energy technical fields, exceeding its fiscal year 2022 target by more than double after generating ample interest in its draft microgrids regulations tailored specifically for the Honduran Electric Energy Regulatory Commission. USAID (three activities in Guatemala) supported 19 institutions to improve their capacity to address clean energy issues, and implemented programs across northern Central America that improved economic benefits for 987 individuals through sustainable coastal resource management and biodiversity conservation, and promoted conservation-based entrepreneurship for 172 Honduran youth through providing seed capital.

Food Security Snapshot

Nearly 550,000 individuals reached

with food security programming in fiscal year 2022

Contributing agencies USAID (104,382) USDA (450,528) Results **exceeded** annual targets (where available)

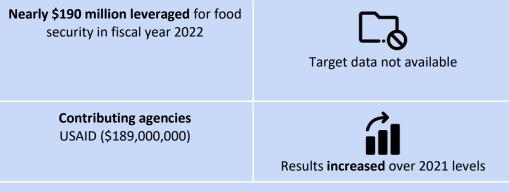


The food security programming reach indicators track the number of individuals reached by U.S. government food security and nutrition programs. According to the recent LAPOP 2022 national survey, mothers who experience food insecurity and have a negative outlook for the future are more likely to migrate irregularly. For example, 49 percent of food insecure individuals in Honduras report intentions to

USDA and **USAID** (four activities in Guatemala and four in Honduras) reached 554,910 individuals with food security programming. Annual targets were exceeded and results increased over fiscal year 2021 levels.

USAID programs engage agricultural producers and are focused on foodinsecure, impoverished, and/or marginalized populations, including women and indigenous communities. USDA supported individuals through school feeding programs, and agricultural productivity and trade expansion programs

Food Security Investment Leveraged Snapshot



This private sector investment indicator tracks new investments leveraged by the U.S. government for supporting food security and nutrition. Initiatives strengthen the value chains, promote the adoption and application of good agricultural practices and increase farmer resilience.

USAID (three activities in Guatemala and two activities in Honduras) leveraged an estimated \$189 million in private sector investments to support food security and nutrition. Results increased over 2021 levels.

Public-private sector investments and alliances were aimed at the renovation of coffee plantations, fertilization, productivity and quality of coffee, collection of empty pesticide containers, diversification of agroforestry systems and reforestation of micro-basins. Investments were also mobilized in new crops such as coffee, amaranth, vegetables, macadamia, asparagus, and avocado.

²⁴ LAPOP Lab at Vanderbilt University. (2022). [Report in preparation].

Child Nutrition Snapshot

	early 175,000 children reached h nutrition interventions in fiscal year 2022	Results did not meet the annual target	USAID (two activities in Guatemala and one in Honduras) reached 174,414 children under five with nutrition initiatives. Targets in Guatemala were exceeded by almost half. Targets in Honduras were not met due to changes in the Government of Honduras' health
	Contributing agencies USAID (174,414)	Results increased over 2021 levels	administration which affected the anticipated timeline, work plan, and progress attainable in fiscal year 2022. Initiatives promoted nutrition-specific
amo	child food security indicator tracks ong children under five, and these in rent and treat malnutrition and to i		interventions, and essential infant and young child feeding behaviors.

Country Commitment Metrics

Key country commitment metrics include countries environmental policy score and the prevalence of severe food insecurity. Third-party sources collect and update data periodically, often annually or biannually. Therefore, as of the writing of this report, updated data for these metrics has not been released. The fiscal year 2021 RCS results report contains analysis of the most recent data for these metrics; see the fiscal year 2021 RCS results report to Congress for a detailed review.

Other relevant data sources and regional and global trends offer some insight into the current state of affairs for this strategic objective. All three countries of northern Central America scored poorly, compared to regional averages, on the quality of environmental policy in 2020²⁵ and, according to FAO's State of Food Security and Nutrition, world hunger rose in 2021 and malnutrition rose as a result of the pandemic. Food insecurity did not improve despite GDP growth rebounding in 2021, and the prevalence of moderate or severe food insecurity remained at slightly more than 34 percent throughout 2020 and 2021. Additionally, there is a growing gender gap in food security in Latin America and the Caribbean as the COVID-19 pandemic had a disproportionate effect on women's access to nutritious foods and economic opportunities. The war in Ukraine only exacerbated rising fertilizer, food, and fuel costs which impacts future agricultural productivity and food security concerns.²⁶

²⁵ Bertelsmann Stiftung (2020). <u>Transformation Index (BTI)</u>. The BTI Environmental Policy indicator scores countries' environmental policies on a one to ten scale, with higher scores representing more advanced environmental policy regimes. This indicator measures the soundness of environmental stewardship and natural resource management, factoring a wide array of macroeconomic policies with environmental consequences, such as energy and tax policies, national climate plans, and incentives at the firm and household levels. The indicator also considers whether legislation and regulations are effectively executed, as well as the influence of societal stakeholders beyond the government, including the private sector and civil society.

Pillar II: Combating corruption, strengthening democratic governance, and advancing the rule of law

Pillar II comprises three strategic objectives:

- Strengthen democratic institutions to improve governance and rule of law,
- Combat corruption, and
- Improve government service delivery.

Fiscal year 2022 results exceeded annual targets for all key performance indicators: the number of justice sector personnel trained, the number of individuals trained in anti-corruption, and the number of courts supported. The amount of justice sector personnel decreased from fiscal year 2021 levels because training targets were achieved and, therefore, programming shifted to systems strengthening. Fiscal year 2022 anti-corruption training results exceeded fiscal year 2021 results.

Governance challenges, including widespread corruption, undercut progress on economic opportunity, protection of human rights, and civilian security in northern Central America. Governance indicators show government effectiveness in all three northern Central American countries are lower than regional averages. Tax revenue continued to rise in El Salvador, but revenue in Honduras and Guatemala remained low with Guatemala's tax revenue being the lowest.

Democratic backsliding continues in all three countries and particularly in El Salvador due to the removal of constraints on the executive and an undermined judiciary. All three countries continue to score lower than regional averages on the rule of law index and many well-known measures of corruption. Private companies cite corruption as an impediment to investment and weak democratic institutions. This coupled with rampant impunity, has lowered citizens' trust in their governments and trust in judicial systems continues to decline. The ability of media and civil society to hold governments accountable (diagonal accountability) in Guatemala and El Salvador have declined, whereas Honduras' accountability continues on an upward trajectory due to improvements in civil liberties and the peaceful transfer of presidential power in 2022.

Strengthen Democratic Institutions to Improve Governance and Rule of Law

Key performance metrics for this strategic objective include number of trained justice sector personnel and number of supported courts. Agencies' fiscal year 2022 justice sector training results exceeded targets, where available, but overall results were lower than those for the previous year. USAID exceeded fiscal year 2022 targets for the number of courts supported in Guatemala and Honduras. The key country commitment metrics for this strategic objective are V-DEM's diagonal accountability index, World Justice Project's overall rule of law index, and data on trust in judicial systems gathered by the Department of State. The diagonal accountability index measures the ability of media and civil society to hold governments accountable. Guatemala and El Salvador's scores continued to decline, while Honduras continued an upward trajectory. All three countries score lower than regional averages on the rule of law index, and citizen trust in judicial systems continues to decline.

Performance Metrics

Justice Sector Personnel Training Snapshot

More than 8,000 justice sector personnel trained in fiscal year 2022	Results exceeded annual targets (where available)	lr B F r O
Contributing agencies Department of State (6,746) USAID (1,524)	Results decreased over 2021 levels	p ir to c

These indicators track U.S. government contributions to strengthening partner governments' judicial systems, essential for transparency and accountability in democratic societies, as well as performance of those systems, measured by prosecutions and convictions.

In fiscal year 2022, the **Department of State's Bureau for International Narcotics and Law Enforcement Affairs** (INL) and **USAID** (one regional activity, one activity in Guatemala and one in Honduras) trained 8,270 judges, prosecutors and public defenders in investigative and prosecutorial methods and technologies, human rights and use of community-based systems, among other things.

While the USAID activity in Honduras exceeded its annual target, it trained fewer justice personnel than in the previous year. Having exceeded its life-of-project target, the activity shifted to providing as-needed technical assistance to strengthen existing systems.

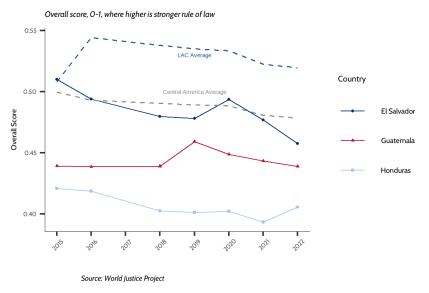
In addition, USAID supported 84 courts in Honduras (one activity) and Guatemala (one activity). USAID exceeded fiscal year targets (by nearly double), due largely to accelerated support to courts in Honduras in fiscal year 2022, after experiencing implementation delays in the previous year.

Country Commitment Metrics

El Salvador, Guatemala, and Honduras continue to score lower than the regional averages on the World Justice Project's overall rule of law index.²⁷ Honduras showed slight improvement in 2022, though it continues to score the lowest out of the Northern Central American countries (see figure 5). Both Guatemala and El Salvador experienced democratic backsliding in 2020 and in 2022 their index scores continued to decline. El Salvador's democratic backsliding has been significant; since March 2022 the country has been operating under a State of Exception, which suspends basic rights, including those of free speech and protest. President Nayib Bukele has removed constraints on the executive and undermined the judiciary (e.g. removing five supreme court judges). As a result, the V-Dem Institute listed El Salvador as one of the top autocratizers in its 2022 Democracy Report. All three countries score in the bottom 50 percent on V-Dem's Liberal Democracy Index, which ranks countries on liberal and electoral aspects of democracy taking into consideration the fairness and freedom of elections, association and expression; civil liberties, voting rights, and constraints on the executive.²⁸ In all three countries survey data further reflects this democratic backsliding in citizens' declining trust in their countries' judicial systems (see figure 6). In El Salvador, over 50 percent of

²⁷ <u>The ROL Index</u> scores and ranks countries on eight primary factors: Constraints on Government Powers, Absence of Corruption, Open Government, Fundamental Rights, Order and Security, Regulatory Enforcement, Civil Justice, and Criminal Justice. It is built upon an original conceptual framework developed by WJPresearchers, in consultation with academics, practitioners, and community leaders around the world.
²⁸ V-Dem Institute. (2022). <u>Democracy Report 2022: Autocratization Changing Nature?</u>

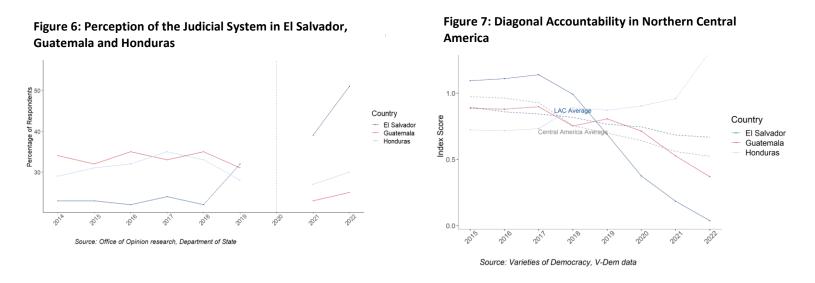
Figure 5: Rule of Law Index



respondents said they had little or no trust in their judicial system versus about 15 percent and 30 percent in Guatemala and Honduras, respectively.

Diagonal accountability refers to the ability of media and civil society to hold the government accountable through, for example, the spread of information, publicity, protests, and other forms of engagement. El Salvador's score on V-DEM's digital accountability index (see Figure 7) continued to drop precipitously due to autocratic tendencies such as removing constraints on the executive branch, undermining the judiciary, and repressing civil society organizations. Guatemala's score has declined since 2020, due in part to the undermining of corruption investigations and attacks on the judicial system. Scores for both El Salvador and Guatemala remain below Central America and Latin America regional averages. In 2022, the score for Honduras—

where civil liberties improved and the peaceful presidential transfer of power helped consolidate the country's democratic progress in 2022—continued an upward trajectory and further surpassed regional averages for Central America and Latin America.²⁹



Combat Corruption

The number of individuals, both government and civil society representatives, trained in anti-corruption is the main performance metric for this strategic objective. USAID's fiscal year 2022 results for this metric exceeded targets and were greater than those for the previous year. Key country commitment metrics include many well-known measures of corruption on which the northern Central American countries score lower than regional averages.

Performance Metrics

Anti-corruption training Snapshot

²⁹ For more information, see V-DEM, <u>Democracy Report 2023: Defiance in the Face of Autocratization</u>.

More than 8,000 individuals trained in anti-corruption in fiscal year 2022	Results exceeded annual targets	USAID (two activities in Honduras, one in El Salvador, and one in Guatemala) provided 8,001 government officials and people affiliated with non-governmental
Contributing agencies USAID (8,001)	Results increased over 2021 levels	organizations with anti-corruption training. Results increased from fiscal year 2021 and targets were exceeded overall.

Training and capacity building efforts included social auditing, advocacy, transparency, and accountability.

These indicators track U.S. government contributions to strengthening the capacity of partner government officials to manage accountability systems and processes, take action against corrupt acts, and be aware of the ethical norms related to their official roles.

Country Commitment Metrics

On nearly all well-known measures of public corruption, all three northern Central America countries continue to score lower than regional averages for Central America and Latin America and the Caribbean.³⁰ According to the 2021 Americas Barometer Report, more than three in five citizens in the LAC region believe there is widespread corruption among politicians, and the highest levels of bribe solicitation by public officials in the LAC region were reached according to the AmericasBarometer series.³¹ Victims of corruption are more likely to express intentions to migrate than people who have not been victimized.³² For example, Guatemalans asked for bribes by police are more likely to have intentions to migrate than those who have not been asked for bribes.³³

Improve Government Service Delivery

While some U.S. government programs focused specifically on government service delivery—particularly at the local (department or municipal) level, few standard metrics exist for tracking government capacity and performance, availability or access to services, or service quality, across the region. USAID and the Department of State will collaborate with implementers to identify and select indicators for future tracking and reporting. Key country commitment metrics include national-level government effectiveness, on which all three northern Central American countries score lower than the LAC average, and tax revenue as a percentage of GDP. Due in part to U.S. support for tax collection, El Salvador's tax revenue rate continued to rise, while Honduras and Guatemala tax revenue rates remained low compared to regional averages.

Performance Metrics

USAID support to tax administration in El Salvador contributed to a 27 percent increase in national tax collection in 2022, compared to the previous year, due to rebounding GDP following the COVID-19 pandemic and a vigorous tax collection campaign. Support to tax collection and subsequent transparent utilization of those funds can contribute to perceptions that governments are able to address citizen problems. If citizens perceive the government can address their needs, they are less likely to migrate.³⁴

Country Commitment Metrics

As of 2021, The World Bank's Worldwide Governance indicators show government effectiveness in all three northern Central American countries to be in the 40th percentile or lower, whereas the Latin American and Caribbean region is in the 50th percentile.³⁵ Tax revenue as a percentage of GDP in 2020 continued to rise in El Salvador (18.7 percent), however revenue in

³⁰ Measures of public corruption include Transparency International's Corruption Perceptions Index (CPI) and Global Corruption Barometer, Varieties of Democracy (V-DEM) corruption indicators (control, executive, judicial, political, public sector and regime), World Justice Project's absence of corruption index, Vanderbilt University's Latin America Public Opinion Project (LAPOP) perception of political corruption, and the World Bank's Worldwide Governance Indicator on control of corruption.

³¹ LAPOP Lab at Vanderbilt University. (2021). <u>LAPOP's 2021 AmericasBarometer takes the Pulse of Democracy</u>.

³² LAPOP Lab at Vanderbilt University. (2018). <u>LAPOP's AmericasBarometer takes the Pulse of Democracy</u>.

³³ Key Findings from LAPOP's 2022 Off-Cycle Surveys of El Salvador, Guatemala and Honduras. Unpublished slides.

³⁴ Hiskey, Jonathan & Montalvo, Jorge & Orces, Diana. (2014). <u>Democracy, Governance, and Emigration Intentions in Latin America and the Caribbean</u>.

Studies in Comparative International Development. 49. 89-111. 10.1007/s12116-014-9150-6.

³⁵ World Bank. (2021). <u>World Bank Governance Indicators</u>.

Honduras (14.8 percent) and Guatemala (10 percent) remained low. Guatemala remained far below the regional average (13.3 percent), with the lowest ratio of all countries in the region.³⁶

³⁶ World Bank. (2020). <u>Tax revenue (percent of GDP)</u>.

Pillar III: Promoting respect for human rights, labor rights, and a free press

Pillar III comprises three strategic objectives:

- Enhance respect for human rights,
- Enhance respect for labor rights, and
- Promote a free press.

The U.S. government works with partners in the region, including civil society, to promote respect for human rights for all citizens. On three key performance metrics—training for human rights defenders, labor rights actors, and journalists—U.S. government programs exceeded targets (where available); fiscal year 2022 results for human and labor rights training and support were greater than for the previous year.

On several key country commitment metrics, El Salvador, Guatemala, and Honduras historically score lower than regional averages, with El Salvador and Guatemala experiencing declines in rights scores and Honduras beginning to show some improvements. These scores reflect the fact that authorities in all three countries too often do not hold perpetrators of human rights accountable, labor law enforcement is weak, and activists and independent journalists face violence and intimidation. Vulnerable populations, including women and girls, indigenous, Afro-descendent, and LGBTQI+ people often suffer discrimination and may be victims of hate crimes. Victims of violence at the hand of the state or criminal organizations suffer from systemic violations of their rights under the law (including redress, protection, and recognition), and internally displaced peoples are particularly at risk.

Enhance Respect for Human Rights

The main performance metric for this strategic objective is the number of human rights defenders trained or supported. Department of State and USAID program results for fiscal year 2022 exceeded targets and increased over the previous year. On the World Justice Project's Fundamental Rights index, scores for all three countries remained low, with El Salvador's score declining, Guatemala's score remaining the same, and Honduras's score improving slightly in 2022.

Performance Metrics

More than 1,500 human rights defenders trained and supported in fiscal year 2022	Results exceeded annual targets	The Departmen Democracy , Hu supported 1,57 defenders in Ce support to six h organizations, U activity) trained defenders on e for human right rights violation other necessary advocacy.
Contributing agencies Department of State (1,261) USAID (311)	Results increased over 2021 levels	

Human Rights Defenders Snapshot

These indicators track U.S. government assistance to prevent, reduce, and mitigate risk factors and reduce human rights violations. Increasing the number of human rights defenders trained and supported through U.S. government assistance will result in increased capacity to report human rights violations and advocate for the protection of human rights. This leads to improved government accountability and transparency, as the public becomes more aware of government violations. This awareness will ideally lead to a decrease in human rights violations.

The Department of State's Bureau of Democracy, Human Rights, and Labor supported 1,572 human rights defenders in Central America. Through support to six human rights organizations, USAID (one regional activity) trained 311 human rights defenders on effective communication for human rights defenders, human rights violation documentation, and other necessary skills for reporting and advocacy.

Country Commitment Metrics

According to the World Justice Project's Fundamental Rights index (part of the Rule of Law Index), scores for El Salvador, Guatemala, and Honduras in 2022 all remained low.³⁷ El Salvador's score declined in 2022, while Guatemala's was unchanged, and Honduras's score increased slightly.

Enhance Respect for Labor Rights

The main performance metric for this strategic objective is the number of labor rights actors, including government officials, employers, and workers, with increased knowledge and skills to better address labor rights violations. Labor results for fiscal year 2022 decreased over the previous year because of project performance life-cycles.

Performance Metrics

Individual Labor Actors Snapshot

More than 350 labor rights actors with increased knowledge and skills in fiscal year 2022	L.O Target data not available	Th kn ind wa (34
Contributing agencies Department of Labor (387)	Results decreased over 2021 levels	Sa ind (cl fre an en
This indicator tracks the number of inc increased capacity that enables them t claim their rights or fulfill their duties.	•	Re An (12 aw Th An bu

The **Department of Labor** increased the knowledge and skills of 387 labor rights actors, including government officials, employers and workers across Central America. The majority (342) of those labor rights actors were in El Salvador, Guatemala, and Honduras. This included increased knowledge of labor rights (child labor, forced labor, collective bargaining, freedom of association, and occupational safety and health) and improved skills for labor law enforcement officials.

Results increased for the northern Central America countries over fiscal year 2021 levels (187). Across Central America, Labor had multiple projects end in 2022, and the projects awarded in 2021 had not yet reported data. Therefore, there is a decrease in overall Central America results reported for fiscal year 2022, but Labor anticipates an increase for 2023.

During fiscal year 2022, the Department of Labor supported eight implementing organizations which provided technical assistance in Central America, an increase over the previous year. The Department of Labor also provided enforcement-related training to more than 200 individuals across government, the private sector, workers, and civil society, on child labor, forced labor and other worker's rights. Other technical assistance-related activities focused on improving labor law enforcement, supporting collecting bargaining and freedom of association, improving occupational safety and health conditions for workers, and addressing child and forced labor in the region.

In addition, the Department of Labor increased its diplomatic and stakeholder engagement with governments, private sector actors, and worker organizations in the region. These actions resulted in an agreement by the Government of Honduras, worker organizations, and private sector representatives to develop a *"Plan Futuro"* in Honduras to guide local engagement, transparency, and actions on labor policy after the potential conclusion of the US- Honduras Labor Rights Monitoring and Action Plan and a commitment by the Government of Guatemala to develop a workplan to strengthen labor law enforcement and resolve cases of labor rights violations. Finally, the Department of Labor released its 2021 *Findings on the Worst Forms of Child Labor* and the 2022 *List of Goods Produced by Child Labor or Forced Labor* which assessed El Salvador as having made moderate advancement to eliminate the worst forms of child labor and Guatemala and Honduras as having made significant advancement

³⁷ World Justice Project. (2022). <u>World Justice Project Rule of Law Index</u>, Fundamental Rights.

in their efforts to address these abuses.³⁸ These engagement achievements help to highlight the importance of labor diplomacy to maintain momentum and prevent backsliding of labor rights.

Country Commitment Metrics

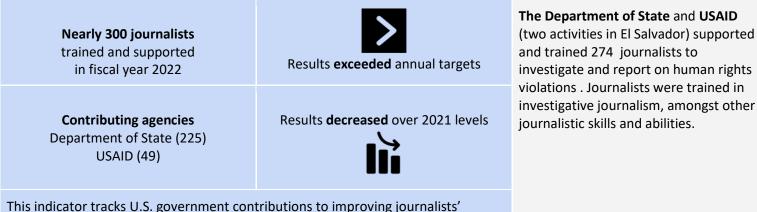
The Department of State and USAID will select a new country commitment metric focused on labor rights for future tracking and reporting.

Promote a Free Press

The main performance metric for this strategic objective is the number of journalists trained or supported. Department of State and USAID program results for fiscal year 2022 exceeded targets, but decreased over the previous year. El Salvador, Guatemala, and Honduras all saw declines in their scores on the Reporters Without Borders World Press Freedom Index in 2022, with El Salvador in particular experiencing a 30-point decrease.

Performance Metrics

Journalists Snapshot

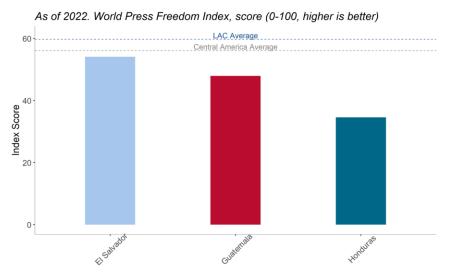


This indicator tracks U.S. government contributions to improving journalists' abilities to investigate and report on human rights violations, a key aspect of government accountability and transparency.

Country Commitment Metrics

El Salvador, Guatemala, and Honduras all experienced declines in press freedom in 2022. El Salvador's 30-point decline on the index reflected worsening political rights and civil liberties in the country. All three countries' scores remained below Central America and Latin America regional averages in 2022 (see figure 8). Anti-media rhetoric weakened public trust of the press and complicated journalists' work in the region.

Figure 8: Press Freedom in Northern Central America



Source: Reporters Without Borders, World Press Freedom Index

³⁸The <u>2021 Findings on the Worst Forms of Child Labor</u> and the <u>2022 List of Goods Produced by Child Labor or Forced Labor</u> report also provides country-specific suggestions for government action.

Pillar IV: Countering and preventing violence, extortion, and other crimes perpetrated by criminal gangs, trafficking networks, and other organized criminal organizations

Pillar IV comprises three strategic objectives:

- Professionalize the security forces,
- Counter organized crime, and
- Build safe communities through violence prevention and intervention.

Across northern Central America, homicide rates decreased and seizures of illicit drugs and other items increased in recent years. Gangs and extortion remain a threat and transnational crime is on the rise. Challenges remain with uneven capabilities among law enforcement and security services, inadequate resourcing of security needs, the impact of the pandemic on law enforcement, and the military's role in policing. Increasing security within communities is key to generating hope for citizens in the region so they can move safely to school and work, but also to attract investment. The U.S. government works with partner governments and community organizations to build professional security forces and focus on violence prevention and intervention to build a more secure region.

Professionalize Security Forces

Key performance metrics for this strategic objective are the number of police and security officials trained—which increased in fiscal year 2022 over the previous year—and the number of arrests of suspected criminals, which decreased. The main country commitment metric, public trust in the police, showed increased trust in El Salvador and Guatemala and a decrease in Honduras.

Performance Metrics

Security personnel training snapshot

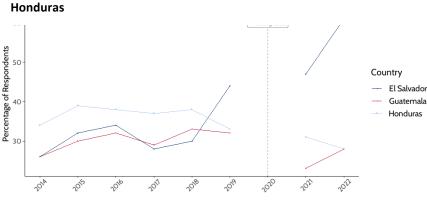
More than 9,000 civilian police and security officials trained in fiscal year 2022	L . O Target data not available	In fiscal year 2022, the Department of State's Bureau of International Narcotics and Law Enforcement Affairs trained 9,072 civil police across
Contributing agencies Department of State (9,072) Department of State/Defense (331)	1) Results increased over 2021 levels	Central America, with most (7,043) in El Salvador, Guatemala, and Honduras. The Department of State's Bureau of
•	rs track U.S. government contributions to building the capacity of ments' military and law enforcement capabilities.	

The Department of State's Bureau for International Narcotics and Law Enforcement also reported that it supported 65 model police precincts in Central America, with most of them (47) in Honduras; four place-based strategy sites in Honduras; and 120 police service model sites in Central America, with most of them (117) in Costa Rica and Panama. The overall number of sites supported (189) in fiscal year 2022 was an increase over 2021 levels.

Arrests Snapshot

More than 4,000 arrests of suspected criminals in fiscal year 2022	L . Target data not available	In fiscal year 2022, the Department of State's Bureau of International Narcotics and Law Enforcement Affairs reported that vetted units
Contributing agencies Department of State	Results decreased over 2021 levels	supported 4,008 arrests, with most of those in El Salvador and Guatemala.
This indicator tracks U.S. government contributions to building the capacity of		

Country Commitment Metrics



partner governments' military and law enforcement capabilities.

Figure 9: Perceptions of the Civil Police in El Salvador, Guatemala, and

Source: Office of Opinion research, Department of State

Perception survey data from the Department of State showed large increases in the public's trust in police in El Salvador in 2022, continuing a trend since 2019. In Guatemala, trust in the police increased, but remained below 30 percent. In Honduras, historically low levels of trust in police declined further, to about 30 percent, in 2022.

a <u>Counter Organized Crime</u>

The main performance metric for this strategic objective is the value (in U.S. dollars) of seizures of illicit items, which increased in fiscal year 2022. Updated data for the Global Organized Crime Index, the sole country commitment metric, were not available at the time of this report's writing.

Illicit item seizures snapshot

Nearly \$5.3 billion in seizures of illicit items in fiscal year 2022	L . O Target data not available	
Contributing agencies Department of State (\$5,298,045,473)	Results increased over 2021 levels	
These indicators track U.S. government contributions to strengthening partner countries militaries and law enforcement to combat transnational criminal organizations.		

The Department of State's Bureau for International Narcotics and Law Enforcement (INL) trains and supports police and specialized task forces to seize illegal assets and drugs across northern Central America to effectively combat transnational threats and crime, enhance law enforcement resiliency against transnational crime, and reduce associate violence. State reported

nearly 424,000 kilograms of drugs, with most (\$4.4 billion worth) in Belize, Costa Rica, and Panama, and more than \$458 million in illicit asset seizures, mostly in Honduras (\$450 million).

In addition, Department of Defense support to partner government military and law enforcement to monitor, detect, and disrupt illicit trafficking resulted in 205 events being disrupted, a slight increase from 2021 levels. Most of the disrupted events (118) took place in Panama.

Country Commitment Metrics

There were no updates to the Global Organized Crime Index in 2022.³⁹ According to the 2021 index, northern Central America countries had higher criminality scores than the average for Latin America and the Caribbean; scores for Guatemala and Honduras registered higher than the Central America average.

Build Safe Communities through Violence Prevention and Intervention

Key performance metrics for this strategic objective include number of youth accessing violence prevention services, number of youth graduated from the Gang Resistance Education and Training (GREAT) program, and number of police officers trained to teach GREAT. The main country commitment metrics are homicide rate and public perceptions of safety.

Performance Metrics

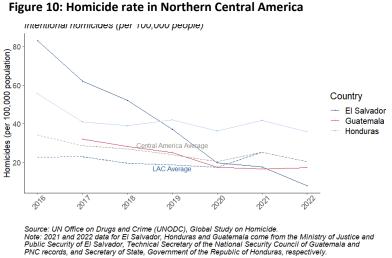
In fiscal year 2022, USAID reached 58,982 at-risk youth through crime and violence and prevention programs in El Salvador, Guatemala, and Honduras, not meeting its annual target and decreasing from the previous year. In El Salvador, government policies halted an innovative model for community-based tertiary prevention; USAID's implementer continued to provide close follow-up and mentorship through community mentors. Youth in conflict with the law participated in virtual learning sessions to continue their academic education as part of the reintegration model. In Guatemala, USAID indirectly reached at-risk youth by providing technical assistance to municipalities and refurbishing community centers. In Honduras, USAID continued support for outreach centers benefitting more than 150,000 youth. In fiscal year 2023, USAID has launched large new youth and community-focused violence prevention programs, and will refine indicator definitions to better capture the results of primary, secondary, and tertiary crime and violence prevention programs.

³⁹ Global Initiative Against Transnational Organized Crime. (2021). <u>Global Organized Crime Index</u>. In the 2021 Global Organized Crime Index (the first year the index was produced), the Central America average criminality score was 6.17; El Salvador, Guatemala, and Honduras scored 6.94, 6.48, and 6.98. The index scores countries from one to ten, where a higher score indicates more severe criminality. The criminality scores consist of the average of ten criminal markets and four criminal actor types. While encompassing a range of activities, criminal markets consist of the political, social, and economic systems surrounding all stages of the illicit trade and/or exploitation of commodities or people. Criminal actor scores come from assessments of the structure, control and influence of groups engaged in organized criminal activities.

The Department of State's Bureau for International Narcotics and Law Enforcement reported that 143,699 youth graduated from the GREAT program in fiscal year 2022, nearly tripling the result from the previous year, with most (115,949) in Guatemala, and Honduras. In addition, State trained 1,597 police officers to teach GREAT, with most of (1,440) in Guatemala and Honduras, a large increase from the previous year's result.

Country Commitment Metrics

The national homicide rate in El Salvador continued to decrease in 2022, for the first time falling below LAC and Central America averages; the 2022 decline took place during a nation-wide State of Exception that has swept more than 60,000 people (nearly 2 percent of the population) into prison and raised human rights concerns. (See pillars II and III for more information.) In Guatemala, the homicide rate remained steady and below regional averages. In Honduras, the homicide rate fell in 2022, but remained higher than Latin and Central America averages and masks the extremely high rates of violence in areas of focus for U.S. government programs. For example, in San Pedro Sula, young men (ages 25-29) were murdered at a rate of 675 per 100,000 people in 2022. National homicide rates for Guatemala and Honduras remain higher than the World Health Organization's (WHO) definition of endemic violence (a



rate of 10 homicides per 100,000 inhabitants or higher) (See figure 10).

Perception survey data from the Department of State showed a return to increases in the public's perceptions of safety in El Salvador in 2022, with overwhelming majorities reporting they feel safe. In Guatemala, perceptions of safety increased for a third year, with about half of respondents reporting they feel safe. In Honduras, safety perceptions trended lower, with fewer than half the population reporting they feel safe (See figure 11).

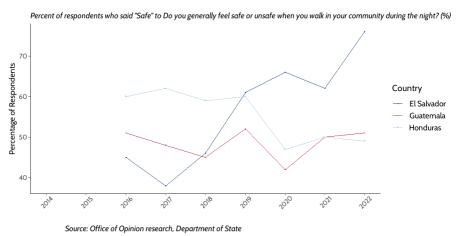


Figure 11: Perceptions of the safety at night in El Salvador, Guatemala, and Honduras

Pillar V: Combating sexual, gender-based, and domestic violence

Pillar V comprises one strategic objective: combating sexual, gender-based and domestic violence.

The key performance metric counts the number of people reached by gender-based violence (GBV) services. Targets were exceeded and results increased over fiscal year 2021 levels. Given the high level of GBV in northern Central America, GBV initiatives are delivered through a variety of USAID programming to improve the ability of women and girls to participate fully in society and contribute to their families and communities. In fiscal year 2023, USAID plans to launch new activities focused exclusively on GBV in El Salvador and Guatemala.

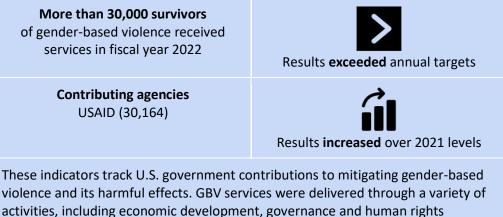
Across the region, GBV significantly hinders women's and girls' ability to participate fully in society and contribute to their families and communities. Women and youth from historically marginalized communities often face even higher levels of GBV. In El Salvador, Guatemala, and Honduras, women and youth subjected to violence or human trafficking lack sufficient access to justice and protection services. Law enforcement's ability to combat sexual, gender-based, and domestic violence remains a challenge. The U.S. government works with partner governments, civil society organizations, and others to combat violence in the region.

Combating sexual, gender-based, and domestic violence

The key performance metric for this strategic objective is the number of people reached by GBV services (e.g., health, legal, psycho-social counseling, shelters, hotlines). Results exceeded targets for fiscal year 2022, and increased over fiscal year 2021 levels. The key country commitment metric is the femicide rate which changed minimally from 2020 to 2021. According to the most recent data, in 2021, Honduras' femicide rate was almost double the Central American average, and El Salvador and Guatemala's rates hovered at just above and below (respectively) the Central American average.

Performance Metrics

Gender-Based Violence Services Snapshot



activities, including economic development, governance and human rights programming. Initiatives include those aimed at providing support and counseling related to GBV, including delivering preventive counseling sessions to children who have been victims of violence and/or experienced irregular migration, implementing targeted prevention services in high violence areas, and improving comprehensive care services for survivors of domestic and intrafamilial violence through strengthening national agencies and local organizations.

USAID (one activity in Guatemala and four in Honduras) reached 30,164 people with GBV services. The majority of people (29,962) reached with these services were in Honduras given programming focused on targeting the country's high rates of gender-based violence. In Honduras, USAID exceeded its fiscal year 2022 target because unanticipated targeted prevention interventions were conducted, resulting in a much higher number of people reached with GBV services. In addition, Honduran health providers continued to report cases of domestic and intrafamily violence among individuals attending U.S. government-supported health services, demonstrating their commitment to comply with protocols for detection and referral of GBV cases.

In addition, USAID (one activity in Guatemala) and the Department of State's Office to Monitor and Combat Trafficking in Persons reported support to 3,283 vulnerable persons in fiscal year 2022. USAID reached 2,543 women, youth, and Indigenous Peoples with education and prevention activities. State reached 740 individuals and support included strengthening protection

and prevention services for migrants, trafficking survivors, and at-risk youth; broadening shelter services to include adolescent boys; and training more than 200 indigenous women to conduct strategic community-based trafficking prevention workshops.

Country Commitment Metrics

According to the most recent data from the *Economic Commission for Latin America and the Caribbean*, there was almost no change in the average rate of femicides (defined as the number of women killed by gender-based violence per 100,000) across northern Central America from 2020 to 2021. The highest number of femicides—almost double the Central American average at nearly 5 out of every 100,000 women—occurred in Honduras in 2021. Comparatively, the rate of femicide in El Salvador is just above the Central American average at nearly 2.5 women, and Guatemala's rate just below the average at 1.3.⁴⁰ Gender-based violence remains highly prevalent in northern Central America and the World Health Organization expects gender-based violence to have increased globally during the COVID-19 pandemic, though data is not yet available to confirm this.⁴¹ In Honduras, the number of reported domestic violence cases increased by 4.3 percent from 2020 to 2021, and women made up 93 percent of reported domestic violence cases and 86 percent of sexual violence cases. In Guatemala, gender-based violence against women remained the number one reported crime in 2021, increasing by 20 percent since 2020.

⁴⁰ United Nations, Economic Commission for Latin America and the Caribbean. (2021). <u>CEPALSTAT Database</u>.

⁴¹ World Health Organization. (2021). <u>COVID-19 and violence against women: What the health sector/system can do</u>