**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 "USNTEEA"), the Department of State (Department) prepared this report providing the first annual update on progress made in meeting the benchmarks established within the Strategy. The Department submitted the Strategy required in section 352(a) of the USNTEEA on July 29, 2021. The Strategy included the U.S. Strategy for Addressing the Root Causes of Migration in Central America (RCS), Public Diplomacy Strategy, and Illustrative Benchmarks. The Department and USAID have developed an interagency Monitoring, Evaluation, and Learning (MEL) Plan that lays the groundwork for generating a body of evidence needed for tracking changes in the region associated with RCS implementation, including to the extent feasible, expected changes in migration itself, and for understanding how or why those changes take place.

**Notable Fiscal Year 2021 Achievements**
Despite the country commitment challenges described below and detailed in appendix 2, and the implementation challenges faced by U.S. foreign assistance programs due to COVID-19 pandemic restrictions in the region, U.S. departments and agencies made notable achievements and adaptations in FY 2021, including:

● U.S. government programs under Pillar I provided support to more than 6,000 firms, generating $415 million in sales, agricultural producers gained access to nearly $90 million in financing and private investment, and energy services improved for more than 43 million Central Americans. Programs implemented by USAID and USDA helped the private sector create nearly 85,000 jobs across northern Central America. USAID educational programs reached

approximately 2.4 million primary school learners and 60,000 secondary school learners in northern Central America countries, and USDA reached nearly 215,000 enrolled students with food or other school-based assistance.

- For Pillar II interventions, the switch to virtual training platforms during the pandemic helped sustain training for judicial sector personnel (including judges and attorneys) and meet increased demand for anticorruption training.

- Pillar III had limited results data because U.S. government agencies implemented few dedicated, stand-alone programs in this area. Nevertheless, programs implemented by 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.

- For Pillar IV, U.S. government programs reached more than 200,000 youth with training and other support. U.S.-supported narcotics and asset seizures in Central America remain at historic highs. In FY 2021, the U.S. government supported more than $5.1 billion in illegal drug seizures, nearly $15 million in illegal asset seizures, trained more than 5,000 police, and assisted with more than 16,000 criminal convictions across Central America.

- For Pillar V, U.S. government programs reached more than 20,000 individuals with gender-based violence-related services, mostly in Honduras, but faced implementation challenges due to COVID-19 restrictions. State and USAID plan to expand and launch new programs under this pillar in FY 2022.

- Operationalization: Departments and agencies made advances to focus programs more effectively, including by using migration data (see appendix 5), innovating plans to increase localization of assistance efforts, pivoting on our corruption response and bolstering work with civil society, and developing an initial interagency RCS MEL plan to assess our efforts over the life of the Strategy.

This first interagency results report and attachments highlight context data and FY 2021 results, primarily as outputs, to inform policymakers as they monitor and assess progress toward achieving the strategic objectives of the RCS. The country commitment metrics highlight and confirm the current reality in Central America:

intentions to migrate remain high; the COVID-19 pandemic had a devastating impact on the region's economies and health systems; and democratic governance and adherence to the rule of law have regressed over the last four years.

## Intentions to Migrate Remain High

Recent data from Vanderbilt University's Latin American Public Opinion Project (LAPOP) 2021 AmericasBarometer surveys revealed the percentage of citizens intending to leave Guatemala and Honduras registered the largest increase in the history of the AmericasBarometer since it began tracking this data in 2004. El Salvador registered a more modest increase. Increased intentions may portend elevated migration levels (though less than a quarter had taken concrete steps to migrate) and those intending to emigrate predominantly showed interest in the United States as their destination. LAPOP also reported the lack of economic opportunities, food insecurity, and crime and violence as the main motivations for those intending to emigrate from El Salvador, Guatemala, and Honduras.

## Economies Contract as COVID-19 Pandemic Continues to Take a Toll

Current data show that in 2020, northern Central America economies precipitously declined due to the pandemic and tropical storms Eta and Iota, reflecting declines in gross domestic product (GDP) per capita growth rates and increased unemployment (see appendix 2). Suspension or closure of schools due to the pandemic exacerbated gaps in educational access, quality, and learning outcomes. The pandemic highlighted weaknesses in health systems and the vulnerability of health systems to corruption. Food insecurity in northern Central America rose in 2020, and the region remains more food insecure compared to averages for both Central America and Latin America and the Caribbean (LAC) overall. The U.S. government has worked to counter these trends by promoting private sector investment through the Call to Action and programs that support small businesses and entrepreneurs.

## Corruption Rampant as Democratic Backsliding Accelerates

On nearly all well-known metrics of public corruption, all three northern Central America countries continue to score lower than regional averages for Central America and LAC. In Guatemala and Honduras, surveys reflect declining trust in the judicial systems. Tax revenue as a percentage of GDP decreased in Honduras and slightly increased in El Salvador in 2020, resulting in rates at or near the LAC-wide average; Guatemala's tax revenue as a percentage of GDP remains far below the LAC regional average. The U.S. government has provided support to anticorruption activists, justice sector actors, and independent media to promote

transparency. The Department placed more than 70 individuals on the Corrupt and Undemocratic Actors List.

**Human Rights, Labor Rights, and Free Press Remain Under Pressure**
Freedom House downgraded El Salvador's status from "free" to "partly free" in 2020, putting them in line with Guatemala and Honduras. El Salvador's civil society and media effectiveness score dropped substantially from 2017 to 2020, coinciding with gradual declines in press freedom in El Salvador and Honduras, with Guatemala showing small improvements. We continued our support to human rights and other civil society organizations and provided training to independent journalists.

**Crime and Violence Remain High, Trust in Police Remains Low**
Northern Central America countries continue to have higher criminality scores than LAC averages, with Guatemala and Honduras higher than the Central America average. Trust in police decreased in Guatemala and Honduras in 2020. 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.

**Gender-Based Violence, a "Shadow Pandemic"**
The COVID-19 pandemic exacerbated gender-based violence (GBV) – limiting survivors' abilities to report incidents, keeping women and their perpetrators together in lock down, and straining the social fabric as families lost income and jobs. U.S. government programs seek to strengthen host nation capacity to prevent GBV and prosecute GBV crimes, including by increasing access to data on GBV in each country.

State and USAID will continue to work with interagency partners to further elaborate the RCS MEL Plan, to include learning questions, additional metrics, and plans for evaluations, assessments, and studies. We continuously seek to put in place metrics that will further enable us to assess the outcomes and impact of our collective efforts in the region. Future annual reports to Congress will incorporate new programs and data as RCS implementation matures.

**Explanation of Attachments**
- **Appendix 1** contains the Strategy report required by section 352(a) of the USNTEEA that was provided on July 29, 2021, including the Biden-Harris Administration's Root Causes Strategy (RCS), Public Diplomacy Strategy, and Illustrative Benchmarks.
- **Appendix 2** provides country commitment (or context) indicator data comparing country-specific values to regional and other benchmarks over time. Country commitment data will serve as benchmarks for comparing and analyzing future commitment and results data and will provide a guide to tracking our progress in key areas outlined in section 352(d) of the USNTEEA.
- **Appendix 3** provides data and analysis of U.S. government program performance indicator results achieved in all of FY 2021, much of which predates the approval of the RCS.
- **Appendix 4** includes the White House Fact Sheet providing updates on the Administration's progress since the launch of the RCS.  This fact sheet provides a mix of results for U.S. government programs, diplomatic engagement efforts, and progress on the Call to Action investment commitments.  The fact sheet includes a link to the White House Report on the U.S. Strategy for Addressing the Root Causes of Migration in Central America.
- **Appendix 5** provides maps developed by USAID using CBP migrant encounter data to show geographic origins of migrants.

Attachments
  Appendix 1 – Strategy Report to Congress
  Appendix 2 – Country Commitment Metrics Analysis
  Appendix 3 – Performance Metrics Analysis
  Appendix 4 – Fact Sheet: Update on the Root Causes Strategy in Central America
  Appendix 5 – Migration Data