

**Remarks of Marcela Escobari**  
**Assistant Administrator for Latin America and the Caribbean**  
**Before the House Foreign Affairs Committee,**  
**Subcommittee on Western Hemisphere**  
**Fiscal Year 2024 Western Hemisphere Budget Request**  
**June 7, 2023**

Chairwoman Salazar, Ranking Member Castro, and distinguished members of the subcommittee – thank you for the opportunity to speak with you about the Administration’s proposed FY2024 Budget and USAID’s work in Latin America and the Caribbean.

As our closest neighbors, we have a vested interest in the stability and prosperity of Latin America and the Caribbean. USAID’s work exemplifies our shared interests and our shared values. The President’s FY2024 Budget Request of \$1.8 billion dollars for USAID in the Latin America and Caribbean region allows us to secure gains and advance our foreign policy and development objectives in the region.

Our approach to development – building long-term partnerships, showing up in times of need, and delivering lasting results – stands in direct contrast to the often opaque and opportunistic approach of the People’s Republic of China. Funding this budget request will allow us to continue to be good neighbors, good stewards of taxpayer dollars, and good partners on our shared objectives with the region.

**Building Long Term Partnerships**

As good partners to the region, our work advances our national security goals, and directly contributes to a more democratic, secure, and prosperous hemisphere.

Development can – and has – played a critical role in responding to the historic levels of migration across the region. USAID is pursuing a holistic approach to migration that complements the U.S. government’s border enforcement strategy.

USAID addresses root causes of migration by creating economic opportunity and tackling insecurity and corruption, giving people the option to stay in their communities. Our work under the Biden Administration's Root Causes Strategy is helping women like Mercedes, a Guatemalan farmer I met during my trip last month, turn her subsistence farm into a flourishing business, create jobs, and reunite her family, which had been pulled apart by a previous lack of opportunity.

We also support legal pathways, so that people can migrate in conditions of dignity, safety, and mutual benefit. USAID's work with the ministries of labor in Guatemala and Honduras and the ministry of foreign affairs in El Salvador has more than doubled the number of H-2 visa recipients from these countries to almost 20,000 and reduced processing times threefold. These visa recipients contribute to America's growth, filling labor gaps in places like Utah and Alaska. Recipients then return home to their countries of origin with more skills and resources to support their families and invest in their communities.

And USAID has been integral in the integration of migrants within Latin America and the Caribbean, particularly the more than 7 million Venezuelans who have been displaced as a result of the disastrous Maduro regime. USAID has partnered with Colombia and Ecuador as they implement their generous Temporary Protected Status and regularization policies, which help Venezuelans integrate into communities, put their kids in schools, access healthcare, get jobs, open bank accounts, and settle where they are, so they don't feel compelled to continue the journey north.

This budget requests \$83 million to deepen our support for socio-economic integration programs in Colombia and Peru, as well as in Brazil and Ecuador.

The budget also includes a request for \$535 million to address the main sources of political instability – autocracy and corruption – by expanding our support for independent media, human rights and rule of law, and to help democracies deliver for citizens.

With \$50 million in Venezuela, USAID will push for more competitive elections in 2024, raising the costs of election fraud for the Maduro regime. With \$20 million in State and AID funding for Cuba and \$15 million for Nicaragua, we will continue to support those who are on the front lines fighting for their most basic rights and

freedoms.

### **Showing Up in Times of Need**

USAID also continues to show up for our partners across the region in times of need. During the COVID-19 pandemic, we helped deliver 70 million vaccines donated by the U.S. government in 29 countries. Our efforts put shots in arms that contributed to an over 70% vaccination rate in the region. We are now requesting \$54 million to build health systems that will be ready for the next pandemic.

We continue to support the Haitian people, whose lives have been upended by surges in gang violence, political turmoil, and natural disasters. USAID is reaching 700,000 Haitians with food assistance. USAID also supports 162 health clinics – which helped limit the spread of the recent cholera outbreak. The FY 2024 development and health budget request of \$246.2 million for Haiti will allow us to address basic health and citizen security needs, promote capacity building for elections, strengthen the educational sector to recover from COVID-19 learning losses, and to keep farms functioning to protect livelihoods and supply the local markets, while we work toward solutions for governance and security.

And we are there when disasters hit, providing life-saving humanitarian assistance. In FY 2022, USAID provided more than \$545 million for emergency response activities in 12 countries across the hemisphere.

In El Salvador, Honduras, and Guatemala for example, USAID provided emergency food, livelihood, and protection assistance. In Haiti, programs delivered food assistance, supported protection services, and ensured access to healthcare and clean drinking water and sanitation services. And USAID also provided emergency food assistance for Venezuelan migrants, refugees, and their host communities and critical assistance to internally displaced persons in Colombia.

### **Delivering Lasting Results**

We know our aid will always be small relative to the size of the challenges. So we focus on solving market failures and scaling solutions – often piloting successful models that local governments or private sector companies then adopt and scale.

For example, in Colombia, with a combination of technical assistance and \$9 million in loan guarantees, we helped unlock over a billion dollars in commercial bank finance for small businesses.

In El Salvador, we helped small farmers adopt better seeds and irrigation technology, shift to more value-added crops, improve yields, and connect with the largest supermarket chain in the country. That supermarket went from importing 95% of its food to less than 40%, and farmers increased their monthly incomes by up to 600 percent.

In Central America, our experts helped speed up customs processes, making the region more competitive and attractive for foreign direct investment.

We have piloted ideas that governments then adopt as their own, like the 24-hour court we established in Guatemala to address violence against women where women can request immediate protection measures against their aggressors, reducing impunity rates. The government now operates eight 24-hour criminal courts.

We have started new carbon markets to protect tropical forests and benefit the communities that inhabit them. We helped launch clean energy auctions that led to \$875 million dollars in clean energy infrastructure, for example with a major wind farm in Colombia's La Guajira region.

USAID makes many investments that keep on giving. For example, USAID has helped start some of the most successful universities in the region – Zamorano, INCAE, and Earth – that are now producing thousands of newly minted graduates who will be the next generation of change makers in their countries.

This budget also allows us to double down with neighbors who embrace reform, like the Dominican Republic, where we helped enact a transparent public procurement process. These reforms, as well as our technical assistance with the Army Corps of Engineers, have facilitated investment in strategic infrastructure like the Port of Manzanillo, which will allow the Dominican Republic to capitalize on new opportunities for nearshoring.

## **Conclusion**

During my recent trip to the region, I heard repeatedly from our partners that *now* is when we're needed most.

In this critical moment for the region – with an uneven economic recovery and with democratic values under attack – our allies have asked for our help and USAID is prepared to give it. This budget will make that possible.

USAID values this subcommittee's unwavering commitment to the Latin America and Caribbean region. I thank you for your time, and I look forward to your questions.