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THE SECRETARY OF STATE
WASHINGTON

October 31, 2017

The Honorable
Elaine C. Duke
Acting Secretary of the Department of Homeland Security
Washington, DC 20528

Dear Acting Secretary Duke:

The State Department has assessed that El Salvador, Haiti, Honduras, and Nicaragua no longer meet the conditions required for continued designation for Temporary Protected Status (TPS). The disruption in living conditions in El Salvador, Honduras, and Nicaragua attributable to the environmental disasters that served as the basis for their TPS designations has decreased in severity to a degree that it may no longer be considered "substantial" within the meaning of the TPS statute. The extraordinary and temporary conditions that served as the basis for Haiti's most recent designation have sufficiently improved such that they no longer prevent nationals of Haiti from returning in safety. Attached are country conditions reports that provide the Department's assessment of conditions in each country as they pertain to their respective TPS designations.

Given the number of impacted beneficiaries, and to minimize any negative implications that termination would have on our bilateral relations with these countries, I recommend that should the Department of Homeland Security (DHS) decide to terminate TPS for these countries, that you do so with delayed effective dates of 18 months. An 18-month wind down period would provide adequate time for long-term beneficiaries to arrange for their departure and for their home countries to prepare for their reception and reintegration.

I do not make these recommendations lightly. As you consider your decision, I am sure you are well aware of the significant humanitarian, foreign policy, and political interests at play. First and foremost, termination of TPS would likely leave hundreds of thousands of TPS recipients – many of whom have lived and worked in the United States for more than 15 years and have U.S. citizen children – out of legal status. For those that depart, they will return to countries with limited economic opportunities for their reintegration. In the case of El Salvador and Honduras, both countries continue to have some of the world's highest homicide rates, and weak law enforcement capabilities and inadequate government services will make it difficult for their respective governments to ensure the protection of returning citizens – no less the U.S. citizen children who may accompany their parents.

Termination of TPS will also likely generate a backlash from the governments themselves, particularly the Honduran and Salvadoran governments, who have agreed to engage with the United States in support of the U.S. strategy in Central America. Central American leaders are likely to assert that the resources required for a large-scale re-integration of TPS beneficiaries and their dependents will undermine the Central America Strategy and Central America's complementary Alliance for Prosperity, both of which seek to generate prosperity for the region's citizens and reduce irregular migration to the United States. They may take retaliatory actions counter to our long-standing national security and economic interests like withdrawing their counternarcotics and anti-gang cooperation with the United States, reducing

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their willingness to accept the return of their deported citizens, or refraining from efforts to control illegal migration.

However, the fact remains that the conditions in these countries do not – in the State Department's judgment – meet the legal requirements necessary for extension. Should DHS decide to terminate the programs, I hope our Departments can work together in a thoughtful, coordinated manner to develop a plan to work with the four governments, TPS beneficiaries themselves, Congress, NGOs, and other stakeholders to mitigate any negative impact on U.S. national security and foreign policy priorities. As indicated, an 18-month wind down period will be critical to our efforts.

I thank you in advance for including the Department of State's Bureaus of Western Hemisphere Affairs (WHA) and Population, Refugees, and Migration, as well as our public affairs team, in your Department's planning for the public announcement of any TPS decisions, including to foreign audiences. Additionally, I request that you provide WHA with no less than 48-hours lead time prior to the public announcement so that it can notify counterpart governments, on an embargoed basis, of the decision. I also recommend DHS delay a public announcement for Honduras until November 27, to prevent TPS issues from unduly influencing the November 26 presidential election.

Sincerely,


Rex W. Tillerson

Enclosures:

As stated.

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**DEPARTMENT OF STATE RECOMMENDATION REGARDING
TEMPORARY PROTECTED STATUS (TPS) FOR HAITI – 2017**

I. Statutory Basis for Designation

Have the conditions under which the foreign state was designated for temporary protected status ceased to exist?

(SBU) Yes, the conditions have ceased to exist. The extraordinary and temporary conditions that served as the basis for Haiti's most recent designation have sufficiently improved such that they no longer prevent nationals of Haiti from returning in safety. Former Secretary of Homeland Security Janet Napolitano originally designated Haiti for TPS effective January 21, 2010, on the basis of extraordinary and temporary conditions in the wake of Haiti's 2010 earthquake. Since 2010, a 2011 re-designation and four subsequent extensions of TPS designation for Haiti have been made by DHS Secretaries. The most recent extension, effective from July 23, 2017 – January 22, 2018, cited not only temporary and extraordinary conditions in the wake of the 2010 earthquake, but subsequent conditions, including: 2016's Hurricane Matthew, April 2017 heavy rains and landslides, security vulnerabilities that some Haitians who reside in Internally Displaced Persons (IDP) areas experience, and health vulnerabilities due to a weak public health system, which has been strained by a cholera epidemic. The extension also noted Haiti's serious economic and security challenges (82 FR 23830).

(SBU) Country conditions have improved since the January 2010 earthquake. The IDP population has decreased 97 percent from its peak in 2010. A legitimized government is in place after two years of electoral impasse. As of October 15, 2017, all UN military personnel have been withdrawn from Haiti; to be replaced by a police only successor mission focused on strengthening rule of law and promoting human rights.

(SBU) Specific lingering effects of the earthquake remain in the areas of infrastructure, health, sanitation services, and emergency response capacity. Although significant steps have been taken to improve the stability and the quality of life for Haitian citizens, Haiti continues to lack the capacity to ensure that the large population TPS beneficiaries currently residing in the United States can return in safety. However, Haiti maintains the ability safely to receive traditional levels of returned Haitian nationals, and is currently doing so.

(SBU) Based on these facts, we assess that the extraordinary and temporary conditions that served as the basis for Haiti's most recent designation have sufficiently improved such that they no longer prevent nationals of Haiti from returning in safety.

A. Armed Conflict

1. Is the foreign state still involved in an ongoing, internal armed conflict?

(U) No.

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- a. If so, would the return of nationals of the foreign state to that state (or to the part of the state) still pose a serious threat to their personal safety?**

(U) N/A.

B. Environmental Disaster

- 1. Does there continue to be a substantial, but temporary, disruption of living conditions in the area affected by the environmental disaster?**

(U) N/A.

- 2. Is the foreign state still unable, temporarily, to handle adequately the return to the state of aliens who are nationals of the state?**

(U) N/A.

- 3. Does the foreign state continue to support the TPS designation?**

(U) N/A.

C. Extraordinary and Temporary Conditions

- 1. Has the foreign state experienced extraordinary and temporary conditions that prevent aliens who are nationals of the state from returning to the state in safety?**

(SBU) No. In the wake of the 2010 earthquake, Haiti continues to be affected by lingering earthquake damage. The earthquake destroyed virtually all government offices and ministries in downtown Port-au-Prince, leaving most in long-term temporary facilities spread throughout the city. However, country conditions and the Government of Haiti's capacity have improved sufficiently to allow for the safe return of a moderate flow of Haitian nationals.

(SBU) Since the earthquake, the IDP population had decreased 97 percent (from two million to 37,000) from its estimated peak in 2010, to the point where today, just 27 of the original 1,555 IDP sites remain open. Despite these gains, gender-based violence in the IDP areas remains a serious concern, and personal security is a serious and pervasive problem. An estimated 41,000 Haitians who have been made homeless as a result of various natural disasters since 2010, including Hurricane Matthew in 2016, affecting Haiti remain in IDP areas.

(SBU) With more than a half its total population living in extreme poverty, Hurricane Matthew demonstrated Haiti's weakened ability to cope, recover, and adapt to shocks from natural disasters. This fragility was exposed again most recently by Hurricane Irma, which temporarily displaced over 10,000 people into shelters and exacerbated an existing food security crisis on the northern coast.

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(SBU) With the withdrawal of the United Nations Stabilization Mission in Haiti's (MINUSTAH) military component underway, the Haitian National Police (HNP) will be called upon to shoulder increased responsibility for maintaining order throughout the country. However, the HNP remains highly concentrated in Port-au-Prince and has limited resources, challenging its ability to guarantee security throughout the country. The United States and our international partners continue to work to train and support the development and growth of the HNP, which has been increasingly perceived as professional and capable of providing security.

2. Would permitting nationals of the foreign state to remain temporarily in the United States be contrary to the national interest of the United States?

(SBU) No. Permitting Haitians to remain temporarily in the United States would not be contrary to the U.S. national interest. Current TPS beneficiaries have been in TPS status in the United States for six or seven years. The population has been stable and has successfully settled there. The current practice of returning newly arrived illegal migrants via the resumed non-criminal deportation flights has greatly disincentivized new attempts at large-scale illegal migration.

II. Discretionary Factors

What, if any, additional information relevant to this decision should be brought to the attention of the Department of Homeland Security?

(SBU) An abrupt termination of TPS for Haiti that does not provide a period for an orderly transition could jeopardize progress made in our bilateral relationship, particularly our robust partnership with Haiti on migration.

(SBU) Setting a Negative Historical Precedent: Approximately 58,706 Haitians received TPS benefits following the 7.0 magnitude earthquake in 2010. Since 1990 when the TPS statute was passed, approximately 22 countries have been designated under the statute. Only three countries have had their TPS designation terminated without a period of at least six months provided for orderly transition – those cases involved beneficiary populations of as few as 316, and as many as 4,018. The average duration of a TPS designation has been 8.5 years. By this measure, an immediate effective date for termination of Haiti's TPS designation would be a statistical outlier. Haiti has been designated for TPS for less than eight years, and its sudden termination with no delay in effective date to allow for orderly transition period would affect 14 times more people than the largest group of TPS beneficiaries whose status was terminated without an extended transition period (which last occurred in 1993).

(SBU) A Cooperative Partnership: Haiti is a committed and cooperative partner in stemming the irregular flow of migrants to the United States, accepting regular deportation flights, and preventing further illegal migration of Haitians upon their return. This cooperation was best exemplified through their support in managing the irregular flow of Haitian migrants arriving at the U.S. southwest border with Mexico in 2016. Despite political turmoil and economic uncertainty in Haiti, when more than 6,500 Haitians presented themselves at U.S. ports of entries (a 1,300 percent increase from 2015), the Haitian government agreed to receive non-criminal

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deportation flights for the first time since the 2010 earthquake. This proved to be a strong deterrent mechanism, bringing a near cessation of Haitians presenting themselves at the U.S. southwest border. To date, Haiti has accepted over 5,200 deportees.

(SBU) Haiti has also shown a commitment to adequately prepare in the event TPS is terminated. Since then-DHS Secretary Kelly's visit to Haiti on May 31, Haiti has made the following preparations:

- **(SBU) Establishment of a Working Group:** The Government of Haiti established a minister-level working group focused on efforts to mitigate factors that cause Haitians to migrate illegally. A sub-group was created in order to focus specifically on preparations for the possible DHS termination of TPS; understanding the need to ensure employment opportunities exist for TPS beneficiaries when they return to Haiti.
- **(SBU) Outreach to Diaspora Leaders:** Haiti's Ambassador in Washington has worked to raise awareness amongst influential diaspora leaders, so they can effectively share information with the Haitian community in the United States on how a policy change will affect them.
- **(SBU) Providing Legal Assistance:** The Haitian Mission in the United States established a hotline to provide legal assistance by way of immigration attorneys.

(SBU) Implications of a Termination: While the Haitian government has exemplified its commitment to remain a cooperative partner of the United States, an abrupt DHS termination of TPS benefits for Haitian beneficiaries would jeopardize this progress. It would also threaten the strides the Government of Haiti has made towards political stability. After two years of electoral impasse, President Jovenel Moise and his government have been legitimized and are able to focus on developing a more secure, stable, and self-sufficient Haiti. It is in our interest to remain committed to the country's long-term security, democratic development, and economic growth, as well as to recognize when adequate conditions exist to warrant DHS termination of TPS.

(SBU) An immediate DHS termination of benefits at this juncture, when Haiti is focused on developing opportunities that allow Haitians to stay and help build their country, would have implications not only for Haiti's stability, but for the region. Haitians who are involuntarily returned to a country that is not yet able to handle the influx of returns would further incentivize illegal migration, to the United States and other destinations. This would strain the already limited resources of our North American, Central American, and Caribbean partners. To this end, such an irregular flow of Haitian migrants, similar to what was seen in 2016, could threaten the progress made on the U.S. strategy in Central America, and the efforts we have made to further secure our borders. It is therefore in the national security interests of the United States to ensure an orderly transition of Haitian TPS beneficiaries.

III. Recommendation

(SBU) The extraordinary and temporary conditions that served as the basis for the 2010 designation and 2011 re-designation have sufficiently improved such that they no longer prevent nationals of Haiti from returning in safety. However, lingering issues from the 2010 earthquake, the aftermath of Hurricane Matthew in 2016, the heavy rains and landslides in 2017, Hurricane

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Irma in September 2017, and the additional effects of the cholera epidemic continue to affect Haiti. It is in the national interest of the United States to ensure that Haiti's inability to absorb a large number of TPS beneficiaries does not jeopardize the progress Haiti has made in receiving criminal and noncriminal deportees from the United States. **Based on these factors, the Department recommends that the Acting Secretary of Homeland Security designate an effective date to provide TPS benefits for an additional 36 months beyond the end of the current designation to provide the Haitian government with adequate time to prepare for the safe reintegration of approximately 58,706 Haitians.**

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TEMPORARY PROTECTED STATUS (TPS) FOR HONDURAS – 2017****I. Statutory Basis for Designation**

Have the conditions under which the foreign state was designated for temporary protected status ceased to exist?

(SBU) Yes, the conditions under which Honduras was designated for TPS have ceased to exist. Attorney General Janet Reno originally designated Honduras for TPS on January 5, 1999, on the basis of environmental disaster. The original designation reads, "Hurricane Mitch swept through Central America causing severe flooding and associated damage in Honduras. Based on a thorough review by the Departments of State and Justice, the Attorney General finds that, due to the environmental disaster and substantial disruption of living conditions caused by Hurricane Mitch, Honduras is unable, temporarily, to handle adequately the return of Honduran nationals" (64 FR 524). Subsequent Attorneys General and Secretaries of the Department of Homeland Security extended TPS for Honduras 13 times in 18-month increments; the most recent extension was effective July 6, 2016. The 2016 extension cited not only Hurricane Mitch, but also subsequent environmental disasters, including: (1) severe rains, landslides, and flooding, and heavy winds associated with Tropical Storm Hanna toward the end of 2014; (2) a dramatic increase in mosquito-borne diseases in 2014 and 2015; and (3) a prolonged regional drought and coffee rust epidemic (81 FR 30331).

(SBU) Honduras remains vulnerable to severe weather events, but the disruption of living conditions attributable to Mitch in the affected area has decreased in severity to a degree that it should no longer be regarded as "substantial" within the meaning of the statute. Since the storm, much of the destroyed infrastructure and housing has been rebuilt. The social and economic conditions affected by the storm have stabilized and people are able to conduct their daily activities without impediments related to the damage of Mitch.

(SBU) The conditions in Honduras that caused it to be designated for TPS on the basis of the environmental disaster – i.e., the substantial disruption of living conditions caused by Hurricane Mitch, which rendered Honduras temporarily unable to adequately handle the return of its nationals and habitual residents, no longer exist.

A. Armed conflict**1. Is the foreign state currently involved in an ongoing, internal, armed conflict?**

(U) No.

a. If so, would the return of nationals of the foreign state to that state (or to the part of the state) pose a serious threat to their personal safety?

(U) N/A.

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B. Environmental Disaster

- 1. Has the foreign state in question experienced an earthquake, flood, drought, epidemic, or other environmental disaster in the state?**

(U) Yes. Honduras is vulnerable to extreme weather events. In 1998, Hurricane Mitch swept through Central America causing severe flooding and associated damage in Honduras. Since Hurricane Mitch, Honduras has continued to experience other natural disasters.

- a. If so, does there continue to be a substantial, but temporary, disruption of living conditions in the area affected?**

(SBU) No. Honduras has stabilized from previous disruptions. Much of the infrastructure and housing destroyed by Hurricane Mitch has been rebuilt. While Honduras has been experiencing a prolonged drought, the Department assesses that the disruption of living conditions attributable to Hurricane Mitch should no longer be regarded as "substantial." The government has demonstrated its ability to rebuild its infrastructure and housing and provide other basic services to its citizens.

- 2. Is the foreign state still unable, temporarily, to handle adequately the return to the state of aliens who are nationals of the state?**

(SBU) Yes. Honduras continues to suffer from the same serious security and economic challenges that have led many Honduran nationals with TPS to remain in the United States, and have spurred even more Hondurans to migrate to the U.S. since TPS was granted. The Government of Honduras received approximately 22,000 deportees from the United States and more than 45,000 deportees from Mexico in 2016. While the Honduran government's infrastructure for receiving returned migrants has improved over the last three years, it is largely due to investments by the U.S. government. If TPS is not renewed, Honduras will require significant additional resources and coordination to adequately receive the immediate return of an additional 86,163 former TPS beneficiaries and potentially their family members.

(SBU) The immediate return of 86,163 Hondurans who currently hold TPS could overwhelm the government's ability to properly reintegrate them and make it more likely they would attempt to return to the United States illegally. Recognizing most Hondurans who migrate do so for economic reasons, adding tens of thousands of returnees to an economy that is not prepared to integrate them will only exacerbate the principal driver of illegal immigration. This would also impose severe burdens on a cooperative but under-resourced Honduran government and would be counterproductive to U.S. interests.

(SBU) If the Government of Honduras were expected to immediately receive and reintegrate 86,163 deportees and potentially their family members, it would likely cause a negative public reaction and strain the bilateral relationship. Many of the deportees would be accompanied by their U.S.-born children, many of whom would be vulnerable to recruitment by gangs. The Honduran government would be forced to dedicate significant resources to receiving its nationals, which would undermine the medium to longer-term U.S. economic, security, and

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governance goals in Honduras, and would likely lead to an increase in illegal immigration from Honduras to the United States.

3. Does the foreign state continue to support the TPS designation?

(SBU) Yes. Honduran President Juan Orlando Hernandez met with Vice President Pence on June 15, 2017, on the margins of the Conference on Prosperity and Security in Central America in Miami and requested an extension of TPS. On July 18, 2017, Honduran Minister of Foreign Affairs Maria Dolores Agüero Lara submitted an official request for extension.

C. Extraordinary and Temporary Conditions

- 1. Has the foreign state experienced extraordinary and temporary conditions that prevent aliens who are nationals of the state from returning to the state in safety?**

(U) N/A.

- 2. Would permitting nationals of the foreign state to remain temporarily in the United States be contrary to the national interest of the United States?**

(U) N/A.

II. Discretionary Factors

What, if any, additional information relevant to this decision should be brought to the attention of the Department of Homeland Security?

(SBU) Honduras is a consistent partner of the United States. It has shown itself willing to proactively address concerns related to illegal immigration by investing time, money, and political capital in trying to keep its citizens in Honduras. It is also a receptive partner for the U.S. government and other governments in the region seeking to deport Honduran nationals. Honduran authorities have also extradited numerous fugitives, including Honduran nationals to the United States since 2014, including a number of major drug traffickers.

(SBU) As a part of the U.S. strategy in Central America, the U.S. government is providing approximately \$2 billion in FY 2015 to FY 2017 assistance to secure our borders, protect U.S. citizens, and increase opportunities for U.S. and other businesses. U.S. engagement and programs aim to dismantle transnational criminal organizations, combat drug trafficking, halt illegal immigration, and promote sustainable economic growth by addressing the underlying causes of insecurity, impunity, and lack of economic opportunity. These efforts, combined with Honduras' own efforts under the Alliance for Prosperity, protect U.S. national security and create conditions to incentivize Honduran citizens to remain and prosper in their home country.

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(SBU) Despite recent improvements in Honduras' security situation, insecurity and widespread unemployment and low wages continue to be among the main factors cited by returned migrants for their decision to migrate to the United States.

(SBU) In rural areas that are largely dependent on subsistence agriculture, one out of five Hondurans continues to live in extreme poverty (on less than USD \$1.90 per day according to the World Bank). These rural areas, where a disproportionately large number of Hondurans in the United States, including TPS beneficiaries, originate, have been particularly affected by the drought, which has been persisting since 2014, and many families have resorted to reducing their caloric intake. According to a July 2016 United Nations World Food Programme report, one in four people in Honduras are struggling to feed themselves.

(SBU) Although Honduras was been able to reduce its national homicide rate from 86 per 100,000 in 2011 to 58 per 100,000 in 2016, it continues to have one of the highest murder rates in the world for a country not at war. This was not always the case, and continues to represent extraordinary circumstances created by a combination of gang activity, drug trafficking, and poor economic conditions. To the extent efforts the government and the international community are helping to bring down this rate, it is a temporary condition that can change with continued implementation of improved security and economic policies.

(SBU) Impunity for all categories of crime, including serious offenses like murder and kidnapping, is high. Yet the current administration, with U.S. assistance, has taken steps to address these problems. Honduras has been a collaborative extradition partner, leading many Honduran criminals to self-surrender in lieu of probable arrest and extradition. Nearly 30 such indicted criminals now face justice in the United States for corruption, drug trafficking, and money laundering. The Honduran government is implementing a roadmap to overhaul the Honduran National Police, which has included replacing its troubled former investigative division with a new, better trained and equipped force that is currently up and running. It is also working to hire 15,000 new officers by 2022, roughly 3,200 per year above attrition, almost doubling the size of the force.

(SBU) Permitting Hondurans to remain temporarily in the United States would not be contrary to the U.S. national interest. Current TPS beneficiaries have been in TPS status in the United States for 18 years. The population has been stable and has successfully settled there. The current practice of returning newly arrived illegal migrants via the resumed non-criminal deportation flights has greatly disincentivized new attempts at large-scale illegal migration.

III. Recommendation

(SBU) Since the grounds for Honduras' January 5, 1999 designation for TPS on the basis of environmental disaster no longer exist, the Department recommends that should the Acting Secretary of Homeland Security decide to terminate TPS for Honduras, that the Acting Secretary designate an effective date to provide TPS benefits for 36 months beyond the end of the current designation to allow for an orderly transition. Providing the Honduran government more time to improve security and economic conditions and repatriation systems would increase the likelihood Hondurans would return voluntarily and reduce the likelihood deported migrants would seek to return to the United States illegally. It would also

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allow the U.S. government the time to mitigate any possible negative foreign policy impacts stemming from the decision to ensure sustained effective bilateral cooperation on a wide range of issues, such as combatting transnational criminal organizations and addressing the underlying causes of illegal immigration. Moreover, since 1999, Honduran nationals have had TPS, and during that time, many started families, opened businesses, and bought houses and properties. A delayed effective date would provide them and their family members with time to organize their departure from the United States.

(SBU) In addition, the Department recommends that the public announcement of a new effective date be delayed until November 27 so as not to interfere in the domestic politics of Honduras' November 26 presidential election. In order to meet a statutory requirement, the Department of State recommends communication of a DHS decision to the head of government only on November 3.

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TEMPORARY PROTECTED STATUS (TPS) FOR EL SALVADOR – 2017****I. Statutory Basis for Designation**

Have the conditions under which the foreign state was designated for temporary protected status ceased to exist?

(SBU) Yes, the conditions under which El Salvador was designated in 2001 have ceased to exist. Attorney General John Ashcroft designated El Salvador for TPS on March 9, 2001, on the basis of environmental disaster stemming from a devastating earthquake on January 13, 2001, followed by two more earthquakes on February 13 and 17, 2001. Subsequent Attorneys General and Secretaries of Homeland Security have extended the TPS designation for El Salvador eleven times; the most recent extension was effective September 10, 2016, and expires on March 9, 2018. This extension cited not only the 2001 earthquakes, but subsequent natural disasters and environmental challenges, including: (1) hurricanes and tropical storms; (2) heavy rains and flooding; (2) volcanic and seismic activity; (3) an ongoing coffee rust epidemic; (4) a prolonged regional drought that was impacting food security; and (5) an outbreak of mosquito-borne illnesses, all of which have slowed recovery from the 2001 earthquakes. It also noted El Salvador's serious economic and security challenges (81 FR 44645).

(SBU) While the 2001 earthquakes and subsequent environmental disasters have slowed economic growth, the disruption of living conditions attributable to the earthquakes in the affected area has decreased in severity to a degree that it should no longer be regarded as "substantial" within the meaning of the statute. The social and economic conditions affected by the earthquakes have stabilized and people are able to conduct their daily activities without impediments related to damage from the earthquakes. Many of the homes and infrastructure destroyed by the earthquakes have been restored, and economic activity has resumed. However, because El Salvador remains unable, due to ongoing security and economic conditions, to handle adequately the precipitous return of its nationals – should the Acting DHS Secretary decide to terminate TPS for El Salvador, the Department recommends that the effective date of the termination should be delayed 36 months to allow El Salvador much needed time to reabsorb its nationals, and permit the TPS holders time to close out their affairs in the United States.

A. Armed conflict**1. Is the foreign state currently involved in an ongoing, internal, armed conflict?**

(U) No.

a. If so, would the return of nationals of the foreign state to that state (or to the part of the state) pose a serious threat to their personal safety?

(U) N/A.

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B. Environmental Disaster

- 1. Has the foreign state in question experienced an earthquake, flood, drought, epidemic, or other environmental disaster in the state?**

(SBU) Yes, but the conditions have ceased to exist. El Salvador experienced a series of earthquakes and aftershocks in early 2001, followed by additional environmental disasters since 2001, including Tropical Storm Stan in 2005, a series of earthquakes in 2006, and storms in 2009 (Ida) and 2010 (Agatha). Most recently, El Salvador declared a drought emergency in 2016, after multiple years of low rainfall that has added to the challenges presented by the prior environmental disasters.

- a. If so, does there continue to be a substantial, but temporary, disruption of living conditions in the area affected?**

(SBU) No, the disruption of living conditions attributable to the 2001 earthquakes should no longer be regarded as "substantial." Many basic services that were impaired following the 2001 earthquake have been restored.

(SBU) Despite progress in recovery from the 2001 earthquakes, El Salvador continues to experience frequent and significant natural disasters and environmental challenges the effects of which should not be discounted, and which affect its ability to adequately handle a precipitous return of its nationals residing in the United States. Agriculture accounts for 10 percent of GDP but 20 percent of employment, mostly low-wage and subsistence earners who are otherwise likely to migrate illegally. The 2014-2016 drought was particularly acute in the eastern region of the country, where a disproportionately large number of Salvadorans in the United States, including TPS beneficiaries, originate. The drought led to the loss of staple and export crops, and the death of thousands of cattle. The sugarcane industry suffered irreversible damage to 20 percent of cropland. The coffee industry lost over 40,000 jobs, equivalent to half the sector's employment, as production fell by half after the coffee rust outbreak in the region. Sugar and coffee are the two largest agricultural products in the sector.

(SBU) Problems of slow growth and lack of employment, in part due to the series of natural disasters, continue to plague the country. El Salvador has experienced the worst GDP growth rate in the region for 10 straight years – and is only projected to reach 2.4 percent growth for 2017, which is largely due to growth in remittances from the United States and low oil prices. Without remittance growth or with higher oil costs, economic growth would have been negative. El Salvador needs to create approximately 60,000 new jobs every year to meet the needs of its current population, yet was only able to create approximately 12,000 jobs in 2016. A 2012 study by the Ministry of Economy indicates a national housing deficit of 446,000 dwellings, exacerbated by a growing population in a young demographic (50 percent of the population is under the age of 30).

- 2. Is the foreign state still unable, temporarily, to handle adequately the return to the state of aliens who are nationals of the state?**

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(SBU) Yes, El Salvador continues to suffer from serious security and economic challenges and is unable to adequately handle the immediate return of a large number of TPS beneficiaries – a total of 263,282 Salvadorans – and potentially their family members, including a significant number of children, most of whom are dual U.S.-Salvadoran nationals. The Salvadoran foreign minister estimates at least 200,000 U.S.-born, dual-national children would be impacted by the end of TPS, although the numbers could be much higher.

(SBU) The Salvadoran government works closely with DHS to facilitate the deportation of Salvadorans from the United States, accepting additional deportation flights and expediting the issuance of temporary travel documents to returnees. El Salvador has facilitated the return of 52,000 deportees in 2016, 21,000 from the United States and 31,000 from Mexico. Reports indicate; however, that many of the returnees try to return to the United States illegally shortly after their deportation back to El Salvador. This is because the government cannot provide basic services for these returned nationals and the economy cannot create sufficient jobs to employ them. High levels of insecurity also continue to hinder El Salvador's ability to adequately handle a precipitous return of TPS beneficiaries. Homicide rates in El Salvador in 2016 were the highest in the world outside a war zone, at 81 homicides per 100,000 inhabitants in 2016, and growth was the lowest in Central America, creating a climate of fear and hopelessness that continues to drive migrants north. Parents in many communities in El Salvador fear boys may be targeted for gang recruitment and girls may be forced into sexual relations with gang members. Many parents in El Salvador refuse to even send their children to school out of fear of the gangs.

(SBU) According to a survey by the University of Kansas, the median age of TPS holders is 43 years and approximately 61 percent have no children left in Central America. These returnees would need to compete with locals to find scarce jobs in order to support themselves and their families legally. The lack of legitimate employment opportunities is likely to push some repatriated TPS holders, or their children, into the gangs or other illicit employment. In addition, the immediate return of a population of TPS Salvadoran nationals of the magnitude currently residing in the United States – which El Salvador is currently unable to adequately absorb or employ – could intensify the push factors that drive illegal migration.

(SBU) High levels of insecurity as well as ongoing effects from the series of natural disasters El Salvador has experienced also hamper economic growth and prosperity. El Salvador has experienced the worst GDP growth rate in the region for 10 straight years – and is only projected to reach 2.4 percent growth for 2017, which is largely due to growth in remittances from the United States and low oil prices. Without remittance growth or with higher oil costs, economic growth would have been negative. El Salvador needs to create approximately 60,000 new jobs every year to meet the needs of its current population, yet was only able to create approximately 12,000 jobs in 2016. A 2012 study by the Ministry of Economy indicates a national housing deficit of 446,000 dwellings, exacerbated by a growing population in a young demographic (50 percent of the population is under the age of 30). Extortion of businesses drives up costs and discourages investment. Business leaders assess that extortion payments have tripled since 2013, with small businesses paying approximately 10-20 percent of their income to organized crime, while larger businesses face monthly payments in the tens of thousands of dollars. The Central

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Bank estimates that extortion fees paid by businesses could amount to approximately \$756 million – or almost 3 percent of GDP – though other estimates are lower.

3. Does the foreign state continue to support the TPS designation?

(SBU) Yes. On June 15, in a meeting with Vice President Pence at the Conference on Prosperity and Security in Central America, Salvadoran Vice President Ortiz requested an extension of TPS. Extension of TPS is the single highest foreign policy priority of the Salvadoran government.

C. Extraordinary and Temporary Conditions

1. Has the foreign state experienced extraordinary and temporary conditions that prevent aliens who are nationals of the state from returning to the state in safety?

(U) N/A.

2. Would permitting nationals of the foreign state to remain temporarily in the United States be contrary to the national interest of the United States?

(U) N/A.

II. Discretionary Factors

What, if any, additional information relevant to this decision should be brought to the attention of the Department of Homeland Security?

(SBU) El Salvador is a consistent partner of the United States in working to combat illegal immigration and transnational criminal organizations. The Government of El Salvador has shown itself willing to proactively address concerns related to illegal immigration, investing time, money, and political capital in trying to keep its citizens in El Salvador. El Salvador is also a receptive partner for the U.S. government and other governments in the region seeking to deport Salvadoran nationals. If, however, the Government of El Salvador were expected to immediately absorb 263,282 of its citizens, its institutional capacity and willingness to continue to be a receptive partner would diminish. In addition, without a delayed effective date, the Salvadoran government would be forced to dedicate all available resources to receiving its nationals, undermining the medium- to longer-term U.S. goals in El Salvador, which could lead to an increase in illegal migration from El Salvador to the United States.

(SBU) As a part of the U.S. strategy in Central America, the U.S. government continues efforts to build security, improve prosperity, and strengthen institutions. The Department of State and USAID are investing approximately \$2 billion in FY 2015 to FY 2017 assistance to advance our economic, security, and governance goals in Central America. These efforts, combined with El Salvador's own efforts under the Alliance for Prosperity, protect U.S. national security by

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combatting transnational criminal organizations, including gangs, and creating conditions for Salvadoran citizens to remain and prosper in their home country.

(SBU) The Government of El Salvador is making a concerted effort to fight crime and restore its economy. The government is expanding a national security plan that significantly reduced homicides in the most crime-ridden municipalities and passed legislation that has helped cut off imprisoned gang members from their rank-and-file members. It is targeting gang financial networks and dismantling extortion rings. El Salvador has demonstrated willingness to combat illegal migration through the creation of a Border Intelligence and Coordination Center, deploying Salvadoran officers to McAllen, Texas, to screen incoming migrants for gang ties and making Salvadoran arrest and investigation records available to DHS and local law enforcement agencies throughout the United States.

(SBU) The Salvadoran government cooperates with U.S. law enforcement in a variety of fields, including investigating transnational gang crime, extraditing criminals, and interdicting drugs. Information sharing on MS-13 gang activity between the two governments has led to major takedowns in the United States. In 2016, El Salvador seized 9.0 metric tons of cocaine – more than four times the amount seized the previous year. El Salvador has been particularly active on maritime seizures of illegal narcotics, including via the Cooperative Security Location at Comalapa Airport, where U.S. surveillance flights track movements of narcotics in the Pacific, but the lease must be renegotiated before 2020. Since 2010, extradition of criminals to the United States has been another example of ongoing cooperation. More recently, the Government of El Salvador opened negotiations with the United States on a detainee transfer agreement to permit the immediate movement of interdicted drug traffickers in the Pacific to U.S. custody for prosecution, a major objective of the U.S. Department of Justice. The immediate deportation of TPS beneficiaries in the United States would create tension with the Salvadoran government, and could jeopardize cooperation in these critical areas.

(SBU) On the economy, the Salvadoran government intends to join a customs union with Guatemala by the end of 2017 to reduce the costs of trade and improve commerce, while it also works to improve the business climate for investment by reducing bureaucratic procedures. Through the Alliance for Prosperity, El Salvador is leading the effort to improve the situation on the ground to attract Salvadorans back to El Salvador in the future. In 2017, the Government of El Salvador passed legislation and kicked off programs through the Ministry of Foreign Affairs to assist Salvadorans deported from the United States, including through small loans and training to show them how to access public services. The U.S. Millennium Challenge Corporation invested \$490 million in 2007 to boost agriculture, build roads, provide clean water, and improve education. In 2014, MCC signed a second compact for \$367 million, including \$88 million in funding from the government of El Salvador, to improve the investment climate, employment, and transportation infrastructure.

(SBU) The broad U.S. support for improving security and economic opportunity in El Salvador is designed to address the underlying drivers of illegal migration and lay the groundwork for an eventual return of many Salvadorans from the United States. Under current conditions, however, immediate repatriation of the TPS beneficiaries and their families would likely endanger those U.S. foreign policy goals. Introducing an additional 263,282 working-age people and children

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vulnerable to recruitment by transnational criminal organizations (TCOs), such as MS-13, to a country rife with gangs and that cannot provide the 60,000 jobs required every year for its current population will undermine U.S.-Salvadoran efforts to combat TCOs. With no employment and few ties, options for those returning to El Salvador and those overwhelmed by the additional competition will likely drive increased illegal migration to the United States and the growth of MS-13 and similar gangs. A delayed effective date of 36 months will allow much-needed time for our work with the government of El Salvador to combat TCOs and create jobs to bear fruit. This will hopefully mean that the large number of returnees will have access to employment and services, making their re-entry smoother and increasing the likelihood that they will remain in El Salvador.

(SBU) Finally, Permitting El Salvadorans to remain temporarily in the United States would not be contrary to the U.S. national interest. Current TPS beneficiaries have been in TPS status in the United States for 16 years. The population has been stable and has successfully settled there. The current practice of returning newly arrived illegal migrants via the resumed non-criminal deportation flights has greatly disincentivized new attempts at large-scale illegal migration.

III. Recommendation

(SBU) Since the grounds for El Salvador's January 13, 2001, designation for TPS on the basis of environmental disaster no longer exist, the Department recommends that should the Acting Secretary of Homeland Security decide to terminate TPS for El Salvador, that the Acting Secretary designate an effective date to provide TPS benefits for an additional 36 months beyond the end of the current designation for the purpose of orderly transition. Providing the government more time to improve conditions and repatriation systems is directly in the U.S. national interest, since it would reduce incentives for illegal immigration and encourage continued bilateral cooperation on other national security issues, including the fight against transnational criminal organizations. It would increase the likelihood of sustaining effective cooperation with the United States on a wide range of issues. Improved conditions in El Salvador would give Salvadorans residents there, especially young people, an incentive to continue to seek their fortunes in El Salvador, and would make it more likely that Salvadorans in the United States would return to El Salvador voluntarily. Moreover, since 2001, 263,282 Salvadoran nationals have received TPS, and during that time, many started families, opened businesses, and bought houses and properties in the United States. This period of transition would provide them and their family members with time to prepare for their departure from the United States.

(SBU) While the conditions in El Salvador that justified the designation of El Salvador for TPS on the basis of environmental disaster no longer exist, a sudden DHS termination of TPS for El Salvador without a delayed effective date would overwhelm the country's ability to absorb returnees.

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SENSITIVE BUT UNCLASSIFIEDRELEASE IN FULL**(SBU) DEPARTMENT OF STATE RECOMMENDATION REGARDING
TEMPORARY PROTECTED STATUS (TPS) FOR NICARAGUA – 2017****I. Statutory Basis for Designation**

Have the conditions under which the foreign state was designated for temporary protected status ceased to exist?

(SBU) **Yes, the conditions have ceased to exist.** Attorney General Janet Reno originally designated Nicaragua for Temporary Protected Status (TPS) effective January 5, 1999, on the grounds of environmental disaster. The original designation reads, "Hurricane Mitch swept through Central America causing severe flooding and associated damage in Nicaragua. Based on a thorough review by the Departments of State and Justice, the Attorney General finds that, due to the environmental disaster and substantial disruption of living conditions caused by Hurricane Mitch, Nicaragua is unable, temporarily, to handle adequately the return of Nicaraguan nationals" (64 FR 526). Subsequent Attorneys General and Secretaries of the Department of Homeland Security have extended TPS for Nicaragua 13 times in 18-month increments, most recently effective July 6, 2016. This extension cited not only Hurricane Mitch, but subsequent environmental disasters that have caused additional damage and exacerbated the persisting disruptions caused by Hurricane Mitch, including: (1) heavy rains and extensive flooding in October 2014, May 2015, and June 2015; (2) significant earthquakes in April and October 2014; (3) 426 eruptions of the Telica volcano between early-May and late-July 2015; and (4) a prolonged regional drought and coffee rust epidemic (81 FR 30325).

(SBU) Nicaragua is prone to severe weather and seismic events, and has suffered significant political turmoil over the last 40 years, which has made it difficult to recover fully from weather and seismic events. **While Nicaragua has never fully rebuilt and recovered from Hurricane Mitch, the disruption of living conditions attributable to Mitch in the affected area has decreased in severity to a degree that it should no longer be regarded as "substantial" within the meaning of the statute.** The social and economic conditions affected by the storm have stabilized and people are able to conduct their daily activities without impediments related to the damage of Mitch. In addition, the overall Nicaraguan economy has strengthened due to increased foreign direct investment and exports of textiles and commodities, which improves Nicaragua's ability to handle the return of its nationals. Nicaragua's GDP has averaged over five percent growth since 2010, and was 4.7 percent in 2016, some of the highest and most consistent growth rates in the region. Nicaragua's GDP per capita (controlled for inflation) is higher today than in 1998, although its GDP has not fully recovered from the country's civil war in the 1980s (see chart below).

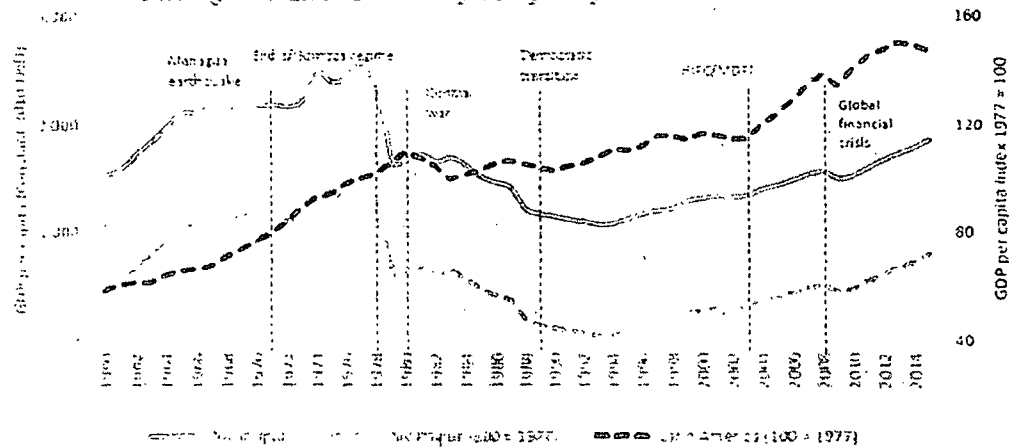
(SBU) **We assess that the conditions in Nicaragua that caused it to be designated for TPS on the basis of the environmental disaster – i.e., the substantial disruption of living conditions caused by Hurricane Mitch, which rendered Nicaragua temporarily unable to adequately handle the return of its nationals and habitual residents, no longer exist.**

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Figure 1.1: Nicaragua's timeline of GDP per capita
Nicaragua vs. LAC Evolution of GDP per capita (constant 2010 USD)



Source: Authors' calculations based on World Development Indicators (WDI) (2017).

A. Armed conflict

1. Is the foreign state currently involved in an ongoing, internal, armed conflict?

(U) N/A.

- a. If so, would the return of nationals of the foreign state to that state (or to the part of the state) still pose a serious threat to their personal safety?

(U) N/A.

B. Environmental Disaster

1. Has the foreign state in question experienced an earthquake, flood, drought, epidemic, or other environmental disaster in the state?

(U) Yes. Nicaragua's location makes it vulnerable to extreme weather and seismic events. In 1998, Hurricane Mitch hit the Atlantic coast of Nicaragua with devastating results. The hurricane adversely impacted two million people, causing significant suffering and damage estimated at \$1.5 billion. The 2017 Global Climate Risk index lists Nicaragua as fourth in the world among countries most affected by extreme weather events. Hurricane Mitch, for example, was preceded and followed by a series of tropical storms and hurricanes that adversely affected the living conditions of Nicaraguans. In 2007, Hurricane Felix caused significant damage, particularly to the Caribbean Coast. In 2009, Tropical Storm Alma left more than 25,000 people homeless. Collectively, these storms contributed to poor living conditions and infrastructure in affected areas.

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(U) In addition, over the past four years Nicaragua has experienced prolonged drought, which has also disrupted living conditions. The drought has endangered the country's food security, with the greatest impact among households in poor rural communities. The lack of rain has led to reduced water table levels and levels in lakes, rivers, streams, and wells. There has been a reduction in water flow to communities, with some wells completely drying up.

a. If so, does there continue to be a substantial, but temporary, disruption of living conditions in the area affected?

(SBU) No. Nicaragua has stabilized from previous disruptions, and while Nicaragua has been experiencing a prolonged drought, we assess that the disruption of living conditions attributable specifically to Hurricane Mitch should no longer be regarded as "substantial." This is because the government has demonstrated its ability to provide basic services to its citizens.

(SBU) For example, while it remains the second poorest country in the Western Hemisphere, the Government of Nicaragua is actively seeking to increase economic growth by supporting and promoting foreign investment. The government has been working to improve access to remote communities and has built new roads in many of the areas affected by Mitch, including the first paved road to connect the Pacific side of the country to the Caribbean Coast, which is nearly completed. In addition, electrification of the country has increased from 50 percent of the country in 2007 to 90 percent today. Internet access is also now widely available in Nicaraguan municipalities, thanks to foreign direct investment in the telecommunications sector, which has fueled the expansion of 3G mobile coverage and broadband networks throughout the country. Public infrastructure investment has been a high priority for the government and has been growing in the last two years.

2. Is the foreign state still unable, temporarily, to handle adequately the return to the state of aliens who are nationals of the state?

(SBU) No. Although the country remains poor and it would be challenging for returnees to find good jobs, we assess the government of Nicaragua would nevertheless be able to handle adequately the return of the approximately 5,349 TPS beneficiaries and potentially their family members.

(U) Despite a regression in building democratic institutions and lack of good governance, the Nicaraguan economy continued to show positive top-line economic results, including GDP growth of 4.7 percent in 2016. Despite this growth, Nicaragua outranks only Haiti in the Western Hemisphere in terms of GDP per capita. Poverty remains a significant issue: four in 10 Nicaraguans live on less than \$2.50 per day, and one in seven rural Nicaraguans live on less than \$1.20 per day (according to 2016 Nicaraguan government statistics). The nominal average private sector wage was \$323 per month in November 2016, which covered 73.7 percent of the standard basket of consumer goods for a family of six.

(U) The Government of Nicaragua is actively seeking to increase economic growth by supporting and promoting foreign investment. The government emphasizes its pragmatic management of the economy through a model of consensus and dialogue with private sector and labor representatives. A key draw for investors is Nicaragua's relatively low-cost and young labor force, with approximately 75 percent of the country under 39 years old. Nicaragua is a

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party to the Central America-Dominican Republic Free Trade Agreement (CAFTA-DR) and enjoys a strong trade relationship with the United States.

(U) Nicaragua remains significantly less affected by crime and gang-related violence than its northern neighbors. The homicide rate is seven per 100,000 inhabitants, significantly lower than other countries in the region. Its relative security has helped to attract tourism and foreign investment.

3. Does the foreign state continue to support the TPS designation?

(U) The Government of Nicaragua has not recently communicated its support for an extension or re-designation of TPS to the U.S. government.

C. Extraordinary and Temporary Conditions

- 1. Has the foreign state experienced extraordinary and temporary conditions that prevent aliens who are nationals of the state from returning to the state in safety?**

(U) N/A.

- 2. Would permitting nationals of the foreign state to remain temporarily in the United States be contrary to the national interest of the United States?**

(U) N/A.

II. Discretionary Factors

What, if any, additional information relevant to this decision should be brought to the attention of the Department of Homeland Security?

(SBU) The Government of Nicaragua continues to consolidate power and close democratic space. President Ortega now enjoys solid control over all four branches of government – Executive, Legislative, Judicial, and Electoral – to include the Supreme Court of Justice, the Supreme Electoral Council, and a super-majority in the National Assembly. Most recently, in 2016, the ruling Sandinista National Liberation Front party eliminated any meaningful, independent opposition from competing in the November 6 national elections and effectively removed the system of checks and balances for electoral oversight.

(SBU) The Government of Nicaragua continues to speak out strongly against U.S. activities in the region and terminates Nicaraguan government employees and party members who have unauthorized contact with anyone from the U.S. Embassy. Local employees at the U.S. Embassy suffer constant discrimination and harassment because of their employment. Political party committees in each neighborhood monitor the activities of everyone in the community and report to political and security leaders. It is possible that returnees from the United States would suffer some level of discrimination and harassment.

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III. Recommendation

(SBU) Since the grounds for Nicaragua's January 5, 1999, designation for TPS on the basis of environmental disaster no longer exist, the Department recommends that should the Acting DHS Secretary decide to terminate TPS for Nicaragua, that such a termination not take immediate effect and TPS benefits continue for an additional 18 months beyond the end of the current designation for the purpose of orderly transition. Since 1999, Nicaraguan nationals have had TPS, and during that time, many started families, opened businesses, and bought houses and properties. This period of transition would provide them and their family members time to prepare for their departures from the United States and as a result, also decrease the probability that these former beneficiaries would attempt to remain without status.

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