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Fiscal Year 2024 Budget Priorities for the Western Hemisphere
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Opening

Chairman Kaine, Ranking Member Rubio, members of the subcommittee—thank you for the opportunity to speak with you about the Administration’s proposed FY 2024 Budget and USAID’s work in Latin America and the Caribbean.

There is no question that the region is facing challenges—from historic levels of migration, to democratic backsliding, to acute instability in places like Haiti. Helping our neighbors respond to these challenges is key to maintaining our role as the region’s preferred partner and will set the course for the future of the hemisphere.

The President’s FY 2024 Budget Request of \$1.8 billion dollars for USAID in Latin America and the Caribbean recognizes that reality and will allow us to continue advancing our foreign policy and development objectives in the region.

At USAID, we are working to meet the moment. We focus on showing up with immediate aid in cases of emergency and on promoting longer-term democratic stability and prosperity, in contrast to the opaque and opportunistic approach of the People’s Republic of China.

Meeting Immediate Needs

When disaster strikes, we arrive with life-saving humanitarian assistance. So far, in this fiscal year, USAID has provided nearly \$282 million in emergency response in 13 countries across the hemisphere—from food security projects in El Salvador, Guatemala and Honduras, to wildfire response in Chile, to response to storms and floods in Peru—providing protection, multipurpose cash assistance, search and rescue, and logistics support.

During the COVID-19 pandemic, we helped deliver 70 million vaccines donated by the U.S. government in 29 countries—contributing to an over 70 percent vaccination rate in the region. We are now requesting \$54.5 million to build health systems that will be ready for the next pandemic.

And we continue to support the Haitian people, whose lives have been upended by surges in gang violence, political turmoil, and natural disasters. Our support has provided food assistance for hundreds of thousands of Haitians, kept over 160 health clinics open, ensured continued food production, and bolstered rural livelihoods—even through the current security crisis.

USAID is ready to work with Haiti toward a more stable future and to find ways to coordinate our assistance with the international community as support builds for a multinational force to reinforce the Haitian National Police. The FY 2024 budget request of \$246.2 million for global

health and development programs in Haiti will allow us to improve citizen security in high-violence communities and help chart a path toward elections and democratic governance. While the world looks to the United States to lead on Haiti, there is a narrow window for the rest of the Western Hemisphere to join in this global response and show that we stand with our Haitian neighbors as they seek to regain control of their country.

Building Long-Term Stability

Even as we respond to these acute crises, we are working with our neighbors to strengthen the foundations for more prosperous societies.

With the bipartisan support of this Congress, we have been able to stay focused on strengthening the foundations for stability and prosperity, even as we take on the challenges of the day. We focus on building partnerships that survive across political transitions, investing in the people and institutions that bolster democracy, and driving inclusive economic opportunity.

And we know that our aid alone will always be insufficient relative to the size of the challenges we are working to address. So, we work to mobilize others and catalyze the partnerships needed to deliver results far beyond our initial investment.

A Sustained Commitment to Progress

Our decades-long partnership with Colombia, which spans five U.S. administrations and five Colombian presidencies, is an example of what our sustained commitment can accomplish. We've walked alongside the Colombian people throughout their transition from war to peace. Together, we've ensured that victims of the armed conflict can be afforded truth and justice. USAID has also helped bring critical infrastructure, legal land tenure, and economic opportunity to isolated, rural communities—including 112 of the 170 conflict-affected municipalities included in the Peace Accord. And we've helped hundreds of thousands of farmers transition to licit products like coffee and cacao, so they can support their families and keep them safe. Finally, USAID has advanced the social and economic inclusion of Afro-Colombian and Indigenous Peoples who were disproportionately victimized by war.

With the resources generously provided by the Congress, USAID has helped mobilize much greater amounts of Colombia's own public and private sector funds. With every dollar USAID invests in mobilizing funds to rural areas that have struggled with conflict and a lack of resourcing, we unlock an average of \$41 from other entities. Since 2015, we've invested \$44.6 million that has mobilized more than \$1.8 billion.

And while this progress is still fragile, our continued investment aims to ensure that the gains of the Peace Process take root, that state presence and economic opportunity reach even the most distant corners of Colombia, and that all Colombians see a role for themselves in Colombia's future. A secure, democratic, and prosperous Colombia is in the U.S. national interest.

Maintaining these types of long-term, multi-administration partnerships allows us to achieve results that once seemed impossible.

Investing in People & Institutions That Strengthen Democracy

USAID also grows our impact by investing in the people and institutions on the front lines of promoting more democratic and prosperous societies. USAID helped found some of the most successful universities in the region—Zamorano, ESAN, INCAE, and Earth—that are now producing thousands of newly minted graduates who will be the next generation of change makers in their countries. We support journalists and civil society groups who shine a light on corruption. We help digitize and modernize procurement and tax systems, creating transparency and efficiency. And we've helped train judges and prosecutors to hold their ground against corrupt actors and bolster the rule of law.

These leaders play a critical role in promoting accountability and the rule of law.

We're seeing that in Guatemala, which is dealing with attempts to undermine the election of a President-Elect who ran on an anti-corruption platform. USAID's support for civil society advocacy and observation helped increase engagement and public confidence in this election process, but it is courageous election officials, civil society and community-based organizations, private sector leaders, and, above all, average citizens who are stepping up to defend Guatemala's democracy.

We measure our success not with the results of any given election, but in the growing strength of democratic values and institutions. USAID will continue to support independent media, protect human rights and rule of law, tackle corruption, and help democracies deliver for citizens. This budget includes a request for \$535 million to continue and expand that work in the face of democratic backsliding across the region.

Expanding Prosperity & Economic Opportunity

Slow growth and persistent inequality are at the root of the political instability and reduced faith in democracy that we see in much of the region. USAID works with governments and the private sector to advance inclusive economic opportunity, recognizing that it is critical to regional stability.

We've brought technology to rural communities to improve farms' productivity and connected those farmers to larger markets. We've worked to speed up customs processes in Central America, making the region more competitive and attractive for foreign direct investment. And we've helped the region leverage new finance tools like a catastrophe bond in Jamaica and the Blue Green Bank in Barbados, which will help finance projects addressing climate change and adaptation.

Our approach leverages our comparative advantage vis a vis the People's Republic of China, namely our transparent and empowering model of investment, and our dynamic private sector with a focus on strategic sectors.

This Budget Request Will Allow Us to Continue Addressing Challenges

Our goal with the FY 2024 budget request is to continue tackling big challenges—like the massive displacement of people across the hemisphere and the authoritarian regime in Venezuela causing the largest portion of that exodus. The region’s success in responding to these challenges will have an impact for generations to come.

Migration

We are dealing with the largest levels of displacement in the hemisphere’s history. More than 7 million people have been displaced from Venezuela alone, most within Latin America.

To meet the moment, USAID is taking a three-pronged approach to managing migration. We work to address root causes of migration, expand lawful pathways, and support the integration of migrants into new host communities.

As part of the joint \$979 million State/USAID request for Central America, USAID’s work to create economic opportunity and tackle insecurity and corruption makes it possible for more people to stay in their communities. Our work under the Administration’s Root Causes Strategy is helping farmers like Dionel, who I met in El Salvador. He previously sold his crops to unreliable middlemen and made such little money that he felt forced to irregularly migrate to the United States to find work. After he was deported and returned to El Salvador, he started working with a USAID program that helps small farmers access the crops and irrigation technology they need to improve yields and that connects them with the largest supermarket chain in the country. Now, his local farm not only supports his own family, but also employs eight fellow Salvadorans, creating opportunities at home.

Our work with the governments of El Salvador, Guatemala, and Honduras to expand lawful pathways like H-2 visas, is helping people find lawful work and fill critical labor gaps across America. Over the last two years, we’ve helped double the number of H-2 visas for Central American workers and supported the work of host country ministries to decrease the time it takes to match workers with employers to a third of what it was just two years ago.

Our request includes \$83 million to support the integration of millions of migrants—including those displaced by the disastrous Maduro regime—within host communities across the region. We’ve 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. This provides an alternative to the dangerous and costly journey through the Darien Gap.

But these policies are fragile, strained by rising xenophobia and the upfront costs of integration and humanitarian support to millions of migrants. This budget—and the \$200 million Economic Support Fund supplemental request for migration management across State and USAID—would help us meet the unprecedented level of need, expand the reach of our innovative migration work, and ensure these integration policies are successful.

Venezuela

At the root of these huge migration outflows is the democratic crisis in Venezuela. Venezuela's economy and democratic institutions have been decimated by 20 years of mismanagement. But the upcoming elections provide a chance for progress. We are not naive about the prospects for truly free and fair elections in Maduro's Venezuela, but the 2024 elections present an opportunity for Venezuelans to demand their right to choose their own leaders. And the new energy generated around opposition primaries shows us that Venezuelans have not given up hope.

USAID will continue to support the democratic voices who push back against a repressive regime, mobilizing for more competitive elections in 2024 and 2025.

And our commitment to supporting pro-democracy forces remains unwavering in other repressive contexts as well—with the \$20 million in State and USAID funding requested for Cuba and \$15 million requested for Nicaragua, we will continue to support those who are on the front lines fighting for their most basic rights and freedoms.

Closing

At USAID we remain committed to showing up in times of need with help for today and plans for tomorrow. The President's budget request will allow us to respond to this critical moment for the region—and build a more stable future for the hemisphere.

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