



USAID | HONDURAS

FROM THE AMERICAN PEOPLE

ABOUT USAID

The U.S. Agency for International Development (USAID) is the official U.S. Government agency responsible for international cooperation through development assistance. USAID's history is rooted in the Marshall Plan for reconstruction of Europe after World War II and the Truman Administration's Point Four Program. In 1961, President John F. Kennedy signed the Foreign Assistance Act into law which created USAID by Executive Order. Since that time, USAID has been the principal U.S. Government agency to extend assistance to countries recovering from disaster, trying to escape poverty, and engaging in democratic reforms.

The USAID Mission in Honduras forms part of the U.S. Embassy and supports U.S. foreign policy by carrying out U.S. Government economic assistance to the people and Government of Honduras. USAID signed its first bilateral assistance program with the Government of Honduras in 1961, under President John F. Kennedy's "Alliance for Progress."

History of USAID in Honduras

During the past 40 years, USAID has provided more than \$2 billion in economic assistance to Honduras. These funds have focused on improving the socioeconomic development of the country by promoting economic stability, rapid and sustained economic growth, and the equitable distribution of the benefits of this growth. These goals have been attained by supporting Honduran efforts to:



- diversify agricultural production,
- expand exports,
- provide credit for micro-enterprise,
- protect the environment,
- improve food security and sanitary conditions, as well as increase access to health services,
- improve the quality and expand the reach of primary and vocational education for children, youth, and young adults,
- provide training opportunities, and
- strengthen democratic institutions.

Significant results have been achieved over the years through USAID's joint efforts with the people and Government of Honduras and other donors. For example:

- in 1960, less than 30% of Hondurans had access to potable water; today, more than 75% do,
- infant mortality has been reduced from 13% in 1960 to just a little over 3% today,
- between 1960 and today, the illiteracy rate dropped from 50% to 18.5%,
- protected areas did not exist 25 years ago; today, over 1.5 million hectares are under improved management as national parks or wildlife refuges,
- Honduras returned to a democratic government in 1980 and has remained politically stable with a more independent judiciary system, and
- nontraditional exports have soared, providing employment to many Hondurans.



Hurricane Mitch Reconstruction Program

After the devastation caused by Hurricane Mitch in October of 1998, USAID worked with the Honduran government, nongovernmental organizations, the private sector, and the international community to help Honduras in the arduous task of reconstruction and transformation. The goal was to not only restore the country to pre-Hurricane Mitch levels, but to also make Honduras stronger and better capable of sustaining its own development. With the successful completion of the Hurricane Mitch Reconstruction Program, USAID remains committed to helping Honduras continue

along the path toward sustained economic growth, an improved standard of living for all of its citizens, and the consolidation and strengthening of its democracy.

Looking Ahead: USAID Strategy 2003-2008

This is a critical period for Honduras. The focus of USAID has shifted from reconstruction towards key areas of reform that will lay the groundwork for a more profound transformation in the country. Despite the tremendous gains made in post-Mitch recovery, Honduras continues to face daunting long-term development challenges that will continue to stress its limited resources.

An international initiative giving impetus to reform in development efforts is the Poverty Reduction Strategy. USAID provided assistance to the Government of Honduras in drafting the Poverty Reduction Strategy, and has and will continue to play an important role in financing key elements of its implementation.

From 2003 through 2008, USAID will support the agency's regional strategy for Central America and Mexico for a more democratic and prosperous region, sharing the benefits of trade-led growth broadly among its citizens. This five-year strategy for Honduras is also directly aligned with the goals set forth by the Millennium Challenge Account, which are: governing justly, investing in people, and promoting economic freedom.

In supporting Honduras' development goals, the United States is joined by other major donor nations and multilateral institutions (now known as the G-16 donor group). This unity of purpose and consensus on priorities strengthens USAID's belief that the country will continue to build upon the foundations of development laid out by the post-Mitch reconstruction and transformation program.