

For Immediate Release  
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**FACT SHEET**  
**Honduras Compact Consultative Process:**  
**Overview of the Consultative Process to date**

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**Poverty Reduction Strategy: a foundation**

The Government of Honduras (GOH) identified priorities for MCA funding from those outlined in the 2001 Poverty Reduction Strategy Paper (*PRS Paper*) and the 2004-2006 Poverty Reduction Strategy - Implementation Plan (*PRS Plan*) in forming its MCC Proposal. Both the PRS Paper and PRS Plan reflect participation of a broad range of Honduran society—3500 civil society organization representatives attended workshops in 13 cities for the PRS Paper and 650 representatives attended 4 workshops for the PRS Plan. In June 2004, the GOH publicly presented the PRS Plan to donors at the Consultative Group meetings in Tegucigalpa.

**MCC Proposal: proposal development consultations:**

In developing the MCC Proposal, the GOH used the priorities established in the PRS Plan and then posted the Proposal on its PRS web site ([www.sierp.hn](http://www.sierp.hn)) to solicit feedback from the public at large. In addition, a summary of the Proposal appeared in a major local newspaper with the web address of the full Proposal. After submitting the Proposal to MCC, the Government held five national meetings with the business community, civil society, non-governmental organizations, and donors, during which participants offered their insights on obstacles to economic growth and poverty reduction in Honduras.

This input along with other factors contributed to several changes in the program: the inclusion of civil society as voting members of the Board of MCA-Honduras, the elimination of the tourism and urban development components, and the expansion of the geographic scope of the Rural Development Project. The GOH also has held meetings with civil society, donors, and the private sector to provide feedback on how the comments it has received have caused the final MCC Program to differ from the original proposal. There is broad agreement among the Hondurans and donors that the two components of the Honduran Compact proposal are priorities for addressing poverty reduction through economic growth.

**Future consultations:**

The GOH plans to continue consultations at the project level, both in the transportation and agriculture sectors, throughout implementation. In addition, civil society representatives will be members of the MCA-Honduras Board to ensure civil society oversight and input throughout the process. The MCA-Honduras web site will contain the Monitoring & Evaluation Plan, periodic reports on Program performance, Environmental Impact Assessments, certain financial information, and audit reports.