USAID enhances economic growth in Central America by strengthening the region’s trade capacity and competitiveness through increased regional integration and lower trade costs. Strong, stable economies in the region are in the direct interest of the U.S. to stem the flow of illegal immigration from Central American countries.

The cost and time to trade goods regionally and intra-regionally in Central America are among the highest in the world, limiting the region’s trade competitiveness and stymieing growth.

USAID supports the region in overcoming these obstacles with the USAID Regional Trade Facilitation and Border Management Project.

The project helps reduce the cost of trade by optimizing border processes and improving border control systems and infrastructure. USAID promotes trade integration and the region’s Customs Union, which will harmonize customs procedures and requirements to facilitate trade between the Central American countries. USAID also supports a Coordinated Regional Border Management Academy to certify border control officers helping to ensure that procedures are followed according to a uniform standard.
The project also enhances the interconnectivity between trade agencies by upgrading Information Technology (IT) systems, including Radio-frequency Identification systems currently being implemented to reduce border crossing times. The project also provides technical assistance, trainings and manuals to the border management agencies to harmonize procedures and improve the use of IT systems that are critical to a border official’s ability to complete daily tasks.

USAID will also help expand intraregional trade and exports to international markets by providing support for efficient sanitary registration procedures that meet international standards. Increased trade will bring more jobs that will help reduce illegal immigration.

The project helps key regional institutions, such as the Central American Secretariat for Economic Integration (SIECA), regional business associations, and government agencies, to comprehensively implement key elements of the World Trade Organization’s Trade Facilitation Agreement that entered into force on February 22, 2017. Central American countries have ratified the agreement and are committed to complying with the binding provisions that will benefit regional trade by improving customs procedures and increasing transparency. The Trade Facilitation Agreement includes provisions and lines of actions that enhance cooperation among customs and other border agencies and with the private sector.

In all countries, the project is promoting active public-private participation and awareness of international best practices.