

**U.S. Agency for International Development
Food for Peace Report to Congress on Food Assistance in Central America**

The U.S. Agency for International Development (USAID) is submitting this report pursuant to House Report 114-531, which accompanied the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017.

The Administrator of USAID is directed to provide a report within 90 days of enactment of this Act on the amounts and types of food aid to Honduras, Guatemala and El Salvador.

OVERVIEW

USAID’s Office of Food for Peace (FFP) is responsible for the provision of food aid, or food-assistance, programs that provide life-saving support to vulnerable populations, and reduce hunger and malnutrition so that beneficiaries at all times have access to sufficient food for healthy and productive lives. This report provides information specifically on USAID’s provision of food assistance to the Republics of Honduras, Guatemala and El Salvador. In total, USAID provided \$35,365,241 in FY 16 funding to these three countries.

Below is an overview of the funding mechanisms and a summary of the food assistance activities by country for FY 2016.

**USAID’S OFFICE OF FOOD FOR PEACE
FY 2016 FUNDING TO EL SALVADOR, GUATEMALA AND HONDURAS**

Country	Title II Emergency	Title II Development	International Food Relief Partnership	Community Development Funds	International Disaster Assistance	Total
El Salvador	\$979,596				\$400,000	\$1,379,596
Guatemala	\$1,170,073	\$5,400,100	\$299,656	\$10,000,000	\$10,670,877	\$27,540,706
Honduras	\$571,431		\$150,000		\$5,723,508	\$6,444,939
Total	\$2,721,100	\$5,400,100	\$449,656	\$10,000,000	\$16,794,385	\$35,365,241

USAID provides food assistance to El Salvador, Guatemala, and Honduras through a combination of funding streams including Food for Peace Title II Grants (both emergency and development), International Disaster Assistance (IDA), and Development Assistance, referred to by USAID in this context as Community Development Funds (CDF). The Title II funding is appropriated through the Agriculture Appropriations Act, while International Disaster Assistance (IDA) and Development Assistance are appropriated through the Department of State, Foreign Operations, and Related Programs Appropriations Act. Through Title II, USAID

also provides funding for the International Food Relief Partnership (IFRP) in both Guatemala and Honduras to support the production, stockpiling, transportation, delivery, and distribution of shelf-stable pre-packaged foods.

This blended funding approach allowed USAID to address emergency needs related to the 2016 El Niño drought, as well as promote resilience and address the underlying causes of food insecurity in the region.

Since 2012, FFP has supported an ongoing development program in Guatemala that works to tackle chronic hunger and build resilience against shocks through partnerships with Save the Children and Catholic Relief Services (CRS). These programs aim to improve maternal and child health and increase household access to food. In particular, programs focus on training communities to manage natural resources better and boost access to agricultural and non-agricultural livelihood opportunities and financial services.

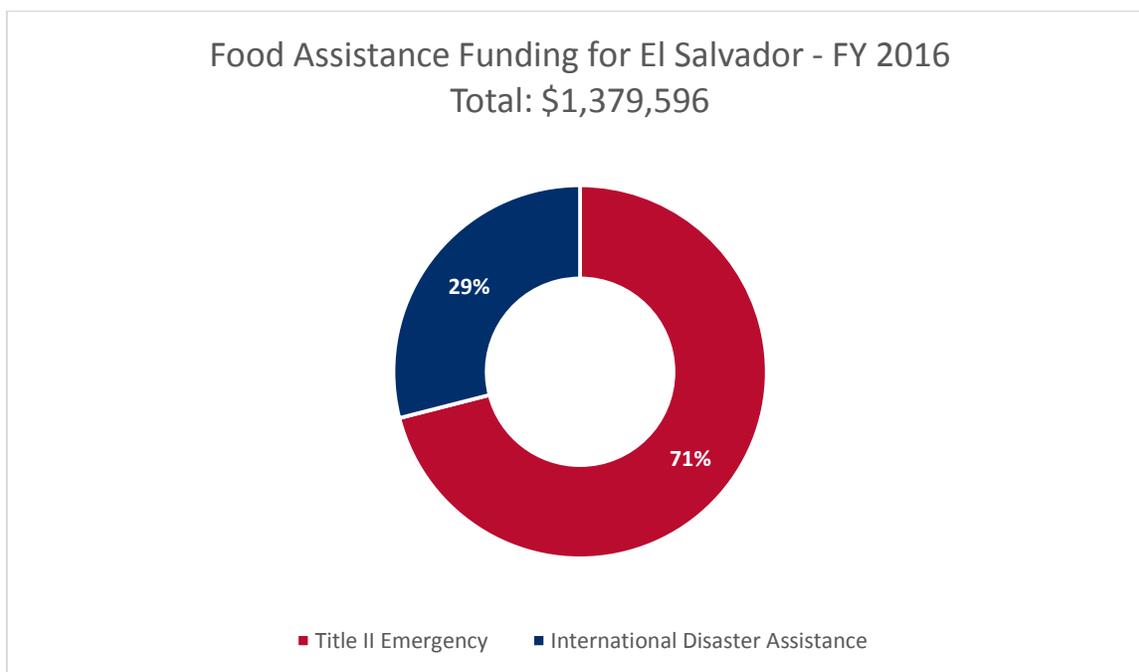
In March 2015, the USAID-funded Famine Early-Warning Systems Network (FEWS NET) correctly predicted that an El Niño weather event would fuel both extreme drought conditions and heavy rains in many parts of the world. The phenomenon produced the worst drought in over 35 years, impacting Central America and Haiti. After minimal rainfall resulted in poor harvests, more than three million people faced food insecurity in the region.

In response to the drought crisis, in fiscal year (FY) 2016 USAID partnered with the U.N. World Food Program (WFP) to provide regional food assistance to approximately 118,600 drought-affected individuals in Central America, including in El Salvador, Guatemala, and Honduras. This assistance included in-kind food aid, cash transfers for food, food vouchers, and food-for-assets activities aimed at increasing resilience to natural disasters and mitigating the impact of climate-related events.

USAID, through food assistance funding, also supported specific resilience-related program activities to improve food security, including to finance tree nurseries and tree planting on community lands, building barriers to prevent further land degradation, the creation and repair of irrigation systems, vegetable farming, and composting. This regional response simultaneously aimed to meet the immediate needs of those most affected by El Niño, while also providing activities and training to strengthen resilience against future climate shocks.

Below is an overview of the funding mechanisms and a summary of the food-assistance activities country for FY 2016.

EL SALVADOR

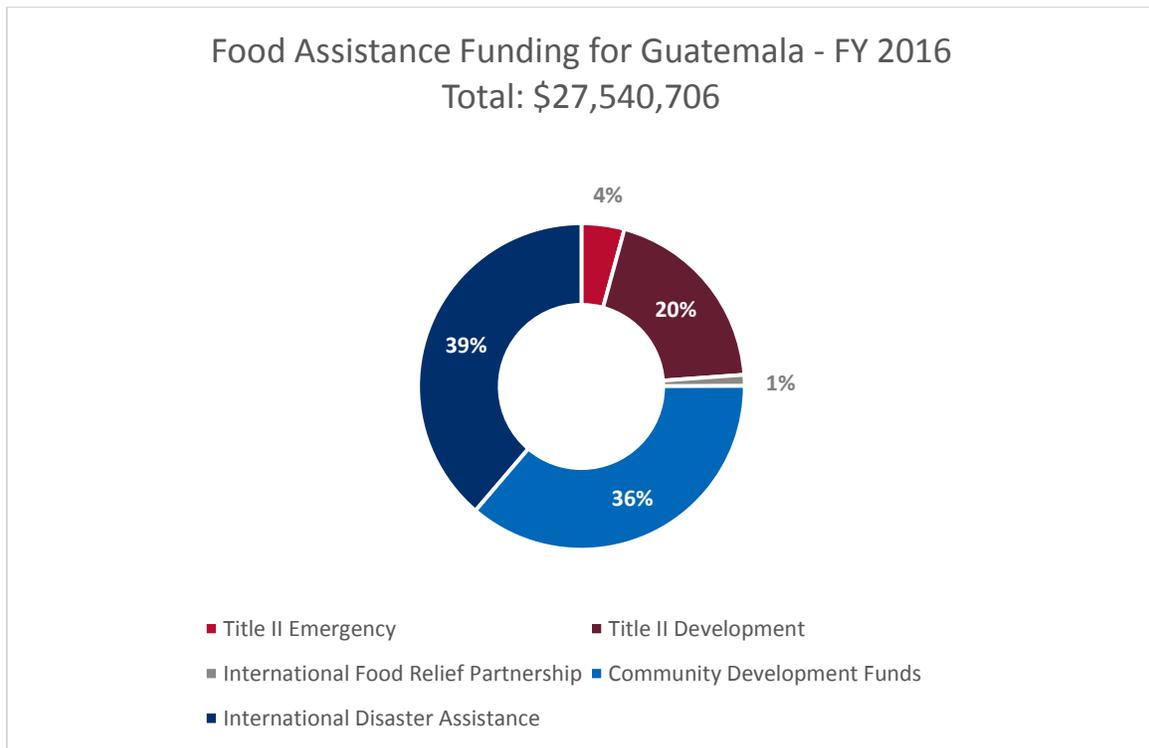


El Niño conditions spurred changes in the distribution and amount of rainfall in 2016, which resulted in low harvests, inconsistent and limited employment opportunities, and the exhaustion of the already limited food reserves in El Salvador. Poor households were hurt the most, as many experienced abnormally high levels of acute food insecurity. FEWS NET predicts that with the harvest starting in August 2017, the poorest households in the country will experience acute food insecurity.¹

FFP provided a total of \$1.3 million in FY 2016 to support WFP's emergency response in El Salvador through the Title II and IDA accounts. WFP's response used a range of modalities to combat food insecurity. To provide immediate relief to affected households, FFP and WFP distributed U.S. in-kind rice, vegetable oil, and corn/soya blend. Once immediate needs were met, FFP and WFP offered households cash transfers and vouchers for food, as well as in-kind food to help them get back on their feet.

¹ In determining levels of food insecurity, FEWS NET and FFP adhere to the Integrated Phase Classification (IPC), a standardized tool that aims to classify the severity and magnitude of food insecurity. The IPC scale, which is comparable across countries, ranges from Minimal—IPC 1—to Famine—IPC 5.

GUATEMALA



Guatemala has the fourth-highest rate of chronic malnutrition in the world, and the highest in Latin America. Currently almost 50 percent of children under five are stunted because of their lack of access to nutritious foods. Within indigenous areas, nearly 70 percent of the population is chronically malnourished. The El Niño-related drought exacerbated the already tenuous food security situation in Guatemala. According to FEWS NET, by September 2017, approximately 880,000 Guatemalans will experience food insecurity.



A woman in Huehuetenango, Guatemala receives eggs through a PCI voucher program.

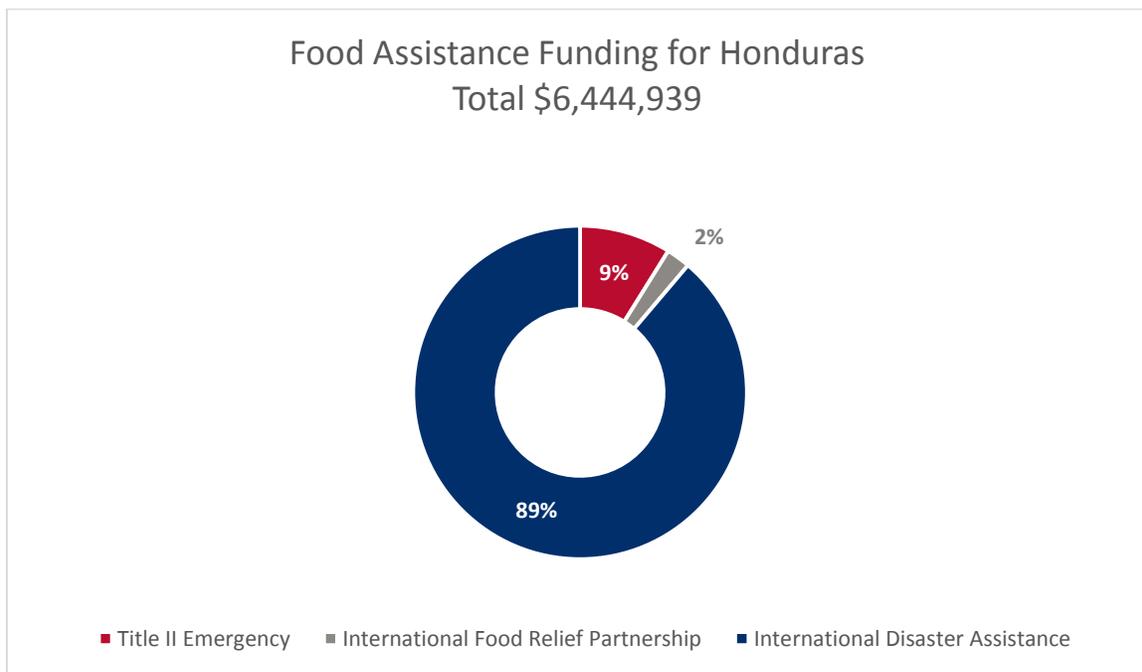
METTE KARLSEN FOR USAID

In Guatemala, FFP supports a multi-year development program that works to tackle chronic hunger and build resilience against shocks through two implementing partners. One program, implemented by Save the Children, aims to increase the access of more than 26,500 households to food through improved management of natural resources; seeds and crops; access to savings-and-loan services; women's business opportunities; and market access for targeted households. The second program, implemented in partnership with CRS, aims to improve maternal and child health; food availability and access for approximately 23,500 vulnerable households through sustainable agriculture production, management of natural resources, and increased diversification of income sources; and local and municipal

resilience systems relating to food security.

In FY 2016, FFP provided a total of \$27.5 million to support emergency and development food assistance activities in Guatemala. FFP supported WFP and two non-governmental organizations (CRS and Project Concern International) to provide emergency food assistance to vulnerable families most affected by the ongoing drought. The emergency interventions targeted the most food-insecure households with pregnant and lactating women and malnourished children, and responded with a range of modalities, including U.S. in-kind commodities, locally purchased food, food vouchers, and cash transfers. This assistance was conditional upon beneficiaries participating in nutrition and other behavior-change trainings. These trainings complemented the food assistance program by providing nutrition messaging on key malnutrition prevention behaviors, as well as activities that help families gain access to key agricultural inputs, such as seeds, to improve households' production of nutritious foods.

HONDURAS



Of the three countries examined in this report, Honduras has the highest prevalence of poverty at 67.4 percent of the population. Regular drought conditions (six instances between 2000 and 2012) exacerbated the situation, and contributed to chronic food insecurity among vulnerable populations. In 2016, irregularities in the distribution and amount of rainfall contributed to low harvests, inconsistent and limited employment opportunities, and the exhaustion of food reserves in Honduras. Poor households in the hardest-hit areas of El Paraíso, Choluteca, Valle, La Paz, Intibucá, and Lempira are still experiencing food insecurity, which will likely worsen by the start of the next harvest, which begins in August 2017.

In FY 2016, FFP supported WFP programs to address food-insecure households in Honduras. WFP used IDA funds to provide households with targeted cash transfers and food vouchers,

which allowed them to buy food on the local market. In addition, WFP used FFP Title II emergency assistance to meet the immediate needs of those most affected by the El Niño drought. This funding provided for the distribution of 480 metric tons of U.S. in-kind food assistance to vulnerable households.