

Press Releases: The U.S. Strategy for Central America and Southern Mexico

Media Note
Office of the Spokesperson

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The United States, in partnership with the government of Mexico, is committed to promoting a safer and more prosperous Central America by enhancing security, governance, and economic prosperity that can create greater opportunities and benefits for the people of the region and help us jointly address the shared challenges of migration, narcotics trafficking, and the activities of trans-national criminal organizations. The United States also recognizes that success in achieving these objectives requires an inclusive approach to the wider region. The United States therefore welcomes the historic commitment by the government of Mexico to development in southern Mexico and to promote our shared goals with the countries of El Salvador, Guatemala, and Honduras. Furthermore, the United States also wishes to recognize Mexico's willingness to develop a framework to ensure migration occurs in a legal, orderly, and safe manner.

As Vice President Pence stated at the October 11 Conference on Prosperity and Security in Central America, "the United States of America has never been more committed to strengthening our partnership with the nations in the Northern Triangle to help ... tackle the problems facing our shared neighborhood." Today, the United States reaffirms that commitment, and sets out our strategy for engagement in 2019, which will include a Ministerial Summit with Mexican counterparts early in the new year; an intensified dialogue with Central American governments with a view to producing results and a roadmap to meeting our shared objectives; and wider dialogue and cooperation with other international actors, as well as international development and financial institutions.

Engagement with El Salvador, Guatemala, and Honduras

The United States is committing \$5.8 billion through public and private investment to promote institutional reforms and development in the Northern Triangle. Recognizing the importance of promoting economic growth and opportunities for the people of the region, the Overseas Private Investment Corporation (OPIC) has already invested and mobilized more than \$1 billion in the Northern Triangle since 2017 focused on infrastructure, energy, economic

growth, and job creation. OPIC could invest and mobilize up to \$2.5 billion more in this region if commercially viable projects are identified. The Millennium Challenge Corporation is providing over \$320 million in funding for infrastructure, education and governance projects El Salvador, Guatemala and Honduras. At least \$1.8 billion in Department of State, U.S. Agency for International Development, and regional funding for Fiscal Years 2015 to 2018 has been allocated to the Northern Triangle governments of El Salvador, Guatemala, and Honduras. The Administration is requesting an additional \$180 million in bilateral assistance for the region in our FY 2019 request.

The U.S. strategy complements the Northern Triangle governments' Alliance for Prosperity reform initiative, which seeks to foster the productive sector, develop human capital, improve citizen security and access to justice, strengthen institutions, and improve transparency.

More specifically, the United States' efforts are organized around three overarching lines of action:

- **Security:** U.S. programs combat transnational criminal organizations, stem drug trafficking, enhance citizen security, reduce gang violence, strengthen borders, and deter human smuggling and trafficking by focusing on professionalizing security institutions.
- **Governance:** U.S. assistance supports anti-corruption efforts that improve the ease of doing business, strengthen the rule of law, promote strong institutions and government accountability, reduce impunity, and improve fiscal management by promoting efficient tax collection, civil society engagement, and institutional reform.
- **Prosperity:** U.S. programs promote economic growth, energy and food security, poverty reduction, workforce development, education and training, and greater regional integration to increase jobs for Central Americans, improve opportunities for U.S. and other businesses and reduce illegal migration.

The United States will also continue to work closely with Mexico, international partners, international financial institutions such as the Inter-American Development Bank, the International Monetary Fund, and the World Bank, the private sector, and civil society to maximize the impact of U.S. taxpayer investment in the region. The United States and Mexico co-hosted Conferences on Prosperity and Security in Central America in June 2017 and October 2018 and, in consultation with the Northern Triangle governments, identified areas of joint economic and security cooperation for implementation in the region. That cooperation will intensify in 2019 with the appointment of a High-Level Task Force to lead our efforts and produce results.

Southern Mexico

The United States recognizes that a strong, stable, and prosperous Mexico benefits the entire region. The United States is also committed to using all

appropriate U.S. government trade and investment promotion and policy tools to support development in Southern Mexico, and to working with the initiative of the Administration of President Lopez Obrador for the development of the region and Northern Triangle countries. The United States takes note of the ambitious plans to promote economic growth, new infrastructure, stronger institutions, and opportunities for the people of southern Mexico as integral components of addressing our shared challenges in the region.

The United States in particular will actively support the goal of leveraging public and private investment in southern Mexico to include dialogue with the Government of Mexico in early 2019. The United States will bolster support for U.S. investment in infrastructure projects that advance the Government of Mexico's agenda of creating opportunity and economic prosperity in southern Mexico.

OPIC is prepared to support this initiative through finance, insurance and investment funds to develop projects that create quality jobs and foster additional economic opportunity. OPIC is prepared to invest and mobilize \$2 billion in additional funds for projects in southern Mexico that are viable and attract private sector investment. This amount is in addition to the \$2.8 billion in projects for Mexico through OPIC's current investment pipeline.

The United States is also committed to providing technical assistance to facilitate project design and implementation for southern Mexico. The United States will consider assistance through the U.S. Trade and Development Agency, U.S. Department of State, and the U.S. Export-Import Bank. A High-Level Taskforce which is to be created in early 2019 will help identify opportunities and how U.S. government agencies can be supportive.

Both countries will also open a focused dialogue with other governments assisting the region to urge support for the Government of Mexico's development projects in southern Mexico.

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