

# U.S. Foreign Assistance to Latin America and the Caribbean: FY2022 Appropriations

Updated February 23, 2022

#### **SUMMARY**

### R47028

February 23, 2022

#### Peter J. Meyer

Specialist in Latin American and Canadian Affairs

# U.S. Foreign Assistance to Latin America and the Caribbean: FY2022 Appropriations

The United States provides foreign assistance to Latin American and Caribbean countries to support development and other U.S. objectives. U.S. policymakers have emphasized different strategic interests in the region at different times, from combating Soviet influence during the Cold War to promoting democracy and open markets, as well as countering illicit narcotics, since the 1990s. In recent years, top U.S. funding priorities for foreign assistance in the region have included addressing the underlying drivers of migration from Central America, combatting drug production and supporting peace accord implementation in Colombia, and strengthening security

and the rule of law in Mexico. U.S. agencies also have dedicated significant resources to combatting HIV/AIDS and fostering long-term stability in Haiti, addressing security concerns in the Caribbean, and responding to the political and humanitarian crises in Venezuela and their effects on the broader region.

Congress may assess how the region's assistance needs have changed due to the effects of the Coronavirus Disease 2019 (COVID-19) pandemic. At the end of 2021, Latin American and Caribbean countries, which are home to about 8.4% of the world's population, accounted for 28.7% of COVID-19 deaths globally. The region's economy as a whole contracted by 6.9% in 2020, increasing Latin America's poverty (33.0%) and extreme poverty (13.1%) rates to levels not seen for 10 and 20 years, respectively. Economic recovery may be protracted, as many countries are facing high levels of debt and some may not achieve widespread vaccination until 2023. Political and security conditions also have deteriorated in portions of the region during the pandemic, as governments have rolled back political rights and civil liberties and criminal organizations have extended their territorial control and influence.

#### FY2022 Budget Request

The Biden Administration has requested nearly \$2.1 billion of foreign assistance for Latin America and the Caribbean for FY2022, which (in current dollars) would be the largest annual budget allocation for the region in more than a decade. If enacted, total State Department- and U.S. Agency for International Development (USAID)-managed funding for the region would increase by \$278.2 million (15.5%) compared with FY2021 estimated levels. The Administration's FY2022 budget request also would provide \$38.0 million to the Inter-American Foundation—a small, independent U.S. foreign assistance agency that supports community-led development in Latin America and the Caribbean.

The Administration states that it intends to use the assistance requested for FY2022 to address the socioeconomic effects of the pandemic while continuing to respond to a variety of other challenges in the region. Much of the funding would support implementation of the Administration's four-year, \$4.0 billion plan to foster systemic reform and address the root causes of irregular migration from Central America. The FY2022 request includes \$860.6 million for Central America—a \$298.0 million (53.0%) increase compared with the FY2021 estimate. With regard to other regional priorities, the Administration's FY2022 request would provide \$453.9 million for Colombia, \$187.9 million for Haiti, \$116.6 million for Mexico, \$66.0 million for the Caribbean Basin Security Initiative (CBSI), and \$55.0 million for Venezuela.

#### **Legislative Developments**

Congress has not yet concluded action on FY2022 appropriations. The House passed the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2022 (H.R. 4373/H.Rept. 117-84) in July 2021, and the Senate Appropriations Committee introduced a foreign aid appropriations bill (S. 3075) in October 2021. Neither bill would specify comprehensive appropriations levels for every Latin American and Caribbean country. Nevertheless, the House-passed measure would designate funding levels for Central America, Colombia, Mexico, and the CBSI that match or exceed the Administration's request. The bill introduced in the Senate would provide slightly more assistance than the Administration requested for Colombia and the CBSI but \$206.7 million less than the Administration requested for Central America. Three continuing resolutions (P.L. 117-43, P.L. 117-70, and P.L. 117-86) have funded foreign aid programs in the region at the FY2021 level since October 1, 2021. P.L. 117-86 extends appropriations through March 11, 2022.

Congress may consider various policy issues as it continues the appropriations process. Such issues include how to help Latin American and Caribbean countries respond to, and recover from, the COVID-19 pandemic; the effectiveness of foreign assistance for managing migration; and the challenges Department of Defense security cooperation programs present for congressional efforts to guide security assistance policy in the region.

# **Contents**

Introduction	1
Trends in U.S. Assistance to Latin America and the Caribbean	2
Biden Administration's FY2022 Foreign Assistance Budget Request	4
Major Foreign Assistance Categories and Accounts	
Major Country and Regional Programs	
Inter-American Foundation	
Legislative Developments	
Policy Issues for Congress	
COVID-19 Response	
Migration Management	
Congressional Guidance of Security Assistance	10
Figures	
Figure 1. Map of Latin America and the Caribbean	1
Figure 2. U.S. Assistance to Latin America and the Caribbean: FY1946-FY2019	3
Tables	
Table 1. State Department- and USAID-Managed Foreign Assistance to Latin America and the Caribbean by Account: FY2017-FY2022 Request	<i>6</i>
Table 2. State Department- and USAID-Managed Foreign Assistance to Latin America and the Caribbean by Country or Regional Program: FY2017-FY2022 Request	9
Table 3. Inter-American Foundation (IAF) Appropriations: FY2017-FY2022 Request	
Table 4. U.S. Foreign Assistance for Selected Countries and Initiatives: FY2022  Appropriations Legislation	11
Table 5. USAID-Managed Supplemental Assistance for the COVID-19 Response in Latin America and the Caribbean: Total as of November 2021	14
Table A-1. State Department- and USAID-Managed Foreign Assistance to Latin America	
and the Caribbean: FY2020	21
Table A-2. State Department- and USAID-Managed Foreign Assistance to Latin America and the Caribbean: FY2021 Estimate	
Table A-3. State Department- and USAID-Managed Foreign Assistance to Latin America and the Caribbean: FY2022 Request	24
Appendixes	
Appendix. U.S. Foreign Assistance to Latin America and the Caribbean by Account and by Country or Regional Program: FY2020-FY2022 Request	21

## Contacts

Author Information	2:	5
--------------------	----	---

#### Introduction

Foreign assistance (also referred to as *foreign aid* in this report) is one of the tools the United States employs to advance U.S. interests and policy goals in Latin America and the Caribbean.<sup>1</sup> The focus and funding levels of aid programs change along with broader U.S. objectives.<sup>2</sup> Current aid programs reflect the diverse needs of the countries in the region, as well as the broad range of these countries' ties to the United States (see Figure 1 for a map of Latin America and the Caribbean). Some countries receive U.S. assistance across many sectors to address political, socioeconomic, and security challenges. Others have made major strides in consolidating democratic governance and improving living conditions; these countries no longer receive traditional U.S. development assistance but typically receive some U.S. support to address shared security challenges, such as transnational crime.



Figure 1. Map of Latin America and the Caribbean

Source: Map Resources, edited by the Congressional Research Service (CRS).

<sup>&</sup>lt;sup>1</sup> For more information on foreign assistance, see CRS Report R40213, Foreign Assistance: An Introduction to U.S. Programs and Policy, by Emily M. Morgenstern and Nick M. Brown.

<sup>&</sup>lt;sup>2</sup> For more information on U.S. policy in the region, see CRS Report R46781, Latin America and the Caribbean: U.S. Policy and Key Issues in the 117th Congress, coordinated by Mark P. Sullivan.

Congress authorizes and appropriates foreign assistance funds for Latin America and the Caribbean and conducts oversight of aid programs and the executive branch agencies that administer them. The 117<sup>th</sup> Congress is currently assessing the Biden Administration's FY2022 foreign assistance request for the region as well as a variety of related bills. These bills include measures to authorize certain U.S. assistance activities in the Caribbean (H.R. 4133) and Central America (H.R. 1177/S. 348 and H.R. 4017/S. 2003), and to evaluate the past decade of U.S. recovery and development efforts in Haiti (H.R. 2471, passed by the House in June 2021 and by the Senate, with an amendment, in January 2022).

This report provides an overview of U.S. assistance to Latin America and the Caribbean. It examines trends in aid to the region; the Biden Administration's FY2022 budget request for aid administered by the State Department, the U.S. Agency for International Development (USAID), and the Inter-American Foundation (IAF); and congressional action on FY2022 Department of State, Foreign Operations, and Related Programs (SFOPS) appropriations. It also analyzes several issues that Congress may consider as it deliberates on FY2022 appropriations and other legislation. These issues include how to respond to the Coronavirus Disease 2019 (COVID-19) pandemic in the region, the effectiveness of foreign assistance for managing migration, and the challenges Department of Defense (DOD) security cooperation programs present for congressional efforts to guide security assistance policy in the region.

#### **Report Notes**

To more accurately compare the Biden Administration's FY2022 foreign assistance request with previous years' appropriations, most aid figures in this report refer only to bilateral assistance that is managed by the State Department or the U.S. Agency for International Development (USAID) and is requested for individual countries or regional programs. Such assistance accounted for 62.8% of the total aid obligated by all U.S. agencies in Latin America and the Caribbean in FY2019.

Many countries in the region are receiving additional assistance through of a series of supplemental appropriations bills Congress enacted to help countries worldwide respond to the COVID-19 pandemic. Those supplemental resources are discussed in the "COVID-19 Response" section of this report but otherwise are excluded from this analysis due to data inconsistencies.

Several other sources of U.S. assistance to the region exist. Some countries in Latin America and the Caribbean receive U.S. assistance to address humanitarian needs through USAID- and State Department-managed foreign assistance accounts, such as Food for Peace Act Title II, International Disaster Assistance, and Migration and Refugee Assistance. Likewise, some countries receive assistance from other U.S. agencies, such as the Department of Defense, Millennium Challenge Corporation, and Peace Corps. Moreover, multilateral organizations that the United States supports financially, such as the Organization of American States, the Inter-American Development Bank, and the Pan American Health Organization, provide additional aid to the region. Except where indicated, those accounts, agencies, and organizations are excluded from this analysis.

**Source:** USAID and U.S. Department of State, ForeignAssistance.gov, at https://foreignassistance.gov/.

# Trends in U.S. Assistance to Latin America and the Caribbean

The United States has long been a major contributor of foreign assistance to countries in Latin America and the Caribbean. Between FY1946 and FY2019, the United States provided \$93.8 billion (\$194.5 billion in constant 2019 dollars) of assistance to the region. U.S. assistance to the region spiked in the early 1960s, following the introduction of President John F. Kennedy's

\_

<sup>&</sup>lt;sup>3</sup> These totals include aid obligations from all U.S. government agencies to the 33 independent Latin American and Caribbean countries (identified in **Figure 1**) and regional programs. U.S. Agency for International Development (USAID) and U.S. Department of State, ForeignAssistance.gov, at https://foreignassistance.gov/.

Alliance for Progress, an anti-poverty initiative that sought to counter Soviet and Cuban influence in the aftermath of Fidel Castro's 1959 seizure of power in Cuba. After a period of decline, U.S. assistance to the region increased again following the 1979 assumption of power by the leftist Sandinistas in Nicaragua. Throughout the 1980s, the United States provided considerable support to Central American governments battling leftist insurgencies to prevent potential Soviet allies from establishing political or military footholds in the region. U.S. aid flows declined in the mid-1990s, following the dissolution of the Soviet Union and the end of the Central American civil conflicts (see **Figure 2**).

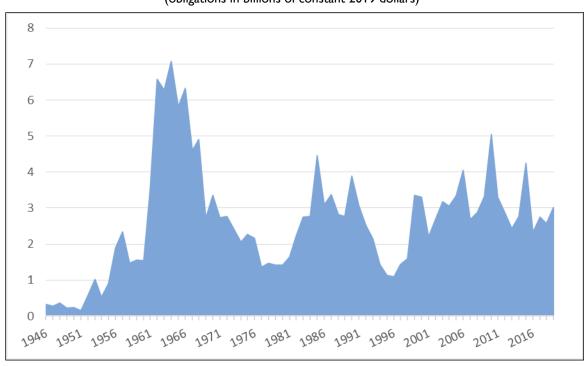


Figure 2. U.S. Assistance to Latin America and the Caribbean: FY1946-FY2019 (obligations in billions of constant 2019 dollars)

**Source:** CRS presentation of data from U.S. Agency for International Development (USAID) and U.S. Department of State, ForeignAssistance.gov, at https://foreignassistance.gov/.

**Notes:** Includes aid obligations from all U.S. government agencies. Comprehensive data for FY2020 and FY2021 are not yet available.

U.S. foreign assistance to Latin America and the Caribbean began to increase again in the late 1990s and remained on a generally upward trajectory through FY2010. The higher levels of assistance were partially the result of increased spending on humanitarian and development assistance. In the aftermath of Hurricane Mitch in 1998, the United States provided extensive humanitarian and reconstruction assistance to several countries in Central America. The establishment of the President's Emergency Plan for AIDS Relief in 2003 and the Millennium Challenge Corporation in 2004 also provided many countries in the region with new sources of U.S. assistance. In addition, the United States provided significant assistance to Haiti in the aftermath of a massive earthquake in 2010.

\_

<sup>&</sup>lt;sup>4</sup> For more information on the President's Emergency Plan for AIDS Relief and the Millennium Challenge Corporation, see CRS In Focus IF10797, *PEPFAR Stewardship and Oversight Act: Expiring Authorities*, by Tiaji Salaam-Blyther; and CRS Report RL32427, *Millennium Challenge Corporation: Overview and Issues*, by Nick M. Brown.

Increased funding for counternarcotics and security programs also contributed to the rise in U.S. assistance. Beginning with President Bill Clinton and the 106<sup>th</sup> Congress in FY2000, successive Administrations and Congresses provided significant amounts of foreign aid to Colombia and its Andean neighbors to combat drug trafficking and end Colombia's long-running internal armed conflict. Spending received another boost in FY2008, when President George W. Bush joined with his Mexican counterpart to announce the Mérida Initiative, a package of U.S. counterdrug and anti-crime assistance for Mexico and Central America. In FY2010, Congress and the Obama Administration split the Central American portion of the Mérida Initiative into a separate Central America Regional Security Initiative (CARSI) and created a similar program for the countries of the Caribbean known as the Caribbean Basin Security Initiative (CBSI).

Although U.S. assistance levels for Latin America and the Caribbean have remained elevated over the past two decades compared with the 1990s, the U.S. government has increasingly concentrated those resources in fewer countries and sectors due to significant development progress in much of the region. Between 2002 and 2019, the percentage of people living in poverty in Latin America decreased from 45.3% to 30.5%, due to stronger economic growth and the implementation of more effective social policies. Health and education indicators also improved significantly during that period. Some countries, such as Argentina, Brazil, Chile, Colombia, Mexico, and Uruguay, began to provide assistance to others in the region based on their own development experiences.

Trends have reversed in the last decade, however, as countries in the region has struggled to address a series of challenges. Socioeconomic conditions began to stagnate in many Latin American and Caribbean countries around 2015 due to a decline in global commodity prices and deteriorated sharply in 2020 as the COVID-19 pandemic eroded more than a decade of development gains (see "COVID-19 Response"). Political conditions also have deteriorated as Venezuela and Nicaragua have entrenched authoritarian rule and widespread corruption and violence have eroded the quality of democracy elsewhere. These challenges have generated instability, including large-scale migration flows throughout the hemisphere.

# Biden Administration's FY2022 Foreign Assistance Budget Request<sup>6</sup>

The Biden Administration has requested nearly \$2.1 billion of State Department- and USAID-managed foreign assistance for Latin America and the Caribbean in FY2022, which (in current dollars) would be the largest annual budget allocation for the region in more than a decade. If enacted, funding for the region would increase by \$278.2 million, or 15.5%, compared with FY2021 estimated levels (see **Table 1**). The Administration's proposed increase for the region exceeds the 11.4% increase requested for SFOPS globally in FY2022.<sup>7</sup>

<sup>&</sup>lt;sup>5</sup> U.N. Economic Commission for Latin America and the Caribbean (ECLAC), *Social Panorama of Latin America* 2021, January 2022, p. 63.

<sup>&</sup>lt;sup>6</sup> Unless otherwise noted, data and information in this section are drawn from U.S. Department of State, *Congressional Budget Justification, Foreign Operations, Appendix 2, Fiscal Year 2022*, June 25, 2021, at https://www.state.gov/wp-content/uploads/2021/06/FY-2022-C-J-Appendix-2-FINAL-6-25-2021.pdf; and U.S. Department of State, FY2021 estimate data, June 15, 2021.

<sup>&</sup>lt;sup>7</sup> This calculation is based on enacted FY2021 levels, excluding emergency funding. For more information on the global foreign operations request, see CRS Report R46935, *Department of State, Foreign Operations, and Related Programs: FY2022 Budget and Appropriations*, by Cory R. Gill, Marian L. Lawson, and Emily M. Morgenstern.

#### Major Foreign Assistance Categories and Accounts<sup>8</sup>

The Administration's proposed FY2022 foreign aid budget for Latin America and the Caribbean requests \$659.1 million (31.8% of the total) through the Development Assistance (DA) account, which seeks to foster broad-based economic growth and social welfare in low- and middle-income countries. USAID typically uses DA funding for long-term projects in areas such as agriculture, democracy and governance, economic reform, education, and environmental protection. The FY2022 request would continue to support long-term development efforts while seeking to address the negative effects the pandemic has had on many of those sectors. Compared with the FY2021 estimate, DA funding for the region would increase by \$168.6 million (34.4%), with the majority of the additional funding allocated to Central America to address root causes of migration.

Another \$455.3 million (22.0%) of the Administration's request for the region would be provided through the Economic Support Fund (ESF) account, the primary purpose of which is to promote special U.S. political, economic, or security interests. In practice, ESF programs generally aim to promote political and economic stability and are often indistinguishable from programs funded through the DA account. If enacted, ESF assistance for the region would increase by \$76.8 million (20.2%) compared with the FY2021 estimate. The additional resources would support rule of law and crime and violence prevention programs in Central America, economic development efforts in southern Mexico, and democracy and human rights activities in Venezuela.

The FY2022 request for Latin America and the Caribbean would provide \$248.5 million (12.0% of the total) through the Global Health Programs (GHP) account. This amount includes \$190.0 million requested for the State Department, primarily to prevent and treat HIV/AIDS, and \$58.5 million requested for USAID to combat malaria and COVID-19 and support maternal and child health, nutrition, and family planning programs. Under the FY2022 GHP request for the region, funding for the State Department-managed subaccount would decline by \$5.9 million (3.0%), and funding for the USAID-managed subaccount would increase by \$3.0 million (5.5%) compared with the FY2021 estimate.

The remaining \$710.5 million (34.3%) of the Administration's FY2022 request for Latin America and the Caribbean would support security assistance programs, including the following:

- \$570.4 million requested through the International Narcotics Control and Law Enforcement (INCLE) account for counternarcotics, civilian law enforcement efforts, and projects intended to strengthen judicial institutions. INCLE funding for the region would increase by \$17.4 million (3.1%) compared with the FY2021 estimate, with decreased aid to Colombia and Mexico offset by increased aid to Central America.
- \$31.0 million requested through the Nonproliferation, Anti-terrorism, Demining, and Related Programs (NADR) account to help countries in the region carry out humanitarian demining programs, strengthen conventional weapons stockpile management, develop strategic trade controls and border security measures, and

<sup>&</sup>lt;sup>8</sup> For more information on the various foreign assistance accounts and the programs they fund, see CRS Report R40482, *Department of State, Foreign Operations Appropriations: A Guide to Component Accounts*, by Nick M. Brown and Cory R. Gill.

<sup>&</sup>lt;sup>9</sup> The region is receiving additional assistance to respond to the Coronavirus Disease 2019 (COVID-19) pandemic through previously enacted supplemental appropriations. See "COVID-19 Response."

- enhance their counterterrorism capacities. NADR funding for the region would remain flat compared with the FY2021 estimate.
- \$14.1 million requested through the International Military Education and Training (IMET) account to train Latin American and Caribbean military personnel. IMET funding would increase by \$285,000 (2.1%) compared with the FY2021 estimate.
- \$95.0 million requested through the Foreign Military Financing (FMF) account to provide U.S. military equipment and services to partners in the region. FMF funding for the region would increase by \$18.1 million (23.5%) compared with the FY2021 estimate, with the additional resources allocated to Colombia and regional programs in Central America and the Caribbean.

Table 1. State Department- and USAID-Managed Foreign Assistance to Latin America and the Caribbean by Account: FY2017-FY2022 Request

(millions of current U.S. dollars)

Foreign Assistance Account	FY2017	FY2018 <sup>a</sup>	FY2019	FY2020 <sup>b</sup>	FY2021 (est.) <sup>b</sup>	FY2022 (req.)	% Change: FY21-FY22
Development Assistance	484.4	386.2	385.3	457.8	490.6	659.1	+34.4%
Economic Support Fund	352.0c	419.1c	402.3c	377.6c	378.5c	455.3	+20.3%
Global Health Programs (USAID)	64.4	63.4	53.3	53.3	55.5	58.5	+5.5%
Global Health Programs (State)	117.7	136.7	170.5	157.7	195.9	190.0	-3.0%
International Narcotics Control and Law Enforcement	533.2	542.2	564.3	555.2	553.0	570.4	+3.1%
Nonproliferation, Anti- terrorism, Demining, and Related programs	25.4	23.5	25.8	27.3	31.0	31.0	_
International Military Education and Training	13.4	11.2	9.9	13.1	13.8	14.1	+2.0%
Foreign Military Financing	82.7	86.0	82.8	79.7	76.9	95.0	+23.5%
Total	1,673.2	1,668.4ª	1,694.1	1,721.7b	1,795.2⁵	2,073.4	+15.5%

**Sources:** U.S. Department of State, Congressional Budget Justifications for Foreign Operations, FY2019-FY2022, at https://www.state.gov/plans-performance-budget/international-affairs-budgets/; and U.S. Department of State, FY2021 estimate data, June 15, 2021.

Notes: USAID = U.S. Agency for International Development; State = U.S. Department of State.

- a. FY2018 totals represent allocations as of the end of that fiscal year. The Trump Administration subsequently reprogrammed approximately \$396.2 million of FY2018 aid Congress had appropriated for El Salvador, Guatemala, and Honduras, reallocating at least \$264.3 million to other countries and programs in Latin America and the Caribbean region and the remainder to priorities outside the region.
- b. FY2020 and FY2021 totals do not include assistance made available through supplemental emergency appropriations (P.L. 116-123, P.L. 116-136, or P.L. 117-2) to respond to COVID-19.
- c. Congress appropriated an additional \$9.0 million of Economic Support Funds for the region each year from FY2017 to FY2019 and an additional \$5.0 million for the region in FY2020 and FY2021. Those funds are not included in this table because they were appropriated as multilateral assistance for the Organization of American States.

#### **Major Country and Regional Programs**

The Biden Administration's FY2022 budget request would slightly reduce State Department- and USAID-managed assistance for some countries and regional programs in Latin America and the Caribbean while significantly increasing assistance for others (see **Table 2**).

Caribbean Basin Security Initiative. Since FY2010, the CBSI has funded maritime and aerial security cooperation, law enforcement support, border and port security, justice sector reform, and crime prevention programs in the Caribbean. The FY2022 request includes \$66.0 million for the CBSI, which would be a \$3.8 million (5.4%) cut compared with the FY2021 estimate.

Central America. Addressing the underlying drivers of irregular migration from Central America to the United States has been a top U.S. policy priority in the region since an unexpected surge of unaccompanied children from El Salvador, Guatemala, and Honduras (the "Northern Triangle") arrived at the U.S. border in 2014. However, specific policy approaches have shifted from one Administration to another.<sup>11</sup> The Biden Administration has developed a new U.S. Strategy for Addressing the Root Causes of Migration in Central America, and has requested \$860.6 million for FY2022 to support improved governance, security, and broad-based economic growth in the subregion.<sup>12</sup> Of that total, \$833.1 million falls within the regional request for Latin America and the Caribbean, and the remainder would be drawn from global accounts.<sup>13</sup> The Administration's budget requests about 39% of the Central America funding as bilateral assistance for the seven nations of the isthmus (Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama), with the vast majority allocated to the Northern Triangle countries. It requests the other 61% as regional assistance through USAID's Central America Regional program and a new State Department Central America Regional program. If fully funded, aid to Central America would increase by \$298.0 million (53.0%) compared with the FY2021 estimate.

Colombia. Colombia has been among the top recipients of U.S. assistance worldwide since the launch of Plan Colombia, a counternarcotics program, in FY2000. The focus of U.S. assistance efforts has evolved over time, responding to changes in Colombia's long-running internal conflict. The FY2022 request includes \$453.9 million for Colombia, primarily to support the Colombian government's counternarcotics strategy and the continued implementation of its peace accord with the Revolutionary Armed Forces of Colombia (FARC). The request also includes some funding for environmental conservation efforts and for maternal and child health programs for Venezuelan migrants and their host communities. The Administration's request is \$9.5 million (2.0%) lower than the FY2021 estimate due to a proposed reduction in INCLE funding.

-

<sup>&</sup>lt;sup>10</sup> For more information on the Caribbean Basin Security Initiative, see CRS In Focus IF10789, *Caribbean Basin Security Initiative*, by Mark P. Sullivan.

<sup>&</sup>lt;sup>11</sup> For more information on U.S. policy toward Central America, see CRS Insight IN11603, *Central America's Northern Triangle: Challenges for U.S. Policymakers in 2021*; and CRS In Focus IF11151, *Central American Migration: Root Causes and U.S. Policy*.

<sup>&</sup>lt;sup>12</sup> White House, "U.S. Strategy for Addressing the Root Causes of Migration in Central America," July 2021, at https://www.whitehouse.gov/wp-content/uploads/2021/07/Root-Causes-Strategy.pdf.

<sup>&</sup>lt;sup>13</sup> The remainder includes \$25.5 million of International Narcotics Control and Law Enforcement funding, provided to the State Department Bureau of International Narcotics and Law Enforcement Affairs for Program Development and Support, and \$2 million of International Organizations and Programs funding for the U.N. Refugee Agency.

<sup>&</sup>lt;sup>14</sup> For more information on U.S. policy toward Colombia, see CRS Report R43813, *Colombia: Background and U.S. Relations*, by June S. Beittel.

**Haiti**. For many years, the United States has provided Haiti significant aid to support the country's recovery from recurrent natural disasters and foster long-term stability. U.S. assistance spiked after a massive earthquake struck Haiti in 2010 but has declined since then. The Administration's FY2022 request would provide \$187.9 million to help Haiti address health challenges (particularly HIV/AIDS), strengthen government and police capacity, increase agricultural production and other economic development, and support natural resource management. The Administration's request, if funded, would represent a \$0.7 million (0.4%) decline in U.S. assistance to Haiti compared with the FY2021 estimate.

**Mexico**. Mexico traditionally was not a major U.S. aid recipient due to its middle-income status, but it began receiving larger amounts of counternarcotics and anti-crime assistance through the Mérida Initiative in FY2008. <sup>16</sup> The Administration's FY2022 request includes \$116.6 million for Mexico, primarily to strengthen the rule of law; secure borders and ports; and combat transnational organized crime, including opium poppy cultivation and heroin and fentanyl production. The request also includes some funding to help Mexico reduce greenhouse gas emissions and improve environmental conservation. The Administration's request for Mexico is \$42.3 million (26.6%) lower than the FY2021 estimate due to proposed INCLE and FMF cuts. However, the Administration has requested an additional \$35 million through the USAID Latin America and Caribbean Regional program to support development in Southern Mexico and to implement joint U.S.-Mexican aid projects in Central America.

**Venezuela.** The United States has provided democracy assistance to Venezuelan civil society for nearly two decades and has increased such assistance over the past four years in response to the authoritarian rule of Nicolás Maduro. The United States also has provided humanitarian support for those who have fled the country's humanitarian crisis (see the text box "Venezuela Regional Crisis Response").<sup>17</sup> The Administration has requested \$55.0 million in FY2022 to support democratic actors, human rights advocates, and other civil society organizations; increase food security; and support access to health care in Venezuela. The request would increase U.S. aid to Venezuela by \$17.0 million (44.7%) compared with the FY2021 estimate.

#### **Venezuela Regional Crisis Response**

An estimated 6.1 million Venezuelan migrants and refugees have fled the country's political and humanitarian crisis, approximately 5 million of whom are residing throughout 17 other Latin American and Caribbean countries. From FY2017 to FY2021, U.S. agencies provided nearly \$1.7 billion of humanitarian assistance to help countries in the region respond to Venezuelan migrant and refugee flows, support host communities, and assist those who remain in Venezuela. These assistance funds, which U.S. agencies have allocated over the course of each fiscal year from global humanitarian accounts, are not included in the country or regional totals found in **Table 1**, **Table 2**, or the **Appendix** of this report.

For more information on the humanitarian response and allocations for particular countries, see USAID, "Venezuela Regional Crisis – Complex Emergency, Fact Sheet #1, Fiscal Year 2022," January 11, 2022, at https://www.usaid.gov/sites/default/files/documents/2022-01-

II\_USG\_Venezuela\_Regional\_Crisis\_Response\_Fact\_Sheet\_I.pdf.

<sup>&</sup>lt;sup>15</sup> For more information on U.S. policy toward Haiti, see CRS Insight IN11699, *Haiti: Concerns After the Presidential Assassination*, by Maureen Taft-Morales.

<sup>&</sup>lt;sup>16</sup> For more information on U.S. policy toward Mexico, see CRS In Focus IF10578, *Mexico: Evolution of the Mérida Initiative, FY2008-FY2022*, by Clare Ribando Seelke.

<sup>&</sup>lt;sup>17</sup> For more information on U.S. policy toward Venezuela, see CRS Report R44841, *Venezuela: Background and U.S. Relations*, coordinated by Clare Ribando Seelke.

Table 2. State Department- and USAID-Managed Foreign Assistance to Latin America and the Caribbean by Country or Regional Program: FY2017-FY2022 Request

(thousands of current U.S. dollars)

	FY2017	FY2018 <sup>a</sup>	FY2019	FY2020 <sup>b</sup>	FY2021 (est.) <sup>b</sup>	FY2022 (req.)	% Change: FY2I- FY22
Argentina	624	2,918	3,089	3,061	700	650	-7.1%
Bahamas	173	138	196	197	200	200	_
Belize	1,241	1,143	235	1,179	1,250	250	-80.0%
Brazil	11,690	11,423a	11,619	20,060	17,650	17,800	+0.9%
Chile	689	357	487	553	455	450	-1.1%
Colombia	384,248	384,312a	421,180	460,183	463,345	453,850	-2.0%
Costa Rica	5,718	5,725	8,180	8,225	8,225	725	-91.2%
Cuba	20,000	20,000	20,000	20,000	20,000	20,000	_
Dominican Republic	13,736	20,174	36,777	28,569	30,745	28,500	-7.3%
Ecuador	1,789	1,789	12,000	19,450	23,750	28,800	+21.3%
El Salvador	72,759	57,656a	39,533	78,865	70,700	95,800	+35.5%
Guatemala	125,493	108,453a	80,351	95,887	79,410	127,450	+60.5%
Guyana	277	239	176	140	200	200	_
Haiti	164,552	181,319	193,752	172,361	188,577	187,855	-0.4%
Honduras	95,260	79,678a	56,906	73,365	65,750	95,800	+45.7%
Jamaica	10,597	1,335	1,598	8,206	1,600	1,600	_
Mexico	138,566	151,263	162,410	157,910	158,910	116,575	-26.6%
Nicaragua	9,679	10,000a	11,610	11,323	10,000	15,000	+50.0%
Panama	3,271	3,086	1,162	10,131	3,200	1,225	-61.7%
Paraguay	6,150	4,297	4,397	4,227	4,400	4,400	_
Peru	64,473	74,814a	75,396	78,342	83,635	86,870	+3.9%
Suriname	269	167	195	178	200	200	_
Trinidad and Tobago	343	341	326	2,058	300	300	_
Uruguay	498	401	385	377	400	350	-12.5%
Venezuela	7,000	15,000a	22,500	38,452	38,000	55,000	+44.7%
Barbados and Eastern Caribbean	26,629	24,027a	3,456	5,854	2,700	5,700	+111.1%
USAID Caribbean Development	3,000	4,000	4,000	10,000	10,300	10,000	-2.9%

	FY2017	FY2018 <sup>a</sup>	FY2019	FY2020 <sup>b</sup>	FY2021 (est.) <sup>b</sup>	FY2022 (req.)	% Change: FY2I- FY22
USAID Central America Regional	38,316	19,931ª	4,600	5,000	5,000	73,085	+1,361.7%
USAID South America Regional	14,000	18,065ª	18,000	15,000	15,000	20,200	+34.7%
USAID Latin America and Caribbean Regional	26,700	51,600ª	68,300	36,978	54,200	75,178	+38.7%
State Central America Regional <sup>c</sup>	_	_	_	_	_	423,765°	c
State Western Hemisphere Regional <sup>c</sup>	425,471	414,795	431,313	355,610	436,390	125,660°	-71.2% <sup>c</sup>
[CARSI]	[329,225]	[319,225]2	[290,000]	[270,000]	[256,040]	[342,665]	[+33.8%]
[CBSI]	[57,700]	[57,700]	[58,000]	[60,000]	[69,800]	[66,000]	[-5.4%]
Total	1,673,211	1,668,446ª	1,694,129	1,721,741 <sup>b</sup>	1,795,192 <sup>b</sup>	2,073,438	+15.5%

**Sources:** U.S. Department of State, *Congressional Budget Justifications for Foreign Operations, FY2018-FY2021*, at https://www.state.gov/plans-performance-budget/international-affairs-budgets/; and U.S. Department of State, FY2021 estimate data, June 15, 2021.

**Notes:** CARSI = Central America Regional Security Initiative; CBSI = Caribbean Basin Security Initiative. USAID and State Department regional programs fund region-wide initiatives, including CARSI and CBSI, as well as activities that cross borders or take place in nonpresence countries. These regional programs provide the vast majority of U.S. assistance received by some Latin American and Caribbean countries.

- a. FY2018 totals represent allocations as of the end of that fiscal year. The Trump Administration subsequently reprogrammed \$396.2 million of FY2018 aid Congress had appropriated for El Salvador, Guatemala, and Honduras, reallocating at least \$264.3 million to other countries and programs in Latin America and the Caribbean region. This included \$116.0 million reprogrammed to Colombia, \$87.1 million to Venezuela, \$17.0 million to Peru, \$12.2 million to USAID South America Regional, \$10.0 million to Nicaragua, \$10.0 million to Barbados and Eastern Caribbean, \$8.0 million to Brazil, \$3 million to regional anti-trafficking in persons programs, and \$1 million to USAID Latin America and Caribbean Regional. The remainder was allocated to priorities outside the region
- b. FY2020 and FY2021 totals do not include assistance made available through supplemental emergency appropriations (P.L. 116-123, P.L. 116-136, or P.L. 117-2) to respond to COVID-19.
- c. The Biden Administration's FY2022 request would establish a new State Department-managed Central America Regional program, which would fund CARSI and other regional activities in Central America. CARSI was funded through the State Department's Western Hemisphere regional program in prior years.

#### **Inter-American Foundation**

In addition to State Department and USAID-managed assistance for the region, the Biden Administration's FY2022 budget request would provide \$38.0 million to the IAF (see **Table 3**). The IAF is an independent U.S. foreign assistance agency established through the Foreign Assistance Act of 1969 (22 U.S.C. §290f) to provide grants and other targeted assistance for

community-led development efforts in Latin America and the Caribbean. Congress created the agency after conducting a comprehensive review of previous assistance activities in the region and determining that programs at the government-to-government level had not promoted significant social and civic change despite fostering economic growth. The IAF is active in 27 countries, including several countries where USAID no longer has field missions. Among other initiatives, the FY2022 request would support the IAF's ongoing efforts to address the root causes of Central American migration; spur local economic activity; reduce food insecurity; promote civic engagement; build resilience to crime, violence, natural disasters, and extreme weather; and advance the social and economic inclusion of historically marginalized populations.

Table 3. Inter-American Foundation (IAF) Appropriations: FY2017-FY2022 Request (millions of current U.S. dollars)

FY2017	FY2018	FY2019	FY2020	FY2021	FY2022 (req.)	% Change FY21-FY22
22.5	22.5	22.5	37.5	38.0	38.0	_

**Source:** U.S. Department of State, *Congressional Budget Justifications for Foreign Operations, FY2018-FY2022*, at https://www.state.gov/plans-performance-budget/international-affairs-budgets/.

**Note:** The IAF received an additional \$6.0 million in FY2017, \$10.0 million in FY2018, and \$10.0 million in FY2019 via congressionally directed interagency transfers from USAID for programs in Central America.

# Legislative Developments

Congress has not yet concluded action on FY2022 SFOPS appropriations. The House passed the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2022 (H.R. 4373/H.Rept. 117-84), in July 2021, and the Senate's SFOPS bill (S. 3075) was introduced in October 2021. Congress has not taken further action on either bill. Instead, it has enacted three continuing resolutions (P.L. 117-43, P.L. 117-70, and P.L. 117-86) that have funded foreign aid programs in the region at the FY2021 level since October 1, 2021. P.L. 117-86 extends appropriations through March 11, 2022.

Neither H.R. 4373 nor S. 3075 specifies comprehensive appropriations levels for every Latin American and Caribbean country. Nevertheless, the measures do include funding directives and/or restrictions for some U.S. initiatives in the region (see **Table 4**).

Table 4. U.S. Foreign Assistance for Selected Countries and Initiatives: FY2022

Appropriations Legislation

(millions of current U.S. dollars)

	FY2021 (est.)	FY2022 (req.)	H.R. 4373 and H.Rept. 117-84	S. 3075 and draft explanatory statement	
Caribbean Basin Security Initiative	69.8	66.0	80.0	74.5	
Central America	562.6	860.6	860.6	653.9	

<sup>&</sup>lt;sup>18</sup> U.S. Congress, House Committee on Foreign Affairs, Foreign Assistance Act of 1969, Report on H.R. 14580 to Promote the Foreign Policy, Security, and General Welfare of the United States by Assisting Peoples of the World to Achieve Development Within a Framework of Democratic, Economic, Social, and Political Institutions, and for Other Purposes, 91st Cong., 1st sess., November 6, 1969, H.Rept. 91-611 (Washington, DC: GPO, 1969), p. 57.

-

	FY2021 (est.)	FY2022 (req.)	H.R. 4373 and H.Rept. 117-84	S. 3075 and draft explanatory statement	
Colombia	463.3	453.9	461.4	463.9	
Haiti	188.6	187.9	NA	NA	
Inter-American Foundation	38.0	38.0	44.5	44.5	
Mexico	158.9	116.6	158.9	NA	
Venezuela	38.0	55.0	50.0	50.0	

**Sources:** U.S. Department of State, FY2021 estimate data, June 15, 2021; U.S. Department of State, Congressional Budget Justification, Foreign Operations, Appendix 2, Fiscal Year 2022, June 25, 2021; H.R. 4373; H.Rept. 117-84; S. 3075; and the Senate Appropriations Committee's draft explanatory statement, available at https://www.appropriations.senate.gov/imo/media/doc/SFOPSREPT\_FINAL.PDF.

**Note:** NA indicates that comprehensive appropriation totals are not available.

**Caribbean Basin Security Initiative**. Both measures would provide more funding for the CBSI than the Administration requested. H.R. 4373 would provide "not less than" \$80.0 million for the CBSI, and the Senate Appropriations Committee's draft explanatory statement would recommend \$74.5 million for the initiative.

Central America. The House and Senate bills diverge on aid to Central America. H.R. 4373 would fully fund the Administration's request, providing "up to" \$860.6 million for the subregion. S. 3075 would provide "not less than" \$653.9 million for Central America, or 24.0% less than the Administration requested. As in prior years, both bills would require the State Department to withhold some assistance to support the central governments of El Salvador, Guatemala, and Honduras until those governments meet a series of conditions related to corruption, human rights, migration, and other congressional concerns. Both bills also would prohibit FMF for those three countries.

**Colombia**. Both bills would provide slightly more funding for Colombia than the Administration requested. H.R. 4373 would provide \$461.4 million for Colombia, and S. 3075 would provide \$463.9 million. As in prior years, both bills would require the State Department to withhold some security assistance until the Colombian government meets certain human rights conditions. S. 3075 also would tie a portion of the security assistance funding to Colombia's counternarcotics policies.

**Haiti.** Neither measure would specify a comprehensive appropriation level for Haiti. H.Rept. 117-84 would allocate \$56.0 million of DA to Haiti, including \$8.5 million for reforestation; H.R. 4373 would require the State Department to withhold those funds and any ESF for Haiti until the Haitian government takes steps to strengthen the rule of law, combat corruption, increase government revenues, and resolve commercial disputes with U.S. entities. The Senate Appropriations Committee's draft explanatory statement would allocate \$57.0 million of DA to Haiti, including \$8.5 million for reforestation, and would recommend "not less than" \$5.0 million to address inhumane penitentiary conditions. S. 3075 would require the State Department to withhold aid to the Haitian government until a new president and parliament take office following free and fair elections or a broadly representative transitional government is in place.

**Inter-American Foundation**. Both bills would provide \$44.5 million for the IAF, which would exceed the Administration's request and prior year appropriations. H.Rept. 117-84 would direct the IAF to use the additional resources to assist Venezuelan migrants, build disaster resiliency in the Caribbean, strengthen civil society and livelihoods in Haiti, support conflict recovery and

historically marginalized groups in Colombia, and implement a pilot exchange program between indigenous IAF grantees and Native American tribes.

**Mexico.** The House and Senate measures differ on aid to Mexico. H.Rept. 117-84 would provide \$158.9 million for Mexico, which is the same as the FY2021 estimate but \$42.3 million more than the Administration requested. The Senate Appropriations Committee's draft explanatory statement would not designate a comprehensive funding level for Mexico but would recommend \$80.0 million of INCLE aid. Both reports would direct the State Department and USAID to conduct a comprehensive review of the Mérida Initiative.

**Venezuela**. Both bills would provide \$50.0 million of ESF for democracy programs in Venezuela. Both bills also would direct U.S. agencies to continue providing support to other Latin American and Caribbean countries hosting Venezuelan migrants and refugees.

## **Policy Issues for Congress**

Congress may examine various policy issues as it considers the President's FY2022 budget request and other legislation related to foreign operations in Latin America and the Caribbean. These issues may include how to help countries in the region respond to, and recover from, the COVID-19 pandemic; the effectiveness of foreign assistance for managing migration; and the challenges DOD security cooperation programs present for congressional efforts to guide security assistance policy in the region.

#### COVID-19 Response<sup>19</sup>

The COVID-19 pandemic has significantly affected socioeconomic conditions in Latin America and the Caribbean. At the end of 2021, the region had registered nearly 1.6 million COVID-19 deaths, or 28.7% of such deaths worldwide while accounting for about 8.4% of the world's population.<sup>20</sup> The pandemic and related containment efforts also contributed to a regional economic contraction of 6.9% in 2020.<sup>21</sup> Although some countries were able to mitigate the impact of the economic downturn with emergency social assistance programs, Latin America's poverty (33.0%) and extreme poverty (13.1%) rates increased to levels not seen for 10 and 20 years, respectively.<sup>22</sup> Severe food insecurity also increased, with an estimated 53.8 million-66.1 million people (8.2%-10.1% of the region's population) undernourished in 2020.<sup>23</sup> The sharp deterioration in living conditions has contributed to large-scale migration flows throughout Latin America and the Caribbean.

To date, Congress has provided some \$17 billion in supplemental and emergency international affairs funding to help countries worldwide respond to, and recover from, the COVID-19 pandemic. This total includes funds enacted through the Coronavirus Preparedness and Response Supplemental Appropriations Act (P.L. 116-123); the Coronavirus Aid, Relief, and Economic

<sup>&</sup>lt;sup>19</sup> For more information on COVID-19 in the region, see CRS In Focus IF11581, *Latin America and the Caribbean: Impact of COVID-19*, by Mark P. Sullivan and Peter J. Meyer.

<sup>&</sup>lt;sup>20</sup> Johns Hopkins University & Medicine, Coronavirus Resource Center, "Mortality Analyses," accessed January 1, 2022, at https://coronavirus.jhu.edu/data/mortality.

<sup>&</sup>lt;sup>21</sup> International Monetary Fund, World Economic Outlook Update: Rising Caseloads, A Disrupted Recovery, and Higher Inflation, January 2022, p. 5. (Hereinafter: IMF, January 2022).

<sup>&</sup>lt;sup>22</sup> ECLAC, Social Panorama of Latin America 2021, January 2022, p. 63.

<sup>&</sup>lt;sup>23</sup> Food and Agriculture Organization of the United Nations et al., *Latin America and the Caribbean: Regional Overview of Food Security and Nutrition*, 2021, p. 2.

Security Act (P.L. 116-136); the Consolidated Appropriations Act, 2021 (P.L. 116-260, Division K, Title IX); and the American Rescue Plan Act of 2021 (P.L. 117-2). As of November 2021, according to the State Department, the United States had provided more than \$614 million of supplemental assistance to Latin America and the Caribbean, with the vast majority implemented by USAID (see **Table 5**). These funds are in addition to the base appropriations described earlier in this report (see **Table 1** and **Table 2**), some of which U.S. agencies have used to support pandemic response and recovery. Among other activities, U.S. supplemental assistance has funded efforts to improve water, sanitation, and hygiene; strengthen health systems; and address economic and social impacts of the pandemic, such as food insecurity and gender-based violence.

Table 5. USAID-Managed Supplemental Assistance for the COVID-19 Response in Latin America and the Caribbean: Total as of November 2021

(obligations in millions of current U.S. dollars)

Country or Region	U.S. Assistance
Bahamas	0.8
Belize	0.3
Bolivia	10.6
Brazil	47.2
Colombia	89.5
Costa Rica	1.8
Dominican Republic	10.3
Ecuador	37.1
El Salvador	21.8
Guatemala	68.2
Haiti	35.7
Honduras	48.8
Jamaica	7.7
Nicaragua	2.8
Panama	4.8
Paraguay	11.5
Peru	56.7
St. Kitts and Nevis	0.5
Uruguay	1.0
Venezuela	40.0
Caribbean Regional	4.8
Central America Regional	3.2
South America Regional	0.8

<sup>&</sup>lt;sup>24</sup> Testimony of Assistant Secretary for Western Hemisphere Affairs Brian A. Nichols, in U.S. Congress, House Committee on Foreign Affairs, Subcommittee on Western Hemisphere, Civilian Security, Migration and International Economic Policy, *The Biden Administration's Policy Priorities for Latin America and the Caribbean*, 117<sup>th</sup> Cong., 1<sup>st</sup> sess., November 16, 2021.

Country or Region	U.S. Assistance
Latin America and Caribbean Regional	1.4
Total	507.I

**Source:** USAID, "COVID-19 – Latin America and the Caribbean Response," Fact Sheet #3, Fiscal Year 2022, November 30, 2021, at https://www.usaid.gov/sites/default/files/documents/Regional Fact Sheet 3 - LAC.pdf.

**Notes:** USAID figures represent obligations of supplemental assistance as of November 30, 2021. They do not include any of the funds contributed to Gavi or base or reprogrammed foreign assistance funds used to respond to COVID-19. The State Department has not released a country-by-country breakdown of its COVID-19 response.

The United States is also supporting vaccination efforts in the region. P.L. 116-260 included \$4.0 billion as a contribution to Gavi, the Vaccine Alliance, which supports the COVID-19 Vaccines Global Access (COVAX) Facility, a mechanism developed by global health organizations to facilitate equitable distribution of COVID-19 vaccines. Within Latin America and the Caribbean, 22 countries have signed agreements to purchase vaccines through the facility, and 10 countries—Bolivia, Dominica, El Salvador, Grenada, Guyana, Haiti, Honduras, Nicaragua, St. Lucia, and St. Vincent and the Grenadines—are eligible for donor-funded vaccines through the COVID-19 Vaccines Advance Market Commitment (COVAX AMC). In December 2021, the State Department announced it would contribute \$75 million appropriated in P.L. 117-2 to the Pan American Health Organization (PAHO)—the specialized international health agency of the Americas—to assist countries with vaccination implementation and monitoring. The Biden Administration also has pledged to donate 1.2 billion vaccine doses globally, both bilaterally and through the COVAX facility and COVAX AMC. AMC. As of February 3, 2022, the United States had delivered more than 57 million doses to 29 Latin American and Caribbean countries.

Nevertheless, the region continues to face significant challenges. Although South America is among the most vaccinated regions in the world, 16 Latin American and Caribbean countries had vaccination rates below 50% as of February 18, 2022.<sup>29</sup> The International Monetary Fund (IMF) estimates that real gross domestic product (GDP) in Latin America and the Caribbean grew by 6.8% in 2021, buoyed by global commodity price increases, but GDP per capita will remain below pre-pandemic levels until 2023.<sup>30</sup> Recovery may be particularly protracted for tourism-

24

<sup>&</sup>lt;sup>25</sup> Gavi, "COVAX," May 12, 2021.

<sup>&</sup>lt;sup>26</sup> U.S. Department of State, Office of the Spokesperson, "Announcement of ARPA – International Organizations and Programs (IO&P) Funds," Fact Sheet, December 21, 2021.

<sup>&</sup>lt;sup>27</sup> White House, "President Biden Announces New Actions to Protect Americans Against the Delta and Omicron Variants as We Battle COVID-19 This Winter," press release, December 2, 2021.

<sup>&</sup>lt;sup>28</sup> Testimony of USAID Assistant Administrator for the Bureau of Latin America and the Caribbean Marcela X. Escobari, in U.S. Congress, House Committee on Foreign Affairs, *Overview of U.S. Priorities in the Western Hemisphere: Opportunities, Challenges and the Path Ahead*, 117<sup>th</sup> Cong., 2<sup>nd</sup> sess., February 3, 2022. The U.S. Department of State provides additional information on vaccine donations at https://www.state.gov/covid-19-recovery/vaccine-deliveries/#map\_western. This website does not note U.S. vaccine donations to the Bahamas, Nicaragua, and Trinidad and Tobago.

<sup>&</sup>lt;sup>29</sup> As of February 18, 2022, the countries where less than half of the population had completed COVID-19 vaccination schedules were Haiti (0.9%), Jamaica (21.6%), St. Vincent and the Grenadines (26.1%), St. Lucia (28.1%), Guatemala (30.2%), Grenada (33.0%), Bahamas (38.6%), Dominica (39.6%), Suriname (39.6%), Paraguay (43.9%), Guyana (44.0%), Honduras (45.3%), Bolivia (46.6%), St. Kitts and Nevis (48.5%), Venezuela (49.8%), and Trinidad and Tobago (49.8%). Pan American Health Organization, "COVID-19 Vaccination in the Americas," February 18, 2022, at https://ais.paho.org/imm/IM\_DosisAdmin-Vacunacion.asp.

<sup>&</sup>lt;sup>30</sup> IMF, January 2022, p. 5; and IMF, Western Hemisphere Regional Economic Outlook: A Long and Winding Road to Recovery, October 2021.

dependent economies in the Caribbean and countries without widespread vaccine coverage. High public debt levels have led many governments in the region to begin scaling back income support programs, while their populations continue to contend with persistently weak labor markets. Such shifts toward austerity have sparked protests in several countries and could contribute to further instability should socioeconomic conditions deteriorate.

As the appropriations process continues, Congress may consider providing additional pandemic response and recovery assistance to Latin America and the Caribbean. Given the region's difficult situation, its close ties to the United States, and the geopolitical challenge posed by China's provision of vaccines to countries throughout the hemisphere, some analysts and Members of Congress argue the United States should prioritize Latin America and the Caribbean when allocating vaccine donations and assistance.<sup>31</sup> By contrast, some public health advocates have warned the United States that allocating vaccines based on geopolitical considerations could prevent vaccines from reaching the areas where they are the most needed; they argue that donors should channel vaccines through a single mechanism, such as COVAX.<sup>32</sup> Neither of the FY2022 SFOPS measures (H.R. 4373 or S. 3075) would specify priority regions for U.S. vaccine donations, but another bill introduced in the House (H.R. 3236) would direct the President to prioritize Western Hemisphere countries.

Separate from bilateral foreign assistance channels, Congress also could consider measures to influence the pandemic responses of international financial institutions. For example, a provision of H.R. 4373 would direct the U.S. executive directors at each international financial institution to use the voice and vote of the United States to support the suspension of all debt-service payments and the relaxation of fiscal targets to ensure governments around the world have sufficient fiscal space to respond to the pandemic. It also would call for the U.S. executive director at the IMF to advocate for the issuance of Special Drawing Rights to enable governments to access additional resources to finance their pandemic responses.<sup>33</sup> Other bills (S. 1260, passed by the Senate in June 2021, and S. 616), would authorize a 10<sup>th</sup> general capital increase for the Inter-American Development Bank to help Latin American and Caribbean countries achieve sustainable debt structures and recover from the pandemic.

#### **Migration Management**

For nearly a decade, U.S. policymakers concerned about irregular migration from Central America to the United States have sought to deter migrant flows with foreign assistance. As noted above, the Biden Administration's FY2022 budget request includes \$860.6 million "as a first step toward the President's four-year commitment of \$4 billion to address the root causes of irregular migration from Central America." Similarly, the SFOPS measures passed by the House (H.R. 4373) and introduced in the Senate (S. 3075) would once again direct the Administration to use foreign assistance appropriated for Central America to address "factors that contribute to irregular

-

<sup>&</sup>lt;sup>31</sup> U.S. Congress, Senate Committee on Foreign Relations, Subcommittee on Western Hemisphere, Transnational Crime, Civilian Security, Democracy, Human Rights, and Global Women's Issues, *Vaccine Diplomacy in Latin America and the Caribbean: The Importance of Engagement*, 117<sup>th</sup> Cong., 1<sup>st</sup> sess., November 18, 2021.

<sup>&</sup>lt;sup>32</sup> Erin Banco, "'It's a Sore Spot for a Lot of People': Why Officials Are Raising Questions About Biden's Vaccine Donations," *Politico Pro*, December 8, 2021.

<sup>&</sup>lt;sup>33</sup> H.R. 4373, §7073. For additional information on Special Drawing Rights, see CRS In Focus IF11835, *International Monetary Fund: Special Drawing Rights Allocation*, by Martin A. Weiss and Rebecca M. Nelson.

<sup>&</sup>lt;sup>34</sup> U.S. Department of State, Congressional Budget Justification, Foreign Operations, Appendix 2, Fiscal Year 2022, June 25, 2021, p. 25.

migration."35 Many analysts are skeptical of such efforts, given the limited data available regarding how previously appropriated aid affected migration trends.<sup>36</sup>

Academic research provides some evidence that foreign assistance can reduce migration, though the impact is typically modest and the results vary depending on the type of assistance. For example, a 2018 study found a 10% increase in assistance to help a country improve governance and social services would lower that country's emigration rate by 1.6%.<sup>37</sup> Other studies have found that governance and rural development aid are associated with slight decreases in emigration rates, whereas other types of assistance are not.<sup>38</sup> Alternatively, large and sudden drops in foreign aid disbursements are associated with increased emigration from aid recipients.<sup>39</sup> Fewer scholars have examined the impact of foreign assistance on asylum trends, but a 2020 study found a 10% increase in bilateral assistance to a low-income country was followed by a 0.6% reduction in asylum applications the following year and a 3% decrease in such applications in the long run.40

Some research shows that economic development assistance is less effective than governance and social services aid in deterring migration. 41 Although observers often assume emigration is a decision of last resort, studies have found that higher-income individuals are more likely to be actively preparing to migrate than lower-income individuals in the same country. This appears to be the result of comparatively poorer individuals facing financial barriers to emigration and many higher-income individuals viewing emigration as a financial investment. 42 Studies across countries have found that emigration rates tend to increase along with economic growth until countries reach a certain level of economic development—typically a per capita income of roughly \$10,000 (in purchasing power parity-adjusted 2011 U.S. dollars, 2011 PPP). This is partially attributable to demographic changes, as economic development may initially spur a large increase in the youth population, which later dissipates as fertility rates decline. 43

These findings suggest foreign assistance alone is unlikely to resolve the challenge posed by irregular migration from Central America. As of 2018, Honduras, Guatemala, and El Salvador had per capita GDPs (2011 PPP) of \$5,042; \$7,402; and \$8,598, respectively. 44 Whereas El

<sup>&</sup>lt;sup>35</sup> H.R. 4373, §7045(a)(1) and S. 3075, §7045(a)(1).

<sup>&</sup>lt;sup>36</sup> See, for example, Greg Weeks, "USAID in Central America: Less Is Better," Global Americans, January 10, 2022.

<sup>&</sup>lt;sup>37</sup> Mauro Lanati and Rainer Thiele, "Foreign Assistance and Migration Choices: Disentangling the Channels," Economics Letters, vol. 172 (November 2018), pp. 148-151. (Hereinafter: Lanati and Thiele, 2018).

<sup>38</sup> Jonas Gamso and Farhod Yuldashey, "Targeted Foreign Aid and International Migration: Is Development-Promotion an Effective Immigration Policy?," International Studies Quarterly, vol. 62, no. 4 (December 2018), pp. 809-820; and Jonas Gamso and Farhod Yuldashev, "Does Rural Development Aid Reduce International Migration?," World Development, vol. 110 (October 2018), pp. 268-282.

<sup>&</sup>lt;sup>39</sup> Jonas Gamso, Jikuo Lu, and Farhod Yuldashev, "Does Foreign Aid Volatility Increase International Migration?," Review of International Organizations, vol. 16 (2021), pp. 581-598.

<sup>&</sup>lt;sup>40</sup> Marina Murat, "Foreign Aid, Bilateral Asylum Immigration and Development," *Journal of Population Economics*, vol. 33, no. 1 (2020), pp. 79-114.

<sup>&</sup>lt;sup>41</sup> Lanati and Thiele, 2018.

<sup>&</sup>lt;sup>42</sup> Michael A. Clemens and Mariapia Mendola, Migration from Developing Countries: Selection, Income Elasticity, and Simpson's Paradox, Center for Global Development, Working Paper 539, August 2020; and Michael A. Clemens, "Emigration Rises Along with Economic Development. Aid Agencies Should Face This, But Not Fear It," Center for Global Development Blog, August 18, 2020.

<sup>&</sup>lt;sup>43</sup> Michael A. Clemens, The Emigration Life Cycle: How Development Shapes Emigration from Poor Countries, Center for Global Development, Working Paper 540, August 2020.

<sup>44 2018</sup> is the most recent year for which data are available. Jotta Bolt and Jan Luiten van Zanden, "Maddison Project Database, version 2020," accessed on January 28, 2021.

Salvador's youth cohort has begun to shrink, those of Honduras and Guatemala will continue to grow for the next 5-10 years. <sup>45</sup> As a result, emigration rates in the region are likely to continue increasing in the near term, assuming they follow the typical development pattern. The Biden Administration's proposed 53% increase in assistance for Central America in FY2022 could partially alleviate the situation, particularly if the aid is targeted toward the types of governance, social services, and rural development programs that have been shown to be the most effective.

Some analysts argue that U.S. assistance programs in Central America should focus on mitigating the impact of short-term shocks, which can spark sudden migration surges that strain U.S. resources at the Southwest border. <sup>46</sup> For example, Congress could direct foreign assistance funds toward preparing for and responding to natural disasters; alleviating food insecurity; and preventing outbreaks of violence in the region. Others argue U.S. assistance efforts in Central America should remain focused on long-term development objectives and caution against evaluating programs based on short-term migration trends that are largely outside U.S. agencies' control. <sup>47</sup>

Congress also could seek to reduce the challenges posed by irregular migration with measures aimed at channeling asylum-seekers and other migrants into legal pathways. As part of its Collaborative Migration Management Strategy, the Biden Administration has reestablished and expanded the Central American Minors (CAM) refugee and parole program, which reunites eligible children from the region with their parents in the United States. The Administration also made available 6,000 supplemental H2B temporary nonagricultural visas for nationals of El Salvador, Guatemala, and Honduras in FY2021, and it has reserved 6,500 such visas for nationals of those countries and Haiti in the first half of FY2022. Among other provisions, the U.S. Citizenship Act (H.R. 1177/S. 348) would establish refugee-processing centers in Central America and would codify and expand refugee and humanitarian parole programs for individuals from the region. Some Members of Congress view such measures as counterproductive; these Members have introduced bills, such as H.R. 4199, which would prohibit funding for the CAM program.

#### **Congressional Guidance of Security Assistance**

Historically, Congress has authorized most security assistance programs under Title 22 of the *U.S. Code* (Foreign Relations) and has appropriated funding for such programs through State Department-managed foreign assistance accounts in annual SFOPS appropriations legislation. That approach has changed to a certain extent in recent decades, as Congress has provided numerous security assistance authorities to DOD under Title 10 of the *U.S. Code* (Armed Services) and has appropriated funding for such activities (often referred to as "security cooperation") through annual DOD appropriations.<sup>50</sup> For example, 10 U.S.C. §333 authorizes

<sup>&</sup>lt;sup>45</sup> Michael A. Clemens, "The Real Root Causes of Americas Border Crisis," Foreign Affairs, June 7, 2021.

<sup>46</sup> Ibid.

<sup>&</sup>lt;sup>47</sup> Sarah Rose et al., *Addressing the 'Root Causes' of Irregular Migration from Central America: An Evidence Agenda for USAID*, Center for Global Development, Policy Paper 243, December 2021.

<sup>&</sup>lt;sup>48</sup> White House, "Collaborative Migration Management Strategy," July 2021, at https://www.whitehouse.gov/wp-content/uploads/2021/07/Collaborative-Migration-Management-Strategy.pdf.

<sup>&</sup>lt;sup>49</sup> Ibid; and U.S. Department of Homeland Security, "For First Time, DHS to Supplement H-2B Cap with Additional Visas in First Half of Fiscal Year," press release, December 20, 2021.

<sup>&</sup>lt;sup>50</sup> For more information, see CRS In Focus IF11677, *Defense Primer: DOD "Title 10" Security Cooperation*, by Christina L. Arabia.

DOD, with the State Department's concurrence, to train and equip foreign security forces for operations to counter terrorism, weapons of mass destruction, illicit drugs, and transnational organized crime and to maritime and border security, among other purposes.

As a result, many Latin American and Caribbean countries receive training, equipment, and other support from DOD in addition to the security assistance provided through the SFOPS budget examined earlier in this report. The U.S. Southern Command asserts that these security cooperation programs allow the United States to remain engaged with partner militaries and help these militaries identify and respond to shared threats, such as transnational crime and the malign influence of external state actors.<sup>51</sup> However, such programs may present challenges for congressional efforts to guide security assistance policy in the region.

Whereas the State Department requests and justifies most of its planned security assistance expenditures in Latin America and the Caribbean on a country-by-country basis in annual budget proposals, DOD does not. As part of a broad series of reforms enacted in the National Defense Authorization Act for FY2017 (P.L. 114-328), Congress required DOD to submit consolidated budget requests for its planned security cooperation programs, including the specific country or region where activities are to be conducted "to the extent practicable." To date, DOD's budget requests have included planned expenditures by combatant command areas of responsibility but no further detail on planned activities or recipient countries. For FY2022, for example, DOD requested \$50.3 million for U.S. Northern Command, which covers Mexico and the Bahamas, and \$164.8 million for U.S. Southern Command, which covers the rest of the Latin American and Caribbean region. That total is roughly twice as much funding as the Administration requested for FMF and IMET assistance for the region, but it is unclear how DOD would expend those resources. DOD asserts that it intends to provide country budgetary information in the future but doing so "is not currently feasible."53

This lack of detail regarding planned DOD expenditures may limit Congress's ability to establish security assistance priorities in Latin America and the Caribbean during the appropriations process. Whereas Congress typically designates specific funding levels for the region's top security assistance recipients and initiatives in annual SFOPS bills and explanatory statements, DOD notifies Congress of its planned allocations in tranches over the course of each fiscal year. Consequently, DOD assistance may significantly increase the total amount of security assistance provided to some countries and may shift the relative proportion of U.S. assistance dedicated to militaries versus civilian security forces in the region. At the same time, the lack of congressional funding directives may provide DOD with the flexibility to respond to security threats and needs in the region as they arise.

There also are differences in the conditions imposed on State Department-managed and DODmanaged security assistance for Latin American and Caribbean countries. For example, FY2021 SFOPS legislation (P.L. 116-260, Div. K) prohibited FMF assistance for El Salvador, Guatemala, and Honduras and conditioned 50% of other State Department-managed security assistance for those countries on their governments combating corruption, protecting human rights, and addressing a series of other congressional concerns.<sup>54</sup> The legislation also tied 20% of FMF and

<sup>&</sup>lt;sup>51</sup> Admiral Craig S. Faller, Commander, United States Southern Command, "Statement Before the 117th Congress, Senate Armed Services Committee," March 16, 2021.

<sup>52 10</sup> U.S.C. §381.

<sup>&</sup>lt;sup>53</sup> U.S. Department of Defense, Office of the Secretary of Defense, Fiscal Year 2022 President's Budget, Justification for Security Cooperation Program and Activity Funding, May 2021, p. 66.

<sup>&</sup>lt;sup>54</sup> P.L. 116-260, §7045(a).

INCLE aid for Colombia and 25% of FMF aid for Mexico to certain human rights and counternarcotics conditions.<sup>55</sup> Neither the FY2021 Department of Defense Appropriations Act (P.L. 116-260, Div. C) nor the National Defense Authorization Act for FY2021 (NDAA; P.L. 116-283) imposed any similar restrictions on DOD security cooperation programs in those countries, with the exception of an NDAA provision requiring DOD to issue a certification prior to transferring any vehicles to Guatemala.<sup>56</sup>

Such divergences may weaken the impact of legislative restrictions and may reduce recipient nations' incentives to comply with legislative conditions. For example, Congress prohibited FMF for El Salvador, Guatemala, and Honduras and placed conditions on other security assistance for those countries following a series of human rights violations and anti-democratic actions committed by security forces in each country.<sup>57</sup> Although the State Department has yet to certify that the governments of El Salvador, Guatemala, or Honduras have met the conditions necessary to release assistance, DOD has continued to implement security cooperation programs in those countries.<sup>58</sup> At the same time, by attaching different legislative conditions to State Department-and DOD-managed security assistance, Congress may be able to highlight its concerns while allowing continued U.S. engagement with partner security forces in the region.

-

<sup>&</sup>lt;sup>55</sup> P.L. 116-260, §7045(b)(2); and the Explanatory Statement Submitted by Mrs. Lowey, Chairwoman of the House Committee on Appropriations Regarding the House Amendment to the Senate Amendment to H.R. 133, Consolidated Appropriations Act, 2021, *Congressional Record*, vol. 166, part No. 218 - Book IV (December 21, 2020), p. H8794.

<sup>&</sup>lt;sup>56</sup> P.L. 116-283, §1299K. In addition to the restrictions imposed in a given fiscal year, all State Department- and DOD-managed security assistance is subject to the permanent "Leahy Laws," which prohibit U.S. security assistance to foreign security forces when there is credible information that a recipient unit has committed a "gross violation of human rights." For more information, see CRS In Focus IF10575, *Human Rights Issues: Security Forces Vetting* ("Leahy Laws"), by Liana W. Rosen.

<sup>&</sup>lt;sup>57</sup> For examples, see U.N. Office of the High Commissioner for Human Rights, "Honduras Election Protests Met with Excessive and Lethal Force – UN Report," press release, March 12, 2018; Associated Press, "U.S. Suspends Some Military Aid to Guatemala over Vehicle Use," March 14, 2019; and Nelson Renteria, "Backed by Soldiers, El Salvador's President Briefly Occupies Congress," Reuters, February 9, 2020.

<sup>&</sup>lt;sup>58</sup> Testimony of Admiral Craig S. Faller, Commander, U.S. Southern Command, in U.S. Congress, House Committee on Armed Services, *National Security Challenges and U.S. Military Activity in North and South America*, 117<sup>th</sup> Cong., 1<sup>st</sup> sess., April 14, 2021.

# Appendix. U.S. Foreign Assistance to Latin America and the Caribbean by Account and by Country or Regional Program: FY2020-FY2022 Request

Table A-I. State Department- and USAID-Managed Foreign Assistance to Latin America and the Caribbean: FY2020

(millions of current U.S. dollars)

	DA	ESF	GHP- USAID	GHP- State	INCLE	NADR	IMET	FMF	Total
A									
Argentina	_	_	_		2.5		0.6	_	3.1
Bahamas	_	_	_	_	_	_	0.2	_	0.2
Belize	_	_	_	_	_	_	0.2	1.0	1.2
Brazil	15.0	_	_	4.3	_	_	0.8	_	20.1
Chile	_	_	_	_	_	_	0.6	_	0.6
Colombia	61.0	146.3	3.0	1.5	180.0	21.0	1.8	45.5	460.2
Costa Rica	_	_	_	_	_	_	0.7	7.5	8.2
Cuba	_	20.0	_	_	_	_	_	_	20.0
Dominican Republic	7.0	_	_	21.2	_	_	0.4	_	28.6
Ecuador	12.2	_	_	_	7.0	_	0.3	_	19.5
El Salvador	70.0	_	_	6.2	_	_	0.8	1.9	78.9
Guatemala	65.7	_	13.0	16.5	_	_	0.8	_	95.9
Guyana	_	_	_	_	_	_	0.1	_	0.1
Haiti	51.0		24.5	78.8	18.0		0.1	_	172.4
Honduras	65.0	_	_	7.6	_		0.8	_	73.4
Jamaica	1.0	_	_	6.7	_	_	0.5	_	8.2
Mexico	_	50.0	_		100.0	1.2	1.8	5.0	157.9
Nicaragua	10.0	_	_	1.3	_	_	_	_	11.3
Panama	_	_	_	7.1	_	0.5	0.5	2.0	10.1
Paraguay	4.0	_	_	_	_	_	0.2	_	4.2
Peru	34.8	_	_	1.2	40.0	_	0.6	1.8	78.3
Suriname	_	_	_	_	_	_	0.2	_	0.2
Trinidad and Tobago	_	_	_	1.8	_	_	0.3	_	2.1
Uruguay	_	_	_	_	_	_	0.4	_	0.4
Venezuela	_	30.0	5.0	3.5	_	_	_	_	38.5
Barbados and Eastern Caribbean	5.0	_	_	0.3	_	_	0.6	_	5.9
USAID Caribbean Development <sup>a</sup>	7.0	3.0	_	_	_	_	_	_	10.0

	DA	ESF	GHP- USAID	GHP- State	INCLE	NADR	IMET	FMF	Total
USAID Central America <sup>a</sup>	5.0	_	_	_	_	_	_	_	5.0
USAID South America <sup>a</sup>	15.0	_	_	_	_	_	_	_	15.0
USAID Latin America and Caribbean <sup>a</sup>	29.2	_	7.8	_	_	_	_	_	37.0
State Western Hemisphere <sup>a</sup>	_	128.3	_	_	207.7	4.6	_	15.0	355.6
[CARSI] <sup>a</sup>	[—]	[100.0]	[—]	[—]	[170.0]	[—]	[—]	[—]	[270.0]
[CBSI] <sup>a</sup>	[—]	[27.3]	[—]	[—]	[25.2]	[—]	[—]	[7.5]	[60.0]
Total	457.8	377.6 <sup>b</sup>	53.3	157.7	555.2	27.3	13.1	79.7	1,721.7b

**Source:** U.S. Department of State, Congressional Budget Justification, Foreign Operations, Appendix 2, Fiscal Year 2022, June 2021.

**Notes:** These totals do not include any of the assistance made available for Latin America and the Caribbean through supplemental emergency appropriations to respond to the Coronavirus Disease 2019 (COVID-19) pandemic. DA = Development Assistance; ESF = Economic Support Fund; GHP = Global Health Programs; INCLE = International Narcotics Control and Law Enforcement; NADR = Nonproliferation, Anti-terrorism, Demining, and Related Programs; IMET = International Military Education and Training; FMF = Foreign Military Financing; USAID = U.S. Agency for International Development; State=U.S. Department of State; CARSI = Central America Regional Security Initiative; and CBSI = Caribbean Basin Security Initiative.

- a. USAID and State Department regional programs fund region-wide initiatives as well as activities that cross borders or take place in nonpresence countries. These regional programs provide the majority of U.S. assistance received by some Latin American and Caribbean countries. CARSI and CBSI are funded through the State Western Hemisphere Regional program.
- b. This amount does not include an additional \$5.0 million of ESF for the region that Congress appropriated in FY2020 as multilateral assistance through the Organization of American States.

Table A-2. State Department- and USAID-Managed Foreign Assistance to Latin America and the Caribbean: FY2021 Estimate

(millions of current U.S. dollars)

	DA	ESF	GHP- USAID	GHP- State	INCLE	NADR	IMET	FMF	Total
Argentina	_	_	_	_	0.1	_	0.6	_	0.7
Bahamas	_	_	_	_	_	_	0.2	_	0.2
Belize	_	_	_	_	_	_	0.3	1.0	1.3
Brazil	17.0	_	_	_	_	_	0.7	_	17.7
Chile	_	_	_	_	_	_	0.5	_	0.5
Colombia	70.0	141.0	2.0	_	189.0	21.0	1.9	38.5	463.3
Costa Rica	_	_	_	_	_	_	0.7	7.5	8.2
Cuba	_	20.0	_	_	_	_	_	_	20.0
Dominican Republic	6.9	_	_	23.3	_	_	0.5	_	30.7
Ecuador	11.5	_	_	_	7.0	_	0.3	_	23.8
El Salvador	70.0		_		_	_	0.7	_	70.7

	DA	ESF	GHP- USAID	GHP- State	INCLE	NADR	IMET	FMF	Total
Guatemala	65.7	_	13.0	_	_	_	0.8	_	79.4
Guyana	_	_	_	_	_	_	0.2	_	0.2
Haiti	51.0	_	24.5	99.8	13.0	_	0.3	_	188.6
Honduras	65.0	_	_	_	_	_	0.8	_	65.8
Jamaica	1.0	_	_	_	_	_	0.6	_	1.6
Mexico	_	50.0	_	_	100.0	1.2	1.8	6.0	158.9
Nicaragua	10.0	_	_	_	_	_	_	_	10.0
Panama	_	_	_	_	_	0.5	0.7	2.0	3.2
Paraguay	4.0	_	_	_	_	_	0.4	_	4.4
Peru	43.0	_	_	_	39.0	1.0	0.6	_	83.6
Suriname	_	_	_	_	_	_	0.2	_	0.2
Trinidad and Tobago	_	_	_	_	_	_	0.3	_	0.3
Uruguay	_	_	_	_	_	_	0.4	_	0.4
Venezuela	_	33.0	5.0	_	_	_	_	_	38.0
Barbados and Eastern Caribbean	2.0	_	_	_	_	_	0.7	_	2.7
USAID Caribbean Development <sup>a</sup>	10.3	_	_	_	_	_	_	_	10.3
USAID Central America <sup>a</sup>	5.0	_	_	_	_	_	_	_	5.0
USAID South America <sup>a</sup>	15.0	_	_	_	_	_	_	_	15.0
USAID Latin America and Caribbean <sup>a</sup>	43.2	_	11.0	_	_		_	_	54.2
State Western Hemisphere <sup>a</sup>	_	134.5	_	72.7	204.9	7.4	_	16.9	436.4
[CARSI] <sup>a</sup>	[—]	[101.0]	[—]	[—]	[155.0]	[—]	[—]	[—]	[256.0]
[CBSI] <sup>a</sup>	[—]	[27.3]	[—]	[—]	[35.0]	[—]	[—]	[7.5]	[69.8]
Total	490.6	378.5 <sup>b</sup>	55.5	195.9	553.0	31.0	13.8	76.9	1,795.2

Source: U.S. Department of State, FY2021 estimate data, June 15, 2021.

**Notes:** These totals do not include any of the assistance made available for Latin America and the Caribbean through supplemental emergency appropriations to respond to the COVID-19 pandemic. DA = Development Assistance; ESF = Economic Support Fund; GHP = Global Health Programs; INCLE = International Narcotics Control and Law Enforcement; NADR = Nonproliferation, Anti-terrorism, Demining, and Related Programs; IMET = International Military Education and Training; FMF = Foreign Military Financing; USAID = U.S. Agency for International Development; State=U.S. Department of State; CARSI = Central America Regional Security Initiative; and CBSI = Caribbean Basin Security Initiative.

a. USAID and State Department regional programs fund region-wide initiatives as well as activities that cross borders or take place in nonpresence countries. These regional programs provide the majority of U.S. assistance received by some Latin American and Caribbean countries. CARSI and CBSI are funded through the State Western Hemisphere Regional program.

b. This amount does not include an additional \$5.0 million of ESF for the region that Congress appropriated in FY2021 as multilateral assistance through the Organization of American States.

Table A-3. State Department- and USAID-Managed Foreign Assistance to Latin America and the Caribbean: FY2022 Request

(millions of current U.S. dollars)

	DA	ESF	GHP- USAID	GHP- State	INCLE	NADR	IMET	FMF	Total
Argentina	_	_	_	_	_	_	0.7	_	0.7
Bahamas	_	_	_	_	_	_	0.2	_	0.2
Belize	_	_	_	_	_	_	0.3	_	0.3
Brazil	17.0	_	_	_	_	_	0.8	_	17.8
Chile	_	_	_	_	_	_	0.5	_	0.5
Colombia	70.0	141.0	5.0	_	175.0	21.0	1.9	40.0	453.9
Costa Rica	_	_	_	_	_	_	0.7	_	0.7
Cuba	_	20.0	_	_	_		_	_	20.0
Dominican Republic	8.0	_	_	20.0	_	_	0.5	_	28.5
Ecuador	13.0	_	_	_	10.5	_	0.3	5.0	28.8
El Salvador	95.0	_	_	_	_	_	0.8	_	95.8
Guatemala	113.7	_	13.0	_	_	_	0.8	_	127.5
Guyana	_	_	_	_	_		0.2	_	0.2
Haiti	51.0	_	24.5	100.0	12.1		0.3	_	187.9
Honduras	95.0	_	_	_	_		0.8	_	95.8
Jamaica	1.0	_	_	_	_		0.6	_	1.6
Mexico	_	50.0	_	_	64.0	1.0	1.6	_	116.6
Nicaragua	15.0	_	_	_	_		_	_	15.0
Panama	_	_	_	_	_	0.5	0.7	_	1.2
Paraguay	4.0	_	_	_	_		0.4	_	4.4
Peru	39.0	_	_	_	46.2	1.0	0.7	_	86.9
Suriname	_	_	_	_	_		0.2	_	0.2
Trinidad and Tobago	_	_	_	_	_		0.3	_	0.3
Uruguay	_	_	_	_	_		0.4	_	0.4
Venezuela	_	50.0	5.0	_	_	_	_	_	55.0
Barbados and Eastern Caribbean	5.0	_	_	_	_	_	0.7	_	5.7
USAID Caribbean Development <sup>a</sup>	10.0	_	_	_	_	_	_	_	10.0
USAID Central America <sup>a</sup>	<b>73.</b> I	_	_	_	_	_	_	_	<b>73.</b> I
USAID South America <sup>a</sup>	20.2	_	_	_	_	_	_	_	20.2

USAID Latin America and Caribbean <sup>a</sup>	29.2	35.0	11.0	_	_	_	_	_	75.2
State Central America <sup>a</sup>	_	131.0	_	43.6	219.7	2.0	_	27.5	423.8
State Western Hemisphere <sup>a</sup>	_	28.3	_	26.4	43.0	5.5	_	22.5	125.7
[CARSI] <sup>a</sup>	[—]	[123.0]	[—]	[—]	[219.7]	[—]	[—]	[—]	[342.7]
[CBSI] <sup>a</sup>	[—]	[27.0]	[—]	[—]	[29.0]	[—]	[—]	[10.0]	[66.0]
Total	659.1	455.3	58.5	190.0	570.4	31.0	14.1	95.0	2,073.4

**Source:** U.S. Department of State, Congressional Budget Justification, Foreign Operations, Appendix 2, Fiscal Year 2022, June 2021.

**Notes:** DA = Development Assistance; ESF = Economic Support Fund; GHP = Global Health Programs; INCLE = International Narcotics Control and Law Enforcement; NADR = Nonproliferation, Anti-terrorism, Demining, and Related Programs; IMET = International Military Education and Training; FMF = Foreign Military Financing; USAID = U.S. Agency for International Development; State=U.S. Department of State; CARSI = Central America Regional Security Initiative; and CBSI = Caribbean Basin Security Initiative.

a. USAID and State Department regional programs fund region-wide initiatives as well as activities that cross borders or take place in nonpresence countries. These regional programs provide the majority of U.S. assistance received by some Latin American and Caribbean countries. Under the FY2022 request, CARSI would be funded through the State Central America regional program and CBSI would be funded through the State Western Hemisphere regional program.

#### **Author Information**

Peter J. Meyer Specialist in Latin American and Canadian Affairs

#### Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.