

Economic Opportunities in Latin America and the Caribbean

FOR IMMEDIATE RELEASE

July 9, 2007

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Public Information: 202-712-4810

www.usaid.gov

Despite substantial increases in economic growth and trade in Latin America and the Caribbean (LAC), poverty persists. An estimated total of 39% of the LAC population, nearly 200 million people, live below their own established national poverty lines. Approximately 25% of the LAC population lives on less than \$2 a day. As a region, LAC ranks second to Africa in poverty and first in terms of income disparity.

The U.S. Government, through USAID, supports a wide range of activities designed to help break the cycle of poverty in LAC. USAID programs support trade and investment, agriculture and economic opportunities, competitiveness, and strengthening the financial sector.

USAID assisted economic opportunity activities include, but are not limited to:

Caribbean

Access to financial services affects all levels of the Haitian population. USAID has responded with programs assisting micro, small, and medium enterprises in primarily urban and peri-urban areas. Today there are 37 USAID-supported institutions providing services to over 230,000 clients. An important factor in this growth is that 65% of these clients are women; the majority of Haitian households are headed by women and by providing them with access to credit, greater opportunities are available to their families.

About 60% of Haitians live in rural areas, with approximately 4.8 million people depending on agriculture. USAID is contributing to agricultural development through job creation activities. Over 20,000 rural dwellers were employed in projects as diverse as road rehabilitation, riverbed protection, and hillside stabilization and over 3,500 hectares were under improved land management practices through technical assistance. The program helped shift over 2,000 farmers from low-value to high-value crops.

In the Dominican Republic (DR), USAID is providing trade capacity building assistance to the government to foment greater competitiveness among producers and processors, and strengthen the development of agricultural exports (organic coffee, mangos, and oriental vegetables) and sustainable tourism activities. This project has generated approximately \$3.4 million dollars in new non-traditional agricultural export commodities (such as organic coffee, mangos, and oriental vegetables), and created some 3,200 new jobs in the se non-traditional agricultural export commodities and sustainable tourism sectors.

Central America

In El Salvador, USAID helps small and medium firms (SMEs) increase export sales and expand job creation by strengthening the country's export capacity, improving access to trade

and export information, fostering new product and market development, and increasing the competitiveness of Salvadoran businesses. The program provided export development assistance and training to 557 SMEs, generating an estimated 4,200 new jobs and an estimated \$30.9 million in new export and domestic sales.

As part of USAID's market led assistance in Nicaragua, some 2,000 micro-farmers, through projects with faith and community based organizations and others, have graduated from being food aid recipients and subsistence farmers to producing to help meet their own food needs as well as to supply national and international fresh produce markets. USAID provided assistance on crop diversification and improved production methods. As a result, in many cases, annual incomes doubled or tripled and, for the first time, these farmers can count on a stable monthly income

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for their families.

In Panama, USAID assistance helped promote and scale-up the sale of certified and potentially certifiable wood products in the forestry sector. USAID support contributed to the development of a sustainable forest management model that is benefiting rural communities, producers, and industrialists with economic opportunities through increased competitiveness in the forestry value chain. Certification initiatives generated approximately \$291,000 in export earnings and an export volume of 457,600 board feet. Additionally, seven added-value products were developed that provide increased incomes to the communities.

South America

USAID's "Paraguay Vende" program provides consulting, training, and market access assistance to small and medium enterprises in Paraguay. Paraguayan Benefits include sesame growers now capturing 44 percent of Japan's market and as well as expanding sales to other countries as well. Further, jobs have been created and incomes increased for sugar cane workers while thousands of new jobs have been created in the local fabric and clothing industry, including many for women who are skilled in the art of embroidery. The program resulted in increased sales of \$35 million, attracted more than \$2 million in investment, and has created an estimated 16,000 new jobs.

Aiming to increase economic opportunities for at-risk youth in Brazil, USAID programs have trained over 4,000 Brazilians aged 14 to 24 for employment in high-demand sectors such as information and communications technologies, tourism-oriented services, audio-visual production, and historical building restoration. Over 30% of these youth have found positions in the formal job market while others have been engaged in internship programs or advanced to higher college education.

In Colombia, USAID's program provides economic opportunities and social support to Colombians displaced by violence. Participants receive classroom and hands on training in flower cultivation and internships with a large flower farm. Most receive full time job offers after the internships. The program has benefited more than 2,000 families and helps increase exports.