



**USAID** | **HONDURAS**  
FROM THE AMERICAN PEOPLE

# Country Development Cooperation Strategy



## 2015– 2019

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## Table of Contents

EXECUTIVE SUMMARY .....	i
DEVELOPMENT HYPOTHESIS AND CONTEXT .....	1
DEVELOPMENT OBJECTIVE 1: CITIZEN SECURITY INCREASED FOR VULNERABLE POPULATIONS IN URBAN, HIGH-CRIME AREAS.....	5
<b><u>INTERMEIATE RESULT 1.1: RESILIENCE OF COMMUNITIES AND INDIVIDUALS TO CRIME INCREASED .9</u></b>	
Sub-Intermediate Result 1.1.1: Community Structures that Mitigate against Crime Increased.....	10
Sub-Intermediate Result 1.1.2: Quality Services that Protect against Violence Increased .....	11
<b><u>INTERMEIATE RESULT 1.2: PERFORMANCE OF NATIONAL AND MUNICIPAL JUSTICE AND SECURITY SYSTEMS IMPROVED .....</u></b>	<b><u>14</u></b>
Sub-Intermediate Result 1.2.1: Citizen Engagement with the Security and Justice Sectors Improved .....	16
Sub-Intermediate Result 1.2.2: Efficiency of Security and Justice Systems Improved .....	17
Sub-Intermediate Result 1.2.3: Effective Community Police Presence Increased .....	19
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS .....	21
<b><u>INTERMEIATE RESULT 2.1: RESILIENCE OF LIVELIHOODS INCREASED .....</u></b>	<b><u>27</u></b>
Sub-Intermediate Result 2.1.1: Natural Resource Management and Biodiversity Protection Improved .....	28
Sub-Intermediate Result 2.1.2: Adaptation of Poor Households to Climate Risks Increased .....	30
<b><u>INTERMEIATE RESULT 2.2: INCOMES INCREASED .....</u></b>	<b><u>32</u></b>
Sub-Intermediate Result 2.2.1: Agricultural Productivity Improved .....	33
Sub-Intermediate Result 2.2.2: Market Demand and Access Increased .....	34
<b><u>INTERMEIATE RESULT 2.3: HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN .....</u></b>	<b><u>36</u></b>
Sub-Intermediate Result 2.3.1: Basic Education and Nutrition Service Delivery Improved .....	39
Sub-Intermediate Result 2.3.2: Local Service Management Systems Improved .....	41
MONITORING, EVALUATION, AND LEARNING.....	45
ANNEXES .....	49
<b><u>ANNEX A: LIST OF ANALYSES CONDUCTED .....</u></b>	<b><u>49</u></b>
<b><u>ANNEX B: USAID FORWARD .....</u></b>	<b><u>57</u></b>
<b><u>ANNEX C: TARGET AREA MAP .....</u></b>	<b><u>59</u></b>
<b><u>ANNEX D: BIBLIOGRAPHY .....</u></b>	<b><u>60</u></b>
<b><u>ANNEX E: DEVELOPMENT OBJECTIVE 3.....</u></b>	<b><u>64</u></b>

# ACRONYMS

<b>AECID</b>	Spanish Agency for International Development Cooperation
<b>A4P</b>	Plan of the Alliance for Prosperity in the Northern Triangle
<b>CABEI</b>	Central American Bank for Economic Integration
<b>CARSI</b>	Central American Regional Security Initiative
<b>CIDA</b>	Canadian International Development Agency
<b>CNA</b>	National Council for Anti-Corruption
<b>CSOs</b>	civil society organizations
<b>DOs</b>	development objectives
<b>DG</b>	democracy and governance
<b>EFA</b>	Education For All
<b>EU</b>	European Union
<b>FAO</b>	Food and Agriculture Organization
<b>FHIS</b>	Honduran Social Investment Fund
<b>FOPRIDEH</b>	Federation of Private Development Organizations of Honduras
<b>FTF</b>	Feed the Future
<b>FUNADEH</b>	National Foundation for the Development of Honduras
<b>FY</b>	Fiscal Year
<b>G2G</b>	government to government
<b>GiZ</b>	German Agency for Cooperation
<b>GOH</b>	Government of Honduras
<b>IDB</b>	Inter-American Development Bank
<b>IFPRI</b>	International Food Policy Research Institute
<b>INL</b>	Bureau of International Narcotics and Law Enforcement Affairs
<b>IR</b>	intermediate result
<b>JICA</b>	Japanese International Cooperation Agency
<b>KfW</b>	German Development Bank
<b>LGBT</b>	lesbian, gay, bisexual, and transgender
<b>MACCIH</b>	Mission to Support the Fight against Corruption and Impunity in Honduras
<b>MCA-H</b>	Millennium Challenge Account of Honduras (now known as INVEST-H)
<b>MP</b>	Public Prosecutor's Office ( <i>Ministerio Público</i> )
<b>MSMEs</b>	micro, small and medium enterprises
<b>NGO</b>	non-governmental organization
<b>OAS</b>	Organization of American States
<b>OGP</b>	Open Government Partnership
<b>OTI</b>	USAID Office of Transition Initiatives
<b>ONADICI</b>	The National Office of Integrated Internal Controls
<b>PAHO</b>	Pan-American Health Organization
<b>PIO</b>	public international organization
<b>RNP</b>	National Registry of People
<b>TSC</b>	Supreme Audit Institution
<b>TSE</b>	Supreme Electoral Tribunal
<b>USAID</b>	United States Agency for International Development
<b>USG</b>	United States Government

## EXECUTIVE SUMMARY

Honduras' fragile democracy is increasingly threatened by alarming levels of crime and violence, high levels of poverty and food insecurity, corruption, and generally weak governance. These threats to citizen security and economic development are so severe that the Government of Honduras (GOH) has requested outside assistance to address them. Failure to adequately counter these threats directly impacts U.S. security and other national interests. The USAID/Honduras Country Development Cooperation Strategy (CDCS) goal is **a more prosperous and safer Honduras that advances inclusive social and economic development among vulnerable populations**. USAID /Honduras' emphasis extends to the social and economic development of vulnerable populations, those most at risk of crime and violence and those living below the poverty line, within Honduras to ensure that the economic trajectory of the country is not only upward but also equitable, inclusive, and sustainable. In order to achieve the CDCS goal, USAID will work towards three Development Objectives (DOs):

- DO 1: Citizen Security Increased For Vulnerable Populations In Urban, High-Crime Areas
- DO 2: Extreme Poverty Sustainably Reduced For Vulnerable Populations In Western Honduras
- DO 3: National-level public administration is more transparent and accountable

The CDCS in many ways anticipated the principles of the U.S. Strategy for Engagement in Central America, approved by the U.S. National Security Council in late 2014. The three pillars of security, prosperity, and governance are reflected in our CDCS: security issues are reflected for the most part in Development Objective 1; prosperity as it relates to poverty reduction is reflected in Development Objective 2; and governance is both integrated throughout DO1 and DO2 and is also reflected in DO3 with its focus on strengthening national-level public administration and enhancing civil society's influence on government decision-making. Complementing the USG strategy, the GOH, together with the Governments of El Salvador and Guatemala, presented their own strategy, the Alliance for Prosperity, which calls for more rapid economic growth to mitigate poverty and crime in order to reduce the underlying causes behind migration to the USA. The USAID/Honduras CDCS for FYs 2015-2019 also reflects the goals of the U.S. Embassy's FY 2014-2016 and FY 2017-2019 Integrated Country Strategies. Indeed, the momentum that has led to increased attention to the serious issues that persist in Honduras provides an opportunity for USAID/Honduras to strategically utilize additional resources resulting from the implementation of these regional plans.

In pursuit of the development goal, USAID collaborates and coordinates with a cross-sector of actors involved in resolving development challenges in Honduras. This includes other USG agencies such as the State Department's Bureau of International Narcotics and Law Enforcement Affairs, the Departments of Agriculture and the Treasury, and the Millennium Challenge Corporation, as well as USG security and defense agencies. The success of this strategy will also rely upon strong partnerships with the GOH at national and local levels, community organizations and civil society, and the private sector.

DO1 programs will concentrate in high-density urban areas with notably high crime rates. These are Tegucigalpa, San Pedro Sula, Choloma, Tela, and La Ceiba. USAID/Honduras will empower those populations most vulnerable to crime and violence in Honduras with resources and opportunities to reduce their risk of becoming victims or perpetrators of crime or violence in their communities. Under DO1, USAID will scale-up successful programs which provide educational and off-street social opportunities for at risk youth, community infrastructure that mitigates crime, schools and classroom infrastructure to increase access for youth beyond the sixth grade, social services to address household and gender based violence, community policing, and public financial management in the GOH security and justice agencies.

While USAID/Honduras recognizes extreme poverty can be found throughout the country, activities under DO2 will be strategically focused on the six western departments, given the severe poverty, under-nutrition, and low education indicators in this geographic area. DO2 activities will be designed so that the poor will acquire the tools to sustainably increase their incomes through improved resource management and human capacity. National-level institutions will be assisted to scale-up and become more effective in the region, in many cases by decentralizing authority to local governments and institutions. This five-year period of USAID intervention will result in a reduction of both the number of families living on less than \$1.25 per day per person (the international poverty level) and suffering malnutrition, as well as increased school completion rates and local government capacity.

DO3 programs will concentrate on national-level public administration and institutions to improve budget transparency and strengthen accountability systems. DO3 will complement DO1 and DO2 local level efforts where they relate to auditing and oversight of public policies and programs. This is particularly relevant to improving the transparency of the security and justice sector and the management of public funds for social programs. There are clear links with DO2's work on strengthening municipal public financial management systems, which impact resource allocation and spending for nutrition and education for example. There are also links with DO1's focus on strengthening the efficiency of security and justice systems as DO3 will bolster the capacity of the Supreme Audit Institution and Public Prosecutor's Office to apply and enforce sanctions when there is corruption or public resources are mismanaged. DO3 will empower a broad range of actors to serve as watch dogs and advocate for change based on evidence-based analysis in collaboration with local and national-level stakeholders.

The three DOs incorporate a well-reasoned mix of short- and long-term strategies to address the fundamental root causes of weak institutions, corruption, crime, violence, and poverty. Guided by USAID's principles to maximize our impact through more strategic, focused, and result-oriented approaches, USAID/Honduras will strengthen integration among democracy and governance, economic growth, education, health, and CARSI (Central America Regional Security Initiative) activities which all contribute to crime prevention under DO1, poverty reduction under DO2 and improved transparency and accountability of public administration under DO3. The GOH has offered to increase their significant counterpart contributions for a scaling-up of these activities.

This CDCS is a living document that will be adapted to a progressive learning agenda, changes in the Honduran environment, as well as USG policies and resource availability.

**Goal: A more prosperous and safer Honduras that advances inclusive social and economic development among vulnerable populations**

**DO1: Citizen Security increased for vulnerable populations in urban, high-crime areas**

**DO2: Extreme poverty sustainably reduced for vulnerable populations in Western Honduras**

**DO3: GOH national-level public administration is more transparent and accountable**

**IR 1.1**  
Resilience of communities and individuals to crime increased

Sub-IR 1.1.1: Community structures that mitigate against crime improved

Sub-IR 1.1.2: Quality services that protect against violence increased

**IR 1.2**  
Performance of national and municipal justice and security systems improved

Sub-IR 1.2.1: Citizen engagement with the justice and security sectors improved

Sub-IR 1.2.2: Efficiency of security and justice systems improved

Sub-IR 1.2.3: Effective community police presence increased

**IR 2.1**  
Resilience of livelihoods increased

Sub-IR 2.1.1: National resource management and biodiversity protection improved

Sub-IR 2.1.2: Adaptation of poor household to climate risks increased

**IR 2.2**  
Incomes increased

Sub-IR 2.2.1: Agricultural productivity improved

Sub-IR 2.2.2: Market demand and access increased

**IR 2.3**  
Human capital improved, with a focus on children

Sub-IR 2.3.1: Basic education and nutrition service delivery improved

Sub-IR 2.3.2: Local service management systems improved

**IR 3.1**  
Public funds more effectively and responsibly managed by state institutions

Sub-IR 3.1.1: GOH systems to prevent, detect and sanction corrupt practices strengthened

Sub-IR 3.1.2: Budget process strengthened

**IR 3.2**  
Civil society influence on government decision-making enhanced

Sub-IR 3.2.1: Effective evidence based advocacy strengthened

Sub-IR 3.2.2: Oversight of service delivery and public policies/programs improved

# DEVELOPMENT HYPOTHESIS AND CONTEXT

## DEVELOPMENT HYPOTHESIS

If citizen security and accelerated, sustainable poverty reduction for vulnerable populations are increased, and public administration is more transparent and accountable to citizens, then Honduras will be a safer and more prosperous country that advances inclusive social and economic development.

The three DOs incorporate a well-reasoned mix of short- and long-term strategies to address the fundamental root causes of weak institutions, corruption, crime, violence, and poverty. In the short term, those segments of the population most vulnerable to crime and violence in Honduras must be empowered with resources and opportunities to reduce their risk of becoming victims or perpetrators of crime or violence in their communities. In addition, those segments of the population living in poverty must be given the tools to sustainably increase their incomes through improved resources management and human capacity. To ensure the long-term sustainability of crime, violence, and poverty reduction, the GOH must earn the confidence of its citizens by: becoming more effective, transparent, and accountable; improving its democratic processes; and increasing access to basic services, particularly education, infrastructure, and nutrition.

The western highlands have some unique characteristics that set it apart from other regions of Honduras, but it is not immune to violence. The homicide rate in Western Honduras is lower than in the urban municipalities in other parts of the country, but domestic violence and various forms of child abuse are very common. This violence experienced at home has a direct impact on student achievement. Through internal migration from rural Honduras to peri-marginal communities in the cities, rural violence morphs into the violent urban behaviors addressed by DO1. While violence reduction is not a direct expected outcome of DO2, USAID/Honduras will design interventions that keep these dynamics in mind.

## DEVELOPMENT CHALLENGES

Below are brief descriptions of the main development challenges in Honduras, in particular citizen insecurity, food insecurity, poor access to basic services, corruption, and impunity. The lack of a professional civil service, which is a result of non-merit hiring practices and recurrent high turn-over with each change in GOH administration, is a contributing factor to the GOH's inability to adequately address these challenges. These challenges are discussed in greater detail in the DO sections.

- **Crime and Violence, Insecurity, Impunity, and Corruption:** Transnational gangs and narcotics trafficking, crime and violence committed by gangs and drug traffickers, and impunity have escalated to critical levels in Honduras.<sup>1</sup> The United Nations reports that in

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<sup>1</sup> Crime and Violence in Central America: A Development Challenge. World Bank. 2011. 7. Print.

2013 Honduras had the highest murder rate in the world, at 79 killings per 100,000 inhabitants<sup>2</sup> - an average of 18 murders a day - which costs the country 9.6 percent of its gross domestic product, has an incalculable effect on the potential growth of Honduras' business sector, erodes the legitimacy and authority of government institutions and threatens the protection of basic human rights. In addition to the extremely high homicide rates, Honduras also has a high prevalence of many other types of crime, such as domestic violence, extortion, and trafficking in persons that disproportionately affect vulnerable populations.

- **Poverty, Vulnerability, and Lack of Access to Basic Services:** Poverty robs Hondurans of the opportunity to lead productive lives, and its consequences, such as malnutrition, severely impact the development trajectory of the next generation. Two-thirds of Hondurans live in poverty while 23 percent of children under five years of age suffer from chronic malnutrition.<sup>3</sup> In addition, approximately 30 percent of the Honduran population lacks access to permanent, quality health services. The total health expenditure per capita in Honduras, including both public and private sources, is one of the lowest in the region. Finally, less than one-third of children who complete primary school meet grade level standards and less than one quarter of Hondurans finish high school.
- **Fragile Democracy and Lack of Confidence in Government Institutions:** According to the 2012 Americas Barometer, only 7.2 percent of Hondurans expressed a high level of political tolerance and a high level of political system support, a 20 percent decrease from 2010 and the lowest percentage in the Americas.<sup>4</sup> Political tolerance refers to tolerance for opposing political perspectives and support for concepts like freedom of speech and freedom to protest. Hondurans' reported confidence level in the central government was only 36.5 points, on a scale from 0 to 100. Reasons for low citizen confidence in the GOH include perceptions of fiscal mismanagement, corruption, lack of transparency, and the government's inability to provide security and other basic services to its people.

## **FOCUSING AND PRIORITIZING DEVELOPMENT EFFORTS**

Guided by USAID's principles to maximize our impact through more strategic, focused, and result-oriented approaches, USAID/Honduras will strengthen integration among the democracy and governance, health, economic growth, and education technical sectors, which all contribute to crime prevention under DO1, poverty reduction under DO2, and more transparent and accountable public administration in DO3. This integrated approach towards citizen security, poverty reduction, and strengthened accountability will focus on geographic areas where USAID/Honduras can have the greatest impact, the most vulnerable populations within these areas, and the development challenges that can best be addressed by USAID/Honduras' efforts, including strengthening targeted national-level institutions. The list of the analyses conducted to identify the problems that will be addressed can be found in

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<sup>2</sup>UNAH and National Police Violence Observatory. 24 (March 2012). Web. 2014.

<sup>3</sup> Demographic and Health Survey (DHS)2012-2013. Web.

<sup>4</sup> "Americas Barometer 2012 - Honduras." Vanderbilt University. *Latin American Public Opinion Project*. 2012. Web.

Annex A. The prioritization of efforts also takes into consideration USAID’s core values as outlined by USAID Forward. A closer analysis of this strategy’s alignment with USAID Forward can be found in Annex B.

The results of this effort to integrate and focus are summarized below.

- 1) DO1 programs will concentrate in high-density urban areas with verifiable gang presence and notably high homicide rates. Low population density areas with narco-trafficking routes will be mostly excluded from programming as USAID/Honduras has identified limited opportunities for positive, cost-effective impact in these areas and to avoid duplication of effort with other USG entities that have primary responsibility for anti-trafficking efforts.
- 2) While extreme poverty can be found throughout the 18 departments of Honduras, DO2 activities will be conducted only in the six departments of Western Honduras, given the severe poverty and under-nutrition in those departments and in order to leverage USAID/Honduras’ past investments and future cross-sectoral interventions. Some targeted assistance to national-level institutions may continue to be implemented if a direct contribution to USAID/Honduras’ local-level efforts is identified.
- 3) Within the DO2 geographical focus, USAID/Honduras will prioritize those municipalities where poverty and under-nutrition rates are the most severe and where USAID identifies municipal-level counterparts who are eager to engage. This will include municipalities that have been the focus of USAID/Honduras assistance in the agriculture sector, but that may now be receiving assistance for the first time from other sectors.
- 4) USAID/Honduras investments in education have traditionally coupled national-level policy reform and broadly spread technical interventions, with a limited focus on particular populations or geographic areas. This will no longer be the case. However, some targeted assistance to national-level institutions may continue to be implemented if a direct linkage and impact to USAID/Honduras’ local level-efforts is identified.
- 5) While USAID/Honduras views maternal and child health and family planning interventions to be of critical importance to development, given the Agency’s decision to prioritize health funding for other regions, USAID/Honduras’ maternal and child health and family planning programs have been eliminated. In addition, the Mission’s private sector competitiveness efforts have been eliminated in favor of an increased focus on Global Climate Change.
- 6) DO3 programs will concentrate on strengthening national level institutions responsible for oversight and accountability to include the Supreme Audit Institution (TSC), the Public Prosecutor’s Office (MP), and non-governmental actors, including the National Anti-Corruption Council (CNA), academia, and the media who monitor and evaluate government performance.

## **GEOGRAPHIC FOCUS IN DETAIL**

USAID/Honduras will have a two-pronged approach to its geographic focus. For DO1, it will focus on at-risk “hot spot” urban areas where crime and violence statistics are among the highest in the country. This includes communities within the two largest cities, Tegucigalpa and San Pedro Sula, as well as communities along the “Northern Corridor”; e.g., in Choloma, Tela,

and La Ceiba. For DO2, USAID/Honduras will focus on the six departments in Western Honduras which exhibit high poverty, under-nutrition, and climate change vulnerability, and where conditions present the greatest return on investment. The six western departments - Ocotepeque, Copan, Santa Barbara, Lempira, Intibucá, and La Paz - are defined as the Feed the Future (FTF) zone of influence. Within these six departments, select municipalities will be supported to increase responsive governance and service provision in areas such as education, nutrition, water and sanitation, and to reduce gender equity gaps and empower youth and women. A map of the CDCS focus areas can be found in Annex C. Biodiversity and global climate change vulnerabilities to income growth will be addressed in the FTF zone of influence, as appropriate.

## **CRITICAL ASSUMPTIONS**

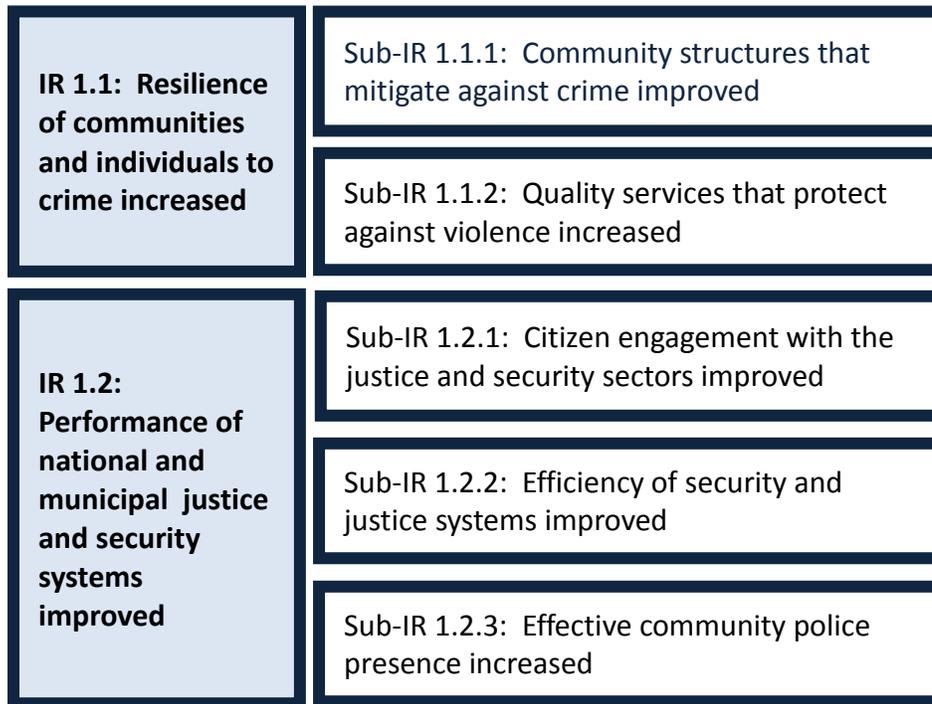
- The GOH increases the efficiency of budgetary allocations in the justice, security, agricultural, health, and education sectors, decentralizes service provision, and increases its counterpart contribution to USAID/Honduras and other donor efforts in these sectors.
- The GOH is committed to combating corruption under multiple initiatives, including the Open Governance Partnership (OGP), Alliance for Prosperity (A4P) Plan, and the Organization of American States (OAS)-supported Mission to Support the Fight against Corruption and Impunity in Honduras (MACCIH).
- The GOH will avoid a financial crisis of large proportions, such as a default on its international loan payments, by maintaining and/or improving its fiscal management practices.
- A cataclysmic natural disaster on a scale similar scale to that of Hurricane Mitch in 1998, which set back Honduras' economic development and undermined donor investment by decades will not occur.
- USG support for Honduras's citizen security efforts will not be undermined by extrajudicial abuses and violations of human rights. Likewise, if the new GOH administration successfully threatens organized crime directly, retaliation from criminal organizations could undermine Honduran governance and stability by conducting high-profile acts of terrorism, as demonstrated in previous years in Colombia and Mexico.

## **Goal-Level Indicator**

If Honduras is a more prosperous and safer country, that promotes inclusive development, the Mission expects to see improvements in the following:

- The UN Human Development Index
- Poverty head count ratio
- Homicide rate
- World Bank Worldwide Governance Indicators

## DO1: Citizen security increased for vulnerable populations in urban, high-crime areas



## DEVELOPMENT OBJECTIVE 1: CITIZEN SECURITY INCREASED FOR VULNERABLE POPULATIONS IN URBAN, HIGH-CRIME AREAS

Although drug trafficking and gang activity, which includes local micro-trafficking of narcotics<sup>5</sup> and extortion, are the main causes of violent crime in Honduras, a combination of socio-economic and governance conditions have enabled and amplified the impact of this violence.<sup>6</sup> These conditions come from the accumulation of risk factors and the lack of protective factors at the individual, relational (family/peer), community, and societal levels. These risk factors include socio-economic elements such as deep social inequalities, lack of opportunities, and lack of access to quality services.

This situation is aggravated by the institutional crisis faced by the national and municipal security and justice systems, which are plagued by gravely insufficient resources, corruption, human rights violations, abysmal working conditions, low credibility, and high public mistrust. In addition, transnational crime organizations have infiltrated many of these systems. Since

<sup>5</sup> Referred to as “narcomenudeo.”

<sup>6</sup> Based on interviews with the INL Anti-Gang Unit in 2013.

citizen security and effective governance are closely linked, GOH legitimacy hinges on its ability to provide basic security to its citizens, among other areas of service provision.<sup>7</sup>

### **DEVELOPMENT HYPOTHESIS**

DO1 is based on the premise that if the resilience<sup>8</sup> of communities and individuals to crime is increased (Intermediate Result (IR) 1.1) and the performance of national and municipal security systems is improved (IR 1.2), then citizen security for populations in urban, high-crime areas will increase. The focus on vulnerable populations for this DO constitutes a focus on those who are most at risk of being victims and perpetrators of violence, particularly women and youth.

The success of DO1 depends on implementing sustainable models, replicable by local organizations, that : 1) improve community safety infrastructure (e.g., new streetlights); 2) increase access to quality services aimed at reducing violence risk factors and strengthening resiliencies of target communities and at-risk youth; 3) improve the effectiveness and transparency of the security and justice sectors; 4) increase active citizen engagement and oversight of institutions; and 5) prevent violent crime with specific, targeted community policing initiatives. The achievement of these goals, along with the DO2 objective of poverty reduction in Western Honduras, will create a more prosperous and safer Honduras that advances inclusive social and economic development, especially among vulnerable populations.

DO1 is designed to address the alarming citizen security reality Honduras faces. Honduras has the highest murder rate in the world at 79 homicides per 100,000 people in 2013. Violent acts are primarily concentrated in low-income, urban areas and primarily perpetrated by young males against other young males. In 2012, 58 percent of homicides in the country were concentrated in five percent of the country's municipalities, and 91.6 percent of homicide victims were males, the majority between 15 and 34 years of age.<sup>9</sup> In addition to being the primary victims of violence, young males who are neither in school nor employed are especially vulnerable to engaging in illicit income generating activities (micro-trafficking of narcotics, smuggling, and petty crime) or joining gangs.<sup>10</sup>

Activities under DO1 will be aligned with and support a number of GOH policies and programs, including Country Vision Objectives 1, 2, 3, and 4; the 2011-2022 National Citizen Security and Coexistence Policy; The National Health Plan 2014-2018; and The Second National Plan for Gender Equity and Equality. In this manner, USAID/Honduras seeks long-term, strategic sustainability of programs through integration with existing GOH policies and programs.

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<sup>7</sup>"The Political Culture of Democracy in the Americas 2012: Towards Equality of Opportunity." Vanderbilt University. *Latin American Public Opinion Project*. (2012): 111-113, 160. Print.

<sup>8</sup> USAID/Honduras defines "resilience" in line with the overarching USAID definition: the ability of people, households, communities, countries and systems to mitigate, adapt to and recover from shocks and stresses in a manner that reduces chronic vulnerability and facilitates inclusive growth.

<sup>9</sup>UNAH and National Police Violence Observatory (2012). 28(January 2013): 3. Web. 2014.

<sup>10</sup>*Honduran Human Development Report 2008/2009 Overview: From Social Exclusion to a Youth Citizenship*. Tegucigalpa: UNDP, 2008/2009. 42. Print.

## **GENDER AND VULNERABLE POPULATIONS CONSIDERATIONS**

USAID/Honduras considers both gender and age to be critical factors when working in the security and justice sector. The power relationships, roles, and status of men, women, and populations of different gender identity and sexual orientations have a strong effect on their interactions with the security and justice systems and their access to resources that reduce critical risk factors of violence. Young males in particular are most susceptible to becoming victims of crime and violence and most at-risk for engaging in crime and violence.

Additionally, violence against children, women, and other vulnerable populations is on the rise. In 2011, women were the victims in 88 percent of domestic violence cases and 81 percent of sexual violence cases.<sup>11</sup> Seventy-four percent of victims of sexual violence are between the ages of 10 and 19.<sup>12</sup> Of the approximately 20,000 domestic violence complaints a year, only 15-20 percent received some form of resolution.<sup>13</sup> Between 2007 and 2011, sexual crimes against women grew by 21 percent.<sup>14</sup> Likewise, Honduras has one of the highest rates of homicides of women in Latin America.<sup>15</sup> Statistics from the Honduras National Autonomous University's Violence Observatory show a 246 percent increase in homicides of women in the last seven years (an increase from 175 deaths in 2005 to 606 deaths in 2012).<sup>16</sup> This means that on average, approximately 51 women are killed in Honduras each month; 97 percent of these cases remain unsolved.<sup>17</sup>

According to the 2011 Trafficking in Persons Report, Honduras is also a source and transit country for men, women, and children subjected to sex trafficking and forced labor. The routes used for human trafficking coincide with those identified with the movement of illegal drugs, migrants, weapons and other forms of organized crime. In 2012, Honduras ratified a law against human trafficking; however, no consistent or systematic collection of national experiences on prevention, criminal prosecution and assistance to victims of human trafficking crimes currently exists.

The lesbian, gay, bisexual, and transgender (LGBT) community faces its own set of violence issues in Honduras. Protests by LGBT activists focus on the fact that 186 homosexuals were murdered between 2009 and 2012 and the majority of the cases remain unsolved.<sup>18</sup> Research

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11"Special Bulletin on violent deaths of women."Special Edition No. 4.College of Social Sciences, University Institute on Democracy.UNAH and National Police Violence Observatory (2012). Print.

12 Ibid.

13 Toledo, Patsilí. "Las Leyes que Tipifican el Femicidio y la Realidad Latinoamericana: Avances y Desafíos." *Campaña Nacional Contra los Femicidios*. Contra los Femicidios. 22 March 2013. Web. 2014.

14"Special Bulletin on violent deaths of women."Special Edition No. 4.College of Social Sciences, University Institute on Democracy.UNAH and National Police Violence Observatory (2012). Print.

15Toledo, Patsilí. "Las Leyes que Tipifican el Femicidio y la Realidad Latinoamericana: Avances y Desafíos." *Campaña Nacional Contra los Femicidios*. Contra los Femicidios. 22 March 2013. Web. 2014.

16 Paredes, Maritza. "Como se Tejen los Hilos de la Impunidad: Femicidios en Honduras." *Campaña Nacional Contra los Femicidios*.OXFAM, ONU-MUJERES (2011). Print.

17Ibid.

18"Denuncian 186 Asesinatos de Homosexuales en Honduras entre 2009 y 2012." *CR Hoy* 17 May 2013. Web. 2014.

also shows that “transphobia across government structures at every level is facilitating a systematic climate of impunity with regards to human rights violations committed against transgender activists. Such impunity, which manifests itself in a culture of silence leads to a failure to file complaints, a failure to adopt a differentiated approach when dealing with such cases, ineffectiveness in the justice system, the existence of discriminatory legislation, and the absence of legislation on gender identity.”<sup>19</sup>

Although crime and violence affect everyone in Honduras, USAID will pursue a prevention strategy that includes targeting of specific vulnerable populations and strategies will be defined to address their unique situations. Inadequate education, lack of employment opportunities, and limited access to reproductive health services severely limit life-choice options for at-risk youth. Activities to increase access to vital social services will focus both on the groups most susceptible to becoming victims of crime and violence as well as those groups most likely to become perpetrators of crime and violence. USAID/Honduras will also study the proportions and types of physical and mental disabilities affecting target vulnerable populations, including proportions and types, to ensure its projects appropriately address their special security needs.

### **CRITICAL ASSUMPTIONS**

- 1) The new GOH administration continues to welcome USG assistance in the area of citizen security.
- 2) The GOH improves the efficiency of budgetary allocations in the security and justice sector and increases its counterpart contribution to Central American Regional Security Initiative (CARSI) efforts through the Security Tax and other taxes.
- 3) The State Department’s Bureau of International Narcotics and Law Enforcement Affairs (INL), the Department of Defense, and other USG agencies remain engaged with and strengthen the police and prosecutorial functions in Honduras.

### **RISKS**

- 1) Crime, violence, and corruption increase in an unanticipated manner;
- 2) The Honduran fiscal crisis leads to the GOH not making significant contributions to crime prevention or security reform programs;
- 3) Exit of key donors and other USG actors in the area of citizen security and crime prevention; and
- 4) Lack of political will to achieve real change.

#### **DO 1 Key Indicator**

- 1) Number of select violent crimes in USAID/Honduras targeted areas; (i.e., extortion, homicide, rape, child abuse, domestic violence, etc.), disaggregated by gender and age.<sup>20</sup>

<sup>19</sup>*The night is another country: Impunity and violence against transgender women human rights defenders in Latin America.* REDLACTRANS Report (2012). 9. Print.

<sup>20</sup> Measured by the Violence Observatory of the UNAH and the UN Office on Drugs and Crime homicide statistics.

## **STAKEHOLDER CONSULTATIONS**

USAID/Honduras has been involved in extensive stakeholder consultations on citizen security with key members of the GOH, donors, civil society, and the private sector. These consultations have focused on understanding the causes of violence in Honduras, assessing the best and most effective approaches to combating crime, and agreeing on the best ways to coordinate among all stakeholders.

## **OTHER DONORS**

While many donors are starting to invest in citizen security, the effectiveness and efficiency of donor cooperation must be improved. USAID/Honduras will promote a stronger GOH role in coordination, organizing the growing donor assistance, and harmonizing methodologies and programs across bilateral and multilateral donors in the security sector. The donor coordination group has an active working group on security and justice that invests in both law enforcement and prevention. USAID co-chairs a violence prevention working group with the German Agency for Cooperation (GIZ). Other donors in the security sector include the Inter-American Development Bank (IDB), the European Union (EU), the Spanish Agency for International Development Cooperation (AECID), the World Bank, the German Development Bank (KfW), and the Japanese International Cooperation Agency (JICA). USAID/Honduras will play a stronger coordination role with other USG entities as well, including INL, the Drug Enforcement Administration, the United States Southern Command, Joint Task Force-Bravo, the Federal Bureau of Investigation, Homeland Security, and U.S. Customs and Border Protection.

## **INTERMEDIATE RESULT 1.1: RESILIENCE OF COMMUNITIES AND INDIVIDUALS TO CRIME INCREASED**

### **DEVELOPMENT HYPOTHESIS**

In urban, high-crime areas, if community infrastructure that mitigates against crime is improved (Sub-IR 1.1.1) and quality services that protect against violence are increased (Sub-IR 1.1.2), then communities and individuals will be more resilient to violence and crime levels will decrease. Following work done in Los Angeles, CA, USAID believes that providing a combination of primary (community-based infrastructure), secondary (focused on individuals at risk of becoming perpetrators), and tertiary (focused on those who have already committed crimes) prevention programs at the individual, family, relational, and community levels will lead to a reduction in violence. USAID hypothesizes that high levels of familial violence coupled with a lack of community services and support to mitigate escalation of violence, leads to greater violence in the communities. Therefore, investments will emphasize programs that address intrafamily violence, along with community level prevention programs that focus on vulnerable youth.

The high prevalence of community, family/relational, and individual risk factors drive high levels of crime and violence in Honduras. These risk factors include the marginalization of sectors of society from access to basic infrastructure and social services, lack of social trust and

community cohesion, individuals' low socioeconomic status, violence within households, and high levels of access to guns and criminogenic substances such as drugs and alcohol. In gauging communities' vulnerability to crime and violence, the most effective indicator for measuring prevailing needs in Honduras is the marginalization index published by the Honduran Ministry of Social Development. The index includes a vital component on the deficiencies in basic infrastructure in the poorest neighborhoods. For example, youth in extremely poor communities have limited access to high schools. Honduras has approximately 11,000 primary schools but only 1,000 high schools to absorb the student population graduating from primary schools; these high schools are seldom located in high-crime communities.<sup>21</sup> As a result, under DO1, USAID/Honduras will analyze and implement primary prevention activities such as secondary school and other community infrastructure projects in high-crime areas that will enhance access and have the greatest impact on reducing violence and criminal activity. These efforts will be replicated by the Ministry of Education in other communities vulnerable to crime and violence, financed both with national funds and contributions from other donors.

USAID/Honduras will also consider individual risk factors that are vital for secondary prevention efforts. For at least the last two decades, Honduras has experienced high levels of outmigration in search of employment, leaving dysfunctional family structures where young children and youth often do not have sufficient parental supervision, rendering these children susceptible to the guidance and structure offered by gangs. Longitudinal studies of youth involvement in gangs demonstrate that individual risk factors are a significant determinant of youth involvement in the gang lifestyle. Combining primary prevention with a shift in secondary prevention from high-risk areas to high-risk individuals holds promise for greater impact.<sup>22</sup> Under DO1, USAID/Honduras will invest in evidence-based secondary prevention activities focused on children and youth who are at risk of becoming offenders or victims. USAID/Honduras will work to ensure the long-term sustainability of these targeted services by assisting the GOH to assume responsibility for these services.

IR 1.1 Key Indicators <sup>23</sup>
1) Marginalization Index; and
2) Percent of at-risk youth who express an ability to deflect a life of crime.

### **Sub-Intermediate Result 1.1.1: Community Structures that Mitigate against Crime Improved**

#### **DEVELOPMENT HYPOTHESIS**

In high-risk communities, if physical infrastructure improvements and community social networks are planned and implemented through participatory means, then opportunities for committing crimes will be reduced.<sup>24</sup>

<sup>21</sup>Honduran Ministry of Education website.

<sup>22</sup> Klein, Malcolm. "Memorandum: YSET Update and Recommendations/Next Steps ." *USC* March 8, 2013. 2. Print.

<sup>23</sup> All indicators throughout this document will be sex-disaggregated where possible.

Although insecurity can be correlated, among other factors, to marginalization (in terms of access to basic and social infrastructure, including schools), it can also be attributed to the fact that weak community infrastructure conditions are conducive to criminal activity, e.g., unlit streets, overgrown shrubbery, and lack of visibility in public spaces. Research has shown that proper design and effective use of the infrastructure environment can lead to a reduction in both the opportunity for crime and the fear of crime.<sup>25</sup> Communities, neighborhoods, streets, parks, individual homes, and other buildings can all be made safer through the application of design principles that make it more difficult to carry out illicit activities.

At the community-level, USAID will empower municipalities with tools and resources to create safer spaces, including community gardens, parks, recreational spaces, safe public transportation stops, improved street lighting, paved crosswalks, schools, and outreach and rehabilitation spaces that function as service delivery points. New or improved infrastructure creates safer environments for economic life to prosper, builds community and individual resilience, increases citizen security perceptions and reduces crime and violence. USAID/Honduras will make a special effort to include vulnerable populations who are normally excluded from community participation processes in defining infrastructure priorities to ensure that the demands of these groups are heard. USAID will also establish sustainability plans, including strong local partnerships, to ensure infrastructure maintenance.

**ILLUSTRATIVE ACTIVITIES**

- 1) Improve community infrastructure based on security-enhanced designs;
- 2) Increase community involvement in decision-making, implementation, operation, and maintenance of infrastructure projects; and
- 3) Repair and expand existing schools, especially secondary schools.

Sub-IR 1.1.1 Key Indicators
1) Area with improved, safe infrastructure; and
2) Secondary school (grades 7-9) access rate.

**Sub-Intermediate Result 1.1.2: Quality Services that Protect against Violence Increased**

**DEVELOPMENT HYPOTHESIS**

If individual and family/relational risk factors for criminal behavior are reduced with targeted interventions and youth development at the community level is increased, fewer individuals will commit violent acts and citizen security will increase.

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<sup>24</sup>Painter, Kate, and David P. Farrington. "The Crime-Reducing Effect of Improved Street Lighting: The Dudley Project." *Situational Crime Prevention: Successful Case Studies*. Second. Ed. R.V. Clarke. Gilderland: Harrow and Heston, 1997. 209–26. Web.2014.

<sup>25</sup>"Crime Prevention through Environmental Design." *Royal Canadian Mounted Police*, n.d. Web. 2014.

Factors such as negative peer influence, guilt neutralization, traumatic life events, drug and alcohol abuse, early sexual behavior, anti-social behavior/beliefs, generational gang influence, low self-esteem, violence within the household, and lack of parental supervision are key determinants of criminal behavior. Violence prevention methodologies must take into consideration these factors and the prevailing social inequalities and inequities often found in marginalized, high-crime communities. In order for interventions to succeed, the lack of education, health care, and other basic social services must be addressed, since increasing access to these services has positive effects on community resilience. Sub-IR 1.1.2 activities will focus on increasing access to comprehensive, high quality social services as social prevention interventions for at-risk populations, especially youth ages 8-15. Because risk factors can vary greatly among different populations, prior to implementation of any activity, USAID/Honduras will apply effective methodologies to determine the highest risk factors for each target population and the best methodologies to address them.

One particularly vulnerable group consists of juvenile perpetrators of minor offenses who enter the juvenile justice system and commingle with major crime offenders. Currently, the Honduran juvenile justice system does not provide separate punishment for these types of juvenile offenders, which in turn leads to juvenile perpetrators of minor offenses being incarcerated alongside, and being negatively influenced by, perpetrators of major crimes. USAID/Honduras will provide this group with targeted risk prevention services and will also work on the implementation of juvenile justice system reforms so that juvenile perpetrators of minor crimes are not commingled with major crime offenders (please see a more detailed description in IR 1.2).

#### **Youth Employment**

The high level of youth unemployment in Honduras is both a risk factor for youth involvement in criminal activity and a reason for migration to the United States. Activities under the previous strategy resulted in 6,510 youth earning international job readiness certificates, but the Honduran economy generated few new jobs so few certificate holders actually found employment. The country finds itself in a cyclical problem where high crime inhibits job creation and the lack of jobs fosters crime. USAID will focus on violence and crime prevention, which over time could result in new investments and job creation. This strategy includes some activities in workforce development, but additional economic growth resources would allow USAID to have a larger scale workforce readiness program that would target a broader population. As an example, with additional funding, USAID will study the feasibility of focusing on preparing youth for work in the building trades such as carpentry, plumbing, electricity, masonry, and concrete work, since jobs are likely to be generated in these areas under the Alliance for Prosperity. As trainees in outreach centers and other continuing education programs have limited formal education, often only through the sixth grade, these programs will also include numeracy, reasoning, problem solving, entrepreneurship, and governance.

As mentioned above, early sexual behavior is one of the individual risk factors for criminal behavior. Honduras has one of the highest rates of teenage pregnancy in Central America, with a pregnancy rate of 24 percent for 15 – 19 year old girls.<sup>26</sup> The 2012 report *Estado de la Población Mundial 2012* shows that Honduras has 108 live births for every 1,000 women in the 15 to 19 year old age group and that 30 percent of the pregnant population in Honduras is less than 18 years old. High rates of teenage pregnancy have important implications for the health and education of girls and the development of the country in general. In addition, there is a growing recognition that adolescent pregnancy contributes to maternal mortality, to perinatal and infant mortality, and to the vicious cycle of ill-health and poverty. USAID/Honduras will address this issue as part of secondary prevention programming.

Low secondary school enrollment and attainment as well as youth unemployment and inactivity have been identified as common risk factors that correlate with youth participation in crime, gangs, and violence. In Honduras, only 40 percent of youth between the ages of 13 and 15 and 28 percent of youth between the ages of 16 and 18 attend school and approximately 800,000 youth between the ages of 14 and 30 (10 percent of the total population of Honduras) neither study nor work. Education activities will be implemented to increase protective factors, including increasing the enrollment of youth in formal schools through 9<sup>th</sup> grade, as well as broadening the scope of alternative and vocational educational opportunities, keeping in mind the realities of the economy and labor market, with a particular emphasis on workforce readiness where formal schooling is not an option. This will include expanding educational opportunities into non-traditional settings, including outreach centers, and creating stronger linkages with private sector needs both in terms of curriculum and partnerships. In addition, USAID/Honduras will strengthen the role of the school as a vector of community cohesion through broader social service provision and community engagement to further deter crime. USAID/Honduras will also invest in primary school reading programs in targeted DO1 areas, as research has demonstrated that early grade reading competency is critical for reducing dropouts and improving success in future grades. Reading programs also present an opportunity to disseminate message about citizenship and personal responsibility, community cohesion, familial relationships, etc., as well as to improve self-esteem and self-efficacy of young people.

### **ILLUSTRATIVE ACTIVITIES**

- 1) Mobilize GOH resources to provide basic social services for target populations;
- 2) Introduce formal school bridging activities and programs, including basic literacy and numeracy remediation;
- 3) Expand quality of and access to alternative education services;
- 4) Provide workforce readiness training for target populations;
- 5) Train teachers to improve early grade reading;
- 6) Implement evidence-based behavior change methodologies via financial and technical support to local nongovernmental organizations and community organizations;

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<sup>26</sup>Demographic and Health Survey (DHS)2012-2013. Web.

- 7) Apply Youth Services Eligibility Tool diagnostics;
- 8) Support programs and civil service organizations working to reduce gender-based violence;
- 9) Develop outreach and communications campaigns to create awareness and decrease gender-based violence and violence within the household; and
- 10) Carry out reproductive health and life skills interventions for youth.

<b>Sub-IR 1.1.2 Key Indicators</b>
1) Protective factors for youth, which improve their ability to avoid involvement in criminal activity, increased;
2) Risk factors for youth decreased; and
3) Percentage of coverage for basic social services in target areas increased.

## **INTERMEDIATE RESULT 1.2: PERFORMANCE OF NATIONAL AND MUNICIPAL JUSTICE AND SECURITY SYSTEMS IMPROVED**

### **DEVELOPMENT HYPOTHESIS**

If citizen engagement with the security and justice sector improves (Sub-IR 1.2.1); national and local justice and security institutions improve their capacity to prevent and punish criminal activity through evidence-based, effective, integrated, and community-friendly methodologies (Sub-IR 1.2.2); and there is an increase in community police presence (Sub-IR 1.2.3), then citizen security will increase.

If citizen engagement to hold the security and justice sector accountable is increased, then the responsiveness, integrity, and accountability of security and justice sector institutions will improve. In turn, a more responsive and effective police force, transparent rule of law, and speedy and fair conclusion of court cases will help address the perception among Honduran citizens that widespread corruption, abuse, and impunity are undermining the stability of the country and hindering collaboration between the community and the police. This increased citizen engagement in system accountability will increase citizen reports of crime and improve citizen perception of and trust in public institutions.

Activities to increase government engagement will also include work with municipalities as they can be effective in reducing crime due to their proximity to and understanding of local dynamics and their awareness of successful interventions. Therefore, coordination and information sharing between the municipalities and other security and justice sector actors is critical. The number of municipal police is small in relation to the number of national police, and they are limited by law to issues such as traffic control and public disturbances. However, municipal governments provide other security-related services such as designing and implementing municipal security plans, passing and enforcing ordinances, and investing in safety infrastructure.

USAID/Honduras intends to continue joint efforts with municipal governments that improve the quality and effectiveness of security-related services. Honduran municipalities also have Women's Offices, which oversee the integration of women's needs and demands into the municipal system. USAID/Honduras plans to coordinate with, advocate for, and enhance the implementation of existing Women's Offices to ensure that issues such as domestic violence, programs to counter trafficking in persons, and the need to develop gender-based violence prevention mechanisms at the household, community, municipal and national levels are considered by municipalities as they implement their regular and crime prevention plans.

In line with the Honduran Transparency Plan, USAID/Honduras will also assist the GOH to win the confidence of its citizens by improving transparency, effectiveness, and accountability at both the national and municipal levels through civil society involvement in public accountability and institutional strengthening in targeted communities, sectors, and ministries.

Apart from active citizen engagement, it is well understood that to have citizen security in any country or area, the other key actors of the security and justice sector must improve their performance. These actors include the public prosecutors in the Public Ministry and judges in the judicial system. The GOH and other donors, including the EU, the World Bank, and the InterAmerican Development Bank, are implementing large strategic efforts to improve these systems. This includes harmonizing the 136 different laws that regulate the sector, improving coordination, and increasing the percentage of the national budget assigned to the sector.<sup>27</sup> Given the significant investment of the GOH and other donors in this sector and the lack of progress in improving the judicial system due to corruption and a lack of political will, USAID/Honduras will be strategic regarding any possible participation in these sectors.

Finally, an additional successful approach to improving citizen security is through community policing.<sup>28</sup> Effective community policing increases trust and knowledge between the community and the police. "One of the keys in the fight against crime is information given to the police by the public (victims and witnesses) to identify suspects. Some studies have found that working alone, the police detect only between 5 and 10 percent of crimes committed."<sup>29</sup>

Japan and the IDB are implementing small pilot programs in community policing. The GOH has committed to increasing resources to implement community police models. In addition, INL and the USAID Office of Transition Initiatives (OTI) are piloting community policing and other law enforcement strengthening programs.

Given these efforts from other donors and USG agencies and the current high levels of corruption in the police forces, USAID/Honduras will proceed strategically, continually assessing

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<sup>27</sup> Cesar Caceres, Ministry of Security representative. GER-GOH Meeting. 6 June 2013.

<sup>28</sup> "Loan Proposal: Integration and Urban Coexistence Program." *The Future of Policing*. IDB.Oxford: Clarendon Press, 1997. p. 3. PDF.

<sup>29</sup> Ibid. 10.

the commitment from the GOH to improving the quality and reliability of the police force before committing to any interventions to support community policing. Over the last year, the GOH has shown commitment to reforming the police with the limited resources it has at hand.

USAID/Honduras recognizes that significantly impacting the performance of all relevant actors of the national security sector requires enormous levels of resources that can only be obtained by pooling GOH and donor funds. Thus, USAID/Honduras’ strategy for this sector is to: 1) collaborate and coordinate with GOH, other USG agency, and donor efforts; 2) identify, test, replicate, and/or scale-up targeted, innovative approaches to improve the investigation, prosecution and adjudication of crime at the national level; 3) identify, test, replicate, and/or scale-up targeted and innovative community policing approaches; and 4) actively participate in a learning agenda for the sector to collect and disseminate violence-related data for decision-making and information on best practices.

IR 1.2 Key Indicators
1) Percentage of cases with final judicial ruling;
2) Percentage of municipal and security budgets dedicated to targeted institutions;
3) Percentage increase in access to justice and security sector operators in targeted areas; and
4) Percentage increase in citizen satisfaction with select institutions in target areas.

**Sub-Intermediate Result 1.2.1: Citizen Engagement with the Security and Justice Sectors Improved**

**DEVELOPMENT HYPOTHESIS**

If civil society increases engagement with and demands transparency and accountability from the security and justice sectors institutions, then these institutions will be more effective in ensuring citizen security.

To achieve this Sub-IR, USAID/Honduras will promote strong civil society engagement in national and municipal citizen security strategies to increase transparency and accountability and demand improvements in the performance of the security and justice sector. Honduran civil society has a long way to go in effectively demanding that the GOH fulfill its basic duty to protect citizens’ property and lives. As citizen understanding and demands solidify and intensify, security and justice sector decisions will include the inputs of citizens and should reflect equitable treatment, transparency, and accountability.

Activities under this Sub-IR will focus on supporting civil society organizations (CSOs) and other groups to participate in political decision-making processes and to effectively negotiate with representatives of the national and local security institutions. This will include support for municipal citizen security councils to design and monitor municipal citizen security plans with representation from the police, judiciary, local representatives of line ministries working on

crime and violence and human rights, CSOs and community leaders. This Sub-IR will also include support to CSOs to help increase their capacity to demand transparency in the budgeting and use of public funds for relevant GOH institutions. USAID/Honduras will also support advocacy from civil society to implement reforms to the juvenile justice system to ensure that those who commit minor offenses are given appropriate punishment relative to the seriousness of their crimes.

Likewise, citizens in general, and particularly private sector leaders, need to understand the importance of fulfilling their civic duties, and the negative consequences of not fulfilling them. The majority of private sectors leaders in Honduras are disconnected from security and justice sector planning, budgeting, implementation, and monitoring processes. Analysis from successful security experiences in other Latin American countries shows that business sector support for security initiatives was a critical element for success. USAID/Honduras will work with key private sector decision makers in the country and motivate them to take action in collaboration with state actors towards improving citizen security, juvenile justice, and respect for human rights.

Independent and reliable crime and violence data and information is an important input to help CSOs and private sector actors effectively advocate for justice and security reform and implementation. Accurate crime and violence information helps citizens to better understand the security crisis and assists CSOs to better target their advocacy interventions<sup>30</sup>. Activities will include support for crime and violence data collection and analysis at the local level.

### **ILLUSTRATIVE ACTIVITIES**

- 1) Advocate for and facilitate Honduran private sector leaders’ participation in citizen security decision-making;
- 2) Support CSO efforts to improve the accountability of GOH security and justice institutions;
- 3) Increase citizen understanding of security and justice sector procedures and services;
- 4) Increase transparency in the budgeting and use of public financial resources; and
- 5) Implement juvenile justice reforms.

<b>Sub-IR 1.2.1 Key Indicators</b>
1) Number of civil society social audits for court cases;
2) Percentage of citizen security measures implemented resulting from joint initiatives; and
3) Security sector budget transparency index.

### **Sub-Intermediate Result 1.2.2: Efficiency of Security and Justice Systems Improved**

#### **DEVELOPMENT HYPOTHESIS**

<sup>30</sup>UNAH and National Police Violence Observatory. 24 (March 2012). Web. 2014.

If the ability of the Honduran security and justice sector to investigate crime and charge and prosecute suspected violators of the law is improved, then criminals will find a less conducive environment for criminal activity, impunity levels will drop, and citizen security will improve.

Administering justice is a shared responsibility of all the actors in the Honduran security and justice sector, including the Ministry of Security, National Police, the Public Ministry, and the court system. The combined efforts of these institutions have been exceptionally weak and as a result impunity in Honduras is rampant. According to the Honduran Public Ministry, only about two percent of crimes go to trial.<sup>31</sup> As a result, one of the main contributing factors to crime and human rights violations in Honduras is impunity.

Some of the factors that contribute to the ineffectiveness of the security and justice sector are: (i) weaknesses in the Ministry of Security, the lead agency in security responsible for defining policies and overseeing compliance, and in the National Police Force, the enforcement arm; (ii) municipal authorities lack the backing of a national policy that provides strategic guidance and institutional capacity for executing prevention programs; and (iii) criminal investigation lacks a systematic approach to incorporate the different responsible parties (National Police Force, Public Prosecutor, and the judiciary) as well as personnel and specialized tools (e.g., lack of sophisticated information technology infrastructure to support a robust criminal justice system<sup>32</sup>; low numbers of police officers per capita relative to the region<sup>33</sup>).<sup>34</sup>

Yet another major contributing factor is that weak state institutions provide the opportunity for transnational criminal organizations to co-opt security bodies, law enforcement officials, judicial officials, and politicians. Cooptation, corruption, and intimidation by transnational criminals, many controlled by the Mexican drug trafficking organizations establishing expanding beachheads in the region, have left debilitated governments facing a crisis of authority, legitimacy, and democratic governance while simultaneously undermining the fragile licit economy.<sup>35</sup> The narco-resources available to corrupt state institutions are vast relative to the modest level of state resources assigned to these institutions, thus complicating the implementation of purely technical solutions.

Activities under the Sub-IR will build and enhance the capacity of the aforementioned actors to collect and examine evidence, prosecute common and organized crime, and administer justice impartially to improve the overall performance of the security and justice systems in addressing the elevated levels of crime and violence that plague the country. Since stereotypes, stigmas and discrimination continue to prevail in the system,<sup>36</sup> special consideration will be given to

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<sup>31</sup>"2011 Informe Anual de Labores." Ministerio Publico de Honduras. nd. 208-210. PDF.

<sup>32</sup> Wasserman, Robert. "Honduras Criminal Justice Information Systems." IDB. n.d.

<sup>33</sup> "Política Integral de Convivencia y Seguridad: 2011-2016." Government of Honduras. 26. PDF.

<sup>34</sup>"Program Of Support For The Implementation Of The Comprehensive Civic Coexistence And Public Safety Policy." IDB. n.d. 3.

<sup>35</sup>Farah, Douglas."Central America's Northern Triangle: A Time of Turmoil and Transition." n.d. 6.

<sup>36</sup>Paredes, Maritza. "Como se Tejen los Hilos de la Impunidad: Femicidios en Honduras." *Campaña Nacional Contra los Femicidios*. OXFAM, ONU-MUJERES (2011). 27. Print.

encouraging justice system actors to give equal importance to crimes committed against women and the LGBT community.

**ILLUSTRATIVE ACTIVITIES**

- 1) Test and scale up of innovative and replicable models to improve adjudication of crime within the current system;
- 2) Improve coordination and information sharing among security and justice sector institutions;
- 3) Improve coordination among donors, GOH security and justice sector officials, and private sector and civil society national leaders;
- 4) Increase the availability of timely, reliable, and independent security data;
- 5) Share best practices and lessons learned; and
- 6) Facilitate the implementation of reforms to the national and municipal security and justice systems.

Sub-IR 1.2.2 Key Indicators
1) Number of select criminal cases investigated/reported;
2) Percentage of human and financial resources devoted to select crimes increased;
3) Capacity index of management systems for the security and justice sectors; and
4) Number of cases admitted, cases dismissed, and cases ruled on.

**Sub-Intermediate Result 1.2.3: Effective Community Police Presence Increased**

**DEVELOPMENT HYPOTHESIS**

If the GOH expands and improves the performance of national and local police forces by using a community policing model based on shared responsibilities, then relationships between communities and the police will improve and citizen security will be enhanced.

Honduran citizens possess a deep distrust of the police, with only 2.3 percent of the population responding that they believe the work of the police to be “very good.”<sup>37</sup> Evidence shows that limited relations between the police and the community are due to (i) poor treatment of citizens by the police; (ii) lack of training for police to appropriately engage with the population and obtain its cooperation; and (iii) the perception of police corruption and involvement in crime.<sup>38</sup> Current Honduran policing methodologies are not focused on improving community-police relationships. The effects of this distrust are devastating on citizen security as police forces are more effective in preventing, deterring, and stopping criminal activity if they can count on the community’s willingness to inform them of criminal activities. Furthermore, the current Honduran police force is plagued with a variety of other problems affecting its ability to

<sup>37</sup>“Política Integral de Convivencia y Seguridad: 2011-2016.” Government of Honduras. 11. PDF.

<sup>38</sup>“Program Of Support For The Implementation Of The Comprehensive Civic Coexistence And Public Safety Policy.” IDB. n.d. 11.

effectively enforce laws and investigate crimes. Among these are (1) a low police to population ratio of 159 per 100,000 inhabitants<sup>39</sup>, half the regional average; (2) inadequate training and preparation of recruits; (3) insecure police infrastructure (e.g., police stations); (4) gravely insufficient resources; and (5) high levels of police corruption and impunity.

Since high levels of crime are concentrated in specific municipalities or “hot spots”, activities under this Sub-IR will mainly work to address insecurity in targeted communities where police and communities, working together, are best equipped to develop a customized response. Most activities in this Sub-IR will be carried out by the GOH, other donors, and other USG agencies (e.g., INL) that have large investments to address the problems related to this Sub-IR. If the appropriate conditions exist for effective sustainable interventions, USAID/Honduras may invest in a learning agenda to gather information and evidence on sector best practices for decision-making, as well as identifying, testing, replicating, and/or scaling up targeted, innovative approaches to improve community-police cooperation. USAID/Honduras activities will attempt to address differences in the degree of trust towards the judicial system and the police among men, women, and members of the LGBT community.

**ILLUSTRATIVE ACTIVITIES**

- 1) Promote activities that foster trust between the community and police;
- 2) Provide technical assistance in budgeting for community policing;
- 3) Design community policing policies;
- 4) Assist municipalities in developing, implementing, and monitoring security plans; and
- 5) Help municipalities improve security-related municipal services management.

<b>Sub-IR 1.2.3 Key Indicators</b>
1) Index of citizen’s perception of their own safety;
2) Number of police trained in and implementing community policing principles;
3) Proportion of women exercising their capacity to lead or actively participate in efforts to improve community security.

<sup>39</sup>Farah, Douglas. “Central America’s Northern Triangle: A Time of Turmoil and Transition.” n.d. 14.

## DO2: Extreme poverty sustainably reduced for vulnerable populations in Western Honduras

<b>IR 2.1: Resilience of livelihoods increased</b>	Sub-IR 2.1.1: Natural resource management and biodiversity protection improved
	Sub-IR 2.1.2: Adaptation of poor household to climate risks increased
<b>IR 2.2: Incomes Increased</b>	Sub-IR 2.2.1: Agricultural productivity improved
	Sub-IR 2.2.2: Market demand and access increased
<b>IR 2.3: Human capital improved, with a focus on children</b>	Sub-IR 2.3.1: Basic education and nutrition service delivery improved
	Sub-IR 2.3.2: Local service management systems improved

## DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS

Honduras is a lower middle income country facing significant challenges, with two thirds of the country's population living in poverty and 40 percent in extreme poverty. In addition, Honduras exhibits the most extreme case of inequality in Latin America as measured by a Gini coefficient of 57.4. Though Honduras has experienced a moderate recovery since the 2008-2009 global economic crises, the country remains highly vulnerable to external shocks and susceptible to disasters including hurricanes and drought.

Poor social and economic conditions are especially pronounced in Western Honduras. Extreme poverty, undernutrition, climate change vulnerability, low educational levels, and other socio-economic challenges are all ubiquitous. According to the 2012 FTF baseline study<sup>40</sup>, chronic malnutrition in children under five years of age in the western departments is 40 percent. In the western departments of Lempira and Intibucá, almost half of children suffer from stunting<sup>41</sup> and 46 percent of families do not have latrines.<sup>42</sup> In many communities in Western Honduras, conditions do not promote educational success; in rural schools, 77 percent of children completing sixth grade are unable to read at grade level.<sup>43</sup> Finally, in some parts of Western Honduras, 67 percent of households lack access to electrical energy, which suppresses farm and household productivity.

Western Honduras is significantly influenced by the El Niño Southern Oscillation, which almost every other year causes weather disruptions (climate variability). The livelihoods of poor households that depend heavily on agriculture are particularly vulnerable to climate change effects such as variations in rain patterns and watershed degradation. Projections<sup>44</sup> indicate a 20 to 30 percent decrease in precipitation and a 1.5-2° C increase in temperature for western Honduras by the year 2050. These same studies predict that intense precipitation events will likely be more frequent, and periods of no precipitation longer, thereby increasing the likelihood for agricultural losses.

### **DEVELOPMENT HYPOTHESIS**

If natural resources and biodiversity are protected and enhanced, resilience of livelihoods to climatic and economic shocks is strengthened (IR 2.1), families are able to increase their incomes (IR 2.2), and human capital is improved by focusing on improving education and health for these communities (IR 2.3), then poverty in Western Honduras will be sustainably reduced.

DO2 will utilize integrated approaches to holistically contribute to poverty reduction. DO2 will build and expand on proven strategies that address the root causes of poverty by increasing incomes, supporting renewable energy and environmental conservation, and enabling local and national organizations to provide quality health and education services to families living below the poverty line, the majority of which live in extreme poverty. The target populations for this Development Objective are the poorest households and communities in Western Honduras, one of the poorest parts of the country. This population is particularly vulnerable to shocks and repeating the cycle of poverty. To the extent possible, USAID will focus on sub-groups of the extreme poor, women and youth in particular, to avoid further marginalization of these vulnerable groups and to maximize development results.

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<sup>40</sup>“Evaluation of Feed the Future Intervention ACCESO – Honduras, Preliminary Baseline Results.” International Food Policy Research Institute. PDF.2012.

<sup>41</sup>“Encuesta Nacional De Demografía y Salud ENDESA 2005-2006.” Instituto Nacional Estadística.191. PDF.

<sup>42</sup>Demographic and Health Survey (DHS) 2011-2012. Web.

<sup>43</sup> “Informe Nacional Rendimiento Académico 2012.” Government of Honduras. 22. PDF.

<sup>44</sup> “Climate Variability and Climate Change in Honduras.” UNDP.2010.

DO2 interventions will be bundled so that targeted communities and families benefit from the synergies of a multi-faceted investment program. Sustainability will be achieved by ensuring that beneficiaries not only rise out of extreme poverty but have incomes that are significantly above the poverty line, enabling families to build the skills and assets to remain out of poverty. Greater incomes will be stimulated through higher value agriculture – particularly horticulture and coffee – and potential losses from agriculture incomes will be hedged by non-farm income. Increased incomes will be sustained through greater producer capacity, stronger linkages with markets, and a more sustainable and efficient use of natural resources, particularly water. The next generation of farmers will utilize stronger health and education foundations to expand growth, reversing the cycle of poverty. While not measurable during the life of this strategy, USAID will focus on increasing the total number of years that individuals receive schooling. In particular, USAID will emphasize completion of 6<sup>th</sup> grade as it correlates to the number of years of schooling needed for an individual to become a life long reader. Where possible, USAID will work on opportunities to extend the years of schooling beyond 6<sup>th</sup> grade as well.

USAID/Honduras' current food security interventions integrating nutrition, sanitation, and income-generation investments have lifted thousands of families out of extreme poverty and decreased the percentage of underweight children under two years of age. Partnerships with and capacity building of national and local governments, civil society, and decentralized service providers have contributed to significant gains in national health and education outcomes, including a 30 percent increase in grade six reading proficiency between 2010 and 2012 and a national reduction in chronic malnutrition in children under five years of age from 30 percent to 23 percent since 2006<sup>45</sup>.

Through DO2, USAID/Honduras will build on what we know and maximize outcomes through greater technical and geographic focus and integration, pairing immediate poverty reduction activities such as farm level improvements with longer run service improvement initiatives in education, health, biodiversity, water, energy, and climate change.

Through this DO, USAID will help Honduras reduce poverty through increased incomes and resilience. Investments will also lead to better primary education quality; improved health with focus on water, sanitation, and nutrition; environmental sustainability; and global partnerships for development. Education investments will be linked to the Education For All (EFA) initiative goals, most directly to EFA Goal 6 regarding quality of education and to Goal 1 of USAID's Global Education Strategy that targets improved reading skills for primary school children.

USAID/Honduras will focus DO2 efforts in six departments (Ocotepeque, Copán, Santa Bárbara, Lempira, Intibucá, and La Paz) in the west that contain 131 municipalities (akin to U.S. counties). Activity implementation, and the mix of activities in any given community, will vary across the six departments in response to specific needs and opportunities and potential for meaningful impact. USAID's current experiences as well as findings from the International Food Policy Research Institute's (IFPRI) poverty mapping analysis indicate that investments in

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<sup>45</sup>Demographic and Health Survey (DHS)2012-2013. Web.

agriculture over other productive activities will produce the greatest reduction in extreme poverty in the six western departments. Municipalities and communities will be selected based on criteria such as the prevalence of extreme poverty, stunting, low literacy, and economic potential, as well as the strength and potential of local leadership in addressing these issues. USAID will avoid a one-size fits all approach and will tailor its activities to local needs.

USAID efforts to increase responsive governance and service provision in areas such as education, health (most specifically nutrition), water and sanitation, as well as to reduce gender equity gaps and empower women will be carried out across all six departments. Resource limitations will prevent complete coverage of all municipalities within the six departments for all of the technical sectors in which USAID works. USAID/Honduras will identify and form strategic alliances with select municipalities and communities that demonstrate the will and commitment to work in partnership with civil society and the private sector for economic development with a special emphasis on service provision. Access to financing for improved local services such as electricity and secondary and tertiary roads will be facilitated through coordinated programs with the GOH and other donors. Support within these municipalities will flow down to the local service provider level, including the schools and health clinics that serve the families and communities.

Within this geographic focus, engagement with national-level institutions will be essential to ensure that adequate policies and processes exist to enable resources to flow to the municipal level and to promote national scale-up of successful approaches. For example, in terms of education, these six departments offer the opportunity to develop, implement, and evaluate strategies that the Ministry of Education could ultimately implement throughout Honduras, independently or with the support of other donors. Likewise, initiatives that involve curriculum modifications or policy reforms (for example, teacher professional development policies) will require concurrent national engagement.

### **GENDER CONSIDERATIONS AND VULNERABLE POPULATIONS**

Understanding the different needs and constraints of men and women is critical to achieving meaningful community engagement and participation in sustained economic growth. USAID/Honduras continues to increase its knowledge of gender and ethnic differences as they relate to assistance delivery and objectives.

Poverty is more prevalent among female-headed households. Even in two-parent households, women have fewer resources, fewer employment opportunities, and suffer from greater food insecurity. IFPRI's FTF baseline for the Women's Empowerment in Agriculture Index in Western Honduras also shows significant gender gaps in decisions on access to credit, decision-making power over family resources, and control over family income.

USAID/Honduras will continue to include gender equity and female empowerment strategies that have proven effective in our target areas. For example, in our FTF zone of influence, female participation in agricultural activities is increasing, although incrementally. FTF efforts promote the adoption of efficiency gaining technologies such as improved cook stoves and

kitchen water service that free up time previously used by women to collect firewood and water, and at the same time reduce the prevalence of respiratory disease in the whole family and help to conserve forest resources and surrounding watersheds. As a result of FTF activities, men have increasingly taken leadership roles in community health and education monitoring, which has been traditionally done by women. Messages on gender equity and non-traditional gender roles disseminated through materials developed for schools, communities, and public spaces have positively reinforced the idea that increased female participation benefits the entire family.

Engagement with local and national governments, civil society, and decentralized service providers will be used to attain gains in health outcomes and reduce empowerment gaps between men and women. Gender considerations have been mainstreamed in the recently launched National Health Model and the National HIV Strategy. Through this model, the GOH has focused on strengthening strategies to reduce gender barriers in access to care, such as increasing use of community health monitors, community birth planning that involves both men and women, and the use of maternal homes to increase access to skilled birth attendants.

**CRITICAL ASSUMPTIONS**

- 1) The GOH provides sufficient leadership and budgetary resources in the agricultural, health, and education sectors for decentralized service provision.

**RISKS**

- 1) Rising levels of crime, violence, and corruption in the rural areas of the western departments could undermine project implementation and corresponding achievement of results;
- 2) The Honduran fiscal crisis could result in the GOH not being in a position to meet their social service budgetary commitments or contributions to donor programs, impairing rural infrastructure development plans; and
- 3) Possible exit of key donors or a significant reduction in international aid in the areas of agriculture, health, education, and municipal development sectors due to such factors as security, excessive corruption, “donor fatigue” or general changes in international priorities.

<b>DO 2 Key Indicators<sup>46</sup></b>
1) Number of households lifted out of extreme poverty (measured at \$ 1.25 per day);
2) Percentage of stunting for children under five in the zone of influence;
3) Proportion of females who report increased self-efficacy at the conclusion of USG supported training/programming <sup>48</sup> ;
4) Number of laws, policies, or procedures drafted, proposed or adopted to promote gender equality at the regional or local level; and

<sup>46</sup>Education related indicators outlined in IR 2.3 will also proxy indicators to measure achievement of “sustainability” aspects of the DO, but are better placed to reflect on achievement of the IR.

<sup>47</sup>All people indicators will be disaggregated by sex, age, sexual orientation/gender identity, and any other sub-demographic factors that determine marginalized and/or vulnerable groups.

<sup>48</sup>Self-efficacy is the measure of the belief in one’s own ability to complete tasks and reach goals.

## 5) Value of GOH investments in service delivery in targeted municipalities.

### **STAKEHOLDER CONSULTATIONS**

USAID/Honduras has conducted extensive stakeholder consultations on biodiversity, climate change, poverty, nutrition, and public service provision. Stakeholders included NGO co-managers of biodiversity-rich protected areas, mayors in Western Honduras, private sector actors such as main supermarket chains and brokers, farmers, women's groups, community volunteers, GOH officials representing each of these sectors, and all donors investing in these areas. The consultations focused on deepening the understanding of innovative ways to solve the entrenched development challenges. Consultation methods also varied. For example, USAID participated in a three-day education sector review meeting, with participants from government, donors, and civil society that included opportunities to gather insight and discuss future direction. In the case of agriculture and health, a comprehensive stakeholder consultation process took place in advance of this CDCS. Stakeholders interviewed included: GOH officials, communities in Western Honduras, local governments, NGOs, private sector and other donors. Several field trips with stakeholders to the zone of influence, interviews and focus groups were conducted to better understand opportunities and challenges as well as to corroborate our general strategy, including the need to focus on high value crops production versus basic grains to move smallholders out of poverty. Special surveys were carried out for farmers and brokers in order to further comprehend rural market systems. Particular emphasis was placed on gathering information from women producers, given their important role in food security, as well as municipal level food security *mesas* (tables), which are a cross-section of community leaders, producers, and health workers. The consultation process included interagency consultations in order to better determine the role of each USG agency, as well as that of other donors and multilateral institutions.

### **OTHER DONORS**

USAID/Honduras recognizes that our efforts need to support priorities of the GOH in ways that complement and leverage the efforts of the GOH and other donors. Within the targeted geographic focus of DO2, we will coordinate with current and planned programs of the GOH and other donors while also developing strategies and demonstrating impact that can be spread throughout the country through strategic partnerships and collaboration. Several other donors are currently working in western Honduras, allowing USAID to maximize investments through work with others. USAID will work closely with these other donors to avoid duplication of efforts and closely define division of labor.

The principal donors working in agriculture, poverty reduction, gender equity, primary education, and related areas are the World Bank, Canadian Department of Foreign Affairs (CDFA), United Nations System, EU, German Cooperation (GIZ/KFW), AECID, and the Swiss Cooperation Agency. Several donors – including the World Bank, the EU and CDFA – are presently developing long-term strategic plans and we are coordinating closely with them to assure maximum complementarity. Alignment with the United States Department of Agriculture Food for Education and Food for Progress activities will also be important for coordination.

A recent example of GOH and donor alignment includes USAID/Honduras's leadership in forming the Alliance for the Dry Corridor of Honduras. The dry corridor is a region in south-west Honduras characterized by high poverty and limited access to water and roads. This alliance aims to move 50,000 families out of extreme poverty in the dry corridor, reduce stunting of children under five years of age by 20 percent over the baseline in target communities, and provide sustained farm access to markets through building, repairing, and maintaining at least 280 kilometers of secondary and tertiary roads in target communities. The Central American Bank for Economic Integration (CABEI), CDFA, European Commission, and World Bank are partners of USAID in this Alliance.

AECID is financing projects advancing women's empowerment as well as prevention of domestic and gender-based violence in the zone of influence area. Their programs focus on providing half-way houses for women and children who are victims of domestic or gender-based violence, as well as on the creation of micro-enterprises that lead to economic independence for the victims.

USAID/Honduras is a strong partner in the education donor group that is working to contribute to Honduras' EFA plan, both through common funding and project-level activities. KfW German Banking Group and CABEI currently have programs to enhance educational infrastructure in Western Honduras, including in the poorest communities of Santa Barbara, Ocotepeque, Lempira, and La Paz; these activities will naturally complement municipal strengthening and school-level quality initiatives. The GIZ's basic education programming in the region includes an emphasis on improving school-based security.

## **INTERMEDIATE RESULT 2.1: RESILIENCE OF LIVELIHOODS INCREASED**

### **DEVELOPMENT HYPOTHESIS**

If Honduras' management of ecosystems in Western Honduras is sustainably improved (Sub-IR 2.1.1) and climate change adaptation actions are implemented (Sub-IR 2.1.2), then the poorest households who depend on the natural resources provided by ecosystems in Western Honduras will have more resilient livelihoods.

Given the high level of extreme poverty in Western Honduras and high livelihood dependence on natural resources, poverty reduction and sustainable growth can only be achieved when households, communities, and local governments sustainably use their natural resources and become more resilient and more adaptive to changes in economic and climate conditions. The inverse is also true; without viable economic options, effective conservation is unlikely. This IR will assist the poor to increase economic benefits from sustainable natural resource management and conservation, and make these benefits more resilient to climatic and economic shocks. USAID will also build the capacity of local organizations – communities, municipalities, local organizations, and producer organizations – for more effective resource management and proactive adaptation to climate change.

This IR seeks to reduce vulnerabilities by giving communities and households the capacity to adapt to actual and expected changes in climate conditions. Western Honduras is very vulnerable to climate variability. It is affected by extreme weather events such as severe flooding, landslides, and droughts, as well as by slow, long-term changes in temperature and rainfall patterns. These changes put additional pressure on remaining watersheds and ecosystems as the poor look for new productive land. The multi-model Intergovernmental Panel on Climate Change Assessment Report of southern Honduras, which in part shares the same topography as the DO2 geographic area of focus, shows a 2°C warming and a 10-20 percent decrease in rainfall by 2050.

IR 2.1 Key Indicators <sup>49</sup>
1) Number of households with income from three or more sources;
2) Number of households with increased income from market-based conservation;
3) Number of hectares of biological significance and/or natural resources under improved natural resource management practices; and
4) Number of households with improved renewable or clean energy due to USG assistance.

### **Sub-Intermediate Result 2.1.1: Natural Resource Management and Biodiversity Protection Improved**

#### **DEVELOPMENT HYPOTHESIS**

If the management of biologically significant ecosystems in Western Honduras is improved, then the livelihoods of the poor will be more resilient to climatic change.

Based on the “Biodiversity Threats Assessment for Western Honduras”, USAID has identified biologically significant ecosystems that are important both for biodiversity conservation and for the preservation of poor households’ livelihoods, which are highly dependent on these ecosystems. In the West, deforestation has been identified as the principal threat related to biodiversity, as well as a very significant threat to the economic well-being of the population. “In western Honduras, a significant increase in coffee farming is reported at higher altitudes, causing land use changes in forested areas, greatly threatening cloud forest and high altitude coniferous forests especially around and within protected areas boundaries. According to interviewees, this is a consequence of rising temperatures in lower areas that previously had ideal weather conditions for this productive activity.”<sup>50</sup> The Honduran ecosystems richest in endemic species are dry forests (shrub land and deciduous forests) and cloud forests. The western region has both types of ecosystems and therefore the number of endemic species in the region is high for both amphibians and plants. The remnants of dry forests and their associated species are found outside protected areas and lack protection or sustainable use

<sup>49</sup>Where possible, people indicators will be disaggregated by sex, age, sexual orientation/gender identity, and any other sub-demographic factors that determine marginalized and/or vulnerable groups.

<sup>50</sup> “Biodiversity Threats Assessments for Western Honduras.” USFS. 14.PDF.

initiatives.<sup>51</sup> As a result, dry forest remnants are considered the most threatened ecosystems in the country because there are very few fragments left.<sup>52</sup> It is important to concentrate protection efforts on the few remnants still remaining in this region.

The cloud forests in high altitude protected areas, located in the western region of Honduras, are important for:

1. Their role as protection zones of recharge areas of main sources of drinking water;
2. The maintenance of ecosystem services (irrigation water) on which regional development of agriculture at low and medium altitudes largely depends;
3. The protection of vulnerable soils on steep slopes located in high rainfall sites with geologic faults;
4. Being home to a large number of special concern species in Honduras (endangered, endemic, threatened, etc.); and
5. Maintenance of environmental services associated with coffee production, one of the main export activities in Honduras.

Dry forest ecosystems located in the West are important because they are:

1. One of the most resilient ecosystems to extreme environmental occurrences;
2. An important source of energy resources (wood for domestic consumption);
3. Home to a large number of endemic species whose global survival depends on the protection of these areas; and
4. The most threatened ecosystems type in Honduras.

As a result, USAID/Honduras will promote conservation of these biologically significant ecosystems. The poor populations living in the western highlands depend on these natural resources for income through the exploitation of plants, animals, fuel wood, and water, or the clearing of land for coffee farms and annual crop production, but such uses often degrade biodiversity and water flows to downstream users. Maintaining or increasing long-run income flows for these populations depends on the long-term sustainable use of natural resources, including biodiversity.

Sub IR 2.1.1 will strengthen local capacities for natural resources management and conservation. This includes activities to: 1) improve ecosystem health; 2) maintain and increase biodiversity; 3) establish and strengthen small businesses related to sustainable natural resource management; 4) establish market-based conservation incentives such as payment for environmental services; and 5) implement renewable energy solutions for higher productivity and reduced pressure on ecosystem services. Awareness of the differences in knowledge, management and natural resource needs of men and women within a community will ensure that women and children are not disproportionately disadvantaged by conservation efforts.

## **ILLUSTRATIVE ACTIVITIES**

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<sup>51</sup>Ibid. 22.

<sup>52</sup>House and C. Midence. PR.2007

- 1) Develop programs to sustainably increase the profitability of agroforestry, organic production, value chains and certification of coffee cultivation, with careful expansion of the production area;
- 2) Develop forest protection and restoration programs that take advantage of the high capacity of forest for natural regeneration, in areas that have already been harvested or degraded;
- 3) Promote sustainable water management at the municipal and community levels;
- 4) Improve protection and management of areas capable of sustaining and enhancing biodiversity and sustainably supplying ecological services (i.e., water and renewable energy) important to increasing rural incomes; and
- 5) Strengthen value chains that facilitates biodiversity conservation (agroforestry promotion, coffee planting with shade trees, and small-scale tourism linked to protected areas), yielding higher incomes for households and micro, small, and medium enterprises (MSMEs).

<b>Sub-IR 2.1.1 Key Indicators<sup>53</sup></b>
1) Number of payment mechanisms for environmental services being implemented as a result of USG assistance;
2) New net sales of participating rural micro, small, and medium sized enterprises;
3) Number of hectares in critical habitats reforested with trees of native species; and
4) Area protected for natural regeneration.

### **Sub-Intermediate Result 2.1.2: Adaptation of Poor Households to Climate Risks Increased**

#### **DEVELOPMENT HYPOTHESIS**

If communities and households highly dependent on ecological services build their capacity to adapt to actual and expected changes in climate conditions, then there will be fewer disruptions of income streams.

The natural features of the watersheds of Honduras make them very hydrologically vulnerable, and climate change will only add more uncertainty and exacerbate the problems in these already vulnerable watersheds. The ratio of permanent to non-permanent land cover in a watershed is an indicator of its eco-hydrological vulnerability. Permanent vegetation, especially forests, is more effective in allowing water infiltration than non-forested catchments. They are also more effective in regulating stream flow quantity and quality over time. In forested watersheds, only a fraction of the total stream flow comes from direct runoff; most comes from infiltrated groundwater. Most watersheds in Western Honduras have low permanent to non-permanent land cover ratios. There is no doubt that eco-hydrological processes in these watersheds have already been seriously altered, especially the ratio of base flow to direct runoff.<sup>54</sup> Communities in areas with low permanent to non-permanent land-cover ratios and

<sup>53</sup> Wherever possible, people indicators will be disaggregated by sex, age, sexual orientation/gender identity, and any other sub-demographic factors that determine marginalized and/or vulnerable groups.

<sup>54</sup>“Vulnerability and Resilience to Climate Change in Southern Honduras.” 9.

little diversity of economic activities are therefore more vulnerable to both climate change and other stresses than communities with more diverse livelihoods and more natural vegetation. So-called “non-climate stressors” – threats other than climate change, such as loss of natural forests and biodiversity – are already reducing socio-ecological resilience and increasing vulnerability. Studies comparing optimal temperature and precipitation for maize, beans, and coffee throughout Honduras suggest that a warming and drying climate will become increasingly problematic for agricultural production unless offset by research to adapt seeds and techniques to the new reality.<sup>55</sup>

Considering the high degradation of forest cover in the west and high vulnerability to year-to-year rainfall and temperature variations caused by global climate change, USAID will invest in strategies that increase adaptation of the poor to climate change risks. Water harvesting and water management improvements will be key. Adaptive actions will require water users to internalize the costs of water and pay for watershed management improvements upstream (e.g., forest conservation and regeneration). This forest conservation will also reduce the vulnerability to landslides caused by a combination of excessive rainfall and deforested, steep hillsides. USAID will also assist vulnerable populations to sustainably harvest, transport, and use water more efficiently. Greater water access and use will enable more reliable, diverse and profitable agriculture activities. USAID will promote the use of drip irrigation, a key technology needed for effective farming of higher value crops and more efficient water use.

Complementing access to irrigation (which requires a fixed investment) USAID will stimulate a market for crop insurance that will enable producers to take risks and make the investments needed to transition from low yield corn and bean subsistence farming to horticulture combined with high yield staple crops. This will require partnerships with crop insurance providers as well as increasing access to better climate information for the development of a viable crop insurance market.

To reduce the vulnerability of poor families and to create more resilient incomes that are not tied so closely to weather, off-farm income generation must be encouraged. USAID will provide technical assistance to help households diversify incomes through off-farm employment and small business ventures. These off-farm economic opportunities include carpentry, pottery, the processing of agriculture produce, and production of baked goods, tortillas, etc. Income gaps between men and women will be narrowed through off-farm incomes, as microenterprise activities are more available rural women than to rural men.

### **ILLUSTRATIVE ACTIVITIES**

- 1) Improve access to climate change and ecosystem monitoring data for use in adaptation and mitigation strategies;
- 2) Installation of new climatologic stations which form part of the national weather service network, with linkages to risk insurance policies;
- 3) Facilitate a market for crop insurance products that are within the reach of poor farmers;

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<sup>55</sup> Ibid. 32.

- 4) Improve protection and management of water catchments, water distribution systems, and installation of farm-level irrigation systems;
- 5) Promote micro and small hydro projects in extremely poor off-grid communities;
- 6) Diversify household incomes for the poor through off-farm and microenterprise activities;
- 7) Adapt infrastructure maintenance works needed to avert or minimize flooding of roads and the weakening of bridge foundations;
- 8) Use innovative engineering tools to produce risk maps of vulnerable infrastructure and a cost effective plan for infrastructure strengthening;
- 9) Involve affected communities in maintenance and preservation activities to minimize the risks and related damages from more intense and longer duration of storms; and
- 10) Protect and recuperate forest cover.

Sub-IR 2.1.2 Key Indicators <sup>56</sup>
1) Number of municipalities and communities with increased resilience and capacity to prepare for and respond to climate change impacts;
2) Number of people with a crop insurance policy as a result of USG assistance;
3) Number of households and beneficiaries with improved access to water for irrigation; and
4) Value of income from off-farm sources.

## INTERMEDIATE RESULT 2.2: INCOMES INCREASED

### DEVELOPMENT HYPOTHESIS

If agricultural productivity is improved (Sub-IR 2.2.1) and market demand and access are increased (Sub-IR 2.2.2), then individuals and families will have greater incomes, reducing poverty levels of the poorest populations in the western Highlands.

Food security is among the highest priorities for the GOH. The World Food Program estimates that 60 percent of Hondurans are food insecure. Contributing factors include severe and widespread poverty, limited access to clean water, a nutrient-deficient diet (largely corn and beans), and poor sanitation. According to the FTF baseline<sup>57</sup> survey conducted in 2012, 40 percent of the population in the FTF Zone of Influence lives on less than US\$ 1.25 per person per day. According to this baseline, the average income for FTF beneficiaries is US\$ 0.81 per person per day.

Another key factor is climatic conditions, which frequently create additional barriers that complicate food security. A 2012 climate change study<sup>58</sup> states that by year 2020, the

<sup>56</sup> All people indicators will be disaggregated by sex, age, sexual orientation/gender identity, and any other sub-demographic factors that determine marginalized and/or vulnerable groups.

<sup>57</sup>“Evaluation of Feed the Future Intervention ACCESO – Honduras, Preliminary Baseline Results.” International Food Policy Research Institute.PDF. 2013.

<sup>58</sup>“Tortillas on the roaster, Central American Maize-Bean systems and the changing climate.”Catholic Relief Services. 2012. PDF.

combination of changes in precipitation and temperature is projected to lead to a decrease in yields of 30 percent for corn and 15 percent for beans if there is no improvement in farming techniques. Accordingly, seed research and seed trials will be an important element of adaptation.

Women are over-represented among the rural poor. Statistics from the Honduran National Statistics Institute state that 64 percent of female-headed households are poor compared to 58.8 percent of male-headed households. The baseline survey in western Honduras shows that 17.6 percent of total households living in extreme poverty are headed by single females, 9.2 percent of those households are headed by single males and 73.2 percent are households with adults of both sexes. Unemployment and underemployment are also two-thirds higher for women than for men.<sup>59</sup>

The DO2 objective is to increase incomes for poor families to bring them out of extreme poverty, with a special emphasis on targeting single female-headed households and increasing female empowerment. USAID/Honduras will invest in progressive strategies to generate income from multiple sources while introducing basic technologies to increase yields. USAID will also continue to partner with the private sectors to promote innovation, disseminate best practices, and ensure sustainability of work in the agriculture sector.

#### IR 2.2 Key Indicators

1) Value of new net income of client (participant) households, especially female-headed households.

### Sub-Intermediate Result 2.2.1: Agricultural Productivity Improved

#### DEVELOPMENT HYPOTHESIS

If USAID invests in promoting good agriculture, and poor farmers are willing to adopt higher value crops and invest in productivity enhancing agricultural inputs such as improved seeds, irrigation, and fertilizer, then the incomes of poor households will be increased.

As households improve their production practices, increase their yields, and lower their unit production costs, they will increase household income and family welfare. First, farmers will be encouraged to adopt new technologies which will increase the yields per unit of land of their traditional crops, producing more of the staple food needed to feed their family. As yields grow, farmers will begin to diversify into higher value crops and increase their yearly production and sales. Technical assistance will be provided to ensure that best agricultural practices as well as climate adaptation measures are being implemented. This will have the combined effect of increasing the total volume produced per household and reducing the cost per unit produced, thus increasing sales, profit margins and household incomes.

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<sup>59</sup>Instituto Nacional de Estadística. Web.

Successful farm households will invest to both increase their production and improve their household living conditions. As farmers adopt new technologies that increase resilience, they will improve their production efficiency, reduce their production risk, and will be ready to access – and repay – credit. Farmers will increase their production by reinvesting part of the earnings from their crops and by accessing credit to increase productive capital.

Programs will take into consideration the fact that gender roles, responsibilities and inequalities affect the ability to achieve broad-based food security and poverty reduction. According to the Food and Agriculture Organization (FAO), if women had equal access to, and control over, productive resources, agricultural production yields would increase by 20-30 percent.<sup>60</sup> Additionally, it is estimated that when women and girls earn income, they reinvest 90 percent of it into their families, compared to only 30 to 40 percent for men.<sup>61</sup> Therefore, increasing women’s incomes or enabling women to have greater influence over economic decisions would typically mean more income devoted to food, health, education and nutrition for the family.

### **ILLUSTRATIVE ACTIVITIES**

- 1) Provide training in good agricultural practices and crop-specific technical assistance based on market quality requirements;
- 2) Transfer higher yielding technologies so as to improve productivity and introduce high-value horticultural crops;
- 3) Enable access to water management technologies that increase production and resilience;
- 4) Promote adequate post-harvest management and crop storage; and
- 5) Support the use of improved solar dryers and other energy efficient technologies that bring greater value to the farm.

<b>Sub-IR 2.2.1 Indicators</b>
1) Gross profit margin per unit of land;
2) Number of farmers and others who have applied new technologies or management practices;
3) Value of investment from retained earnings and financial services;
4) Number of women participation in agricultural activities;
5) Net household assets; and
6) Number of beneficiaries using improved technologies for processing agricultural products.

### **Sub-Intermediate Result 2.2.2: Market Demand and Access Increased**

#### **DEVELOPMENT HYPOTHESIS**

<sup>60</sup> “State of Food and Agriculture 2010-2011, Women in Agriculture: Closing the gender gap for development.” Food and Agriculture Organization (FAO). Rome, Italy: FAO (2011). Print.

<sup>61</sup> Borges, Phil, “Women Empowered: Inspiring Change in the Emerging World,” New York: Rizzoli, (2007). Print.

If USAID helps small producers meet commercial quality and quantity standards and participate in competitive value chains linking producers to buyers, then farmers will increase sales and income.

This Sub-IR will stimulate the development of a market system that allows the effective participation of households and smallholders in competitive rural value chains. This will require strengthening existing producer organizations and helping to develop new producer organizations, especially women-led units. Farmer grouping is critical to making markets work for the poor, particularly in high-value products; it is often required by formal buyers, and it provides bargaining power and facilitates access to additional services. Public and private alliances, both domestic and international, will connect producer groups with the market and provide market channels and incentives to upgrade the quality and quantity of produce sold.

USAID will also focus on job creation. Most opportunities for reducing extreme poverty through increased incomes will come from the growth of the most entrepreneurial, risk-taking farms and businesses. The landless, those with limited farm assets or whose household responsibilities make it impossible to farm full-time, will move out of extreme poverty by working on their neighbors’ farms, in packing facilities, or for other value chain businesses that are growing as a result of productivity and market access interventions.

**ILLUSTRATIVE ACTIVITIES**

- 1) Facilitate market linkages by encouraging farmer groupings focused around market opportunities and business services that require scale;
- 2) Develop long-term business alliances for stronger farmer groups and assist brokers with a long-term vision;
- 3) Increase employment opportunities for the poor in new or expanded private sector business ventures and MSMEs;
- 4) Engage municipalities in local economic development planning; and
- 5) Bring financial services to the poor by promoting financing through non-traditional lenders, and stimulating a market for mobile money transactions.

<b>Sub-IR 2.2.2. Key Indicators</b>
1) Value of incremental sales (collected at the farm level) attributed to FTF implementation;
2) Number of households accessing new markets;
3) Number of jobs attributed to FTF implementation;
4) Number and value of public private alliances established;
5) Number of farmers and other MSMEs) that have entered formal preferred supplier or contract agreements with brokers; and
6) Number of kilometers of paved/graded road in targeted departments [GOH funded].

## **INTERMEDIATE RESULT 2.3: HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN**

### **DEVELOPMENT HYPOTHESIS**

If basic service provision of educational and nutrition services improves, including improved quality and access,(Sub-IR 2.3.1), and local service management systems, particularly for education, nutrition, and water and sanitation, are improved through increased citizen influence over service delivery (Sub-IR 2.3.2), then citizens will have improved human capacity to lead productive lives, ultimately reducing poverty in the long-term in a sustainable fashion.

Research has consistently demonstrated a direct correlation between learning outcomes, nutritional status, and economic growth. As detailed in the USAID Global Education Strategy, a 10 percent increase in the share of students reaching basic literacy translates into a 0.3 percentage point higher annual growth rate for that country. Education investments are clearly of a long-term nature, but are essential to the sustainability of the economic growth and poverty reduction efforts. Undernutrition has a direct negative impact on the cognitive development of children that contributes to reduced productivity in adulthood.<sup>62</sup> Evidence shows that proper nutrition during the 1,000 day window from the start of pregnancy to a child's second birthday can significantly reduce the human and economic burden of diseases, reduce the risk for developing non-communicable diseases and other chronic conditions later in life, and improve an individual's educational achievement and earning potential.<sup>63</sup>

The municipalities of western Honduras lag behind those of other regions in many important measures of educational attainment and other governmental services. The following are examples of educational underperformance in western departments: 1) a net enrollment rate below the national average; 2) drop-out rates after age 11 are significantly higher than the national average (i.e., 52.2 percent in Lempira Department vs. 28.4 percent nationally); and 3) lower access to grades 7, 8, and 9. Additionally, a high proportion of school-aged children in these departments suffer from undernutrition and anemia, and are underweight or stunted in their first five years. This has a strong impact on their cognitive abilities and student achievement throughout their lives.<sup>64</sup>

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<sup>62</sup>“USAID's Infant and Young Child Nutrition Project, Final Report.” USAID. March 2012. PDF.

<sup>63</sup> Horton, Susan. “Opportunities for Investments in Low Income Asia.” Asian Development Review. Vol.17, Nos.1, 2. 246-273. Horton, Susan, Meera Shekar, Christine McDonald, Ajay Mahal and Jana Krystene Brooks. Scaling Up Nutrition: What Will It Cost? (World Bank: Washington, DC: 2010). Print.

<sup>64</sup>CIASES, Analysis del Sector Educacion Honduras.March 9, 2014. PDF.

### Maternal and Child Health

USAID is proud of the fact that the maternal mortality ratio in Honduras has decreased over the last decade and that Honduras is close to reaching the corresponding Millennium Development Goal for 2015 of 46 per 100,000 live births; however there are still departments in Western Honduras, such as Intibucá and La Paz, that report a maternal mortality ratio above 90 per 100,000 live births. In order to reduce this rate, if additional resources were received, USAID would focus on providing additional technical assistance to support the Ministry of Health's Department of Family Integrated Health to reduce maternal and neonatal mortality in the DO2 focus area and to strengthen the leadership of the Ministry's Accelerated Reduction of Maternal and Child Mortality program at the regional and local levels. Additionally, emphasis will be given to support the implementation of the Essentials Obstetrics and Neonatal Care program at the hospital and ambulatory level, in order to improve quality standards in the services provided to underserved rural populations.

According to the 2012 demographic and health survey survey<sup>65</sup>, nationally 7 percent of children ages 0-59 months are underweight and 22.6 percent are stunted. However, in in the FTF zones of influence those rates are 15 percent and 40 percent, respectively. Improving nutritional outcomes requires improvements in sanitation, hygiene, feeding practices, supplementation, and access to clean water. In the household and community, the presence of fecal bacteria, both animal and human, causes diarrheal and other diseases that stunt growth and sap the productivity of the entire family.<sup>66</sup>

Municipal governments and decentralized line ministries in this area, much like the inhabitants, are poorer than in the rest of Honduras. The effectiveness of basic government services is compromised because local government employees and members of local organizations have low educational levels (e.g., some are illiterate). In addition, the ability of some of these municipalities to collect own source

revenue is much more limited than for those municipalities in more affluent parts of the country. Civil society organizations and women groups are in the early stages of development, if they exist at all. The lack of capacity at the municipal level affects outcomes throughout this DO and work with local level governance structures will be directly linked with other outcomes—most notably education and improved nutrition.

In its interventions, USAID will study, understand, and address the target populations' special educational needs resulting from poverty, undernutrition, violence in the home, and other special circumstances in the region. Likewise, basic government service interventions will be tailored to take into account the capacities and educational levels of local government employees and people involved in CSOs. USAID will also work to support local populations in

<sup>65</sup> "Encuesta Nacional de Demografía y Salud." Instituto Nacional de Estadística. 2012. PDF.

<sup>66</sup> Environmental enteropathy refers to damage to the intestinal wall via ingestion of fecal bacteria that decreases capacity to absorb micronutrients.

understanding the uses and interpretation of local data to help them become more informed decision makers.

Considering that there is ample room for improvement in the quality of current service delivery, USAID will not focus on efforts to transfer more service delivery responsibilities from the national level to the local level. As a recent study opined,

“While the municipal fiscal and administrative frameworks present problems, the implementation process poses the greatest challenge to municipal governance. Before embarking on new decentralization efforts, special attention should be given to increasing the municipalities’ capacity to operate within the existing framework and manage the current transfer levels. Improving transfer predictability is an important prerequisite for promoting effective local management of resources. Enhancing vertical and horizontal coordination in public investment management is another priority because different levels of government and the various entities involved jointly provide much of the infrastructure.”<sup>67</sup>

On the citizen demand side, to ensure that appropriate services are utilized by the populations that need them, it is critical to increase citizen participation and influence in decision-making processes for service delivery. This includes increased citizen participation through public-private partnerships and oversight mechanisms. These actions give citizens the opportunity to demand the quality of services that they need at the service delivery point. USAID will build on lessons learned and tailor this type of intervention to take into consideration the educational and other limitations of the local populations of the region, including gender considerations. Increased citizen participation provides an opportunity to build more inclusive democratic societies.<sup>68</sup> When women are left out of participatory processes, their priorities and points-of view are not heard. Women will be encouraged to become members of civil society oversight mechanisms such as social audits and transparency committees to ensure public service delivery is responsive to and informed by women’s demands.

USAID will expand different local service provision management models that have been shown to improve the quality of service provision in the past, keeping in mind that one size does not fit all. For example, the responsibility for the delivery of educational services is shared by municipalities and regional and local offices of the Ministry of Education. As a recent report noted,

“The central government still manages the provision of education services through de-concentrated structures. Municipalities are involved in early education and are responsible for the maintenance and rehabilitation of schools. Some degree of local participation now

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<sup>67</sup>“Report No: ACS6720 [82662-HN] Republic of Honduras, Public Expenditures for Decentralized Governance in Honduras. Towards Restoring Fiscal Consolidation August 2013.” LCSPS. LATIN AMERICA AND CARIBBEAN. 34. Print.

<sup>68</sup>“United States National Action Plan on Women Peace and Security.” 24. December 2011

takes place through parent-teacher associations, but schools maintain direct links to the Ministry of Education rather than to municipalities. Health centers operate at the local level, but with lines of accountability to central agencies.”<sup>69</sup>

“A number of implementation examples involving de-concentrated service delivery models and community-driven development interventions show sizable gains compared to purely centralized models. These examples could inform reforms at the local level and create linkages between community-level interventions and municipal governments”<sup>70</sup>.

While efforts by USAID and other donors have already led to improved results, there is still space to derive greater benefits from these management models in ways that contribute to the achievement of the DO. Evidence shows that Honduran schools where the functions related with the contracting and administrative supervision of personnel are decentralized and transferred to an association of parents: (i) have lower drop-out rates and grade failure instances; (ii) earn better test scores in Spanish, mathematics, and science; (iii) are open more frequently; (iv) have teachers that work more hours even though their salaries are lower than traditional schools; (v) use existing capacity more effectively; and (vi) have better school infrastructure and more resources than traditional schools<sup>71</sup>.

IR 2.3 Key Indicators
1) Percent of sixth grade students who are able to read at grade level;
2) Percentage of consumers reporting improvement in service delivery;
3) Number of underweight children under five; and
4) Proportion of select local-level institutions that improved service provision with USG assistance.

### **Sub-Intermediate Result 2.3.1: Basic education and nutrition service delivery improved**

#### **DEVELOPMENT HYPOTHESIS**

Children who are better educated and healthier because they are well nourished will have a greater capacity to lead productive lives when they enter the workforce. This increased human capital will ensure a sustainable reduction in poverty in the long term. This Sub-IR is focused on imparting technical knowledge at the local level to improve social outcomes, complementing work done in Sub-IR 2.3.2 which focuses on the public administration of social services and citizen’s involvement in ensuring quality local service delivery.

<sup>69</sup>“Report No: ACS6720 [82662-HN] Republic of Honduras. Public Expenditures for Decentralized Governance in Honduras. Towards Restoring Fiscal Consolidation August 2013.” LCSPS. LATIN AMERICA AND CARIBBEAN. Print.

<sup>70</sup>Ibid. 51.

<sup>71</sup>Ibid. 52.

In the education sector, USAID/Honduras will provide targeted technical assistance to improve reading outcomes at the primary level. This assistance will focus on improving local technical ability in the subject area; school-level service delivery; materials development and availability; and community engagement. These efforts will build on USAID’s previous investments in standards-based reform and decentralization of education and will progress toward a greater emphasis on reading in the early grades. USAID will be involved in the development of curricular materials and teacher professional development tools, and to a limited extent in national policy reform and implementation as it pertains to the six western departments. USAID/Honduras will also analyze vulnerable populations’ special educational needs and provide technical assistance so that educational services and performance monitoring is tailored to the realities of the targeted populations. Additional results will include the Ministry of Education adopting curriculum improvements involving measures to stimulate early reading and to address gender and violence issues.

**Improved Nutrition**

Nutrition activities proposed in the CDCS will be on a smaller scale than other activities in this DO due to funding constraints. The GOH has approached USAID to provide a 1:1 match of new investments in the nutrition sector under the Alliance for the Dry Corridor. Reducing stunting is critical to achieving sustainable poverty reduction and breaking the cycle of poverty, by increasing the competitiveness of Honduran labor. The methodology – improving diets, breastfeeding, access to potable water, and increasing sanitation –has been proven to work in Honduras, with a 56 percent reduction in acute malnutrition over the last three years in targeted areas.

To improve nutrition, households will receive assistance to improve family health and household living conditions with a special focus on children and pregnant women. Families, including men, will be trained to better care for their children and to maintain healthier living conditions. Mothers will receive proper prenatal care, support for institutional delivery, postnatal care, and will be educated and supported to exclusively breastfeed their children through six months of age. Families and caregivers will be educated on proper child feeding and on prevention and management of childhood illnesses. This will be achieved through a household approach involving both men and women. To reduce the risk of preventable diseases such as diarrhea and respiratory illnesses, especially under changing weather conditions, families will receive assistance to improve their household conditions, such as covering dirt floors with cement, building improved stoves to eliminate smoke in the home, bringing water access inside the house and purifying drinking water, and

constructing latrines. Undernutrition rates will decrease as children grow healthier through proper diet and living in a healthy environment.

**ILLUSTRATIVE ACTIVITIES**

- 1) Train and provide technical assistance to improve coordination and oversight of education provision by local organizations;
- 2) Monitor teachers in implementation of best management practices promoted in trainings;

- 3) Collect data and analyze special educational considerations for vulnerable populations and propose and provide technical assistance to decrease inequalities for those populations;
- 4) Improve the quality of tools and techniques for teaching early grade reading, and build the capacity of teachers to utilize them to increase impact;
- 5) Collect, monitor, and evaluate education quality improvements at the local level so that vital trends are taken into account.
- 6) Improve awareness and change behaviors to foster improved health and hygiene practices;
- 7) Promote sanitary homes and improve community and household sanitation;
- 8) Improve access to potable water;
- 9) Promote the use of cook-stoves and solar energy systems in nutrition education centers;
- 10) Improve household floors with low-cost technologies; and
- 11) Strengthen referral and counter referral systems and the implementation of counseling and follow-up of undernourished children.
- 12) Promote coordination between community growth monitors and health units to provide a comprehensive approach to families with children with malnutrition.

<b>IR 2.3.1 Key Indicators</b>
1) Percent of teachers in targeted primary schools utilizing effective strategies to teach reading;
2) Percent of targeted primary schools with adequate supplies of reading materials;
3) Prevalence of exclusive breastfeeding in children under six months of age;
4) Prevalence of children 6-23 months of age receiving a minimum acceptable diet;
5) Number of men sharing leadership roles in community health monitoring activities traditionally done by females;
6) Number of households using an improved drinking water source; and
7) Number of households using an improved sanitation facility.

### **Sub-Intermediate Result 2.3.2: Local Service Management Systems Improved**

#### **DEVELOPMENT HYPOTHESIS**

If public administration and other capacity building of personnel helps local institutions develop and implement better management and monitoring systems and strategic plans, and the capacity of civil society groups and women’s organizations to advocate for their needs and priorities and to monitor funding allocations and quality of service delivery is improved, then the quality of services delivered will equip citizens to obtain a better life.

To improve the quality of services in general, USAID/Honduras will provide training and technical assistance to employees and authorities of municipalities, line ministries, decentralized government institutions, civil society, and local service provision management units. This will help to develop and implement strategic plans and budget the funds necessary for the delivery of quality services, in relation to needs expressed throughout this DO, in equitable ways in western Honduras, making sure that the unique needs of vulnerable

populations such as women and members of ethnic minorities are equitably taken into consideration. Technical assistance will strengthen local government capacity to lead social development initiatives and provide targeted sector-specific technical assistance where needed to achieve targets and objectives. All levels and types of assistance will integrate principles of transparency and accountability and, where necessary, provide tools and strategies for improving supervision and oversight, assessment, and information sharing. The technical assistance will ensure that beneficiaries have the capacity to use the equipment they receive and it will be tailored to the specific needs of different stakeholders.

Support under this Sub-IR will only be offered to municipalities and local groups that demonstrate commitment to transparent reform processes, improved management practices, and authentic citizen engagement. The supported municipalities and local groups must show improvement in key indicators that demonstrate this commitment. Only those who improve will be rewarded with further support.

This local governance focus will be closely linked with other intermediate results and sub-IRs expressed under this DO. For example, improved management capacity of and coordination between local government and decentralized education offices is critical to sustainable improvements in education service delivery, while increased citizen participation is needed to monitor the functioning of school systems - teacher attendance, availability of school supplies, books, and testing materials, sanitation, and school lunches. Under this sub-IR, USAID/Honduras will also support local government efforts to provide services such as rainfall and temperature surveillance, municipal disaster preparedness plans, and watershed protection in support of other IRs seeking improved resilience to climatic change. To support poverty reduction and nutrition improvement efforts, USAID/Honduras will support local government efforts to secure funding to improve secondary roads, access to electricity, water systems, open local market places and other essential infrastructure related to nutrition services.

Civil society oversight of local services in western Honduras is critical given the great physical and psychological distance between the nation's capital and these municipalities.

“Without monitoring or enforcement mechanisms, the central government cannot verify that municipalities are spending resources in the intended manner. Municipalities thus have greater autonomy to use resources at their own discretion given that the enforcement of rules is unlikely. In addition to the general administrative weakness of municipalities, the central government has limited capacity to monitor and promote coordination across levels”<sup>72</sup>.

These weaknesses create the need to improve local citizen oversight of service delivery systems.

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<sup>72</sup> “Report No: ACS6720 [82662-HN] Republic of Honduras, Public Expenditures for Decentralized Governance in Honduras. Towards Restoring Fiscal Consolidation, August 2013.” LCSPS. LATIN AMERICA AND CARIBBEAN. 39. Print.

In spite of the critical importance of local oversight in this region, there are many challenges for this oversight to be effective. Opportunities for effective citizen participation in decisions affecting how local resources are spent have been few. There is a need for monitoring of the provision of education services and organizing activism groups to cooperatively work to expand rural electricity, penetration roads, and water systems.

The municipalities of western Honduras are administratively very weak and CSOs are rudimentary at best.

“In many rural western municipalities, members of municipal transparency commissions are often functionally illiterate and lack basic skills to conduct oversight of government activities. Community-based meetings are the most effective mechanism of citizen participation; neighbors define and prioritize needs. But these priorities are not always taken into account at the municipal level.”<sup>73</sup>

USAID/Honduras will build on successful models of citizen participation, such as the Project Executed by the Community model, to expand citizen empowerment and influence in local service supply. Interventions will be designed considering the unique challenges faced by the targeted populations, including methodologies to improve understanding of municipal processes by illiterate populations. USAID will work to provide technical solutions and at the same time build awareness in local populations of the importance of their involvement in local processes.

There is a unique opportunity to promote female participation in decision-making processes at the municipal level. Increased participation will result in municipal consideration of priorities and demands that affect women and children which would otherwise be overlooked. In selected municipalities, USAID/Honduras will build the capacity of civil society groups and women’s organizations to advocate for their needs and priorities, as well as engage in management, oversight, and implementation processes. At the same time, activities proposed under Sub-IR 2.3.1 will increase government and service delivery organization’s responsiveness to citizens and will build capacity for participatory planning and management processes.

### **ILLUSTRATIVE ACTIVITIES**

- 1) Train and provide technical assistance to improve local management processes to ensure decentralized service delivery according to the national decentralization policy;
- 2) Provide technical support to assist municipalities to develop, implement, and monitor strategic plans, for key sectors, including education, agriculture, environment, and health;
- 3) Provide technical support to assist municipalities to invest their budgets strategically;
- 4) Targeted technical assistance to facilitate dialogue and collaboration between service-delivery institutions and citizen organizations;

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<sup>73</sup> “NEXOS/DEE Evaluation.”PDF.

- 5) Support citizen oversight mechanisms established or enhanced to ensure quality service delivery;
- 6) Provide appropriate service monitoring tools to local populations to help them understand and influence decision making;
- 7) Identify vulnerable infrastructure that needs strengthening;
- 8) Promote private sector engagement in private-public alliances that promote common objectives;
- 9) Provide technical assistance to local education commissions, water boards and other local organizations (e.g., *patronatos*) to monitor education, health and water and sanitation activities (i.e., 200 days of school, teachers in the classrooms, quality of pre-natal care provided, etc.);
- 10) Provide technical assistance to increase own-source revenue accompanied with an awareness campaign on the importance of paying taxes and the linkage between paying taxes and demanding better public services;
- 11) Incentivize local government use of skills acquired through USAID programming;
- 12) Training on human resource management, management of financial resources and strategies to obtain more funding from government agencies and/or donors; and
- 13) Provide technical assistance to increasing municipal own-source income.

<b>IR 2.3.2 Key Indicators</b>
1) Number of municipalities implementing basic good management practices;
2) Number of municipalities with service quality monitoring systems in use and understood by the local population;
3) Number of mechanisms for public dialogue established;
4) Number and percentage of women participating in decision-making processes at the municipal level;
5) Number of public-private partnerships between local businesses and municipalities; and
6) Number of municipalities with strategic plans developed and implemented with participation of civil society.

## MONITORING, EVALUATION, AND LEARNING

Development efforts yield positive change more quickly if they are coordinated and collaborative, test promising new approaches, and build on what works. In order to achieve this, the Mission will maintain an approach that allows for adoptive implementation of the strategy and activities. The cycle of collaborating with internal and external stakeholders, monitoring and evaluating goals, and making strategic shifts as needed, is required to achieve the development goal, and related development objectives. A full performance monitoring plan and collaboration, learning, and adapting (CLA) methodology will be developed as part of the implementation of this strategy.

The central function of the CLA approach will be to ensure that progress toward the CDCS goal and each development objective is guided by analysis of a wide variety of information sources and knowledge such as Monitoring and Evaluation (M&E) data and learning that brings to light new best practices and innovations, calls into question existing assumptions, and can support rigor in design and evaluation. Learning and adapting will require strong implementation oversight by staff throughout the Mission as discussed in the management section of this strategy.

The Mission's CLA approach will:

- Ensure coordination among USG agencies, partners, and stakeholders at both the local and national levels;
- Strengthen the evidence basis on which decisions about development assistance are made, and ensure that experience and observations inform management and program decisions;
- Facilitate adaptation of activities to changing conditions and emerging learning about what works and what does not and for whom more than others.

## COORDINATING AND COLLABORATING

Close collaboration starts within the Mission and across sector teams. Opportunities for cross-team collaboration within the Mission will be sought on an ongoing basis, including both formal cross-sectoral participation in project design and implementation, and informal cross-sectoral knowledge sharing opportunities around shared development challenges. To improve sustainability and increase impact, coordination and collaboration with the GOH, civil society, other USG entities, and other donors will occur at all levels. This type of engagement will ensure that joint problem analysis includes the input of appropriate actors across multiple sectors.

Key activities to achieve stakeholder coordination and collaboration include:

- Establish cross-cutting DO teams in the Mission.
- Maintain a development information system that includes an MIS/GIS component, such

as AidTracker.

- Participate broadly in donor and thematic working groups.
- Engage with key stakeholders to share performance and evaluation results, and at other key learning junctures, and invite discussion and recommendation on possible programmatic responses.

## LEARNING

“Learning” encompasses monitoring and evaluation, as well as capturing and sharing experiential knowledge, and analyzing and applying results through adjustments to the development hypotheses outlined in this CDCS and in future program management and design. Learning also encompasses the dissemination of findings and recommendations. Measures will be taken to ensure that results and learning from CDCS implementation are made available and shared openly with local organizations, citizen groups, and other stakeholders. This may include periodic stock-taking; portfolio reviews with stakeholders about USAID’s approach, contribution, and progress; and monitoring and analyzing processes with non-USAID stakeholders regarding changes in the broader Honduran and Central American contexts and their implications for USAID programming.

Over the life of this strategy, the Mission will devote at least five percent of its programming budget to M&E, bringing it in line with agency guidance. Programming will follow appropriate evaluation methodology including, where applicable, baseline data collected prior to implementation of activities and, as needed, control communities/groups identified for evaluations.

Work in the M&E sector will have several objectives including: 1) increase the quality and timeliness of data, particularly baseline data, available to the Mission; 2) facilitate the transfer of information from our partners to the Mission; 3) increase the access to performance information and reports in formats that facilitate understanding for management decisions; 4) improve the Mission’s understanding of gender dynamics; 5) building M&E capacity at the local level and; 6) attribute impact to USAID programming.

The following activities will operationalize the learning process at the Mission:

- Improve and maintain rigorous M&E processes at the Mission from data collection and analysis to the use of M&E findings to improve implementation or the design of future projects.
- Monitor progress toward achieving the performance indicators (as referenced throughout the document) for the CDCS Goal, DOs, and IRs using the CDCS Performance Management Plan (PMP) developed within six months of the approval of the strategy.
- Facilitate gendered learning by collecting sex-disaggregated data for all person level indicators and utilizing gender-sensitive questions where appropriate.
- Conduct evaluations at the strategic, project and/or activity level, in line with the high-priority evaluation questions outlined below.
- Through the portfolio review process, annually review the critical assumptions laid out

in this strategy to determine the need for any course correction.

- Utilize the biannual portfolio review process to focus on learning and accountability for results.
- Engage local universities and/or think tanks to improve USAID’s understanding of areas of intervention, to conduct independent baseline and operations research, and do both quantitative and qualitative analyses of programs.
- Continue bi-weekly brown bag sessions at the Mission for greater internal learning.

## ADAPTING

The Mission will maintain a flexible approach under the new strategy to adapt, where feasible, to the changing environment or to new challenges and opportunities. Particularly given the complexity of the operating environment under DO1, adaptive management approaches are key to ensuring the optimal and appropriate program response at all times. Possible triggers for adaptation include adapting programs to better target those with the most needs, ensure gender sensitivity, comply with the “Do No Harm” principles, and respond to environmental shifts.

The Mission will:

- Ensure that a flexibility clause is built into implementing mechanisms, where possible, to be more responsive to changing circumstances and include trigger criteria for changing programming.
- Develop SOWs that focus on results and desired outcomes rather than “how” the results will be achieved, thereby enabling the work plan to be modified as needed during the life of the activity.
- Propose modifications to the strategic direction on an annual basis based upon the findings of the learning process mentioned above.
- Maintain a registry of evaluation findings and how they have been used and incorporated to change programming.

## ILLUSTRATIVE QUESTIONS

The Mission has identified the following high-priority questions for Mission operations as a whole as well as for each of the objectives. Some questions may be used when conducting evaluations while others may be incorporated into separate analyses or strategic planning by Mission staff. Upon approval of the CDCS, the Mission will develop its PMP, developing evaluation questions, collecting baselines, and selecting control groups where applicable among other tasks.

Illustrative DO1 Evaluation Questions

1. Did USAID/Honduras increase protective factors of at-risk youth and families? Why or why not?
2. Did USAID/Honduras increase community cohesion in high-crime areas and what effect did that have on crime rates?

3. Using survey data, can we determine changes in perceptions of violence indicating that communities feel safer?

#### Illustrative D02 Evaluation Questions

1. How many people did USAID sustainably move from extreme poverty (less than \$1.25/day) to moderate poverty (between \$1.25 and \$2/day) and from moderate poverty to more than \$2/day?
2. What methodologies are most effective at increasing the quality of municipal services to vulnerable populations?
3. Did addressing basic services for improved human capital have an effect on the sustainability of poverty reduction?

#### Illustrative D03 Evaluations Questions

1. Did USAID/Honduras strengthen GOH accountability systems? Why or why not?
2. What methodologies were most effective at reducing corruption?
3. To what degree was civil society and private sector able to influence government decision-making?
4. To what degree were private sector investments necessary for Project sustainability?

# ANNEXES

## ANNEX A: LIST OF ANALYSES CONDUCTED

### For Entire CDCS

#### **Gender Analysis- CDCS**

Key findings of the assessment are:

- Unemployment and underemployment are high and are worse for women, particularly affecting the large percentage of women who are heads of household.
- Femicide rates are one of the highest for Latin America.
- There is a good legal framework and strong public policies for gender equality; however, GOH has weak implementation of them.

As a result the recommendations are:

- Ensure that RFA/RFPs include: a) gender analysis in the preparation phase; b) clear, gender-sensitive indicators; and c) requests to disaggregate data by sex and analysis of data.
- Ensure that programs have: a) baselines with gender-sensitive variables; b) staff trained and specialized to promote gender equity and women's empowerment in all initiatives; and c) budget allocations to develop internal and external capabilities with implementing partners.
- New program designs should promote a more democratic, gender-sensitive culture so that men and women on equal terms can actively participate in decision-making, especially in the political arena, and enforce accountability.
- Strengthen the National Women's Institute's capacity to influence policies and to plan.
- Strengthen civil society.
- Strengthen gender-sensitive training processes for USAID/Honduras staff and its strategic partners.
- Build staff's capacity to effectively integrate gender mainstreaming in all programs and facilitate decision-making processes.

#### **DRG Assessment**

The country faces serious governance weaknesses on all fronts, ranging from a fragile democratic consensus to a legacy of exclusion and inequality that has left a majority of the population poor and increasingly vulnerable to violent crime. Yet, the most severe governance problems are the weak rule of law and poor government effectiveness. USAID could materially affect these areas through programmatic interventions by revitalizing resilient democratic institutions at the municipal level, generating confidence in democratic institutions.

#### **118/119 Biodiversity and Tropical Forest Assessment**

The root cause of the loss of forests and biodiversity is poor environmental governance and lack of compliance with the environmental laws. There are several key elements that lead to weak governance and compliance and loss of biodiversity/forests, including:

- The lack of a united strategy.
- Conservation of forest and biodiversity are not linked with livelihood security of the local population.
- Capacity building of NGO's and resources are needed.
- Water is becoming increasingly scarce.
- Environmental education at all levels is needed.
- Government policies for land use, especially those policies promoting African oil palm and coffee, are a cause of deforestation and land use change both in and out of protected areas.
- Climate change through extreme weather events such as droughts and floods.
- Poverty.
- The new government needs support in enforcing environmental laws and building capacity of new staff via training.

The assessment proposes continued and expanded actions to support conservation efforts, strengthen national and local institutional capacities, strengthen protected areas, and promote sustainable resource use or economic alternatives.

### **Youth Assessment**

The prevalence of crime and violence is driven by many of risk factors. A large number of youth live in poverty, with little access to quality education and employment. They live in families which, as a result of out-migration in search of work and other factors, leave youth without sufficient parental attention and supervision resulting in a variety of risky behaviors—early sexual activity, a lack of attention to limited use of contraceptives to prevent pregnancy, drug and alcohol use and abuse, and the influence of gangs who offer guidance, structure, attention, income, and purposeful activity.

Recommendations delineate how key institutions play a central role in such comprehensive efforts in:

- Strengthening the role of schools.
- Engaging the private sector that plays a part in bridging the connection between education and employment.
- Employing an integrated family-based approach.
- Offering supervised and structured activities in youth-friendly spaces.
- Attending to the broader social, physical, and behavioral health (including mental health, sexual and reproductive health, and substance abuse issues).
- Focusing on youth themselves, forging strong positive relations with role models.
- Strengthening the ties between youth and the community.

## **USAID’s Strengthening Public Financial Management in Latin America and the Caribbean (PFM-LAC) Study on Financial Management of the Public Ministry**

After reviewing the budget cycle in the *Ministerio Publico* (Public Ministry- MP) it is found that there is a disconnect between the budget and the planning process. There are short and long term recommendations necessary to improve functionality of the MP. The report recommends that the MP define a security policy and a penal policy which includes all of the institutions related with the sector; and elaborate a strategic plan which characterizes and prioritizes investigation and prosecution.

To achieve this, the report recommends:

- Create a budget based on results of plan created in the short term;
- Establish goals and objectives for each institution;
- Develop monitoring and evaluation;
- Generate the capacity to identify areas that need improvement and to improve them;
- Define regulations for personnel and give incentives for improvement;
- Conduct periodic reporting to show the results in relation to the budget; and
- Improve management at all levels.

## **2011 Assessment of Civil Society Organizations in Honduras, with updated executive summary in 2014**

There is evidence in 2014 that the deep schisms and fractures of civil society in the post-coup period are largely healed. New associations and partnerships are being forged among civil society organizations; to include good governance partnerships and pacts between civil society organizations and the government administration of President Juan Orlando Hernandez. In the first year of the new President’s administration, civil society participation in institutional strengthening and reform efforts is increasingly a feature of government restructuring and reform programs. Yet, as civil society leaders focus on the daunting development, governance and rule-of-law issues still confronting the country; the core issues of the constitutional crisis of 2009 still remain. Democratic institutions and processes still remain fragile; corruption and criminality are still widespread; and impunity of powerful special interests from prosecution is still a norm within an under-resourced Public Ministry. In 2014, Honduran society still struggles to habituate both public officials and society at large to values of respect for rule-of-law and protection of human rights. In that sense, the Civil Society Assessment Report of 2011 reminds us that in efforts to uphold democratic values, safeguard citizen participation in governance; advocate and promote strengthened democratic institutions and processes; and to strengthen rule-of-law with respect for citizen rights – in all these areas, the civil society role remains as vital in 2014, as ever. The recommendations of 2011 remain relevant to the Honduran reality of 2014. The findings provide a foundation for donor assistance strategies and program designs directed to programmatic areas of good governance, youth development, and prevention of crime and violence initiatives. In the first half of 2014, the stated intent of the new Honduran government administration of President Juan Orlando Hernandez to support civil society’s role in the Honduran democracy has opened channels for “citizen participation for more responsive government (CPRG)” and for strategic engagement and collaboration between citizens and

their elected and appointed governing authorities. Therefore, the challenge in 2014, and beyond, is for key civil society actors to find sufficient consensus for strategic constructive engagement and to advance technically vetted and socialized national good governance reform agendas that truly represent citizen's interests.

## DO1 Related Assessments

### **Security Sector Assessment**

Based on security and political analyses, the assessment suggests that USAID focus efforts on lowering levels of violence; proposed three theories of change around which USAID programs could be constituted; and assessed their feasibility in terms of actually fomenting real, structural change. The report suggests working with ATIC, FNA, and Violence Observatory, coupled with infrastructure programs that empower citizens to build resilient communities. The report also suggests that the Mission work to organize citizens to demand an effective, accountable government that can reduce violence.

### **Risk and Protective Factors Assessment**

The results show that risk factors associated with gang affiliation and/or criminal activity are present in all areas studied (community, school, and family). The risk factors include: acceptance of gang culture, high violence rates in neighborhoods, access to firearms, gang control of public areas, low commitment in school, problems with teachers, no participation in extracurricular activities, and no commitment to complete school. The protective factors include: involvement with a church, parents' involvement in school activities, and teachers' leadership in schools. Lines of research and intervention recommended: programs being developed in schools, parent involvement in their children's education, ex-gang members role in society, society perceptions of gangs, changes in society due to gangs, reasons to become a gang member. One of the principal findings of this research is that without addressing the role gangs have in these areas, it will be difficult to achieve positive results on a broader scale. Interventions looking to stop and prevent youth from joining gangs must be done at a structural level (not at only family, or school, or individual level) that includes all actors in the community.

### **METAS Employability Study**

The study indicates that METAS youth (the intervention group) have achieved positive gains in terms of job-seeking behavior, soft-skill development, and obtaining internships. Youth also report that having a personal or professional mentor made a significant positive difference in terms of their confidence and self-esteem, and having a successful mentoring relationship played a key role in youth completing the program. Employers are reporting increased confidence in hiring youth. Similarly, trained youth report increased gains in self-confidence in having the skills needed to find a job and knowing how to find a job.

The study also highlights some areas for improvement. One area is in the differing perceptions or mismatch between youth and the private sector employers in terms of skills necessary to

obtain a job and barriers for youth to obtain employment. The study's recommendations include:

- Bolster the mentorship component: A workforce development program focusing on at-risk youth and conflict-prone, fragile communities needs to be mindful that having positive role models is critical for a young person's retention and success in this type of program.
- Devote more resources to helping increase youth's awareness of the needs and demands of employers and promote career awareness where there are real opportunities but perhaps not matched with youth's interest such as working in the agri-business sector.
- Focus additional efforts in identifying job-placement and income-generating opportunities in the agri-business sector.

### **FORPAZ Youth Violence Assessment**

The study found high levels of intra-familial violence and violence in the streets. The continuous manifestations of violence in the family and in the community prohibit human development. Therefore it is necessary to work with youth to support their resilience factors. The resilience factors proposed for FORPAZ are prevention of intra-familial violence by:

- Supporting families through behavior change campaigns and creating family activities in safe spaces;
- Prevention of violence in the schools by promoting campaigns, teacher training, and extracurricular activities, such as art, culture, and sports; and
- Improve social cohesion by strengthening community organizations, including youth groups.

### **Qualitative Study Focus on Segmentation: "Strengthening Adolescent Reproductive Health in Honduras"**

There are different perceptions of sexual protection based on gender. Women perceive protection as abstinence where as males have the idea of protecting themselves. The concept of Machismo was brought up as a violent attitude that can affect relations. Youth's difficulty envisioning and thinking to the future, can affect sexual relations and use of protection. There is a necessity for parental involvement in their child's sexual education. Furthermore, many men feel that sexual relations are a way to be masculine. The girls feel pressured to have sexual relations. Many are starting sexual relations very young, for boys it is 10-12 and girls 13-15. There is a lack of knowledge about pregnancy prevention and safe sexual behaviors and the girls feel they can't access contraceptive methods because of their age. The participants said they feel most gender based violence is based in jealousy, infidelity, stress, lack of communication, alcohol, and machismo.

### DO2 Related Assessments

#### **GCC Vulnerability Assessment for Western and Southern Honduras**

Climate-Change results show:

- After a rapid multi-decade increase in temperature peaking in 1998, the temperature trend in Western Honduras has been nearly neutral for the past 15 years, sustaining high baseline values above any experienced for many hundreds of years;
- The past 16 years have seen widely varying rainfall trends across the project region. Extremely large increases have occurred in the West. However, the Vulnerability and Resilience to Climate Change in Western Honduras 4 IPCC model consensus strongly asserts that significant drying on the magnitude of a 10-20 percent decrease in precipitation by 2050 will characterize the regional climate by mid-century.
- When taken with the model consensus of close to 2 °C of warming for the same time period, climate models suggest that by mid-century, western Honduras may be a “hotspot” of magnified climate change stress as compared to other areas of Central America and Mexico.

Effects of climate-change on Honduras:

- Water resources: this change will interact with and exacerbate other human-induced pressures affecting water quantity and quality;
- Natural ecosystems and protected areas: areas suitable for cooler, moister forest types — broadleaf forests, mixed forests, and pine forests — would decrease, and areas suitable for cloud forests would completely disappear;
- Agriculture: crops such as coffee, potato, lettuce, maize are all very susceptible to problems caused by climate change, beans are a little more resilient but still susceptible; therefore, climate change will have significant effects on livelihoods and agricultural value chains in Western Honduras.

Recommended adaptation options: 1) knowledge generation, management, and learning; 2) resilient water resources agreement; 3) conservation of critical ecosystems; 4) diversification; and 5) risk management.

### **DEE/NEXOS Performance Evaluation**

NEXOS shows good indicator performance, even with constraints with decentralization, weak municipal governments, lack of accountability and civil society. The constraints the program has are strong opponents of decentralization within the national government; no incentives for tax collections; and capacity gaps.

Recommendations include:

- Convene a Foro Nacional de Descentralización to discuss decentralization issues;
- Conduct a public awareness campaign;
- Work with mancomunidades to develop a financial sustainability plan;
- Improve coordination especially with advocacy;
- Get stakeholders with varied interests and disparate short- and long-term objectives to appreciate their mutual interests and work together to support a common goal; and
- Place appropriate emphasis on gender to ensure that decentralization supports women.

Donor-funded projects can maximize their results when they avoid dispersion and fragmentation of activities and scope. This may be an opportunity to innovate and introduce more creative approaches to affect traditional patterns of behavior, which requires paying attention to the structure of incentives that drive behavior and designing that takes these incentives into account.

### **Honduras Targeted Education Sector Assessment**

The Honduran education sector still has many challenges:

- Access to universal education is still lacking in Honduras;
- Low levels of matriculation in preschool;
- Enrollment levels drop dramatically from first cycle to third cycle in basic education. In Western Honduras the third cycle (grades 7-9) registration rates are very low, below the Honduran average;
- In the West, there are much higher rates of at-risk students, which are students that are completing a grade at a higher age than they should be;
- Low levels of Spanish and very low levels of mathematical comprehension, particularly in the West;
- Teachers are not properly prepared,;
- Teacher-student ratio is high;
- Infrastructure problems with the existing schools; and
- A lack of teaching materials.

There are possible programming options such as:

- Improving access through infrastructure programs and increasing secondary education options;
- Addressing quality through teacher training, national reading campaigns, community networking, didactic materials; and
- Strengthening institutions through training of their directors, strengthening administration, administrative equipment, support social auditing.

### **Remittances Assessment for western Honduras**

The study finds that remittances are relied upon for food security. Seasonal migration is common in the West to find jobs, and remittances make up a high level of household income. Negative impacts emphasized by all interviewees are the disintegration of the nuclear family and the dependency on remittances as a source of living. The recommendations to mitigate the negative impact of remittances are the following:

- Mitigate high levels of migration with more jobs and opportunities for young people;
- Develop programs and projects for youth and women;
- Develop training programs and provide guidance to families who do not save to help them better control;
- Make better use of remittances and strengthen recipients' investments and savings; and

Conduct motivational programs to develop greater awareness that migrant families go to great lengths to make a living and send remittances back home.

## ANNEX B: USAID FORWARD

### Local Solutions

USAID/Honduras has a long history of working with local partners to achieve development results. As detailed throughout this document, the Mission intends to use host country systems and local organizations wherever appropriate. In order to effectively implement the actions required under the Local Solutions priorities, in April 2012, USAID conducted a Stage 1 - Rapid Appraisal of Honduras' public financial management systems. This is consistent with the LAC Bureau's emphasis on local solutions and procurement reform as the highest priority USAID Forward goal for the region. Based on the Rapid Appraisal conclusions and recommendations, USAID proceeded in July 2013 to conduct, through an independent international consultant firm, the Stage 2 PFMRAF on a key national institution identified as a potential partner for USAID, the Millennium Challenge Account of Honduras (MCA-H). The results are currently under analysis. USAID/Honduras anticipates undertaking similar assessments for at least two more national organizations in FY 2014. Activity designs will include analyses for using host country systems and/or local organizations when possible, and/or include local capacity development components to transition to host-country and/or local organizations implementation. As noted above, local capacity development and private sector engagement will be critical elements to achieving the Development Objectives and the Goal across all sectors.

The Mission anticipates expanding more government to government (G2G) support over the strategy period. For example, at present USAID/Honduras provides G2G support to the GOH's Social Investment Fund (FHIS) to assist crime-ridden communities. G2G support to the Supreme Electoral Tribunal (TSE) is currently supporting the upcoming election cycles. USAID also directly supports the Ministry of Health to implement decentralized health service provision and HIV/AIDS prevention programs. G2G support also finances a GOH unit to audit international donor projects that are managed by the GOH.

The Mission also promotes the strengthening of local civil society to improve aid effectiveness and sustainability. For example, USAID/Honduras implements its decentralization project through the Federation of Private Development Organizations (FOPRIDEH), a local Honduran non-governmental organization (NGO). The program works with more than 70 affiliate local organizations and seven GOH municipal associations to strengthen their capacity. Furthermore, public private partnerships and Cooperative Agreements are under analysis for other local NGOs such as Save the Children Honduras and the National Foundation for the Development of Honduras (FUNADEH).

### Science, Technology and Innovation (ST&I)

USAID Honduras acknowledges that solving insecurity, poverty, undernutrition, and other complex challenges require innovative solutions and the use of technology. Through our FTF program, the country has successful experiences that have combined the knowledge brought from other countries, locally available technology, and new or improved working methods. For

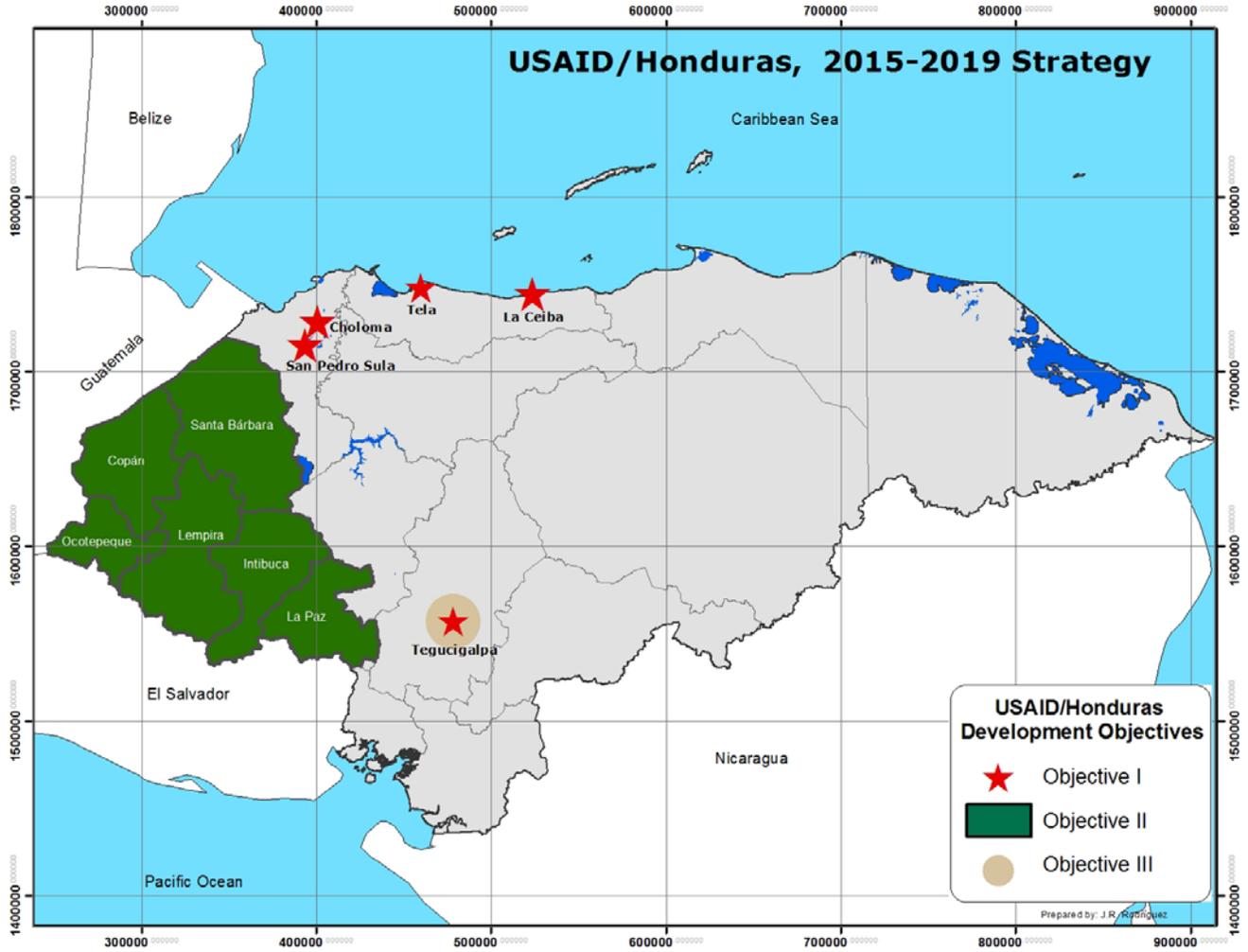
instance, USAID has encouraged the use of mobile communication so that poor Honduran farmers can receive, from extension agents, updated information about market prices of products on their cell phones. This promotes informed decision-making by the farmers and eliminates some of the barriers to accessing local and regional markets where they can obtain a higher profit margin.

USAID Honduras will continue to foster the use of technology and innovation. To facilitate this process, the Mission will: i) take advantage of training programs and peer to peer exchange events that will help to strengthen local institutional capacity, ii) increase coordination with centrally funded USAID programs focused on innovation and knowledge management, and iii) foster its relationships with the private sector and universities to boost the adoption of innovation practices. Technological answers identified will be tailored to the local context, so that their effectiveness can be increased. USAID Honduras will work with all relevant stakeholders in the research and development of these new technologies to ensure that they are aligned with those required in the field as well as with the GOH so they take a leadership role in their dissemination and sustainability.

USAID Honduras will keep using new Geographic Information Systems (GIS) applications for data management and analysis that will lead to more effective and accurate investment. For example, the application of new GIS tools for determining suitable areas for certain agricultural crops or areas that are critical for ecosystems conservation will be promoted. The use of GIS in conjunction with satellite imagery and hydrological models may also help increase the resilience of the local population facing climate change effects and ensure that USAID investment on agriculture are sustainable through time. Other type of technologies that will be explored include models for defining sites to build small water projects for irrigation, estimating current and future water demands of major crops at the micro-watershed level and models for estimating crop yield in the selected areas based on different water availability scenarios. GIS applications will also be considered for citizen security programming.

Based on the positive experience of market information diffusion, the Mission will continue to explore mobile communication technologies to boost mobile banking and mobile money services, as well as promoting its use to support medical services referral and counter referrals. Further use of mobile communication technologies will be strengthened to minimize climate risk and promote social messaging.

# ANNEX C: TARGET AREA MAP



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## ANNEX E: DEVELOPMENT OBJECTIVE 3

USAID/Honduras' CDCS was approved in December 2014. The goal statement is, "A more prosperous and safer Honduras that advances inclusive social and economic development among vulnerable populations." It had two development objectives (DO): DO1 "Citizen security increased for vulnerable populations in urban, high-crime areas," and DO2 "Extreme poverty sustainably reduced for vulnerable populations in Western Honduras."

Given the importance of improving the conditions for broad-based economic growth and public support for democracy, USAID/Honduras amended the CDCS to add a third DO on strengthening governance and accountability in public administration. Several factors have changed since the development of the CDCS in 2014 that precipitated the inclusion of this new objective. The development of the U.S. Strategy for Engagement in Central America and the Plan for the Alliance for Prosperity in the Northern Triangle late in 2014 led to increased attention and political pressure for the Government of Honduras to invest in strengthened and accountable government institutions. In addition, national corruption scandals and increased citizen mobilization demanding the Government to implement anti-corruption measures have put these issues at the forefront of the national agenda. As a result of these new opportunities, USAID/Honduras is expected to receive additional funding from FY 2016 to FY 2019.

The current lack of effective citizen participation and governmental and non-governmental oversight mechanisms contributes to poor allocation and management of public funds and increased opportunities for officials to use their positions for private gain. USAID's new DO3 is based on the premise that if civil society is able to influence government decision-making due to enhanced oversight of public programs and evidence-based advocacy, and GOH institutions are able to manage public funds more effectively and responsibly due to strengthened budget processes and systems to prevent, detect, and sanction corrupt practices, then national-level public administration will be more transparent and accountable. This in turn will enable the GOH to substantially reduce opportunities for corruption and achieve sustainable development reforms, including reducing extreme poverty and strengthening citizen security.

The proposed new CDCS development hypothesis is "If citizen security and accelerated, sustainable poverty reduction for vulnerable populations are increased, and public administration is more transparent and accountable to citizens, then Honduras will be a safer and more prosperous country that advances inclusive social and economic development."

Below is a text adaptation of a March 2016 PowerPoint presentation of DO3 that includes the updated CDCS results framework, the DO3 results framework, illustrative activities, and indicators.

**CDCS Development Hypothesis:** If citizen security is accelerated, sustainable poverty reduction for vulnerable populations is increased, and the Government of Honduras (GOH) manages public resources more transparently and accountably, then Honduras will be a safer and more prosperous country that advances inclusive social and economic development.

**DO3 Development Hypothesis:** If civil society is able to influence government decision-making due to enhanced oversight of public programs and evidence-based advocacy, and GOH institutions are able to manage public funds more effectively and responsibly due to strengthened budget processes and systems to prevent, detect, and sanction corrupt practices, then national-level public administration will be more transparent and accountable. This in turn will enable the GOH to reduce opportunities for corruption and achieve sustainable development reforms, including reducing extreme poverty and strengthening citizen security.

### **DO3 Summary**

- DO3 is aligned with governance, transparency, and accountability goals included in the U.S. Strategy for Engagement in Central America (CEN Strategy), Alliance for Prosperity (A4P) Plan, GOH Open Government Partnership (OGP) commitments, and the recently updated Embassy Honduras Integrated Country Strategy (ICS) FY 2017-2019. DO3 complements both DO1 and DO2.
- DO3 focuses on strengthening national-level institutions and accountability efforts to address corruption and impunity – with envisioned support to government institutions (supply side) as well as civil society and private sector (demand side).
- DO3 aims to improve public administration by employing a systems-based approach, working with a range of actors including, but not limited to, the Finance Secretariat (SEFIN), Supreme Audit Institution (TSC), Public Prosecutor's Office (MP), and Judiciary to fully implement targeted laws, regulations, and decisions related to transparency and accountability (i.e. Organic Budget Law, TSC Organic Law) as well as government interaction with external stakeholders (policy dialogue).
- DO3 relies on iterative political economy analysis, change management, and defining incentives.
- DO3 promotes country systems and sustainability with its focus on the effective management of public funds and is aligned with the Effective Institutions Platform (EIP) and Sustainable Development Goals (SDGs) 16 and 17.
- DO3's success hinges upon interventions that are strategic, catalytic, and aligned with other donor interventions in public financial management (PFM) and transparency.

# USAID/Honduras CDCS 2015-2019



## DO3 Supports:

- **U.S. Strategy for Engagement in Central America (CEN Strategy) Lines of Action:**
  - Targets corruption
  - Invests in civil service reform
  - Improves fiscal capacity (public financial management, fiscal transparency, and clear metrics for revenue collection and service delivery)
  - Increases role of civil society in line with OGP and pro-transparency initiatives
  - Reinforces democratic institutions, including respect for human rights.
- **Alliance for Prosperity Plan (A4P)**
  - In June 2015, the GOH under the A4P, committed to promoting transparency in public administration, fighting corruption, and strengthening public information systems.
    - Strategic Action 3.6: Strengthen Anti-corruption Measures
      - Monitor public actions and financial transactions
      - Develop and implement action plan to eradicate bribery and discretion of public officials
      - Strengthen anti-corruption prosecutors
      - Implement transparency laws and increase role of civil society.
    - Strategic Action 4.3 Improve the transparency and effectiveness of spending
      - Strengthen planning capabilities of the State
      - Improve linkages between development plans and annual budgets
      - Strengthen statistical systems to generate information for decision-making
      - Strengthen monitoring and oversight of public spending (forensic and systems audits)
      - Professionalize the civil service (recruitment, training, evaluation and retirement systems).
- **Open Government Partnership (OGP) Commitments (DO3 focus areas marked by asterisk)**
  - Increasing Public Integrity \*
    - Improved quality of public information \*
    - Citizens' rights to public archives \*
    - Public service ethics \*
    - Development of a more transparent and merit-based civil service \*
    - Reduction of corruption and impunity \*

- More efficient and effective management \*
  - Citizen budget empowerment \*
  - Accountability of management of public expenditures \*
  - Planning, efficiency and transparency of public procurement \*
  - Municipal accountability
  - Socialization of the Extractive Industries Transparency Initiative (EITI)
- Improved Service Delivery
  - Transparency in the education sector
  - Monitoring of medical inputs
  - Strengthening citizen participation in the social security system
- **New Sustainable Development Goals (SDGs) 16 and 17**
  - Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
    - 16.5 Substantially reduce corruption and bribery in all its forms
    - 16.6 Develop effective, accountable and transparent institutions at all levels
    - 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels
    - 16.8 Broaden and strengthen the participation of developing countries in the institutions of global governance
    - 16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements
    - 16.a Strengthen relevant national institutions, including through international cooperation, for building capacities at all levels, in particular in developing countries, for preventing violence and combating terrorism and crime
  - Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development
    - Policy and institutional coherence
      - 17.13 Enhance global macroeconomic stability including through policy coordination and policy coherence
      - 17.14 Enhance policy coherence for sustainable development
      - 17.15 Respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development

- Multi-stakeholder partnerships
  - 17.16 Enhance the global partnership for sustainable development complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technologies and financial resources to support the achievement of sustainable development goals in all countries, particularly developing countries
  - 17.17 Encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships

### **DO3 Problem Statement**

Context: The most striking recent example of rampant corruption in Honduras was the siphoning of over \$200 million from the Honduras Social Security Institute (IHSS). This impacted the healthcare of many Honduran citizens and set off a wave of protests from civil society and citizens demanding an end to corruption.

Problem Statement: The lack of effective citizen participation and governmental and non-governmental oversight mechanisms contributes to poor allocation and management of public funds and increased opportunities for officials to use their positions for private gain. This hampers the ability of the GOH to effectively implement long-term poverty and violence reduction strategies.

### **Opportunities to Strengthen Public Administration and Combat Corruption**

- Civil society demand for the GOH to address corruption stemming from the social security scandal and indignant movement.
- Interest by the GOH in implementing the A4P, strengthening anti-corruption measures, and improving the transparency and effectiveness of spending.
- GOH request to establish the OAS Mission to Support the Fight against Corruption and Impunity in Honduras (MACCIH).
- Interest in improving corruption indicators to attract economic investment.
- Interest in meeting IMF Stand-by Agreement structural reforms, including introduction of a fiscal responsibility law
- Interest in making progress towards SDG Agenda Goals 16 and 17

## DO 3: GOH national-level public administration is more transparent and accountable

### IR 3.1: Public funds more effectively and responsibly managed by state institutions

**Sub-IR 3.1.1: Systems to prevent, detect and sanction corrupt practices strengthened** *Strengthen controls in line ministries, Presidential Directorate of Transparency, Modernization and Government Reform, Access to Public Information Institute (IAP), National Office of Contracts and Acquisitions (ONCAE), National Office of Internal Controls of Integrated Development (ONADICI), sanctions for audit findings of the Supreme Audit Institution (TSC), investigation and sentencing of corruption by Public Prosecutor's Office and Judicial Branch*

**Sub-IR 3.1.2: Budget process strengthened**

*Budget credibility, comprehensiveness, transparency, predictability and control in budget execution, accounting, recording and reporting, and external scrutiny and audit. Finance Secretariat, line ministries, Congress, civil society. Focus on implementation of key laws such as Organic Budget Law, TSC Organic Law, reducing the wage bill, OGP commitments.*

### IR 3.2 Civil society influence on government decision-making enhanced

**Sub-IR 3.2.1: Effective evidence-based advocacy strengthened**

*Improvements in data quality, analysis and presentation of information by oversight entities to include Congressional Budget Committee, media, think tanks, public policy departments of universities, private sector associations, and NGOs such as the National Anticorruption Council (CNA). Focus on OGP commitments, budget process, tax reform, security tax and other issues related to public administration and accountability.*

**Sub-IR 3.2.2: Oversight of service delivery and public policies/programs improved**

*Social auditing by citizen groups and CSOs of service delivery, public programs/policies and the implementation of key laws. Statistical systems developed to collect local level data, which will be aggregated and analyzed at the national level. Civil society groups participate in policy processes.*

**Illustrative Activities: IR 3.1 (Public funds more effectively and responsibly managed by state institutions)**

- Strengthen public financial management (PFM) systems and the ability of institutions to prevent, detect, investigate and sanction fraud, waste and abuse of public funds.
- Strengthen the implementation and enforcement of key laws (i.e. Ethical Code of Conduct for Public Sector, the TSC Organic Law, the Law to Optimize Public Administration, Improve Citizen Services and Strengthen Government Transparency, and the Law on Transparency and Access to Public Information, the Fiscal Responsibility Law) to improve institutional efficiency and inter-institutional coordination.
- Strengthen internal auditing within targeted line ministries to promote efficiency, effectiveness and integrity in program design and operations.
- Improve quality and timeliness of reporting by line ministries to the Finance Secretariat.
- Improve quality and participation of civil society in open budget hearings.
- Strengthen the National Office of Internal Controls of Integrated Development (ONADICI) and the implementation of laws and policies on controls.
- Strengthen external controls and auditing with a focus on the Supreme Audit Institution (TSC).
- Strengthen GOH capacity to apply and enforce administrative sanctions (TSC, Public Prosecutor).
- Support the GOH in anti-corruption commitments made under OGP, building on USAID's IMPACTOS program.
- Support the Access to Public Information Institute (IAIP) to provide timely information to requests by citizens, journalists and CSOs.
- Support issue fora on budget transparency or anti-corruption measures with political parties.

**Illustrative Activities: IR3.2 (Civil society influence on government decision-making enhanced)**

- Strengthen social auditing by civil society and private sector to measure government progress on policy commitments related to health, education, and security.
- Support linkages among local and national-level watchdog groups to create sustainable information systems.
- Strengthen evidence-based public policy analysis, advocacy and dialogue with GOH on the implementation of key laws and reforms.
- Facilitate prioritized reform agenda and consensus on long-term poverty reduction strategies among stakeholders to maintain continuity across administrations.

- Strengthen National Anti-Corruption Council (CNA) staff, operations, scope of investigations and procedures.
- Strengthen investigative journalism on cases related to corruption and mismanagement of public funds.
- Strengthen citizens' ability to access public archives under the Transparency and Access to Information Law and monitor the application of the Secrecy Law.
- Strengthen and scale up watchdog mechanisms such as Advocacy and Legal Advice Centers (ALACs).
- Support CSO seminars, conferences and workshops on legislation that will aid in combatting corruption.

### **Key DO3 Principles for Success**

- Conduct political economy analysis to identify stakeholder and institutional incentives.
- Employ whole-of-government approach and coordinate donor assistance on MACCIH, OGP, PFM.
- Define milestones with specific timeframes and identify responsible points of contact.
- Engage new civil society actors, especially from the private sector and universities to secure long-term commitments to monitor and evaluate the implementation of GOH programs and reforms.
- Engage Congress and political parties.
- Incorporate change management and systems-based approaches.
- Conduct political economy analyses throughout the program and adapt approaches accordingly.
- Safeguard social spending to support poverty reduction and protect low-income groups

## **D03 Monitoring, Evaluation and Learning**

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### **Illustrative Context Indices**

- Worldwide Governance Indicators (WGI)
  - Voice & Accountability
  - Government Effectiveness
  - Control of Corruption

- Public Expenditure and Financial Accountability (PEFA) framework performance indicators
  - (i.e. public access to key fiscal information; orderliness and participation in the annual budget process; transparency, competition and complaints mechanisms in procurement; effectiveness of internal audits; scope, nature and follow up of external audit)
- Open Budget Index (OBI)
- Transparency International Corruption Perceptions Index (CPI)
- Country Governance Assessment
- Social Inclusion Index (with focus on GDP spent on social programs, government responsiveness and citizen participation)

### **Illustrative DO3 Level Indicators**

- Execution of budgeted public resources devoted to poverty reduction expenditures as percentage of total annual budget.
- Percent improvement in adequate implementation of targeted laws based on respondent interview/surveys using an index of 0 for no progress and 5 for full implementation.
- Progress made towards compliance with OGP commitments based on 1-5 index.
- CIVICUS Civil Society Index (Impact Dimension – measures influencing public policy, holding the state accountable, responding to social interests, empowering citizens and meeting social needs.

### **Illustrative IR 3.1 Level Indicators**

- Number of training days provided to executive branch personnel with USG assistance (standard required indicator 2.2.2-6)
- Number of administrative resolutions/sanctions applied for corruption/mismanagement of public funds
- Time from corruption incident reporting to sentencing
- Level of implementation of Access to Information Law

### **Illustrative IR 3.2 Level Indicators**

- Customized Citizen Perception Composite Score and Experiential Surveys
- Number of public policies introduced, adopted, repealed, changed or implemented consistent with citizen input (2.4.1-12)

- Number of CSOs receiving USG assistance engaged in advocacy interventions (2.4.1-9 required)
- Number of USG-assisted civil society organizations participating in legislative proceedings and/or engaging in advocacy with national legislature and its committees (2.2.1-7)
- Level of implementation and access by users of data collection system
- Number of responsible and credible investigative stories published on corruption and/or mismanagement of public funds
- Number of freedom of information requests lodged and answered

### **Illustrative DO3 Evaluation Questions**

- Did USAID/Honduras strengthen GOH accountability systems? Why or why not?
- What methodologies were most effective at reducing corruption?
- To what degree was civil society able to influence government decision-making?
- To what degree do are private sector investments necessary for Project sustainability?

### **Assumptions**

*(This is not a comprehensive list of conditions established under Sec. 7045 (a) of United States Engagement in Central America. The above are included as they are relevant to DO3 results.)*

- The GOH will take effective steps to:
  - Establish an autonomous, publicly accountable entity to provide oversight of the Plan of the Alliance for Prosperity (the Plan).
  - Combat corruption, including investigating and prosecuting government officials credibly alleged to be corrupt;
  - Implement reforms, policies, and programs to improve transparency and strengthen public institutions, including increasing the capacity and independence of the judiciary and the Office of the Attorney General;
  - Establish and implement a policy that local communities, civil society organizations, and local governments are to be consulted in the design, and participate in the implementation and evaluation of activities of the Plan that affect such communities, organizations and governments;
  - Protect the right of political opposition parties, journalists, trade unionist, human rights defenders and other civil society activists to operate without interference.
- DO 3 results towards effective and responsible management of public resources will positively impact service delivery in DO 1 and DO 2.

- USAID and other donors will coordinate and harmonize actions in the areas of PFM and public policy.

### **Risks**

- That the Secretary of State shall suspend, in whole or in part, assistance for GOH central programs if it is determined that sufficient progress has not been made by the GOH to take effective steps towards actions detailed in previous slide.
- That labor unions and civil servants will be resistant to government reforms.
- That the GOH will not provide adequate resources to the public entities charged with oversight (i.e. Supreme Audit Institution, Public Prosecutor)
- That the GOH administration that assumes office in 2018 will shift priorities away from improving public administration and promoting accountability.

### **Mitigation Measures**

- Engage reform-minded GOH officials.
- Build in incentives for change management at all levels.
- Focus on building coalitions from various sectors – including small and medium-size private sector entities to keep priorities and policies on track.
- Work with the U.S. Embassy on a complementary diplomatic strategy to support government reforms.
- Work closely with other donors to coordinate messages and assistance.
- Shift efforts to civil society if GOH resistance is encountered.
- Ensure priorities included in A4P, OGP, and DO3 have buy-in from the major political parties so that there will be continuity after the 2017 elections.

### **Other Donors**

There are many donors operating in the transparency and public administration space. USAID participates in a donor working group on transparency and another one on aid effectiveness and host country systems. Other donors in governance and anti-corruption sectors include the Millennium Challenge Account – Honduras Threshold Program (MCA-H), the Office of Technical Assistance (OTA) of the Treasury Department, the United Nations Office for Project Services (UNOPS), the Inter-American Development Bank (IDB), the European Union (EU), the World Bank, the International Monetary Fund (IMF), the Department of Commerce, the State Department’s Bureau for International Narcotics and Law Enforcement (INL) and, most recently, the Organization of American States (OAS) Support Mission against Corruption and Impunity in Honduras (MACCIH).