FACT SHEET: United States, Development Partners, and Philanthropies Increase Commitment to Supporting Guatemala's Democratic Openings

In 2022, the United States Agency for International Development (USAID) launched the <u>Democracy</u> <u>Delivers Initiative</u> with a simple premise: when a country experiences a promising democratic opening, governments that undertake meaningful reform *and* deliver on citizen priorities are more likely to experience enduring democratic gains. And when these openings arise, the international community can play a critical role in helping reform-minded governments, civil society, and citizens seize the moment. The following year, USAID, along with philanthropic and private sector partners, launched the Democracy Delivers <u>Commitment to Action</u>, reflecting a common pursuit of increasing investment across sectors in countries experiencing a democratic opening.

In 2023, millions of Guatemalan citizens stood up for historic change by electing an anti-corruption reformer with a vision for a more democratic and prosperous Guatemala. When anti-democratic forces tried to overturn the election results, citizens protested those forces for days to make their voices heard and their votes counted. Democratic norms prevailed, and Guatemala inaugurated a new president committed to building transparent, effective public institutions centered on human dignity.

Guatemala serves as an inspiring example, a democratic bright spot for Latin America and the world. In September 2024, Guatemala joined the Democracy Delivers Initiative, and USAID announced the following commitments from the U.S. Government and our partners to support the Guatemalan people in realizing their goals and aspirations.

U.S. Government Commitments

<u>USAID</u>

Building upon USAID's robust, long standing partnership with <u>Guatemala</u>, USAID commits existing resources to advance two flagship initiatives in partnership with the Government of Guatemala:

First, USAID will support the Guatemalan Government's **Ministry of Social Development** (MIDES) in improving health outcomes and combating malnutrition by <u>installing cement floors for 250,000 families</u> over the next three years. Evidence shows that replacing dirt floors with cement floors reduces parasitic

infestations by 78%, diarrhea by 49%, and anemia by 81%; while increasing cognitive development, improving satisfaction with housing and quality of life, and lowering depression and stress, which contribute to other health risks. Currently, almost one-third of Guatemalans live in homes with dirt floors and lack of latrines and filtered water, contributing to significant childhood health problems.

As a member of Guatemala's HogaRES Alliance, USAID, along with the private sector and development organizations, will support the *Mano a Mano* inter-sectoral initiative to enable 250,000 families in vulnerable, rural communities to improve household infrastructure by installing cement floors, stoves, latrines, and water filters

USAID will provide technical assistance to support the MIDES *Mano* a *Mano* operations team. The USG also aims to recruit additional partners to join the multi-sectoral alliance to install more floors, stoves, water filters and latrines in the upcoming years.

Second, USAID will help the Guatemalan **Ministry of Labor** expand ethical, seasonal labor opportunities for citizens to build skills, increase earnings, and invest in their home communities. Evidence shows that seasonal workers significantly improve their families' quality of life and boost local economies, while reducing the intent to migrate irregularly up to 60%. USAID will enhance the Government of Guatemala's capacity to provide 14,000 well-paid job opportunities for workers through legal seasonal labor programs in the United States this year, with a goal of reaching 50,000 seasonal workers annually in the next five years.

USAID will partner with industry leaders to support conferences and recruitment fairs in new markets, enhance specialized training and certifications tailored to international standards, and help mitigate visa abuse and fraud in coordination with Guatemala's Ministry of Labor.

Additionally, USAID is working with Congress to announce \$9 million in additional funding to support the following priorities:

- \$6 million to increase economic prosperity by supporting entrepreneurship and innovation in
 the Western Highlands, ensuring effective planning of construction and rehabilitation of 3,300
 kilometers of secondary roads, improving transparency and efficiency in infrastructure
 procurement processes, and scaling technological innovations converting agricultural plant waste
 into sustainable textile-grade fiber.
- \$3.35 million to strengthen effective and accountable governance in Guatemala by supporting civil society and media organizations to increase digital literacy and information integrity and resilience, support legislators to make effective and transparent reforms, facilitate constructive political dialogue, and expand government capacity to respond to and prevent corruption.
- This new support for Guatemala builds upon \$5 million recently announced to support innovative solutions to improve agricultural production, value chains and the scaling of agricultural technologies in Guatemala through USAID's Feed the Future Initiative.

The U.S. International Development Finance Corporation (DFC)

The DFC previously committed to a **\$20 million** loan to a Guatemalan savings and loan cooperative, Cosami R.L., to support the expansion of low-income mortgages that will finance the construction of borrowers' first homes in rural areas.

The Inter-American Foundation (IAF)

The IAF commits additional funding of \$1.4 million to organizations addressing drivers of irregular migration by advancing durable economic solutions and civic engagement avenues for Indigenous communities, women, and youth; building on \$1.1 million in funding announced ahead of the Guatemala High-Level Economic Dialogue.

Philanthropy Commitments

The philanthropic community announced significant increased support for Guatemala with an anticipated **\$27.3 million** in funding for the coming years to advance education outcomes, promote inclusive and sustainable development, strengthen democracy and justice, and support civil society:

<u>The Ford Foundation</u>, through approximately \$3 million in funding, will support the goals that the government of Guatemala has prioritized, including wide-ranging processes of dialogue and policy design that include historically excluded indigenous populations—a goal that has been a long-standing priority of Ford's work in Guatemala.

<u>Focus Central America</u> commits **\$1.5 million** over three years in unrestricted funding to strengthen civil society, with a broad lens view of the diverse sectors encompassed within this term. Recognizing the importance of equity in strengthening democratic movements, funding priority will be given to indigenous and female led organizations.

In the next year, the Luis von Ahn Foundation is committing \$13.5 million in grants to local partners working to advance education, the rights of women and girls, nature conservation, and democracy and citizen participation. Specifically, \$5.2 million will support education, aiming to close gaps in access and quality of education for priority populations across Guatemala. Additionally, close to \$3 million will be dedicated to bolstering Guatemala's democracy, focusing on strengthening the rule of law and respect for human rights; the rest will be allocated to initiatives focused on rights of women and girls and nature conservation.

<u>The Rockefeller Brothers Fund</u> anticipates dedicating **\$9 million** to Guatemala over the next five years to support Guatemalan organizations or those working in support of democracy, justice, and sustainable development. Grants will support work on transparency and anti-impunity, democratic culture and civic participation, justice and reconciliation, and sustainable development.

<u>The Tinker Foundation</u> announces **\$310,000** in 2024 and 2025 funding for educational equity, with a focus on scaling successful practices in the public education system. Specific projects will promote intercultural and bilingual education and advance post-pandemic educational recovery. Funds will also

support engagement between civil society and the Ministry of Education, centering evidence-based practices that increase educational access.

<u>WINGS</u> – a community of philanthropic changemakers committed to ensuring philanthropy will reach its fullest potential as a catalyst for social progress – is expanding its scope of work to Guatemala, to include launching a new mapping initiative with philanthropic partners.