CONGRESSIONAL BUDGET JUSTIFICATION
FISCAL YEAR 2023
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1 | Summary Justification

The President is requesting $38 million for fiscal year (FY) 2023 for the Inter-American Foundation (IAF) to advance community-designed and community-led development in Latin America and the Caribbean. To date, this world region is the hardest hit by the COVID-19 pandemic in terms of lives and income sources lost. In FY 2023, the IAF will advance U.S. strategic priorities by addressing the devastating impacts of COVID-19 and other needs in underserved communities in this region, including:

- addressing root causes of irregular migration from Central America,
- promoting inclusive economic prosperity,
- reducing food insecurity,
- promoting government accountability through civic engagement,
- engaging communities in preventing and mitigating violence,
- promoting alternatives to the illicit drug trade and organized crime,
- integrating displaced Venezuelans into host communities across the region,
- building resilience to natural disasters, and
- sustainably managing natural resources.

This summary justification explains how the IAF serves U.S. interests, delivers results, provides a cost-effective approach, complements other U.S. government development efforts in the region, and promotes economic and social inclusion of historically marginalized populations. It ends with a summary of the President's Request.

The IAF Serves U.S. Interests

The IAF is an independent U.S. foreign assistance agency that directly invests in community-designed and community-led development across Latin America and the Caribbean. The agency engages local leaders, innovators, and entrepreneurs in underserved areas to make their communities more prosperous, peaceful, and democratic. The IAF awards small grants to community-based grassroots organizations, civil society, social enterprises, and networks that foster grassroots development. Grants last an average of four years with an average total investment of $310,000. In FY 2021, the IAF awarded its highest level of grant funding in agency history, bringing its investment in active grants to $121.3 million, complemented by $157.6 million in resources committed by IAF grantees, for a total value of $278.9 million across 27 countries.

IAF grants:

1. **Expand economic opportunities** through investments in sustainable smallholder agriculture, job skills training, access to credit, microenterprise and small-business growth, production, connectivity and technology, and market access and expansion;

2. **Enhance peace and security** by strengthening communities’ ability to address transnational crime, violence, unemployment, and irregular migration and create economic opportunities that improve their safety; and

3. **Strengthen democratic governance** and combat corruption by improving the capacity of local civil society to engage constructively with public officials, oversee the use of public funds, bolster accountability, and protect human rights—particularly among underserved populations.
The IAF’s investments in Latin America and the Caribbean serve U.S. interests by:

- **Creating alternatives to irregular migration, the drug trade, and crime in vulnerable places.** IAF grants promote inclusive economic opportunities, good governance, and peace and security in communities plagued by drivers of irregular migration such as poverty, unemployment, corruption, violence, food insecurity and malnutrition, and environmental pressures like drought.

- **Building stronger, more democratic allies.** The IAF works to improve the quality of democracy in the region by strengthening civil society. The agency invests in grantees’ efforts to participate in civic life, constructively engage local officials, protect human rights, promote transparency and inclusion, and hold their governments accountable to the law and democratic processes.

- **Improving public opinion of the United States in areas where China and other actors are working to expand their influence.** IAF investments to date have created a dynamic network of grassroots organizations throughout the region that are positively disposed to the United States. More than 70% of IAF grantees in the most recent independent survey by the Center for Effective Philanthropy in 2020 had improved their opinion of the United States as a result of working with the IAF.

- **Nimbly addressing emerging crises.** The IAF model allows the agency to shift resources promptly toward emerging areas of U.S. concern. For example, a 7.2-magnitude earthquake struck southwestern Haiti in August 2021, followed two days later by Tropical Storm Grace. The IAF quickly provided additional funding to impacted grantees serving 150,000 people to meet humanitarian needs and jumpstart recovery.

- **Building resilience to natural disasters.** By strengthening organizations and their ability to plan for crises, the IAF fosters resilience across the region. In its second year, the IAF’s $5 million joint initiative with the U.S. Agency for International Development (USAID) in the Eastern and Southern Caribbean doubled the number of IAF grantees working to enhance communities’ ability to prepare for and recover from disasters across eight small island nations.

- **Preparing local organizations to do business with U.S. and other international markets.** The IAF helps scale the capabilities of small businesses and social enterprises to access new markets, export goods and services, and do business with the United States. For example, with IAF funding to industrialize and market their products, one Mexican coffee cooperative is exporting to U.S. companies like Equal Exchange and Royal Blue Organics, and an Argentinian honey cooperative is exporting specialty honey through an Arizona-based company. IAF grantees also stepped in to help businesses adapt to broken local supply chains during times of crisis, such as a Honduran coffee cooperative that provided processing services to coffee producers whose own processing plants had been taken out of commission by Hurricanes Eta and Iota.

- **Investing in inclusivity and digital connectivity for remote and marginalized communities.** The IAF funds organizations that advance digital inclusivity for Indigenous people, people of African descent, women, LGBTQ+ people, youth, and people with disabilities. IAF grantees have provided equipment, internet access, and tutoring to prevent the digital divide from increasing learning gaps among lower-income children. IAF grants have expanded access to the internet and online training, promoted accessibility through digital apps, and shared information about human rights online.

- **Increasing local ownership of development and unlocking new resources by strengthening community philanthropy in Latin America and the Caribbean.** For example,
the IAF and long-term partner the Charles Stewart Mott Foundation are transforming the philanthropy sector in Mexico by strengthening a nationwide network of community foundations that have raised nearly $5 million in local Mexican resources for COVID-19 recovery.

The IAF Delivers Results

More than 3.5 million people benefitted from the IAF’s more than 390 grants active in 27 countries in FY 2021. Of these grants, 76% worked to advance economic opportunity and prosperity, 57% worked to strengthen civic engagement for better governance and accountability, and 27% worked to improve peace and security. On average, 85% of grants have met or exceeded their expected outcomes. For more on results, see Section 2: FY 2021 Accomplishments.

The IAF Provides a Cost-Effective Approach

IAF small grants are high-impact and cost-effective, and leverage local, private, and philanthropic resources for development. The IAF continues to steward U.S. taxpayers’ dollars responsibly, delivering development assistance that is smart and highly cost-effective by:

- **Leveraging matching resources from grantees.** The IAF requires grantees to contribute or mobilize their own cash or in-kind resources from their local community, private sector, philanthropic organizations, and governments. This prepares them to sustain and grow their efforts beyond the IAF’s funding, and participate in the economic and democratic progress of their countries. Over the last five years, each dollar invested by the IAF leveraged on average $1.23 from grantees, multiplying the IAF’s impact and ensuring community ownership. In FY 2021, the IAF reached its highest-ever level of counterpart committed by IAF grantees at $39.3 million.

- **Keeping our costs low.** The IAF maintains low administrative costs—just 8.3%—by requiring counterpart investment from grantees and using shared services for many administrative and operational functions. With just 50 staff based in Washington, D.C., the agency currently manages a portfolio of about 390 multi-year grants in 27 countries, while considering nearly 1,000 proposals and funding approximately 200 new or modified grants per year.

- **Scaling our reach via public-private partnerships.** The IAF actively collaborates with the private sector—corporate and philanthropic—in joint funding initiatives. The agency is expanding its network of private-sector partners to scale its reach and impact. For example, new partner Laudes Foundation is providing a 100% match for the IAF’s investment to improve the lives of farmers in semiarid northeastern Brazil.

- **Ensuring accountability and results.** The IAF holds grantees accountable for using U.S. public funds responsibly and for successfully implementing their grants with robust oversight, regular audits, independent data verification, and progress reporting. The agency requires grantees to track and report their progress, best practices, lessons learned, and results every six months during the lifecycle of the grant.

The IAF Complements Other U.S. Government Development Efforts

The IAF’s broad networks, direct connection to civil society, deep knowledge of local contexts, and specialized expertise directly complement other U.S. development efforts by:

- **Strengthening U.S. development efforts at the community level.** The IAF is focused on strengthening incipient local organizations (civil society organizations, grassroots groups,
social enterprises, and networks) that are often too small, underdeveloped, or remote to work with larger agencies and donors. For many IAF grantees, their IAF grant marks their first funding directly from the U.S. government.

- **Creating direct access to civil society without third-party intermediaries.** The IAF maintains direct, close relationships with grantees throughout the grant period and beyond. This high-touch, responsive approach provides oversight that promotes efficiency and increases their success, sustainability, and impact. None of the IAF’s funds go to intermediaries, implementers, or government entities.

- **Maintaining U.S. presence.** The IAF’s direct relationship with civil society organizations has allowed the U.S. government to maintain a development presence in countries even when activities of larger agencies are constrained.

- **Acting with flexibility and agility.** The IAF practices adaptive management, which enables it to respond to changing conditions on the ground, capitalize on new or emerging opportunities, or quickly close grants that are not having their full desired impact.

### The IAF Promotes Economic and Social Inclusion of Historically Marginalized Populations

The IAF prioritizes the inclusion of the region’s most historically marginalized citizens in their countries’ economic, social, and civic life, with 83% of IAF grants funding community-led work with populations such as women, young people, Indigenous people, African descendants, LGBTQ+ people, and people with disabilities.

- **Women.** Investing in grassroots organizations advancing women’s empowerment has always been at the heart of the IAF mission. More than 40% of IAF grantees have a deliberate focus on benefitting women. The IAF launched the Women INvesting in Growth and Security (WINGS) initiative in 2018 to more deliberately invest in organizations seeking to spur women’s social and economic success. This $46.5 million initiative funds more than 160 local organizations in 26 countries that increase women’s opportunities for civic engagement, access to finance, and training in leadership, business, and management.

- **Young People.** Nearly half (47%) of IAF grantees carry out activities benefiting young people. With Latin America and the Caribbean leading the world in youth homicide deaths due to gang violence and insecurity, the IAF invests in engaging young people in productive income generation, leadership training, peacebuilding, and conflict resolution. IAF grantee organizations also build young people’s capacity for civic engagement with public officials.

- **Indigenous People.** In FY 2021, 35% of IAF grants were invested in Indigenous communities in 16 countries. Indigenous people have been disproportionately affected by the pandemic. A majority live in remote areas with limited access to public services; Indigenous economies are highly impacted by high unemployment in the tourism, trade, and informal sectors; and the economic recession has constrained public budgets for social programs and safety nets that might otherwise benefit them. IAF grantees in Indigenous communities promote income-generating social enterprises, support sustainable agriculture and natural resource management, and facilitate engagement with local governments to address challenges that disproportionately affect Indigenous people, such as obtaining legal titles to land. In FY 2021, the IAF laid the groundwork for a new pilot initiative to share best practices for creating livelihoods, inclusive development, and mutually beneficial trade and enterprise opportunities among Indigenous peoples in Latin
America and the Caribbean and Native American communities in the United States.

- **African Descendants.** In FY 2021, 24% of IAF grants went to communities of African descent in 21 countries in Latin America and the Caribbean. African descendants often face disproportionate barriers to income, education, and health and continue to be underrepresented in leadership positions. IAF grantees expand income-generating and leadership opportunities for African descendants. They also promote African descendants’ rights and legal protections, educational inclusion, and recognition and representation.

### The President’s Request

The President is requesting an appropriation of $38 million for the IAF in FY 2023. With this appropriation, the IAF will continue its vital efforts to advance economic opportunity, strengthen accountable democratic governance, foster social inclusion and human dignity, enhance peace and security, and generate lasting impact through community-designed and community-led development, in line with U.S. foreign policy and national security priorities in Latin America and the Caribbean by:

- **Propelling COVID-19 recovery.** As the geographic region hit hardest by the pandemic, Latin America and the Caribbean will require intensive, long-term investment to recover from its worst economic recession. Community leaders will bear much of this heavy burden and will need to continue to step into leadership and coordinating roles in order to problem-solve and meet needs on the ground. IAF investments will focus on restarting economic activity, rebuilding supply chains, expanding access to the internet and technology, and building resilience to future crises at the community level.

- **Mitigating and building resilience to natural disasters.** For as many as one-third of IAF grantees, 2021 was marked by efforts to recover from Hurricanes Eta and Iota. In addition, a 7.2-magnitude earthquake struck southwestern Haiti in August 2021, followed by a tropical storm. Four Haitian grantees reaching 150,000 people were impacted. The IAF supported the efforts of these and other IAF grantees in Haiti to help affected Haitians. While the IAF applies a responsive approach to help grantees adapt to unforeseen and emerging needs they face after such disasters, we are increasingly investing in community-led planning and prevention efforts to mitigate such impacts and build capacity at the community level to respond effectively to local needs when under duress. This also includes investments in preventing and reducing deforestation and restoring forests and watersheds to prepare for and mitigate disasters. Building resilience has been a focus of our work in FY 2022 and will continue to be a priority in 2023.

- **Developing alternatives to irregular migration.** Increased food and economic insecurity resulting from both the COVID-19 pandemic and frequent natural disasters in Central America are contributing to a new wave of irregular migration north. The IAF’s strategy in Central America focuses on building resilience and rootedness in communities impacted by poverty, food insecurity, violence, corruption, marginalization, environmental degradation, extreme weather, and natural disasters. IAF grants will create viable opportunities for farming families, youth, Indigenous people, and women to earn a living. They will provide resources to community-based organizations working with municipal governments and other stakeholders to reduce violence, including gender-based violence. They will also strengthen civil society groups’ capacity to oversee budgets, public officials, and policy implementation, and participate in democratic governance to prevent corruption.

- **Integrating displaced Venezuelans.** The displacement of close to five million Venezuelans throughout the region continues to pose an unprecedented humanitarian
and economic challenge. The IAF will continue to invest in its regional initiative for community-led integration, which currently includes 31 grantees involved in improving livelihoods, promoting conflict resolution, and connecting displaced Venezuelans with basic services in nine countries: Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Peru, Trinidad and Tobago, and Uruguay.

- **Fostering constructive civic engagement in development and democracy.** In many Latin American and Caribbean countries, governments have intensified restrictions on civil society organizations and moved to limit residents’ rights to free association, assembly, and expression. The IAF will continue investing in civil society—crucial to healthy democracies—by funding citizen-led anti-corruption efforts, freedom of speech, and the participation of underrepresented populations. Strong, democratic governments make good neighbors for the United States.

- **Engaging communities in preventing violence and crime.** Violence in Latin America and the Caribbean threatens development efforts and can create footholds for transnational criminal groups. In FY 2022, the IAF is launching the second phase of a regional initiative to address chronic violence; it will work with a cohort of local organizations pursuing comprehensive community-led strategies to combat violence, resolve conflict, and address trauma. The IAF will also continue investing in its Peace Initiative in Colombia, which now encompasses 29 local partners working with a network of more than 500 organizations and 400 community radio stations across 24 departments.

- **Promoting inclusive economic prosperity and human dignity that benefits underserved and historically marginalized populations** such as women, youth, Indigenous people, African descendants, LGBTQ+ people, people with disabilities, and others. More than half of IAF grants promote enterprise development, job skills, improved livelihoods, and sustainable agricultural production in underserved areas.

- **Phasing in innovative new technologies and approaches to grantmaking.** In response to the pandemic, the IAF invested in expanding connectivity for grantees and their participants and adapted IAF site visits, monitoring, and learning to an online format. The IAF will capitalize on new efficiencies and skills that it and its grantees have gained. For instance, the IAF can now coordinate multilingual virtual forums to exchange knowledge with simultaneous interpretation. Emerging stronger from the crisis, the IAF will support grantees’ use of new tools and techniques to deliver on its mandate with even greater flexibility, efficiency, and innovation than before.

To ensure that our community-based programming is aligned with U.S. foreign policy and development priorities, the IAF will continue to coordinate with the National Security Council, Department of State, USAID, and others on a number of interagency efforts, including the U.S. Strategy for Addressing the Root Causes of Migration in Central America, *Building Community Resilience in the Eastern and Southern Caribbean* (a three-year, $5 million joint initiative with USAID), the National Strategy for Gender Equity and Equality, the Global Food Security Strategy and Feed the Future, and the crisis of Venezuelan refugees and migrants.

The IAF continues to prioritize developing new donor partnerships to mobilize private sector funds to invest in sustainable grassroots development in Latin America and the Caribbean. Contributions from these partnerships help to offset the loss of funds from the Social Progress Trust Fund (SPTF), which consisted of refloows on U.S. government loans to Latin American countries and represented an important source of IAF grant funds for more than 45 years. As shown in the table on the next page, the IAF’s budget in FY 2021-2023 draws down on the limited SPTF funds remaining from the final refloows collected in 2018.
In FY 2021, the IAF partnered with, among others, the Charles Stewart Mott Foundation, Aguas Danone Argentina, Danone Ecosystem Fund, the Fine Chocolate Industry Association, the International Community Foundation, Laudes Foundation, Tinker Foundation, Philip Stephenson Foundation, and Young Americas Business Trust. In FY 2021, the IAF launched and attracted its first donors to its Partnership for Disaster Recovery and Resilience, a fund initially directed to advance recovery and resilience efforts in communities impacted by the November 2020 hurricanes in Central America and Southern Mexico. The IAF will work in FY 2022 and 2023 to expand the partnership to serve as a fund to tap when forthcoming natural disasters and other crises impact IAF grantees and the communities they serve.

Table: Sources of IAF Funds FY 2021-2023

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<th>FY 2021 Actuals</th>
<th>FY 2022 Estimate</th>
<th>FY 2023 Request</th>
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<td>42,000,000</td>
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<td><strong>51,568,313</strong></td>
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Fundo Positivo, an IAF grantee that supports Venezuelan migrants in Brazil, trains Venezuelan and Brazilian youth as community health promoters.

Lakou Lapè, Haiti 
(See page 19.)
2 | FY 2021 Accomplishments

In FY 2021, the IAF awarded $30.3 million in new grant funding—the highest level in its history—
to grassroots and local civil society organizations in 27 countries in Latin America and the
Caribbean. New counterpart resources committed by grantees in FY 2021 also reached a record
high of $39.2 million. The IAF’s small-dollar investments create transformative impacts in the
communities it reaches.

The IAF’s Reach

- More than 3.5 million people benefitted from more than 390 grants active in 27 countries.
- The IAF funded 93 new grants, a majority of which went to eight priority countries:
  Colombia, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, and Peru.
- 83% of grants funded development initiatives with historically marginalized populations,
  including youth, women, Indigenous people, and African descendants.
  - 47% of IAF grantees directly involved and benefited young people.
  - 41% of IAF grantees focused on advancing women’s empowerment.
  - 35% of IAF grants were invested in Indigenous communities.
  - 24% of IAF grants were invested in communities of African descent.
- 49% of IAF funds were directed to rural communities, 15% to urban communities, and
  the remaining 36% benefited both rural and urban areas.
- 29% of IAF grantees worked to address the root causes of irregular migration.
- 76% of IAF grantees worked to advance economic opportunity and prosperity.
- 57% of IAF grantees worked to strengthen civic engagement for better governance and
  accountability.
- 27% of IAF grantees worked to improve peace and security.

Results and Impact

- On average, 85% of grants have met or exceeded their expected outcomes. 7
- IAF grantees scored the IAF in the top 1% of more than 300 funders for positive impact
  on their fields and top 5% for impact on their communities in the most recent anonymous
  survey by the Center for Effective Philanthropy in 2020.
- 282,500 participants in IAF-funded grant activities acquired new knowledge and skills
  in agriculture, manufacturing, technical vocations, finance, planning, administration,
  marketing, civic engagement, and environmental conservation.
- 5,300 micro and small businesses received training or technical assistance.
- 4,700 grantee connections formed or strengthened with private sector, civil society, or
  local government institutions.
**Leverage**

- New grantees **committed $1.23 for every $1 invested by IAF** over the last five years (FY 2017–2021).
- IAF’s total investment in active grants was $121.3 million in FY 2021 and catalyzed $157.6 million more from grantees in cash and in-kind resources, for a FY 2021 combined value of $278.9 million.
- As part of the IAF’s new Partnership for Disaster Recovery and Resilience, the IAF secured $110,000 from the International Community Foundation and the Tinker Foundation to supplement IAF investments in recovery and resilience efforts in communities severely impacted by Hurricanes Eta and Iota in Central America and Mexico.

**Efficiency**

- Administrative costs represented **only 8.3%** of the IAF’s FY 2021 budget when including the resources leveraged from grantees.

**Trust**

- **More than 70%** of respondents stated in the 2020 Center for Effective Philanthropy survey of IAF grantees that **working with the IAF has improved their opinion of the United States**.
- Grantees rated the IAF in the **top 6%** of all funders for approachability in the same survey. They also scored the IAF in the top 7% for reflecting a deep understanding of the needs of grantee beneficiaries in funding priorities.

**Flexibility**

- The flexibility of IAF’s funding model allows grantees to adapt their plans to changing conditions on the ground and positions the IAF to rapidly respond to strategic opportunities. In FY 2021, 83 active grants were amended to include additional resources, allowing successful grantees to expand, scale up, or adapt their work.

**Sustainability**

- The IAF funds comprehensive non-monetary assistance to build organizations’ capacity, including technical assistance in strategic planning, financial management, board development, and communications, to ensure their efforts are sustainable beyond their IAF grants.
- Active IAF grantees have committed a **total of $157.6 million** in counterpart resources, showing their lasting dedication to having impact.

**Networks**

- One of the IAF’s greatest assets is the strength of its network of some **5,600 current and former IAF grantees** who can serve as a resource to each other, and as trusted and responsive partners for the IAF when communities face crises. The IAF encourages and supports cost-effective peer-to-peer exchanges and learning. In 2021, IAF grantees leveraged this network to provide needed services to communities dealing with COVID-19 as well as natural disasters such as the August earthquake in Haiti.
Example of IAF Networks: CEPAGRO

By collaborating at a regional level, smallholder farmers in Latin America and the Caribbean can build an approach to food production that considers its environmental, social, and economic impacts on communities. Centro de Estudos e Promoção da Agricultura de Grupo (CEPAGRO), a research and technical assistance organization based in Brazil, has worked closely with the IAF since 2016 to develop a regional network of grantees and other organizations promoting sustainable agriculture and food security. The network has advanced farmer-friendly practices such as participatory organic certification, benefiting more than 40,000 people across the region. With the pandemic driving virtual collaboration, CEPAGRO has established a strong online community from Paraguay to Mexico promoting exchanges of knowledge, training opportunities, and partnerships. In 2021, CEPAGRO led IAF grantees from five countries in developing farmer-driven sustainable agriculture indicators using the mobile application LiteFarm, which helps smallholder farmers collect accurate data about their production and marketing. Over 130 farmers are testing this new tool and collecting data in partnership with the University of British Columbia. Within Brazil, CEPAGRO has joined local committees to find solutions to food insecurity amid the COVID-19 pandemic, and has seeded innovations that have become independent and self-sustaining, such as a program for collecting urban organic waste.
Fanm Deside, a Haitian organization strengthening women’s education and skills to address violence, has participated in reconstruction efforts after the 2021 earthquake.
IAF’s Response to COVID-19 and Emerging Challenges

Despite having only 8% of the world’s population, Latin America has suffered 30% of COVID-19 deaths.8 Due to the pandemic and the compounding effects of devastating natural disasters, poverty increased by 11% in the region by the end of 20209 and declined by less than 1% in 2021.10 Forty percent of people worried about how they would next eat in 2020, and 10% went a day or more without eating.11

As the pandemic continues, IAF grantees have forged on with meeting communities’ immediate health, safety, food security, and connectivity needs while addressing its secondary effects. IAF grantees have improved access to accurate public health information, including about sanitation, hygiene, and methods to reduce COVID-19 transmission. The IAF has strengthened organizations that provide first aid training, in-home treatment and therapy services, medical supply depots and diagnostic equipment, and mobile clinics in remote and marginalized communities.

Despite the challenges posed by the pandemic, IAF grantees have addressed gender-based violence, developed innovative solutions to rapidly-shifting barriers to doing business, adapted to new markets, built sustainable livelihoods, and promoted government transparency and responsiveness through civic engagement. In addition, the IAF’s InnovAction Challenge in partnership with Young Americas Business Trust, Organization of American States, and the Summits of the Americas Secretariat stimulated small business proposals designed to spur COVID-19 recovery from 1,300 young entrepreneurs across 32 countries.

Community-led recovery and rebuilding has been a major focus of IAF investments in FY 2021. Grantees already reeling from the effects of the pandemic also shouldered the first-line and medium-term response to natural disasters such as Hurricanes Eta and Iota in November 2020. The two consecutive Category 4 hurricanes destroyed infrastructure, buildings, and crops, causing damages exceeding $9 billion12—largely uninsured—and affecting more than 7 million people, particularly in Central America.13 With approximately one-third of all IAF grantees affected, the IAF provided flexible funding for response and recovery and invested in organizations leading community efforts to rebuild and foster resilience.

The network of IAF grantees in Haiti brought emergency relief to thousands of Haitians following the 7.2 magnitude earthquake on August 14, 2021 that affected IAF grantees working with around 150,000 rural Haitians. IAF grantees distributed tarps for shelter, water, food, and sanitation supplies to community members. They also increased loan funds to aid small businesses and purchased radio equipment to reestablish community radio stations, a crucial tool in disseminating life-saving information. The aid that first reached these communities came entirely through local organizations such as IAF grantee Unité de Lutte pour la Santé (ULS), which coordinated delivery of mobile medical assistance to nearly 900 people without access to care. ULS volunteered its expertise from running integrated health care mobile clinics in the North and North East to meet immediate needs like stitching wounds, running lab tests, and distributing medical supplies, water, food, and hygiene kits. The IAF has also been reallocating its existing funding in Haiti to earthquake relief and identifying opportunities for new investments and coordination among grantees, which are key to facilitating long-term recovery.
In western Honduras, back-to-back Category 4 Hurricanes Eta and Iota in November 2020 caused landslides that damaged vital infrastructure. Over a year later, some communities still have not recovered their access to water. Prior to the hurricanes, civil society organization Fundación Comunitaria Puca (PUCA) had been using its IAF funding to protect fragile watersheds and build the capacity of local water administration boards. PUCA works with 36 communities in four municipalities near the Puca Mountain Wildlife Refuge, protecting local watersheds that supply communities with water as well as promoting reforestation, sustainable livelihoods, and clean energy use. PUCA’s prior efforts mitigated the hurricane damage. Its strong convening power, communications, coordination with local stakeholders, and relationships with local communities and municipalities streamlined recovery efforts. Water administration board members used their knowledge of their own water infrastructure and environment, strengthened by training from PUCA, to respond quickly to the crisis. After the hurricanes, PUCA facilitated a rapid needs assessment with members of the local water administration boards and, with funding from the IAF, raised funds and in-kind contributions both locally and internationally to repair damaged water systems in 17 watersheds. PUCA’s rapid action brought access to water back to over 22,000 people.
For isolated rural communities in **Nicaragua**, Hurricanes Eta and Iota in November 2020 exacerbated the COVID-19 health and food security crisis and damaged health infrastructure. In many communities, residents typically need to travel at least three to five hours to reach a hospital or health clinic. Many IAF grantees mobilized to respond to urgent needs in such communities. For example, one IAF grantee offered locals basic health and safety training to control and prevent viral transmission. To provide first-line medical attention, the grantee also employed its IAF funding to train 16 people in first aid and supplied them with medical kits with basic devices such as blood pressure monitors, a device to measure blood sugar, syringes, and IV drip guides. These medical trainees provided free medical attention to more than 160 people and medical information to at least 160 caregivers in just the first two months following their training. The grantee also maintained basic medical supply depots in nine communities of the municipality, which made dozens of important medical products available to residents. Finally, to promote food security following the storms, 130 women participating with the grantee have cultivated vegetable gardens and sold basic grains, using the proceeds to buy cheese, eggs, meat, and other proteins for their households and improving the diet of approximately 650 residents.
AGTR, Peru
(See page 24.)
Economic Opportunity and Inclusion

In the department of Yoro in northern Honduras, more than 80% of people live in poverty and 35% of people are food insecure. With IAF funding, Cooperativa 25 de Julio has trained 250 smallholder coffee farmers from 12 communities in socially and environmentally responsible coffee production. Half of the coffee cooperative’s members have at least tripled their yields, and evaluations show their coffee beans have improved in quality as well. Cooperativa 25 de Julio has achieved organic, fair-trade, and women-owned certifications that have allowed its members to sell their coffee at a higher value (22% more for fair trade and 25% more for fair-trade organic coffee), earning families more income. The cooperative has also become more inclusive in recent years, with women now representing close to a third of members. The cooperative helped maintain economic activity following Hurricanes Eta and Iota with minimal interruption to supply chains. It supported community service brigades repairing critical roads and bridges, provided processing services to other producers whose processing plants were damaged to prevent post-harvest loss, and gave coffee seedlings to families with hurricane-destroyed farms. Cooperativa 25 de Julio provides economic, social, and environmental leadership to other coffee producers, and high-quality coffee to domestic and international buyers.

COVID-19 raised the poverty rate in the region of Piura, Peru, from one-quarter to over one-third of residents. IAF grantee Cooperativa Agraria Ecológica y Solidaria Piura (CAES) is an agricultural cooperative made up of 11 producers’ associations and individual members that processes sugar cane. With IAF funding, CAES has grown its client base by 62% and expanded into international sales. CAES has improved 15 cane sugar processing plants and provided training in safety protocols, organic food standards, and leadership skills. Farmers have improved the quality and quantity of their crops with training in cultivation, integrated pest management, and manufacturing. They have increased sugar cane production per hectare by 66%, increasing family incomes and allowing them to purchase additional food and fund their children’s education. Their average household income has increased by nearly 27% since 2018—even during the COVID-19 pandemic—promoting a ripple effect of economic growth throughout participating communities as disposable income increases.
Civic Engagement, Human Rights, and Anti-corruption

Hondurans’ belief in democracy recently ranked lowest in Latin America and the Caribbean. Before the country’s late November 2021 national elections, more than 70% of recently surveyed Hondurans distrusted their government institutions. IAF grantee Centro de Desarrollo Humano (CDH) is working with youth to rebuild faith and participation in democratic processes. The organization has strengthened 39 networks of organizations that train young people from underserved areas, including eight municipalities in southern Honduras and 11 high-risk urban neighborhoods in Tegucigalpa, to become the next generation of community leaders. Their achievements include establishing Tegucigalpa’s first Municipal Youth Commission and a national observatory that monitors the implementation of laws designed to promote youth rights and assesses their effectiveness. CDH has also used IAF funds to train more than 2,700 young people in civic engagement to improve the dedication of public resources to youth priorities, and in social oversight mechanisms to reduce corruption at the local level. These young leaders have trained an additional 10,000 young people in their communities. Participants from southern Honduras applied these skills to monitoring for corruption or partisan practices in municipal expenditures to address COVID-19. CDH also trained youth leaders as election observers to monitor 45 voting centers for the high-turnout 2021 national election, in which more than 69% of Honduran registered voters—40% of whom were young people—voted.
**Mexico** City’s budget of more than $50 million is the fourth largest in the world dedicated to participatory budgeting, which allows communities to decide democratically how to spend available public funds. However, many residents are unaware they can participate and engage their government officials on development priorities, and lack information about funds available or how to present a proposal. Led by a team of women whose average age is under 30, grantee Ollin, Jóvenes en Movimiento, A.C. (Ollin) is closing this information gap. Ollin’s IAF funding goes to promoting government transparency by compiling information about Mexico City’s participatory budgeting program and making it widely accessible through an online platform. With its IAF grant, Ollin has trained 75 grassroots leaders, nearly half young people, to promote engagement from historically marginalized communities by raising their awareness about participatory budgeting. The Electoral Institute of Mexico City, a non-partisan government institution, reached out to Ollin to promote the platform and provide Ollin with updated data, fostering greater transparency and citizen participation in a country with rising corruption concerns. In collaboration with the Electoral Institute of Hidalgo, Ollin is poised to expand its work to the Nahuatl-speaking Indigenous community of Santa Ana Tzacuala, in the municipality of Acaxochitlán, Hidalgo.

**Resilience to Insecurity, Crime, and Violence**

The neighborhoods of Bel-Air and Saint Martin are embroiled in a deadly escalation of gang violence in Port-au-Prince, Haiti, that has displaced more than 13,000 people over the past year. Nearly a hundred gangs dominate the capital, overwhelming police and security forces. Community association Lakou Lapè (“Courtyard of Peace” in Creole) has used its IAF funding to train young people in peacebuilding, civic education, leadership, and vocational skills to help them prevent violence in these neighborhoods. Lakou Lapè carries out interventions to reduce conflict within and among communities and provides spaces for youth, private sector leaders, and police to come together and discuss issues. Amid the limitations of COVID-19 and armed tensions between rival gangs, Lakou Lapè’s young peace trainers have managed to form a youth peacebuilding network, carry out 10 local projects, and train other youth. Ten of these youth leaders recently participated in panels on conflict reduction with the United Nations and Haitian government.
At least one in three Nicaraguan women experienced gender-based violence in 2021. Twenty percent of femicides were concentrated in the North Caribbean Coast Region, the most dangerous place in the country to be a woman—particularly an Indigenous woman. Indigenous Miskito judges, with the authority to mediate and resolve disputes in their communities, have reported being unfamiliar with laws governing this type of violence. A nonprofit association started a training program with its IAF grant that has prepared 83 local Indigenous judges, or “wihtas,” to handle cases of gender-based violence according to the law and best practices. The COVID-19 pandemic forced many women to shelter with abusers and increased social stressors. In response, the association has helped its participants stay connected to support networks and legal counsel by purchasing equipment to improve communications with women who are at risk of violence. And, to remove some of the barriers that keep women vulnerable to recurring gender-based violence, it also provided direct legal, psychological, or emergency housing support funded by the IAF to more than 1,100 survivors between August 2020 and July 2021.
Food Security

More than 60% of residents of rural Usulután, El Salvador, experience some level of food insecurity. IAF grantee Asociación Cooperativa de Comercialización y Producción Agrícola Compañero Erick (ACOPROERICK) provides training and technical assistance to more than 500 small farmers across five municipalities in organic production of basic grains, fruits, and vegetables. After droughts reduced their harvests by 60% in 2016, the cooperative used its IAF grant to construct 33 small reservoirs that each hold up to 130 gallons of water to nourish surrounding farms. Usulután families now enjoy a food selection that is 15% wider, incorporating products like radishes, peppers, cassava, and oranges with greater caloric and nutritious value. Farmers also report up to a 25% increase in family income through higher crop yields due to their IAF-funded technical assistance, which has allowed them to improve their homes and invest in their children's education. Growth in demand for basic staples such as corn and beans from local sources during the pandemic increased ACOPROERICK’s sales by approximately $400,000, benefitting around 2,240 people. ACOPROERICK is one of three national cooperatives currently working with the World Food Programme to supply corn and sorghum cultivated for enhanced nutritional value, key ingredients in a nutritional supplement drink given to Salvadoran students.

In central Honduras, one of Central America’s driest areas, seven years of repeated droughts have depleted farming families’ reserves. With IAF funding, grantee Asociación de Consejeros para una Agricultura Sostenible, Ecológica y Humana (COSECHA) has improved soil quality and increased access to water in the department of Francisco Morazán. Using COSECHA’s innovative methods, such as a water storage technique from sub-Saharan Africa known as “sand dams,” farmers have tripled their access to water, gaining 3–5 months of water access annually. Where families previously only harvested corn or beans once a year, they now count on two basic grain harvests. COSECHA has also trained community residents to share their knowledge of nutrition and household vegetable and fruit production, reaching approximately 3,000 people in 16 communities. Participating families now consume a more diverse and nutritious diet featuring adaptations of traditional recipes like tacos with shredded green papaya filling and fried radish leaf pastries. Following the COVID-19 economic crisis and Hurricanes Eta and Iota in November 2020, 42% of Francisco Morazán residents became acutely food insecure. COSECHA members, however, had extra food to share and sell. While they lost their second harvest, the farmers had a larger-than-normal first harvest thanks to their improved soil health and access to water, as well as their increased capacity to store crops. Inspired by COSECHA’s success, young people who lost their jobs in Honduran cities due to COVID-19 have moved back home to rural areas and embraced making a living through sustainable agriculture.
Natural Resource Management

IAF grantee Guakia Ambiente has trained more than 950 community members in the Dominican Republic and northeastern Haiti to construct, maintain, and operate micro hydroelectric and solar energy systems that harness natural water flow and sunlight to generate electricity for 16 communities. With its IAF grant, the organization has installed eight micro hydroelectric plants to date, with another three in development, and created eight small businesses to operate them. Guakia Ambiente has electrified 10 Dominican schools and introduced wireless internet for more than 300 people in underserved communities, opening access to communication, training, and online resources for education—key to preventing widening educational gaps during the pandemic. The organization has brought clean, reliable energy to more than 4,500 Dominicans and 500 Haitians, opening new opportunities in education, health care, and income generation to improve communities’ economic prospects. The organization’s initial efforts were recognized with a National Energy Globe Award in 2017. In addition to electrification, the organization’s IAF funding has gone towards sustainable agroforestry to promote food security and trained coffee cooperative members in Barahona to construct a system to produce organic matter from solid waste, benefitting 40,000 people.

Mexico has one of the highest rates of deforestation globally, losing on average 300,000 hectares per year.24 Estudios Rurales y Asesoría Campesina, A.C. (ERAC) is a nonprofit organization that, with IAF funding, provides technical assistance, training, and seed funding to communities in nine Mexican states to help them manage and protect their local forests, benefiting approximately 1.5 million residents. ERAC members are preserving 736,585 hectares, of which 63% is forested. ERAC also formed a regional network of grassroots organizations that share knowledge and raise awareness about community forestry to inform public policies. ERAC’s network has secured commitments from the Secretary of the Environment and Natural Resources (SEMARNAT) and National Forest Commission (CONAFOR) to support a community-based approach to Mexico’s forest resources. At the local level, ERAC’s impact is already visible: the annual deforestation rate in participating towns in Carrillo Puerto, Quintana Roo, is as much as 90% lower than in the rest of the municipality.
Alternatives to Irregular Migration from Central America

Guatemala has the fourth highest rate of chronic malnutrition in the world and the highest in Latin America, a contributing factor to high emigration rates from the country. IAF grantee Asociación de Dirigentes Comunitarios (ASDIC), an Indigenous farmers’ association, has found success growing and selling unusual crops for the area, including sweet peas and oyster mushrooms. By adopting organic fertilizers, Indigenous farmers with ASDIC have exceeded their projected production by 28%. They have also doubled their sales over the grant period and increased their incomes by pickling and canning otherwise unsellable vegetables. As a result, farmers can better support their families and supply additional food to their communities. The association has also educated young people in its community high school and trained them for employment in the local tourism sector. Prior to its IAF grant, 15% of its high school students emigrated. Today, all have continued their studies in Guatemala and none have migrated to other countries, with only 1.8% even expressing interest in migrating. Young ASDIC participants are a counterexample of recent out-migration trends: they are becoming more strongly rooted in their communities, with hope and opportunities for the future.

Every day, more than 200 families flee poverty, violence, and natural disasters in Honduras. IAF grantee Organismo Cristiano de Desarrollo Integral de Honduras (OCDIH), a faith-based nonprofit in western Honduras, uses IAF funds to address the specific needs of groups particularly vulnerable to pressures to migrate irregularly, including young people with few educational or career opportunities and Indigenous subsistence farmers. OCDIH created roundtables in two municipalities that bring together Indigenous, women, and youth representatives with representatives of municipal government, businesses, schools, police, and churches to address the economic and social conditions in their communities that result in violence and high-risk migration. Their recommendations have led to concrete local gains, such as reopening a police station closed a decade ago. These roundtables also coordinated humanitarian response to more than 6,250 people affected by the pandemic and Hurricanes Eta and Iota. After suddenly losing nearly everything—relatives, homes, livelihoods, community buildings, possessions—to the hurricanes, many traumatized people reported that they felt hopeless. OCDIH addressed this collective mental health crisis by providing psychosocial support, including professional psychological attention, support groups, age-appropriate children’s activities, and training for community leaders—providing residents hope for rebuilding their lives in their local communities.
Displaced Venezuelans

Approximately 80% of the over 1 million Venezuelans who have fled to Peru to escape worsening conditions in their home country settle in the city of Lima, arriving drained of savings and in urgent need of income and shelter after an arduous journey. With approximately one in ten Lima residents being a displaced Venezuelan, nonprofits like IAF grantee Asociación Grupo de Trabajo Redes (AGTR) are taking on the challenge of helping them integrate socially and economically. Prior to receiving IAF funding, AGTR had valuable experience working with another vulnerable population, some 2,500 female domestic workers, to share the knowledge and skills to improve labor conditions and social protections. While assisting Venezuelans with access to food and basic supplies, AGTR guided them in accessing their legal benefits, including access to work permits and health services. AGTR has used its IAF grant to help 1,800 Venezuelan migrants and refugees in metropolitan Lima understand the legal and administrative requirements relating to their immigration and work status and validate their professional or educational degrees in Peru. With the assistance of AGTR and support from the Peruvian government, over 730 Venezuelan migrants can now work in the formal sector.

As many as 400,000 Venezuelans are living in Brazil—many (57%) in intense need of basic food, shelter, and clothing as well as support in finding employment and accessing health, education, and legal services. Civil society associations have played an important role in meeting those needs, including IAF grantee Cáritas Brasileira Regional Nordeste (CBNE), a branch of a regional network of faith-based organizations working at the grassroots. With its IAF grant, CBNE has partnered with the municipal governments of four major cities in northeastern Brazil that have been the main recipients of displaced Venezuelans in that region to provide services to help them settle and integrate. CBNE has helped Venezuelan migrants and refugees generate income by assessing their professional abilities and developing training programs, including training adapted to the Indigenous language Warao, spoken by many of the Venezuelan migrants in the region, to further develop their capacity to manage microenterprises. CBNE provided mobile hotspots to allow 200 displaced Venezuelans to connect to this training online amidst the pandemic. Participants have launched collective enterprises that are thriving despite the pandemic and are improving livelihoods and the local economy. CBNE promotes their enterprises through an online platform to attract consumers and new partners by raising awareness about their situation.


Disaster Resilience in the Caribbean

Intense deforestation makes Haiti particularly vulnerable to erosion and landslides after storms and earthquakes, which in turn contaminate the water supply. IAF grantee Platfôm Inite Ôganizasyon Dezam (PLAIOD), an umbrella organization uniting eight grassroots organizations of rural women and farmers in Haiti’s central region, has been improving the health of the 60-hectare local watershed on which their livelihoods depend. PLAIOD’s IAF grant has engaged 700 small farmers and residents around the watershed to voluntarily replicate these efforts in their communities. PLAIOD also helped communities to increase their food security and improve environmental resilience by providing silos for seed and grain storage and training community members in sustainable agriculture techniques and livestock cultivation. To encourage reinvestment in their production, the organization has helped them set up 60 savings and loan groups, bringing access to credit to more than 400 participants (71% of whom are women). By helping families to build new sustainable income streams and gain access to credit, PLAIOD is encouraging them to save money and turn their focus from survival to long-term conservation and planning.

Natural disasters have repeatedly decimated food security, public health, and critical industries in small Caribbean island nations. For example, Hurricanes Irma and Maria caused damages exceeding $1.6 billion in Antigua & Barbuda and Dominica in 2017. IAF grantee Caribbean Natural Resources Institute (CANARI), a regional nonprofit technical institute, is using IAF funding to develop the capacity of six civil society organizations in Antigua & Barbuda, Dominica, and Grenada to work with communities in preparing community adaptation plans and implementing cost-effective disaster risk reduction strategies. Following a phase of participatory mapping and vulnerability assessment in their communities, local organizations have pursued diverse initiatives with seed funding from CANARI’s IAF grant. For example, in Dominica, community organizations reduced the likelihood of landslides by reforesting exposed hillside areas, and addressed vulnerability to flooding by restoring riverbanks and raising awareness about the importance of watersheds. In Antigua & Barbuda, organizations have planted micro-forests (small, densely planted areas that reproduce mature forest ecosystems) to reduce runoff, regulate temperature fluctuations, and restore native plant populations. Finally, in Grenada, they are mitigating the potential impacts of flood and erosion by planting native grasses and trees.
Building Peace in Colombia

Ongoing violence threatens to derail grassroots development in Colombia, where more than 900 human rights defenders have been killed since the signing of the Peace Accord in 2016.32 IAF grantee Centro de Investigación y Educación Popular (CINEP), a Jesuit civil society organization, builds peace and improves democratic governance in Colombia through community research, education, and oversight. With IAF funding, CINEP has strengthened the knowledge of 21 other IAF grantees participating in the IAF's Colombia peacebuilding initiative, organizing an annual symposium (Semana para la Paz) to share effective local, regional, and national mechanisms available to build peace. Many participating community-based organizations now incorporate important peacebuilding strategies such as trauma recovery and reconciliation work in their activities. As a result of CINEP's pivotal role and expertise, fellow IAF grantees have sought and received CINEP's strategic and psychosocial support when facing threats from non-state armed actors and other violent groups as a result of their work to promote human rights, environmental protection, and other peacebuilding initiatives. To date, CINEP has helped 20 grassroots leaders under threat.

In the context of COVID-19, connection to the internet has become more critical than ever in accessing education and training, health services, and market information, as well as participating in civic life and regional peacebuilding activities. Yet rural and isolated communities in Colombia still lack access to the internet. Some informal service providers began filling the pandemic niche by hanging their fiber optic cables from telephone posts—a service that has been unreliable, sometimes illegal, and unsustainable in the long term. In contrast, IAF grantee Corporación Sistema de Comunicación Para La Paz (SIPAZ), a nonprofit organization that manages a national network of 413 community radio stations, has demonstrated that a community-based approach to connectivity is the most effective and accessible for their communities long-term. With IAF funding, SIPAZ has laid the technical and procedural groundwork and gained the necessary permissions from government authorities to retrofit its radio towers to sell reduced-cost broadband Wi-Fi services to rural communities. Its first two internet hubs are operational, bringing rural families, grassroots leaders, and peacebuilders online and facilitating their civic engagement. Finally, SIPAZ also established a dedicated website for its digital radio station "Fedemedios Radio" and an application for smartphones and tablets in order to reach younger generations of listeners with news and peacebuilding messages.
Financial Sustainability and Self-reliance

Starting and growing a business is challenging in Guatemala, which the World Bank currently ranks 96th globally in terms of ease of doing business. The difficulty with launching and sustaining enterprises creates severe hardships for many families. Asociación de Productores Comalapenses (ASPROC), an organization of small farmers in San Juan Comalapa, Chimaltenango, supports its members through a combination of training, technical assistance, farmer-to-farmer exchanges, and access to inputs and technologies to strengthen their production. With IAF investment, ASPROC has doubled its members’ sustainable agricultural production—and after strengthening its capacity, is poised to multiply its success. Over the past six months, ASPROC has diversified its funding from municipal, national, and international sources, mobilizing more than $115,000 in co-investment from other funders including World Central Kitchen, the Korea International Cooperation Agency, International Union for Conservation of Nature, the local municipal government, and the United Nations Development Programme. With those investments, ASPROC is working to recover from the COVID-19 crisis and take its business to the next level by increasing greenhouse production, setting up a training center, constructing a center for farmers to collect and store crops, and developing a certified production center to sell organic fertilizers, compost, and natural pesticides to provide an additional income stream for the farmers.

Nicaragua has an estimated housing shortage of nearly one million homes and requires 20,000 new homes each year just to meet its annual need. A limitation in expanding housing to meet this growing need is that many laborers earn too little to qualify for a mortgage loan. A faith-based nonprofit association created a housing program with its IAF grant to enable low-income families to secure a safe place to live. By establishing a loan guarantee fund with a partner bank, which guarantees 20% of loans for people who could not otherwise qualify for a mortgage, the grantee has quintupled the pace of low-income housing construction. The organization also created a subsidized housing fund with funding from the private banking sector, housing cooperatives, and donors, as well as earnings generated through the sale of homes to laborers, to provide favorable “soft loans” to low-income families. Returns on the loans help maintain the fund, giving other low-income families the same benefit. To date, the grantee has a repayment rate of 98% even under unprecedented economic hardship during the pandemic, pointing to probable long-term sustainability.
Grants to Faith-based Organizations

One in every two children in Guatemala is stunted from chronic malnourishment due to lack of access to a diverse, nutritious diet. Inspired by the Catholic social teaching of promoting human dignity through community-centered development, IAF grantee Proyecto de Salud Sangre de Cristo (PSSC) works with schoolchildren, their parents, and the broader community in San Pedro Ayampuc and Chiautla, Guatemala, to promote healthy eating and hygiene at home. PSSC’s IAF-funded activities strengthen communities through nutrition education, training in cultivating family gardens, regular home visits, and peer-to-peer learning and action networks. PSSC has trained 815 families on childhood nutrition, encouraging them to diversify their diets by incorporating fruits and vegetables from their family gardens as well as soy milk and vitamin supplements. Cooking classes for mothers have strengthened their ability to produce nutritious food for their households, and when coupled with handicrafts and entrepreneurship workshops, have prepared them to bring in additional household income. Thanks to these activities, approximately 1,000 children have gained weight over the grant period, on average from three to five pounds, closing the gap for what they should weigh at their age. Improvements in home hygiene have also likely helped to mitigate the spread of COVID-19.
Indigenous Tseltal communities in rural Chiapas, the poorest state in Mexico, face growing territorial disputes, family violence, and food insecurity. IAF grantee Comité de Derechos Humanos Fray Pedro Lorenzo de la Nada A.C. (Fray Pedro) is a civil association founded and advised by Catholic Church leaders. The IAF is funding Fray Pedro to build peace in Tseltal communities through mediation and conflict resolution. Fray Pedro's team has supported Indigenous Chiapan people in using dialogue to resolve nearly 100 interpersonal conflicts over land tenure, domestic violence, crime, and discrimination, benefiting more than 10,300 people. In one 2019 case, a family conflict escalated into an armed hostage situation due to political tensions among groups. Government anti-kidnapping forces could not enter the community. Fray Pedro leaders, however, managed to resolve the dispute peacefully, preventing mass violence. Women peace promoters trained by Fray Pedro have gone on to train community members, including youth, in 27 Indigenous communities across Chiapas. Fray Pedro also provides funding, training, and technical assistance to incubate young people's income-generating initiatives, such as producing and selling organic vegetables and baked goods. These activities reduce the economic pressures that create conflict and drive migration. Fray Pedro has become a beacon of hope for Mexicans seeking to live safe, productive lives.
Red Pakariñan works to strengthen women and girls’ leadership in rural Ecuador.
5 | Investing in Historically Marginalized Populations

The COVID-19 pandemic has worsened social and economic conditions in Latin America and the Caribbean and historically marginalized populations are disproportionately affected. Already the world’s most unequal region before the pandemic, Latin America and the Caribbean have experienced an increase in poverty and income inequality since 2020. With the region’s economies widely projected to experience an economic slowdown in 2022 and take years to recover to pre-pandemic levels, these populations are likely to face vulnerability and stagnant economic opportunity for the years to come.

IAF grants active in 2021 benefited 3.5 million people in poor and marginalized communities in 27 countries throughout Latin America and the Caribbean. In FY 2022 and 2023, the IAF will continue to prioritize the region’s most disadvantaged, including women, children and youth, African descendants, Indigenous people, LGBTQ+ people, and people with disabilities, among others. Poverty and exclusion go hand in hand in the region, and durable progress requires addressing both.

Women

Among working-aged adults in Latin America and the Caribbean, women are 23% less likely to be employed and 18% more likely to live in poverty than men. About one in four women lack an income of their own, with women relying heavily on the informal sector and low-wage jobs to make ends meet. Female entrepreneurs face more barriers to success than male entrepreneurs, such as more limited access to financing. Apart from having an outsized impact on women’s livelihoods, the pandemic has also negatively affected the safety and wellbeing of women and girls in the region. According to the latest estimates, some 4,100 women were victims of femicide in 2020, the most extreme form of gender-based violence.

For communities to achieve their full potential, women need to be able to operate in safety, earn income independently, launch enterprises, steer organizations, and engage public officials on their priorities. IAF grants deliberately advance women’s leadership, safety, and participation in the workforce and civic life. In FY 2021, 41% of IAF grants were focused on advancing women’s empowerment and approximately 53% of participants in IAF-funded projects were women or girls.

Bolivia has the highest rate of femicide in South America, with pre-pandemic reports of almost 60% of Bolivian women experiencing domestic violence during their lifetime. Nonprofit organization Instituto de Formación Femenina Integral (IFFI) is addressing this issue with IAF funding by strengthening a network of women’s organizations. IFFI has doubled the number of women actively participating in the network to nearly 3,700, including historically marginalized young, Afro-Bolivian, and Indigenous women. Together, they raised awareness about domestic violence and women’s rights through seven social media campaigns, the most recent reaching 670,000 viewers. Network members are also educating women and municipal leaders about how to promote women’s rights and development initiatives and engaging women in citizen monitoring and oversight. IFFI has helped network members to hone participatory processes for developing proposals to submit to municipal governments. To date, they have secured seven projects and five funding actions from municipal governments that advance gender equity. Network members have also promoted transparency in six municipalities in Cochabamba by publishing the budget dedicated to programs that benefit women and enforcement of gender rights.
With only a quarter of Salvadoran women having a bank account, the country’s financial inclusion gender gap is double the global average. Women seeking credit face barriers including a lack of assets and collateral, limited credit histories, discrimination, and lower financial literacy than men. With IAF funding, the community development association Asociación Nuevo Amanecer de El Salvador (ANADES) has increased rural women’s control of their own finances. ANADES has developed the capacity and inclusiveness of farmers’ associations in two municipalities of Sonsonate and strengthened a national network of organizations engaging in sustainable agriculture. Now women are expanding their economic activities by accessing credit through six community savings and loan funds that they manage. Additionally, more than 500 women farmers (approximately 45% Indigenous and 17% youth) are able to earn income after receiving ANADES’ training in native seed preservation, organic fertilizer preparation, pest and disease control, beekeeping, business skills, and value-chain production. To continue agricultural education during the COVID-19 pandemic, ANADES built a virtual curriculum and other educational materials on organic agriculture. ANADES is invested, literally and figuratively, in Salvadoran women’s financial futures.
Children and Youth

Children and youth (under age 25) represent close to 30% of the population in Latin America and the Caribbean. Acute multidimensional poverty for children under the age of 18 in the region is about 1.5 times higher than for people aged 18 and up. Children and youth in the region are especially vulnerable to high levels of violence, suffer disproportionately from risks associated with natural disasters, and lack access to basic services like water, sanitation, and public education.

COVID-19 has particularly worsened the employment prospects of youth in the region. A quarter of all youth in the region neither work nor study, and with fewer employment opportunities, many young people are experiencing increased pressure to migrate or join criminal organizations.

The IAF works closely with grantees in the region to mitigate these challenges. Close to 50% of IAF grantees in FY 2021 actively worked with youth to promote youth leadership skills, civic engagement, and entrepreneurship.

Residents of Ciudad del Este, Paraguay, can ensure their government distributes public funds for education in a way that maximizes their impact by engaging actively with the budget allocation process. Yet the process is complex, making it challenging for students, parents, and school administrators to oversee it. With its IAF grant, youth-led IAF grantee reAcción Paraguay (reAcción) has developed internet-based tools to promote student civic engagement and prevent corruption in how government funds for public schools are distributed. Its team is the youngest of any formal organization in Paraguay with an average age under 25. With design and testing assistance from 33 student volunteers, reAcción developed an online tool to allow students, educators, administrators, and citizens—already logging more than 550 participants following its formal launch—to monitor public investments in education in real time. Demonstrating its usefulness, representatives of the Ministry of Education used the tool in 2021 to analyze which schools in Ciudad del Este had already received infrastructure investments in order to prioritize other schools for funding. By engaging with the Ministry of Education and the National Directorate of Public Procurement, reAcción contributed to reforms making information about public contracts in educational infrastructure transparent to the public. According to the Open Contracting Partnership, this reform positions Paraguay as a global model of educational transparency.
Young people in Latin America and the Caribbean face the world's highest homicide rate and few employment prospects: approximately one in three young people in the region has experienced physical violence, while one in four is unemployed. Fundación Fútbol para el Desarrollo (FuDe) has successfully engaged at-risk youth throughout Latin America through fútbol callejero (street soccer), which builds leadership skills and provides positive experiences for young people as leaders and changemakers in their communities. Its IAF grant has strengthened 23 partner organizations in 11 countries reaching more than 2,900 young people. FuDe has developed a referee training program that builds leadership and conflict management skills. So far, over 100 leaders from 10 countries have graduated from the program. To reduce the digital divide, FuDe adapted its model during COVID-19 to improve its online platform and help young people stay connected virtually across the region. It developed new tools to help youth and their organizations address the challenges related to pandemic confinement, reduce the spread of the virus, and reinforce youth confidence and security. This included carrying out information campaigns to keep communities safe and to promote virtual spaces of exchange and psychosocial support for young people in crisis.

**African Descendants**

African descendants account for about 20% of the total population in Latin America and the Caribbean and experience disproportionate levels of poverty, exclusion, and inequality. African descendants in the region face a range of disadvantages that affect their labor and housing opportunities, as well as their access to basic services such as public education, water, electricity, and sanitation. To address these challenges, the IAF is working closely with local African descendant communities. In FY 2021, close to 25% of active grants served this population, making the IAF a leading partner in the region.

COVID-19 has only exacerbated challenges facing African descendant residents of Maranhão, the poorest state in Brazil, making it more difficult to access education, health, and other services. IAF grantee Caritas Brasileira Regional do Maranhão (CBMA) is a Catholic organization led by Afro-Brazilians that works in 15 municipalities of Maranhão to improve production of manioc, a staple that has traditionally fed and provided income to quilombolas (Afro-Brazilian communities). With funding from the IAF for technical assistance and equipment such as irrigation systems, CBMA has helped manioc farmers expand their plantings by 50% and plant 80% more types of crops, improving the quantity and quality of food they produce. Pre-pandemic, this had raised household incomes by an average of 20%, and even with pandemic setbacks, they are currently making 5% more than prior to the grant period and their diet has improved. CBMA’s IAF-financed loan fund also helped producers in 23 communities stay afloat during the crisis. Despite the scant resources available to them, two groups have already repaid the loans, while 16 more are in process of repayment, showing producers’ commitment to the organization. The grantee has also increased women’s inclusion in manioc production by 70%. CBMA helped a grassroots network of manioc producers create a home delivery system to reach customers during the pandemic—a model successful enough they plan to maintain it.
Years of armed conflict have left Colombia’s Pacific Coast one of its poorest regions. Yet the coast’s natural and cultural resources attract thousands of local visitors, and have the potential to draw international tourists. IAF grantee Asociación Vamos Mujeres de San Francisco de Ichó (Vamos Mujeres) works with the local council to develop community-based tourism that will simultaneously generate income and create incentives to protect the environment. The plans of these Afro-Colombian women stand to transform the economy of their town of San Francisco de Ichó and neighboring communities, creating jobs for river guides, cooks, waiters, shuttle operators, guesthouse owners, and cleaners. Despite the onset of COVID-19 immediately following its IAF project launch, which halted international travel and in-person gatherings, the grantee has managed a participatory process that included nearby Indigenous Embera-Wounaan and mestizo communities to create a community tourism development plan. The plan calls for constructing a visitor service center and proposing regulations that enable growth in tourism and benefit restaurants and lodging establishments. Vamos Mujeres has also trained almost 200 Afro-Colombian Ichó residents in community tourism practices and customer service to provide quality experiences to tourists and generate more income for their families. Finally, investing IAF funds in communications infrastructure by installing a cellular signal booster has allowed participants to work together virtually, and promises future visitors a better experience.
Indigenous People

For the past 50 years, the IAF has collaborated closely with Indigenous communities and Indigenous-serving organizations across Latin America and the Caribbean. Comprising 42 million people across the region, Indigenous people are most likely to suffer the effects of generational poverty or extreme poverty, and to lack access to health care and other essential services. The average income of Indigenous workers is lower than their non-Indigenous peers, and Indigenous people are overrepresented in the informal sector, which is more vulnerable to economic shocks. IAF grants enable Indigenous communities to pursue sustainable development opportunities that address these challenges while preserving their cultural heritage. In FY 2021, 35% of IAF grants were invested in Indigenous communities in 16 countries.

Indigenous forest management simultaneously represents a successful strategy for environmental conservation and a driver of sustainable economic development for a historically marginalized group. Across Central America, rates of deforestation in Indigenous-managed forests are on average less than half those in other areas, with many Indigenous communities depending on sustainable forest-based businesses for their livelihoods. IAF grantee Asociación de Comunidades Forestales de Petén (ACOFOP), a recognized leader in forest management that is conserving 1.2 million forest hectares in northern Guatemala, belongs to a regional alliance of similar organizations. With its grant, ACOFOP is strengthening grassroots Indigenous-led organizations throughout Central America in strategic planning, finances, alliance-building, project development, and strategic communications, to better equip them to manage their local forests. ACOFOP is funding the regional alliance's Mesoamerican School for Youth Training and Leadership Development to train young Indigenous agroforestry leaders. To date, 130 Indigenous youth leaders from Mexico, Guatemala, Honduras, Nicaragua, Costa Rica, and Panama have learned about traditional practices of natural resource management and enhanced their leadership skills to help them guide local organizations and communities. Their learning has reinforced and revitalized their Guna Yala, Mamá, Q’eqchi’, and Q’anjabal identities, and they have been working in their own communities with entities such as the Youth Congress of Gunayala to share what they have learned with other young people.
Indigenous Lenca women are responsible for nearly half of Intibuca’s agricultural production, but their average monthly earnings are about a third of those of non-Indigenous Hondurans. In this area of high out-migration, Asociación de Mujeres Intibucanas Renovadas (AMIR) uses its IAF grant to fund training for its 400 Indigenous Lenca women members in sustainable farming methods and marketing. The association also owns and runs a processing plant to prepare AMIR members’ grains, fruits, and vegetables for sale at artisanal markets, while creating additional jobs and income for members. Over the grant period, AMIR increased the processing plant’s sales by more than 450% as well as quintupling the volume of prepared products it produces, such as jelly and marmalade. Recognizing AMIR’s leadership, the municipal government now consults the organization directly for input on budget decisions promoting women’s development. As a high-performing association formed entirely by Indigenous Lenca women, AMIR has become a reference nationally and even internationally, receiving visits organized by CANATURH (the national tourism office) and working with the United Nations Entity for Gender Equality and the Empowerment of Women.
People with Disabilities

People with disabilities, who account for 15% of the total population in Latin America and the Caribbean, face outsized challenges that impact their quality of life and development to their full potential. People with disabilities in the region are more likely than others to experience poverty, ill health, undereducation, and unemployment. Labor market participation by men with disabilities is 27% lower than men without disabilities, while for women it is 14% lower. The IAF is investing in people with disabilities as they meet these challenges. In FY 2021, the IAF managed 23 active grants to advance the status of this population.

A recent survey estimates that nearly a third of households in Guatemala include someone with a disability. People with disabilities, especially women, children, and Indigenous people, face barriers to obtaining formal education and participating in civic life in rural southwestern Guatemala. Often, people with disabilities and caretakers are not aware of their rights, while public service providers are not aware of their responsibilities. The Asociación de Padres y Amigos de Personas con Discapacidad de San Lucas Tolimán, Sololá (ASOPADIS) is using IAF funds to raise local officials’ awareness of the rights of people with disabilities through direct dialogue and television programs. Through dialogue with three municipal governments, ASOPADIS has improved the physical accessibility of government buildings, and municipal agendas now regularly consider accessibility and inclusion. Concrete results of this new attention to accessibility include ramps on local buildings and sidewalks, accommodations for school exams, and physical education teachers assigned to special education schools to work with athletes with disabilities. Thanks to ASOPADIS’ efforts, people with disabilities—including the vice president of ASOPADIS’ board—have a seat at municipal roundtables. Its IAF grant has also allowed ASOPADIS to deliver therapy and medical services to more than 300 Guatemalans with disabilities as well as train more than 600 parents, school officials, and healthcare providers on how to better meet the needs of people with disabilities.
Paraguayan with disabilities are among the most excluded segments of society, lacking access to economic and civic opportunities. IAF grantee Fundación Saraki (Saraki), a nonprofit with representation from people with disabilities on its board of directors and staff, partners with approximately 70 disability rights grassroots groups and civil society organizations in urban Asunción and 14 departments of Paraguay. Saraki develops the organizations’ leadership skills to promote the rights of people with disabilities, such as equal opportunity in employment. Saraki uses approaches such as a seal of excellence in five categories for inclusive businesses developed with the input of relevant government ministries—with 44 participating businesses to date—and an e-learning platform to train people with disabilities in job skills. Saraki has also used its IAF funding to address additional challenges facing disabled Paraguayans during the pandemic, including creating online job training content, as well as developing a new app. SarakiConecta is a mobile application that connects, through phone or video calls, people with disabilities who seek help with volunteers “lending” their senses. During its test phase it has already connected over 200 volunteers with 145 Paraguayans with disabilities. Saraki is also integrating SarakiConecta with a U.S.-developed mapping tool that allows users to alert others about the accessibility of places and training 500 volunteers to add additional location data.
Misión Scalabriniana, a faith-based organization, works with Venezuelan migrants and local Ecuadorians to promote social inclusion.
6 | Programmatic Funding

Map of Active IAF Grants in FY 2021
Programmatic Funding

In FY 2021, the IAF funded 93 new grants in the amount of $19.6 million and amended 83 ongoing projects with an additional $10.7 million, for a total of $30.3 million in grant funding in 27 countries. IAF grants last an average of four years with an average total investment of approximately $310,000. In addition, IAF grantees in FY 2021 committed to contribute or raise $39.2 million in counterpart resources. These new investments in FY 2021 brought the total program portfolio in FY 2021 to more than 390 active grants, representing an investment of approximately $121.3 million from the IAF and $157.6 million from grantees.

New Grants and Supplements in Fiscal Year 2021

Primary Program Areas of FY 2021 New Funding

```
<table>
<thead>
<tr>
<th>Program Area</th>
<th>FY21 Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culture and Development &amp; Other</td>
<td>9.5%</td>
</tr>
<tr>
<td>Leadership and Organizational</td>
<td>4.8%</td>
</tr>
<tr>
<td>Development</td>
<td></td>
</tr>
<tr>
<td>Natural Resource Management</td>
<td>5.8%</td>
</tr>
<tr>
<td>Community Philanthropy</td>
<td>12.3%</td>
</tr>
<tr>
<td>Civic Engagement and Human Rights</td>
<td>16.4%</td>
</tr>
<tr>
<td>Enterprise Development and Job Skills</td>
<td>21.7%</td>
</tr>
<tr>
<td>Sustainable Agriculture and Food</td>
<td>29.8%</td>
</tr>
<tr>
<td>Security</td>
<td></td>
</tr>
<tr>
<td>TotalInvestment</td>
<td>100%</td>
</tr>
</tbody>
</table>
```
FY 2021 New Funding by Country

All Grants Active in Fiscal Year 2021

Primary Program Areas of the Total Active Portfolio in Fiscal Year 2021*

* Includes all active grants as of September 30, 2021
Number of Active Grants in FY 2021 by Country**

** As of September 30, 2021

IAF Investment in Active Grants by Country***

*** As of September 30, 2021
7 | Budget Resources

Sources of Funds

The IAF’s resources come from Congressional appropriations, interagency transfers from other federal foreign assistance agencies, donations from private funders and partners, dividends from impact investments, and the Social Progress Trust Fund (SPTF). In addition, our grantees complement IAF funds with resources they contribute and leverage to cover their program costs.

FY 2021: Sources of Program and Operational Funds

Funding Sources by Fiscal Year*

*Between FY 2016 and FY 2019, Congress directed the IAF to receive an annual interagency transfer to support the interagency Central America Strategy from the Development Assistance account. Transfer funds were received in the following fiscal year.

Appropriations

For FY 2023, the President is requesting $38 million in appropriations. Appropriated or interagency transfer funds directed or recommended by Congress have resulted in the IAF receiving between $28.5 million and $47.5 million per year between FY 2017 and FY 2021. (See graph above.)
Grantee Counterpart Contributions

Beyond appropriations, interagency transfers, gifts received from donors and partners, and SPTF, IAF grantmaking is more than matched by the investment made or mobilized by our grantees. On average over the last five years, our grantees have committed $1.23 of counterpart resources for every $1.00 of IAF investment in approved grants as shown in the graph below.

![Counterpart v. IAF Funds, Fiscal Years 2017–2021](chart)

Partnerships and Gift Funds

The IAF partners with private sector entities—corporate and philanthropic—and other U.S. government agencies to increase the reach of its investments. In total, the IAF leveraged more than $7.6 million through these partnerships and gift funds to stretch the impact of its appropriation.

In FY 2021, the IAF received $110,000 in contributions from the International Community Foundation and the Tinker Foundation for its newly-launched Partnership for Disaster Recovery and Resilience. The funds are supporting medium-term recovery and long-term resilience efforts in communities severely impacted by the November 2020 hurricanes Eta and Iota in Central America (Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama) and Southern Mexico.

The IAF also received a $20,000 donation from the Philip Stephenson Foundation to strengthen community-led disaster mitigation and resilience in the Caribbean, including supporting economic initiatives and coastline health. The IAF formalized several strategic partnerships, including with Laudes Foundation and the Fine Chocolate Industry Association, to leverage more funds for grassroots development and enhance the scale, reach, and visibility of IAF efforts.

In FY 2021, IAF partners committed about $7 million to supplement the community-led development projects the IAF funds. The IAF’s partnership with the Coordinadora Latinoamericana y el Caribe de Pequeños Productores y Trabajadores de Comercio Justo (CLAC) is helping more than
13,000 people recover from and adapt to COVID-19 throughout the region. Fundación Avina partnered with the IAF and grantees to support recovery from COVID-19 in 60 vulnerable and isolated communities in the Gran Chaco Americano region of Argentina, Bolivia, and Paraguay. The Laudes Foundation partnered with the IAF to improve the livelihoods of smallholder farmers in Northeast Brazil and reduce their vulnerability to weather variability by developing value chains for organic cotton and other traditional foods such as beans, corn, peanuts, and sesame.

Danone Argentina and the Danone Ecosystem Fund are contributing $1.70 for every dollar the IAF invests to jointly promote economic activity in 35 cities in Argentina. The partnership invests in 4,500 marginalized people who collect and sell recyclable materials and 40 recycling organizations in establishing effective and efficient recycling systems and improving recyclers' incomes and working conditions.

Finally, IAF’s new partnership with Latimpacto is building a network of Latin America-based grassroots grantmakers and social investors, expected to benefit more than 250 social impact investors and their 1,000 collaborating grassroots partner organizations and enterprises in Brazil, Colombia, Central America, the Caribbean, Mexico, and the Southern Cone.

The IAF also hosted an innovation competition for youth-led small businesses and initiatives to spur COVID-19 recovery, the InnovAction Challenge, in partnership with nonprofit organization Young Americas Business Trust, the Organization of American States, and the Summits of the Americas Secretariat. The collaboration yielded their most inclusive competition to date, stimulating proposals from 1,300 young entrepreneurs from more diverse backgrounds and from 32 countries, including the Caribbean and other non-Spanish speaking areas.

In FY 2021, the IAF continued to implement a $5 million joint interagency initiative with USAID, Building Community Resilience in the Eastern & Southern Caribbean, enhancing community-led disaster preparedness. This three-year partnership leverages $1 million from USAID and $4 million from the IAF, capitalizing on our agencies’ respective strengths to ensure that U.S. foreign assistance reaches the most vulnerable communities in these small island-state neighbors of the United States.
## IAF Operating Expenses

### Table 1.1 Multi-Year Funding and Program Activities Estimates

<table>
<thead>
<tr>
<th>Source of Funds</th>
<th>FY 2021 Actuals</th>
<th>FY 2022 Estimate</th>
<th>FY 2023 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>CY Appropriated Funds</td>
<td>38,000,000</td>
<td>42,000,000</td>
<td>38,000,000</td>
</tr>
<tr>
<td>PY Appropriated Funds (Carryover)</td>
<td>6,908,108</td>
<td>1,368,313</td>
<td>900,000</td>
</tr>
<tr>
<td>Recoveries (Appropriated)</td>
<td>950,243</td>
<td>900,000</td>
<td>900,000</td>
</tr>
<tr>
<td>Carryover to CY+1 (Appropriated)</td>
<td>(1,368,313)</td>
<td>(900,000)</td>
<td>(900,000)</td>
</tr>
<tr>
<td>SPTF Funds</td>
<td>1,070,012</td>
<td>6,700,000</td>
<td>1,200,000</td>
</tr>
<tr>
<td>Gift Funds/Interagency Transfers</td>
<td>135,700</td>
<td>1,500,000</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>TOTAL OBLIGATION AUTHORITY</strong></td>
<td>45,695,750</td>
<td>51,568,313</td>
<td>40,200,000</td>
</tr>
</tbody>
</table>

### Grants, Investments, and Audits

| Appropriated Funds                     | 29,773,750      | 23,031,735       | 20,240,403      |
| SPTF Funds                             | 1,070,012       | 6,700,000        | 1,200,000       |
| Gift Funds/Interagency Transfers       | -               | 1,500,000        | 100,000         |
| **Subtotal - Grants/Investments**      | 30,843,762      | 31,231,735       | 21,540,403      |

### Program Implementation Activities

| Appropriated Funds                     | 7,790,216       | 10,917,448       | 10,483,455      |
| Gift Funds/Interagency Transfers       | -               | -                | -               |
| **Subtotal - Program Implementation Activities** | 7,790,216 | 10,917,448 | 10,483,455 |

### Total Program Activities

| **Total Program Activities**           | 38,633,978      | 42,149,183       | 32,023,858      |

### Program Support Activities

| Appropriated Funds                     | 7,061,772       | 9,419,130        | 8,176,142       |
| Gift Funds/Interagency Transfers       | -               | -                | -               |
| **Total Program Support Activities**   | 7,061,772       | 9,419,130        | 8,176,142       |

### TOTAL OBLIGATION

| **TOTAL OBLIGATION**                  | 45,695,750      | 51,568,313       | 40,200,000      |

### Counterpart Committed or Mobilized by Grantees

| Counterpart Committed or Mobilized by Grantees | 39,265,676 | 37,450,445 | 25,510,696 |

### Total (including Grantee Counterpart)

| **Total (including Grantee Counterpart)**  | 84,961,426     | 89,018,758      | 65,710,696      |

### Program Support/Total (incl. Grantee Counterpart)

| Program Support/Total (incl. Grantee Counterpart) | 8.31% | 10.58% | 12.44% |

### Program Support/Total (excl. Grantee Counterpart)

| Program Support/Total (excl. Grantee Counterpart) | 15.45% | 18.27% | 20.34% |

### Full-Time Equivalent Usage

| **Full-Time Equivalent Usage** | 48 | 50 | 50 |
Table 1.2 IAF Multi-Year Estimates: Detail of Object Classifications

<table>
<thead>
<tr>
<th>Object Class</th>
<th>Source of Funds</th>
<th>FY 2021 Actuals</th>
<th>FY 2022 Estimate</th>
<th>FY 2023 Request</th>
</tr>
</thead>
</table>
| PROGRAM SUPPORT

**Staff Program Support Salaries & Related Expenses**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>FY 2021 Actuals</th>
<th>FY 2022 Estimate</th>
<th>FY 2023 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Personnel Compensation (salaries)</td>
<td>2,403,502</td>
<td>2,580,111</td>
<td>2,602,796</td>
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<tr>
<td>11.5</td>
<td>Other Personnel Compensation</td>
<td>114,181</td>
<td>124,500</td>
<td>124,500</td>
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<tr>
<td>12</td>
<td>Civilian Personnel Benefits</td>
<td>863,830</td>
<td>834,021</td>
<td>841,354</td>
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<tr>
<td>13.0</td>
<td>Benefits to Former Personnel</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Travel and Transportation**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>FY 2021 Actuals</th>
<th>FY 2022 Estimate</th>
<th>FY 2023 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>Travel and Transportation of Persons</td>
<td>22,910</td>
<td>59,162</td>
<td>100,150</td>
</tr>
<tr>
<td>22</td>
<td>Transportation of Things</td>
<td>-</td>
<td>3,000</td>
<td>3,000</td>
</tr>
</tbody>
</table>

**Program Support Services**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>FY 2021 Actuals</th>
<th>FY 2022 Estimate</th>
<th>FY 2023 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>23.2</td>
<td>Rental Payments to Others*</td>
<td>-</td>
<td>586,205</td>
<td>-</td>
</tr>
<tr>
<td>23.3</td>
<td>Communications, Utilities, &amp; Misc Charges</td>
<td>334,716</td>
<td>492,483</td>
<td>370,000</td>
</tr>
<tr>
<td>24</td>
<td>Printing and Reproduction</td>
<td>288</td>
<td>17,486</td>
<td>17,500</td>
</tr>
<tr>
<td>25.1</td>
<td>Management and Professional Support Services</td>
<td>280,076</td>
<td>371,027</td>
<td>380,000</td>
</tr>
<tr>
<td>25.1</td>
<td>Engineering &amp; Technical Services (IT)</td>
<td>1,200,663</td>
<td>2,108,882</td>
<td>1,460,000</td>
</tr>
<tr>
<td>25.1</td>
<td>Staff Training</td>
<td>45,884</td>
<td>131,749</td>
<td>127,000</td>
</tr>
<tr>
<td>25.2</td>
<td>Representation Allowance</td>
<td>-</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>25.2</td>
<td>Miscellaneous Services</td>
<td>26,265</td>
<td>55,440</td>
<td>47,842</td>
</tr>
<tr>
<td>25.3</td>
<td>Services from Other Gov Agencies</td>
<td>1,620,080</td>
<td>1,582,235</td>
<td>1,650,000</td>
</tr>
<tr>
<td>25.4/25.7</td>
<td>Maintenance - Equipment &amp; Facility</td>
<td>5,617</td>
<td>124,116</td>
<td>110,000</td>
</tr>
<tr>
<td>26</td>
<td>Supplies and Materials</td>
<td>14,443</td>
<td>82,394</td>
<td>80,000</td>
</tr>
<tr>
<td>31/32</td>
<td>Equipment &amp; Leasehold Improvements</td>
<td>129,317</td>
<td>264,319</td>
<td>260,000</td>
</tr>
</tbody>
</table>

Total Program Support | 7,061,772 | 9,419,130 | 8,176,142 |

PROGRAM IMPLEMENTATION ACTIVITIES

**Staff Program Salaries & Related Expenses**

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>FY 2021 Actuals</th>
<th>FY 2022 Estimate</th>
<th>FY 2023 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Personnel Compensation (salaries)</td>
<td>2,973,976</td>
<td>3,757,259</td>
<td>3,795,000</td>
</tr>
<tr>
<td>11.5</td>
<td>Other Personnel Compensation</td>
<td>17,134</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>12</td>
<td>Civilian Personnel Benefits</td>
<td>1,087,084</td>
<td>1,319,330</td>
<td>1,360,200</td>
</tr>
</tbody>
</table>

* Of note, the IAF fully obligated its $1.46 million two-year lease extension from April 2022 to April 2024 with FY 2022 dollars in accordance with the Antideficiency and Recording Acts.
## FY 2023 Congressional Budget Justification

### Travel & Other Program Implementation Costs

<table>
<thead>
<tr>
<th></th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>FY 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Travel and Transportation of Persons</strong></td>
<td>-</td>
<td>150,000</td>
<td>321,500</td>
</tr>
<tr>
<td><strong>Rental Payment to Others</strong></td>
<td>-</td>
<td>879,307</td>
<td>-</td>
</tr>
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</table>

### Learning & Dissemination

<table>
<thead>
<tr>
<th></th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>FY 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Studies &amp; Evaluations</strong></td>
<td>-</td>
<td>300,000</td>
<td>400,000</td>
</tr>
<tr>
<td><strong>Fellowship Program</strong></td>
<td>-</td>
<td>240,000</td>
<td>240,000</td>
</tr>
<tr>
<td><strong>Translations &amp; Other Services</strong></td>
<td>186,740</td>
<td>331,213</td>
<td>260,000</td>
</tr>
</tbody>
</table>

### Technical Assistance to Grantees

<table>
<thead>
<tr>
<th></th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>FY 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Local Advisory Service (LLAS)</strong></td>
<td>2,395,732</td>
<td>2,713,132</td>
<td>2,800,000</td>
</tr>
<tr>
<td><strong>Data Verifiers (DV)</strong></td>
<td>975,016</td>
<td>1,122,207</td>
<td>1,177,000</td>
</tr>
<tr>
<td><strong>Program Conference Support</strong></td>
<td>154,533</td>
<td>100,000</td>
<td>124,755</td>
</tr>
<tr>
<td><strong>Subtotal - Program Implementation</strong></td>
<td>7,790,215</td>
<td>10,917,448</td>
<td>10,483,455</td>
</tr>
</tbody>
</table>

### Grants & Investments

<table>
<thead>
<tr>
<th></th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>FY 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Grants/Grant Audits</strong></td>
<td>30,843,763</td>
<td>31,231,735</td>
<td>21,540,403</td>
</tr>
<tr>
<td><strong>Total Program Activities</strong></td>
<td>38,633,978</td>
<td>42,149,183</td>
<td>32,023,858</td>
</tr>
</tbody>
</table>

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### Total Program Support and Program Activities

<table>
<thead>
<tr>
<th></th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>FY 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Program Support and Program Activities</strong></td>
<td>45,695,750</td>
<td>51,568,313</td>
<td>40,200,000</td>
</tr>
<tr>
<td><strong>Counterpart Committed or Mobilized by Grantees</strong></td>
<td>39,265,676</td>
<td>37,450,445</td>
<td>25,510,696</td>
</tr>
<tr>
<td><strong>Total (including Grantee Counterpart)</strong></td>
<td>84,961,426</td>
<td>89,018,758</td>
<td>65,710,696</td>
</tr>
</tbody>
</table>

### Ratios:

<table>
<thead>
<tr>
<th></th>
<th>FY 2022</th>
<th>FY 2023</th>
<th>FY 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program Support/Total (incl. Grantee Counterpart)</strong></td>
<td>8.31%</td>
<td>10.58%</td>
<td>12.44%</td>
</tr>
<tr>
<td><strong>Program Support/Total (excl. Grantee Counterpart)</strong></td>
<td>15.45%</td>
<td>18.27%</td>
<td>20.34%</td>
</tr>
<tr>
<td><strong>Full-Time Equivalent Usage</strong></td>
<td>48</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

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* Of note, the IAF fully obligated its $1.46 million two-year lease extension from April 2022 to April 2024 with FY 2022 dollars in accordance with the Antideficiency and Recording Acts.
LASTING IMPACT
The IAF’s unique model of grantmaking empowers local communities and facilitates impactful and cost-effective development initiatives in Latin America and the Caribbean.

1 | Application
Local organizations mobilize resources and propose their ideas through our rolling application.

2 | Proposal Review
IAF staff pre-screen and rigorously vet proposals, then select the most promising ones (just 1 in 10!).

3 | Project Development
The IAF and grantees create a shared vision and decide on metrics of success.

4 | Implementation and Oversight
Grantees implement, together we monitor, and communities prosper.

5 | Close Out
Together we reflect, evaluate, and apply lessons learned going forward.

IAF accepts applications and partners with grantees in FIVE languages: English, Spanish, Portuguese, French, and Haitian Kreyol.

FY 2021 SNAPSHOT
$30.3 million IAF INVESTMENT
$39.3 million COUNTERPART COMMITMENT
Endnotes

1 These percentages total more than 100% because the work of most grantees addresses more than one of these strategic goals and is carried out across several mutually reinforcing program areas.

2 Based on a three-year average of IAF grants that closed in FY 2019-2021 with completed project histories.


5 "Refugees and Migrants From Venezuela," Inter-Agency Coordination Platform for Refugees and Migrants from Venezuela (R4V), February 8, 2022.

6 These figures reflect the value of partner donations directly to the IAF. Partner resources invested directly in grantees are not reflected.

7 This is a three-year average of IAF grants that closed in FY 2019-2021.


12 Global Catastrophe Recap, Aon, November 2020.


16 "Honduras tiene la institución electoral con menos confianza de América Latina según Latinobarómetro," Revistazo, October 11, 2021.


18 "Amid Soaring Turnout, Castro Set to Be Honduras’ Next President," Americas Society/Council of the
19 Informe Latinobarómetro 2021, Corporación Latinobarómetro, Page 81, October 7, 2021.


21 "Haiti: Significant spike in gang violence likely to continue in parts of greater Port-au-Prince through at least mid-July," Crisis 24, June 18, 2021.


30 "Earthquakes and storms are natural, but Haiti’s disasters are man-made, too," Washington Post, August 20, 2021.

31 Regional Overview: Impact of Hurricanes Irma and Maria, Assessment Capacities Project, United Nations Office for the Coordination of Humanitarian Affairs, United Nations Development Program (UNDP), Pages 18 and 22, November 27, 2017.

32 "Sistema Integral solicita a la Defensoría del Pueblo adoptar una resolución defensorial que trace hoja de ruta para poner fin al asesinato de líderes sociales y excombatientes de las Farc-EP," Colombian Special Jurisdiction for Peace, April 19, 2021.


38 "Latin America and the Caribbean's Growth Will Slow to 2.1% in 2022 amid Significant Asymmetries between Developed and Emerging Countries," ECLAC, January 12, 2022.

39 Employment Situation in Latin America and the Caribbean, ECLAC and International Labor Organization (ILO), Page 10, November 2021.


43 The pandemic in the shadows: femicides or feminicides in 2020 in Latin America and the Caribbean, ECLAC, November 24, 2021.

44 "La violencia contra la mujer varía entre el 14% en Panamá y el 60% en Bolivia," United Nations, November 29, 2018.


46 Women's Economic Empowerment in El Salvador: Barriers, Opportunities, and a Path Forward, American Bar Association Rule of Law Initiative, October 31, 2019.


48 Charting pathways out of multidimensional poverty: Achieving the SDGs, UNDP and Oxford Poverty and Human Development Initiative (OPHI), July 16, 2020.

49 Ibid.


63 Disability Inclusion in Latin America and the Caribbean: A Path to Sustainable Development, World Bank, Page 140, December 1, 2021.


65 IAF's SPTF funds consist of what remains of the funds from loan reflows from the IDB to the IAF for USG loans to Latin American countries.

66 Beginning in FY 2020, rather than directing an interagency transfer to the IAF for the Central America Strategy, Congress directed the IAF to dedicate $10 million of its appropriation to support the Strategy. Such interagency transfers had previously been delivered in the fiscal year following the one in which it was recommended or directed by Congress.