INTER-AMERICAN FOUNDATION

HELPING COMMUNITIES THRIVE

2016 IN REVIEW

REFLECTIONS ON 2016

Eddy Arriola

Robert N. Kaplan

In fiscal year 2016, the Inter-American Foundation (IAF) awarded $14.4 million to 96 grassroots and nongovernmental organizations in 17 countries. They in turn committed or mobilized another $22.8 million for their initiatives. Our portfolio of 282 active projects represents a $72.6 million investment by the IAF and $98.7 million from our grantee partners. These numbers tell an important story about how the IAF works. Our purpose, enshrined in our founding legislation in 1969, includes a call to support the "ever wider participation of the people in the development process." So we put community organizations at the center of our work, and we look for the most effective ways to help them carry out their development projects. The fact that the IAF is most often a minority investor in these projects underlines the fact of local ownership.

The IAF has had the privilege to collaborate with thousands of grassroots groups in Latin America and the Caribbean over more than 45 years. We are constantly on the lookout for ways to complement, extend and expand their successes. How can community organizations tap into and leverage the enormous store of positive social energy generated by this extensive network? This quest has become a central theme of the IAF's work as we increase our efforts to bring grassroots organizations together to learn from each other and join forces. We have seen many times how peer-to-peer engagement multiplies the impact of local investments and strengthens the social fabric of their neighborhoods, villages, towns and cities. As the IAF's president, I (Bob) participated over the last year in three gatherings of our grantee partners in Bolivia, Brazil, and Nicaragua. In all three places the power and excitement was palpable as people shared their experiences and ideas with peers working in diverse contexts. In 2016, we took our quest one step farther by asking our partners to help us design an online learning and engagement platform that will make it easy to stay connected after everyone has returned home. This portal will also allow others to join the conversations and share their knowledge and experience without regard to geographic boundaries. This will be a multi-year effort, and we are enthusiastic about its potential to bring practical know-how and additional resources within reach of local organizations.

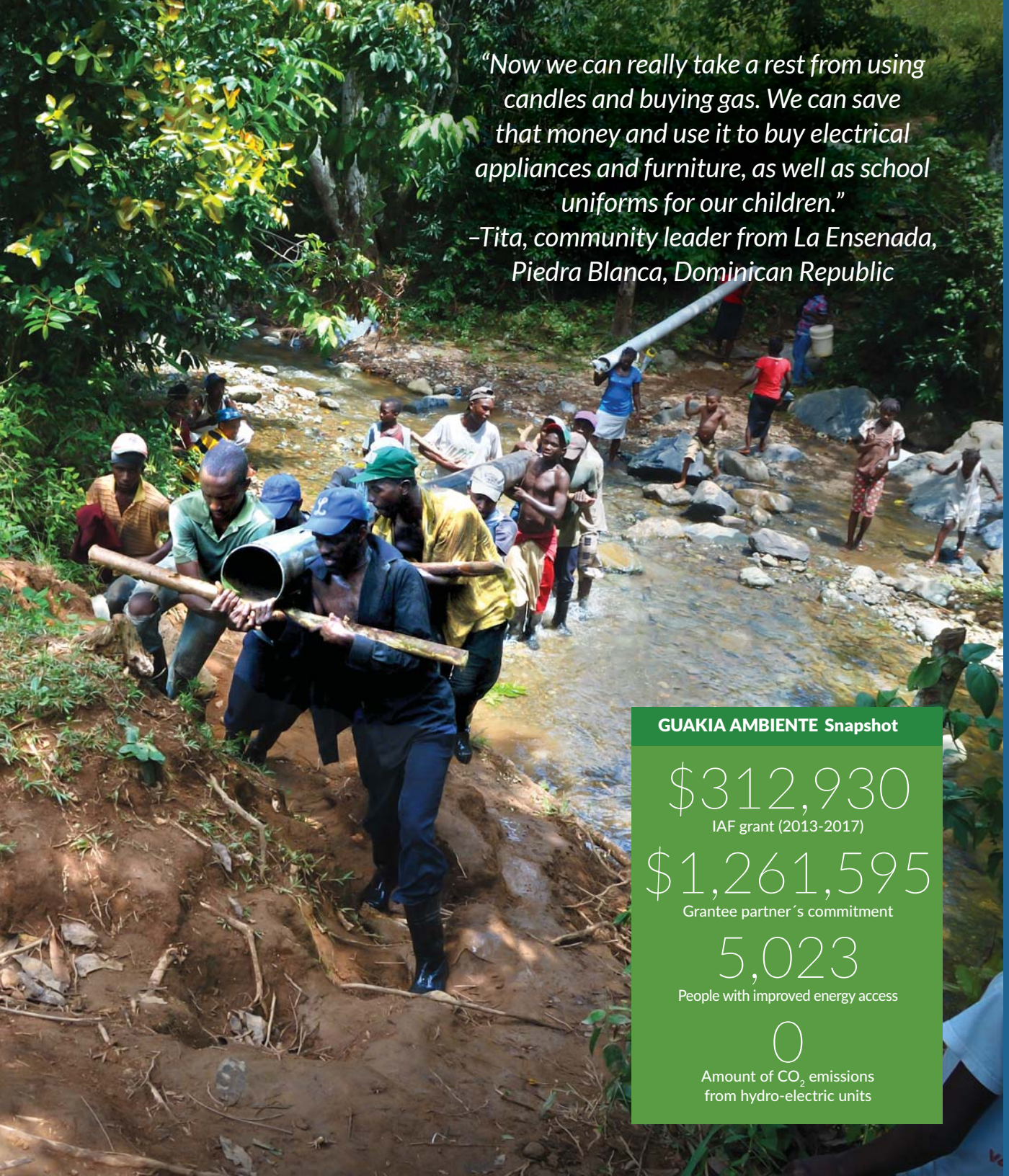
We saw a vivid expression of the value of this grassroots network last March when three board members traveled to Ecuador and were welcomed by our local partners into their communities. We met extraordinary men, women and young people from around the country with so much talent, commitment, and passion to make a difference. They shared their vision and showed us what they were doing to make their dreams reality. Sadly, just a few weeks after our visit a destructive earthquake shook Ecuador. This tragedy reminded us all of the fragility of our collective efforts and the need to stand with our friends as they rebuild their homes, businesses, and local gathering places.

Crime and violence are a top concern in many countries of the region, and the IAF's extensive local networks contain a wealth of practical experience in building peace and prosperity from the ground up. Nowhere is this more important than Central America, where the badly frayed social fabric has had such dramatic consequences. Strong communities are essential to provide a durable foundation for prosperity, good governance, and security. The IAF has increased activity in this troubled region as part of the United States' strategy to support Central America's Alliance for Prosperity, and we are committed to expanding our efforts in the years ahead.

Finally, we are pleased to welcome two new board members appointed this year by President Obama. Vice-chair Juan Carlos Iturregui and Luis Viada bring many years of professional and personal experience in the region, and we look forward to their participation in the foundation's work. Rotating off the board in 2016 were John Salazar, who served ably as board chair from 2009 to 2014, and Ambassador Thomas Dodd, who had been vice-chair since 2009. On behalf of the full board and staff of the foundation, we thank both men for their wise leadership and the many ways they helped advance the IAF's mission over nearly a decade.

Eddy Arriola
Chair, Board of Directors

Robert N. Kaplan
President and CEO



"Now we can really take a rest from using candles and buying gas. We can save that money and use it to buy electrical appliances and furniture, as well as school uniforms for our children."
–Tita, community leader from La Ensenada, Piedra Blanca, Dominican Republic

GUAKIA AMBIENTE Snapshot

$312,930
IAF grant (2013-2017)

$1,261,595
Grantee partner´s commitment

5,023
People with improved energy access

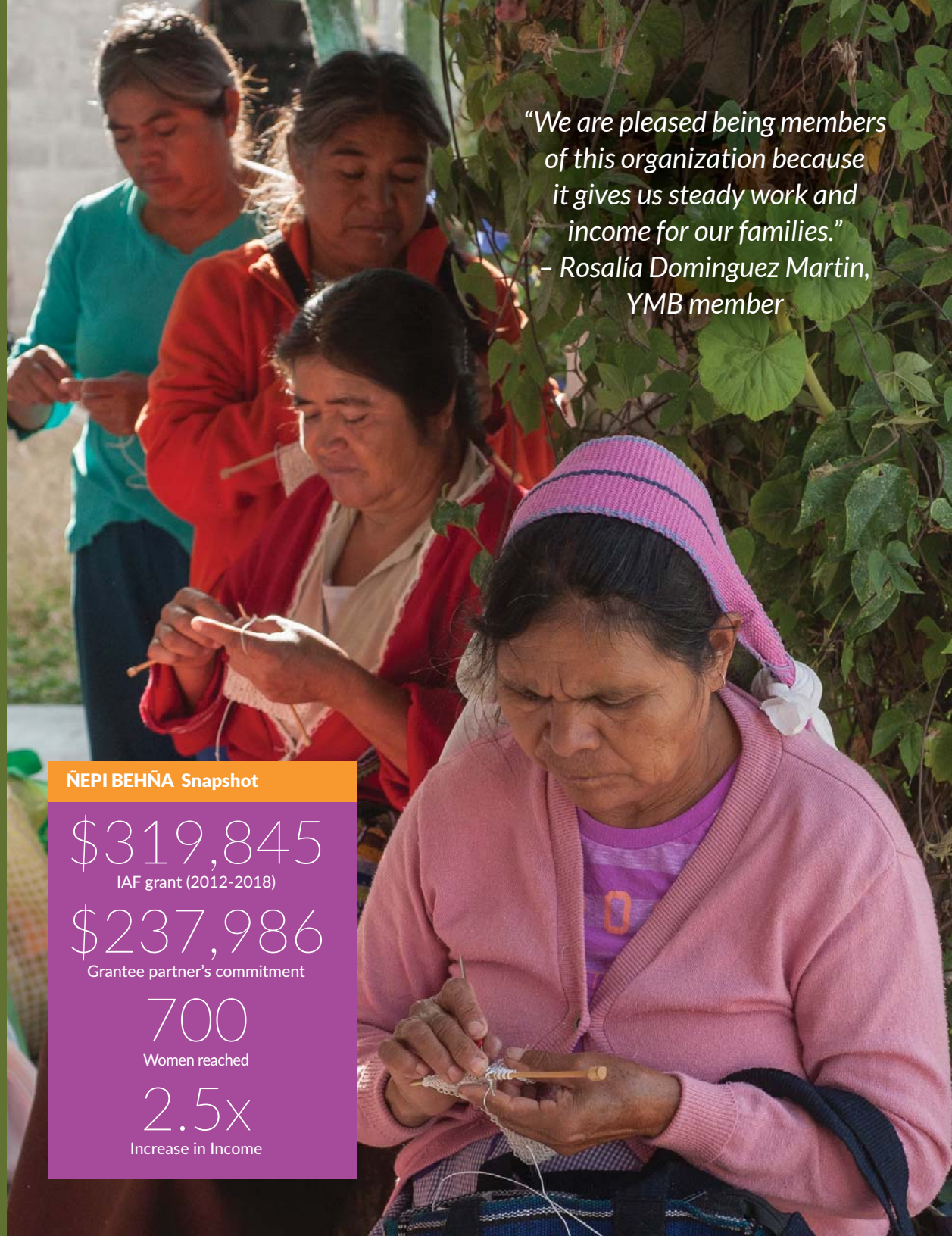
0
Amount of CO_2 emissions from hydro-electric units

DOMINICAN REPUBLIC AND HAITI

One IAF grantee partner is lighting up communities with green energy in the Dominican Republic and Haiti, where many families live in poor, rural, off-the-grid areas. The energy sector on Hispaniola Island is characterized by heavy reliance on fossil fuel imports, poor quality and inefficient supply, and expensive infrastructure. In rural areas energy distribution is more problematic, and is especially pronounced in Haiti. Despite this, the island has the appropriate geographical and environmental conditions for renewable energy generation. The IAF, in conjunction with support from the United Nations Development Programme, works with the grassroots organization GUAKIA AMBIENTE to construct, maintain and use community-managed micro hydroelectric systems. These systems, which generate energy using the natural flow of water, are providing a clean and reliable source of electricity for rural communities. Eight of these units have already been installed in rural Dominican Republic. In 2016 one was installed in Magazen, Haiti after GUAKIA and leaders of Dominican communities networked with Haitian associations to share technical assistance to bring power to their neighbors. Reduced energy costs are expected to allow families to save an additional 25 percent of their incomes. With money saved on fuels (kerosene, gasoline or wood), families are now able to buy refrigerators, washing machines, and even computers. Electricity enables opportunities in education and income-generation, improves public safety, and facilitates access to information and healthcare.

MEXICO

Although Mexico's economy is among the strongest in Latin America, challenges still exist, including unemployment and underemployment, insecurity and large gaps in income between the rich and poor. In Mexico the IAF supports grassroots organizations that are developing economic opportunities, especially for marginalized groups like women and indigenous peoples. Since 2012 the IAF has supported the non-profit Ñepi Behña (Women of Dignity) to organize networks of artesan women of indigenous descent to reach niche markets and receive fair trade for their products. One of these networks is Ya Muntsi Behña (YMB) or Women Gathering, a cooperative of 250 women of native descent in the Mezquital Valley and rural northern highlands of Hidalgo. It is an area where men leave their communities to seek work, yet these women have increased household incomes because of technical assistance and access to working capital to improve upon traditional practices. Indigenous peoples have cultivated maguey (agave plant) for centuries, but cooperative members are now transforming its fiber, fruits and herbs into value-added products such as bath sponges, jams, jellies and soaps for sale in domestic and international markets. The Body Shop, a British company known for its natural products and fair trade principles, is a major client. Ñepi Behña and YMB formed the private enterprise Corazón Verde, which has now grown with IAF support into an alternative domestic market for 520 women artisan suppliers in the states of Chiapas, Puebla, Mexico State, the Federal District and Hidalgo. They receive a fair price for their work through a more direct link between producers and consumers. With supplemental funding in 2016 the IAF is supporting these cooperatives to diversify more into domestic markets and to develop a certification process for products to represent standards consistent with their own vision of fair trade and equitable treatment.



"We are pleased being members of this organization because it gives us steady work and income for our families."
– Rosalía Dominguez Martin, YMB member

ÑEPI BEHÑA Snapshot

$319,845
IAF grant (2012-2018)

$237,986
Grantee partner's commitment

700
Women reached

2.5x
Increase in Income

"When you find something that makes you happy, you give more time and energy to it; you pour your passion, love and future into it. Seeing a different world is what inspires me."
– Susana Ruiz, SERES Youth Ambassador from El Salvador

SERES Snapshot

$295,020
IAF grant (2015-2018)

$193,870
Grantee partner´s commitment

1,500
Number of young people reached

12–35
Age of program participants

EL SALVADOR AND GUATEMALA

In many of the cities, towns and rural hamlets of Guatemala and El Salvador, young people have limited options to develop a bright future. Instead of finding jobs or educational opportunities, many are met with the choices of joining criminal gangs, leaving their homes and communities – or facing even worse consequences. The IAF's investments in Central America are focused to improve security, prosperity and governance in the region, and there's no better place to start than giving youth a voice in the process. The IAF supports Asociación Seres (SERES) to implement its innovative leadership program aimed at developing youth as agents of change in Guatemala and El Salvador. Emblematic of the IAF's core principles, it is the young people themselves who select priorities and develop action plans to make their own communities better places to live and work. For example, a group of young people used the skills acquired through SERES' training program to demand support from their municipality in Quetzaltenango, Guatemala – ground zero for out-migration in their country. In El Salvador, youth are engaging their communities through access to citizen journalism trainings. Toward the close of 2016, SERES had benefited more than 1,000 young Guatemalans and Salvadorans with IAF support. These young people led more than 70 diverse initiatives to generate income, safeguard natural resources and the environment through public information campaigns, and promote sports, media and cultural activities as alternatives to criminal behavior and a means to become active citizens.

HIGHLIGHTS OF IAF INVESTMENTS IN GRASSROOTS DEVELOPMENT

RESULTS*

325,101
individuals BENEFITED DIRECTLY from IAF programs

1,491,222
individuals BENEFITED INDIRECTLY from IAF programs

169,000
individuals acquired
NEW KNOWLEDGE AND SKILLS
in agriculture, manufacturing, civic engagement, marketing and conservation

54%
of those who benefitted were
WOMEN

households of **23,484** individuals had
BASIC NEEDS MET
(access to potable water, shelter, nutrition, health and other improvements)

6,754
JOBS
created or maintained

*These totals represent cumulative year-end results for all active grants.

COMMUNITIES

PERCENT OF IAF GRANTS DIRECTED TO TRADITIONALLY MARGINALIZED GROUPS

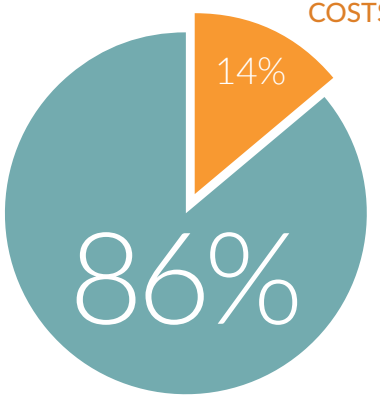
30% YOUNG PEOPLE

26% INDIGENOUS COMMUNITIES

15% AFRICAN DESCENDANTS

EFFICIENCY

HOW THE IAF BUDGET WAS USED



DIRECT PROGRAM INVESTMENTS

PARTNERS

For every
$1
invested by the
IAF

on average
IAF GRANTEE PARTNERS
commit
$1.38

2,452
Number of PARTNERSHIPS that grantees secured, which enabled them to mobilize resources and share experiences

TOTAL ACTIVE PROJECT PORTFOLIO

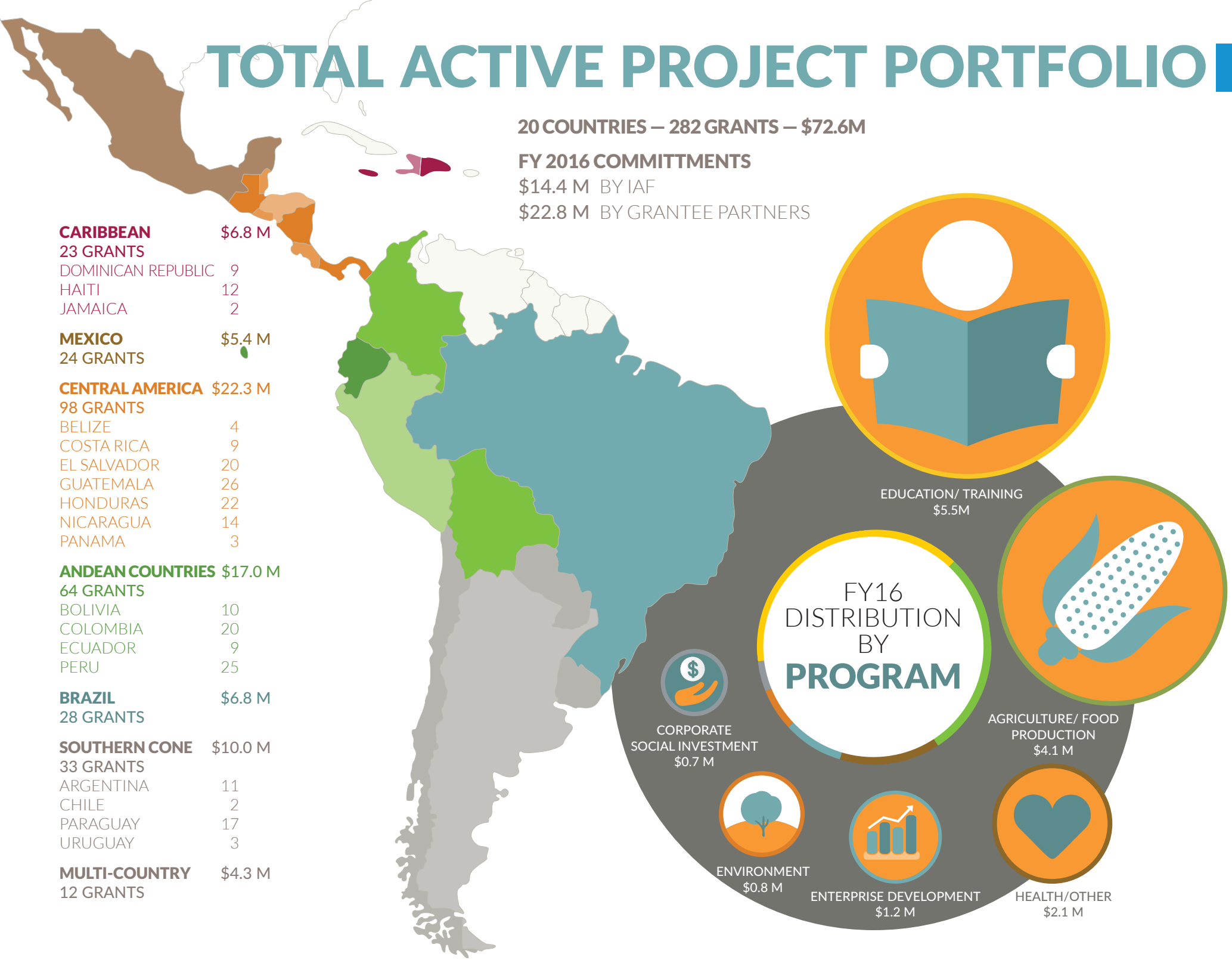
20 COUNTRIES — 282 GRANTS — $72.6M

FY 2016 COMMITTMENTS

$14.4 M BY IAF

$22.8 M BY GRANTEE PARTNERS

CARIBBEAN	$6.8 M
23 GRANTS	
DOMINICAN REPUBLIC	9
HAITI	12
JAMAICA	2
MEXICO	$5.4 M
24 GRANTS	
CENTRAL AMERICA	$22.3 M
98 GRANTS	
BELIZE	4
COSTA RICA	9
EL SALVADOR	20
GUATEMALA	26
HONDURAS	22
NICARAGUA	14
PANAMA	3
ANDEAN COUNTRIES	$17.0 M
64 GRANTS	
BOLIVIA	10
COLOMBIA	20
ECUADOR	9
PERU	25
BRAZIL	$6.8 M
28 GRANTS	
SOUTHERN CONE	$10.0 M
33 GRANTS	
ARGENTINA	11
CHILE	2
PARAGUAY	17
URUGUAY	3
MULTI-COUNTRY	$4.3 M
12 GRANTS	



INTER-AMERICAN FOUNDATION

The Inter-American Foundation (IAF), an independent foreign assistance agency of the United States government, was created in 1969 to promote citizen-led development by awarding grants directly to organizations in Latin America and the Caribbean. Unlike other foreign assistance agencies, the IAF works directly with community organizations to realize opportunities and solve their own problems. This approach results in effective, community-owned development characterized by economic opportunity, resilience to violence, social inclusion and greater citizen participation in democratic processes.

INTER-AMERICAN FOUNDATION
1331 Pennsylvania Ave., N.W.
Suite 1200 North
Washington, D.C. 20004
www.iaf.gov
@IAFgrassroots

Photos: Front cover and p. 3 by Keith Dannemiller for the IAF; pages 1 and 2 courtesy of GUAKIA AMBIENTE; p. 4 and this page courtesy of SERES; all others by IAF staff.

Board of Directors

The Inter-American Foundation is governed by a board of directors appointed by the president of the United States and confirmed by the U.S. Senate. Our board members are drawn from the private sector and the federal government.

Eddy Arriola, Chair
Chairman, Board of Directors
Apollo Bank
Miami, Fla.

Juan Carlos Iturregui, Vice Chair
Senior Advisor at Dentons, LLP
Vice Chair of the American Red Cross, National Capital Region

J. Kelly Ryan, Coordinator
Intergovernmental Consultation on Migration, Asylum and Refugees
Geneva, Switzerland

Jack C. Vaughn, Jr.
Vaughn Petroleum, LLC
Dallas, Texas

Luis A. Viada
Chief Operating Officer
Manatt-Jones Global Strategies

Roger W. Wallace
Vice President for Federal Policy
Pioneer Natural Resources Company
Irving, Texas

Advisory Council

Alexander F. Watson, Chair
Managing Director
Hills & Company International Consultants

Kay K. Arnold, Vice Chair
Chair
Foundation for the MidSouth

Marcos Flávio Azzi
Founder and Director
Instituto Azzi

Rafael Fernández-MacGregor B.
Vice President for Latin America
GoDaddy

Charles Krause
Founding Director
Charles Krause/Reporting Fine Art

Nicolás Mariscal T.
Chair, Board of Directors,
Marhnos Group

Hector Morales, Esq.
Baker & McKenzie LLP

Shannon K. O'Neil
Douglas Dillon Fellow for Latin America Studies
Council on Foreign Relations

Anita Perez Ferguson
Executive Director
THRIVE

Juan Edgar Picado, Esq.
Senior Partner
Picado & Picado

James T. Polsfut
Chairman and CEO
North American Specialty Hospital

John P. Salazar, Esq.
Rodey, Dickason, Sloan, Akin & Robb
Albuquerque, N.M.

Susan Tiano
Director
Latin American and Iberian Institute,
University of New Mexico