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SECRETARÍA DE FINANZAS

Tegucigalpa, M.D.C., August 7, 2020

DGCP-FE-828/2020

Global Agriculture and Food Security Program (GAFSP) Steering Committee (SC)

To the members of the GAFSP Steering Committee,

I am pleased to write to you, on behalf and representation of the Republic of Honduras and in coordination with the World Bank as Supervising Entity (SE), to request the support of the Global Agriculture and Food Security Program (GAFSP) Steering Committee (SC) to provide additional resources for up to US\$5 million to increase the funding of the Corredor Seco Food Security Project (ACS-PROSASUR). The additional resources are to be used to mitigate the short- and medium-term impacts of COVID-19 in the project's area, pursuant to the priorities defined in the Country Strategy for Food Sovereignty and Security in the context of the health emergency. To date, the project's area of implementation is considered to be the third region with the highest number of infections at the national level.

The 25 municipalities assisted by the ACS-PROSASUR project, located in the Honduran Dry Corridor area, were originally prioritized due to their high levels of extreme poverty and chronic malnutrition, as well as their exposure to the effects of climate change. Currently, about 90 percent of the nearly 10 thousand project beneficiaries are households in extreme poverty and, before the COVID-19 crisis, about 30 thousand additional households under the same conditions were identified but not been able to be assisted due to lack of financial resources. Movement restrictions and lockdowns are necessary but are affecting our economy, preliminary estimations indicate a 9.4 percent economic slowdown when compared to the previous year, which is consistent with the World Bank growth estimates. Loss of incomes in the urban centers are slowing the harvests (incomes in the rural areas), whereas leading to changing demand for certain foods based on cost concerns (cheaper calories). Unfortunately, in the short- to medium-term, declining dietary quality stemming from lockdowns and income losses, could lead to an increase in child wasting and stunting and micronutrient deficiencies.

We consider that the ongoing successful implementation and established capacity of the ACS-PROSASUR project -including both implementing consultants with active contracts and human resources on the ground- is key to channeling the additional resources, and thus ensure their immediate use to support and mitigate the effects of COVID-19. It's important to mention, that the Government has made every effort to provide food and basic medical equipment at the national level. The Project has acted proactively and allocated resources for biosecurity equipment and basic protocols that made it possible to reactivate the delivery of agricultural inputs for the 2020



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agricultural cycle; however, much more needs to be done. The activities proposed in the context of the additional request will allow: (i) restoring and enhancing the livelihoods of households directly affected by the crisis in the project area; and (ii) improving the health and nutritional services available in the communities. Since both activities are in line with the current design of the ACS-PROSASUR Project, it is not expected that major adjustments to the current implementation arrangements will be necessary to expedite the preparation and execution of the requested resources.

Yours sincerely,

  


**ROCÍO IZABEL TABORA**  
Secretary of Finance of the Republic of Honduras

cc: Seynabou Sakho, World Bank Country Director for Central America  
Boris Weber, Representative of the World Bank in Honduras  
Ramon Ernesto Arias, Agricultural Specialist World Bank in Honduras

LRO/JRU/MBB/DF