

Testimony by Maria Nelly Rivas

Representing Cargill

House Homeland Security Subcommittee on Oversight, Management and Accountability
Call to Action: Private Sector Investment in the Northern Triangle and its Impact on Homeland Security

February 17, 2022

Thank you, Chairman Correa and Ranking Member Meijer, for inviting Cargill to testify today. As a Central American, I am proud to share the story of our work in the region and to discuss the \$160 million dollars in new investments we announced in December.

Cargill is a Minnesota-based food and agriculture company, but we have deep roots in Central America and have been active in the local community for 52 years. We are committed to the long-term success of the region.

We at Cargill believe that agriculture can be part of the solution to many of the challenges we face today, including food insecurity and lack of economic opportunity. We believe this to be especially true in Central America and the Northern Triangle.

Our 10,000 employees across the region – one-third of whom are in the Northern Triangle – work with farmers and customers every day to feed and nourish people and animals. I'm proud to say that nearly half of our production facilities are led by women. Through both our business and philanthropic investments, we strive to improve farmer livelihoods and nourish those in the region. It's part of who we are and it's how we do business.

In the region, we produce and deliver chicken and other protein products that serve as staples in local households. We also produce and deliver animal nutrition products that help livestock farmers care for their animals. Our distribution network reaches thousands of small neighborhood shops, farm stores, schools, and other places where people get food and feed.

We also have a long history of working with partners like USAID, CARE, and the World Food Program to improve food security, nutrition, and farmer livelihoods in the region. I'd like to share two examples, of many, which exemplify this work.

Melissa is a wife and mother of three in Honduras. When her husband lost his job because of the pandemic, Cargill and CARE helped Melissa begin a small business selling roasted chicken out of her home. By providing her with technical assistance, business training, and supply vouchers, her business has grown. Today, she takes orders through her cell phone to bring food into her community, and she is the main source of income for her family. She is also helping put her oldest daughter through school.

Albertina is a community leader in Guatemala who saw an opportunity to provide animal protein to her local village, since she and her neighbors had to walk six kilometers to the nearest urban center to get it. With technical assistance, training, and inputs like animal feed from Cargill and Heifer International, Albertina started her own pig farm, adding animal protein to their existing crops. Not only is she providing new sources of nutrition and income for her own family, she also helps lead a project teaching other families to do the same, strengthening the productive and entrepreneurial capacity of the whole community.

I have seen many women like Melissa and Albertina grow their businesses and become leaders in their villages. In supporting them, we support families, schools, and entire communities, while also contributing to women's empowerment. It is these farmers and small businesses who carry the greatest potential to improve economic and food security.

CARGILL'S COMMITMENTS & IMPACT

As I mentioned earlier, we at Cargill believe that agriculture can be part of the solution. We have also seen the positive impact when partners across the private sector, civil society and governments work together. We welcome the Administration's efforts to do just this in the Northern Triangle. By working across borders, sectors, and industries we can achieve more. It makes strategic sense to our business and supports our customers and communities.

In December, as part of our long-term strategy in the region, we announced our plans to invest an additional \$150 million over the next five years to expand our operations in Honduras, Guatemala, and El Salvador. We expect this investment to create approximately 400 new jobs, as well as additional jobs across the larger value chain.

We also committed an additional \$10 million over three years, doubling our historic contributions, to fund programs that support farmers and entrepreneurs, improve community nutrition, and expand school meal programs.

Together, these investments will help farmers and small businesses grow and diversify their income, strengthen school feeding programs, and generate more trade within Central America and the Caribbean.

RECOMMENDATIONS FOR GOVERNMENTS

While we as companies can and must do our part, we are also encouraged to see the Administration and this Committee recognize that there is an important role for governments to play.

To truly remove barriers to job creation, governments in the region – supported by the US and the private sector – need to take actions that will benefit workers *and* employers.

We believe a focus on developing greater regional integration, improving transparency and rule of law, and expanding critical infrastructure would have a significant positive effect on investment in the Northern Triangle.

- **REGIONAL INTEGRATION:** Food needs to move. Today it can be difficult to move food and other goods across borders within the region. By improving regional integration and facilitating intra-regional trade, we can build a stronger market and improve food security.
- **TRANSPARENCY & RULE OF LAW:** Efforts to digitalize trade and investment processes will help businesses grow and will improve government transparency. Open markets that enable predictability and certainty are critical to attracting and supporting long-term investment.
- **INFRASTRUCTURE:** Greater resources and collaboration are needed to expand and upgrade critical infrastructure – such as ports, electricity, waterways, and broadband access. This would improve the region's competitiveness and enable greater investment and growth.

We encourage local governments and the US government to support these three priority areas, which we believe will improve the region's business climate and promote job creation.

CLOSING

In closing, we believe agriculture can be part of the solution to creating greater economic opportunity in the Northern Triangle. Cargill is committed and stands ready to share our more than 50 years of local insight to unlock growth and potential in the region.

Thank you to the Subcommittee for your attention to this effort.