

American States





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ADDRESS BY PRESIDENT JUAN ORLANDO HERNANDEZ OF HONDURAS TO THE PLENARY OF THE SEVENTH SUMMIT OF THE AMERICAS

(Greetings)

I firmly believe that we are privileged players in a time of great changes in the life of our nations. Changes that bring us closer every day to the consolidation of peace and understanding among our countries.

I believe we are a part of processes of change that share the common characteristics of creating and fairly distributing opportunities, reducing poverty, and strengthening social integration processes.

Without a doubt, we are on the right path; however, enormous challenges still face us:

- The challenge of consolidating attractive opportunities for investments in productive infrastructure.
- The challenge of creating significant numbers of jobs while also improving our competitiveness.
- The challenge of improving the coverage and quality of our education systems.
- The challenge of guaranteeing food security and the provision of basic health services throughout our territories.
- The challenge of maintaining a sustained rhythm in poverty reduction, for a substantial decrease over the course of a generation.
- The challenge of establishing a solid system for science, technology, and innovation, enabling us to be an active part of the knowledge revolution taking place at the global level and allowing the genuine creation of opportunities.
- The challenge of eradicating decades of corruption and impunity and of strengthening the independent functioning of the justice system.
- The challenge of defeating organized crime, drug trafficking, money laundering, and their tragic side-effects of violence, migration, death, and corruption.

• And also, the challenge of understanding that a large number of these challenges can be tackled with real advantage when we do so together, in an integrated fashion.

The Government of Honduras has decided to acknowledge and face these challenges today!

We regained control of our national accounts, particularly in public spending, with the resultant impact on the fiscal deficit and inflation. We put our house in order by reaching an agreement with the International Monetary Fund, which has stated that, "Honduras is growing at a rate three times higher than the Latin American average," a claim confirmed by ECLAC in the reports it has published over the past few months.

We have succeeded in substantially increasing credit for productive activities, with particular emphasis on smaller producers and the cooperative sector. We are strengthening the production of foodstuffs and the agricultural, industrial, and service export sectors.

We are consolidating the institutions for making science, technology, and innovation key elements in our development.

We have created a system of Special Development and Employment Zones (ZEDEs) that improve and expand the traditional system of free zones and that offer an ideal environment for locating investments in our territory.

We are aware that the creation of decent, sustainable jobs is only possible through growth in investment, but we insist that the state has a key role to play while investments arrive and mature.

Thus, in the space of one year, we have succeeded in incorporating almost 150,000 young people into the labor market through a number of employment promotion and intermediation programs overseen by the government. These are complemented by several key programs associated with investments in productive infrastructure, with the mass construction of social housing, and with a series of incentives to facilitate productive credit.

We are currently developing our third education reform, which is focused on improving the quality of and multiplying the opportunities for professional training with the use of new technologies.

We have accepted the challenge of undertaking the re-engineering of Honduras's social protection system. We have submitted a framework social protection law to Congress, which will lead to the total reform of public health services.

At the same time, we have attacked the functioning of the public apparatus, with far-reaching reviews of the social security agencies, the tax and customs administration, and the property register, and with the creation of a new migration and immigration agency.

We have extensively amended our public procurement systems and, in that undertaking, we secured the effective participation of Transparency International and of the United Nations, through the UNOPS. We are the only country in the world that has an agreement of this kind, signed with Transparency International, clearly marking our resolved conviction to fight corruption.

We have reduced the size of the government and we continue with our desire for a small, simple, and transparent government that focuses on working for excellence in the provision of services.

We remain committed to the promotion of a culture of respect for human rights, because my administration is aware of the commitments we have entered into at the international level. For that reason I invited the Secretary-General of the United Nations, Ban Ki-moon, to set up an office of the High Commissioner for Human Rights in Honduras.

I also believe we have made significant progress in fighting poverty, in particular extreme poverty. We have succeeded in focusing our efforts through a program we call *Vida Mejor*, which builds on the work already underway in conditional money transfers, complemented by the distribution of ecological stoves, healthy floors, roofs, water filters, and latrines.

Although resolving this "challenge" will only bear significant fruit in the medium and long terms, I believe that in conjunction with expanded output, investment growth, and strengthened education, we are on the right path.

Ladies and gentlemen:

Since my time as Speaker of the National Congress from 2010 to 2014, I have paid particular attention to the topic of security and to the physical integrity of the citizens of Honduras. To that end, we have designed a global plan structured around seven axes:

- 1. The establishment of an air, land, and sea shield to keep drugs from entering our territory.
- 2. The implementation of an action plan to identify and intercept drugs entering the country.
- 3. The development of a strategy for justice operators to attain high levels of effectiveness.
- 4. The strengthening of the democratic institutional framework.
- 5. The establishment and implementation of a plan to fight all forms of corruption.
- 6. Ensuring the promotion of and respect for human rights.
- 7. Undertaking specific actions to bring about an effective process of poverty reduction.

This plan embraces the concept of shared but differentiated responsibilities and the need for efforts against organized crime to be undertaken with a regional approach, in the conviction that crime and violence recognize no borders and must be fought in that way in order to attain positive results for the benefit of the population, the country, and the region.

I promised the Honduran people to do what was necessary to restore peace and tranquility, and we have made enormous progress. The fight is not yet over, but I can tell you that we are bringing about a drastic reduction in the murder rate and in the number of serious crimes.

We have carried out far-reaching transformations in the capacity of justice operators, the National Police, the Public Military Police, the Public Prosecution Service, and the judiciary. We underscore the fact that all justice operators in Honduras are subject to a regime based on tests of trustworthiness.

We made progress with purging, training, and equipping the system's operators, and we have succeeded in coordinating and interconnecting their operations.

We established effective air, sea, and land shields to stop drugs traveling from the countries to the south toward North America, and we have succeeded in capturing drug lords. And all this was done with the awareness that between 80 and 90 percent of the violence that takes place in the region is the result of drug trafficking and of the passage of drugs through the Hemisphere.

We completed, in accordance with the law, the processing of extradition requests filed by other countries, and we increased our efforts to dismantle criminal gangs and to bring their members before the courts.

Esteemed colleagues:

At the start of my remarks I said that the challenges facing our countries could be tackled with advantages in an integrated fashion through genuine cooperation among our nations.

Fighting organized international crime and drug trafficking are a good example of this. And the agreement to create an Alliance for Prosperity reached by the governments of the United States, Mexico, El Salvador, Guatemala, and Honduras offers a practical example of that reality.

With a similar aim, along with the presidents of Nicaragua and El Salvador, we agreed to establish a shared trinational development area in the Gulf of Fonseca.

And today, I am pleased to announce that we have been successful in our negotiations with the sister republic of Guatemala for the establishment of a customs union between our two countries, and that we will be making it operational in the coming months. The customs union between Honduras and Guatemala will represent 37% of Central America's gross domestic product, 35% of its intra-regional exports, and 53% of its total population. We will be the first customs union in the Americas.

I leave you with my heartfelt wish for us to continue devising new practical forms of integration, cooperation, and understanding.

I applaud the progress made by the governments of the United States and of the Republic of Cuba, in the hope that they will give a major impetus for a new era in our region.

And I express my hope that this Summit will constitute a practical and effective step forward in realizing our dreams.

Thank you very much!