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SOUTHERN ITALY EARTHQUAKE RECONSTRUCTION PROGRAM

PART I  
FINAL EVALUATION REPORT  
OF THE PVO COMPONENT

PROJECT 145-0001

Prepared For

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (AID)

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UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

SOUTHERN ITALY EARTHQUAKE RECONSTRUCTION PROGRAM (SIERP)

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OF THE PVO COMPONENT

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SIERP FINAL EVALUATION REPORT OF THE PVO COMPONENT

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UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT  
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I. INTRODUCTION AND PROGRAM BACKGROUND

On November 23, 1980, at 7:30 p.m., a devastating earthquake registering 6.8 on the Richter Scale struck Southern Italy. Major damage was centered in the Avellino, Salerno, and Potenza Provinces. Almost three thousand lives lost, thousands injured, and over a quarter million were made homeless. Roughly 100,000 structures, e.g., schools, houses and public buildings, were damaged or completely destroyed. The Government of Italy estimated the cost of recovery (repair and reconstruction) at \$18.5 billion.

Governments, relief agencies, churches, individuals, families and fraternal organizations throughout the world responded with an immediate outpouring of assistance. The U.S. Congress appropriated \$50 million for relief and reconstruction for the earthquake victims and with these funds a \$4 million relief effort was quickly launched by the USG's Office of Foreign Disaster Assistance. U.S. private and voluntary organization (PVO) efforts paralleled the USG response by providing medical supplies and services, temporary housing, food assistance and other interventions to the affected areas.

Numerous Italian-American federations, associations and groups raised money to respond to the disaster. In December 1980, a group called IDEA (Italian Disaster Emergency Assistance) was formed in an effort to prevent duplication of PVO efforts, enhance coordination, and stimulate release of funds by donor groups to PVOs that had already launched their relief and reconstruction programs. In April 1981, AID and the Government of Italy (GOI) signed an "umbrella agreement" for a school reconstruction program. At the same time, through the efforts of IDEA and with the support of Congress, AID established a \$4 million Matching Grant program with the U.S. PVOs. Over the course of the next three years, Congress appropriated an additional \$30 million for the Southern Italy Earthquake Reconstruction program (SIERP), bringing the total of USG support to this effort up to \$80 million. The amount of

\$15,960,640 was obligated in grant support for the PVO reconstruction efforts. Three U.S. PVOs have been the principal participants in this program--Catholic Relief Services, Save the Children Federation, and the Salvation Army World Service Office. Their reconstruction activities have involved housing, education, welfare services, health, and livestock-related projects.

The largest portion of AID's SIERP funding, \$64 million, has gone to the design and construction of 28 medium to large sized schools. Additional activities under SIERP include a fellowship program for university researchers valued at \$1.5 million and a \$2 million project designed to assist the seismically active area near Naples to more fully develop its early warning capability for potential volcanic eruptions.

The purpose of this evaluation was to review the overall progress of Catholic Relief Services (CRS), Save the Children (SCF), and the Salvation Army World Service Office (SAWSO) and the impact of their programs financed under AID Matching and Operational Program Grants. Equally important purposes of this evaluation were to assess the effectiveness of AID/Naples management of the program and the role played by IDEA.

## II. SUMMARY AND RECOMMENDATIONS

### A. General Assessment

AID-funded programs administered by CRS, SCF and SAWSO have been successful in contributing to the overall goal of the program in demonstrating the concern of the American people and government for the people of Southern Italy in their reconstruction efforts following the earthquake of November 23, 1980. These three PVOs have played a role complementary to the work of the AID Office in Naples. They have successfully managed their own private donor monies as well as the USG grant funding made available to them for this purpose through SIERP. The projects selected and implemented by CRS, SCF and SAWSO have met the stated expectations of Matching Grant funds (totaling \$5,064,333) and Operational Program Grant funds (totaling \$10,896,002). Overall, it was the assessment of the evaluation team that the subprojects met Congressional intent and AID criteria. They are: located in the earthquake affected areas; permanent reconstruction or construction efforts meeting defined community needs; operational facilities with programs capable of sustaining their recurring costs; and

symbolic statements of the goodwill and concern of the people and government of the United States of America.

AID/Naples intentionally "arms-length" involvement in the PVO program was found to be generally effective in not increasing staffing demands on the AID office. The consultative role played by AID/Naples Office was valued by the PVOs. The administrative and management assistance provided by the AID/Naples Project Manager when combined with the technical expertise of engineering staff was an effective way to backstop this project. AID/Naples ability to foster an environment of exchange and participation was consistently cited by the PVOs as a major contribution to the program's successful implementation.

The formation of the consortia, Italian Disaster Earthquake Assistance (IDEA), was found to be an innovative and effective vehicle for mobilizing a concerned constituency of Americans who sought to coordinate American relief efforts in Italy. This body was also successful in engaging AID financial support for PVO earthquake reconstruction efforts. IDEA was able to distribute AID grant resources through a budgetary allocation process involving PVO representation. Limitations were encountered, however, in IDEA's subproject selection and approval process.

## B. Administration

In the administration of this program, it was necessary for AID and the PVOs to seek an administrative balance between the emergency response demands of the earthquake affected areas and the administrative requirements of a long-term reconstruction effort. Given the "people-to-people" nature of this program and the subtle complexities of working within the context of Southern Italy, the decision made by AID to utilize the administrative structure of U.S. PVOs working with local affiliates and offices for the implementation of these grants was affirmed by the evaluation team. PVOs, through their local contacts, constituency support networks and familiarity with the earthquake-affected areas, were able to solve operational problems involving land site acquisition, local contract negotiation, local building permit authorization, and utility connections necessary for the implementation of this program. Although some delays in the implementation of grants were experienced by PVOs as they confronted and resolved these operational concerns, by December 31, 1986, all approved PVO project construction, reconstruction and renovation efforts

will have been completed. As of June 30, 1986, 90% of the PVO reconstruction component had been carried out.

C. Impact

Under the SIERP, AID funding through PVO Matching and "umbrella" grants has committed approximately \$13,800,000 for subproject assistance to nearly 60 local organizations and hundreds of families in the earthquake zone. Projects have involved the reconstruction of existing facilities, the construction of new facilities and the purchase of equipment.

Assistance was provided to 5 housing projects, 7 educational institutions, 5 health facilities, 1 factory, 2 livestock projects, 8 community centers, 6 orphanages, 3 athletic fields or playgrounds, 6 homes for the aged, 5 service institutes for children, 2 drug rehabilitation centers and a variety of other community welfare programs. The impact on beneficiaries was varied and broad with projects not only providing for immediate relief needs such as the CRS housing in Montella but also impacting on the establishment of health care facilities in areas previously not reached. The impact of this program is geographically extensive covering over 50 communities in the earthquake affected provinces. A conservative estimate is 85,000 direct beneficiaries have been assisted through AID grant funding to the PVOs.

D. Observations and Recommendations

1. Role and Effectiveness of PVOs

Observations

- o PVOs will tend to concentrate on target areas where they are known or have links to the community. While this can serve to enhance the likelihood of project success, it can also negatively influence project selection and reduce the chances for broader distribution of project benefits.
- o PVOs can be participants in national education and health programs developing innovative models for replication. SCF's medical center and elementary school projects are serving as prototypes for broader regional application.
- o PVOs worked effectively with Italian Government levels (national, regional, and municipal).

## 2. Role and Effectiveness of IDEA

### Observations

- o IDEA was highly effective in lobbying the Congress to make funds apportioned for the SIERP program available for funding of U.S. PVO reconstruction efforts.
- o Notwithstanding IDEA's membership composition and limited resources, it was generally effective in managing or brokering the PVO budget allocation process for AID. However, it was less effective in conducting a substantive and technical PVO program review and approval process.

### Recommendation

AID's normal way of doing business is to directly review and approve unsolicited PVO proposals. In the evaluators' opinion, this is the generally preferred approach. When for either situational or political reasons it is necessary for AID to distance itself from the PVO budget allocation process, AID could consider utilizing an IDEA-like body to advise on an overall PVO budget level. However, it is recommended that program review, approval and obligation authorities rest with AID. This would enable direct negotiation between AID and PVO applicants and would base project selection and funding decisions on a substantive and technical review.

## 3. Matching Grant vs. "Umbrella" or OPG Concept

### Observations

The AID Matching Grant program requiring PVOs to match USG funds on a dollar for dollar basis generally slowed programming and was not highly effective in leveraging new private dollars. AID's decision to begin providing OPGs in 1982 was a good one because:

- o The parameters of USG funding commitment to a PVO were set providing a framework for PVO planning and staffing.
- o The "umbrella" mechanism was less AID management intensive.
- o OPGs readily accommodated the longer time frame requirements of a reconstruction phase.

- o A means for linking local or other donor contributions with USG funds was maintained.

Recommendation

In similar future circumstances, AID should consider the feasibility of instituting an OPG and/or a fixed amount reimbursement program early in the disaster response effort for funding of PVOs.

4. Currency Fluctuation Issues

Observation

- o Because of the currency fluctuation in the value of the dollar the PVOs and AID/Naples have had to reassess their current commitments to projects already underway and determine where cost economies or cuts can be made.

Recommendation

With the participation of the AID Controller and General Counsel, AID/W should explore ways to protect AID programs from significant foreign exchange fluctuations. Some options to be considered include: currency swap arrangements, local currency recovery arrangements under grant provisions, and establishment of contingency funds or inflation funding provisions. Consultation with AID-financed PVOs is also encouraged.

5. Program Management and Administration Issues

Observation

- o Account should be taken by AID and the PVOs that a substantial reconstruction program following a disaster occurrence inherently carries technical and administrative staffing requirements that should be satisfied and in place as early in the program as possible. Failure to have done this resulted in decisions impairing project soundness and subsequently called for additional investments and staff time for necessary corrections.

Recommendation

Hire technical and managerial staff appropriate to the context. Where PVOs engage in support for infrastructure related projects, the evaluators

recommend that as early as possible appropriate technical expertise be engaged. In addition, when a U.S. based PVO is carrying out a major AID-funded program on a multi-year basis, it is recommended that serious consideration be given to hiring a program/project manager knowledgeable about AID funding procedures and requirements. AID's project approval procedures should include a review and assessment of these elements.

#### Observation

- o AID could have been useful in convening in-country PVOs on a regular basis to review implementation issues and update representatives on overall AID procedural matters, e.g., funding disbursements, reimbursement guidelines, and reporting requirements. While the evaluators noted that there was considerable improvement in this area once decision-making authority was delegated to AID/Naples, there continued to be information gaps that affected monitoring and implementation on the part of the PVOs and AID/Naples.

#### Recommendation 1

For AID financed PVO projects seen as complementary to AID's country programs, AID should provide timely support to PVO field representatives, e.g., an orientation session/workshop on AID's programming goals and administrative and grant requirements.

#### Recommendation 2

During the grant negotiation process, AID should obtain statements from the U.S. PVOs describing the levels of authority regarding subgrant management and administration that have been delegated or exist at the field office or with the affiliate agency.

#### Recommendation 3

AID grant agreements and contracts should specify that copies of all reports, including SF269 quarterly financial status reports also be sent concurrently to the concerned AID field office and AID/W.

#### 6. AID Guidelines for PVO Project Submission and Approval

### Observation

- o The guidelines and criteria for the PVO matching and operational program grants were to a significant degree open-ended and gave a certain amount of needed flexibility to the program. However, they did not require sufficient analysis for projects that were beyond straight construction.

### Recommendation

Notwithstanding the need for flexible programming under certain situations, AID should ensure that its guidelines for project submission and approval are sufficiently explicit to provide grantees with a clear sense of expectations and to ensure that AID's general programming guidelines and requirements have been addressed.

## 7. Constituency Building

### Observation

- o AID and the PVOs both seek to create an informed U.S. constituency supportive of foreign aid programs and policy. The U.S. private sector and nationwide attention focused on the Italy earthquake disaster proved to be an occasion for engaging the support of a targeted constituency for U.S. foreign aid.

### Recommendation

In particular, where defined constituencies exist, AID and the PVOs should ensure that a process exists for response to their interest and should explore ways of maintaining their collaboration and participation beyond the focus on the immediate and specific disaster.

### III. USE OF GRANT FUNDING

#### A. Factors Influencing Design of Grant Program

1. Reconstruction Program Within the Context of a Developed Country. This reconstruction program was designed for the context of Italy, a developed country which experienced major destruction in the southern region of the country through a natural disaster. It was not the intention or design of SIERP to carry out a "development" or service delivery program, but rather to assist in the reconstruction of damaged facilities or the construction of new facilities in the earthquake zone. At the same time it was to respond to U.S. Congressional and private sector interests.

It was, however, recognized and understood by the Italian/American constituency supporting IDEA, by AID, by the PVOs and by the GOI that the earthquake in Southern Italy presented an opportunity to bring needed assistance which could stimulate the economy of the region. The rate of unemployment in Southern Italy is over 20%, the pattern of out migration in search of work has been a reality for generations, and the earthquake affected area was recognized to be economically poorer than other regions of the country and in need of assistance even prior to the earthquake. The reconstruction program was seen as an opportunity to transfer funds to the area that would strengthen existing institutional structures through the repair, reconstruction or improvement of facilities.

2. Accountability for Funding Use. AID's intention was to implement grants that had a clearly defined beginning and ending, with results that could be measured in exact terms. This program was intended to be a straightforward "bricks and mortar" assistance effort.

3. Visibility and Symbolic Intent of Grant Funding. The goodwill and concern of the American people and government for the people of Southern Italy was fundamental. The implementation of projects of a permanent nature and that over time would continue to convey this goodwill to the Italian people was intentional.

4. Design Assumptions. It was the assumption of the designers of the AID/Naples program that the AID reconstruction experience in Friuli, Northern Italy, could be replicated in

Southern Italy. In the Friuli model \$50 million was allocated by AID for specific support grants. These grants were implemented with a maximum level of Italian civic cooperation and a minimum of AID grant management supervision. Initially, the dichotomies between the Southern and Northern regions of Italy were not immediately apparent.

B. PVO Allocation of Grant Subproject Funds by Program Sector

<u>Sector</u>	<u>AID Grant Projects</u>	<u>% AID Grant Committed Program</u>	<u>PVO Grant Committed Program Budget</u>		
			<u>CRS</u>	<u>SCF</u>	<u>SAWSO</u>
Social Welfare	40	47%	68%	9%	24%
Housing	5	21%	22%	-	48%
Livestock	2	13%	-	59%	2%
Education	7	8%	9%	12%	-
Health	5	6%	1%	20%	-
Industry	1	5%	-	-	26%
<b>TOTAL</b>	<b>60</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

NOTE: The total number of 60 projects considers each project initiative one time and represents a slight variation from the AID/Naples Office total. Thus, the 60 project count as listed in Appendix 12 counts the 317 dairy barns as one project, the Orphanage in Solofra as one project, etc.

C. PVO Budget Indicator Program Review

As of June 1986, the \$15,960,640 in U.S. Government funding made available to the four PVOs through the Matching Grants and Operational Program Grants allocations were made as follows:

	<u>CRS</u>	<u>SCF</u>	<u>SAWSO</u>	<u>RED CROSS</u>	<u>TOTAL</u>
AID Grant Funding	9,140,894	3,562,929	2,695,707	561,110	15,960,640
Committed Program Budget	7,956,266	2,786,000	2,477,625	561,110	13,781,001
Unprog. Balance	37,539	11,900	44,532	(38,890)*	93,971
Program Budget	7,993,805	2,797,900	2,522,157	561,110	13,874,972
OPG MG Funding by PVOs	57%	22%	17%	4%	100%
Grant Projects Implemented	40	8	8	4	60

\*Unresolved balance not included in calculations.

D. PVO Use of Grant Funds for Project Implementation

The combined PVO commitment of grant funding for subproject implementation is \$13,781,001. Of this amount \$561,110 was allocated by the Red Cross and \$13,219,891 was allocated by CRS, SCF and SAWSO in committed program budgets for subproject implementation. The summary analysis shows the use of program grant funds by CRS, SCF, and SAWSO as of June 30, 1986.

SECTOR FUNDING LEVEL  
% PVO GRANT COMMITTED PROGRAM BUDGET

<u>Sector</u>	<u>Total</u>	<u>CRS</u>	<u>Proj</u>	<u>SCF</u>	<u>Proj</u>	<u>SAWSO</u>	<u>Proj</u>	<u>TOTAL</u>
Social Welfare	40	5,464,241	32	243,091	4	591,294	4	6,298,620
Housing	5	1,758,592	3	-	-	1,186,915	2	2,945,507
Livestock	2	-	-	1,682,000	1	49,416	1	1,731,416
Education	7	743,358	5	357,000	2	-	-	1,100,358
Health	5	69,370	2	589,000	3	-	-	657,370
Industry	1	-	-	-	-	650,000	1	650,000
	60	8,035,561		2,870,091		2,477,625		13,383,277

NOTE: PVO level of committed program budgets for CRS, SCF and SAWSO is \$13,219,891. This amount together with the unplanned/uncommitted PVO program budget of \$93,971 comes to \$13,313,862. So it is evident that the 3 PVOs are now utilizing their listed uncommitted program budgets for planned programming expenses.

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E. Sector Application

1. Social Welfare. Almost half of the total AID grant budget for PVO program expenditures was allocated by the PVOs for specific support grants to assist in the construction or reconstruction of 40 community welfare-related programs. Projects include assistance to community centers, orphanages, playgrounds or sport fields, homes for the aged, children's institutes, a home for unwed mothers, a student residence and drug rehabilitation centers. In a number of instances, furniture or equipment was also purchased for the community programs. CRS implemented 32 out of the 40 social welfare programs, committing \$5,464,241 or 68% of its program budget to this sector.
2. Housing. A priority need in an earthquake area, housing received \$2,945,507 or 21% of the AID grant funds. A total of 159 housing units were constructed by SAWSO (54 units) and CRS (105 units). SAWSO committed \$1,186,915 or 48% of its total grant program allocation for the construction of housing. CRS committed \$1,758,592 or 22% of its grant program funds for housing projects.
3. Livestock. An amount of \$1,731,416 or 13% of AID grant funding to PVOs was invested in livestock-related projects, the bulk of which went to SCF for the implementation of a Dairy Barn project, which resulted in the construction of 317 dairy barns. The average cost of a dairy barn was about \$5,350/barn. SCF committed about 59% of its total grant program, an amount of \$1,682,000 for this initiative. SAWSO implemented a Stable Cooperative for Sheep Breeders, committing \$49,416 or 2% of its grant program fund for the livestock sector.
4. Education. \$1,100,358 or 8% of the total grant program funds were committed by CRS and SCF for the construction, renovation or repair of 7 educational facilities. AID grant funding was used to construct 2 new elementary schools, to extend classroom capacity in an existing school, to construct a technical training school and 3 educational training centers. SCF allocated \$357,000 or 12% of its grant program budget and CRS committed \$743,358 or 9% of its grant program budget for assistance to educational institutions.
5. Health. Approximately 2% of AID grant assistance or \$657,370 was allocated for health projects. Provision of medical equipment and the construction of new facilities were

the two principal activities funded in the 5 health projects. CRS allocated \$69,370 or 1% of its grant program budget for health activities. SCF allocated \$588,000 or 21% of its grant program budget for health activities.

6. Industry. SAWSO allocated \$650,000 or 24% of its grant program resources for the initiation of a furniture production project. AID funding used for the construction of the factory building utilized 5% of the total PVO program budget.

#### F. Distribution of Benefits

An estimated 85,000 persons in the three provinces of Salerno, Avellino and Potenza directly benefited through AID assisted projects implemented by the three PVOs. The geographic distribution of benefits of the committed AID grant funds by the three PVOs includes specific support grants to 50 communities and dairy barn construction assistance to 317 farm families in the three provinces of Avellino, Potenza, and Salerno affected by the earthquake. (See Appendix 11, PVO Project Listing of Inputs and Beneficiaries.)

### IV. ASSESSMENT OF IDEA ROLE AND EFFECTIVENESS

A. Formation and Role of IDEA. The concept of IDEA began in New York in late November/early December 1980, when at the request of the N.Y. State Lt. Governor, various Italian-American groups and U.S. PVOs operating in the earthquake zone agreed to meet to share information and coordinate their efforts. In January 1981, then U.S. Vice President Mondale presided over a meeting with these agencies and a consensus was reached on the need for a national coordinating body. At its first organizational meeting, in early March 1981, IDEA defined for itself three primary functions, i.e., to serve as a clearinghouse for information exchange, to coordinate the PVO agency activities, and to provide a mechanism for constituency support to seek additional U.S. government assistance. Attendance at this and several subsequent IDEA meetings was notable and impressive, and included White House representation, the Italian press, the current Governor and Mayor of New York, Congressional representation, various Italian-American agencies, and the U.S. PVOs active in the relief effort.

IDEA represented a voluntary effort of concerned public and private citizens. Its aim was to remain a small, low budget, temporary mechanism. It did not intend to serve as a direct fund-raising organization. In late March 1981, at IDEA's second National Meeting a status report that AID funds for the school reconstruction effort had still not been obligated, precipitated IDEA's decision to send a letter from IDEA's Chairman to the Secretary of State requesting a meeting with AID and Department of State officials "to discuss sharing of funds." In May 1981, AID met with IDEA and its member agencies. Coordination of U.S. voluntary agency efforts and accountability were major themes of this meeting. At this session, AID introduced the matching grant concept as a means of leveraging noncommitted U.S. private dollars and encouraging fund raising for additional private monies. Up to \$4 million dollars of USG assistance was suggested by AID as available for this PVO matching program.

Over a period of almost three months IDEA and AID engaged in exchanges regarding the principles, procedures, and criteria that ultimately would govern the PVO Matching Grant (MG) component. One key area of debate and negotiation among the PVOs, IDEA and AID concerned the appropriateness of AID's formula for applying the "match", in particular the eligibility date. Initially AID proposed to match only those funds noncommitted and/or newly raised after May 4, 1981. In subsequent exchanges an even tighter time frame of June 25 was proposed. The issue of eliminating the May 4 eligibility date came up repeatedly during the May-August 1981 period prior to reaching final agreement on the program with the PVOs. The agencies objected to this and any cut-off date noting that such a matching scheme would penalize those organizations who had "acted quickly and would act as a disincentive for fast response to future disasters." Despite the efforts of IDEA, the PVOs and certain Congressional leaders to promote more flexibility, the May 4th date was finally established by AID.

In August 1981, IDEA's role was expanded formally at AID's encouragement to provide "project screening" by forming a Project Selection Committee. Composed of the PVOs deemed eligible for participation in the MG program, this Committee operated under the principles and criteria agreed to between AID and IDEA in August 1981. PVO project proposals were reviewed in accordance with these established criteria and then forwarded to AID/Washington under IDEA Chairman's signature as "approved and eligible for AID matching funds." The first MG was signed by AID with CRS in June 1982--fifteen months after the initial letter from IDEA to the Department of State for proposed funding.

Based on an AID meeting with PVOs and a member of Congress in July 1982, additional funding of \$6 million from the FY 1982 Appropriation was reserved by AID for Operational Program Grants (OPGs) to PVOs. In keeping with the design of the MG program, AID sought IDEA's advice on how the funds would be apportioned to the participating PVOs and suggested the IDEA Project Selection Committee continue its review and approval function.

Up until August 1984, IDEA maintained a lobbying function in obtaining additional resources from the USG for the PVO program and a role in subproject review and approval. During this period, as additional funding became available under FYs 1983 and 1984 appropriations, AID continued to seek IDEA's advice on the allocation/apportionment process for the PVOs.

#### B. Assessment of IDEA

IDEA was an appropriate response to a collective need. It was effective in fulfilling the following functions:

- Reviewing PVO activities so as to avoid duplication of relief or reconstruction efforts.
- Channeling private donor dollars from non-operational funding groups to PVOs operational in the earthquake affected area.
- Providing a credible leadership and identity for the mobilization of concerned constituency groups in order to engage AID support for the PVO programs operational in Southern Italy.
- Allowing AID to maintain a minimal level of involvement in PVO grant and budget negotiations by distributing AID grant resources through an overall budget allocation process agreed upon by the participating PVOs.

IDEA's strength was clearly based on its prestigious leadership and membership which had the national visibility to command Congressional and USG attention and response.

IDEA was effective as a consortium because it did not directly accept any funds. This maintained the appropriate emphasis on coordination and helped obviate a scenario in which IDEA could have become a more permanent fixture requiring ongoing institutional support. It existed when it was needed, operating at minimal cost and with limited administrative requirements.

The evaluation team believes the major influence contributing to IDEA's success was the fact that it was a private phenomenon --not activated, directed, or financially supported by the USG. This factor gave it strength in negotiating with Congress, Government and the PVOs. It also safeguarded IDEA's independent nature which was essential to its credibility with the U.S. public.

Given IDEA's limited resources and the structure of the project selection committee, the function of effective subproject review and approval appears to have been minimally exercised by IDEA. In the evaluators' opinion, IDEA was not organized to effectively carry out an effective subproject selection and approval process. The mutual agency related interest in this peer review process was to allocate the budget in the collective interest of all concerned. Goodwill among the PVOs was important for each agency to maintain, as participating group members were in essence competing for the same AID donor dollars. A review of the subproject documentation indicates that there was a great deal of diversity in the quality of subproject proposals forwarded by IDEA to AID as approved and eligible for funding. Some proposals were very well thought out and presented, while others were very sketchy. Based on our interviews, IDEA's project review process lacked technical review and analysis and lacked a mechanism for disagreement or objective dissent.

The evaluators received a mixed reaction to IDEA's role in overall budget apportionment. AID welcomed IDEA as an intermediary because it relieved the Agency of direct, intensive involvement for its limited staff. While some PVO representatives feel that IDEA's allocation process was equitable and effective, others believe that there was more "cutting up of the pie" on a mutually agreed formula rather than an apportionment based on concrete projects proposed by each PVO. The evaluators concluded that there should have been a direct link between the budget allocation procedure and the project selection process, with adherence to more clearly defined proposed and project guidelines and more adequate screening procedures. A basic consideration is whether the responsibility for both budget allocation and project selection should be given to a group or organization (IDEA) other than the agency (AID) with whom ultimate accountability rests.

V. PVO ROLE AND GRANT MANAGEMENT

A. PVO Relief Phase of Earthquake Disaster Response

All of the three PVO Italian affiliates or local offices began immediate relief aid to the 1980 earthquake victims. The U.S. PVOs augmented their "counterpart" Italian organizations' response by sending their representatives to the area to assess needs, and determine the role they should play in the effort. Where local resources required strengthening, e.g., medical personnel, vehicles, supplemental provisions, the U.S. PVOs secured funds, supplies and personnel to help.

As happens at the time of any major disaster, the U.S. public quickly demonstrated its desire to assist victims of the Southern Italy earthquake. The unusual aspect in this particular disaster was the very strong Italian/American constituency which not only dramatically increased the general level of assistance support but also resulted in the formation of the IDEA consortium.

B. PVO Construction/Rehabilitation Phase - Prior to AID/PVO Grants

The three PVOs began to formulate plans for their part in the construction/rehabilitation assistance phase early on. Private funding enabled the PVOs to begin implementation of longterm assistance within a few weeks of the disaster. Immediate building of modular housing, community centers and day care facilities in some of the areas hardest hit by the earthquake was begun.

C. Program Under AID/PVO Grant Support

Through IDEA, the three U.S. PVOs secured AID funding to supplement their private resources and to expand their work in construction and rehabilitation activities. In AID's design and implementation of the PVO portions of SIERP, certain explicit and implicit expectations were placed on PVOs for the management of the grant.

Of key consideration to AID was its intention to maintain an intentionally "arms-length" involvement, with limited oversight demands for the program. AID staffing constraints required an innovative format having minimum impact on AID's limited executive, technical and programming staff.

(Initially a one-person operation was seen as adequate for the original \$50 million operation.) From this viewpoint, even though the AID staff grew to two, and then three, the "once removed" concept seems to have been highly successful and a demonstration of "doing more with less." Eligibility of PVOs for funding support under this program was therefore based on several factors, including the PVOs "presence" in the country and its overall track record in terms of accountability for funds.

PVO Staffing and Management Structure for Grant Program Implementation.

Definition of "presence" factor was not the same for each organization. Prior to the earthquake and during the initial relief phase, CRS had a local office (CRS/Rome) which served primarily as a liaison between CRS/New York and the Vatican, with minimal direct implementation of projects in Italy; CRS/New York supported and administered the total operation of the CRS/Rome office. SCF worked through its affiliate AIPI and was administratively responsible for only the portion of AIPI's program which was funded by SCF. SAWSO had an affiliate relationship with SA/Italy, but had not funded any portion of SA/Italy program nor did it have an operational relationship with SA/Italy.

Staffing strategies and internal lines of authority for the three PVOs during the AID grant program varied among the PVOs and within each agency over the life of this program.

Initially, CRS hired its own technical staff to implement private CRS funded as well as AID assisted reconstruction projects, running the operation out of Rome. It developed ongoing consultative relationships with technical firms for the development and implementation of its projects. CRS believed that this strategy was generally effective. At a later date, CRS decided to open an earthquake reconstruction program office in Salerno to handle AID assisted and privately funded project implementation. This was a correct decision because it gave CRS staff more immediate access to the geographic area and enhanced opportunities for communication with AID/Naples. In similar circumstances in a disaster response program in the future, we believe, and CRS agrees, it would be more effective to open an earthquake program office as early in the process as possible.

CRS grant and subproject approval processes included: 1) grant proposal submission and grant document and amendment signatures/authority out of CRS/New York, 2) subproject submission to IDEA from CRS/New York, and 3) formal subproject submission (with cabled approval from CRS/New York to CRS/Salerno) to USAID/Naples from CRS/Salerno.

SCF worked through its Italian affiliate AIPI. A project manager funded under the AID grant was hired to assist AIPI in the implementation of the grant program. The project manager was knowledgeable about AID funding procedures and requirements for use of grant funding and had previous experience as a PVO program administrator. It was the assessment of SCF and AID/Naples that the operation was effective due to AIPI's knowledge and familiarity with the earthquake area and the key role played by the project manager. SCF handled the technical requirements of its program by employing on a consultative but ongoing basis an engineer from the earthquake affected area. This engineer either directly designed or assisted in the coordination and review of other firms working with SCF/AIPI on a consultative basis. As necessary, SCF consulted with the AID/Naples Office engineering staff in the finalization of the design of its programs.

SCF grant and subproject approval processes included: 1) grant proposals submission and grant document and amendment signatories/authority out of SCF/Connecticut, 2) subproject submission to IDEA from SCF/Connecticut and 3) subproject submission to AID/Naples from SCF/Naples. The operation of the SCF program was particularly effective due to the knowledge and familiarity of AIPI with the earthquake program area and the grant management role effectively played by the Project Manager.

SAWSO relied on the in-country Salvation Army/Italy staff based in Rome for management of subproject activities and implementation. Technical and professional advice was sought from engineers, architects and attorneys by SA/Italy on a consultative basis. When additional funding became available and subproject development increased, SAWSO discussed with SA/Italy the possibility of hiring an on-site project manager. However, because of the difficulties entailed in hiring a person for a short period in Italy, this option was ruled out. In retrospect, SA/Italy feels that in-country staff was "stretched". SAWSO and SA/Italy did not adequately assess the requirements of the program in terms of program backstopping considerations and length of involvement.

SAWSO grant and subproject approval process included: 1) grant proposal submission out of SAWSO/Washington, 2) grant document and amendment signatories/authority out of SAWSO/New Jersey, 3) subproject formal submission to IDEA and to AID/Naples from SAWSO/Washington. The subproject submission from SAWSO/Washington to AID/Naples appeared cumbersome, resulting in time delays and lack of clarity regarding decision making authority.

In the team's opinion AID's "arms-length" strategy was generally appropriate and successful, particularly in those instances where the PVOs were familiar with AID grant procedures and the parameters for the utilization of USG grant funding. Where the local affiliate is less familiar with and less knowledgeable about AID grant requirements, this strategy confronted difficulties. For example, SAWSO was a recently founded development agency of The Salvation Army and had not implemented any AID-supported field projects until 1980, just prior to the Italian earthquake. Because of the newness of SAWSO program and the need to develop a grant implementation relationship within the Salvation Army, it could have benefited from more AID assessment and assistance during the grant negotiation process in clarifying the management arrangements and in defining the requirements for implementation of its program.

#### D. PVO Local Grant Program Implementation Capabilities

It was AID's expectation that the U.S. PVOs chances for success and a key factor in their ability to implement the program would be the contacts, constituency and credibility of the local PVOs with which they collaborated. The evaluators believe AID's assumption was correct. Our assessment was based in part on the PVOs' demonstrated capability in the implementation areas of land usage, building permit acquisition, utility connections and government funded operational budgets. This was particularly evident in the period starting in late 1982 after the initial phases of implementation had passed and the PVOs had acquired a realistic and good working knowledge of the environment.

Land acquisition for project implementation can be a difficult process in the context of Southern Italy and delays were experienced by PVOs due to unresolved land site and title issues that had to be finalized prior to project implementation. The successful resolution of land issues is a significant aspect of the role played by the PVOs.

PVOs were successful in obtaining building permits from the Italian authorities and generally carried out this function independently of any support or involvement from the AID/Naples Office. All PVO construction efforts received final authorization for use from the Italian authorities. The successful authorization of all buildings completed to date by the Italian authorities was due to the fact that the PVOs had appropriate technical staffing to carry out the projects and that these projects were developed with the technical review of the AID/Naples Office.

The connection of water, sewerage and electricity to facilities constructed through this grant is the defined responsibility of the local municipality. The considerable cost of these utility connections composes a large part of the community contributions to the PVO program. PVOs consistently sought and, in general, have successfully secured utility connections for facilities constructed with AID money. The process is a difficult one and frequently the time frames for fulfillment of municipality responsibility for utility connections have had to be extended.

PVO administered grant projects that were transferred to the local municipalities for ongoing operation, include schools, housing projects, medical centers, sport fields and rehabilitation centers. In instances where the operation of a facility required the commitment of government funding, it was necessary for the PVO to work directly with the Italian authorities to secure the operational program budget commitment. The difficulties involved in this process are in many ways parallel to the land requirements of the program, i.e., obtaining a "Delibera" from the municipality committing it to funding or securing the operational budget of the facility. Time delays in the operation of some of the facilities were experienced by PVOs as the operational budget of the facility had been committed but not yet secured by the local municipality. In projects that involved repair of an existing facility with ongoing operational programs, these kinds of delays or problems were naturally encountered less frequently. Overall, the PVOs were effective in facilitating this budgetary commitment process.

In general, the implementation of these projects presented numerous political problems (regional, municipal, etc.) that had to be overcome. The PVOs resolved these aspects of program implementation in an effective manner.

The following percentages reflect the ratio of projects either completed on time or within 60 days of the construction completion date specified in the original contract:

CRS	90%
SCF	77%
SAWSO	60%

These percentages in comparison to those calculated on regular AID-funded construction projects are quite good.

Regarding utilization, all but one of the 55 projects completed as of June 30, 1986, are in operational use. The construction of the CRS Naples Housing project is complete and utility connections by the Naples municipality are anticipated to be completed in the near future. The 5 remaining AID assisted projects are under construction.

#### E. Local Community Participation

PVOs were successful in involving local officials and community people in the implementation of the AID subproject grants. In particular, SCF and SAWSO were identified by AID/Naples as effective in maximizing the involvement of community groups. CRS community support of institutional programs in many instances tended to be more formalized through the continued operational commitment of community service institutions staffed and administered by religious groups.

All three PVOs utilized volunteer labor in significant ways to implement these grants. The AIPI Director and earthquake area field representative are both unpaid volunteers. SAWSO was able to make use of the skills of legal and engineering advice provided on a voluntary basis. CRS subproject holders volunteered their time to obtain necessary documentation for construction of facilities and also provided on-site supervision of contractors' work.

The dollar value of the voluntary labor is not included in the subproject tables included in Appendix 11 of this report, as a reliable definition could not be established post facto for the calculation of these contributions. The project calculations in these tables do include for all three PVOs an estimated dollar value of the land, land site improvements, access roads, and utility connections (water, electricity and sewerage).

Operational budgets for the current year were verified during the 9 subproject site visits.

F. Subproject Documentation

In general, PVO subproject documentation was found to be satisfactory in the management of the grant. In particular, CRS project proposals and quarterly reports were noted for their comprehensiveness and accuracy. SCF project documentation met all the reporting requirements of the grant. In some instances where SAWSO subproject proposals were found to be general or sketchy, detailed data on subproject planning and implementation was available through their files. In other cases although numerous documents existed in the files, it was difficult to fully track the subproject record with these materials.

G. Subproject Selection Process

PVO Presence and Constituency. PVO constituency contacts and the geographic presence of the PVO were the primary influences in their selection of projects.

For example, the overwhelming majority of the population in Italy is Catholic, which has a continuing strong link to the Italian/American community in the U.S. The majority of the estimated \$4-5 million IDEA channelled through PVOs was donated to CRS from this Italian/American constituency due in part to their shared Catholic cultural heritage with the people of Southern Italy.

CRS had an extensive network of relationships through CARITAS/Italy and the presence of the Catholic Church structures to assist in the implementation of the grant program. The geographic distribution of benefits through the CRS programs was extensive and reflective of this broad network of services within Italy. About 48% of the projects implemented by CRS (19 out of 40 projects) involved grant funding in the renovation, reconstruction or construction of community social services provided through institutions under Catholic auspices. The remaining 52% (or 21) of the CRS grant projects were implemented in cooperation with local town councils or local community organizations.

The Salvation Army has been operating in the earthquake area for over 50 years. SAWSO project implementation activities were more geographically intense working primarily in the areas

where the Salvation Army has an established presence. In 6 out of 8 of the SAWSO projects, land was purchased by The Salvation Army for the implementation of grant assisted projects.

SCF focused its efforts in the geographic areas where AIPI, its Italian affiliate organization, was known to local inhabitants. SCF project implementation activities used 59% of the grant funding to assist individual families affected by the disaster and the remainder to fund the construction of facilities or for purchase of equipment for local community organizations or government service departments.

Site visits confirmed that projects selected by each of the PVOs reflected the organizational strengths, connections, scales of operation and constraints of the PVOs.

#### H. Subproject Site Visit Observations and Issues

The projects selected and implemented by CRS, SCF and SAWSO in general met the stated requirements of the grant. The subprojects were:

- located in the earthquake affected areas,
- reconstruction or construction efforts meeting community needs,
- operational programs capable of sustaining recurring costs over time, and
- visible gestures of the goodwill and concern of the people and government of the United States.

Specifically for each of the projects visited by the evaluation team the following assessments have been made. The appendices of this report provide more complete descriptions of project inputs and site visit findings.

#### 1. Social Welfare

##### a. CRS-St. Teresa Orphanage in Solofra

The project reconstructed a damaged wing of a building owned by a Catholic religious community of sisters. Renovation is currently providing permanent shelter to 35 orphans. The orphanage has been in operation for over 400 years.

Issues and Comments from Site Visit

In several AID interviews there was reference to a possible church/state issue in the use of grant funding to enhance the capital assets of property owned by religious institutions. The evaluation team explored this issue during the site visit. The team concluded that the child custodial care provided at St. Teresa's was not only a service to the community but that use of U.S. government funding to assist the orphanage was consistent with the established State policy in Italy which provides operational subsidies to these types of institutions. Approximately 90% of the orphanages in Italy are operated by religious communities which saves the State the necessity of construction and operating (at probable greater expense) its own facilities. The evaluation team affirmed the use of grant funding for this project and did not perceive a church/state issue in the allocation of grant funding for this project.

b. SAWSO-Braide Community Center

The project supported complete reconstruction of a community center on land owned and operated by the SA/Italy. The new building replaced the original center which had been in existence since 1971 and had been partially destroyed in the earthquake. The center has been in operation for a year and a half. The team concluded that in general the project met AID grant criteria.

Issues and Comments from Site Visit

Underutilization of the community center is a primary issue raised by the SA/Italy during the interviews, and confirmed by the evaluators during the site visit. While the center is used for occasional special community activities, its regular schedule of activities involve only a few hours of operation time per week. The center is still relatively new and because of its location in a rural farming community not likely to be used to the maximum at all times. However, at present the center is not adequately staffed and is relying on the part-time services of SA officers residing in another community to carry-out the current weekly five hour schedule. Plans are underway to recruit local community assistance for supervising additional center programs and to assign a SA officer to the center. Housing accommodations for this individual and his family were included in the construction. The team concluded that until such time as

SA/Italy is able to resolve this staffing constraint, the center will continue to operate at a less than optimal level. The team also recommends that SA/Italy consider making additional material resources available to the center, e.g., playground equipment, to support its after-school and holiday club programs.

2. Housing

a. CRS-Montella Reconstruction Housing Project

Provision and construction of 50 attractive prefabricated wooden houses were provided in a community in which 4,500 inhabitants lost their homes. The homes are owned and operated by the municipality.

b. SAWSO-Brienza Housing Project

Construction of 40 apartment units as temporary shelters for families made homeless by the earthquake. Thirty-six of the forty units constructed are owned by the municipality, and four are owned by the Salvation Army/Italy.

Issues and Comments from Site Visits

Sustainability: While utilities are, for the most part, being paid, no rent is being paid by the tenants of the houses owned by the municipality in both the Montella and Brienza Housing projects. Until tenant/municipality agreements are enforced, proper maintenance cannot be ensured.

Beneficiaries: Both projects have not only provided needed shelter to homeless families, but apparently also improved their standards of living. It is unclear, however, whether these structures will in fact be managed as "temporary" homes, or whether the current beneficiaries will remain under the present subsidized arrangement.

In neither municipality have tenant rental arrangements been defined and/or enforced, so that long-term maintenance of the buildings can be assumed. Where projects involve the construction of shelters for the homeless, prior to occupancy, PVOs should clearly define and/or enforce the tenure of "temporary" occupancy as well as the rental and utility fee arrangements with the tenants and municipalities.

3. Livestock

SCF-Campagna Dairy Barns

This project was part of the SCF Dairy Barn program carried out in Laviano, Caposele and Campagna. In the rural area surrounding the City of Campagna, SCF built 74 barns measuring 5 x 10 meters with concrete walls and flooring. SCF released ownership of barns to individual families for their long-term use.

Issues and Comments from Site Visit

Although SCF expressed some concern that there was difficulty in applying all of the criteria which they had established for beneficiary selection, the use of a community selection commission ensured maximum objectivity in the process of selecting which farm families received the barns.

Whereas the majority of AID and PVO projects under the earthquake reconstruction program attempted to construct single, highly visible community service structures, in this instance SCF chose an alternative project approach and replicated a successful model by building many small, yet highly visible, well-constructed barns.

4. Education

a. CRS-Avellino School for Training in Building Trades

Technical schools for training of tradesmen in the construction industry were operational in 4 separate facilities under the sponsorship of the Association of Building Contractors and the Trade Union of Builders. Earthquake damage to the central school and some of the branch schools was significant. The CRS project funded reconstruction of the central technical school.

Issues and Comments from Site Visit

The Avellino School for Training in Building Trades is on the scale of some of the smaller school construction projects funded and administered by the AID/Naples Office. It serves as a demonstration of PVO capacity to engage in construction projects that are comparable in scale to AID-administered initiatives.

b. SCF-Camaldoli Elementary School

Construction of an elementary school in a community of 1,400 inhabitants, the facility serves to consolidate three separate, rental arrangements used as classrooms.

Issues and Comments from Site Visit

This project could potentially influence the educational approach of rural school districts beyond the Camaldoli area. Officials from other districts recognize that this school offers benefits of longer school hours, expanded curriculum and a lunch service, and are considering similar modifications.

Although there seems to have been an overestimation of students eligible for attendance at the school, there is the expectation that the higher quality of the facility and the curriculum will discourage out migration and result in higher enrollment levels in the near future.

5. Health

SCF-Campagna Medical Center Equipment

Equipment for a multiservice medical center was provided by AID to serve the city and surrounding area of Campagna. Cost of project is \$158,000 AID funding only. Private international donors funded actual construction of the facility which is owned by the municipality.

Issues and Comments from Site Visit

Because the center relies on the national health service for its operating budget, a two-year delay in making the center operational was experienced because of lack of final GOI budget authorizations to the municipality for medical staff.

While the center is currently operational and being used by the community, the multiservice center approach is still a relatively new concept in the region. It is therefore still at somewhat of an experimental stage in identifying those key service interventions that will meet priority community needs. Formal presurveying of community needs in these kinds of projects should be encouraged.

6. Industry

SAWSO-Braide Furniture Factory

AID grant funds of \$650,000 supported the construction of a factory, owned and operated by The Salvation Army and an Italian private entrepreneur that is providing employment and income generating opportunities. The factory has been in operation for one year and a half. The project is a highly visible structure that is well-constructed. The evaluators believe, however, that given the economic development objectives of the project, SAWSO and AID should have used the feasibility study conducted as a basis for a more thorough economic analysis.

Issues and Comments from Site Visit

In reviewing subproject documentation and during the course of interviews, considerable ambiguity emerged regarding the aspects of factory ownership and the overall process employed by the partners to capitalize the joint venture. Given time constraints, the team was unable to satisfactorily answer these questions as elaborated on in the case study. SAWSO and AID/Naples are in the process of obtaining clarification from SA/Italy and SA International Headquarters on these points. The resolution of this matter will be handled under separate cover by AID/Naples.

The factory's operational budget depends on efficient management and sales of production. While management has plans for making the factory a profitable venture, the team is of the opinion that these projections warrant further examination because the factory is currently operating at one quarter of its capacity and not yet fully staffed. Based on these factors, it is difficult to assess whether the factory will be able to cover its operational costs in the future.

Given the size of the investment in this project, beneficiary participation is low with only seven individuals currently employed. The evaluators recommend that SA/Italy with assistance from SAWSO consider strategies that could increase beneficiary participation. A possible approach would be to consider again the possibility of reorganizing the partnership into a cooperative venture with the employees of the factory. In addition, the evaluators suggest that SA/Italy and SAWSO

explore the feasibility of engaging outside technical and managerial assistance for guidance in profit management. The International Executive Service Corps might be of assistance in this regard.

## VI. ASSESSMENT OF AID ROLE AND EFFECTIVENESS IN GRANT MANAGEMENT

### A. Description of AID Role

Since the program was launched in 1981, the AID/W management structure for the PVO component has gone from an intensive initial phase of policy and programmatic definition to the current relationship, i.e., minimal backstopping and reliance on the AID/Naples office for all project approvals and implementation matters. AID's (then) Near East Bureau (NE), with assigned responsibility for management of the reconstruction program, was primarily engaged in developing and defining the parameters of AID's efforts.

Until April 1981, AID assumed its role with PVOs involved in disaster assistance would be limited to facilitating the bringing together of private resources and the PVOs. By the time AID got involved in a more formal way, the more immediate impact of the earthquake had been felt. In May 1981, when AID recognized that PVO participation in SIERP would be required, considerable staff effort was assigned to maintaining exchange of information with the PVOs through the IDEA mechanism. Related NE Bureau, Regional Office efforts included developing the principles, guidelines and requirements that would govern the approval and management of the proposed PVO grant program.

Up until February 1983, the office also responded to the interests of IDEA and the Congress, and handled the negotiation of final arrangements with these parties. In the early stages, the review function and documentation preparation process for approvals were assigned to a division in the NE Technical Office that had overall responsibility for NE Regional PVO matters. PVO project proposals submitted as approved by IDEA also went through the NE Bureau's Project Review Committee.

Authority was delegated in early March 1983 to AID/Naples for subproject activities of \$1 million or less under umbrella grants. When the umbrella grant mechanism became operational, AID/W's role in administering the PVO component was greatly reduced. Contracting functions previously located in

Washington were eventually reassigned to USAID/Morocco in 1984. The NE Bureau's Project Development Office maintained responsibility for funding authorization documents and Congressional Notifications. However, the function of determining the feasibility and soundness of subproject activities was transferred to AID/Naples. Over the life of this program, the NE Bureau Regional Office maintained an information and coordination role with the general public, Congress and IDEA.

Decentralization of subproject approvals to AID/Naples required a level of involvement not originally foreseen by AID. Once AID recognized the need to have technical, engineering expertise in-country to effectively supervise and implement its direct school reconstruction program, it also saw the usefulness of engaging the Chief Engineer in the technical review of PVO subproject proposals. As the portfolio of PVO subproject activities grew, AID/Naples Program Officer became responsible for regular and frequent interface with the three PVO field offices. While overall "umbrella" grants were still approved in Washington, these agreements simply contained a listing of illustrative subproject activities. Thus in most instances, the AID/Naples Program Officer engaged in exchange with the PVO field offices on the specifics. His function included review of subproject concept papers and proposals, coordination of any required technical or engineering assistance, monitoring of subproject activities through periodic site visits, review of PVO quarterly and final reports, and preparation of the section on the PVO component for the AID/Naples report to AID/W. It is estimated that 50 percent of his time was spent on the PVO component. Other staff directly involved in backstopping the program were the AID/Naples Representative and Chief Engineer. During the height of the reconstruction program (1983 and 1985) each spent about 10 percent of their time on this component.

B. Assessment of the Delegation of Authority to AID/Naples

While all of the subprojects of the "umbrella" agreement were reviewed and monitored by AID/Naples starting in 1983, the design of the PVO umbrella grant program procedures did not demand a labor intensive effort on AID/Naples part. Significant reliance was placed on the PVO's presentation of facts in the proposal, e.g., rationale for site selection, type of project, estimates of beneficiaries, and comune or village inputs. AID/Naples confirmed that the activities met the OPG

criteria and assured through on-site inspections that the subactivities were feasible, soundly planned and engineered.

From our interviews with AID/Naples staff and the PVO field offices, it is clear that all subproject ideas were informally reviewed and discussed prior to finalization. Architectural designs and price quotations were also informally reviewed by the AID/Naples Chief Engineer. Two-thirds of the subprojects received on-site inspections prior to AID/Naples approval and all sites have been visited at least once. Most PVO subprojects were in fact visited several times by AID/Naples staff and were routinely included in their site visits to the other AID funded projects. AID recognized that while the PVO construction subprojects represented less significant dollar amounts, their projects could also benefit from engineering and technical inputs.

AID's decision to delegate the subproject approval process to its field office in Naples appears to have been appropriate for the AID/Naples office and once the technical qualifications were resident in the AID/Naples office. In particular, the approach:

- \* Gave flexibility to the AID/Naples Representative for shifting of funds between subprojects, particularly in those instances where it was possible to assess project feasibility in the concept paper stage.
- \* Established an environment for active AID/PVO collaboration, consultation and exchange.
- \* Gave AID/Naples direct responsibility for the program.
- \* Significantly reduced the time between proposal submission to AID/Naples and subproject approval. Estimates from PVO field offices indicate that as much as 2-3 months were cut from the process. (Note: Under the previous AID/W arrangement, the first MG was funded in June 1982 and had been submitted to AID as approved by IDEA in February 1981.)

Notwithstanding the benefits of this decision, certain drawbacks to this approach were apparent. For example, the organizational relationships between the U.S. PVO grantees and their local affiliates or field offices were not always well defined or understood by AID. AID/Naples was apparently

unclear as to the degree to which decentralization or delegation of authority from the U.S. PVO actually existed in the PVO field offices. In addition, from Naples, AID was not in the position to be an arbitrator between the U.S. PVO headquarters and the Italian affiliate or field office. Also, because financial project expenditure and progress reports were usually sent from the PVO field office to their U.S. headquarters and then to AID/W, the AID Office in Naples often received delayed financial reports which hindered their ability to provide timely reports on PVO activities.

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SOUTHERN ITALY EARTHQUAKE RECONSTRUCTION PROGRAM

PART II  
APPENDICES  
TO FINAL EVALUATION REPORT  
OF THE PVO COMPONENT

PROJECT 145-0001

Prepared For

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (AID)

July 1986

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

SOUTHERN ITALY EARTHQUAKE RECONSTRUCTION PROGRAM (SIERP)

PART II  
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FINAL EVALUATION REPORT  
OF THE PVO COMPONENT

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JULY 1986

APPENDICES

SIERP FINAL EVALUATION REPORT OF THE PVO COMPONENT

1. EVALUATION METHODOLOGY - 6 pages
2. INTERVIEWEE LISTING - 2 pages
3. EARTHQUAKE DISASTER RESPONSE - 4 pages
4. CHRONOLOGY OF EVENTS - 3 pages
5. MG/OPG GUIDELINES - 5 pages
6. GRANT MANAGEMENT STRUCTURES - 8 pages
7. AID/NAPLES ASSESSMENT OF AMERICAN  
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8. CRS SUBPROJECT CASE STUDY REVIEWS - 12 pages
9. SCF SUBPROJECT CASE STUDY REVIEWS - 13 pages
10. SAWSO SUBPROJECT CASE STUDY REVIEWS - 14 pages
11. PVO PROJECT LISTING OF INPUTS AND BENEFICIARIES - 6 pages
12. ANALYSIS OF USE OF GRANT FUNDING BY SECTOR - 8 pages

NOTE: SEE PART I FOR EVALUATION REPORT

JULY 1986

EVALUATION METHODOLOGY

I. EVALUATION BACKGROUND AND PURPOSE

An end-of-project evaluation of the private voluntary organization (PVO) component of the Southern Italy Earthquake Reconstruction Program (145-0001) was conducted from July 10-28, 1986. The earthquake relief and reconstruction program in Southern Italy received a total Congressional allocation of \$80 million in the period FYs 1981-1984. Of this amount \$15,960,640 was obligated by AID in grants for Catholic Relief Services (CRS), Save the Children (SCF), Salvation Army World Service Office (SAWSO) and the American Red Cross. Matching Grant (MG) assistance to these agencies totalled \$5,064,638 and Operational Program Grants (OPG) were allocated in the amount of \$10,896,002. As of June 30, 1986, approximately 90% or \$14,495,066 of the grant budget had been expended.

The purpose of the evaluation was to review the overall progress of the PVOs, i.e., CRS, SCF and SAWSO, and the impact of their programs financed under MG and/or OPG arrangements. An equally important purpose of this evaluation was to assess the appropriateness and effectiveness of IDEA, the design of the PVO component of the SIERP program as well as AID/Naples management of the PVO program. An assessment of the American Red Cross Matching Grant was not included in the work of the evaluation team but has been addressed by the AID/Naples Office in Appendix 7.

The Congressional language authorizing the program defined that the goal of these grants was to demonstrate the concern of the American people and government to the people of Southern Italy affected by the earthquake of November 23, 1980. The intent of the grant funding was to assist in the reconstruction and rehabilitation of the earthquake area. Based on the positive experience of the earthquake reconstruction effort in the Friuli region of Northern Italy, the grant language designated that this reconstruction effort should address priority community needs through the implementation of projects of a permanent nature that have a high degree of visibility in the community.

As of June 30, 1986, CRS has completed project expenditures and will close out its Salerno office by September 30, 1986. SAWSO and SCF plan to complete their earthquake reconstruction programs by March 31, 1987.

## II. EVALUATION METHODOLOGY

A. Task Definition. The evaluation team had the following three tasks defined in its Scope of Work:

1. Assessment of IDEA - Review, analyze and assess the role of IDEA, particularly its involvement in the allocation of funds between participating PVOs and in the review and approval of project proposals.
2. Assessment of AID/Naples Office - Provide a general review of the role played by AID in its management of the PVO portion of the Southern Italy Earthquake Reconstruction Program, with particular attention to the program policies and strategies, administrative structures and operational procedures.
3. Assessment of PVO Programs - Evaluate the Matching Grants and Operational Program Grants allocated to CRS, SCF and SAWSO. Assess the administrative and management capabilities of these three agencies, the process of program selection, design, implementation and monitoring, and the impact of the PVO programs in terms of sustainability of projects implemented through the grants.

B. Audience and Uses of the Evaluation Report. The evaluation is intended primarily for review by the Asia and Near East Bureau (ANE) of USAID and the AID/Naples Office. The evaluation report is also intended to be used by the PVOs for a self-assessment of their involvement in the Southern Italy earthquake reconstruction effort.

Other users of this evaluation report are key participants involved in the formation of IDEA, providing them with a closure report on the functioning of the PVO earthquake reconstruction program in Southern Italy.

As the SIERP program is drawing to an end with no additional future funding to be committed, this program evaluation will serve as the format in which the "Lessons Learned" through the implementation of the program can be recorded and analyzed for possible application to future emergency disaster situations.

C. Composition of the Evaluation Team. As called for in the language of the AID/PVO documents, the evaluation was a collaborative effort involving AID and one representative from each of the three participating PVOs. The evaluation team was composed of four members. The team was headed by the PVO Program Officer of the Asia and Near East Bureau and included a program representative from each of the three PVOs participating in the earthquake reconstruction program. The evaluation was intentionally designed to be a collaborative effort including both the AID and PVO perspectives on the program. The team represented a range of professional skill areas--namely, health administration, rural development program management and grant administration and program evaluation.

D. Procedures. The Scope of Work called for the evaluation team to utilize rapid, low-cost approaches in the gathering of information for this evaluation. Approaches used in the evaluation included: review and analysis of AID as well as PVO administrative records and documents, key informant interviews, community/group interviews and project site visits. The Scope of Work defined broad areas of investigation but did not specify how much detail or quantification should be provided. During its preliminary two-day team building sessions in Washington D.C., the evaluators decided that there would be two areas of inquiry: an assessment of the way in which earthquake assistance has been organized through the IDEA/AID/PVO mechanism, and an evaluative review of selected subprojects administered through the grant. It was decided that all members of the evaluation team would be involved in the AID and IDEA assessment process. The team leader and one PVO evaluator would be directly involved in the assessment of each participating PVO program. Assignment of responsibilities for program review were as follows:

<u>Name of PVO</u>	<u>Evaluated By</u>
Catholic Relief Service (CRS)	AID Team Member SCF Team Member
Save the Children (SCF)	AID Team Member SAWSO Team Member
Salvation Army World Service Office (SAWSO)	AID Team Member CRS Team Member

1. Interviews with AID and PVO Grant Administrators. Open ended questionnaires were designed by the team for use in discussions with AID/Washington, AID/Naples, PVO Headquarters and PVO field offices. These questionnaires were based on the Scope of Work outline and were designed to involve key program administrators in a structured discussion of the role and functioning of IDEA, AID and the PVOs in the implementation of the grant program. Interviews with AID/Washington staff took place in the presence of the full evaluation team in Washington, D.C., prior to departure for Italy. PVO Headquarter interviews were handled by telephone conference calls involving the AID Evaluation Team Leader and the PVO Evaluator. PVO/Field Office interviews were handled during three days of the field work in Italy. All interviews were conducted according to the questionnaires by the AID Evaluation Team Leader.
  
2. Subproject Site Visits and Development of Case Studies. In order to assess the impact of the program on subproject beneficiaries as well as the specific procedures for subproject selection, documentation and program monitoring, it was decided that the evaluation team would review 9 of the 60 PVO projects for a concentrated review. A project case study outline and beneficiary questionnaire were developed by the team for use in the site visits. During the three days of field work committed to this exercise 13 project sites were visited by the team. These visits generally involved briefings by the PVO staff, an interview session with community leaders or other persons locally responsible for the implementation of the project, and discussions with beneficiaries and/or local technicians responsible for the operation and maintenance of subproject facilities.
  - a. Parameters of Proposal and Subproject Review. For each of the 9 PVO subprojects relevant project documentation was reviewed by the team members, including the grant proposals, grant amendments, as well as subproject proposals and quarterly reports. In specific instances where further research was required, it was done by the Evaluation Team Leader and the PVO Evaluator with assistance from the AID/Naples Office. In discussions with AID/Naples staff it was decided that the mandatory Italian government authorization of building construction completion and readiness for occupancy would be the

verification of the construction of the building sites. Team members relied on the PVO field office's project audits and their reports/statements that specific subproject audit recommendations had been carried out.

- b. Selection of Case Study Projects. The 9 subprojects for case study preparation were chosen by the PVOs in discussion with the AID/Naples Office. Consideration of logistical access, grouping of project sites, significance of commitment of funding levels, and key implementation issues as related to each sectoral area of the grant influenced the selection of the following sites:

PVO Name

CATHOLIC RELIEF SERVICES

Project:

Montella Prefabricated Housing Project - Example of PVO involvement in the temporary housing sector, meeting a priority reconstruction need, owned and operated by the municipality.

Project :

St. Teresa Orphanage in Solofra - Example of social welfare project and building reconstruction effort in a structure owned by a religious community operating a state subsidized child custodial program.

Project:

Avellino School for Training in Building Trades - Example of an IDEA project implemented by a PVO resulting in a new facility constructed for an improved and consolidated training program.

PVO Name

SAVE THE CHILDREN

Project:

Dairy Barns - Example of innovative rehabilitation effort providing animal shelter.

- Project: Campagna Medical Center - Example of construction of a new municipality owned facility operated with national health system funding.
- Project: Camaldoli School - Example of municipality owned facility operated with regional government education budget.
- PVO Name SALVATION ARMY WORLD SERVICE OFFICE
- Project: Braide Furniture Factory - Example of collaborative effort of a PVO and the private business sector to do job training, job generation and furniture component production.
- Project: Braide Community Center - Example of a service facility owned and operated by Salvation Army for community program activities.
- Project: Brienza Housing - Example of a permanent housing program, meeting priority reconstruction need, owned and operated by municipality.

INTERVIEWEE LISTING

AGENCY FOR INTERNATIONAL DEVELOPMENT (AID)

Washington, D.C.

Mr. Marx Sterne, ANE/MENA  
Mr. Ault Nathanielsz, ANE/PD  
Mr. Richard Dangler, M/SER/OP

Naples, Italy

Mr. Hugh L. Dwelley, AID/Representative  
Mr. Tibor Nagy, Chief Engineer  
Mr. May Di Bartolomeo, Project Manager  
Mr. Kurt H. Teil, Consultant

CATHOLIC RELIEF SERVICES (CRS)

U.S. Headquarters

Rev. Monsignor Robert L. Charlebois, Director

Salerno Office

Father Kenneth Vavrina, Project Manager

CRS Site Visit Contacts

Professor Agostino Armeno  
Mr. Giovanni Palma  
Don Francesco Petrone  
Sister Rosa Guarino  
Mr. and Mrs. Eduardo Luciano

SAVE THE CHILDREN (SCF)

U.S. Headquarters

Ms. Judith Watson, Deputy Vice President for Program  
(former Director of Middle East Region)

Affiliate/AIPI:

Ms. Claire Wenner, Director  
Mr. John Salamack, Project Manager  
Mr. Bruno D'Ambrosio, Field Coordinator  
Mr. Lorenzo DiCapua, Engineer

SCF Site Visit Contacts

Dr. Arturo Busillo, Director Capagna Medical Center  
Professor Francesco Granito, Assistant Director of  
Education, Camaldoli Elementary School

SALVATION ARMY WORLD SERVICE OFFICE (SAWSO)

U.S. Headquarters

Lt. Col. Ernest A. Miller, National Consultant  
for World Services

Rome Office

Lt. Col. Emmanuel Maglia, Officer Commanding

SAWSO Site Visit Contacts

Mrs. Lieutenant Massimo Tursi, Brienza Housing and Braide  
Community Center  
Mr. Nicola Cignona, Mobili Braides Factory

U.S. Interview Contacts

Mr. Philip Castelle, DOD (former contract officer for SIERP)  
Ambassador John A. Volpe, Former Governor of Massachusetts

EARTHQUAKE DISASTER RESPONSE

A. GENERAL BACKGROUND

On November 23, 1980, at 7:30 p.m. a devastating earthquake registering 6.8 on the Richter Scale struck southern Italy. The earthquake with its epicenter at Eboli was considered the most devastating disaster to strike Western Europe since World War II. The affected area, approximately 10,000 square miles (an area the size of Maryland), covered an area north and south of a line running east from the city of Naples to Potenza. This includes the Provinces of Naples, Salerno, Avellino, Benevento, Potenza and Caserta in the two Regions of Campania and Basilicate. The city of Naples and the provincial cities of Salerno, Potenza and Avellino were damaged, and outside these urban centers over 350 towns and villages, out of a total of 570, were damaged by the initial shock and its numerous after shocks. Some towns and villages, in whole or in part, were simply flattened. The total population of the affected areas was estimated at 4.5 million (or about 10% of the country's population) including the 1.3 million inhabitants of Naples. Major damage, however, was centered in the Avellino, Salerno, and Potenza Provinces.

Almost 3,000 lives were lost in the disaster, thousands were injured and more than 250,000 were made homeless. Surveys indicate that roughly 100,000 structures, such as schools, houses and public buildings were damaged or destroyed. By the end of June 1981, the Italian Government (GOI) estimated the cost of recovery (repair and reconstruction) at some \$18.5 billion. Governments, relief agencies, churches, individuals, families and fraternal organizations throughout the world responded with an immediate outpouring of assistance.

B. PHASES IN EARTHQUAKE RESPONSE

1. Relief Phase

Immediately after the earthquake the U.S. Congress appropriated \$50 million for relief and reconstruction for the victims of the earthquake. The U.S. Government responded quickly through the provision of a \$4 million relief program which consisted of:

--airlift of 2,000 tents and 20,000 blankets.

- use of six helicopters for survey and relief operations
- provision of portable communications sets in remote villages.
- assistance of a three-member team of electrical power generation technicians and a water supply expert to help assess needs in those areas.
- These activities, coordinated by AID's office of U.S. Foreign Disaster Assistance (OFDA), were completed in January 1981.

A Presidential delegation consisting of Mr. Jeno F. Paulucci, Chairman, and Congressmen Silvio O. Conte and Mr. Mario Biaggi, Congresswoman Geraldine A. Ferraro, Mr. Mario M. Cuomo, current Governor of New York State, and persons from the private sector, visited the Italian earthquake area between December 13-17. The delegation recommended that the funds available for reconstruction be invested in permanent visible structures such as were built by the U.S. after the 1976 earthquake in the Friuli area of Italy. The delegation also urged the coordination of the very substantial U.S. private relief efforts.

U.S. public reaction to the plight of the earthquake victims was immediate and generous. Numerous Italian-American federations, associations and groups began raising money to respond to the disaster. A group called IDEA was formed in an effort to avoid duplication of U.S. voluntary agency efforts, enhance coordination, and stimulate release of funds by donor groups to PVOs. IDEA, standing for Italian Disaster Earthquake Assistance, was begun in early December 1980 under the auspices of N.Y. Governor Mario Cuomo. Several U.S. private and voluntary organizations (PVOs) launched relief programs immediately. The efforts of the American Red Cross (ARC), Catholic Relief Services (CRS), Save the Children (SCF) and the Salvation Army World Service Office (SAWSO) paralleled the USG response by providing medical supplies and services, temporary housing, food assistance and other interventions to the affected areas.

In early December 1980 and again in February 1981, AID appointed a Coordinator for the Southern Italy Earthquake Reconstruction Program (SIERP), who led a team to Italy to survey reconstruction needs. The team conducted site visits and met with GOI officials at the Central, Regional, and Provincial levels. Based on these visits, AID developed alternative proposals for assistance to the GOI. Key criteria considered

and stated in developing the goals for the USG reconstruction program included the concepts of permanence, visibility, maximum impact, accountability and simplicity of management. Related considerations had to do with avoidance of duplication and previous experience in an earthquake area. Key Congressional leaders wanted the same kind of permanent and visible structure identified with the U.S. as had been built in the Friuli Earthquake Reconstruction Program. While housing was recognized as a priority need, the GOI had committed itself heavily to a grant program for individuals and families in this sector. Based on these considerations, AID opted for a school construction program for the direct allocation of its funding through the AID/Naples Office and the allocation of Italian institutional support grants for earthquake construction purposes through PVO grant administration.

On April 2, 1981, the GOI signed an "umbrella agreement" with AID providing overall approval for the school reconstruction program. In March 1981, an AID Representative was stationed in Naples to identify potential construction sites. Twelve medium to large sized schools were planned.

Among the U.S. private groups that responded to the immediate disaster were the American Red Cross, Catholic Relief Services, Church World Service, Salvation Army World Service Office (SAWSO), American Jewish Distribution Committee, and many Italian-American groups. During this phase these groups met monthly under the auspices of IDEA to coordinate activities. Several agencies, such as CRS, SAWSO, SCF and ARC, complemented their relief efforts with initiatives in rehabilitation/reconstruction. Substantial contributions raised solely by the U.S. private donor community were utilized by the PVOs from December 1980 through June 1982 not only for relief but also for rehabilitation and reconstruction.

## 2. Construction/Rehabilitation Phase

One of the recommendations of the Presidential delegation visiting Southern Italy after the earthquake was that relief efforts by U.S. PVOs should also be supported with the funds initially made available by Congress. AID accordingly set aside \$4 million from the FY 1981 appropriation of \$50 million for a matching grant program with U.S. PVOs. Under this activity, AID agreed to match, on a dollar-for-dollar basis, funds raised by private fund-raising groups as well as contributions already available to established private voluntary organizations (PVOs) for earthquake reconstruction work in Italy.

Under the umbrella of IDEA, several PVOs demonstrated an ability to engage additional USG support for their reconstruction activities. Of a total obligation of \$80 million for SIERP, a total of \$15,960,640 was obligated in grants to support PVO reconstruction efforts. Three U.S. PVOs have been the principal participants in this program--CRS, SAWSO and SCF. The American Red Cross was also an early participant but dropped out of the program in late 1982. As of June 30, 1986, the PVO program consisted of a total of 60 subprojects. Of these 60 projects, 56 or 93.3% have been completed. The remaining four projects will be completed by December 1986. The PVO activities have focused heavily on the reconstruction and rehabilitation of housing, health clinics, orphanages, day-care and pre-school facilities, old age homes, dairy barns and social/community centers.

The largest portion of funding for AID's SIERP effort, almost \$58 million, has gone to the design and construction of 28 medium to large sized schools in the Regions of Campagna and Basilicata. Initiated in FY 1981, the school construction program has been implemented via direct AID contracts for architecture, engineering services and construction. To date, all the schools have been completed in this program.

Additional activities funded under SIERP include a \$1.5 million Southern Italy Fellowship Program which is intended to provide one year post graduate research/study for about 35 university researchers from public and private universities in Southern Italy. The most recent component of SIERP is a \$2 million project designed to assist Italy to more fully develop its early warning capability for potential volcanic eruptions in an area near Naples.

CHRONOLOGY OF EVENTS

- 11/23/80 - Earthquake Strikes Southern Italy
- Late  
November  
Early  
December  
1981 - IDEA (Italian Disaster Earthquake Assistance)  
is informally established.
- 12/09/80- - Congress appropriates \$50 million for the  
Southern Italy Earthquake Reconstruction  
Program (SIERP). AID's then Near East Bureau  
defines responsibilities for managing  
reconstruction aspects of the Italian  
Earthquake Program. Task Force arrangement  
approved by AID Administrator. Coordinator  
for SIERP is designated.
- 12/13-17/80 - Presidential delegation visits earthquake-  
affected areas.
- 01/09-81 - White House meeting with PVOs and Italian-  
American "Friendship" agencies (VP Mondale  
hosted).
- 02/81 - AID/NE team returns to Italy; proposes  
construction of 12 medium to large sized  
schools to GOI.
- 3/05/81 - IDEA holds 1st National Meeting; establishes  
its goals and role, and suggests possible  
"brokering" functions between PVOs and private  
donors. Former Governor John A. Volpe elected  
IDEA Chairman.
- 03/06/81 - Volpe/Secretary of State A. Haig letter  
announces establishment of IDEA and suggests  
"PVO sharing of USG funds."
- 03/21/81 - AID Designate-Representative arrives in Naples  
for school project site selection.
- 03/26/81 - IDEA's 2nd National Meeting. Decided IDEA  
would play "informer" role regarding programs

- and volag needs. IDEA decides it will not directly accept any private or public funds for administration or distribution.
- 05/22/81 - AID/NE meeting with IDEA and PVO representatives. AID proposes a limited matching program, PVOs request "dollar-for-dollar" match; issue surfaces regarding committed/noncommitted funds and eligibility date for use of funds privately collected that would be eligible for application to AID matching grant program.
- 06/05/81 - IDEA National Meeting - IDEA reports that AID has not responded to PVO concerns regarding match. IDEA establishes a Project Selection Committee with PVO participant representation, e.g., SAWSO, CRS, SCR, ARC, ACVAFS.
- 06/25/81 - McPherson/Volpe Letter - AID suggests 1:1 match and only of uncommitted funds up to \$4 million. AID proposes IDEA establish Project Selection Committee for PVO project approval; advises criteria will be established by AID.
- 06/26/81 - AID SIERP Coordinator/Volpe Letter outlines procedures for Matching Grants (MGs); suggests criteria - indicates no USG dollars to be used for PVO overhead or administrative costs. "Match" eligibility date of May 4, 1981, is established.
- 07/07/81 - Volpe/Phippard Letter - IDEA accepts AID criteria - requests award of \$250,000 to initiate grant program for PVOs.
- 08/14/81 - AID/NE Memo (internal) concurs with IDEA's principles governing the operation of MG program. Note made that provisions should not be seen as setting a precedent for arrangements between AID and the PVOs in future disasters.
- 04/30/82 - NE Memo to the Administrator - cites Senate Appropriations Committee language regarding use of funds for PVO programs. Options proposed include continuation of MG program and introduction of OPGs. (Note: SAC

language emphasizes funds should "not be used for any particular type of relief or reconstruction project but for diversified projects including housing, industrial plants, hospitals, orphanages and facilities for the aged.")

- 06/11/82 - First AID MG is signed.
- 08/16/82 - AID SIERP Coordinator to AA/NE Memo - approves OPG procedures to be used for FY 1982 funds. AID/Naples authorized to approve subactivities up to \$1 million. PVO program reporting and evaluation guidelines outlined. Letter sent by AID SIERP Coordinator to IDEA citing new OPG procedures; also advising that in addition to the existing \$2 million in MGs, \$6 million being set aside for PVO OPGs. IDEA still intended to function as a "screener."
- 03/01/83 - AA/NE formally launches "umbrella" MG and OPG concepts, procedures, and the delegation of authority is given to AID/N/Rep for approval of PVO subprojects under \$1 million. AID obligates first OPG "umbrella" grant to CRS.
- 04/22/83 - AID/NE Director of European Affairs/IDEA letter advises of availability of \$2 million in FY 1983 funds; requests IDEA's suggested apportionment among the eligible PVOs.
- 08/24/83 - Shelf-item procurement parameters for PVO subproject amended by AID Administrator.
- 12/19/83 - IDEA/AID/NE Dir. of European Affairs letter suggests FY 1983 funds apportionment as follows: CRS--50%, SCF--35%, SAWSO--15%.
- 07/06/84 - PVOs/IDEA letters to AID re FY 1984 allocation for PVOs of \$2 million - IDEA proposes CRS \$900,000, SCF \$600,000, SAWSO \$500,000.
- 08/84 - Internal AID/NE Memo - indicates IDEA still recommending levels for FY 1984 funds allocation among the three PVOs.



Italian Disaster Earthquake Assistance  
 150 Amsterdam Avenue  
 New York, New York 10023  
 212-757-1000

MATCHING GRANTS GUIDELINES

August 7, 1981

Sponsoring Agencies  
 American Jewish Joint  
 Distribution Committee  
 American Red Cross  
 Catholic Relief Services  
 Church World Service  
 International Human  
 Assistance Programs  
 The Salesians of Don Bosco  
 The Salvation Army  
 Save the Children Federation  
 Seventh Day Adventist  
 World Services

Mr. James R. Fhippard  
 Southern Italy Reconstruction Program  
 Agency for International Development  
 Department of State  
 Washington, D. C. 20523

Dear Mr. Fhippard:

For the purpose of fulfilling continuing relief needs of those people who suffered because of the November, 1980 earthquake in the south of Italy, this document serves as our letter of understanding between your office and the Italian Disaster Earthquake Assistance coordinating group.

Agreement Principles:

- A. PROJECT PROPOSALS must directly relate to earthquake reconstruction, clearly outlining the project, and contain specific information:
1. a project description
  2. project objective(s)
  3. major tasks
  4. a cost estimate
  5. a plan for project implementation including:
    - a. a schedule of completion
    - b. an assessment of technical feasibility
    - c. a concise description of anticipated environmental/social impact
    - d. a clear description of the roles and responsibilities of seconded and contracted operations.

B. BENEFICIARIES

The project should address the needs of as many people as possible in the target area(s). IDEA also wants to encourage geographical distribution of projects undertaken by American organizations.

## C. RELATED EFFORTS

The project should not duplicate any other similar reconstruction or relief efforts in the target area(s).

## D. GOVERNMENTAL ACTIONS

The project proposal must list any necessary licenses, permits or other required action by the Italian Government and recipient communities (building of access roads, provision of utilities and hookups, etc.).

## E. MANAGERIAL CAPACITY

The project proposal should describe how the implementing voluntary agency will manage/monitor the project at the field level, i.e., type and skills of managerial staff, and how the completed project will be operated, by the voluntary agency or an Italian organization or a unit of the Italian Government.

## F. RECURRENT COSTS

The proposal should show the source, timing and estimated amount of recurrent costs required for project operation and provide evidence that the source of either the U. S. or Italian private sector funding is prepared to fund over the necessary period.

## G. FUNDING

The proposal should state the source and amount of U. S. private sector funding, verifying that:

1. they are funds of non-operational fund-raising groups raised after the earthquake but not committed to any of the voluntary agencies prior to May 4, 1981; or
2. they are funds raised on or after that date by those groups or by voluntary agencies.

There should be a line item budget which includes a breakdown of Italian contributions (cash and/or in kind).

## H. U. S. GOVERNMENT FUNDING RESTRICTIONS

U. S. Government funds will not be used for:

1. land purchase
2. construction of buildings to be used for religious purposes
3. recurrent costs.

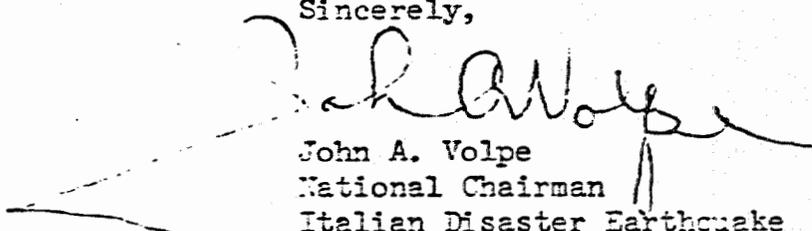
## I. PROJECTS SELECTION COMMITTEE

A committee under the aegis of IDEA has been established to review and screen all projects. It will approve projects based on the principles A through H above. This committee is composed of:

1. John A. Volpe, National Chairman, IDEA
2. Lt. Gov. Mario Cuomo, New York State
3. David Guyer, Save the Children
4. Ken Curtin, American Red Cross
5. Monsignor Robert Coll, Catholic Relief Services - USCC
6. John Wiggins, The Salvation Army
7. Leon O. Marion, American Council of Voluntary Agencies  
for Foreign Service
8. Ernest Colantonio, former Consul-General, Naples
9. Charles Gargano, civil engineer/fund raiser.

Upon recommendation of the Projects Selection Committee, the Agency for International Development will make available to the individual voluntary agency the amount of \$250,000.00 to fund projects in southern Italy. The voluntary agency will negotiate directly with AID to work out necessary funding procedures over and above the initial \$250,000.00.

Sincerely,



John A. Volpe  
National Chairman  
Italian Disaster Earthquake  
Assistance

JAV/ca

CRITERIA FOR OPERATIONAL PROGRAM GRANTS (OPGs)  
IN SOUTHERN ITALY

A. The activity must directly relate to earthquake reconstruction. Eligible for funding are a wide range of activities such as: hospitals, clinics, orphanages, old-age homes, community day care centers, cultural, recreational and educational facilities, housing and income producing activities.

The activity must be clearly and adequately defined, including:

1. a description of the activity
2. objective(s) of the activity
3. major tasks
4. a cost estimate broken down and substantiated
5. a plan for implementation including
  - a. a schedule of completion
  - b. an assessment of technical feasibility
  - c. a concise description of the roles and responsibilities of seconded and contracted operations.

B. BENEFICIARIES

The activity must address the needs of as many people as possible in the target area(s).

C. RELATED EFFORTS

The activity must not duplicate any other similar reconstruction effort in the target area(s).

D. GOVERNMENTAL ACTIONS

Any necessary licenses, permits, approvals or other required action by the Italian Government and recipient communities (building of access roads, provision of utilities and hookups, etc.) must have been obtained, or reasonable assurance provided that they will be obtained.

E. MANAGERIAL CAPACITY

There must be submitted a plan demonstrating how the implementing voluntary agency will manage/monitor the activity at the field level, i.e., the type and skills of managerial staff, and how the completed activity will be operated by the voluntary agency, an Italian organization or a unit of the Italian Government.

F. RECURRENT COSTS--OPERATIONS AND MAINTENANCE

The source, timing, and estimated amount of recurrent costs required for the operation and maintenance of the activity must be identified and provided from sources other than funds of the U.S. Government. A plan must be drafted showing how the activity will be staffed, furnished, stocked and otherwise equipped to begin operations.

G. FUNDING

The source and amount of any funds in addition to the OPG and the source of all in-kind contributions must be identified and reasonable assurances provided that such funds and contributions will be available. Local recipients will be expected to contribute to the costs of the activity. In-kind contributions (land, utilities, sewerage and other facilities) will be acceptable and need not be expressed in monetary terms. It is anticipated, however, that these contributions will approximate at least 25% of total project costs.

H. RESTRICTIONS ON THE USE OF THE OPG CONTRIBUTION

U.S. Government funds will not be used for:

1. land purchases
2. construction of buildings to be used for religious purposes
3. recurrent costs and expenditures of an operational and maintenance nature.

GRANT MANAGEMENT STRUCTURES

1. AGENCY FOR INTERNATIONAL DEVELOPMENT
2. CATHOLIC RELIEF SERVICES
3. SAVE THE CHILDREN FEDERATION
4. THE SALVATION ARMY WORLD SERVICE OFFICE

OVERVIEW OF THE AID/NAPLES PROGRAM IN SOUTHERN ITALY

BACKGROUND

Following the November 23, 1980, earthquake that devastated much of Southern Italy, a Presidential delegation, individual members of Congress and a damage and reconstruction assessment team from the Agency for International Development (AID) visited the earthquake stricken areas. These officials, in cooperation with Italian authorities, outlined a program of reconstruction assistance deemed most appropriate for the use of the initial \$50 million provided by U.S. Congress for relief and reconstruction. There was an agreement by all concerned that AID should administer this program. Thereupon, the U.S. Ambassador in Italy requested that an AID office be established and staffed in Naples at the American Consulate General to provide for direct U.S. management and supervision of the program. This office opened in March 1981. At present, the staff, in addition to the AID Representative, consists of two other U.S. direct-hires (one FS and one USGS/PASA), four U.S. contract employees, and six contract-hire Italians.

THE PROGRAM

Of the \$70 million appropriated by the U.S. Congress through FY 1983, \$4.6 million was reserved for emergency relief, \$51.4 million is being expended for the Southern Italy Earthquake Reconstruction Program (SIERP) for the design and construction of schools in the Regions (Campania and Basilicata) of the

earthquake area. The balance of \$14 million has been obligated to finance projects undertaken by U.S. Private Voluntary Organizations (PVOs): Catholic Relief Services, the Salvation Army World Service Office, Save the Children Federation, and the American Red Cross/League of Red Cross Societies. In November 1984, \$2 million from remaining emergency relief funds were reauthorized to finance the Southern Italy Seismic/Volcanic Monitoring Project (SISM) to assist Italy in increasing its early warning capability for potential volcanic eruptions in the Campi Flegrei area.

In FY 1984 another \$10 million was made available by Congress for further reconstruction and development activities in the earthquake affected areas of Southern Italy. Utilization of the \$10 million is as follows: \$6.5 million for construction and renovation of additional schools--an extension of the initial earthquake school reconstruction program (SIERP); \$2 million for the extension of PVO activities originally authorized under the initial 1981 grant, and \$1.5 million for one-year post graduate research fellowships in the U.S. for some 35-40 Italians from universities in Southern Italy.

Following is a more detailed description of the AID/Naples program.

### THE PROJECTS

#### A. SIERP Schools

Schools under design or construction and financed from the U.S. grants break down into the following categories:

- 3 senior high schools (Siano, Rionero and Marsico Nuovo)
- 4 vocational/technical high schools (Nocera Inferiore, Grottaminarda, Solofra and Lioni)
- 5 multipurpose high schools (Picerno, Buccino, Calitri, Muro Lucano and Vallata)
- 4 junior high schools (Sant'Angelo dei Lombardi, Gonza, Satriano and San Gregorio Magno)
- 7 elementary schools (Calabritto, Laviano, Nusco, San Mango, Santomena, Vallesaccarda and Paterno)
- 1 conservatory and junior high school (Avellino city)

- 1 multifunctional building (Bisaccia)
- completion of 3 Italian initiated school buildings (Potenza, Pignola and Avigliano)

All schools will be earthquake resistant. They will be multipurpose, regional schools to serve the broadest number of students.

Three American firms were/are providing architectural/engineering design services for the program in cooperation with Italian architectural firms:

- BLUROCK of Newport Beach, CA., with INTERPLAN of Naples, Italy
- PASSANTINO/JRB of Bethesda, MD, with Studio CASTORE of Florence, Italy, and
- MMM Design Group of Washington, DC, with ORSI-KOERNER of Rome, Italy.

Construction is being carried out by Italian firms who were selected by public, competitive bidding following U.S. contracting regulations. The work of these firms is being managed and supervised by U.S. personnel of AID/Naples under the direction of the AID Representative.

To date, 14 schools have been completed under this program: Nocera, Siano, Murolucano, Picerno, Buccino, Rionero, Calitri, Sant'Angelo, Avellino, Grottaminarda, Vallata, Vallesaccarda, Calabritto, and Satriano.

#### B. THE PVO PROGRAM

One of the recommendations of the Presidential delegation visiting Southern Italy after the earthquake was that relief efforts by U.S. Private and Voluntary Organizations (PVOs) should also be supported with the funds initially made available by Congress. AID accordingly set aside \$4 million from the FY 1981 appropriation for a matching grant activity with PVOs. Under this activity, AID agreed to match, on a dollar-for-dollar basis, funds raised by informal private fund-raising groups as well as contributions available to established PVOs for earthquake reconstruction work in Italy.

US PVOs took the lead in this effort and organized themselves, under the chairmanship of former Ambassador John Volpe, into the

Italian Disaster Earthquake Assistance (IDEA) organization. The organizational objective of IDEA was to coordinate matching grant activities and subsequent PVO projects funded by AID on a straight, i.e., non-matching, grant basis. Three U.S. PVOs are the principal participants in this program: Catholic Relief Services (CRS), Save the Children Federation (SCF) and the Salvation Army World Service Office (SAWSO). The American Red Cross was also an early participant but dropped out of the program after completing three projects in late 1982.

#### STATUS OF PVO ACTIVITIES

By the end of FY 1984, U.S. PVOs had programmed a total of \$14 million for over 50 different projects throughout Southern Italy. The majority of these projects are now completed and in operation. The direction of the PVO activities has been focused heavily on the reconstruction and rehabilitation of housing, health clinics, orphanages, day care and preschool facilities, old age homes and social/community centers. SCF has among its projects three very sizable ones under which a total of 317 dairy barns have been constructed for small scale farmers in the region.

As indicated above, late in FY 1984 an additional \$2 million was made available to participating U.S. PVOs for programming of similar projects. PVO projects utilizing these latest grants are presently nearing completion.

#### C. SOUTHERN ITALY FELLOWSHIP PROGRAM

This \$1.5 million provides one year post graduate research/study programs for approximately 35 university researchers from public and private universities in Southern Italy. All training will be in the United States. A Cooperative Agreement with the Latin American Scholarship Program of American Universities (LASPAU), an educational/training institution, has been executed to administer the project. The Grantee, under the terms of the Agreement, has entered into a subgrant arrangement with the Fulbright Commission in Italy for screening and selection of fellowship recipients.

Individual grantees are given the opportunity to conduct important research in high quality U.S. educational and research institutions on topics relevant to the economic and social development of Southern Italy. Those development-related fields critical to southern development are primarily in the areas of

science and technology, economics and social sciences, business and public administration, education, health and the agricultural sciences.

The program is further designed to expand southern Italian relationships with U.S. scholars and researchers in order to facilitate the growing contacts and exchanges of ideas and professional contacts after the formal research program has ended.

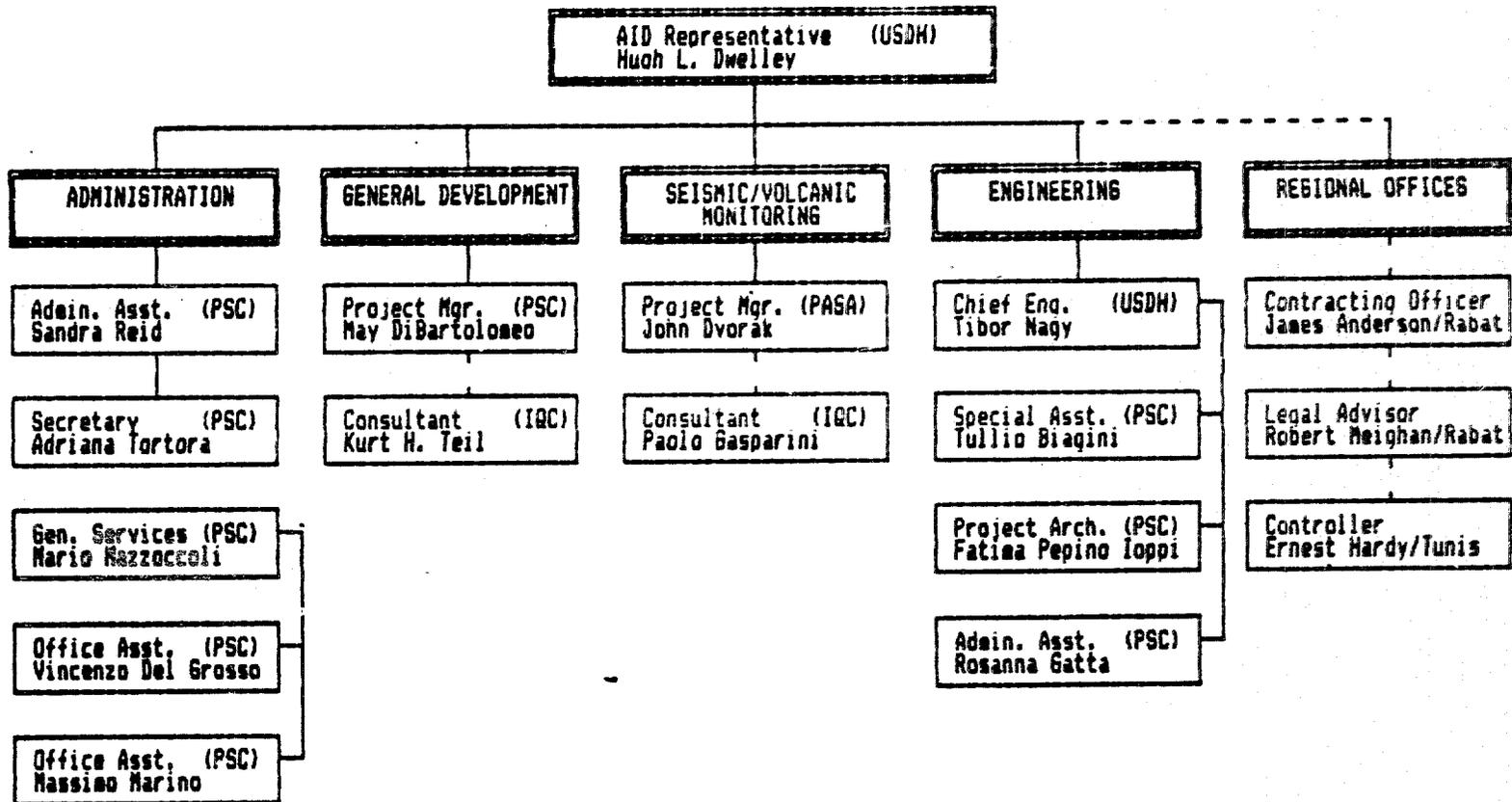
D. SOUTHERN ITALY SEISMIC/VOLCANIC MONITORING PROJECT (SISM)

At the request of Italian authorities, AID/Washington in November 1984, approved \$2 million for a project to assist Italy to develop more fully its disaster preparedness program in Southern Italy by increasing the early warning capability for potential volcanic eruptions in the Campi Flegrei (near Naples) area. This will be accomplished by improving both the quantity and the quality of data available to Italian scientists through the provision of U.S. high technology instrumentation and associated state-of-the-art software, such as a seismic network, a tiltmeter network, a magnetotelluric station, geochemical monitoring equipment, data acquisition processing equipment, and baseline offshore structure of the caldera and associated research efforts. At the end of the project in 1987 a data center will be in full operation in Naples, which will receive, monitor and make available all data from this project to the scientific organizations concerned with the monitoring of the Campi Flegrei volcanic activity.

The project is being implemented and managed through a PASA (Participating Agency Services Agreement) with the United States Geological Survey (USGS). The USGS staff will be augmented by at least two persons seconded from both the Osservatorio Vesuviano and the Istituto Universitario Navale. A project steering committee composed of representatives from the Osservatorio Vesuviano (OV), the Istituto Universitario Navale (IUN), AID/Naples, and the USGS is monitoring all activities and gives technical advice and approvals.

June 30, 1986

AID EARTHQUAKE RECONSTRUCTION OFFICE FOR SOUTHERN ITALY  
(AID/Naples)



The U.S. PVO and Its Italian Affiliate  
CATHOLIC RELIEF SERVICES

Catholic Relief Services (CRS) is a not-for-profit voluntary agency sponsored by the United States Catholic Conference of Bishops for overseas relief and development work. The agency has been active in works related to the alleviation of human suffering brought on by natural and man-made disasters and in development programs.

At the time of the 1980 earthquake in Southern Italy, CRS had a well-established (since 1940s) presence in Italy with an office in Rome. Among the various activities in Italy in which CRS had been directly involved was the program of emergency reconstruction following the Friuli earthquake of 1976.

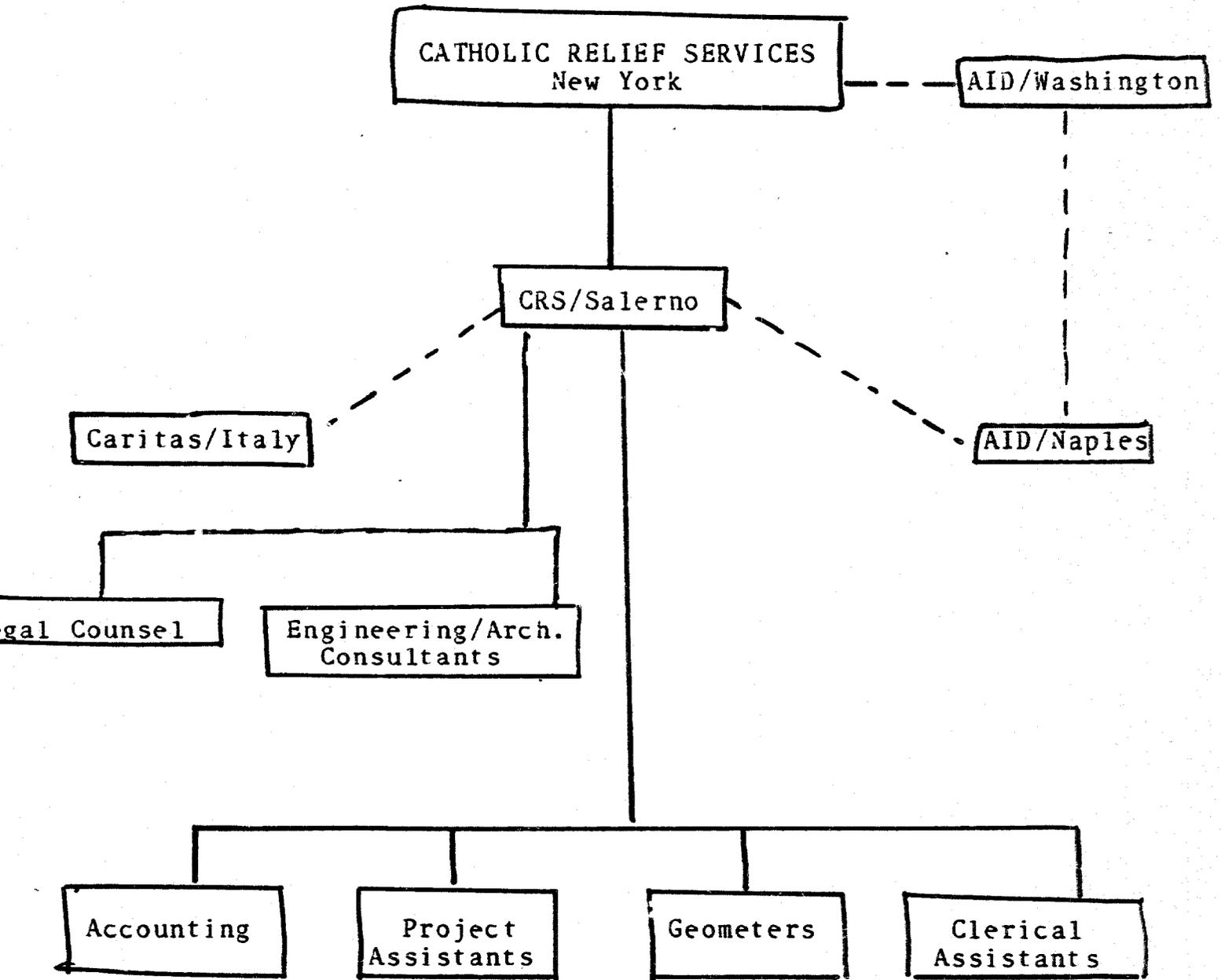
On November 25, 1980, two days after the earthquake, the Most Rev. Edwin Broderick, Executive Director of CRS and Rev. Joseph Harnett, Program Director of CRS Italy, toured the affected area. Need for immediate response on the part of CRS was evident and communicated to CRS/New York headquarters. On December 7, 1980 CRS flew in emergency supplies (water purification tablets, blankets, layettes) valued at \$235,000 to the earthquake affected area.

Monsignor Harnett, familiar with the Friuli program, was appointed coordinator of the CRS emergency reconstruction program. It was determined that CRS would work in cooperation and collaboration with Caritas Italy but would maintain its autonomy and an independent office.

The scope of the GOI responsibility was assessed. To the extent that needs generated by the earthquake did not fall within the scope of GOI responsibilities, CRS as a voluntary agency would participate in attempting to provide coverage. By January 1981, CRS program representatives in Italy had developed concerns in 13 program and administrative sectors. Anticipated costs were in excess of \$5 million in program activity and \$100,000 to meet administrative expenses.

CRS maintained constant contact with National, Regional and Diocesan Caritas groups as well as Bishops in the area of the earthquake. It was determined that only in cooperation with Italian organizations could an expatriate organization expect to be realistically effective.

Organization of  
Catholic Relief Services (CRS)  
as Related to AID Administration



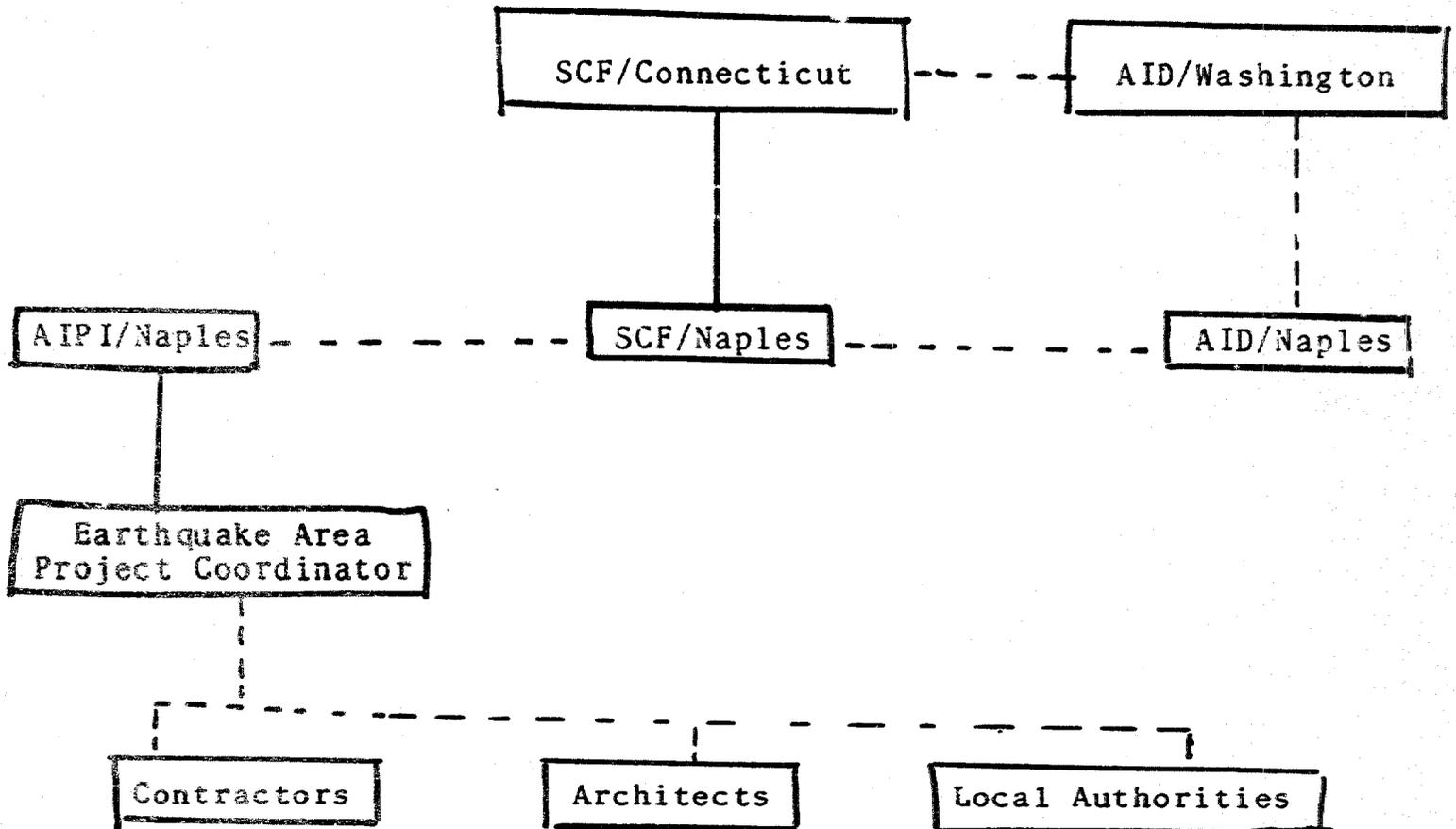
The U.S. PVO and Its Italian Affiliate  
SAVE THE CHILDREN FEDERATION

The Italian Save the Children organization, the "Associazione Italiana Protezione Infanzia" (AIPI), an affiliate of Save the Children/USA, was established in 1945. Incorporated as an independent organization in 1948, AIPI became a chartered agency in 1953. Miss Claire Wenner has been the General Secretary since the creation of AIPI.

AIPI's early programs centered around relief to the war-torn country, and child sponsorship programs have always been a component of AIPI's program operations. In recent years AIPI has implemented day care projects in many communities and has initiated many rural development initiatives, including the construction of schools, roads and reservoirs. Actively responding to natural disasters in Italy, AIPI organized relief and reconstruction projects after the floods in the Po Valley, in Calabria and in Florence as well as after the earthquakes that hit Sicily, Viterbo, Friuli and Valencrina.

In the first week following the earthquake Save the Children joined its Italian affiliate association, Associazione Italiana Protezione Infanzia (AIPI), in moving provisions and medicines into the stricken area. Clothing, blankets and 10,000 bottles of drinking water were collected for the inhabitants of Calabritto, a village which lost its entire potable water system. A volunteer medical team and four ambulances were moved from Naples into the Balvano area of the Potenza Province. Also, graduates of an AIPI sponsored school for children injured in World War II organized contributions and volunteer work teams. Within a week AIPI staff were sent into the earthquake area to survey the reconstruction needs of the Conza region.

Organization of  
Save the Children Federation (SCF)  
as Related to AID Administration



The U.S. PVO and Its Italian Affiliate  
THE SALVATION ARMY WORLD SERVICE OFFICE

In 1987 the Salvation Army will have been working in Italy for 100 years. Its present 46 centers of operation throughout northern and southern Italy and Sicily include social services providing both temporary and permanent housing to men and women, children, students and the elderly; shelter and food for immigrants from such places as Northern Africa; and community centers which have the potential of establishing multifaceted programs to address the varied needs of each community.

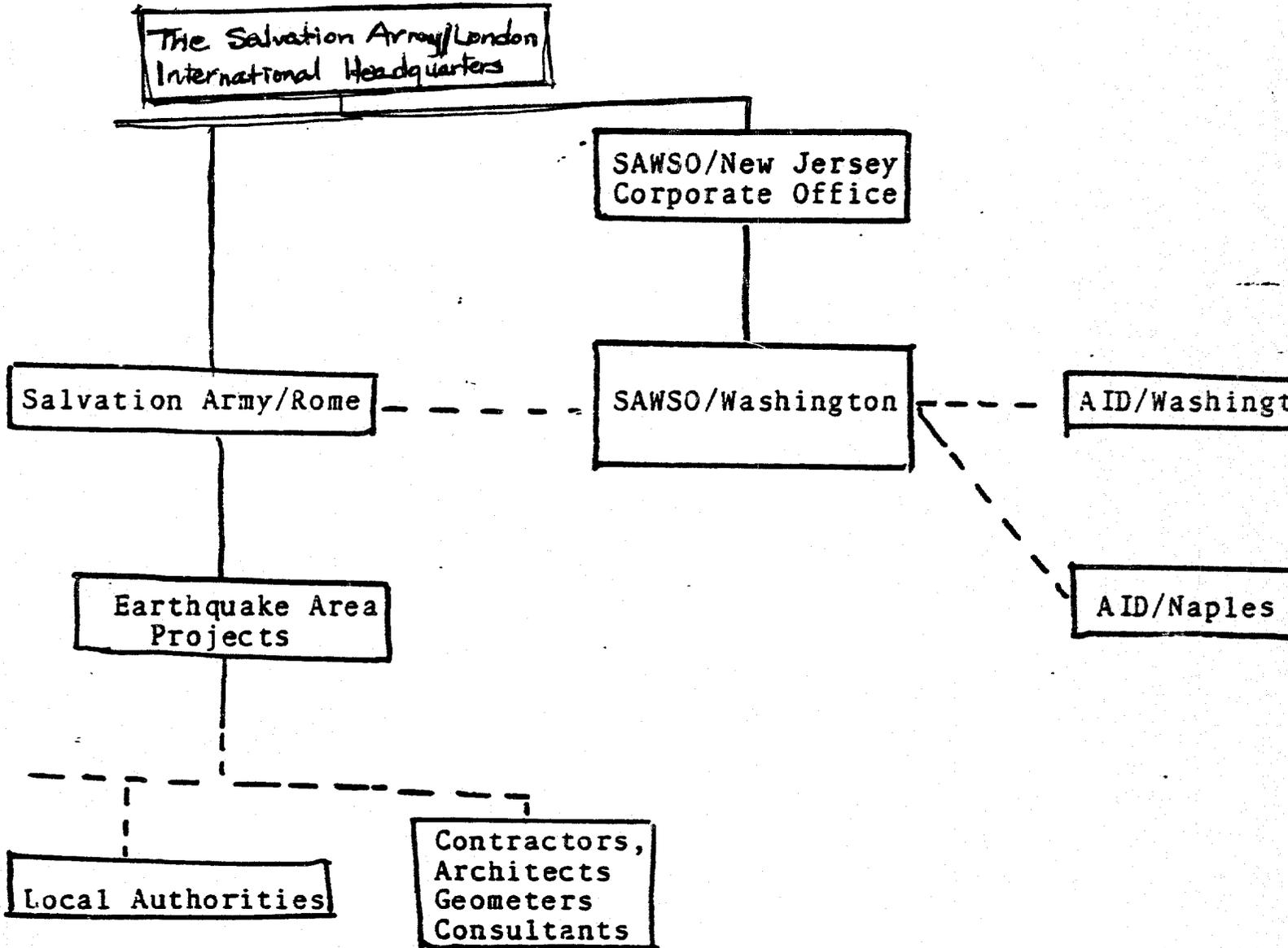
The Italian Salvation Army responded immediately to the 1980 earthquake disaster with local community volunteers providing rescue services, food shelter and clothing. Within days of the earthquake the Salvation Army's international headquarters in England had coordinated its worldwide response, sending cash contributions, a medical team and supplies, vehicles, and rescue workers to Italy from Britain, the United States, France and Switzerland. The Italian Salvation Army, with the assistance of these teams of volunteers from Europe and the USA, fed, clothed, housed and gave medical assistance to 15,000 people per day.

The Salvation Army World Service Office (SAWSO) was incorporated in 1978 to assist in Salvation Army/USA support of overseas reconstruction and development programs. Although SAWSO's implementation of its direct funding and technical assistance support to projects began only in the winter of 1980, the Salvation Army's International Headquarters in England requested SAWSO's involvement in needs assessment and The Salvation Army's subsequent assistance efforts for victims of the earthquake.

SAWSO's immediate transfer of relief funds to Italy in November 1980 was followed by a visit in February 1981 to determine further needs of the areas affected by earthquake damage. At that time representatives of the Italian Salvation Army, The Salvation Army International Headquarters/London and SAWSO had a series of meetings with the mayor and assistant mayor of Brienza, American Red Cross officials, and Mr. Zamberletti, Extraordinary Commissioner for Disaster Affairs for the GOI. Out of those meetings grew the Salvation Army/Italy and SAWSO discussion to initiate housing reconstruction in Brienza and to continue coordination through IDEA to secure private and USG support for this and subsequent reconstruction efforts in the southern Italy earthquake zone.

In the six years since the 1980 earthquake, SAWSO has combined USG and private funds to build and equip 66 housing units, 1 children's sports field, 1 furniture factory, 2 sheep breeding stables and 4 community centers.

Organization of  
The Salvation Army World Service Office (SAWSO)  
as Related to AID Administration



AID/NAPLES ASSESSMENT  
AMERICAN RED CROSS/LEAGUE OF RED CROSS SOCIETIES MG PROGRAM

On May 18, 1982, under the terms of AID Matching Grant No. 145-8010-G-SS-2015-00, \$600,000 were made available to the League of Red Cross Societies, to implement and administer three projects in Southern Italy presented to AID for matching grant funding by the American Red Cross.

The three subprojects involved the construction of Centers for the Disabled, one in Pescopagano (Province of Potenza), one in Lapio (Province of Avellino), and one in Mercato San Severino (Province of Salerno). Each of these centers was planned and designed to offer medical and psychological assistance, diagnostic services, preventive medicine, therapy and occupational rehabilitation. The three projects were begun in May/June 1982 and completed in December 1982.

On February 11, 1983, the League of Red Cross Societies in Geneva, Switzerland, informed the Office of Financial Management, AID/W, that, due to a reduced inflation factor and beneficial exchange rates, the AID share of constructing the three centers was only \$561,110 instead of the \$600,000 originally requested. A refund check of \$38,890 drawn on the Morgan Guaranty Trust Company of New York, was included in the League's February 11, 1983, letter.

With the physical and financial completion of these subprojects, all three centers were turned over by the League of the Red Cross Societies to the Italian Red Cross which, in late May 1985 indicated that, despite some earlier difficulties, the centers are being integrated into the Health and Welfare services of the respective comunes.

CATHOLIC RELIEF SERVICES  
SUBPROJECT CASE STUDY REVIEWS

PVO: CRS  
AID Grant: Matching Grant I -  
145-8101-G-55-2017-00  
Subproject: ST. TERESA ORPHANAGE IN SOLOFRA  
- IT-1E-063  
Date of Approval: June 11, 1982  
Date of Completion: November 1984  
Project Inputs: AID US\$106,431  
CRS US\$106,431  
Community -  
Date of Site Visit: July 17, 1986

I. PROJECT BACKGROUND

A. Earthquake Damage Description/Pre-Earthquake Situation

Solofra is located 30 kilometers north of Salerno and has a population of 10,000. The earthquake damaged or destroyed over half of the town, leaving 20 dead, 300 injured and 600 homeless. The ancient and beautiful parish church and the orphanage of St. Teresa received heavy damage during the earthquake.

The orphanage of St. Teresa has been in operation since the 16th century. The three-storey building was serving 50-60 boys. During the emergency period following the earthquake the orphanage provided shelter to an additional 20 elderly people from the area.

B. Orphanage Background Description

The orphanage is operated by The Sisters of the Holy Cross. It provides a needed service to the community for orphans and children who are from extremely poor families, and have been abandoned by their parents. The State of Italy regulates the operation of orphanages and assigns the children. It is estimated that approximately 90% of these services are provided by religious communities in Italy. Custodial care is offered by the Sisters to the children who attend regular state operated schools in Solofra.

C. AID Funding Utilization to Meet Project Need

AID funding requested in the proposal submitted by CRS planned to finance the following:

1. Demolition of 70 m2 of the building that was beyond repair.
2. Structural reconstruction of 90 m2 of the building through the placement of interlocking reinforcing rods in the walls and ceilings.
3. Repair of cracked and crumbling walls and ceilings in the remaining 1800 m2 of the building.
4. Repair of the roofing area that became detached as a result of the earthquake.

Due to the strength of the US dollar during the subproject period, the gain in currency exchange enabled the orphanage to extend the project and to also finance:

5. Renovation of a third floor infirmary area composed of 3 bedrooms and 2 bathrooms.
6. Purchase of furniture for the youth dormitories.

## II. SITE VISITS OBSERVATIONS AND ISSUES

### A. Site Visit and Current Conditions

The renovations described in the project proposal were carried out according to plan. The additional renovation of the infirmary section of the orphanage was within the grant budget and opened the third floor of the orphanage for use, creating valued space for the isolation of ill children. The appearance of the renovated rooms was modest.

The grant funded reconstruction work began near the end of 1981 and was completed in 1984. Agreements have also been signed with the Solofra Town Council for reconstruction of a second wing of the building damaged in the earthquake. However, no work has yet been initiated on this other portion of the building.

### B. Description of Operational Capacity and Issues

There are currently 30-35 orphans assigned by the GOI provincial authorities being cared for by the 4 sisters assigned to the orphanage. Other staff include 2 volunteers who help with maintenance and cleaning. The annual operational budget is estimated at approximately L. 100,000,000 or \$66,500. The GOI provides a living stipend of L. 5000 (or \$3.33)/day per child to the orphanage. This state subsidy comes to approximately \$42,500/year. The orphanage is a charitable institution and it

depends on the generosity of the people of Solofra for the remaining one-third of its budget. Given that the orphanage has successfully attracted donations for the last 400 years, it is reasonable to expect that the institution will be able to meet the demands of its operational budget in the future.

The repair work has not yet been carried out by the town council on the other wing of the building. As a result, there is space available for only 35 youth at the present time.

### III. ASSESSMENT OF PROJECT TO MEET MG PROJECT SELECTION CRITERIA

This project met the specific purpose of the Matching Grant in that it provided support to the Grantee's efforts in reconstruction and rehabilitation. Shelter for the orphans has been a community concern in Solofra for centuries and residents recognize the positive role played by the American assistance in meeting this community need. Catholic Relief Services effectively managed this subproject.

### IV. COMMENTS ON THE PROJECT AND CONSIDERATIONS FOR THE FUTURE

#### A. Cost Effectiveness of Building Reconstruction

The CRS representative, after consultation with an engineer, determined that the reconstruction of the existing building was a more cost effective application of grant funding than the creation of a new structure of comparable size. In instances where the damage to a building permit the reconstruction of the building, priority should be given to this approach.

#### B. Cultural Continuity

The reconstruction of a building maintains a cultural continuity in the structural appearance of a community. To the extent that it is cost effective to maintain the historic structures of the community, it is recommended to do so.

#### C. Church/State Considerations

The investment of USG grant funding in a building which is owned and operated by a religious community was raised as an issue by the evaluation team. Based on discussions, the team concluded that the project was an appropriate use of USG funding because the orphanage is providing custodial care which is for the collective good of the community. It is also recognized by and partially supported by the GOI.

CATHOLIC RELIEF SERVICES  
SUBPROJECT CASE STUDY REVIEWS

PVO:	CRS	
AID Grant:	Matching Grant I	
	Number 145-8101-G-55-2017-00	
Subproject:	AVELLINO SCHOOL FOR TRAINING IN	
	BUILDING TRADES, IT-1E-086	
Date of Approval:	June 11, 1986	
Date of Completion:	October 25, 1985	
Project Inputs:	AID	US \$498,736
	CRS	US \$498,736
	Community	-
Date of Site Visit:	July 17, 1986	

I. PROJECT BACKGROUND

A. Historic Background

During the past two decades a significant number of youth from Southern Italy have migrated to other European countries in order to find work. During this same period contractors in Southern Italy were finding it necessary to employ recent graduates of Northern Italy trade schools in order to complete their work contracts.

The Avellino School for Training in Building Trades was founded in 1978 to address the unemployment situation in Southern Italy. The purpose of the school is to train youth from the Avellino Province in state-of-the art building techniques so that they are able to secure employment in the construction industry. The school is jointly sponsored by the Trade Union Federation of Building Workmen and the Association of Building Contractors. It is administered by officials elected from both institutions to form a twelve-man Administrative Council. The school is directly administered by the College of Syndicates in accordance with accountability norms defined by the Regional Government, and indirectly by the European Social Fund. The European Social Fund and the Association of Building Contractors participate in financing the operation of the school.

The teaching body is composed of available experts in the construction trades. Each course is handled by two instructors

and involves students in both the theory and practice of a particular discipline. The students are unemployed youth seeking entry level positions in the construction industry. Prior to the earthquake the school was based in Avellino from which its operations were extended to the smaller towns of Ariano Irpino, Sala di Serino and Lioni.

B. Earthquake Damage Description

The earthquake of November 23, 1980, severely damaged the school in Avellino and its three branch schools. The official survey of December 2, 1980, declared the school in Avellino to be "partially collapsed" and ordered the demolition of the structures that remained dangerously erect. After the earthquake the school resumed limited operation in provisional quarters.

C. AID Funding Utilization to Meet Project Need

AID financed 50% of the construction costs of the project. Nine private donor groups from the United States financed the remaining 50% of the construction costs. The Governor's Fund of Massachusetts was the principal private donor group.

The school secured 8,000 square meters of public land from the Town Council of Avellino on July 27, 1981.

The technical school consists of two levels which include: 20 classrooms, a large laboratory for instruction in operating building trade machines, a classroom for draftsmen, a common meeting room, teachers' lounge, technical library and administration offices, as well as underground storage areas for machines and equipment.

II. SITE VISIT OBSERVATIONS AND ISSUES

A. Site Visit and Current Conditions

The school building is a showpiece. It has an exciting architectural design which blends classical building principles of the two-story column concept with modern building techniques of poured concrete construction. The sense of pride of place the students and staff feel is immediately conveyed to a visitor.

The new facility has been in use for 11 months. At the time of the site visit 75 youth were being trained at the school in the

trades of carpentry, metal works and land surveying. In September 1986, there will be 185 students enrolled in courses for carpentry, metal work, brick laying, tile laying, electrical work, plumbing, interior design, and accounting. The school program operates all year, closing for only two weeks in August.

Maximum student enrollment for the school would be approximately 200 students. In September 1986, the school will be operating at about 92.5% capacity. There are over 1,000 applications on file from students seeking admittance to the program. However, the construction industry bases its student admittance policies on testing, academic records and the market demand for jobs in which to place graduates and there is a reluctance to generate surplus construction workers. As the boom in earthquake reconstruction is drawing to an end, concerns about job placements of future graduates may influence the enrollment levels of the school.

The school does not charge any tuition or enrollment fees. All students are provided with a work stipend of L. 5000 (or \$3.33) per school day attendance. In addition, they are supplied school clothes and personal working equipment, travel reimbursement expenses, and medical assistance. There are two age groups enrolled in the program: post-high school 19-26 year olds and post-elementary school 14-19 year olds. The high school graduates enter into a 2-year training program and graduate as specialized tradesmen. The elementary school graduates enter into a 1-year training program in order to secure less specialized workmen positions upon graduation. At the end of each training program, students are examined by a Commission of Examination composed of qualified teachers and experts of the trade, and appointed by the Regional Government. Graduates are given professional certificates validated by the Regional Government and recognized officially by the employment bureaus.

#### B. Description of Operational Budget and Issues

The school is funded by construction association firms from the Province of Avellino, construction firms from the Provincial Register of Avellino and the Regional Government. The most significant portion of the budget of the school is provided through the Regional Government from a tax paid by all contractors for construction work in the region. The budget of the school is guaranteed in that the administrative mechanism to collect the tax and allocate the funds are routine functions of

the Regional Government. However, the level of funding available for the school's operational budget is not fully secure as it is dependent on the amount of construction that is being contracted in the region.

It is reasonable to assume that the school will be able to sustain itself in the future, at least at the level of functioning at the pre-earthquake period. As courses are determined by the needs of the contractors for skilled workers of a particular trade, students will be enrolled and teachers hired to meet the defined employment opportunity needs of the contractors.

III. ASSESSMENT OF PROJECT TO MEET MG PROJECT SELECTION CRITERIA

The Avellino School for Training in Building Trades successfully meets all stated purposes of the Matching Grant. The project developed from site visit discussions with the IDEA Chairman in December 1980. It provided an incentive to private donor groups and voluntary organizations to raise additional funding.

This project also meets the specific purpose of the grant as it is a construction effort of high quality and symbolically represents the goodwill of the American people and government toward the Italian people.

CATHOLIC RELIEF SERVICES  
SUBPROJECT CASE STUDY REVIEWS

PVO:	CRS
AID Grant:	Matching Grant I Number 145-8101-G-55--2017-00
Subproject:	MONTELLA PREFABRICATED HOUSING PROJECT, IT-1E-087
Date of Approval:	June 11, 1982
Date of Completion:	June 24, 1983
Project Inputs:	AID US \$333,754 CRS US \$333,754 Community US \$140,000
Date of Site Visit:	July 17, 1986

I. PROJECT BACKGROUND

A. Earthquake Damage Description

The 12,000 people of Montella were severely affected by the earthquake. It was recorded that 9 people died, 40 were injured and 4,500 lost their homes as a result of the earthquake. Immediate assistance in the post quake period involved the organization of shelter for the homeless by the GOI and Caritas Italiana, first in tent villages and then in more durable and weather resistant trailers called "roulettes". Housing was identified by the community as the priority need of Montella.

B. AID Matching Grant Involvement in Meeting Housing Need

The AID/CRS Matching Grant project is an extension of the earlier CRS involvement in prefab housing in Montella. On February 17, 1982, CRS submitted a proposal request to AID in the amount of \$781,818 for the construction of an additional 50 housing units, each costing an estimated \$15,636.

The size of each prefabricated house is 63.7 square meters. Forty-seven of the houses have 3 bedrooms, a living, dining and kitchen area, and bathroom. Three homes have 2 bedrooms, a living and dining area, kitchen and bathroom. Homes were provided with ceiling lights, plumbing systems with fixtures, a 50 liter boiler, equipped bathrooms as well as kitchens and a wood burning stove in the living room for heating. The

prefabricated houses were constructed with an attractive wood exterior and installed on a concrete base foundation that was again provided by the town council of Montella.

The actual cost of the project was \$667,509 or approximately \$13,350/home. The town council of Montella expropriated the use of 14,661 square meters of land from a Catholic religious order of sisters, the Asilo Infantil, who had been bequeathed the land through a private estate. The value of this land use is estimated to be \$42,857. The land has been made available on a temporary emergency basis for a period of 5 years against annual payment of an occupation compensation of \$1,200 by the town council to the owners at the rate of \$100/month.

The Town Council of Montella received the key of the CRS/AID constructed buildings on June 24, 1983. The mandatory Italian government verification on the quality of construction was received by CRS prior to the transfer of property.

## II. SITE VISIT OBSERVATIONS AND ISSUES

### A. Site Plan and Current Conditions of Housing

The houses are laid out in such a way as to enable each house to have a private yard. Residents have frequently utilized this yard area for gardens and some have even added patio areas and metal or wooden storage units to their defined areas. Poured concrete sidewalks connect the housing units and these are installed with street lights for night utilization. The residents have planted trees and there is an overall feeling in the place that the residents are comfortable and take care of the property. The public and private exterior areas were clean and attractive.

### B. Building Rental and Utilities

Residents moved into the prefabricated structures in December 1982. No formal contracts were signed by the families with the Town Council prior to their occupancy of the houses. No rent has been charged to the families for their use of the prefabricated homes. Utility and service fees of approximately L.10,000/month (approximately \$7) are charged by the town council. However, according to claims during our site interview, not all people are paying the utility fees at the present time.

C. Description of Benefits and Beneficiaries

There are approximately 250-300 direct beneficiaries. The beneficiaries of this project were provided with a temporary housing structure of high quality and comfort. An indirect benefit of the rent free arrangement of the housing project is that it appears to have resulted in income savings which the families can then apply to the reconstruction of their own homes until they move back to their homes.

D. Community Participation

The tenants are responsible for the maintenance of the interior and exterior of their homes and, in general, the residents are fulfilling this responsibility. The housing project is clean, attractive and inviting.

The construction job was contracted by CRS to a professional firm which resulted in the high quality of assembly work observed during the site visit. Housing was not assigned to individual families until construction was completed and occupancy designated. For these reasons, the residents of the houses did not participate in the construction of their new homes.

According to our interviews, all community residents in this area in need of housing in the post earthquake period were provided with such. Housing assignment was administered by the Montella town council housing committee.

E. Relocation of the Earthquake Families to their Former Houses

The GOI is gradually paying compensation to the earthquake victims who have lost their homes. The formula for compensation for private house ownership is 18 square meters/person, multiplied by the number of people in the family. The value of L.1,000,000/square meter is then used to calculate the compensation commitment of the GOI. The maximum compensation permitted by law is L.110,000,000 (or \$73,000 at L.1500=\$1)/family.

The family interviewed during the site visit indicated that they had 150 square meters of space in their home prior to the earthquake, that by Italian law they were entitled to a maximum compensation for 110 square meters or L.110,000,000 (or \$73,000). Although this particular family had already received their compensation from the government at the time of the visit,

many of their neighbors were still waiting to receive compensation. The family interviewed indicated that they would probably continue to live in the temporary housing for another two to three years before returning to their own property, as they estimated it would take this amount of time to reconstruct their home.

To date three families whose homes have been repaired under the GOI reconstruction program have returned to their own home from the housing project. All these housing units have been reoccupied by other Montella community members. Each case described indicated that the earthquake housing project offered a superior solution to a housing need than the three previous arrangements of the new occupants. The family interviewed suggested that the housing project would also meet the needs of newly married couples for housing, who would be eligible to occupy the homes when they became available. It was the opinion of the interviewed family and CRS representative that the earthquake housing would be in use for at least another 20-30 years.

### III. ASSESSMENT OF HOUSING PROJECT ABILITY TO MEET MG PROJECT SELECTION CRITERIA

CRS had the presence and expertise to design and implement the Montella Housing project. At the initiation of this project, administration of the project was done out of the Rome office of CRS with private donor dollars raised by CRS to meet the needs of the earthquake victims. Two technical field staff were placed by CRS in the earthquake area to supervise the implementation of the grant. Housing was the priority need of homeless earthquake victims and a great deal of goodwill has been generated by CRS and AID toward the USG and the American people as a result of this project.

Private donor funding was utilized by CRS to initiate this project prior to the decision by AID to implement a matching grant program. AID matching funds in the amount of US \$333,755 were reimbursed to CRS on approval of the AID office.

This project met the specific purpose of the grant in that AID matching funds were used to support a subproject involving construction and rehabilitation. The evaluation site visit affirms the appropriateness of the decision by CRS to utilize AID Matching Grant assistance for this project.

IV. COMMENTS ON THE PROJECT AND CONSIDERATIONS FOR THE FUTURE

A. Land Arrangements

CRS effectively used its local contacts and its work with the town council to secure the land used in the Montella housing project. The need for shelter was an immediate and high priority for the town of Montella. Both its public and nongovernmental sector responded to this need. It should be noted, however, that the 5-year land arrangement with the religious order of sisters, the Asilo Infantil, for the Matching Grant portion of this project will come to completion in the next few years. Consideration needs to be given to the definition of future land use arrangements by the local town council as the matter remains unresolved at the present time.

B. Temporary Housing

The length of time during which families will be allowed to remain in the housing is not clear to the beneficiaries of this project. Consideration of rental arrangements by the municipality and consistency in the collection of utility and service fees are issues that should be addressed by the town council of Montella. In future earthquake or emergency housing projects implemented by PVOs, consideration should be given to the role of local town councils, and the establishment of agreements with tenants outlining the agreed upon terms of usage, rental as well as service fees, and length of the emergency tenant agreement prior to tenant occupancy.

As it is doubtful that these housing structures will be used on only a "temporary" basis, a defined period of possibly 5-7 years in an agreed upon tenants' contract with the earthquake affected families would give the local town council several years following the natural disaster to organize public housing procedures and policies for the earthquake housing settlement.

SAVE THE CHILDREN FEDERATION  
SUBPROJECT CASE STUDY REVIEWS

PVO:	SCF
AID Grant:	OPG #145-8101-G-SS-2021-00
Subproject:	CAMPAGNA MEDICAL CENTER, 83-0006
Date of Approval:	November 23, 1982 (USAID/Naples)
Date of Completion:	March 26, 1983 (Inauguration) March 22, 1985 (Operational)
Project Inputs:	USAID US \$158,000 SCF US \$200,000 Community US \$ 36,000
Date of Site Visit:	July 16, 1986

I. PROJECT BACKGROUND

A. Earthquake Damage Description/Pre-Earthquake Situation

Campagna, one of the hillside towns in the province of Salerno, was severely damaged by the earthquake of November 1980. The officials identified a medical center as one of the priority public service buildings which the area requested. Prior to the earthquake there had been no medical services available in the immediate area of Campagna. Previously, people had to use a whole day for their transportation and appointment time to visit the medical center in Eboli which is 20 km from the area.

B. Agency Response to Meet Project Need

Using its recently-completed medical center in earthquake-damaged Laviana as its model, SCF developed plans for a similar center in Campagna. On land provided by the Comune, SCF, through its Italian affiliate, Associazione Italiana Protezione Infanzia (AIPI), built the medical center with private funds from the Swiss Television Network.

The building of 3,300 square feet, was built with a central reception and waiting area which is circled by seven separate rooms: laboratory, radiology, gynecology/maternity, cardiology, dentistry, specialized care (e.g., orthopedics) and general medical practice. A paved lot provides parking for patients and staff and the landscaping of trees and flowers was privately donated.

C. AID Funding Utilization to Meet Project Need

Following completion of the center construction, SCF's subproject under the AID OPG funded the purchase of medical equipment and furnishings for the medical center for a total amount of \$158,000.

The Comune had agreed that operation and maintenance of the center would be provided by the Government of Italy (GOI).

II. SITE VISIT OBSERVATIONS AND ISSUES

A. Site Visit and Current Conditions

Perception of the local project holders is that there were minor problems and delays in the initial stages of project development but none that hampered timely construction and equipping of the medical center. Although the Comune originally had not agreed with the people that medical facilities was the primary need and then had recommended a site considered inappropriate by the people, negotiations were successful in both establishing the need and also selecting a different and more appropriate site. Securing utility hookups and medical supplies was delayed and required follow-up.

The medical center is the only one of its kind in the district and is drawing the attention of health administrators from neighboring Comunes. There is some suggestion that government officials may consider building a similar, but larger, medical center in the upper Campagna area.

B. Description of Operational Capacity and Issues

The medical center staff consists of a full-time administrator (who is an internist with a specialty in cardiology, retired from hospital medical practice), seven part-time doctors, two full-time nurses, a full-time clerk, and an ad hoc cleaning person. Hours of operation are 7:30 AM-2:00 PM, with services offered on a rotating basis as posted in local newspapers, in private doctors' offices, etc.

An estimate of operational expenses for the center is approximately \$300,000 annually. All recurring costs of personnel and supplies are the responsibility of the GOI and are paid from the national health insurance budget. The local Comune is responsible for the maintenance and repairs, and the

Sanitation Commission is responsible for the payment of utilities.

The facility was conveyed through a release agreement from SCF to the local municipality, who agreed that it will assume full responsibility for the continuing expenses to operate the medical center.

C. Description of Benefits and Beneficiaries

Although records were unavailable to determine total patient caseload, the medical center is in an area accessible to the townspeople and neighboring rural inhabitants totaling 20,000. The estimate is that 50 patients is the average daily caseload, most of whom reportedly cannot afford private medical care. Of the several services available at the center, the laboratory testing services is the one used primarily, accounting for approximately one-half of the daily caseload. Radiology and cardiology are the next most frequently used services. Following examination/diagnosis, the patient is referred to the appropriate doctor either in the center or hospital.

D. Community Participation and Project Sustainability

The Comune and the Sanitation Commission contributed land, utility access, and a small utility wall with total estimated value of \$36,000. Individual community members did not participate in the building of the center. All contractors and laborers were from the local community. The medical center is now fully operational, with staff, supplies, and maintenance provided by the local Comune and health services.

III. ASSESSMENT OF PROJECT TO MEET OPG PROJECT SELECTION CRITERIA

Following its assessment that the earthquake victims of the town of Campagna desired and needed a medical center in their reconstructed town, SCF used private funding and local in-kind contributions to build the facility modeled after their successfully completed center in Laviano. The local municipality agreed to take responsibility for the operational costs of the facility. Staffing expenses are paid by the national health system. Administration of the Campagna Center project was out of the SCF Naples office, with the assistance of the SCF field coordinator for earthquake reconstruction.

Following completion of the Campagna Medical Center construction, OPG funding became available September 30, 1982.

Less than two months after the signing of the OPG, this subproject was approved to provide equipment for the completed facility.

The project staff who were interviewed felt that this project was an answer to the Community's need for medical services. The structure has, and should continue to, engender goodwill toward the people of the United States and USAID, as patients in the reception area are greeted by the plaque of appreciation to the donors.

#### IV. COMMENTS ON THE PROJECT AND CONSIDERATIONS FOR THE FUTURE

##### A. Cooperation among PVO, the Community and GOI

The developmental nature of this project is noteworthy. SCF, through the well-established and respected contacts between AIPI and local governments, was quickly able to identify local needs and enlist support and action on the project. The staffing delay of two years following completion of the project resulted from the initial inability of the municipality to fulfill its agreement for staff funding because the budget for such personnel expenses is not at the Comune level but at the national GOI level. Clarification of lines of authority for such issues as permits and budget authorizations are sometimes difficult to ascertain and may, at times, require technical and/or legal advice.

SCF's approach to ensure that the project became an integral part of the area, owned by the community was important and appropriate. Agreement of conveyance to the community stipulates that recurring costs are their responsibility. However, as the community determines its future level of support, SCF has no formal monitoring role. The question becomes one of how much control the PVO should retain, how much responsibility should be transferred to the community, and at what point that transfer is appropriate. SCF's judgment, which is shared by the evaluators, is that there is reasonable assurance that the GOI will maintain its commitment to sustain the center's budget.

##### B. Appropriateness of Facility and Specific Medical Services

The design of the medical center is attractive and functional. The large reception and waiting room provides easy access to

any of the seven examination and treatment rooms which radiate from that central point. Although the building appears large for its present usage, there is the possibility of increased patient load. Space should be better utilized if the treatment rooms, which seem larger than needed, could have been reduced in size.

SCF, with little experience in health care services in Italy, relied on local physicians to determine services which should be provided. Having now gained more experience in the community, it may be appropriate for the center to conduct a health needs assessment to determine if there is a need for modification in service. For instance, it may be found that there is a prevalence of childhood diseases for which an inoculation program should be initiated, or there may be infections which can be prevented by a health education component at the center.

SAVE THE CHILDREN FEDERATION  
SUBPROJECT CASE STUDY REVIEWS

PVO:	SCF	
AID Grant:	OPG #145-8101-G-SS-2021-00	
Subproject:	CAMPAGNA DAIRY BARNS, 83007	
Date of Approval:	November 23, 1982	
Date of Completion:	July 31, 1983	
Project Inputs:	AID	US \$410,400
	SCF	-
	Community	US \$ 74,000
Date of Site Visit:	July 16, 1986	

I. PROJECT BACKGROUND

A. Earthquake Damage Description/Pre-Earthquake Situation

Much of the agricultural area around the town of Campagna was devastated by the 1980 earthquake. Farmers lost their means of livelihood when barns used to shelter cattle were destroyed or damaged. Lack of shelter endangered livestock health and survival, and could result in loss of income as well as the families' dairy product supply.

B. Agency Response to Meet Project Need

As an early response to the reconstruction needs of the earthquake zone, AIPI had constructed 50 barns in the Campagna area by using approximately \$300,000 of private donor monies.

C. AID Funding Utilization to Meet Project Needs

Responding to the request of farmers who had seen the AIPI assistance given to others in the area, SCF used AID funding of \$410,000 under the OPG to build 74 barns at a cost of \$5,546 each. Each barn is 5x10 meters with a concrete floor, concrete walls and a metal roof. The insulation in the ferrous concrete walls over a polyurethane and iron frame is designed to warm in winter and cool in summer. A barn houses six to eight cattle, which is the average herd size for a family.

The construction was done on land owned by the farmers, who assisted in the construction process by clearing and preparing the area for building.

The original proposal from SCF to AID included a component for a dairy cooperative to assist farmers to develop dairy farming skills and to produce dairy products for sale. However, because of the complexities and problems surrounding cooperatives as they relate to the dairy industry in Italy, AID and SCF agreed to eliminate the cooperative component from the project. The Campagna Dairy Barn project is a component of a \$1,682,000 program funded by AID through SCF in the earthquake affected areas. A total of 317 barns were constructed through this multi-year initiative.

## II. SITE VISIT OBSERVATIONS AND ISSUES

### A. Site Visit and Current Conditions

Although the farmer was not available during the site visit to one of the barns, our noses testified to the presence of cattle even before we entered the barn to see cows and a calf. The farmer had built on an attractive storage area and had purchased a milking compressor at his own expense. Not all of the herd was in the barn since cattle was grazing on the hills.

### B. Description of Operational Capacity and Issues

Project implementation of barn construction was handled out of SCF/Naples office with the assistance of the SCF field coordinator. There are no operational costs for the dairy barns themselves. The farmers are responsible for building maintenance and for the costs of any operating machinery which may have been added.

### C. Description of Benefits and Beneficiaries

Selection of families for whom barns were to be built was done by a local commission consisting of an AIPI representative, a City Council representative, the local veterinarian and two farmers. Criteria for selection were that each family 1) had to be of low to moderate income 2) must have been victimized by the earthquake, and 3) must have children. SCF representatives informed the evaluation team that these criteria were used but that it had been difficult to assess what families were the "poorest."

The estimated number of direct beneficiaries of the 74 barns in the Campagna portion of the program is approximately 444 individuals. This does not include the indirect beneficiaries,

e.g., transporters of the dairy products, consumers, etc. Although there had not been an attempt to place a dollar value on the economic impact on each farmer, there is a decidedly positive result in increased income and family nutrition. The barns have prevented loss of livestock in inclement weather and have alleviated the previous heavy spoilage of feed; they have helped to produce better fed, healthier and more productive animals.

D. Community Participation and Project Sustainability

Determination by SCF to construct these additional barns in the Campagna area came as a result of requests from the farmers themselves, who had seen other barns built by AIPI in the same area. Each farmer was responsible for clearing the land and providing access for the barn construction. This in-kind contribution is estimated at \$1000 per family, or \$74,000 for the 74 barns. In almost every case, the barn owner has added to the structure according to his farm's needs. It seems as if the farmer, having been given ownership of the building and the responsibility for its maintenance, regards it as his permanent structure for him to care for to the best of his ability. All contractors and laborers were people from the local area.

III. ASSESSMENT OF PROJECT TO MEET GRANT SELECTION CRITERIA

SCF's provision of barns to farmers affected by the earthquake was directly related to the economic rehabilitation of the residents of rural areas of Campagna. This project represents a capital asset transfer which did not result in an "intensive" single highly visible structure but which did result in "extensive" visibility in 74 smaller structures throughout the municipality. Each barn is symbolic of the goodwill of the people of the United States and AID as it displays its plaque of appreciation.

Administration of the project was out of SCF/Naples office, with the assistance of the SCF field coordinator for earthquake reconstruction. The same basic barn design was replicated by local contractors at the 74 building sites.

IV. COMMENTS ON THE PROJECT AND CONSIDERATIONS FOR THE FUTURE

A. SCF's Program Strategy

This project demonstrates: 1) SCF's flexibility in programming under the OPG umbrella grant, and 2) SCF's successful replication of a proven project model. Whereas the majority of AID funded projects under the earthquake reconstruction program attempted to address the needs of earthquake victims with single, highly visible community service structures, SCF in this instance chose an alternative approach. The high visibility of the project comes from the sheer number of small, but well-constructed single-family barns which dot the countryside. Replicating AIPI's dairy barn design which it had used in a reconstruction program completed prior to the AID grant, SCF built 74 barns in the Campagna area. (Number of barns built under this and other AID-supported projects totaled 317.) The evaluation team commends SCF for its vision and AID for its recognition of the validity of flexible programming in this project. Replication extended a successful model throughout the rural areas of Campagna (and in the neighboring regions in other similar SCF subprojects).

B. Beneficiary Selection Process

Valid beneficiary selection criteria were established: income level, earthquake victim, and family size. The local commission which was established to select eligible farmers experienced some difficulty in applying the criterion of income level to verify the most needy farmers, perhaps because of the volume of applicants and the lack of sufficient verifiable documentation. However, the use of a commission separate from the local political structure eliminated some of the political pressure which otherwise might have been exercised.

SAVE THE CHILDREN FEDERATION  
SUBPROJECT CASE STUDY REVIEWS

PVO:	SCF	
AID Grant:	OPG #145-8101-G-SS-2021-00	
Subproject	CAMALDOLI ELEMENTARY SCHOOL,	
	830013	
Date of Approval:	March 20, 1984	
Date of Completion:	October 6, 1984	
Project Inputs:	AID	US \$180,000
	SCF	-
	.. Community	US \$ 50,000
Date of Site Visit:	July 16, 1986	

I. PROJECT BACKGROUND

A. Earthquake Damage Description/Pre-Earthquake Situation

Camaldoli, a section of the City of Campagna with a population of 1,400, was the most severely damaged area of the city in the 1980 earthquake. Prior to the time of the earthquake, there had been no elementary school building in the area. Classes for Grades 1-5 had been conducted in three separate old small rental properties from the hours of 9:00 AM-1:00 PM.

B. Agency Response to Meet Project Need

SCF had been involved in earthquake reconstruction projects such as dairy barns in the rural areas of Campagna Comune and a day care center for preschool children in Camaldoli in cooperation with the Italian Save the Children (Associazione Italiana Protezione Infanzia, AIPI). Particularly as a result of the successfully completed and functioning day care center, the Town of Camaldoli requested SCF assistance in providing an elementary school for the community.

C. AID Funding Utilization to Meet Project Need

AID support totaling \$180,000 under the OPG grant funded the construction and equipment costs of the Camaldoli Elementary School. As in their other projects, SCF used the innovative construction process of ferrous cement sprayed onto meshed panel frames with a polyurethane center providing summer and winter insulation. European construction technicians feel that this

construction design is cost-efficient, durable and environmentally sound. The building is comprised of one classroom for each of the five elementary levels, office, faculty room, a corridor/hall which can be used for school assemblies, lavatory facilities for the students and teachers, and a maintenance room. Two larger rooms serve as a dining area and an area for special educational activities such as art classes.

## II. SITE VISIT OBSERVATIONS AND ISSUES

### A. Site Visit and Current Conditions

The evaluation team's meeting with the Vice Director of Public Schools for the City of Campagna and its visit to Camaldoli Elementary School confirmed that the facility is complete, furnished, and operational. There were unanticipated additional costs because of the need for modification in foundation construction and the addition of a retaining wall. A change in the positioning of the school on the site had also caused a slight delay in project implementation.

### B. Description of Operational Capacity and Issues

The current elementary school enrollment of 45 represents an increase of 35 over the 10 students who had attended elementary school prior to the earthquake. Calculated on an estimated 75 student capacity, present enrollment of 45 is 60% of the maximum capacity of the facility. Staffing consists of seven teachers, a cook, and two maintenance workers.

### C. Description of Benefits and Beneficiaries

The evaluators were informed that, of the nine zones of the Comune of Campagna, Camaldoli, with a population of about 1,400, is the poorest. Enrollment in the school is currently at 45 children; this figure needs to increase to reach the maximum capacity of the facility. Benefits of the project include not only expanded and improved facilities which are accommodating a significantly increased enrollment, but also a more diverse educational program and schedule. School hours have been lengthened from four hours to eight hours and in an area where both parents are involved in farm activities, this provides organized care in a stimulating environment for the children. The longer hours also mean an expanded curriculum to include such socially beneficial courses as theater, film, and physical education. A lunch service, not provided prior to the earthquake, is now available at the school.

D. Community Participation and Project Sustainability

Selection of the school construction project was at the direct request of the Comune, who felt that it was one of the community's priority needs. The Comune provided the land, retaining wall, and utility connections estimated at \$50,000. Although no volunteer work or contributions were made by local individuals or groups to this particular project, all contractors and laborers were from the community, thus generating local income.

SCF has conveyed the ownership and operational responsibility for the school to the Comune. The staff of seven teachers is paid from the state government, and the other employees (a cook and two maintenance people) are paid by the local Comune. All recurring expenses and maintenance costs, therefore, are the responsibility of the local and state government of Italy.

III. ASSESSMENT OF PROJECT TO MEET GRANT SELECTION CRITERIA

AID's early assessment of reconstruction needs established school construction as the primary focus of its direct project involvement. The Agency concentrated its efforts toward the construction of large high schools. SCF paralleled its approach in this project by concentrating on school construction but on the elementary grade level and a smaller scale of facility and capital outlay.

Working in cooperation with local government and education officials, SCF implemented its proposed project through the SCF/Naples office with the assistance of its field coordinator for projects. The local Comune, having identified the school as a priority need in its coordinated plan for town reconstruction, has assumed responsibility for its recurrent costs and maintenance.

IV. COMMENTS ON THE PROJECT AND CONSIDERATIONS FOR THE FUTURE

A. Schooling as a Community Priority

SCF recognized that adequate schooling is one of the essential factors promoting community stability. One consideration for undertaking similar projects in the future is that a small school may require a disproportionate teacher/children ratio (here 7:45 or 1:7) because of the few children per age group or grade.

B. Replicable Model

Camaldoli Elementary School's longer school day and expanded curriculum is seen by officials as a positive change in the education system. Other schools in the Campagna Comune are considering similar modification to their school hours and curriculum.

C. Cooperation among the PVO, the Community and GOI

The participatory nature of this reconstruction and rehabilitation project was strong. There was involvement of the local community in assessing needs and also involvement of the local unit of the GOI. SCF, through its well-established and respected contacts between AIPI and local governments, was quickly able to enlist support and action on the project.

Of note is the fact that the project, by design, has become an integral part of the area and is owned by the community, who are fully responsible for all recurring costs and maintenance. The team believes that there is reasonable assurance that there is adequate GOI commitment to sustain the project.

SALVATION ARMY WORLD SERVICE OFFICE  
SUBPROJECT CASE STUDY REVIEWS

PVO:	SAWSO	
AID Grant:	OPG 145-8101-SS-3013-00	
Subproject:	BRAIDE FURNITURE FACTORY, PD393	
Date of Approval:	November 4, 1983	
Date of Completion:	January 1985	
Project Inputs:	AID	US \$650,000
	SAWSO	US \$ 33,500
	Community	US \$408,134
Date of Site Visit:	July 15, 1986	

I. PROJECT BACKGROUND

A. Earthquake Damage Description/Pre-earthquake Situation

The project description proposed the building of a factory in the province of Potenza between the villages of Braide (pop. 250) and Brienza (pop. 3,000), 10 km away. Both villages in this mountainous area incurred substantial damage to homes and other village structures in the earthquake of November 23, 1980. Livelihood of the residents is gained totally from subsistence farming or maintaining shops. There has been no industry. The area's unemployment, estimated to exceed the national unemployment rate of 15-20%, and underemployment have been continuing problems. In line with project criteria established for the OPG, SAWSO representatives submitted a proposal for an income generating project.

B. Agency Response to Meet Project Need

Local residents in the community, largely composed of Salvation Army members, approached SAWSO and requested that an income generating activity be initiated. An original proposal by SAWSO to develop a dairy cooperative in the area was determined not to be feasible because EEC agreements precluded an acceptable market for dairy products. Officials of ISVEIMER Bank (Institute for the Economic Development of Southern Italy), recommended to SAWSO representatives that contact be made with Mr. Attilio di Brigida, owner of a furniture factory named Modulo 3 in Pescara, some 50 km from Braide.

Mr. Di Brigida had taken active interest in earthquake relief. He accepted at the invitation of IASM (Istituto Assisitenziale per il Sviluppo del Mezzogiorno) to support the Salvation Army's initiative to provide income generating development in the area.

The proposal intent was to give full-time employment to 15 unemployed men and women in the Braide-Brienza area. In July 1983, a proposal description, technical and feasibility study, material, layout plans, equipment and material requirements for a furniture materials production facility at Braide were presented to AID/Naples. The technical study and cost estimates were done by IASM, at the expense of the Cassa del Mezzogiorno. The budget estimate including building, equipment and two months operating costs was \$883,000. Of this amount \$650,000 in AID funding was requested and approved in concept by AID/Naples. One-fourth of the cost was to be requested from the special fund set up by the Italian Government (Cassa del Mezzogiorno). Final approval by AID/Naples was contingent upon the following items:

A. Successful execution of a contract between SAWSO and the firm Modulo 3, whereby the latter commits itself to purchase the full production output of the factory for a period of two years or more, and to provide adequate training to the local workers employed.

B. Acceptance by the Cassa del Mezzogiorno for financial support to this project in the amount of Lire 350,000,000 which according to the budget estimate was the amount required to fully fund this project. In case this support from the Cassa del Mezzogiorno could not be readily assured, a statement from SAWSO, that any funding shortfall could be provided in a timely fashion from other Salvation Army resources.

C. Availability of the modified building permit and any other necessary government approvals or licenses whose issuances were still pending.

It was understood that the U.S. grant contribution of \$650,000 would cover a major portion of the physical plant and equipment for this project, with other funding sources being charged for the balances required for construction, acquisition of equipment and the item shown in budget for "Initial Capital Costs".

By late December 1983, the requirements for the requested \$650,000 AID grant input into the project were fulfilled by SAWSO as follows:

Point A: First, a corporation was formed December 1983, known as "Mobili Braides S.R.L.". Articles of incorporation specify that working capital was to be increased from an initial (Art. 4) 20,000,000 lire to a maximum of (Art 6) of 840,000,000 lire within one year (by December 14, 1984).

Initial working capital contributed by the two parties was paid in a definitive manner by the Salvation Army. Mr. di Brigida's obligation was:

- a) to put his professional experience at the disposal of the company without pay (salary), and
- b) to supervise training of personnel. (The constituent company was to pay expenses to sustain training.)

In the aforementioned manner it was agreed that the partners would underwrite the company stock in an amount of 50% each.

Second, Lt. Colonel Booth negotiated a five-year contract with Mr. di Brigida, co-owner of the Modula 3 furniture manufacturing firm, by which Mr. di Brigida would:

- manage the Braide Chipboard factory's production and sales operations,
- provide training for the local workers employed, and
- guarantee the ISVEIMER loan for a sum up to Lire 1,000,000,000 (one thousand million lire), putting up his share of the Modula 3 factory and his private residence as collateral.
- guarantee the purchase of the total production of Mobili Braides Factory per month up to 100,000,000 lire (approx. \$62,500), as well as, in exchange for the above, if the factory showed a profit at the end of its first 12 months of operation, Mr. di Brigida would receive a 50% ownership interest in it; the other 50% being owned by The Salvation Army Association of Italy. Should the factory fail prior to the first year of "productive operation," The Salvation Army Association would own 100% of all existing assets.

As a society of "limited responsibility", Mobile Braides would be directed by a committee consisting of:

Lt. Col. Bramwell Booth, Chairperson  
Dr. Bruno Castaldo (Salvationist and retired vice-president of Alfa-Sud)  
Mr. di Brigida (co-owner of Modula 3)  
Margherita di Brigida (his daughter)

That committee would operate under the guidance of an advisory council consisting of 3 persons appointed by The Salvation Army and 3 persons appointed by Mr. di Brigida.

According to Lt. Col Booth, the contract satisfied all reservations previously expressed by USAID/Naples with regard to the financial viability of the factory. The contract was formally registered with the Italian government.

Point B: Financing - As a result of various factors, including the rate of inflation in Italy, the revised total estimated cost of the project rose from \$883,000 in June 1983 to \$971,875 by December 1983. This latest figure left a budget shortfall of \$88,875 between USAID funding and funds requested from the Cassa del Mezzogiorno. In January 1984, Salvation Army officials approved Salvation Army/Italy private funds guarantee as standby credit until a bank loan could be secured or as a permanent contribution to the Mobili Braides in the event the Cassa del Mezzogiorno should refuse to fund the project.

Point C: The construction site was to be on property purchased by The Salvation Army. Title to the property, planning and zoning permits were secured by the SAWSO representative and presented to AID.

## II. FINANCIAL SUMMARY

Following is a summary of financial commitment to the formation and capitalization of the Mobili Braides Factory:

AID Grant of \$650,000 (varying conversion rates)		L.1,150,776,746
Cassa del Mezzogiorno		
Received Oct. 1985	L.392,000,000	
Received July 1986	224,000,000	
Bal. due upon inspection	<u>56,000,000</u>	672,000,000
ISVEIMER Loan Payment by Mobil Braides Factory		
Principal	L.482,000,000	
Interest (5.5%)	<u>86,999,020</u>	568,999,020
The Salvation Army/Italy (Land)		<u>44,417,000</u>
Total		<u>L.2,436,192,766</u>

III. SITE VISIT OBSERVATIONS AND ISSUES

The factory occupies a hillside location in a mountainous rural setting about 2 km from Braide. Considerations in site selection were availability of utility hook-up and accessibility of transport by large vehicles. The building appears to be well constructed and is equipped with heavy automated machinery. Occupying an upper level of the structure, an area approximately one-fifth the size of the production area is space designated for future business related activities. It is presently being utilized as a showroom for finished furniture from Modula 3.

At the time of the site visit, production at the factory was underway with 6 employees in addition to the full-time accountant who presently serves in dual capacity as manager. Delays in employing the projected number of personnel (15) are said to be due at least in part to a longer training period than was originally anticipated. It is the Company's view that it is essential that the current workforce be sufficiently skilled in the use of the heavy machinery to enable them to become supervisory and training personnel for successive employees.

A. Selection of Employees

Among the responsibilities of the Managing Director as determined by contract is the employment of personnel. The one exclusion to

this employment provision is that of the accountant who is appointed by The Salvation Army. According to this same contract, selection of employees is limited to residents in the district of Braide or Brienza, in effect guaranteeing that the specified area will continue to be served.

Employee selection is also contingent upon a review of diplomas, aptitude and employment status. Of the 7 men presently employed, 5 are married with families. Currently there are no female employees. It is anticipated that 3 new employees will be added in the fall of 1986. Salaries are lire 800,000 (\$530) to 900,000 (\$600)/month. In addition 50% of the salary amount is expended in benefits. SA/Italy reports that the company is adhering to Italian labor laws.

#### B. Beneficiaries

In addition to the seven employees presently involved in production, beneficiaries include local tradesmen who worked on construction of the factory and others whose skills are required for maintenance and services. Increased production and steady employment for some members of the community will be realized in other community services and inputs.

#### C. Production

The stated objective of the company is "to proceed to the construction, activation and management of an industrial establishment for wood working (manufacturing of furniture) in the community of Brienza."

In 1985 the factory operated at a deficit of \$38,000. By exemption for this first year of operation, this figure does not include cost of depreciation. Income generated in the first six months of 1986 equaled that of the first fiscal year (1985) or \$137,333. Costs of operation have leveled off.

To date the partner (di Brigida) has fulfilled his obligation of buying total production up to 100 million lire/month of the factory output.

#### D. Continuing Management

The factory is administered by a Board of Directors composed of four members, two of whom are appointed by The Salvation Army and two by Mr. di Brigida. The President of the Board of Directors is

to be a member appointed by The Salvation Army and the managing director will be a member appointed by Mr. di Brigida, or vice versa. The powers of managing director include completion of commercial operations "except those operations which have the Modulo 3 Co. as counterpart or others with which it has relationships."

IV. COMMENTS ON THE PROJECT AND CONSIDERATIONS FOR THE FUTURE

- A. While the partnership with Mr. di Brigida assures a guaranteed market for five years as well as his input of professional management, training and supervision of employees, this timeframe may be insufficient given the production delays encountered to date.
- B. The Salvation Army's research into the possibility of making this project a cooperative indicated that in the Braide area every other cooperative venture had failed, some in spite of heavy government subsidies. After careful consideration, SA/Italy decided upon the partnership arrangement, confident that only Mr. di Brigida's involvement and cooperation ensured a) the Cassa grant and the loan at the subsidized rate, 2) the professional training and management expertise, and 3) a guaranteed initial market. However, if feasible in similar future projects, a cooperative approach rather than a partnership with an individual should be given priority.
- C. From the outset, it is important that in these types of joint ventures, clarity be obtained in relation to partners' interests, responsibilities, and liabilities. Recent change of Salvation Army/Italy personnel and the combination of legal documents and inadequate English translations provided insufficient data for the evaluators to ascertain what degree of clarity had been reached.

It is especially important, in a time when PVOs and governments are encouraging collaborative efforts with private enterprise, that the project design, development and implementation of such projects be carefully documented for lessons learned.

- D. Expansion of the market to other clients is being considered by The Salvation Army and is strongly encouraged.

SALVATION ARMY WORLD SERVICE OFFICE  
SUBPROJECT CASE STUDY REVIEWS

PVO:	SAWSO	
AID Grant:	MG 145-8101-G-00-2018-00	
Subproject:	BRIENZA HOUSING, 0128A	
Date of Approval:	June 11, 1982	
Date of Completion:	Inauguration March 3, 1984;	
	Occupancy July 1984	
Project Inputs:	AID	US\$ 570,440
	SAWSO	US\$ 586,440
	Community	US\$ 491,833
Date of Site Visit:	July 15, 1986	

I. PROJECT BACKGROUND

A. Earthquake Damage Description/Pre-Earthquake Situation

Brienza, a village in the Province of Potenza, Italy, has a population of 3,000. Following the earthquake, 50% of the homes in this mountain top plateau and adjacent area had to be demolished and rebuilt, and 30% are still being repaired. By February 10, 1981, several "containers" were already in place and it was anticipated that sufficient light prefabricated housing of a temporary nature to meet the urgent need would be in place shortly. These temporary housing needs were fulfilled by the Italian government.

B. Agency Response to Meet Project Need

On February 10, 1981, the need expressed to Salvation Army representatives by Mayor Lopardo of Brienza and two engineers who assisted him was for more permanent heavy fabricated structures for housing. The mayor and these engineers also explained that the most judicious use of Salvation Army time, effort and funds would be to engage in supplying permanent housing to Brienza. It was stated that the number of homes necessary would be in excess of 200. The Mayor assured the Salvation Army that the Salvation Army would have control over which families received the homes.

Following the meeting with Mayor Lopardo, Mr. Zamberletti gave his encouragement and approval of plans mentioned. This meeting

was considered as official government recognition of the Salvation Army's work and serious intent in the Brienza-Atena Lucana area.

On February 11, 1981, members of the Salvation Army and the assistant mayor of Brienza looked at potential sites where permanent housing could be constructed. Site selection was dependent on results of a geological survey due from the University of Naples in April 1981.

Land was to be expropriated by the town and made available for the housing construction. Cultural and political questions in the town also required consideration to provide for a smooth conveyance of homes to the needy and acceptance of the Salvation Army.

### C. Aid Funding Utilization

SAWSO's proposal for this project was funded under a Matching Grant. Specific project objectives included:

- construction of 32 heavy prefabricated homes in Brienza for those made homeless by the earthquake,
- that the Comune would be responsible for all site preparation, or "urbanization,"
- actual control to rest with the community, under the oversight management of a committee consisting of 3 members of the local council and 3 members of the Salvation Army. This committee to have oversight of allocation of houses.
- a small rental fee to be charged to occupants for building maintenance, such maintenance to be the responsibility of the Comune.

## II. SITE VISIT OBSERVATIONS AND ISSUES

### A. Site Visit and Current Conditions

At the time of the site visit, 40 housing units were occupied, benefitting 40 families (approximately 150 beneficiaries). The local council has turned over four units to The Salvation Army/Italy under an 80-year contract. Salvation Army/Italy is collecting rental of lire 70,000/month (approximately \$50) for these four units. Rental for the other 36 units was set at lire 10,000 for a large flat and lire 20,000 for a small flat payable

to the Comune. Payment of rental has not been enforced. Occupants do pay for utilities. Existence of any contractual arrangements and/or stipulations could not be determined at the time of the site interview. However, the files indicate that there is a contract between the Comune and the tenants. This stipulates that the rent must be paid monthly and that failure to pay rent automatically cancels the tenancy. The Council has never enforced the rents provision but states that it will maintain the property. The Contract also stipulates that tenants are responsible for the maintenance of the houses and minor repairs.

Two of the housing units were visited during the evaluation. They appeared to be a well built, sturdy structure of two levels. The lower level contained a dining/kitchen area, a sitting room, a half-bath and a small entry-way. There were 3 bedrooms and a full bath on the second level. The furnishings procured by the residents were new in appearance, substantial and quite adequate. A wood burning stove in the kitchen/dining area used for heat and cooking in the winter months necessitated the addition of a chimney in each unit after the structures were completed.

The property on which the housing units are located is presently owned by the Comune.

If and when housing damaged in the earthquake, belonging to a family now living in the project housing, is repaired by funds received from the GOI, the family is to return to their own home. To date none of the families have returned to their previous homes.

A temporary consortia of local artisans was formed for the reconstruction project.

### III. ASSESSMENT OF PVO PROJECT AND ACCOMPLISHMENT OF PROJECT OBJECTIVES

The project appears to have fulfilled the objectives of the MG and specific project objectives in providing housing to needy individuals and families who lost their homes as a result of the earthquake of November 23, 1980. Italian government emergency funds in the approximate amount of \$458,000 were utilized for land purchase, drainage retaining walls, road construction and provision of water and electricity. An additional contributed amount in provision of local services was assessed at \$33,500. Private funding through Salvation Army/Italy in the amount of \$16,000 exceeded the matching grant requirement. Undoubtedly the standard of housing was improved as a result of the project.

IV. COMMENTS ON THE PROJECT AND CONSIDERATIONS FOR THE FUTURE

The housing units located on a rather steep slope distinctly separate from but near the original town of Brienza appear to be maintained with pride by the residents as evidenced by the planting and orderliness of the area.

Contracts between the Comune and tenants stipulate rental and maintenance terms. However, The Salvation Army/Italy has no formal monitoring role in contract enforcement. The question becomes one of how much control the PVO should retain, how much responsibility should be transferred to the community, and at what point that transfer is appropriate. The Salvation Army's judgment, which is shared by the evaluators, is that they should make every effort now to work with the Comune in contract enforcement.

SALVATION ARMY WORLD SERVICE OFFICE  
SUBPROJECT CASE STUDY REVIEWS

PVO:	SAWSO	
AID Grant:	OPG 145-8101-G-SS-3013-00	
Subproject:	BRAIDE COMMUNITY CENTER, 0128D	
Date of Approval:	April 4, 1983	
Date of Completion:	March 4, 1984	
Project Inputs:	AID:	US\$ 100,000
	PVO:	US\$ 13,500
	Community:	US\$ 3,350
Date of Site Visit:	July 15, 1986	

I. PROJECT BACKGROUND

A. Earthquake Damage/Pre-Earthquake Situation

Braide, a village of 250 in the Potenza Province of Italy, was severely damaged by the 1980 earthquake.

The village people had built a recreational and community center in 1971 which accommodated 40 persons in the largest room but served the needs of the community in terms of recreation for young people, a meeting place for the elderly and an instruction center for young and old. The "Cucolo" as this center was called was partially destroyed in the earthquake but was not a viable proposition for repair due to the unsuitable original construction.

The villagers wanted a "Community Center for the Village" for celebrations of baptisms, weddings and other events. Since nearly all parents work in the fields, an after-school center was also needed for the children. There was no secondary school nearby so many children needed further education and tutoring after leaving primary school.

B. Agency Response to Meet Project Need

Although a "substantial number" of houses were destroyed or damaged and a number of families were living in temporary or semi-temporary housing, reconstruction of a community center was requested by the villagers.

The site is in the possession of the Salvation Army. A building permit was provided by the Local Council.

The concinued management and staffing of the center was assured by The Salvation Army since the building was to be under the direct supervision of a resident Salvation Army officer. It was anticipated that recurrent costs would be met by members of the village.

C. AID Funding

The project was funded under an OPG. The objective was to build a community center to meet the needs of the villagers and replace the center damaged in the earthquake.

II. SITE VISIT OBSERVATIONS AND ISSUES

Mrs. Massimo Tursi, wife of the local Salvation Army supervising officer, accompanied the evaluation team to the site. Lt. and Mrs. Tursi live in Brienza, 10 km. from Braide. Keys to the Community Center were secured from a local resident.

The center is an attractive structure built of reinforced concrete and cement blocks. A room 6.70 x 4 meters on the ground floor was set up and obviously utilized for band practice. A large meeting room accommodating 90 persons was on the first floor. Adjoining this room is a kitchen which contains a conventional stove, a stove for pasta, sink unit and storage.

The second floor, constructed as housing for a resident Salvation Army supervising person, was inaccessible because the keys were unavailable. The residence is currently unoccupied.

Schedule for the Center is as follows:

<u>Activity</u>	<u>Frequency</u>	<u>Duration</u>	<u>No. of Participants</u>
Children's Hour	Weekly	1 hr	18-20 (7-14 yrs)
Music Lessons	Weekly	2 hrs	18-20 (7-14 yrs)
Holiday Club	2 Weeks	7 hrs	
	Annually		
Parents Club	Weekly	1 hr	
Women's Club	Weekly		15

The Community Center has been made available for community gatherings, e.g., concerts given by visiting musicians and by primary school children, community suppers/meals, town council meetings. The Center is not normally utilized for religious functions. These religious activities are held in a conveniently located Meeting Room built by the community residents.

### III. COMMENTS ON THE PROJECT AND CONSIDERATIONS FOR THE FUTURE

#### Underutilization

The current schedule of activities appears to be insufficient given the investment that has been made in construction of the facility.

There has not been continuity of local leadership and management of the Community Center since its opening in mid-1984. Because of limited Salvation Army officers in Italy, the Center frequently has not had full-time leadership. At present the officer whose primary responsibility is for the Brienza Community Center which is 10 km from Braide, is also managing the Braide Community Center on a limited, part-time basis. In addition, no local community leadership has been developed to assist in program development or operation.

These are issues which The Salvation Army/Italy recognizes and is taking steps to address. The evaluation team stresses that staffing for the Center should be given priority attention in order to meet community needs and justify the construction of both the Center and accommodations that are currently not being utilized.

Also while music lessons are being provided and the holiday club appears to be upgrading basic skills, e.g., reading, SA/Italy should consider diversifying its program menu to include educational or social development activities in response to needs. For example, unemployment or underemployment in this village are other concerns that the center could attempt to address.

PVO PROJECT LISTING OF INPUTS AND BENEFICIARIESCRS PROJECTS

PROJECT NAME/NUMBER/LOCATION	CRS	AID	COMMUNITY	TOTAL	TYPE GRANT	STATUS	BENEFICIARIES
HOME FOR AGED IT-1E-019, VENOSA	81,564	81,564		163,128	MG	Incomplete	40
CENTRO FEMMINILE, IT-1E-038 POTENZA	20,750	20,750		41,500	MG	Complete	5,000
HOME FOR AGED/ORPHANAGE IT-1E-053, POTENZA	123,500	123,500		247,000	MG	Complete	240
SOCIAL CENTER IT-1E-057, MURO LUCANO	41,000	41,000		82,000	MG	Complete	8,000
NURSERY SCHOOL IT-1E-060 POTENZA	141,694	141,694		283,388	MG	Complete	120
ORPHANAGE/DAY CARE CENTER IT-1E-068, RIONERO	56,000	56,000		112,000	MG	Complete	76
NURSERY SCHOOL IT-1E-078, CASTEL S. GIORGIO	27,750	27,750		55,500	MG	Complete	40
BOYS' TOWN IT-1E-084, VISCIANO	29,900	29,900		59,800	MG	Complete	80
PREFAB CLINIC/EQUIPMENT IT-1E-103, TEORA	19,370	19,370		38,740	MG	Complete	3,000
SOCIAL CENTER/NURSERY SCHOOL IT-2E-007, VOLTURARA IRPINIA	28,500	28,500		57,000	MG	Complete	4,748
CLASSROOMS - DON BOSCO INST. IT-2E-040, NAPLES	56,343	56,343		112,686	MG	Complete	32
SOCIAL INSTITUTE IT-2E-050, BARONISSI	92,058	92,058		184,116	MG	Incomplete	1,000
EMERGENCY/THERAPY/SOCIAL CTR IT-2E-053, AVELLINO	88,462	88,461		176,923	MG	Incomplete	10,000

PROJECT NAME/NUMBER/LOCATION	CRS	AID	COMMUNITY	TOTAL	TYPE GRANT	STATUS	BENEFICIARIES
KINDERGARTEN IT-2E-058, MONTORO	58,264	58,264		116,528	MG	Incomplete	30
NURSERY SCHOOL/HANDI. CTR IT-2E-066, SECONDIGLIANO	9,118	9,117		18,235	MG	Incomplete	120
HOME FOR UNWED MOTHERS IT-2E-067, SALERNO	19,718	19,717		39,435	MG	Complete	10
EDUCATIONAL CENTER IT-2E-069, ACERNO	30,745	30,745		61,490	MG	Complete	2,000
CHILDRENS INSTITUTE IT-2E-073, AVELLINO	159,301	159,301		318,602	MG	Incomplete	95
HOME FOR AGED/SOC. CENTER IT-2E-087 IT-2E-088 S.ANGELO DEI LOMBARDI	75,566 -	75,566 509,678		151,132 509,678	MG	Incomplete	36
NURSERY SCHOOL IT-3E-010, SAPRI	32,396	32,396		64,792	MG	Complete	90
HOSPITAL MEDICAL EQUIPMENT IT-3E-035, EBOLI	50,000	50,000		100,000	MG	Complete	7,000
NURSERY SCHOOL IT-4E-026, MARATEA	120,097	120,097		240,194	MG	Complete	60
ST. TERESA'S ORPHANAGE IT-1E-063, SOLOPRA	106,431	106,431		212,862	MG	Complete	30
INSTITUTE FOR AGED IT-1E-065, SOLOPRA	128,454	128,453		256,907	MG	Complete	5,220
TOWN HOUSES (31) IT-1E-066, NAPLES	629,331	629,330		1,258,661	MG	Complete	155
TRAINING SCHOOL IT-1E-086, AVELLINO	498,736	498,736		997,472	MG	Complete	375
PREFAB HOUSES (50) IT-1E-087, MONTELLA	333,755	333,754		667,509	MG	Complete	250

PROJECT NAME/NUMBER/LOCATION	CRS	AID	COMMUNITY	TOTAL	TYPE GRANT	STATUS	BENEFICIARIES
ORPHANAGE/NURSERY SCHOOL IT-2E-056, LIONI	188,819	188,819		377,638	MG	Complete	90
HOME FOR AGED IT-4E-010, LAURIA	185,302	185,302		370,604	MG	Complete	24
KINDERGARTEN IT-2E-058, MONTORO	58,264	58,264		116,528	MG	Incomplete	30
HOME FOR AGED IT-1E-069, CAMPAGNA	-	230,253		230,253	GPG	Complete	50
HOME FOR AGED IT-2E-051, SIANO	-	501,472		501,472	OPG	Complete	45
HOUSES (30) IT-2E-052, SALERNO	-	799,149		799,149	OPG	Complete	150
HOME FOR AGED, IT-2E-053 SANTA LUCIA DI SERINO	-	384,392		384,392	OPG	Complete	35
CHILDREN'S INSTITUTE IT-2E-054, CAVA DEI TIRRENI	-	497,886		497,886	OPG	Complete	500
CHILDREN'S INSTITUTE IT-2E-057, ROCCAPIEMONTE	-	220,700		220,700	OPG	Complete	300
KINDERGARTEN IT-2E-059, LAURIA	-	154,571		154,571	OPG	Complete	100
STUDENTS RESIDENCE IT-2E-060, MARATEA	-	135,382		135,382	OPG	Complete	30
PROFESSIONAL TRAINING CTR IT-2E-068, MERCATO S. SEVERINO	-	69,072		69,072	OPG	Complete	100
REHABILITATION CENTER IT-3E-018, NAPLES	-	62,278		62,278	OPG	Complete	100
CHILDRENS INSTITUTE IT-3E-022, NOCERA SUPERIORE	-	433,997		433,997	OPG	Complete	40
DRUG REHABILITATION IT-3E-088, TORRE ANNUNZIATA CTR	-	574,610		574,610	OPG	Complete	65

SCF PROJECTS

PROJECT NAME/NUMBER/LOCATION	SCF	AID	COMMUNITY <sup>a</sup>	TOTAL	TYPE GRANT	STATUS	BENEFICIARIES
CAMPAGNA PLAYGROUND EQUIP #830001, CAMPAGNA	1,023 <sup>b</sup>	1,023	-	2,046	MG	Complete	50
LAVIANO PLAYGROUND EQUIP #830002, LAVIANO	1,023 <sup>b</sup>	1,023	-	2,046	MG	Complete	50
PESCOPAGANO PLAYGROUND EQUIP #830003, PESCOPAGANO	1,023 <sup>b</sup>	1,023	-	2,046	MG	Complete	50
TEORA PLAYGROUND EQUIP #830004, TEORA	1,023 <sup>b</sup>	1,023	-	2,046	MG	Complete	50
LAVIANO MEDICAL CENTER #830005, LAVIANO	79,769 <sup>b</sup>	79,769	39,000	198,538	MG	Complete	20,000
CAMPAGNA MEDICAL CENTER #830006, CAMPAGNA	200,000 <sup>c</sup>	158,000	36,000	394,000	OPG	Complete	20,000
CAMPAGNA DAIRY BARNS I #830007, CAMPAGNA	-	410,400	74,000	484,400	OPG	Complete	444
LAVIANO DAIRY BARNS I #830008, LAVIANO	-	210,800	38,000	248,800	OPG	Complete	228
CAPOSELE DAIRY BARNS I #830009, CAPOSELE	-	210,800	38,000	248,800	OPG	Complete	228
LAVIANO DAIRY BARNS II #830012, LAVIANO	-	114,000	22,000	136,000	OPG	Complete	132
CAMALDOLI ELEMENTARY SCHOOL #830013, CAMPAGNA	-	180,000	50,000	230,000	OPG	Complete	45
VARANO ELEMENTARY SCHOOL #840015, CAMPAGNA	-	177,000	65,000	242,000	OPG	Complete	45
VARANO DAY CARE CENTER #840016, CAMPAGNA	-	98,000	43,000	141,000	OPG	Complete	50

PROJECT NAME/NUMBER/LOCATION	SCF	AID	COMMUNITY <sup>a</sup>	TOTAL	TYPE GRANT	STATUS	BENEFICIARIES
OLIVETO CITRA PLAYGROUNDS #850018, OLIVETO CITRA	-	5,000	-	5,000	OPG	Complete	40
PUGLIETTA DAY CARE CENTER #850019, CAMPAGNA	-	130,000	43,000	173,000	OPG	Complete	50
LAVIANO DAIRY BARNS III #850020, LAVIANO	-	283,000	55,000	338,000	OPG	Complete	330
OLIVETO CITRA DAIRY BARNS III #850021, OLIVETO CITRA	-	176,000	35,000	211,000	OPG	Complete	210
BUCCINO DAIRY BARNS III #850022, LAVIANO	-	283,000	55,000	338,000	OPG	Complete	330
CAMPAGNA SPASTIC CENTER #860024, CAMPAGNA	-	350,000 <sup>d</sup>	110,000	460,000	OPG	Incomplete	100

a Community Input covers cash and in-kind contributions.

b Designated contribution raised by SCF/USA

c Designated contribution raised by AIPI/Italy

d \$182,000 Committed by unexpended as of 6/30/86

SAWSO PROJECTS

PROJECT NAME/NUMBER/LOCATION	SAWSO	AID	COMMUNITY <sup>a</sup>	TOTAL	TYPE GRANT	STATUS	BENEFICIARIES
BRIENZA HOUSING #0128A, BRIENZA	570,440 16,000 <sup>b</sup>	570,440 -	458,333 33,500	1,648,713	MG	Complete	240
BRIENZA VILLAGE EXTENSION #0128E, BRIENZA	162,175 4,401 <sup>b</sup>	99,576 -	6,700 -	272,852	MG	Est. Comp. 8/86	36
ATENA LUCANO SENIOR HOUSING #PD442, ATENA LUCANO	41,944 <sup>b</sup>	441,208	-	483,152	OPG	Est. Comp. 9/86	22
BRAIDE SPORTS FIELD #PD441, BRIENZA-BRAIDE	-	21,000	6,500	27,500	OPG	Complete	150
BRIENZA COMMUNITY CENTER #0138B, BRIENZA	75,691 <sup>b</sup>	75,691	-	151,382	MG	Complete	3,000
BRAIDE COMMUNITY CENTER #0138D, BRIENZA-BRAIDE	13,500 <sup>b</sup>	100,000	3,350	116,850	OPG	Complete	250
ATENA LUCANO COMMUNITY CTR #PD330, ATENA LUCANO	43,333 <sup>b</sup>	200,000	-	243,333	OPG	Complete	1,000
POTENZA COMMUNITY CTR & STUDENT RESIDENCE #PD443, BRIENZA	130,000 <sup>b</sup>	270,294	13,400	413,694	OPG	Est. Compl. 9/86	2,000
BRAIDE FURNITURE FACTORY #PD393, BRIENZA-BRAIDE	33,500 <sup>b</sup>	650,000	408,134	1,091,634	OPG	Complete	50
ST.ANGELO LE FRATTE STABLES/ COOPERATIVE, #PD392 ST.ANGELO LE FRATTE	28,333 <sup>b</sup>	49,416	5,000	82,749	OPG	Est. Compl. 9/86	25

a Community Input covers cash and in-kind contributions.

b Contributed by local affiliate, The Salvation Army/Italy, from funds raised by individuals and groups worldwide and forwarded through The Salvation Army International Headquarters, London, England.

US-AID Earthquake PVO Program Report  
ANALYSIS OF USE OF GRANT FUNDING BY SECTOR

Social Welfare Sector Analysis

<u>Agency Name</u>	<u>Location</u>	<u>Project Name/ # Units</u>	<u>Grant Budget Allocation</u>	<u>6/30/86 PVO Total Sector Commitment</u>
<u>SCF</u>	1. Teora Pescogno Laviano Campagna	Playground Equipment for 4 Playgrounds	4,091	
	2. Oliveto Citra	Playground Equipment	5,000	
	3. Varano	Day Care Center	98,000	
	4. Puglietta	Day Care Center	<u>130,000</u>	
				\$ 237,091 = 8% SCF grant
	All SCF project expenditures are complete as of 6/30/86.			
<u>SAWSO</u>	1. Braide	1 Sports Field	21,000	
	2. Antena Lucano	Community Center	200,000	
	3. Potenza	Community Center/Student Housing	270,294	
	4. Braide	Community Center	<u>100,000</u>	
				\$ 591,294 = 24% SAWSO grant
	*Potenza Community Center/Student Housing Residence incomplete as of 6/30/86. All other projects are complete.			
<u>CRS</u>	1. Solofra	Renovation of St. Teresa Orphanage	81,396 25,035	
	2. Lioni	Reconstruct Orphanage/Nursery School	182,500	
	3. Lauria	Construction of Home for the Aged	138,109	

Social Welfare Sector Analysis

<u>Agency Name</u>	<u>Location</u>	<u>Project Name/ # Units</u>	<u>Grant Budget Allocation</u>	<u>6/30/86 PVO Total Sector Commitment</u>
CRS (con't)	4. Venosa	Construction of Home for the Aged	81,564	
	5. Solofra	Institute for the Aged	128,454	
	6. Potenza	Repair Ente Morale Home for The Aged/Orphanage	123,500	
	7. Muro Lucano	Repair Parish Social Center	41,000	
	8. Potenza	Construct Nursery School	141,694	
	9. Rionero in Vulture	Orphanage/Day Care Center	56,000	
	10. Castel San Giorgio	Repair Nursery School "Maria Pia Notari"	27,750	
	11. Visciano	Repair Boys' Town	29,900	
	12. Volturara Irpina	Social Center/ Nursery School	28,500	
	13. Acquamela, Baronissi	Repair Social Center	92,059	
	14. Secondigliano Naples	Repair Nursery school/ Handicapped Center	79,295	
	15. Solerno	Unwed Mothers' Home	19,718	
	16. Avellino	Children's Institute	159,396	
	17. St. Angela di Lombardi	Home for the Aged	509,678	

Social Welfare Sector Analysis

<u>Agency Name</u>	<u>Location</u>	<u>Project Name/ # Units</u>	<u>Grant Budget Allocation</u>	<u>6/30/86 PVO Total Sector Commitment</u>
<u>CRS (con't)</u>	18. Piano di Montoro	Repairs & Furnish Kindergarten	58,264	
	19. Sapri	Repair Nursery School/Home for Abandoned Children	32,396	
	20. Maratea	Construct Nursery School	119,900	
	21. Campagna	Reconstruction of Home for the Aged	230,253	
	22. Siano	Home for the Aged	502,000	
	23. Santa di Sevino	Home for the Aged	385,000	
	24. Cava dei Tirreni	Children's Institute	501,300	
	25. Lauria	Reconstruction Kindergarten "Beata Maria De Mattias"	154,571	
	26. Mareatea	Reconstruct and Renovate Girl's Student Residence	135,382	
	27. Naples	Reconstruction of Rehabilitation Center	62,278	
	28. Nocera Superiore	Children's Institute	440,000	
	29. Torre Annunziata	Repair and Reconstruct Drug Rehabilitation Center	576,604	

Social Welfare Sector Analysis

<u>Agency Name</u>	<u>Location</u>	<u>Project Name/ # Units</u>	<u>Grant Budget Allocation</u>	<u>6/30/86 PVO Total Sector Commitment</u>
CRS (con't)	30. Roccaple- monte	Repair and Renovate Children's Institute	220,700	
	31. Naples	Nursery School for Handicapped	79,295	
	32. Potenza	Community Center	20,750	
				\$5,464,241 = 68% CRS grant

\* All CRS project expenditures completed as of 6/30/86.

Housing Sector Analysis

<u>Agency Name</u>	<u>Location</u>	<u># Units</u>	<u>Allocation</u>	<u>Sector Commitment</u>
<u>SAWSO</u>	1. Brienza	Permanent Housing/40 units (including com- munity center)	745,707	
	2. Atena Lucano*	Sheltered Housing/4 Units	<u>441,208</u>	\$1,186,915 = 48% SAWSO Grant
<u>CRS</u>	3. Naples	Town House/25 Units	630,830	
	4. Montella	Prefabricated Housing/50 Units	333,754	
	5. Salerno	Housing/30 Units	<u>794,008</u>	\$1,758,592 = 22% CRS Grant

\* SAWSO Atena Lucano Sheltered Housing incomplete as of 6/30/86.  
All other CRS and SAWSO projects are complete as of 6/30/86

Livestock Sector Analysis

<u>Agency Name</u>	<u>Location</u>	<u>Project Name/ # Units</u>	<u>Grant Budget Allocation</u>	<u>6/30/86 PVO Total Sector Commitment</u>
<u>SCF</u>	1. 3 Province Wide Effort	Dairy Barns 317 barns at average cost of \$5350/barn	1,682,000	
			_____	\$1,682,000 = 59% SCF Grant
<u>SAWSO</u>	2. St. Angelo*	Stable Cooperative for Sheep Breeding	49,416	
			_____	\$ 49,416 = 2% SAWSO Grant

Industry Sector Analysis

<u>Agency Name</u>	<u>Location</u>	<u>Project Name/ # Units</u>	<u>Grant Budget Allocation</u>	<u>6/30/86 PVO Total Sector Commitment</u>
<u>SAWSO</u>	1. Braide	Construction of Building of a Furniture Factory	650,000	
			_____	\$ 650,000
				<u>\$2,477,625</u>

\* St. Angelo Stable Cooperative incomplete as of 6/30/86  
All other SCF and SAWSO projects complete as of 6/30/86

Education Sector Analysis

<u>Agency Name</u>	<u>Location</u>	<u>Project Name/ # Units</u>	<u>Grant Budget Allocation</u>	<u>6/30/86 PVO Total Sector Commitment</u>
SCF	1. Camaldoli	Construction of Elementary School	180,000	
	2. Varano	Construction of Elementary School	177,000	
				\$ 357,000 = 12% SCF Grant
<u>CRS</u>	3. Naples	Construction of Classrooms for Deaf Mutes Don Bosco Institute	56,343	
	4. Avellino	Construction Trade School	498,736	
	5. Mercato San Severino (SA)	Complete Construction of Professional Training School	69,072	
	6. Acerno	Repair & Furnish Villaggio San Matteo Educational Center	30,745	
	7. AV	Repair and Renovate Education Training/ Social Center	88,462	

Health Sector Analysis

<u>Agency Name</u>	<u>Location</u>	<u>Project Name/ # Units</u>	<u>Grant Budget Allocation</u>	<u>6/30/86 PVO Total Sector Commitment</u>
<u>SCF</u>	1. Laviano	Medical Center Equipment	80,000	
	2. Campagna	Medical Center Equipment	158,000	
	3. Campagna*	Spastic Center	<u>350,000</u>	\$ 588,000 = 20%
<u>CRS</u>	4. Teora (AV)	Construct Prefabricated Clinic & Purchase Medical Equipment	19,370	
	5. Eboli	Medical Equipment for Hospital	50,000	<u>69,370 =</u> 1%

\* Campagna Spastic Center incomplete as of 6/30/86  
All other CRS and SCF projects complete as of 6/30/86