

PROJECT AUTHORIZATION

Name of Country/Entity: Guatemala/National Seismic, Volcanic,
Metereological and Hydrological
Institute (INSIVUMEH)

Name of Project: Volcanic Hazards Preparedness

Number of Project: 520-0379

1. Pursuant to Section 106 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Volcanic Hazards Preparedness Project for INSIVUMEH involving planned obligations of not to exceed \$338,000 in grant funds with a life of project over a three-year period from the date of authorization subject to the availability of funds in accordance with AID OYB/Allotment process, to help in financing foreign exchange and local currency costs of the project.
2. The Project consists of strengthening INSIVUMEH's capacity to carry out a program to mitigate volcanic hazards more effectively. It is to be carried out through a PASA between AID's Office of Foreign Disaster Assistance and the U.S. Geological Survey (USGS) which will provide technical assistance to procure commodities, carry out training and provide other services.
3. The Project Agreement, which may be negotiated and executed by the officer(s) to whom such authority is delegated in accordance with AID regulations and Delegations of Authority, shall be subject to the following essential terms and major conditions together with such other terms or conditions as AID may deem appropriate.

a. Source and Origin of Commodities, Nationality of Services

Commodities financed by AID under the project shall have their source and origin in the United States (AID Geographic Code 000), the cooperating country or other countries included in the Central American Common Market (CACM), except as AID may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have the U.S., the cooperating country, or other countries included in the CACM as their place of nationality, except as AID may otherwise agree in writing.

ACTION MEMORANDUM FOR THE DIRECTOR

August 24, 1987

THROUGH: *SKL* Samuel Skogstad, Acting Deputy Director
FROM: Richard Burke, Chief, Program Office *R Burke*
SUBJECT: Volcanic Hazards Preparedness Project, 520-0379:
Request for Project Approval and Authorization

Problem:

Your approval is requested to provide up to \$338,000 under Section 106 of the Foreign Assistance Act of 1961, as amended, to the Office of Foreign Disaster Assistance for an amendment to their PASA with the United States Geological Survey (USGS), under the USGS's Volcano Disaster Assistance Program to support a Volcanic Hazards Preparedness project in Guatemala.

Discussion

A. Project Purpose and Description

The purpose of this project is to strengthen the capacity of the GOG's National Seismic, Volcanic, Meteorological and Hydrological Institute (INSIVUMEH) to carry out a program to more effectively address volcanic hazards in the future.

As a result of a recent assessment of INSIVUMEH's needs, the USGS recommended a four stage, long-term, low level volcanic hazards preparedness program in Guatemala to be funded by A.I.D., the GOG and other donors. The authorization accompanying this Action Memo will allow AID to go ahead with its plans to finance the first stage of this program to meet the most urgent needs over the next 2-3 years. Under the first stage, which is essentially an emergency effort to help develop INSIVUMEH's capacity to monitor and evaluate four volcanos that are displaying high levels of activity and that pose significant hazards to a large population, AID assistance will finance the services of U.S.G.S.'s Volcano Crisis Assistance Team to carry out the following activities:

the procurement of needed equipment for seismic surveillance, deformation monitoring and hazards observation (including geochemistry equipment for the latter);

- the provision of basic practical training in both the U.S. and Guatemala coupled with the necessary support to INSIVUMEH's staff to sevice, operate and interpret information from the new systems;
- the completion of hazard maps, the procurement and placing into operation the aforementioned equipment (as well as the repair of similar equipment that was provided earlier), to upgrade seismic surveillane and establish deformation monitoring as well as hazards observation capabilities.

B. Conformity with GOG Policy/USAID Strategy

The project is consistent with the GOG's policy which is to support INSIVUMEH's activities to address and mitigate volcanic hazards. The project is also supportive of NBCCA and AID recommendations and objectives of providing such assistance both for humanitarian and economic/political resources. The current five-year Volcano Disaster Assistance Program between AID and the USGS is a response to a series of earlier volcanic eruptions and the decision to initiate a global program to mitigate such hazards.

C. Beneficiaries

The project will directly benefit INSIVUMEH's staff in upgrading their skills to mitigate volcanic hazards as well as the 300,000-400,000 Guatemalans living near the four targetted volcanos many of whose lives could be saved through early warning of a catastrophic eruption.

D. Financial Requirements

The total cost of the project is approximately \$450,000 over a two-year period. Of these funds, an estimated \$338,000 will be provided by USAID, with the balance to be provided by INSIVUMEH. USAID's planned use of funds is as follows:

Technical assistance	\$127,000
Training	47,000
Commodities	155,000
Other Costs	<u>9,000</u>
	\$338,000

INSIVUMEH has given the Mission satisfactory assurances that they will provide the required funds for personnel, commodities and other costs to assure full support for stage one of this program.

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E. Waivers

None have been identified at this time.

F. Other

A budget allowance has been received to adequately cover this obligation. Because of the urgent need to provide assistance as soon as possible and because of the LAC Bureau's limitation on use of PD and S funds for this purpose, a new project was established in the Mission's Operating Year Budget in FY 1987 for this purpose. Congress was notified and the Mission Director approved two cables (Guatemala 6312 and 6617) requesting OFDA to amend their existing PASA with the USGS to implement the first stage of the Volcanic Hazard Mitigation Program for Guatemala. The respective PIO/T was issued by the OFDA on June 26, 1987, with the Mission's approval. The CN expired on July 31, 1987 without objection.

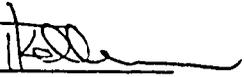
G. Recommendation

That you approve the project described above pursuant to the authority provided to you by Delegation of Authority No. 75 (authority to approve project with an LOP up to \$20 million) by signing below, and that you sign the attached Project Authorization to authorize the project.

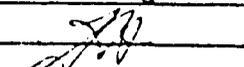
Approved:  8/27/87
Paul E. White Date
Acting Director

Disapproved: _____
Paul E. White Date
Acting Director

Attachment: Project Authorization

Drafter: DPRM TKellermann 

Clearance:

PRM:RBurke  Date 8/24
PDSO:RSteelman  Date 8/2
RCMO:RVanHorn  Date 8/25/87
CONT:JHill  Date 8/26/87

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