

PROJECT ASSISTANCE COMPLETION REPORT
DISPLACED HONDURAN FAMILIES ASSISTANCE PROGRAM
Grant No. 522-0326

I. BACKGROUND

The Displaced Families Project was signed on December 24, 1986 by AID, Honduran President José Simón Azcona, Presidential Advisor Celeo Arias, and the grantee organization, Cooperative Apaguiz of Danli, for 600,000 lempiras (US \$300,000 equivalent) for two years. A portion of these funds were in turn granted to Caritas, Danli, the Honduran counterpart of Catholic Relief Services, for an emergency food distribution program in the project area.

The program was initiated in response to the displacement of Hondurans from the mountainous regions along the Honduran-Nicaraguan border in early 1986. Simultaneous but independent surveys conducted in October 1986 by a consultant contracted by the State Department and by a USAID-funded study carried out by the local PVO, Centro de Estudios y Promoción del Desarrollo (CEPROD), provided the first solid information regarding the characteristics of the displaced issue. This information, which indicated that approximately 2,300 people or just over 300 families were in need of assistance and living in accessible areas, served as the basis for the subject project. Most important perhaps, these surveys put the entire issue of displaced persons in perspective, countering press reports which claimed the existence of a vastly larger group of potential beneficiaries.

The original PACD of December 31, 1988 was extended for nine months to allow the continuation of community based work activities in returnee areas, involving workers originally displaced from these communities.

II. PROJECT GOALS AND PURPOSE

The purpose of the grant was to provide humanitarian assistance to Honduran families displaced from their homes in the eastern border area around Las Trojes.

III. PROJECT DESCRIPTION

The program's original approach to the problem was two-pronged, consisting of a work program and a health assurance component. The three principal objectives within this approach were as follows:

a) An employment program for displaced families to earn cash on community work projects, thereby providing for their own emergency needs while they were displaced. Projects approved under this component were required to use at least 70% of total costs for labor and to be of benefit to a community as a whole.

b) On going monitoring of the health, nutrition and census of the displaced population, in order to meet any emergency needs which may have arisen during this population's displacement. Children who were 15% or more below their age group's average height and weight standards were encouraged to participate in supplementary feeding assistance.

c) Distribution of food to destitute families that had no means of income. These were families dependent upon a single, elderly, or disabled head of household, or who needed an emergency food ration in the first days of their displacement. This component also included vocational training for members of participant families headed by a single, elderly, or disabled household person.

A one-time-only component was added to the program in the fall 1987 as significant numbers of returnees began to resettle in their villages of origin. This was the distribution of food and seeds to displaced families returning to their villages south of Las Trojes, to facilitate their resettlement.

By the original PACD, the area from which the displaced had fled was essentially repopulated. The December 28, 1988 amendment to extend the PACD authorized the continuation of the employment program only in returnee areas. The same amendment also reduced the required level of labor intensity for public works projects from 70% of total costs to 50% of total costs to permit the completion of the maximum number of projects possible within the nine-month extension.

A subsequent amendment eliminated the labor intensity requirement all together to further conform to the changing needs of the displaced. Once returnees to their villages of origin, the displaced settled into a normal daily routine as they worked to rebuild their homes and livelihoods. Generating a source of income through project funded activities became less necessary for the displaced since adequate income could be derived from their crops with sufficient time to devote to their fields. As returnees, they were in greater need of capital intensive projects that would restore the physical infrastructure of their communities without requiring them to neglect their crops in the process.

IV. CURRENT PROJECT STATUS

The project terminated on September 30, 1989. No further monitoring by AID is required.

V. OUTPUTS

The Displaced Families Program targeted 2,300 displaced persons (328 families) in its design, planning for an average of 200 families to receive assistance at any given time. Approximately 379 families received at least one form of direct assistance under the program. These included: 230 participants in the employment program; 784 children whose nutrition

levels were monitored by Caritas; 285 destitute families who received food rations while displaced; and 322 families who received a food ration, an agricultural package, or both, upon return to their villages of origin.

Indirect beneficiaries of the program were the residents of the ten principal communities in which community work projects were carried out under the employment program.

The work projects were initially centered in areas to which the participants had fled, primarily the communities of Danli, Las Trojes, El Maguelar, La Florida, Oculi, and El Arenal. As the displaced began to return voluntarily to their villages of origin, work projects were undertaken in the returnee communities of Amparo, Arenales, Maquengales and Tapalchi.

The major public works projects included construction of, or repair to, 9 roads, 8 schools, 9 wells, 1 water system, 1 large water storage tank, a health clinic and 4 municipal properties. Most notable of the work projects accomplished in returnee areas were the construction of a potable water system in Arenales and the improvement of the 24-kilometer road extending from Capire to Arenales. Returnee workers installed culverts and dug drainage ditches at thirty points along the road by hand. Heavy equipment was used to grade and reshape most of the road, improving access to 15 communities.

VI. OTHER ACCOMPLISHMENTS

Improvements made by the displaced to the physical infrastructure of their host communities offset much of the burden placed on the communities by the displaced.

VII. EXTENT TO WHICH ORIGINAL PROBLEM HAS BEEN SOLVED

For the population targeted by the program, the Displaced Hondurans Families Assistance Program solved the original problem to a large degree. Virtually all Hondurans who displaced themselves to accessible areas and requested emergency assistance for food and/or employment were assisted by the program.

The extent to which the emergency food assistance solved the original problem was evidenced by the nutrition levels of the displaced children, monitored by Caritas. A nutrition survey conducted midway through the program showed that 7 percent fewer displaced children than other El Paraiso children suffered from Grades II and III (moderate and severe) malnutrition.

VIII. EVALUATIONS

Three financial audits were conducted by the USAID Office of Financial Analysis and Review on both Apaguiz Cooperative and Caritas during the term of the grant. A final review was conducted on May 15, 1990. All of the reviews indicated sound fiscal and program management on the part of both organizations. The financial reviews indicated all the grant funds were properly accounted for and were used for project purposes.

IX. FINANCIAL STATUS

A total of L600,000 was made available under the grant. The table below shows the illustrative budget included in the grant and the actual amount expended for each line item over the LOP.

(Lempiras)

<u>Item</u>	<u>Budgeted</u>	<u>Expended</u>	<u>Unexpended</u>
Salaries	45,344.00	46,143.34	(799.34)
<u>Administrative Expenses</u>			
Travel Expenses	6,635.15	5,714.21	920.94
Communications	1,082.84	867.56	215.28
Office Supplies	1,709.40	1,789.40	(80.00)
<u>Work Projects</u>			
Labor	167,646.81	163,679.71	3,967.10
Tools & Materials	109,407.13	139,019.42	(29,612.29)
Agricultural Package	8,730.00	8,730.00	-0-
Food Program	23,213.50	23,213.50	-0-
Disbursement Commission	2,225.00	2,225.00	-0-
Technical Assistance	10,620.00	8,920.00	1,700.00
Miscellaneous	32,456.90	33,757.59	(1,300.69)
Health Guarantee	160,929.27	150,220.47	10,708.80
Special Projects	30,000.00	10,582.80	19,417.20
	<u>600,000.00</u>	<u>594,863.00</u>	<u>5,137.00*</u>

* Unexpended funds have been returned to the Ministry of Hacienda.

X. LESSONS LEARNED

1. The isolation and perceived dangers of working in the Las Vegas Salient (the area along the Nicaraguan border from which the displaced fled) make it difficult to attract and maintain capable promoters for projects in this zone. Because promoters are key to the success of a project of this nature, future projects carried out in this zone should program adequate funding to pay whatever amount is necessary to attract capable promoters.

2. Emergency projects designed to assist families during their displacement need to guard against providing beneficiaries a standard of living that is higher than the standard of living enjoyed by the displaced in their villages of origin. Prior to the inception of this project, the National Institute of Housing (INVA) constructed 25 units of housing for the displaced in Las Trojes. The housing, constructed of cinder blocks, with concrete floors and corrugated steel roofs, was markedly superior to the housing common in the villages from which the displaced had fled. During the last 18 months of this project, after the bulk of the displaced had safely returned to their villages of origin, approximately 16 families continued to occupy the housing. Most of these families would not vacate the housing until the Municipality of Las Trojes intervened.

3. For a program as politically sensitive as this program was, having a politically aware grantee with sound judgment is indispensable. Under this project, numerous situations arose that had the potential for attracting unfavorable media attention to the project. The grantee was always quick to identify such potential problems and resolve them before they could become damaging.