

PD-ABC-248

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE

C A = Add
C = Change
D = Delete

Amendment Number
4

DOCUMENT CODE
3

2. COUNTRY/ENTITY
EL SALVADOR

3. PROJECT NUMBER

519-0281

4. AID/OFFICE

5. PROJECT TITLE (maximum 40 characters)

Emergency Program: Health and Jobs
for Displaced Families

6. AID/EL SALVADOR

7. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY
05 31 93

7. ESTIMATED DATE OF OBLIGATION

(Under "E" below, enter 1, 2, 3, or 4)

A. Initial FY 8 12 B. Quarter C. Final FY 9 21

8. COSTS (\$000 OR EQUIVALENT \$) =

A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	E. FX	F. LFC	G. Total	E. FX	F. LFC	G. Total
1. Appropriated Total	2,000	4,000	6,000	23,000	56,853	79,853
(Grants)	(2,000)	(4,000)	(6,000)	(23,000)	(56,853)	(79,853)
(Loans)	()	()	()	()	()	()
2. Other Countries (other Donors)					13,292	13,292
TOTALS	2,000	4,000	6,000	23,000	70,145	93,145

9. SCHEDULE OF AID FUNDING (\$000)

B. PROJECT/PRIMARY ACTION/PURPOSE CODE	C. PRIMARY TECH CODE 1. Grant / 2. Loan	D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
900	940	72,525		7,328		79,853	
TOTALS		72,525		7,328		79,853	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

500 300

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code B. Amount
COOP LAB NUTR PVOU PVON TECH PART

13. PROJECT PURPOSE (maximum 480 characters)

TO STIMULATE AND FACILITATE THE REINTEGRATION OF DISPLACED PERSONS INTO THE ECONOMY OF EL SALVADOR, WITH PARTICULAR EMPHASIS ON ASSISTANCE TO THE PERMANENT RESETTLEMENT OF DISPLACED PERSONS.

14. SCHEDULED EVALUATIONS

Interim MM YY | MM YY | Final MM YY
013 911 | | 112 913

15. SOURCE/ORIGIN OF GOODS AND SERVICES

X 000 X 901 Local Other (Specify) CACM

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment)

INCREASE FUNDING AND EXTEND LIFE OF PROJECT.
"Methods of implementation and financing are hereby concurred with".

CONTROLLER

17. APPROVED BY

Henry H. Bassford

Title Director

Date Signed MM DD YY
05 31 93

18. DATE DOCUMENT RECEIVED IN AID/W. OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

PROJECT PAPER SUPPLEMENT
PROJECT 519-0281
EMERGENCY PROGRAM: HEALTH AND JOBS FOR DISPLACED FAMILIES

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PROJECT PAPER SUPPLEMENT
PROJECT 519-0281
EMERGENCY PROGRAM: HEALTH AND JOBS FOR DISPLACED FAMILIES

I. SUMMARY AND RECOMMENDATIONS

A. RECOMMENDATIONS

A.I.D./El Salvador recommends authorization of a three year, \$7.328 million increase in LOP Grant funding for a fourth Amendment to the Emergency Program: Health and Jobs for Displaced Families (No. 519-0281). This Project Amendment will increase A.I.D. authorized life of Project funding from \$72,525,000 to \$79,853,000. The additional GOES counterpart contribution will be equivalent to \$6.0 million.

The A.I.D. Administrator has already authorized the three year PACD extension, pursuant to the Action Memorandum which he approved on August 13, 1990 (STATE 283436). The Action requested by you is approval of the increased LOP funding to cover this period.

B. GRANTEE

The Government of El Salvador is the Grantee. The major implementing organizations are the Ministry of the Interior thru CONADES, the International Rescue Committee (IRC), Creative Associates (CREA), and two indigenous FVOs (to be selected). The Vice Minister of the Interior -- as legal representative for CONADES (Comission Nacional de Asistencia a los Desplazados)-- shall continue to chair the interagency working group dealing with displaced persons. The working group is composed of representatives from the Ministry of Interior, the Ministry of Health, CONADES, the coordinators for local private voluntary agencies, international and indigenous non-governmental agencies and A.I.D. The interagency working group has responsibility for overall Project coordination. The lead coordinating agency is CONADES, which is made up of a staff of approximately 200 persons.

To support CONADES, private non-governmental organization (PVOs), both local and international, implement activities such as: resettlement programs, health care and nutrition services, vital infrastructure projects, and distribution of agricultural packages, as outlined in this amendment.

C. SUMMARY DESCRIPTION

The Displaced Families Project was initiated in May 1982 to give emergency assistance to thousands of persons in El Salvador uprooted from their homes by the civil conflict. The displaced population peaked in 1984 at over 500,000 persons, but, after considerable A.I.D. assistance, is now at approximately 125,000 and continuing to fall. The current program needs are to permanently resettle the remaining Displaced Persons (DPs), to reintegrate them into the mainstream of Salvadoran life as self-supporting members of the society, and to identify those especially vulnerable victims unable to live independently from long-term social and economic assistance and to turn them over to the care of appropriate social service agencies. The current focus of the assistance programs, since early 1987, is a durable solution for the displaced population, which includes permanent reintegration, resettlement and economic self-sufficiency. Earlier emphases are described in the following project history summary.

The management strategy of the Project is to place more responsibility for the coordination of Project activities with the GOES so that, as the PACD approaches, it is fully capable of caring for the remaining displaced, and will continue monitoring the reintegration of the vulnerable groups into the country's social service programs.

II. BACKGROUND

A. SUMMARY OF MAJOR IMPLEMENTATION ACTIONS

A/A.I.D. authorized the Emergency Program: Health and Jobs for Displaced Families (also known as Displaced Families Project) on February 11, 1982 at a total LOP funding level of \$11.0 million. A.I.D. signed a grant agreement with the GOES on May 12, 1982, with PACD of September 30, 1983. Since then, in response to the evolving situation of the displaced and internal and outside evaluations performed in 1984, 1986, and 1988 as described below, the total LOP funding approved to date has been increased to \$72,525,000, and the original PACD has been extended various times to December 31, 1990.

B. HISTORICAL OVERVIEW OF THE PROJECT

The Project was initially designed as an emergency response to the basic needs of displaced families with project components focused on (1) a temporary employment component to provide cash income to displaced persons through public works activities geared to environmental sanitation and community improvement, ultimately creating an average of 12,000 jobs per month; (2) a primary health component with an immunization campaign and oral rehydration of

children with dysenteric disorders, and referral of serious cases to public health clinics; and (3) budget support through the local currency program, basically for the logistics of GOES/World Food Program feeding activities.

By 1984, the conflict showed no signs of abating. As this Emergency Program had not been intended to provide for the basic needs of displaced families over extended periods of time, the need for a longer term perspective and solution to the problem became apparent. The following year (1985), A.I.D., using Project funds, entered into cooperative agreements with four private voluntary organizations (PVOs), World Relief (WR), Project Hope, Overseas Education Fund (OEF), and the Evangelical Committee for Assistance in Health and Development (CESAD). The agreements were for pilot projects designed to establish models and methodologies for helping displaced families become independent of emergency assistance, and provide adequate medical outreach to the often isolated displaced communities through rural health clinics, as well as nutritional assistance programs. The original purpose of the World Relief grant was to initially resettle at least 200 displaced persons in new communities and assist them to become financially self-sufficient. Project Hope established rural health dispensaries staffed by nurses in areas where there were high concentrations of DPs and no Ministry of Health (MOH) health facilities in operation. The OEF International agreement provided funding to establish a loan fund and assist 60 displaced women to develop self-sustaining micro-enterprises. CESAD established 25 nutritional education and feeding centers in areas where there were large concentrations of displaced families.

In 1985, several new components were added to the Project. These included: (1) a nutrition component that included a supplemental feeding program to children under five years and to pregnant and lactating women; (2) distribution of a food basket to dispersed displaced providing 1,600 calories per person per day; (3) a food for work program; and (4) the implementation of a nutrition monitoring and surveillance system.

The 1986 evaluation led to the termination of some activities, such as dole feeding in favor of food for work, and direct medical assistance by CONADES teams in favor of MOH outreach and supplemental feeding centers. In addition, it recommended that the objectives and scope of the Displaced Families Program be broadened so as to assist those displaced families now interested in returning to their original homes. The Project activities were, as a result, refocused to locations where displaced families wanted to return and reintegrate into the community.

These reintegration efforts started in 1987 and have had a significant impact on that portion of the DP population which the program has reached. The resettlement (returnee/relocation) and the distribution of Agriculture

1

Starter Packages programs have shown the best results in helping the displaced families become economically productive again and independent of further welfare type assistance, by placing more emphasis on durable solutions for the displaced population. For example, when the dole feeding programs were changed to food-for-work (FFW) activities, a significant number of displaced families found permanent employment and were able to stop reporting for free food.

In 1988, the Salvadoran Institute for Agricultural Transformation (ISTA) began working with CONADES to identify abandoned or underutilized state lands to relocate displaced persons. ISTA entered into an agreement with CONADES to resettle up to 3,500 landless families (about 19,600 people) onto some 9,500 hectares of abandoned or under-utilized agrarian reform lands to which they would eventually gain titles.

In early 1989, FEDECCREDITO's program, which provided short-term paid employment for the displaced was phased out. Presently, temporary employment activities are focussed on the construction of vital basic infrastructure in resettlement areas; these activities are monitored and accounted for under the relocation component by PVOs.

Also, 1988 and 1989 saw the beginning of the return of several groups of refugees from Honduras. Many of these groups are reluctant to deal directly with the GOES, but it is nonetheless essential that Project-financed PVOs remain available to establish the links needed to facilitate full integration into society if and when such assistance is required. The GOES and A.I.D. recognize the importance of reintegrating these repatriates (returned refugees) in the economic, political and social fabric of the country, and support for assistance to these individuals is considered to be a critical element of the DP program by the GOES and A.I.D.

Finally, the sudden guerrilla offensive of November-December 1989 caused a brief but severe increase in the number of DPs mostly in San Salvador and a few other larger towns. Fortunately, the overall scope and magnitude of the DP program needs were not permanently increased.

In summary, over the eight year period that the Displaced Families Program has been operating, the focus of its activities has shifted from emergency relief, to maintenance of temporary welfare assistance, and finally to economic reintegration.

III. CURRENT PROJECT ACTIVITIES AND ACCOMPLISHMENTS

A. GOAL AND PURPOSE

1. Goal:

The goal of the Project is to achieve an acceptable level of social stabilization.

2. Purpose:

The purpose of the Project is to stimulate and facilitate the reintegration of displaced persons into the economy of El Salvador, with particular emphasis on assistance to the permanent resettlement of Displaced Persons.

B. ACTIVITIES

As described in earlier sections of this PP Supplement, this Project's design has evolved as the needs of the displaced have changed, shifting from temporary assistance to help to reestablish their lives and become a productive member of society once again. The activities currently supported include (a) resettlement and reintegration assistance, provided largely through private and voluntary organizations (PVOs), and (b) safety net activities, which are essentially a residual net of health and nutrition activities for displaced in areas where GOES regular services have not yet reached. These activities are described in more detail below:

1. Resettlement and Reintegration:

The principal objective of this activity is to provide assistance to displaced families to become economically productive and, as a result, to enable them to support themselves and their families and graduate from the "welfare" or resource transfer assistance programs. The rate of resettlement and reintegration of the displaced population is determined by three key factors: the availability of land, the desire of the displaced to resettle or reintegrate where they are now located, and the security of the area where the displaced want to resettle. Through the Project, support is given to the displaced to return to their former homes, move to a new, permanent relocation site where they can gain title to land, or settle in the place where they are currently living. Those awaiting title to new lands, an opportunity to return to their places of origin, or those who are not yet ready to resettle are also assisted under the Project, through food for work programs and vocational training activities carried out in their present place of residence.

In terms of resettlement/reintegration, the average displaced family receives assistance over a two year period -- two years in length so as to cover the families through two agricultural cycles. The types of assistance provided to these families include: minimum shelter, time-limited food assistance, productive projects (sewing, breadmaking, etc.), agricultural starter packages, training and temporary employment, construction of basic infrastructure (e.g., sanitation and potable water systems, access roads), and health and nutrition services. The Project supports assistance to individual families for up to two years. Assistance beyond two years will be subject to frequent review.

The vast majority of the 125,000 remaining displaced live in scattered settlements throughout the country, with varying degrees of access to agricultural land and public services. Approximately 10% to 15% (or 2,500 to 3,700 families), however, live in urban camps or concentrated settlements which have some of the poorest living conditions in the country. Less than 500 of these families have a legal right to stay where they are now located, (i.e., they are "squatters" on private or church lands, or rights-of-way, and will soon have to relocate). Therefore, priority is being given to addressing the resettlement/reintegration needs of this population. CONADES sets priorities based on its assessment of beneficiary hardship. The other groups are assisted as opportunities arise.

Responsibility for the identification of lands for the displaced to resettle rests primarily with CONADES, which is focussing its effort on identifying abandoned or underutilized State haciendas which could be set aside or purchased for the resettlement of the displaced. In early 1988, CONADES and the Salvadoran Institute for the Transfer of Lands (ISTA) entered into a working agreement, known as Plan Vincular, to make available abandoned or underutilized State lands for voluntary relocation programs. Through this program, each family receives a residential lot and an agricultural lot, the latter of two to five manzanas (3.4 to 8.5 acres) in size depending on the land quality. Individual title is granted, based on a purchase contract executed with the recipient family for the purchase of the land at the original ISTA purchase price. The terms of the sale include a grace period, low interest rates, and a repayment schedule of up to fifteen years.

The PVOs contracted under this Project to provide the direct resettlement and training assistance to the displaced have, in addition, had some success in obtaining private and municipal properties, by arranging for the purchases of such lands at market prices through commercial credit arrangements. Families resettled on these properties or through assistance to those who have chosen to return to their original homes and rebuild now total over 10,000.

Returnees and families resettling in their current sites or on newly acquired lands receive building materials for temporary shelter and later upgrading to permanent homes, temporary employment and materials for vital infrastructure upgrading (including school and health facilities) in their

communities, and an agricultural starter package consisting of seeds, fertilizers and pesticides sufficient to plant 1.7 acres of land. This latter program, known as Granos Basicos, has been particularly effective, with over 12,000 graduates to date.

PVOs, such as the International Rescue Committee (IRC), Creative Associates (CREA, a consulting firm operating as a not-for-profit institution), and until recently, World Relief, have served as the principal providers of this direct assistance. In addition, PVO personnel help the displaced access credit, provide vocational training for skills development/enhancement, and provide health and nutrition services as needed during the initial adjustment period. IRC operates in four eastern departments and in two south-central departments. IRC currently supports approximately 1,200 families in 40 communities.

Creative Associates began activities in January 1990 and plans to quickly pick up the care of approximately 1,000 families in 20 communities. Creative Associates is operating in areas of the country not attended by IRC.

CONADES' role is to coordinate the assistance efforts of other organizations and provide food assistance and logistical support for the physical movement of beneficiaries and their personal effects to relocation sites or former homes.

2. Provision of Safety Net:

This activity consists of the provision of health services, nutrition education and counseling, and food assistance to reduce and contain life threatening deficiencies, and improve the general level of nutrition and health, among the displaced population. These services are only provided as needed and where GOES regular services have not yet reached.

a. Health Assistance

Health services provided under the Project have changed considerably in relative emphasis since the beginning of the Project. Presently, the health services made available directly under this Project are limited to those from mobile health teams provided by the PVOs in those areas not yet served by the MOH. Major medical problems are now always referred to MOH facilities, and routine visits are coordinated with services available from MOH local health posts. Immunization needs, promotion for and construction of latrines, for example, are implemented by the PVOs with supplies provided by MOH. Direct curative health services have been discontinued in favor of referrals to MOH. Training of health volunteers,

health education and counseling to the DPs, and preventive health activities, such as diarrhea control, immunizations, vector control, etc. are provided by the PVOs' mobile health teams. However, some emergency health services are still provided by the PVOs mostly in returnee and relocation sites (Refer to Annex No. 1 for historical comparative accomplishments).

b. Nutrition Program

Activities under this part of the Project have also decreased in relative emphasis. Presently, the PVOs conduct educational activities and follow-up training for pregnant and lactating mothers, community leaders, and self-help promoters from within the displaced communities. These activities cover the subjects of child feeding, food preparation, breastfeeding promotion, cultivation of vegetable gardens, child weaning practices, and growth monitoring, among others. The PVOs draw upon and coordinate the services of other service agencies such as the MOH and CALMA (Center for Support of Maternal Lactation). Teaching materials used have been developed by the PVOs and also have been obtained from the other service agencies. Each individual agency maintains records on the persons trained and the training provided (Refer to Annex No. 1 for historical comparative accomplishments).

c. Food Assistance

Food assistance has been a part of the DP program from the beginning of the project in 1982, but the manner of distribution has changed several times. The emphasis today is on food-for-work (ffw) programs involving literacy training, vocational training, and community improvement projects. The WFP food plays an important role in the PVOs programs for construction of vital infrastructure in their resettlement communities.

The food targetted for the displaced population is provided through the U.N.'s World Food Program (WFP) and distributed by CONADES. Approximately 60% of this food is derived from the U.S. PL480, Title II Program, and the remaining 40% mostly provided by the EEC. A.I.D. generated local currency finances the storage, transportation and distribution of food through CONADES. A.I.D. also finances the end-use monitoring of food through a U.S. contractor.

To date, DPs have received approximately 72,000 metric tons of food assistance and the current rate is expected to be around 8-10,000 MT/Yr.

The World Food Program Food Expansion Program will move away from unlimited ffw activities which promotes program dependency to a program which has limited food distribution and timetables for project completion. The ffw provides a time limited supplemental income for the beneficiaries while they are rebuilding their homes and awaiting their first agricultural harvests.

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3. Project Management, Technical Assistance and Monitoring:

Assistance provided by USAID through the Displaced Persons Project is managed by a staff within A.I.D. consisting of two US PSCs and four FSN staff. This staff manages the activities of three PVOs and coordinates very closely with CONADES and other GOES institutions.

CONADES, part of the Ministry of Interior, is the GOES agency responsible for coordinating the overall DP program. CONADES has 123 office staff and 67 field staff. CONADES has had its ups and downs regarding management and implementation of its projects. Financial support to CONADES from A.I.D. was suspended in May 1989 due to financial irregularities and RIG audit recommendations. CONADES has recently rectified these problems. A.I.D. has placed a concurrent audit team in CONADES and is providing financial support again.

Along with its primary coordination role, CONADES concentrates on the distribution of food donated by WFP, the maintenance of the DP registry and the permanent relocation of displaced families. They are also responsible for negotiating available State lands with ISTA for resettling displaced families and coordinating assistance provided by other institutions.

Ronco Consulting Corporation, a U.S. contractor, assists CONADES in its monitoring and management activities. It is assisting CONADES to update and maintain a current census of DPs now in the resettlement/reintegration process and in monitoring and accounting for the storage, distribution, and end use of food distribution programs.

IRC and Creative Associates are responsible for the social and economic reintegration of displaced families through assistance programs in returnee (place of origin), permanent relocation sites or in present displacement communities.

The A.I.D. financed PVOs provide field management of displaced communities and resettlements, including running the "graduation" process.

Finally, both A.I.D. and CONADES coordinate assistance with other donors. In particular, A.I.D. works closely with the WFP in developing mutual assistance strategies for the displaced population.

4. Evaluations and Audit:

Regular and comprehensive evaluations have played an important role in guiding project emphasis. As presented earlier, major programming changes occurred in 1984, 1986, and 1988, as a direct result of evaluation studies. Regular continuing audits of all implementing agencies are conducted in coordination with the office of the A.I.D. Regional Inspector General.

C. RELATED A.I.D. ASSISTANCE

Other A.I.D. program support that indirectly assists the displaced population is provided to the Ministry of Health through a Project designed to strengthen rural health services and maternal child care. This health project, Health Systems Support (519-0308), assists in putting in place the permanent social safety net which will remain after the displaced persons have reintegrated into society.

A.I.D. local currency generations also support the activities of ISTA, which is the GOES agency allocating and assigning government lands to displaced families, and the activities of the Municipalities in Action (MEA) Program, in which local governments organize, plan and execute small basic public works projects that indirectly benefit some DP settlements.

D. OTHER DONOR ASSISTANCE

Other assistance to the displaced population shows that 5,000 to 10,000 displaced persons are currently being assisted by church groups (e.g., the Archbishop and the Lutheran Church) and other institutions besides CONADES and A.I.D.-funded programs. At the present time it appears that these displaced will be integrated into society independently of the A.I.D. funded Project.

Cooperating countries such as Argentina, Spain, Japan and the European Economic Community have made some food donation to CONADES in order to contribute to the emergency programs of food distribution among the displaced population. The UNDP has a program, PRODERE, which has been trying to start for some time. UNICEF has a program which, although not specifically targetting the displaced, does reach some of them. Details on these other donor programs follow:

1. PRODERE

This UNDP Program covers five of the Central American countries and Belize, with \$23,000,000 targetted for El Salvador and financed by the Italian Government over a five year period. Up to \$2.3 million has been earmarked for 1990, and an additional \$4 million for 1991 although only \$500,000 has been disbursed to date. The program's objective is to assist the displaced impoverished population by implementing health programs, productive projects, housing and infrastructure, education, community organization and training, legal assistance and credit. This program is implemented in coordination with governmental institutions and private agencies such as CONADES, the International Rescue Committee, Creative Associates, etc., serving an average of 21 communities in four departments of the country. Given that the program has received limited funding, it is uncertain

as to when the remaining funds will be available for the PRODERE Project. A.I.D. El Salvador will continue to coordinate project activities with the PRODERE program so as to avoid duplication of efforts.

2. UNICEF

In relation to the displaced population, UNICEF provides financial support to the private voluntary organization called Salvadoran Association for Human Development (ASADEH), which is responsible for implementing Maternal Child Health and Nutrition activities basically in early stimulation, breastfeeding promotion, family gardens and the construction of fuel-efficient stoves in six communities of the country. This project is presently at its initial implementation phase; therefore, no impact can be established.

3. CIREFCA

The International Conference on Central America Refugees (CIREFCA), continues to be a mechanism organized by the United Nations High Commissioner for Refugees (UNHCR), by which the Central American countries submit project proposals to international donor agencies seeking funding to implement projects assisting displaced, repatriated and refugee families in their respective countries. There have been two general conferences held, the first in Guatemala City (May 1989) and the second in New York (June 1990). It is not clear how much support will be provided to El Salvador, but U.S.\$ 10 million is the figure being discussed. It is unclear who will implement the project activities nor when they will begin, but most of the support will go to the repatriate communities.

IV. REMAINING NEEDS

A. THE PROBLEM

Currently, 125,000 displaced persons (25,000 families) still require some measure of humanitarian assistance and help to become economically self-sufficient. The Government of El Salvador is at the present unable to respond to the resettlement needs of these families alone, lacking the administrative capability and financial resources to provide the training and material resources required by this dispersed population.

B. CONSTRAINTS AND ISSUES

1. Shortage of Available Land

Given that many displaced either cannot or will not return to their former homes, the successful reintegration depends on their gaining ownership/access to agricultural lands or obtaining a job. The GOES ability to make available adequate land in a timely manner presents an implementation choke point.

There has, however, been important progress in this area, and past successes will be exploited. The Plan Vincular offers an excellent land source for resettling displaced families now residing under difficult living conditions.

2. Weak GOES Administration

Once increasing hostilities of the early 1980s brought international attention to the displaced problem in El Salvador, many PVOs, most independent of GOES support, became involved in the displaced persons problem. As a result, GOES had little if any control for several years and came to regard the displaced persons as a donor problem. This situation began to change in the mid-1980s under the leadership of this A.I.D. supported Project. A technical assistance team was contracted to assist CONADES in establishing a comprehensive register of displaced persons, and to monitor the storage, transportation, and distribution of food relief from other donors.

Management problems within CONADES, and between CONADES and its parent Ministry of Interior have been a major problem over the past few years. The bureaucracy is slow to react, and has in the past, mismanaged local currency resources programmed in support of assistance for the displaced. In addition, CONADES, although unable itself to meet the myriad needs of the displaced, has been both jealous and suspicious of the relatively successful PVO programs, and thus, rather than support such initiatives, attempts to block them.

A.I.D. has discussed the problems of CONADES with people at the highest level of GOES, who are committed to improving CONADES' management. There have been some significant changes recently in both CONADES' leadership and the Ministry of Interior which have enhanced the GOES ability to manage the displaced families program. CONADES has a strong new project manager, has improved logistic controls, established closer relations with other implementing agencies, and is currently developing a well-focused strategy on the reintegration of displaced and repatriated population. They are actively trying to rectify past management problems and establish better relationships with other institutions providing assistance to the displaced population. CONADES has also just established an A.I.D. financed repatriation office to address the needs of the repatriated population.

CONADES' high priority areas include the maintenance of the DP registry and the programming of food distribution. With the assistance of the technical assistance team (Ronco), a new census will be completed and updated on a regular basis and a computerized logistics system for programming food distribution developed. This will allow CONADES to better target its beneficiaries and have better controls over, and timely deliveries of, food. A.I.D. is also financing a RIG supervised concurrent auditing team to review CONADES' disbursements and financial controls.

The future of CONADES and the program in general looks very good at this time and merits continued financial and technical assistance support from A.I.D.

3. Continued Conflict

Given the continuation of the conflict, it is virtually impossible to predict the rate at which DPs might be able to return to their original farms, because a key determinant is the level of conflict within areas in which many of these lands are located. Given the significant land constraints in the country, the obvious preference for the displaced is to return to their original homes rather than relocate to new areas. A significant portion of the displaced can be expected to delay their final decision on returning home or opting to permanently relocate elsewhere, particularly in view of the ongoing peace dialogue.

Also of potential concern is the possibility of another sharp increase in hostilities, which could significantly impede the resettlement/reintegration process or, at worse, reverse the trend in the declining number of the displaced. This was the case during the November-December 1989 FMLN offensive, when up to 60,000 persons were displaced from their homes. Fortunately, in this particular case nearly all of these persons have returned to their homes.

Nevertheless, at the present time, the most practical and prudent strategy is to continue A.I.D. assistance basically as presently organized with some modifications which are discussed in later sections.

4. Monitoring and Financing of Food Distribution

Currently, host country owned local currency (HCOLC) funds from the GOES Extraordinary Budget are provided to finance the storage, transportation, and distribution of food donated to the GOES by the World Food Program (WFP) to feed the displaced. It can be argued that the WFP counterpart (required by its program) should be paid by the GOES out of its ordinary budget in recognition of its responsibility for the DP problem in general and to meet its

financial counterpart responsibility to the WFP in particular. On the other hand, the availability of U.S. generated local currency through the Extraordinary Budget assures that sufficient resources are allocated to adequately store, protect and distribute these food stocks, partially supported through US donations especially in terms of "ready reserve" for emergencies. The Project monitoring costs are, however, increased substantially because the Project is paying directly for the distribution monitoring services of Ronco Consulting Corporation.

Nevertheless, the use of funds from the Extraordinary Budget provides A.I.D. worthwhile leverage to ensure that adequate food reserves are maintained and that the food is distributed in a timely manner to the intended beneficiaries, vis-á-vis the displaced.

C. PROJECT AMENDMENT STRATEGY

The project to date has achieved success in overcoming some of the above constraints. However, some adjustments in our implementation strategy are necessary, thereby requiring more time and resources to execute. A.I.D. strategy compels that efforts continue to resettle the remaining DPs in order to maintain economic, social and political stability. A.I.D.'s overall strategy is, through a continuation of this Project, to resettle or relocate 105,000 displaced persons (21,000 families), and to assist some 20,000 persons (4,000 families) which are vulnerable and in need of long-term support. A concerted effort will be made to match the needs of the vulnerable with public and private non-project sources of assistance. However, this Project is not intended to be the provider of last-resort assistance to this group. Assistance will be given on a best effort basis.

While going through this process, A.I.D. will continue the process of institution building within the GOES and coordination with other donors so that A.I.D. works itself out of the displaced persons business. The Project therefore continues to support CONADES with technical assistance. Currently, A.I.D. Project funds are being made available in FY 90 in order to support key positions in CONADES and the establishment of a repatriation office (special unit in CONADES to coordinate assistance to the repatriated population returning from Honduras). This type of assistance will be continued, as will strengthened financial management and audit. An increased GOES counterpart contribution will be required to facilitate full turnover of DP reintegration activities to the GOES as soon as practicable, which we estimate to be by 1993.

V. REVISED PROJECT DESCRIPTION COMPONENTS UNDER ADDITIONAL FUNDING AND EXTENDED LOP

The Project will be extended through May 1993 and A.I.D. grant funding will be increased to \$79,853,000, an increase of \$7.328 million. Additional outputs to be achieved through this Project extension and increased life of Project funding include: the strengthening of CONADES management and administrative capacity, the resettlement of another 6,000 families on agricultural lands, the reintegration of approximately 15,000 families through vocational training programs or agricultural starter packages, and temporary medical and food assistance for approximately 4,000 families judged to be vulnerable and requiring continued welfare type assistance until they can be incorporated into regular social welfare programs. Specifically, the \$7.327 million in additional funding will be used for the following activities:

A. RESETTLEMENT AND REINTEGRATION

Six thousand (6,000) additional families will be resettled over the next four years (to May 1993). The Project will finance activities in support of establishing sixty four (64) new additional resettlement communities to accomodate the displaced families. Each of these six thousand families will receive agriculture starter packages financed under the Project.

The approximate schedule for the resettling families by source of land is as follows:

<u>Cycle</u>	<u>Plan Vincular</u>	<u>Free Market</u>	<u>Returnee</u>	<u>Total</u>
1990-1991	700	500	800	2,000
1991-1992	1,400	500	1,100	3,000
1992-1993	300	100	600	1,000

The Project will finance the continued efforts of one U.S. PVO (International Rescue Committee) and one U.S. not-for-profit contractor (Creative Associates) up to May 1993; and two local organizations (PVOs) whose efforts will begin in 1990 and gradually take over from the U.S. organizations will be financed by GOES.

The US PVOs (those already on board) will train the local PVOs, and coordination of their efforts will be phased into CONADES.

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At present the two U.S. PVOs can permanently resettle 2,000 families in a two year cycle, with the first year dedicated to infrastructure development or rehabilitation, productive projects, etc; and the second year devoted to community leadership training, access to credit, community links with local and national GOES institutions, etc. The PVOs are extremely cautious about beginning a new year assistance cycle unless assured that the cycle of assistance can be completed and the DPs fully reintegrated and not prematurely abandoned. That is to say, that the 1990-1991 cycle of 2,000 families is all that can be resettled by the PVOs unless project assistance is extended.

Extension of the US PVO efforts up to May 1993 will enable them to assist the resettlement of 2,000 more families, and to train the local PVOs in the resettlement of an additional 2,000 families. Concurrently, all four organizations will be facilitating the self-help graduation of an additional 15,000 families.

The first local PVO will probably be one which has demonstrated an active interest in the DP Program and the process will be initiated by the submission of an unsolicited proposal. The second local organization will be another local PVO or parastatal institution. The Project will finance the activities of the local PVOs with host country local counterpart currency. The mechanism for implementing this financing will be through the established action plan process.

B. SELF-HELP GRADUATION

In addition to the resettlement efforts by the PVOs, it is anticipated that approximately 15,000 displaced families will graduate from all assistance programs on their own initiative. That is to say that the Project will finance the basic needs during the time they reintegrate on their own with food assistance and in some cases agriculture starter packages or skills training. By the end of this Project, they will have found employment and housing on their own, and will no longer be in need of project assistance.

C. SAFETY NET

The Project will continue to finance the provision of health services, nutrition education, and food assistance to returnees, families resettling in their current sites and on newly acquired lands, and on an as-needed and as-available basis, to residents of all DP camps (permanent and temporary). This assistance will continue to be provided and coordinated through the PVOs. To meet their needs the Project will finance approximately ninety (90) more community preventive health and nutrition seminars, and training for some fifty (50) more rural health volunteers.

Within the remaining DP population, there are approximately 20,000 people (4,000 families) that are particularly vulnerable and can not be

expected to become economically self-sufficient. These people are elderly, infirm, or are women heading households with young dependent children. They require more or less continuing safety net assistance such as food, medical attention, nutrition education, and so forth.

To permanently address the needs of this vulnerable population, responsibility for their care must be transferred to permanent social service agencies. Individuals requiring such special assistance will be identified during the census being conducted by Ronco. The census will be completed by November 1990. CONADES, the PVOs and other assistance agencies will strive to identify institutions and programs to the extent possible that may absorb this population.

D. TECHNICAL ASSISTANCE TO THE GOES (CONADES)

The technical assistance contractor will continue to provide assistance to CONADES in the form of food and project monitoring, MIS supervision, and logistics and financial management assistance. The contractor is assisting CONADES to develop better logistic controls for the programming of food distribution and the maintenance/ updating of the displaced families registry, both critical to the management and appropriate targeting of assistance resources to the displaced population. The food programming and DP registry responsibilities will be passed back to CONADES when they have the capacity to implement these activities effectively. The DP register will be completed with the assistance of Ronco by November 1990, who will train CONADES in its update and use.

The Annex contains a revised logical framework, incorporating the planned accomplishments of the Amendment with those achievements to date.

VI. FINANCIAL PLAN

A. PROJECT BUDGET

The additional estimated cost of the Health and Jobs for Displaced Families amendment is \$9,554,330 of which A.I.D. will reprogram an estimated \$2,227,175 of unearmarked funds and obligate (subject to the availability of funds) an additional \$7,327,155. The GOES will contribute the colones equivalent of \$6,000,000 in counterpart funds. It is estimated that of the additional A.I.D. contribution, local currency requirements will amount to \$4,374,438 (60%) while foreign exchange requirements amount to \$2,952,717 (40%).

The GOES contribution will be totally in Local Currency.

The estimated reprogrammed and additional A.I.D. funds will be used to finance the following activities: Relocation \$5,316,492 (56%), Project Management and Monitoring \$1,641,000 (17%), Technical Assistance \$2,076,838 (22%), and Audits/Evaluations \$520,000 (5%).

GOES resources will finance the following: Relocation \$6,000,000 (100%).

See tables I through V for more detail on the project's financial plan.

B. FINANCIAL MONITORING, ACCOUNTABILITY AND AUDIT

As can be noted from the payment verification matrix, most of procurement under this supplement will be done by means of A.I.D. direct contracting. Agreements with US organizations will approximate \$5.1 million, and the technical assistance contracts will increase by about \$2.0 million. These two combined will account for 76% of the project supplement resources (including the reprogrammed amount). A.I.D. will disburse funds to these contractors through standard disbursement procedures, i.e., treasury letter of credit, direct reimbursement and direct payment. Two percent (2%) will be provided to CONADES. For the disbursement of funds to these institutions, A.I.D. will use standard advance/liquidation procedures to monitor their cash management practices and ascertain effective use of project resources. Standard periodic financial reports will be required to monitor project's progress.

U.S. PVO's will be required to engage a U.S. CPA firm to conduct annual audit of activities in accordance with GAO standards, with such interim testing and fieldwork performed as deemed necessary by generally accepted auditing standards. CONADES is currently and will continue to be subject to a RIG supervised concurrent audit. For local PVO's, there will be, on a yearly basis, a complete financial audit to be contracted by the GOES and performed by external auditors affiliated with US CPA firms using GAO standards. In addition, a fiscal agent to be contracted by A.I.D., will perform financial monitoring of their operations including voucher examination, financial reviews, TA in financial management, etc. Funds for audits and fiscal agent have been budgeted at \$380,000 and \$387,000, respectively.

Sept. 18, 1990

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VI. TABLES

TABLE 1
SUMMARY COST ESTIMATE AND FINANCIAL PLAN

TABLE 2
SUMMARY COST ESTIMATE BY INPUT AND COMPONENT

TABLE 3
SUMMARY COST ESTIMATE BY IMPLEMENTING ENTITY

TABLE 4A
ESTIMATED BUDGET FOR PROJECT PAPER SUPPLEMENT

TABLE 4B
ESTIMATED BUDGET FOR PROJECT PAPER SUPPLEMENT
GOES COUNTERPART

TABLE 5
PAYMENT VERIFICATION MATRIX

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TABLE I
HEALTH AND JOBS FOR DISPLACED FAMILIES
PROJECT 519-0281
SUMMARY COST ESTIMATE AND FINANCIAL PLAN
(U.S. \$)

SOURCE	A I D		G O E S		TOTAL
	FX	LC	FX	LC	
COMPONENT					
RELOCATION	677,027	2,528,043	0	6,000,000	9,205,070
PROJECT MANAGMENT SURV. MONIT.	1,177,500	403,510	0	0	1,581,010
TECHNICAL ASSISTANCE	1,098,190	934,796	0	0	2,032,986
AUDITS & EVALUATIONS	0	508,089	0	0	508,089
TOTAL	2,952,717	4,374,438	0	6,000,000	13,327,155
	A I D		G O E S		
GRAND TOTAL	\$7,327,155		\$6,000,000		13,327,155

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TABLE II
SUMMARY COST ESTIMATE BY INPUT AND COMPONENT
(US \$)

AID BUDGET BY COMPONENT ITEM	RELOCATION COMPONENT	PROG. MGT. SURV MONITORING COMPONENT	TECHNICAL ASSISTANCE COMPONENT	EVALUATION AUDIT COMPONENT	TOTAL
TECHNICAL ASSISTANCE	2,859,438		2,076,838		4,936,276
PROGRAM ADM & MGT		1,641,000			1,641,000
EVALUATION & AUDIT				520,000	520,000
SUB-PROJECT COSTS	2,331,918				2,331,918
LOCAL SUPPORT COSTS	125,136				125,136
TOTAL (*)	\$5,316,492	\$1,641,000	\$2,076,838	\$520,000	\$9,554,330

(*) Includes estimated \$2,227,175 of prior year funds to be reprogrammed.

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TABLE III
SUMMARY COST ESTIMATE BY IMPLEMENTING ENTITY
(US \$)

AID BUDGET BY IMPLEMENTING ENTITY	RELOCATION COMPONENT	PROG/MGT/SUR MONITORING COMPONENT	TECHNICAL ASSISTANCE COMPONENT	EVALUATION AUDIT COMPONENT	TOTAL
INTERNATIONAL RESCUE COMMITTEE	2,251,840				2,251,840
CREATIVE ASSOCIATES INT.	2,900,000				2,900,000
CONADES	164,652				164,652
U S A I D: PRJ MGT. & MONIT.		1,641,000			1,641,000
U S A I D: TECH ASSISTANCE			2,076,838		2,076,838
U S A I D: EVALUATION/AUDITS				520,000	520,000
TOTAL (*)	\$5,316,492	\$1,641,000	\$2,076,838	\$520,000	\$9,554,330

(*) Includes estimated \$2,227,175 of prior year funds to be reprogrammed.

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TABLE 4A

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PROJECT S19-0281: HEALTH AND JOBS FOR DISPLACED FAMILIES
ESTIMATED BUDGET FOR PROJECT PAPER SUPPLEMENT
(U. S. DOLLARS)

COMPONENT	ELEMENT	TOTAL AMOUNT	FISCAL YEARS				
			1990	1991	1992	1993	1 = 2+3+4+5
RELOCATION COMPONENT *	04	3,205,070	55,070	1,450,000	1,700,000	0	
PROG. MGT. SERV. MONIT. COMP.	05	1,581,010	601,010	440,000	525,000	15,000	
TECHNICAL ASSISTANCE COMPONENT	06	2,032,986	532,986	690,000	700,000	110,000	
EVALUATION & AUDITS COMPONENT	07	508,089	108,089	60,000	220,000	120,000	
TOTAL ESTIMATED (NEW MONEY) *		7,327,155	1,297,155	2,640,000	3,145,000	245,000	
TOTAL UNMARKED FUNDS **		2,227,175	1,777,175	450,000	0	0	
TOTAL ESTIMATED BUDGET		9,554,330	3,074,330	3,090,000	3,145,000	245,000	

* \$1.55 MILLION WILL BE OBLIGATED FROM CASA

** THE UNMARKED FUNDS INCLUDE THE FUTURE REPROGRAMMING OF DECOMMITMENTS FUNDS

TABLE 4B

ESTIMATED BUDGET FOR PROJECT PAPER SUPPLEMENT GOES COUNTERPART
(U. S. DOLLARS)

COMPONENT	ELEMENT	TOTAL AMOUNT	FISCAL YEARS				
			1990	1991	1992	1993	1 = 2+3+4+5
LOCAL CURRENCY FUNDS*		6,000,000	500,000	1,600,000	2,300,000	1,600,000	
CONADES (LC -- ADMIN.) *	A	1,949,398	0	637,349	728,916	583,133	
CONADES (LC -- OPERATIONS) *	B	2,050,602	0	662,651	771,084	616,867	
LOCAL NON GOVERN. ORG. (2 LNCOs)	04	2,000,000	500,000	300,000	800,000	400,000	

* LOCAL CURRENCY FUNDS FROM EXTRAORDINARY BUDGET

TABLE V
PAYMENT VERIFICATION MATRIX
(US \$)

METHOD OF IMPLEMENTATION	METHOD OF FINANCING	APPROXIMATE AID AMOUNT	TOTAL
U.S. PVO'S (RELOCATION COMPONENT) OPG COOP AGREEMENT	LETTER OF CREDIT DIRECT REIMB.	2,251,840 2,900,000	5,151,840
COMMODITIES (PROG.MGT. COMP.) AID DIRECT CONTRACT	DIRECT PAYMENT	250,000	250,000
PROFIT MAKING CONTRACT (T.A. COMPONENT) AID DIRECT CONTRACT AID DIRECT CONTRACT	DIRECT PAYMENT DIRECT PAYMENT	1,689,838.00 387,000.00	2,076,838
PROG.MANAGEMENT (PROG.MGT. COMP.) AID DIRECT CONTRACT	DIRECT PAYMENT	1,391,000	1,391,000
EVALUATION/AUDITS (EVALUATION COMPONENT) AID DIRECT CONTRACT	DIRECT PAYMENT	520,000	520,000
GOES ENTITY (RELOCATION COMPONENT) HOST COUNTRY CONTRACT	DIRECT REIMB.	164,652	164,652
	TOTAL(*)	\$9,554,330	\$9,554,330

(*) Includes estimated \$2,227,175 of prior year funds to be reprogrammed.

VII. ANNEXES

ANNEX 1: ACCOMPLISHMENTS

ANNEX 2: TARGETS

ANNEX 3: SUPPORTING BUDGET DETAILS

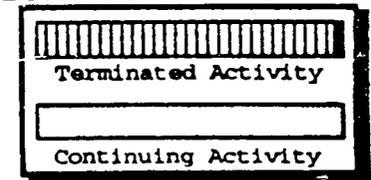
ANNEX 4: LOGICAL FRAMEWORK

ANNEX 5: ILLUSTRATIVE IMPLEMENTATION PLAN

PROJECT 519-0281, EMERGENCY PROGRAM: HEALTH AND JOBS FOR DISPLACED FAMILIES

COMPONENTS AND ACTIVITIES	1982 - 1984			1985-1986		1987 - 1990				ACCOMPLISHMENTS
	1982	1983	1984	1985	1986	1987	1988	1989	1990	
1. EMPLOYMENT GENERATION 1.1 Service Agencies (Fedecredito) 1.2 Employment Projects 1.3 Vocational Skills Training 1.4 Employed Displaced 1.5 Environmental Improvements In Camps										10 Agencies Operating 4,846 Projects Completed 118 Courses 12,000 Monthly Average 60 Improvements
2. HEALTH SERVICES 2.1 Immunizations (CONADES, P. Hope, MOH, NGOs) 2.2 Dispenseries Operating (P. Hope) 2.3 Curative Health (CONADES, P. Hope, MOH, NGOs) 2.4 Preventative Health Activities										176,614 Inoculations 82 Dispenseries 577,041 Attended 113 Volunteers Trained and 194 Health Seminars Given
3. NUTRITIONAL SERVICES 3.1 Nutritional Centers (CENAS) Operating 3.2 Food Basket to Non-Registered										24 Centers 35,000 Monthly
4. RESETTLEMENT AND REINTEGRATION 4.1 Relocated/Returnee Families Assisted 4.2 Reloc./Returnee Areas Identified and Assisted 4.3 Agricultural Starter Packages Distributed 4.4 Productive Projects 4.5 Works Projects For Returnees (Fedecredito) 4.6 Vital Infrastructure Projects (NGOs) 4.7 Microbusinesses (OEP, CONADES)										10,720 Families 92 Areas 25,632 Packages 49 Different Projects 62 Projects 39 Projects 11 Businesses

DURATION OF ACTIVITY



ANNEX 3A

PROJECT 519-0201: HEALTH AND JOBS FOR DISPLACED FAMILIES
ESTIMATED BUDGET FOR PROJECT PAPER SUPPLEMENT
(U. S. DOLLARS)

COMPONENT	FISCAL YEARS				
	TOTAL AMOUNT	1990	1991	1992	1993
RELOCATION COMPONENT (NEW MONEY)	3,205,070	55,070	1,450,000	1,700,000	0
UNEARNED FUNDS	(2,111,422)	(1,661,422)	(450,000)	0	0
RELOCATION COMPONENT	5,316,492	1,716,492	1,900,000	1,700,000	0
PERSONNEL COSTS	1,466,551	514,647	502,265	449,639	0
OPERATIONAL COSTS	814,607	247,271	299,674	267,624	0
MISCELLANEOUS COSTS	34,044	17,044	9,000	8,000	0
PROJECT COSTS	2,331,918	719,918	851,000	761,000	0
OVERHEAD	237,170	80,000	82,721	74,449	0
MANAGEMENT FEE OR G&A FEE	432,200	137,592	155,320	139,288	0
PROG. MNT. SURV. MONIT. COMP. (NEW MON)	1,581,010	601,010	440,000	525,000	15,000
UNEARNED FUNDS	(159,950)	(159,950)	0	0	0
PROG. MNT. SURV. MONIT. COMP.	1,441,000	661,000	440,000	525,000	15,000
U.S. PERSONNEL	927,500	280,000	297,500	350,000	0
COUNTRY PERSONNEL	397,500	120,000	127,500	150,000	0
PROJECT EQUIPMENT	250,000	250,000	0	0	0
MISCELLANEOUS	86,000	11,000	15,000	25,000	15,000
TECHNICAL ASSIST. COMP. (NEW MONEY)	2,032,986	532,986	690,000	700,000	110,000
UNEARNED FUNDS	(143,652)	(143,652)	0	0	0
TECHNICAL ASSISTANCE COMPONENT	2,076,839	576,839	690,000	700,000	110,000
PERSONNEL COSTS	845,975	231,443	271,372	279,705	63,475
OPERATIONAL COSTS	417,290	117,501	144,205	143,192	12,312
OTHER DIRECT COSTS	213,436	62,243	76,037	69,979	4,377
OVERHEAD	387,975	112,663	137,332	138,000	0
FIXED FEE	212,122	52,988	60,174	69,124	29,836
EVALUATION & AUDITS COMP. (NEW MONEY)	508,089	108,089	60,000	220,000	120,000
UNEARNED FUNDS	(111,911)	(111,911)	0	0	0
EVALUATION & AUDITS COMPONENT	520,000	120,000	60,000	220,000	120,000
PERSONNEL COSTS	364,000	84,000	42,000	154,000	84,000
OTHER DIRECT COSTS	156,000	36,000	18,000	66,000	36,000
TOTAL ESTIMATED (NEW MONEY)	7,327,155	1,297,155	2,640,000	3,145,000	245,000
TOTAL UNEARNED FUNDS	(2,227,175)	(1,777,175)	450,000	0	0
TOTAL ESTIMATED BUDGET	9,554,330	3,074,330	3,090,000	3,145,000	245,000

0 \$1.55 MILLION WILL BE OBLIGATED FROM CASA FUNDS
00 THE UNEARNED FUNDS INCLUDE THE FUTURE REPROGRAMMING OF DECOMMITMENTS FUNDS

ANNEX 3B

PPCONT1.WK1

ESTIMATED BUDGET FOR PROJECT PAPER SUPPLEMENT GOES COUNTERPART
(U. S. DOLLARS)

COMPONENT	1 = 2+3+4+5	2	3	4	5
	TOTAL AMOUNT	1990	1991	1992	1993
TOTAL LOCAL CURRENCY FUNDS *	6,000,000	500,000	1,600,000	2,300,000	1,600,000
CONAGES	4,000,000	0	1,300,000	1,500,000	1,200,000
CONAGES (LC -- ADMIN.) *	1,949,398	0	637,349	728,916	583,133
CONAGES (LC -- OPERATIONS) *	2,050,602	0	662,651	771,084	616,867
LOCAL NON GOVERN. ORG. (2 LN60s)	2,000,000	500,000	300,000	800,000	400,000
PERSONNEL COSTS	500,000	125,000	75,000	200,000	100,000
OPERATIONAL COSTS	220,000	55,000	33,000	88,000	44,000
MISCELLANEOUS COST	60,000	15,000	9,000	24,000	12,000
PROJECTS COSTS	1,060,000	265,000	159,000	424,000	212,000
OVERHEAD	160,000	40,000	24,000	64,000	32,000

* LOCAL CURRENCY FUNDS FROM EXTRAORDINARY BUDGET

ANNEX 3C

PROSCMT.VEL

FIRST PART

PROJECT 519-0201: HEALTH AND JOBS FOR DISPLACED FAMILIES
ESTIMATED BUDGET FOR PROJECT PAPER SUPPLEMENT
U. S. DOLLARS

COMPONENT	FISCAL YEARS					TYPE OF AGREEMENT	TYPE OF MONEY
	TOTAL AMOUNT	1990	1991	1992	1993		
RELOCATION COMPONENT (NEW MONEY)	3,205,070	55,070	1,450,000	1,700,000	0		
UNRECORDED FUNDS	12,111,422	1,661,422	1,450,000	0	0		
RELOCATION COMPONENT	5,316,492	1,716,492	1,900,000	1,700,000	0		
INTERNATIONAL RESCUE COMMITTEE	2,251,640	551,840	900,000	800,000	0	O. P. G.	100% DOLLARS
PERSONNEL COSTS	540,442	132,442	216,000	192,000	0	PAYMENT BY LETTER	FF: 25%
OPERATIONAL COSTS	472,894	115,824	189,000	168,000	0	OF CREDIT	
MISCELLANEOUS	22,518	5,518	9,000	8,000	0		LC: 75%
MANAGEMENT FEE	112,592	27,592	45,000	40,000	0		
PROJECT COSTS	1,103,402	270,402	441,000	352,000	0		
CREA INTERNACIONAL DEL SALVADOR	2,900,000	1,000,000	1,000,000	900,000	0	COOP. AGREEMENT	100% DOLLARS
PERSONNEL COSTS	833,594	290,000	286,265	257,639	0	PAYMENT BY ADVANCE	FF: 35%
OPERATIONAL COSTS	320,318	110,000	110,674	99,624	0	AND LIQUIDATIONS	
OVER-HEAD	237,170	80,000	82,721	74,449	0		LC: 65%
PROJECT EXPENSES	1,189,000	410,000	410,000	369,000	0		
GLA COSTS	319,608	110,000	110,320	99,288	0		
CONAGES	164,652	164,652	0	0	0	GOES/FIL	100% COLONES
PERSONNEL COSTS	92,295	92,295	0	0	0	PAYMENT BY ADVANCE	
OPERATIONAL COSTS	21,405	21,405	0	0	0	AND LIQUIDATIONS	LC: 100%
MISCELLANEOUS	11,528	11,528	0	0	0		
PROJECTS COST	39,516	39,516	0	0	0		

ANNEX 3C

PPSCONT.WK1

SECOND PART

PROJECT 519-0201: HEALTH AND JOBS FOR DISPLACED FAMILIES
ESTIMATED BUDGET FOR PROJECT PAPER SUPPLEMENT
(U. S. DOLLARS)

COMPONENT	TOTAL AMOUNT	FISCAL YEAR				TYPE OF AGREEMENT	TYPE OF MONEY
		1990	1991	1992	1993		
PROG. MGT. SURV. MONIT. COMP. (NM)	1,581,010	601,010	440,000	525,000	15,000		
UN earmarked FUNDS	(59,990)	(59,990)	0	0	0		
PROG. MGT. SURV. MONIT. COMP.	1,641,000	661,000	440,000	525,000	15,000		
STAFF PROJECT 519-0201:	1,641,000	661,000	440,000	525,000	15,000		
US. PERSONNEL	927,500	280,000	297,500	350,000	0	U.S./PSC	90% DOLLARS
COUNTRY PERSONNEL	397,500	120,000	127,500	150,000	0	FSN/PSC	100% COLONES
MISCELLANEOUS	66,000	11,000	15,000	25,000	15,000	P.D. OR FRETTY CASH	100% COLONES
PROJECT EQUIPMENT	250,000	250,000	0	0	0	PI/D/T AND CD	100% DOLLARS
TECHNICAL ASSISTANCE COMP. (NEW MONEY)	2,032,986	532,986	690,000	700,000	110,000		
UN earmarked FUNDS	(43,852)	(43,852)	0	0	0		
TECHNICAL ASSISTANCE COMPONENT	2,076,838	576,838	690,000	700,000	110,000		
ROMCO CONSULTING CORPORATION	1,689,838	489,838	600,000	600,000	0	CONTRACT	100% DOLLARS
PERSONNEL COSTS	622,670	181,240	219,438	222,000	0	DIRECT REIMBURSEMENT	FI: 70%
OPERATIONAL COSTS	373,976	107,764	134,212	132,000	0		
OVERHEAD	387,995	112,663	137,332	138,000	0		LC: 30%
OTHER DIRECT COSTS	198,037	58,781	73,256	66,000	0		
FIXED FEE	107,152	29,390	35,762	42,000	0		
FISCAL AGENT	387,000	87,000	90,000	100,000	110,000	FIXED FEE CONTRACT	100% COLONES
PERSONNEL COSTS	223,317	50,203	51,934	57,705	63,475	DIRECT REIMBURSEMENT	LC: 100%
OPERATIONAL COSTS	43,314	9,737	10,073	11,192	12,312		
OTHER DIRECT COSTS	15,379	3,462	3,581	3,979	4,377		
FIXED FEE	104,670	23,350	24,412	27,124	29,836		

ANNEX 3D
 PROJECT 519-0281: HEALTH AND JOBS FOR DISPLACED FAMILIES
 FINANCIAL PROJECT REVIEW
 (U. S. DOLLARS)

=====			
	1	2	4 = 1+2+3
=====			
COMPONENT	PRESENT BUDGET	THIS SUPPLEMENTAL	PROPOSED BUDGET
=====			
EMPLOYMENT COMPONENT	34,670,097	0	34,670,097
NO LONGER ACTIVE	:	:	:
=====			
HEALTH COMPONENT	11,539,747	0	11,539,747
PREVENTIVE AND CURATIVE HEALTH SERVICES AND COMMODITIES	:	:	:
NO LONGER ACTIVE	:	:	:
=====			
NUTRITION COMPONENT	3,769,000	0	3,769,000
FOOD AND NUTRITION TRAINING	:	:	:
NO LONGER ACTIVE	:	:	:
=====			
RELOCATION COMPONENT	14,224,442	3,476,080	17,700,522
TECHNICAL ASSISTANCE AND COMMODITIES FOR HOUSING AND INFRASTRUCTURE	:	:	:
=====			
PROGRAM MANAGEMENT COMPONENT	3,242,273	1,410,000	4,652,273
PROGRAM MANAGEMENT, SURVEILLANCE AND MONITORING	:	:	:
=====			
TECHNICAL ASSISTANCE COMPONENT	2,714,074	1,932,986	4,647,060
=====			
EVALUATION & AUDITS COMPONENT	2,365,000	508,089	2,873,089
=====			
TOTAL PROJECT 519-0281	72,524,633	7,327,155	79,851,788
=====			
COUNTERPART FUNDING	16,873,717	6,000,000	22,873,717
=====			

PROJECT 519-0281, EMERGENCY PROGRAM: HEALTH AND JOBS FOR DISPLACED FAMILIES
LOGICAL FRAMEWORK

<u>NARRATIVE SUMMARY</u>	<u>OBJECTIVELY VERIFIABLE INDICATOR</u>	<u>MEANS OF VERIFICATION</u>	<u>ASSUMPTIONS</u>
<u>Goal</u>			
To achieve an acceptable level of social stabilization.	- 16,470 displaced families permanently resettled in new sites and their homes of origin.	- Mid-term and final evaluations - Concurrent audits - Annual reports	- The military and political situation will not deteriorate over the short-term and will improve over the long term.
<u>Purpose</u>			
To stimulate and facilitate the reintegration of displaced persons into the economy of El Salvador, with particular emphasis on assistance to the permanent resettlement of displaced persons.	- Reduce No. of DPs requiring assistance.	- Quarterly reports from CONADES and the PVOs - Project Monitoring - Technical Assistance Reports - WFP food distribution reports	- Economic situation does not worsen. - ISTA lands and other parcels will be available for resettlement. - The COES (CONADES) will continue to place priority emphasis on the assistance to DPs and repatriates to reintegrate them the economy of El Salvador
<u>Outputs</u>			
A comprehensive register of DPs established and operating in. CONADES.	- 139 resettlement areas assisted		
CONADES will be strengthened and have a lead role in the coordination of all Dp assistance programs in El Salvador.	- 170 vital infrastructure projects carried out		
Establishment of a repatriation office in CONADES.	- 31,632 agricultural packages distributed		
Two local PVO will be participating in the project activities.	- 2,400 DP families relocated onto ISTA lands over the next four years.		
	- 1,100 DP families relocated onto municipal or private lands over the next four years		

ILLUSTRATIVE IMPLEMENTATION PLAN

MAJOR ACTIVITIES	1990	1991	1992	1993
A. CONADES				
1. Review & Approve Action Plans	• •	•	•	•
2. Concurrent Audit	•	••••••	••••••	••••••
3. Update DP Registry	••			
4. Identify Institutions for vulnerables		••••••	••••••	
5. Negotiate future counterpart contrib.		•••		
B. US PVOs				
1. Extend Current Grant Agreements		••		
2. Operational	••••••	••••••	••••••	••••••
3. Phase Out				•• ••
4. Final Close-out audits				•• ••
C. Local PVOs				
1. RFA and selection of 2 local PVOs	•••			
2. Sign Grant Agreements		••		
3. Contract Fiscal Agents		••		
4. Local PVOs & Fiscal Agent Operational		•	••••••	••••••
D. Program Agreement				
1. Reprogram current funds	• •			
2. Obligate new funds		••		
3. Extend ProAg to 1993		••		
E. Program Evaluation				
1. Contract Evaluators		••		
2. Conduct & Review Evaluation		••		
3. Final Program Evaluation				• ••
F. Technical Assistance				
1. First contract extension	•			
2. Operational	••••••	••••••		
3. Evaluate performance		••		
4. Extend or Solicit new contractor		••		
5. Second contract period (if necessary)			••••••	••••••
G. Resettlement & Reintegration				
1. Renew CONADES/ISTA Plan Vincular Ag.	• •			
2. Identify relocation sites for '90/'91	••••••			
3. Identify relocation sites for '92			••••••	
4. Identify relocation sites for '93				••••••
5. Resettlement of DPs (Reloc/Returnees)	••••••	••••••	••••••	••••••
6. Vital Infrastructure Projects	••••••	••••••	••••••	••••••
7. Agriculture Packages Distributed	•• ••	•• ••	•• ••	•• ••
8. Productive Projects	••••••	••••••	••~••••••	••~••••••
9. Training Programs	••~••••••	••~••••~••••••	••~••••~••••••	••~••••~••••••

N.B.: Each column represents six months and each "•" represents a single month. [Doc. # IMP-PLAN]

Amendment No. 16
Enmienda No. 16

To
Al

Emergency Program: Health and Jobs for Displaced Families
Programa de Emergencia: Salud y Empleos para Familias Desplazadas

Between
Entre

The United States of America
Los Estados Unidos de America

And
Y

The Government of El Salvador
El Gobierno de El Salvador

Agencia para el Desarrollo Internacional Agency for International Development
Proyecto de la A.I.D. No. 519-0281 A.I.D. Project No. 519-0281

San Salvador, El Salvador
September 28, 1990
28 de Sept. de 1990

Appropriation: 72-11x1021 & 72-11x1038
BPC: LDNX-90-25519-KG13 & LRRX-90-25519-KG13
\$1,838,773.00 & \$1,550,000.00

Proyecto de la A.I.D. No. 519-0281

Convenio de Donación
Convenio de Enmienda No. 16

Fecha: 28 de septiembre de 1990

Este Convenio de Enmienda No. 16, fechado a los 28 días del mes de Sept. de 1990, entre los Estados Unidos de América, actuando a través de la Agencia para el Desarrollo Internacional ("A.I.D."), y la República de El Salvador ("Donatario"):

POR CUANTO, A.I.D. y el Donatario suscribieron un Convenio de Donación ("Convenio") de fecha 12 de mayo de 1982, para el proyecto titulado "Programa de Emergencia: Salud y Empleos para Familias Desplazadas" designándolo Proyecto de la A.I.D. No. 519-0281, proporcionando la A.I.D. la cantidad de \$3,000,000 en fondos de donación;

POR CUANTO, la A.I.D. y el Donatario suscribieron una Enmienda al Convenio el 22 de septiembre de 1982, incrementando la cantidad adicional de \$3,000,000 en fondos de donación de la A.I.D.; y

POR CUANTO, A.I.D. y el Donatario suscribieron una Enmienda al Convenio el 17 de agosto de 1983, incrementando la cantidad adicional de \$2,275,000 en fondos de donación de la A.I.D.; y

POR CUANTO, A.I.D. y el Donatario suscribieron una Enmienda al Convenio el 29 de septiembre de 1983, incrementando la cantidad adicional de \$2,250,000 en fondos de donación de la A.I.D.; y

POR CUANTO, A.I.D. y el Donatario suscribieron una Enmienda al Convenio el 19 de marzo de 1984, incrementando la cantidad adicional de \$2,000,000 en fondos de donación de la A.I.D.; y

A.I.D. Project No. 519-0281

Project Grant Agreement
Amendatory Agreement No. 16

Dated: September 28, 1990

This Amendatory Agreement No. 16, dated the 28 day of Sept., 1990, between the United States of America, acting through the Agency for International Development ("A.I.D."), and the Republic of El Salvador ("Grantee"):

WHEREAS, the Grantee and A.I.D. entered into a Project Grant Agreement ("Agreement") dated May 12, 1982, for the Project entitled "Emergency Program: Health and Jobs for Displaced Families" and designated A.I.D. Project No. 519-0281 providing A.I.D. grant funding of \$3,000,000; and

WHEREAS, the Grantee and A.I.D. entered into an Amendment to the Agreement, dated September 22, 1982, adding an additional \$3,000,000 in A.I.D. grant funding; and

WHEREAS, the Grantee and A.I.D. entered into an Amendment to the Agreement, dated August 17, 1983, adding an additional \$2,275,000 in A.I.D. grant funding; and

WHEREAS, the Grantee and A.I.D. entered into an Amendment to the Agreement, dated September 29, 1983, adding an additional \$2,250,000 in A.I.D. grant funding; and

WHEREAS, the Grantee and A.I.D. entered into an Amendment to the Agreement, dated March 19, 1984, adding an additional \$2,000,000 in A.I.D. grant funding; and

POR CUANTO, el Donatario y A.I.D. suscribieron una Enmienda al Convenio el 31 de julio de 1987, incrementando la cantidad adicional de \$1,257,954 en fondos de donación de A.I.D.; y

POR CUANTO, el Donatario y A.I.D. suscribieron una Enmienda al Convenio el 28 de agosto de 1987, incrementando la cantidad adicional de \$1,000,000 en fondos de donación de A.I.D.; y

POR CUANTO, el Donatario y A.I.D. suscribieron una Enmienda al Convenio el 21 de septiembre de 1987, incrementando la cantidad adicional de \$400,000 en fondos de donación de A.I.D.; y

POR CUANTO, el Donatario y A.I.D. desean enmendar nuevamente el Convenio para agregar \$3,388,773 adicionales en fondos de donación de la A.I.D.

POR LO TANTO, las Partes por este medio acuerdan que el Convenio, y sus enmiendas, sean enmendadas adicionalmente de la siguiente manera:

1. La Sección 2.1. de la Enmienda No. 2 de fecha 31 de julio de 1986, del Artículo 2, "El Proyecto", se suprime por completo y se sustituye por lo siguiente:

"Artículo 2: El Proyecto

SECCION 2.1. Definición del Proyecto. El Proyecto, el cual es descrito en el Adjunto I a esta Enmienda al Convenio, consiste de los siguientes componentes: a) reubicación y reintegración de las familias desplazadas; b) provisión y fomento de una red de seguridad a través de asistencia en salud y alimentos; c) administración del programa, asistencia técnica y supervisión; y d) evaluaciones y auditorias.

WHEREAS, the Grantee and A.I.D. entered into an Amendment to the Agreement dated July 31, 1987, adding an additional \$1,257,954 in A.I.D. grant funding; and

WHEREAS, the Grantee and A.I.D. entered into an Amendment to the Agreement dated August 28, 1987, adding an additional \$1,000,000 in A.I.D. grant funding; and

WHEREAS, the Grantee and A.I.D. entered into an Amendment to the Agreement dated September 21, 1987, adding an additional \$400,000 in A.I.D. grant funding; and

WHEREAS, the Grantee and A.I.D. wish to further amend the Agreement to add \$3,388,773 in A.I.D. grant funding;

NOW THEREFORE, the parties hereto hereby agree that the Agreement, as amended, shall be further amended to read as follows:

1. Section 2.1. of Article 2 of Amendment No. 12 dated 31 July 1986, "The Project", is deleted in its entirety and the following is substituted therefor:

"Article 2: The Project

Section 2.1. Definition of the Project. The Project, which is further described in Attachment I to this Amending Agreement, consists of the following components: a) resettlement and reintegration of displaced families; b) provision of a safety net through health and food assistance; c) project management, technical assistance and monitoring; and d) evaluations and audits.

El Adjunto I, titulado "Descripción Amplificada de la Enmienda al Proyecto", por este medio reemplaza el Anexo I contenido en la Enmienda No. 15 al Convenio de fecha 21 de septiembre de 1987." Este Convenio de Enmienda describe el énfasis actual del Proyecto y aclara arreglos administrativos relevantes. Otras descripciones del Proyecto en enmiendas anteriores que no se cambian en el presente Convenio permanecen en vigor.

La Descripción Amplificada del Proyecto amplifica la definición anterior del Proyecto. Los elementos de la Descripción Amplificada del Proyecto podrán ser cambiados mediante acuerdo por escrito de los representantes autorizados de la Partes, nombradas en la Sección 8.2, sin ninguna enmienda formal de este acuerdo.

2. Las Secciones 3.1., 3.2. y 3.3. del Artículo 3, "Financiamiento", de la Enmienda No. 15 de fecha 21 de septiembre de 1987, se eliminan en su totalidad y se sustituyen por lo siguiente:

"Artículo 3: Financiamiento

SECCION 3.1. La Donación. Para asistir al Donatario en el financiamiento de los costos para la realización del Proyecto, la A.I.D., de conformidad con el Acta de Asistencia al Exterior de 1961, y sus enmiendas, y la Ley Pública 101-215, conviene en otorgar una donación al Donatario bajo los términos de este Convenio, que no excederá de Sesenta y Un Millones Quinientos Noventa Mil Novecientos Cuarenta y Un Dólares de los Estados Unidos de América (\$61,590,941) ("Donación"). Esta Enmienda al Convenio No. 16 incrementa por Tres Millones Trescientos Ochenta y Ocho Setecientos Setenta y Tres Dolares Estadounidenses (\$3,388,773) la Donación, en el Convenio

Attachment I attached, entitled "Amplified Project Amendment Description" hereby supersedes Annex I contained in Amendatory Agreement No. 15 dated September 21, 1987. This Amendatory Agreement highlights the current emphasis of the Project and clarifies relevant implementation arrangements. Other Project descriptions in earlier amendments not specifically changed herein remain in effect.

The Amplified Project Description amplifies the above definition of the Project. Elements of the Amplified Project Description may be changed by written agreement of the authorized representatives of the parties named in Section 8.2, without formal amendment of this Agreement.

2. Sections 3.1., 3.2. and 3.3. of Article 3, "Financing," of Amendment No. 15 dated September 21, 1987, are deleted in their entirety and the following is substituted therefor:

"Article 3: Financing

SECTION 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, and Public Law 101-215, agrees to grant the Grantee under the terms of this Agreement not to exceed Sixty One Million, Five Hundred Ninety Thousand, Nine Hundred Forty One United States Dollars (\$61,590,941) ("Grant"). This Amendatory Agreement No. 16 increases by Three Million Three Hundred Eighty Eight Thousand Seven Hundred Seventy Three United States Dollars (\$3,388,773) the amount in the Project Grant Agreement set forth above, bringing total funds

de Proyecto de Donación antes mencionado, haciendo un total de fondos obligados y disponibles a la fecha por la cantidad de Cincuenta y Siete Millones Seiscientos Cincuenta y Dos Mil Quinientos Cincuenta y Nueve Dólares de los Estados Unidos de Norte América (\$57,652,559).

La Donación puede ser utilizada para financiar costos en moneda extranjera, de acuerdo a la definición de la Sección 6.1., y costos locales, de acuerdo a la definición de la Sección 6.2., de bienes y servicios requeridos para el Proyecto.

SECCION 3.2. Recursos del Donatario para el Proyecto.

a) El Donatario acuerda proveer o hacer que se provean para el Proyecto todos los fondos, además de la Donación, y todos los demás recursos necesarios para llevar a cabo el Proyecto en una manera efectiva y oportuna.

b) Los recursos provistos por el Donatario para la vigencia del Proyecto no serán menores a la cantidad equivalente de 13,292,600 dólares de los Estados Unidos de América incluyendo costos "en especie". Esta Enmienda representa un incremento de \$6,000,000 (en moneda local equivalente) en la contribución del Donatario al Proyecto, los cuales podrán incluir moneda local generada bajo los programas de ESF y PL-480, y estarán disponibles para el período restante de esta Donación.

El Adjunto II, titulado "Plan Financiero - Presupuesto Ilustrativo" a esta Enmienda al Convenio sustituye al Adjunto I a la Enmienda del Convenio No. 15, suscrita el 21 de septiembre de 1987. El Adjunto III, titulado, "Plan Financiero - Presupuesto Ilustrativo para la Vigencia del Proyecto", también se agrega a la presente Enmienda.

obligated and available to date to Fifty Seven Million, Six Hundred Fifty Two Thousand, Five Hundred Fifty Nine (\$57,652,559).

The Grant may be used to finance foreign exchange costs, as defined in Section 6.1., and local currency costs, as defined in Section 6.2., of goods and services required for the Project.

SECTION 3.2. Grantee Resources for the Project

a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

b) The resources provided by the Grantee for the Life of the Project will be not less than the equivalent of U.S. \$13,292,600 including costs borne on an "in-kind" basis. This Amendment represents an increase of \$6,000,000 (in equivalent local currency) in the Grantee's contribution to the Project, which may include ESF and PL-480 generated local currency, and shall be made available for the remaining period of this Grant.

The Attachment II, entitled "Financial Plan - Illustrative Budget" to this Amendatory Agreement hereby supersedes Attachment I to the Amendatory Agreement No. 15 signed September 21, 1987. Attachment III, entitled "Financial Plan - Illustrative LOP Budget" is also added.

SECCION 3.3. Fecha de Terminación de Asistencia al Proyecto.

a) La "Fecha de Terminación de Asistencia al Proyecto" (FTAP), es el 31 de mayo de 1993, o cualquier otra fecha que las Partes acuerden por escrito, es la fecha en que las Partes estiman que todos los servicios financiados bajo la Donación, habrán sido realizados y que todos los bienes financiados bajo la Donación habrán sido proporcionados de acuerdo a lo establecido en este Convenio."

b) Excepto que la A.I.D. acuerde lo contrario por escrito, la A.I.D. no emitirá o aprobará ninguna documentación que autorice desembolsos de la Donación por servicios realizados después de la FTAP o para bienes suministrados para el Proyecto después de la FTAP.

c) Las solicitudes de desembolsos, acompañadas de los documentos justificativos necesarios prescritos en las Cartas de Implementación del Proyecto, deberán ser recibidas por la A.I.D. o por cualquier banco descrito en la Sección 7.1, a más tardar nueve (9) meses después de la FTAP, u otro período acordado por la A.I.D. por escrito. Después de tal período, la A.I.D., por medio de notificación escrita al Donatario, podrá en cualquier momento o momentos, reducir el monto total de la Donación o una parte de ésta, para la cual no se han recibido solicitudes de desembolsos, acompañados de los documentos justificativos necesarios prescritos en las Cartas de Implementación del Proyecto, antes de la expiración de dicho período.

3. La Sección 6.1 del Artículo 6, "Fuentes de Adquisición", se enmienda agregando el siguiente párrafo:

SECTION 3.3. Project Assistance Completion Date.

a) The "Project Assistance Completion Date" (PACD), which is May 31, 1993, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, subsequent to the PACD.

c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D., or any bank described in Section 7.1, no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may, at any time or times, reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period."

3. Section 6.1 of Article 6, "Procurement Sources", is amended by adding the following paragraph:

No obstante lo anterior, los desembolsos de conformidad con la Sección 7.1. y esta Enmienda, serán utilizados exclusivamente para financiar los costos de bienes y servicios necesarios para el Proyecto. La fuente y origen para bienes y servicios adquiridos con fondos adicionales proporcionados por este medio, (\$3,388,773), es de los Estados Unidos (Código Geográfico 000 de la A.I.D.), excepto que la A.I.D. acuerde lo contrario por escrito, y con excepción de lo previsto en el Anexo II de las Estipulaciones Generales de la Donación,

Sección C.1(b), con respecto a seguro marítimo. Los costos de transportes marítimos serán financiados bajo la Donación solamente si son efectuados por barcos de bandera de los Estados Unidos, excepto que la A.I.D. acuerde de otra manera por escrito."

4. Sección 6.3 del Artículo 6, "Fuentes de Adquisición", por este medio se agrega lo siguiente:

"No obstante las estipulaciones de la Sección 6.2 que antecede, la compra de todos los bienes y servicios financiados bajo esta Enmienda (\$3,388,773), cuya fuente, origen o nacionalidad está fuera del Código Geográfico 000 de la A.I.D. (de los Estados Unidos), deberá ser aprobada previamente por la A.I.D. por escrito."

A excepción de lo aquí enmendado, todos los demás términos y condiciones del Convenio del Proyecto permanecen en pleno vigor y efecto.

Esta Enmienda al Convenio será efectiva a partir de la fecha de su firma.

"Notwithstanding the above, disbursements pursuant to Section 7.1 and this Amendment will be used exclusively to finance the costs of goods and services required for the Project. The source and origin for goods and services procured with the additional funds provided herewith, (\$3,388,773) is from the United States (A.I.D. Geographic Code 000) except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex

II, Section C.1(b), with respect to marine insurance. Ocean transportation costs will be financed under the Grant only on vessels under the flag registry of the United States, except as A.I.D. may otherwise agree in writing."

4. Section 6.3 of Article 6, "Procurement Sources" is hereby added:

"Notwithstanding the provisions of Section 6.2 above, the procurement of all goods and services financed under this Amendment (\$3,388,773) having their source, origin, or nationality outside of A.I.D. Geographic Code 000 (U.S.) shall first be approved in writing by A.I.D."

Except as herein amended, all other terms and conditions of the Project Agreement remain in full force and effect.

This Amendatory Agreement is to be effective as of the date of its execution.

ADJUNTO I

DESCRIPCION AMPLIFICADA DE LA ENMIENDA AL PROYECTO

I. META DEL PROYECTO

La meta de este Proyecto es la de alcanzar un nivel aceptable de estabilización social.

II. PROPOSITO DEL PROYECTO

El propósito de este Proyecto es el de estimular y facilitar la reintegración de las personas desplazadas y repatriadas a la economía de El Salvador, con énfasis particular a la asistencia para la ubicación permanente de personas desplazadas.

El objetivo de este Proyecto es el de encontrar soluciones económicas, sociales y políticas permanentes para estas poblaciones desplazadas y repatriadas. Se deberán establecer metas y calendarios realísticos para cada comunidad que faciliten esta reintegración permanente. Por lo tanto, cada institución ejecutora que está proporcionando asistencia a comunidades elegibles de desplazados y repatriados, deberán desarrollar planes de acción comunitarios apropiados que incluyan: a) perfil de la población elegible, incluyendo números, antecedentes educativos y vocacionales; b) calendario para la implementación de proyectos, con el costo estimado, descripción, metas y número de beneficiarios; c) planes para evaluar el progreso; y d) fecha estimada cuando la asistencia comunitaria podrá ser terminada. Todas las agencias ejecutoras deberán evitar ejecutar programas de asistencia a largo plazo que tiendan a crear una población dependiente de la asistencia externa, sino llevar a cabo programas que tiendan a lograr una población auto-suficiente dentro de un período lo más corto posible.

ATTACHMENT I

AMPLIFIED PROJECT AMENDMENT DESCRIPTION

I. GOAL OF THE PROJECT

The goal of this Project is to achieve an acceptable level of social stabilization.

II. PURPOSE OF THE PROJECT

The purpose of this Project is to stimulate and facilitate the reintegration of the displaced and repatriated population into the economy of El Salvador, with particular emphasis on assistance to the permanent settlement of displaced persons.

The aim of this Project is to find permanent economic, social and political solutions for these displaced and repatriated populations. Realistic targets and timetables must be set for each community that facilitate this permanent reintegration. Therefore, each implementing institution providing assistance to eligible displaced and repatriated communities must develop appropriate community action plans that include: a) profile of the eligible population including numbers, education and skills background; b) timetable for implementing projects, with estimated cost, description, targets and number of beneficiaries; c) plans for evaluation of progress; and d) estimated date when community assistance can be phased out. All implementing institutions should avoid long term assistance programs that tend to create a population dependent on outside assistance, but work towards helping them become self-sufficient in the shortest period possible.

A continuación se presentan las metas estimadas establecidas para esta Enmienda al Proyecto hasta la FTAP:

Aproximadamente seis mil (6,000) familias deberán ser reubicadas para mayo de 1993. El Proyecto financiará aproximadamente sesenta y cuatro (64) comunidades nuevas de reubicación para acomodar a las familias desplazadas. Cada una de estas 6,000 familias podrán recibir paquetes agrícolas financiados bajo este Proyecto, lo cual les ayudará para que nuevamente sean económicamente productivos.

Además de los esfuerzos de reubicación, se anticipa que aproximadamente 15,000 familias desplazadas se graduarán de todos los programas asistenciales de CONADES por su propia iniciativa. El Proyecto podrá financiar las necesidades básicas alimenticias de éstas familias durante el tiempo que se reintegren por su propia cuenta, y en algunos casos se proporcionarán paquetes agrícolas o capacitación vocacional. El propósito de esta actividad es el de capacitarlos en actividades que les ayude a encontrar empleo o vivienda por sus propios medios, y por lo tanto, que ya no necesiten más asistencia de este Proyecto.

Dentro de la población desplazada remanente, hay aproximadamente 20,000 personas (4,000 familias) que son particularmente vulnerables y no se espera que puedan llegar a ser económicamente auto-suficientes. Estas personas son ancianos, enfermos o mujeres jefes de hogar con niños pequeños dependientes y que requieren en mayor o menor medida de una red de asistencia de seguridad continua tal como alimentos, atención médica, educación nutricional, etc., actualmente proporcionada bajo este Proyecto.

Below are estimated targets set for this Project Amendment through the PACD.

Approximately six thousand (6,000) families should be resettled by May 1993. The Project will finance approximately sixty-four (64) new resettlement communities to accommodate the displaced families. Each of these 6,000 families may receive agricultural starter packages financed under the Project, which will assist them to become economically productive again.

In addition to the resettlement efforts, it is anticipated that approximately 15,000 displaced families will graduate from all CONADES assistance programs of their own initiative. The Project may assist these families during the time they reintegrate on their own with food assistance and, in some cases, agricultural starter packages or skills training. The purpose of this activity is to enable them to find employment and improve their living conditions through their own efforts, after which they should no longer need assistance from this Project.

Within the remaining displaced population, there are approximately 20,000 people (4,000 families) that are particularly vulnerable and cannot be expected to become economically self-sufficient. These people are elderly, infirm, or are women heading households with young dependent children, and who require more or less continuing safety net assistance such as food, medical attention, nutrition education, and so forth, currently provided under this Project.

La principal responsabilidad de las necesidades de la población vulnerable deberá ser transferida a las agencias de servicio social permanente. Se identificarán individuos que requieren asistencia especial por medio del censo que desarrolla CONADES. CONADES, las agencias privadas voluntarias y otras instituciones de servicio procurarán identificar, en la medida posible, instituciones y programas para que puedan absorber esta población.

III. Instituciones Ejecutoras

La Comisión Nacional para la Asistencia a la Población Desplazada (CONADES), es por ley, la institución del GOES indicada, responsable de coordinar la asistencia dirigida hacia la población desplazada, así como también hacia las nuevas comunidades de repatriados en El Salvador por medio de una oficina especial para repatriados dentro de CONADES. CONADES continuará siendo la agencia líder bajo este Proyecto con ayuda financiera originada con recursos de moneda local de la contraparte de este Proyecto. La A.I.D. continuará coordinando con CONADES actividades del Proyecto, como también ayudando a CONADES en el desarrollo, revisión y aprobación de su Plan de Acción anual.

CONADES también coordinará las actividades del Proyecto de aquellas organizaciones no-gubernamentales financiadas por medio de sub-convenios con la A.I.D. firmados bajo este Proyecto. Se elaborarán Memoranda de Entendimiento entre CONADES y estas agencias ejecutoras (estadounidenses y no-gubernamentales locales) financiadas por el Proyecto, para facilitar esta coordinación.

Ultimate responsibility for the needs of the vulnerable population should be transferred to permanent social service agencies. Individuals requiring such special assistance will be identified in the census maintained by CONADES. CONADES, the PVOs and other assistance agencies will strive on a best efforts basis to identify institutions and programs that may absorb this population for any continued assistance they require.

III. Implementing Institutions

The National Commission for Assistance to Displaced (CONADES) is by law the indicated GOES institution responsible for coordinating assistance directed towards the displaced population, as well as to newly repatriated communities in El Salvador through a special Repatriation Office within CONADES. CONADES will continue to be the lead agency under this Project with financial support originating from local currency counterpart resources to this Project. A.I.D. will support CONADES efforts and continue to coordinate project activities with CONADES, as well as assist CONADES with the development, review and approval of their annual Action Plan.

CONADES will also coordinate Project activities of those non-governmental organizations financed by means of sub-agreements with A.I.D. executed under this Project. Memoranda of Understanding between CONADES and these Project-funded implementing agencies (U.S. and local NGOs) will be developed to facilitate this coordination.

IV. Criterios para la Selección de Beneficiarios

El Gobierno de El Salvador (GOES) y/o sus agencias ejecutoras, serán las responsables de actualizar y mantener al día el registro o censo realizado por CONADES de la población desplazada y repatriada. El registro será usado para identificar aquellos individuos elegibles de asistencia bajo el Proyecto. Además, el GOES y/o sus agencias ejecutoras serán responsables de emitir la documentación oficial (tal como carnets o tarjetas de identificación electoral) a la población blanco para promover la estabilización de estas familias.

Todas las familias desplazadas y repatriadas que reciben asistencia bajo esta Enmienda, deberán ser anotadas en el registro oficial de población desplazada de CONADES. Las organizaciones participando bajo este Proyecto podrán incluir familias no-registradas en sus programas de asistencia, solamente después que se determine por CONADES que son elegibles de asistencia. Con respecto a las familias no registradas, las organizaciones proporcionarán a CONADES la información necesaria para incluir a éstas familias en su registro oficial.

Una persona desplazada (PD) es un individuo que por motivos del conflicto bélico del país, se ha reubicado temporalmente de su lugar de origen a otra comunidad desde 1979. Una persona repatriada es un individuo que abandonó El Salvador para buscar refugio en otro país debido al conflicto civil y después de un período regresa a El Salvador para reintegrarse al ambiente socio-económico. El término "persona desplazada" que se usa en este documento se refiere tanto a personas desplazadas como a repatriadas.

IV. Criteria for Beneficiary Selection

The Government of El Salvador (GOES) and/or its implementing agencies will be responsible for updating and maintaining current the CONADES registry or census of the displaced and repatriated population. The registry is used to identify those qualifying for Project assistance. Further, the GOES and/or its implementing agencies will be responsible for the issuance of official documentation (such as carnets or electoral identification cards) to the target population in order to promote stabilization in the lives of these families.

All displaced and repatriated families receiving assistance under this Amendatory Agreement should be listed in the CONADES official registry. The organizations participating in this Project may include unregistered individuals in their assistance programs, only after it has been determined by CONADES that these are eligible families. For those unregistered, the organizations will provide CONADES with the necessary information to include these families in the Registry.

A displaced person (DP) is an individual who, because of the civil conflict, has temporarily relocated from his place of origin to a community since 1979. A repatriated person is an individual who left El Salvador to seek refuge in another country due to civil conflict and has chosen to return to El Salvador to reintegrate into the socio-economic environment. Use of the term "displaced person" in this document refers to both displaced and repatriated persons.

Aquellos individuos cuyos lugares de origen están localizados en zonas no-conflictivas, pero que están viviendo actualmente en otras áreas, no podrán ser elegibles de asistencia bajo este programa. Aquellos individuos que han recibido asistencia por más de dos años no deberán ser consideradas PD elegibles, excepto que:

1. La asistencia proporcionada a la familia no haya sido la adecuada para reintegrarla a la economía. (El GOES y/o sus agencias ejecutoras deberán determinar la asistencia adicional limitada que será requerida para completar su reintegración.)

2. La familia se ha visto obligada a desplazarse nuevamente debido a un incremento del conflicto en el lugar que residían. (El GOES y/o las agencias ejecutoras deberán ayudar a esta población a retornar a sus lugares de origen tan pronto como sea posible y no deberán motivarlos a la permanencia en el área por largo tiempo. Esto último no siempre será posible, ya que dependerá de la seguridad del área y de la disposición de las familias desplazadas).

3. La familia recientemente ha retornado a su lugar de origen o ha sido reubicada permanentemente en un nuevo sitio.

El GOES y/o sus agencias ejecutoras deberán dar atención especial para no considerar elegibles de asistencia bajo este programa a personas cuyo desplazamiento (o migración) se debe al conflicto bélico en el lugar donde residían y no por razones económicas. El GOES y/o sus agencias ejecutoras igualmente deberán tratar de identificar solamente a las personas más necesitadas como participantes elegibles en su programa de asistencia. Aquellas que han

Those individuals whose original homes are located in non-conflictive zones, but who are currently residing elsewhere, cannot be considered eligible for assistance from this program. Those individuals who have received assistance under this Project in excess of two years should not be considered eligible unless:

1. The assistance provided to the family was not adequate to reintegrate them into the economy. (The GOES and/or its implementing agencies should determine what limited additional assistance would be required to complete their reintegration).

2. The family has recently been displaced again due to an escalation of the conflict where they were residing. (The GOES and/or its implementing agencies should attempt to assist this population to return to their original sites as soon as possible and not encourage any long term displacement. This may not always be possible, depending on the security of the region and the disposition of the displaced families).

3. The family has recently returned to their original home or permanently relocated in a new site.

The GOES and/or its implementing agencies will consider individuals eligible for assistance under this program if their displacement (or migration) is due to the conflict in areas where they originally resided and not solely for economic reasons. The GOES and/or its implementing agencies will also attempt to identify only the most needy in their assistance programs. Those who have found employment or have reintegrated into the economy will not be

encontrado empleo o han sido reintegradas a la economía, no deberán ser consideradas elegibles de asistencia bajo este programa. La mayoría de la asistencia directa para esta población, como infraestructura u otro tipo de proyectos directos, deberá completarse dentro de un año contado a partir del momento en que se tenga aprobados los fondos, planes de acción o proyectos bajo los cuales se implementarán las actividades. Esta asistencia incluirá la provisión de servicios de infraestructura básica para la población, tales como vivienda, agua, saneamiento y caminos de acceso, como también haber proporcionado asistencia en las áreas de proyectos productivos. En algunas de las comunidades, puede ser necesario continuar más allá del año con las actividades promocionales tales como acceso a líneas de crédito, obtención de título de tierras y promoción de liderazgo, entre otros.

El GOES y/o sus agencias ejecutoras darán prioridad a la población blanco para que reciban asistencia de reubicación en el siguiente orden:

1. Familias que residen en asentamientos populosos o que viven contiguo a vías ferroviarias o caminos, o en condiciones deplorables o malsanas, a fin de reubicarlas permanentemente. Dentro de esta categoría, se dará prioridad a "campamentos" tales como "El Tiangué" en Gotera, Morazán, pero no se limitará a esta población.
2. Asistir a aquellos que deseen retomar a sus lugares de origen.
3. Aquellos que residen en asentamientos concentrados en centros urbanos y semi-urbanos que no desean ser reubicados.

considered eligible for assistance from this program. The majority of direct assistance to this population, such as infrastructure works or another type of direct projects, should be completed within one year effective from the date of funds approval, action plans or projects under which activities will be implemented. This assistance will include providing basic infrastructure needs of the population, such as shelter, water, sanitation and access roads, as well as support to productive projects. In some communities it may be necessary to continue beyond one year with promotional activities related to credit access, titling of lands and leadership promotion, to name a few.

The GOES and/or its implementing agencies will prioritize target populations for resettlement assistance as follows:

1. Families residing in concentrated settlements living along right of ways of railways or roads, or scattered groups living in deplorable or unhealthy conditions. Within this category, priority will be given to "camps" such as "El Tiangué" in San Francisco Gotera, Morazán, but will not be limited to this population.
2. Those who wish to return to their place of origin.
3. Those residing in concentrated settlements in urban and semi-urban centers who choose not to relocate.

CONADES mantendrá contacto con aquellas familias que han sido reintegradas a la sociedad salvadoreña y no requieren de más ayuda especial. CONADES eliminará éstas familias de su registro oficial.

V. RESUMEN DE LOS COMPONENTES DEL PROYECTO

A. Distribución de Alimentos

El GOES y/o sus agencias ejecutoras serán responsables, cuando sea necesario, de la coordinación y entrega de paquetes de alimentos a los beneficiarios elegibles del Programa Mundial de Alimentos o de otras fuentes. La decisión de distribuir alimentos de emergencia será tomada por el Presidente de la República de El Salvador o su representante, aprobado por la agencia donante de alimentos y la USAID a través de un convenio mutuamente acordado por escrito.

Las familias beneficiarias, una vez registradas, participarán en las actividades del Proyecto orientadas a la reintegración económica a cambio de recibir asistencia alimenticia limitada por un período de tiempo específico.

CONADES llevará a cabo evaluaciones especiales de las necesidades de alimentos en las comunidades antes de iniciar los programas.

B. Reubicación y Reintegración

Este componente proporciona asistencia a familias desplazadas para que sean económicamente productivas y, como resultado, sean capaces de sostenerse a sí mismas y a sus familias y graduarse de programas de asistencia de "bienestar" o transferencia de recursos.

CONADES will track those families who have reintegrated into Salvadoran Society and no longer require special assistance. CONADES will then delete these families from the registry.

V. PROJECT COMPONENT SUMMARY

A. Food Distribution

The GOES and/or its implementing agencies will be responsible, where necessary, for the coordination and delivery of food packages to eligible beneficiaries from World Food Program or other resources. The need for emergency food distribution must be declared by the President of the Republic of El Salvador or his designee and approved by the food donor agency and USAID through mutual written agreement.

Eligible families, once registered, will participate in Project activities targeted at economic reintegration in exchange for food assistance limited to a specific length of time.

CONADES will make careful evaluations of the food needs of a community before initiating a program there.

B. Resettlement and Reintegration

This component provides assistance to displaced families to become economically productive and, as a result, be able to support themselves and their families and graduate from the "welfare" or resource transfer assistance programs.

La tasa de reubicación y reintegración de la población desplazada se determina por tres factores claves: 1) la disponibilidad de la tierra, 2) el deseo del desplazado de reubicarse a nuevas tierras o reintegrarse permanentemente donde se encuentran actualmente, y 3) la seguridad del área donde el desplazado desea reubicarse.

En cuanto a la reubicación o reintegración, la familia desplazada promedio podrá recibir asistencia hasta por un período de dos años, lo que permitirá a las familias cultivar y cosechar durante dos ciclos agrícolas consecutivos. Los tipos de asistencia que pueden proveerse a estas familias incluyen: vivienda mínima, asistencia alimentaria por tiempo limitado, participación en proyectos productivos (costura, panadería, etc.), paquetes agrícolas iniciales, capacitación y empleo temporal, construcción de infraestructura básica (e.g., sistemas de saneamiento y de agua potable, caminos de acceso), y servicios de salud y nutrición.

1. Reubicación de Desplazados

El GOES y/o sus agencias ejecutoras ayudarán:

- a. en la reubicación permanente de familias desplazadas en tierras privadas o gubernamentales, o
- b. en el reestablecimiento permanente de familias desplazadas a sus lugares de origen.

La asistencia se concentrará en la reubicación de aquellas familias desplazadas que actualmente se encuentren viviendo temporalmente en lugares de asentamiento o campamentos, con el objetivo de cerrar dichos lugares en un futuro cercano.

The rate of resettlement and reintegration of the displaced population is determined by three key factors: 1) the availability of land, 2) the desire of the displaced to resettle to new lands or reintegrate permanently where they are now located, and 3) the security of the area where the displaced want to resettle.

In terms of resettlement or reintegration, the average displaced family may receive assistance up to a two-year period, which will allow families to cultivate and harvest crops during two consecutive agricultural cycles. The types of assistance that may be provided to these families include: minimum shelter, time-limited food assistance, participation in productive projects (sewing, bread making, etc.), agricultural starter packages, training and temporary employment, construction of basic infrastructure (e.g., sanitation and potable water systems, access roads), and health and nutrition services.

1. Resettlement of Displaced

The GOES and/or its implementing agencies will assist:

- a. in the permanent relocation of displaced families on government or private lands; or
- b. in the permanent reestablishment of displaced families in their places of origin.

It will focus on relocating those displaced families presently living in temporary settlements or camps, with the objectives of closing these camps in the near future.

Con el fin de lograr este objetivo, el GOES se asegurará que se proporcione la tierra necesaria para la reubicación de PD y coordinará actividades con las instituciones no-gubernamentales y dueños de tierras.

En los lugares de reasentamiento en los cuales más de una agencia ejecutora esté operando, la agencia que proporciona mayor asistencia a la comunidad será designada por CONADES como la organización principal responsable de coordinar la asistencia a esta población.

Esta agencia evaluará el tipo de asistencia necesaria y trabajará con oficinas locales y regionales de instituciones tales como, Administración Nacional de Acueductos y Alcantarillados (ANDA), Ministerio de Salud Pública y Asistencia Social (MSPAS), Ministerio de Educación (MDE), Comisión Ejecutiva Hidroeléctrica del Río Lempa (CEL) y otras organizaciones públicas o privadas, para proporcionar la asistencia apropiada.

La Comisión Nacional de Asistencia a la Población Desplazada (CONADES) y el Instituto Salvadoreño de Transformación Agraria (ISTA) han iniciado un convenio de trabajo conocido como Plan Vincular, para disponer de las tierras del Estado abandonadas o subutilizadas para los programas de reubicación voluntaria. La responsabilidad de la identificación de las tierras para la reubicación de los desplazados recae principalmente en el ISTA, quien está enfocando sus esfuerzos para identificar haciendas del Gobierno abandonadas o sub-utilizadas que puedan asignarse o comprarse para la reubicación de los desplazados. Una vez que el ISTA selecciona las tierras, CONADES seleccionará, en coordinación con otras agencias ejecutoras, a los beneficiarios de las tierras. A través de este Programa, una familia recibe una parcela

The GOES will assure the provision of necessary land for resettlement and will coordinate with non-governmental institutions, as well as individual land owners, to accomplish this objective.

In those resettlement sites where more than one implementing agency is operating, the agency providing the major assistance to the community will be designated by CONADES the principal organization responsible for coordinating assistance to the subject population.

This agency will evaluate the type of assistance needed and work with regional and local offices of agencies such as the Administración Nacional de Acueductos y Alcantarillados (ANDA), Ministerio de Salud Pública y Asistencia Social (MOH), Ministerio de Educación (MOE), Comisión Ejecutiva Hidroeléctrica del Río Lempa (CEL) and other public or private organizations, to provide appropriate assistance.

The National Commission for Assistance to Displaced Persons (CONADES) and the Salvadoran Institute for Transfer of Lands (ISTA) have entered into a working agreement, known as Plan Vincular, to make available abandoned or underutilized State lands for voluntary relocation programs. Responsibility for the identification of lands for the displaced to resettle rests primarily with ISTA, which is focussing its effort on identifying abandoned or underutilized State haciendas which could be assigned or purchased for the resettlement of the displaced. Once ISTA selects the sites, CONADES will, in coordination with other implementing agencies, select the eligible beneficiaries for these sites. Through this Program, a family receives a residential lot and an agricultural lot, the latter of two to five manzanas (3.4

de terreno para la vivienda y una para trabajos agrícolas, la última constará de dos a cinco manzanas (3.4 a 8.5 hectáreas) en tamaño dependiendo de la calidad de la tierra.

Se concederá título de propiedad a los beneficiarios. Los términos de la venta incluyen un período de gracia y un calendario de pagos a tasas de intereses bajas establecidas por el ISTA.

2. Vivienda

El GOES y/o sus agencias ejecutoras proveerán de materiales y asistencia técnica para la construcción o mejoramiento de vivienda permanente de las familias que se reubiquen o que retornen a sus lugares de origen. Los materiales utilizados en la construcción deberán ser apropiados al ambiente y condiciones climáticas en los lugares donde las viviendas se ubiquen.

3. Saneamiento Ambiental

El GOES y/o los promotores de sus agencias ejecutoras proporcionarán educación en salud y asistencia técnica a las comunidades para la construcción de letrinas, disposición de basura, control de aguas residuales, control de vectores y agua potable. Las actividades se llevarán a cabo en coordinación con el Ministerio de Salud y ANDA.

4. Autosuficiencia Agrícola y Económica

El GOES y/o sus agencias ejecutoras proporcionarán paquetes agrícolas iniciales y asistencia técnica para las familias desplazadas reubicadas o que retoman a fin de iniciar proyectos productivos agrícolas. Esta asistencia también incluirá, cuando sea apropiado, proyectos de crianza de animales pequeños, huertos caseros y comunales para consumo personal y venta.

to 8.5 acres) in size depending on the land quality.

Individual title is granted to beneficiaries. The terms of the sale include a grace period and repayment schedule at low interest rates set by ISTA.

2. Shelter

The GOES and/or its implementing agencies will provide materials and technical assistance for the construction or upgrade of permanent shelter for families who are either resettling or returning to their place of origin. Materials utilized in construction should be suitable for the environment and the climatic conditions where the houses will be located.

3. Environmental Sanitation

The GOES and/or its implementing agencies' promoters may provide health education and technical assistance to the communities for latrine construction, waste disposal, sewage control, vector control and potable water. The activities will be carried out in coordination with the Ministry of Health and ANDA.

4. Agriculture/Economic Self-Sufficiency

The GOES and/or its implementing agencies may provide agricultural starter packages and technical assistance for returned/relocated displaced families to begin productive projects in agriculture. This assistance may also include, where appropriate, small animal husbandry projects, and home and communal gardens for personal consumption and market.

5. Capacitación en Oficios Vocacionales

Cuando las condiciones del mercado laboral permitan la entrada adicional de trabajadores capacitados, el GOES y sus agencias ejecutoras, en coordinación con otras agencias, proporcionará cursos de capacitación en oficios vocacionales para aquellas familias que no participan en los proyectos agrícolas. Esta actividad tendrá como meta alcanzar los trabajadores con ingresos básicos, incluyendo mujeres jefes de familia, que requieren de nuevos medios para sostener a sus familias. Los promotores del GOES y/o sus agencias ejecutoras evaluarán las necesidades de capacitación vocacional de los beneficiarios por medio de encuestas en comparación con las necesidades de los empleadores potenciales. La capacitación será orientada al mercado, relacionada con las aptitudes e intereses del probable estudiante, y orientado hacia la tecnología apropiada.

6. Asistencia a Microempresa

Los promotores del GOES y/o sus agencias ejecutoras, cuando sea apropiado, ayudarán a las personas desplazadas a tener acceso a líneas de crédito y capacitarlos en los rudimentos de la administración de la pequeña empresa. Los beneficiarios de tal asistencia deberán primero demostrar un fuerte potencial para el éxito en manejar su propio negocio. La asistencia abarcará investigación de mercado, acceso a crédito, desarrollo del producto, mantenimiento de registros, y venta y distribución de los productos. El GOES y/o sus agencias ejecutoras también trabajarán, en lo posible, con otras agencias que ofrecen tales programas.

5. Vocational Skills Training

Where labor market conditions can support the entry of additional skilled workers, the GOES and/or its implementing agencies, in coordination with other agencies, may provide vocational skills training courses for those families not participating in agricultural projects. This activity will target primary wage earners who require new means of supporting their families, including female heads of households. The GOES and/or its implementing agencies' promoters will assess the vocational training needs of the beneficiaries through surveys as compared to the needs of potential employers. The training will be market driven, related to the aptitudes and interests of the prospective student, and geared towards appropriate technology.

6. Small Business Assistance

The GOES and/or its implementing agencies' promoters, where appropriate, may help subject populations to access credit and train them in the rudiments of small business management. The recipients of such assistance must first demonstrate a strong potential for success in operating their own business. The assistance will encompass market research, credit access, product development, record keeping, and product sales and distribution. The GOES and/or its implementing agencies will also interface with other agencies offering such programs whenever possible.

7. Infraestructura Comunitaria

En las localidades donde las familias desplazadas se han reubicado o retornado a su lugar de origen, el GOES y/o sus agencias ejecutoras establecerán o reconstruirán, donde sea apropiado, infraestructura básica comunitaria. Esto incluirá servicios básicos tales como, agua potable, electricidad, sistemas de drenaje, caminos rurales, escuelas, y facilidades para la atención en salud.

8. Servicios de Salud

El GOES y/o sus agencias ejecutoras proporcionarán, en áreas en las cuales el Ministerio de Salud y Asistencia Social no atiende, y en coordinación con otras organizaciones públicas o privadas, consultas médicas generales limitadas y temporales así como servicios de salud preventiva a la población blanco. La última actividad se enfocará en el cuidado en la salud materno-infantil, incluyendo la vigilancia y el monitoreo de niños menores de 5 años, y mujeres embarazadas y lactantes. Se incluirá un componente de vigilancia y monitoreo nutricional. Se promoverán las visitas domiciliarias regulares y se reforzará la necesidad de tomar medidas preventivas en salud, la higiene personal y la vivienda. Estas actividades serán proporcionadas hasta que el Ministerio de Salud establezca servicios de salud local.

9. Educación y Capacitación

El GOES y/o sus agencias ejecutoras proporcionarán capacitación, supervisión, y seguimiento para los promotores en salud comunitaria, saneamiento y agrícolas, en coordinación con estructuras de organización comunitaria (comités locales, grupos juveniles, concejos de salud, escuelas, etc.) y escuelas. Un aspecto importante de este componente será estudiar maneras para que los voluntarios puedan aplicar la capacitación recibida y hacer que las actividades sean auto-sostenidas.

7. Community Infrastructure

Where displaced families are resettled or reintegrated in their place of origin, the GOES and/or its implementing agencies may reestablish or construct basic community infrastructure. This will include such basic services as potable water, electricity, sewage systems, rural roads, schools and health care facilities.

8. Health Services

The GOES and/or its implementing agencies will provide, in areas where Ministry of Health and Social Welfare services do not yet exist and in coordination with other public or private organizations, limited and temporary general medical consultation and preventive health care services to the target population. The latter will focus on maternal-child health care, including screening and monitoring of children under five, and pregnant and lactating mothers. A nutritional screening and monitoring component will be included. Regular home visits will promote and reinforce the need for preventative health measures, and personal and home hygiene. These activities may be provided until the MOH establishes local health services.

9. Education and Training

The GOES and/or its implementing agencies may provide training, supervision and follow-up for community health, sanitation and agriculture promoters, in coordination with local community groups (such as local committees, youth groups, health councils, and schools). A major aspect of this component will be to explore ways for volunteers to apply their training and to make the activities self-sustaining.

C. Administración del Proyecto,
Asistencia Técnica y Supervisión

El Proyecto financiará personal dentro de la A.I.D. para manejar las actividades de aquellas instituciones no gubernamentales financiadas bajo este Proyecto y coordinará las actividades del Proyecto en forma estrecha con CONADES y otras instituciones del GOES.

El Proyecto financiará los esfuerzos continuos de dos Organizaciones no Gubernamentales (ONGs) Estadounidenses hasta mayo de 1993, y dos ONGs locales con fondos de contrapartida, cuyos esfuerzos iniciarán en octubre de 1990 y gradualmente asumirán las actividades de los ONGs estadounidenses. Las ONGs locales serán capacitadas por las ONGs estadounidenses, y sus esfuerzos serán coordinados por CONADES.

Las ONGs locales prepararán Planes de Acción anuales conjuntamente con CONADES para la aprobación final y financiamiento con fondos de contrapartida por SETEFE Y la A.I.D.

Los Planes se prepararán de acuerdo a las normas del GOES y la A.I.D., pero de forma tal que permitan la preparación y aprobación de sub-proyectos durante el año. Los planes deberán reflejar los esfuerzos conjuntos de las ONGs locales y CONADES a nivel comunitario.

Un contratista estadounidense proporcionará asistencia técnica a CONADES en las áreas de alimento y supervisión del proyecto, supervisión del Sistema de Información Gerencial (SIG), y asistencia en logística y manejo financiero. El contratista también será responsable de asistir a CONADES en la programación de la distribución de alimentos y el mantenimiento/actualización del registro de población desplazada, ambos necesarios para la administración y selección apropiada de los recursos para asistir a la población desplazada.

C. Project Management, Technical Assistance and Monitoring

The Project will finance a staff within A.I.D. to manage the activities of those non-governmental institutions financed under this Project and to coordinate Project activities closely with CONADES and other GOES institutions.

The Project will finance under this Grant Amendment the efforts of two U.S. Non-Governmental Organizations (NGOs) through May 1993, and, with host country local counterpart currency, two local Private Voluntary Organizations (NGOs) whose efforts will begin by October 1990 and who will gradually take over from the U.S. NGOs. The local NGOs will be trained by the U.S. NGOs, and their efforts will be coordinated by CONADES.

The local NGOs will prepare annual Action Plans jointly with CONADES for final approval by SETEFE and A.I.D. for funding with local currency counterpart funds.

The Plans will be prepared according to GOES and A.I.D. standards, but will accommodate the preparation and approval of sub-projects during the year. The plans must reflect the anticipated joint efforts of the local NGOs and CONADES at the community level.

Under this Grant Amendment a U.S. contractor will be funded to provide technical assistance to CONADES in the areas of food and project monitoring, management information systems (MIS) supervision, and logistics and financial management assistance. The contractor will also be responsible for assisting CONADES in programming food distribution and the maintenance/updating of the displaced families registry, both critical to the management and appropriate targeting of assistance resources to the displaced population.

D. Evaluaciones y Auditorías

Evaluaciones regulares y generales han desempeñado un papel importante para dirigir el énfasis de este Proyecto. Se llevará a cabo una evaluación a mediano plazo en 1991, y una evaluación final se desarrollará en 1993. Las evaluaciones se realizarán a través de contrataciones directas por la A.I.D.

Auditorías regulares continuas de todas las agencias implementadoras se han llevado y se llevarán a cabo en coordinación con la Oficina del Inspector General Regional de la A.I.D.

Se solicitará a las ONGs estadounidenses contratar una firma de Contadores Públicos Certificados (CPC) de los Estados Unidos para llevar a cabo auditorías anuales utilizando las normas de la Oficina General de Contabilidad, realizando las debidas pruebas internas y el trabajo de campo que se considere necesario, de acuerdo a las normas de auditoría generalmente aceptadas. CONADES está y estará sujeta a una auditoría concurrente supervisada por la Oficina del Inspector General Regional. Las ONGs locales llevarán a cabo, anualmente, auditorías financieras completas que serán contratadas por el GOES y desarrolladas por auditores externos afiliados a una firma de CPC de los Estados Unidos, utilizando las normas de la Oficina General de Contabilidad. Además, un agente fiscal a ser contratado por la A.I.D. llevará a cabo el monitoreo financiero de sus operaciones, incluyendo revisión de comprobantes, revisiones financieras, asistencia técnica en manejo financiero, etc. Se han presupuestado las cantidades de \$380,000 y \$387,000 para las auditorías y los servicios del agente fiscal, respectivamente.

D. Evaluations and Audits

Regular and comprehensive evaluations have played an important role in guiding project emphasis. An interim evaluation will be conducted in 1991, and a final evaluation will be conducted by A.I.D. in 1993. Evaluations will be conducted through direct contracting by A.I.D.

Regular audits of all implementing agencies will be conducted in coordination with the Office of the A.I.D. Regional Inspector General.

US PVO's will be required to engage a US CPA firm to conduct annual audit of activities in accordance with GAO standards, with such interim testing and fieldwork performed as deemed necessary by generally accepted auditing standards. CONADES is currently and will continue to be subject to a RIG supervised concurrent audit. For local PVO's, there will be, on a yearly basis, a complete financial audit to be contracted by the GOES and performed by external auditors affiliated with US CPA firms using GAO standards. In addition, a fiscal agent to be contracted by A.I.D. will perform financial monitoring of their operations including voucher examination, financial reviews, TA in financial management, etc. Funds for audits and fiscal agent have been budgeted at \$380,000 and \$387,000, respectively.

ATTACHMENT II
(ANEXO II)

FINANCIAL PLAN, ILLUSTRATIVE BUDGET
(PLAN FINANCIERO, PRESUPUESTO ILUSTRATIVO)

U.S. DOLLARS
(DOLARES ESTADOUNIDENSES)

	1	2	3 = 1+2
LINE ITEMS (RUBROS)	TOTAL OBLIGATIONS TO DATE (TOTAL OBLIGACIONES A LA FECHA)	INCREASE OF FUNDS (INCREMENTO DE FONDOS)	TOTAL REVISED (OBLIGACION TOTAL REVISADA)
1. JOBS COMPONENT (COMPONENTE DE TRABAJO)	34,670,197.34	0.00	34,670,097.34
2. HEALTH COMPONENT (COMPONENTE DE SALUD)	2,693,247.08	0.00	2,693,247.08
3. NUTRITION COMPONENT (COMPONENTE DE NUTRICION)	0.00	0.00	0.00
FOOD BASKET (CANASTA DE ALIMENTOS)	276,000.00	0.00	276,000.00
4. RELOCATION OF DISPLACED (REUBICACION DE DESPLAZADOS)	9,139,169.00	2,470,694.00 (+)	11,609,863.00
5. PROGRAM MANAGEMENT SURV. AND MONITORING (ADMINISTRACION DEL PROGRAMA CONTROL Y VIGILANCIA)	3,242,272.58	410,000.00 (+)	3,652,272.58
6. INTERNATIONAL TECHNICAL ASSIST. (ASISTENCIA TECNICA INTERNACIONAL)	1,979,000.00	400,000.00 (+)	2,379,000.00
7. EVALUATION AND CONTINGENCY (EVALUACION E IMPREVISTOS)	2,365,000.00	109,089.00 (+)	2,474,089.00
TOTAL	54,263,766.00	3,389,773.00 (+)	57,653,539.00

ATTACHMENT III:
(ANEXO III)

FINANCIAL PLAN, ILLUSTRATIVE LIFE OF PROJECT BUDGET
(PLAN FINANCIERO, PRESUPUESTO ILUSTRATIVO PARA LA VIDA DEL PROYECTO)

U.S. DOLLARS
(DOLARES ESTADOUNIDENSES)

	1	2	3 /*	4 = 1+2+3
LINE ITEMS	TOTAL OBLIGATIONS TO DATE	THIS OBLIGATION	FUTURE OBLIGATION	TOTAL LOP OBLIGATION
(SUBROS)	(TOTAL OBLIGACIONES A LA FECHA)	(ESTA OBLIGACION)	(OBLIGACION FUTURA) #	(OBLIGACION TOTAL PARA LA VDP)
1. JOBS COMPONENT (COMPONENTE DE TRABAJO)	34,670,097.34	0.00	0.00	34,670,097.34
2. HEALTH COMPONENT (COMPONENTE DE SALUD)	2,693,247.08	0.00	0.00	2,693,247.08
3. NUTRITION COMPONENT (COMPONENTE DE NUTRICION)	0.00	0.00	0.00	0.00
FOOD BASKET (CANASTA DE ALIMENTOS)	276,000.00	0.00	0.00	276,000.00
4. RELOCATION OF DISPLACED (REUBICACION DE DESPLAZADOS)	9,139,165.00	2,470,651.00	1,005,396.00	12,614,249.00
5. PROGRAM MANAGEMENT SURV. AND MONITORING (ADMINISTRACION DEL PROGRAMA CONTROL Y VIGILANCIA)	3,242,272.58	410,000.00	1,000,000.00	4,652,272.58
6. INTERNATIONAL TECHNICAL ASSIST. (ASISTENCIA TECNICA INTERNACIONAL)	1,879,000.00	400,000.00	1,532,936.00	3,811,986.00
7. EVALUATION AND CONTINGENCY (EVALUACION E IMPREVISTOS)	2,365,000.00	109,085.00	400,000.00	2,873,089.00
TOTAL PROJECT (TOTAL PROYECTO)	54,263,786.00	3,399,733.00	3,938,382.00	61,590,941.00

* SUBJECT AVAILABILITY OF FUNDS
SUJETO A LA DISPONIBILIDAD DE FONDOS

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AGENCY FOR INTERNATIONAL DEVELOPMENT
UNITED STATES OF AMERICA A. I. D. MISSION
TO EL SALVADOR
C/O AMERICAN EMBASSY.
SAN SALVADOR, EL SALVADOR, C. A.

ACTION MEMORANDUM FOR THE DIRECTOR
USAID/EL SALVADOR

FROM: *for Joseph P. Kennedy*
Joseph P. Kennedy, PRJ

SUBJECT: Project Amendment: Health and Jobs for Displaced Families (519-0281).

ACTION REQUESTED

Your approval is requested for the fourth Project Paper Amendment of the Health and Jobs for Displaced Families Project 519-0281, increasing life of Project funding by \$7,328,000, from \$72,525,000 to \$79,853,000, and extending the life of Project by 29 months, from December 31, 1990 to May 31, 1993. Your approval is also requested for the Project Agreement Amendment No. 16 with the Government of El Salvador extending the life of Project and increasing funding under this Agreement by \$3,388,773 to a total of \$57,652,559. *

BACKGROUND

The Displaced Families Project was authorized by the A.I.D. Administrator on February 11, 1982 at the original Life of Project (LOP) funding level of \$11.0 million to give emergency assistance to thousands of persons in El Salvador uprooted from their homes by the civil conflict. The displaced population peaked in 1984 at over 400,000 persons, but has since declined as a result of considerable A.I.D. assistance and a reduction in hostilities. The population is now at approximately 125,000 and continuing to decline. In response to the continuing civil conflict, and guided by periodic evaluations performed in 1984, 1986, and 1988, the total LOP funding approved to date has been increased to \$72,525,000, and the original PACD has been extended several times and is now December 31, 1990.

Over the eight year period that the Displaced Families Project has been operating, the focus of its activities has shifted from emergency relief, to maintenance of temporary welfare assistance, and finally to economic reintegration. While some 275,000 displaced families have been reincorporated into Salvadoran society, approximately 125,000 continue to require special assistance such as that supported by the Health and Jobs for Displaced Families Project.

- * The difference between the authorized amount and the GOES Grant (\$18,260,847) has been in the form of direct obligations to PVCs and institutional contractors, not channeled through the GOES Agreement.

The current objective is to permanently resettle the remaining Displaced Persons (DPs) and reintegrate them into the mainstream of Salvadoran life as self-supporting members of the society. Efforts must also be completed to identify those especially vulnerable victims within the Displaced population unable to live independently of long-term social and economic assistance and facilitate access for them to care from other appropriate social service agencies.

DISCUSSION

The goal of the Health and Jobs for Displaced Families Project is to achieve an acceptable level of social stabilization. The purpose of the Project is to stimulate and facilitate the reintegration of displaced persons into the economy of El Salvador, with particular emphasis on assistance to the permanent resettlement of Displaced Persons.

While the project to date has achieved a significant measure of success in reintegrating displaced families into the economy of El Salvador, more time and resources are required, as well as some adjustments to the Mission's implementation strategy, to find permanent solutions for the remaining 125,000 DPs. Our objective in granting this extension is to permanently resettle or reintegrate in existing communities some 105,000 Displaced Persons (21,000 families), and to refer to appropriate social service agencies on a best effort basis the care of 20,000 persons (4,000 families) which are vulnerable and in need of long-term support. While we are going through this process, we will complete the process of institution building within the GOES and coordination with other donors so that USAID works itself out of the leading role now played vis-a-vis the Displaced Persons problem.

The Project Amendment will enable USAID to achieve the foregoing objective by: (a) extending and increasing support for U.S. PVO resettlement efforts; (b) continuing support for "safety net" activities (e.g., health care) provided by PVOs to the displaced; and (c) provide an increased level of technical assistance to strengthen CONADES to enable it to assume the lead role in assisting the displaced. The Amendment also provides for a host country counterpart contribution to finance supplemental indigenous PVO assistance so as to increase the number of displaced families that participate in relocation programs. During the proposed 29 month extension of the Project (from Dec. 31, 1990 to May 31, 1993), approximately sixty four (64) new additional resettlement communities will be identified and assisted.

In addition, special efforts will be launched to address the needs of the approximately 20,000 people (4,000 families) that are particularly vulnerable and could not be expected to become economically self-sufficient. This population includes the elderly, infirm, and women-headed households with young dependent children. They require more or less continuing safety net

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assistance such as food, medical attention, nutrition education, and so forth. This vulnerable population will be referred to national or local permanent social service agencies on a best effort basis. The Project will provide support, such as technical assistance, to assist the GOES with this transition. To the extent possible, the GOES will facilitate the identification of existing, and where lacking the formation of new, community based assistance to complement national level services.

At the 1991-92 Action Plan review held on 11 April 1990, the Mission was given programmatic approval for the proposed amendment, subject to A/AID approval of a 29 months PACD extension which would result in a life of project in excess of ten years (State 134090).

The Mission reviewed the PP Supplement on 10 June 1990, and met with you again, on 25 June 1990, to review issues of local PVO contracting and the supplement budget. The following issues were addressed in these sessions:

CONADES-GOES Capability and Interest:

The Project strategy calls for gradual turnover of the Displaced Persons Program to CONADES, in order that A.I.D. itself can "graduate" from the support of this program. In the past the GOES has tended to view support for the DPs as a donor problem. The strategy to change this view is to proactively involve the Vice-Ministry of the Interior through policy dialogue. There have already been recent management changes in CONADES that appear to have a positive impact on CONADES operations and controls.

While direct daily contact with DP communities will still be primarily through PVOs, the Project strategy provides for substituting local NGOs for US PVOs, and for CONADES to coordinate the local NGOs' activities directly. Also, A.I.D. has begun negotiating with SETEFE and CONADES so to assure adequate local currency counterpart will be budgeted for financing both the local NGOs and CONADES operations.

GOES grants to two local PVOs are envisioned. One of these (Fe y Trabajo) has submitted an unsolicited proposal, and we believe that, together with CONADES, the GOES can negotiate a quick start-up of its activities. (Fe y Trabajo is already registered with GOES as a PVO). As per our discussion with you, the other PVO remains to be identified, but would not be a parastatal such as FEDECCREDITO.

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Treatment of "Vulnerable Displaced":

Approximately 20,000 persons of the 125,000 target group will not be able to strike out on their own because they are infirmed, aged, or the female heads of households with young children. This Project is not intended to provide unlimited safety net support for these individuals, yet because they are living in displaced persons communities they presently come under the CONADES umbrella.

The strategy proposed in the PP supplement is to phase out Project assistance, which is by its nature of only a short-term duration, as efficiently as possible, and shift responsibility for meeting the continuing needs of the population to other social service agencies on a best effort basis. The vulnerable population will be identified during the upcoming census of the displaced that will be carried out by Ronco Consulting Corporation. The PVOs and CONADES will make every reasonable effort to link these individuals with local social service institutions that can provide assistance over an extended period.

Target Population:

There was some concern that we have not included in our target group some 5,000 to 10,000 people being assisted by church groups. Since this population and the church groups are being adequately attended, we shall respect the status quo.

The treatment of repatriates was also reviewed. We noted that CONADES has established a separate repatriation office to attend to repatriates and is proactively involved in improving relations with them. The operation of this Office will be financed with Project counterpart funds.

The World Food Program:

After lengthy discussion, we decided to continue providing local currency support to the WFP food program through CONADES for purposes of targeting, control and accountability.

Budget:

As agreed, the dollar budget has been reduced by shifting local PVO support to counterpart, including first year operations. However, we retained additional funds in the budget for concurrent audit and a final evaluation, and for full dollar funding for the Creative Associates cooperative agreement. The resulting budget of \$7.3 million reflects these adjustments and is consistent with the decisions and opinions of our last meeting. *

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WAIVER OF SOURCE/ORIGIN/NATIONALITY

Under a separate action memorandum you are requested to approve a waiver from geographic Code 000 (U.S.), in compliance with "Buy America" guidance issued per STATE 276461.

NOTIFICATION

The Congressional Notification was sent for this Amendment and the waiting period expired on 6 August 1990 with no objection.

AUTHORITY

You have been delegated programmatic approval of this amendment per State 134090. The A/AID has approved an extension of the PACD to 31 May 1993 (State 283436).

RECOMMENDATION

That you (1) authorize the PP Supplement for the Health and Jobs for Displaced Families Project, involving LOP additional funding of \$7.3 million, to extend Project activities through the new PACD of May 31, 1993, and (2) execute an amendment to the Project Grant Agreement with the GOES adding \$3,388,773 in FY 90 funds and extending the PACD TO May 31, 1993. If you agree, please sign the attached Authorization Amendment, PP Supplement facesheet, and Agreement Amendment.


Approved

Disapproved

9/26/90
Date

* The FY90 obligation is \$3,388.773 and consists of CASA funds (PL 101-215) and ARDN reobligations, all of which will be obligated under the GOES Grant.

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Drafted: *JP* JPlastic, PRJ

Clearances

RLynch, IRD/CDD	(draft)	date	9/10/90
DKitson, IRD	(draft)	date	9/10/90
ETLandau, A/DPP	<i>OK</i>	date	9/12/90
DFranklin, CONP	<i>S.F.</i>	date	9/15/90
LMcGhee, CO	<i>LMC</i>	date	9/18/90
JHeard, AMDO	<i>HJ</i>	date	9/27/90
JLovaas, DDIR	<i>JL</i>	date	7/25/90

5291B

9/19/90

needs 9/19/90

FUNDS AVAILABLE	REVIEWED
<input type="checkbox"/>	<input checked="" type="checkbox"/>

AGENCY FOR INTERNATIONAL DEVELOPMENT
UNITED STATES OF AMERICA A. I. D. MISSION
TO EL SALVADOR
C/O AMERICAN EMBASSY.
SAN SALVADOR, EL SALVADOR, C. A.

PROJECT AUTHORIZATION
AMENDMENT No. 2

Name of Country : El Salvador
Name of Project : Emergency Program: Health and Jobs
for Displaced Families
Number of Project : 519-0281

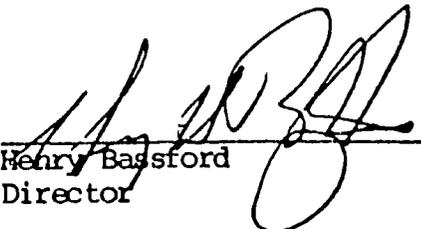
1. On February 11, 1982, the Administrator authorized the Health and Jobs for Displaced Families Project for El Salvador. On July 10, 1984, the Administrator further amended the Project to increase grant funding to a total amount of \$72,525,000 and extended the life of project to September 30, 1987. Under Delegation of Authority No. 754, the Mission Director on May 11, 1987 extended the life of project to December 31, 1988. On December 19, 1988, the Assistant Administrator further extended the life of Project to December 31, 1990. On August 13, 1990, the Administrator approved further life of project extensions not to exceed December 31, 1993. Additional grant funds are hereby authorized in the amount of \$1,550,000 from Survival Assistance to Victims of Civil Strife in Central America and in the amount of \$5,778,000 from ARDN Development Assistance funds increasing the total grant funding to \$79,853,000.

2. I hereby amend the Project authorization to reflect all the above amendments made since July 10, 1984. Paragraph 1 of the Authorization shall now read as follows:

1. Pursuant to Sections 103, 104, 106, and 531 of the Foreign Assistance Act of 1961, as amended, and to Section 1.(a) of Public Law 101-215, Survival Assistance to Victims of Civil Strife in Central America, I hereby authorize the Health and Jobs for Displaced Families Project for El Salvador involving planned obligations of not to exceed Seventy Nine Million Eight Hundred Fifty Three Thousand United States Dollars (\$79,853,000) in grant funds ("Grant") over an eleven year, four month period from the date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the Project. The planned life of Project is approximately eleven years four months from the date of initial obligation.

3. Except as A.I.D. otherwise agrees in writing the authorized source for procurement of goods and services to be financed by the additional amount hereby authorized (\$7,328,000) is 000 (U.S.).

4. Except as expressly modified or amended herein, the Authorization, as amended, remains in full force and effect.


Henry Bassford
Director

5/26/90
Date

Drafted:  J. Pastic, PRJ

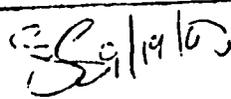
Clearances

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DKitson, IRD (in draft)	date	9/10/90
ETLandau, A/DPP 	date	9/12/90
DFranklin, CONF 	date	9/19/90
LMcGhee, CO 	date	9/17/90
JHeard, AMDO 	date	9/20/90
JLovaas, DDIR 	date	9/26/90

5321B

MAILED 9/19/90

FUNDS AVAILABLE
 FUNDS **NOT** REVIEWED

 9/19/90