

**ANNUAL RESULTS REVIEW (Honduras)**  
**Special Objective**  
**Food Security for Hurricane Victims**  
**March 1999**

**1. Executive Summary**

It was originally estimated that there were approximately 1.2 million food insecure people in Honduras (about 20% of the population) as a result of Hurricane Mitch, many of whom were also homeless and in shelters. Although no subsequent definitive assessment has been made since Hurricane Mitch struck, the number of food insecure people appears to be significantly less.

USAID is working with CARE, Catholic Relief Services (CRS) and the World Food Program (WFP) to meet the emergency food needs of the hurricane victims for the next 4-6 months. The emergency food aid program is being implemented in all departments of Honduras, except the Bay Islands, with distribution of 76,090 metric tons of food aid by the WFP (39,098 Mts. of which 25,240 is the USG's contribution) and the two Title II Cooperating Sponsors, CRS (19,000 Mts) and CARE (19,090 Mts). WFP plans to reach 600,000 victims through direct distribution from November 15, 1998 through May 15, 1999; CRS, 100,000 persons from November 17, 1998 through November 18, 1999; and, CARE, 350,000 persons from December 1, 1998 through March 31, 1999, extended to April 30, 1999.

The Cooperating Sponsors and WFP are conducting a rapid assessment of the food security situation in 60 municipalities of the approximately 300 being served by the Emergency Title II and WFP programs to determine whether the level of food aid is comparable to the needs of the victims or whether it should be scaled down and/or re-targeted.

Since WFP is a multilateral organization, the Mission does not have direct oversight responsibility over the program nor is WFP required to report directly to the Mission on its accomplishments and constraints. For this reason, this Annual Results Review will only provide basic information about this program.

Because of the nature of the emergency, a comprehensive Bellmon assessment was waived by BHR/FFP. FAO conducted a **Crop and Food Supply Assessment**, dated 29 January 1999, which estimated the food aid requirement for Honduras to be 276,000 metric tons, 236,000 of corn and 40,000 of rice and beans. After taking into account food aid received and pledges, the report stated that the food aid gap is 191,000 metric tons. In early February 1999, the Office of Statistics and Census (DGEC), Department of Commerce and Industry, published a survey of basic grain production showing estimated corn production on the first and second crops to be higher than reported by FAO, thereby, forecasting the deficit for corn and beans to be lower. FAO recently reported that they would now report the deficit in accordance with the latter study. Roberta VanHaeften subsequently provided the Mission with a draft analysis of both reports and estimates a deficit for corn of about 40,000 to 90,000 metric tons taking into account food aid committed and pledges depending upon different scenarios. This has to be confirmed when her final report is submitted.

Despite the February 1999 Gersony report, field visits and reports confirm that CARE and CRS have been responsive in meeting the immediate needs of the populations affected by the Hurricane, especially in rehabilitating schools, homes, health centers, basic sanitation facilities and access roads and bridges.

The emergency phase of the program is ending and there is a need to re-target food resources to areas of most need and agree on types of projects to be supported in this rehabilitation phase. Secondly, there is a need to determine whether the quantities of food programmed under Title II are appropriate to food and employment needs and if food aid should be reduced by cancelling CARE's and CRS' final call forwards. Since a second phase of food aid under new Transfer Authorizations was originally discussed with the Cooperating Sponsors, a decision on whether this will be considered is also needed.

## II. Performance Discussion

### A. Results

#### 1. Intermediate Results

##### a. Food provided to hurricane victims.

CRS originally planned to provide 100,000 persons or 20,000 families per month with food for work and direct distribution from November 16, 1998 to November 17, 1999 in 46 municipalities in the Departments of Colon, Comayagua, Cortés, Yoro, Francisco Morazán, and Olancho. Of the 19,000 metric tons programmed and 7,897 metric tons received, CRS has distributed 1,729 metric tons monthly or a total of 3,458 metric tons to an average of 80,195 persons per month through food for work, mostly since January and February, 1999, when food arrived at their warehouses. The high number of beneficiaries in the food for work program is due to the fact that, in general, CRS calculates that each worker works an average of 6 to 7 days per month instead of 20 days required to earn a full family ration of 79.5 kilograms. Workers are thus receiving about 30 per cent of the 79.5 kilograms/month ration. When the number of days required to earn a full monthly family ration approaches 20 to 22 days of work, it is normal in food for work activities that workers opt to work less to take advantage of part time job opportunities to earn cash wages for their other needs. An additional 3,638 persons, mostly children, the elderly and handicapped people were provided food through direct distribution with the excess food available. The average kcal. per person/per day being distributed in the rations is 2,050 as planned. (See Summary Charts Below.)

CARE's Emergency Title II Program originally proposed to reach 350,000 victims or 70,000 families per month from November 1, 1999 through March 30, 1999, extended to April 30, 1999, in 67 municipalities in the 10 Departments of Cortés, Yoro, Santa Barbara, Atlántida, Francisco Morazán, Olancho, Choluteca, La Paz, Valle, and Comayagua. Approximately 30 percent of the planned number of Hurricane victims to be provided with food were to be served through temporary shelters and 70 percent through food for work. Of the 19,090 metric tons programmed and the 9,976 received, CARE has distributed 8,218 metric tons. Of this quantity, 5,796 metric tons were distributed under food for work and 2,422 metric tons under direct distribution to victims in temporary shelters. CARE reports that its food for work program reached

approximately 120,070

beneficiaries in January and 200,830 in February for a monthly average of 160,450. Under its direct distribution program to shelters from November 1998 through February 1999, distributions to families in temporary shelters reached 492 families or 2,160 persons in 17 shelters in Tegucigalpa; 1,168 families or 5,840 persons in San Pedro Sula; and 1,196 families or 5,980 persons in Choluteca for a total of 13,980 persons.

CARE no longer is working with shelters in Tegucigalpa and San Pedro Sula, which have been taken over by the World Food Program, but continues this program in Choluteca. The average kcal. per person per day being distributed in the rations is 2,050 as planned. (See Summary Charts Below)

**Summary**

Cooperating Sponsor & T.A. Dates	Mts. Approved and Value	Mts. Received	Distributed Mts	Balance to be Received and Distributed MTs.
CRS - Nov. 17, 1998 to Nov. 18, 1999	19,000 US\$ 6,533,000	7,897	3,458	15,542
CARE - Dec. 1, 1998 to Apr. 30, 1999	19,090 US\$ 7,313,200	9,976	8,218	10,872

Cooperating Sponsor	FFW Average No of Benefic-aries per month	Direct Dis-tribution Average No. of Benefic-aries per month	Actual Benefic-aries per month	Planned Benefic-aries per month
CRS	80,195	3,638	83,883	100,000
CARE	160,450	13,980	174,430	350,000
<b>Total</b>	<b>240,645</b>	<b>17,618</b>	<b>258,313</b>	<b>450,000</b>

b. Rehabilitation of rural and municipal infrastructure through food for work programs.

CRS, as is normal in emergency programs, did not exactly specify the types and quantify of the municipal and rural infrastructure projects to be rehabilitated. CRS reports that they have produced the following outputs under their food for work program:

- 1,077 communities partially rehabilitated through clearing of mud and basic repairs of schools, community centers, clinics, and building

drainage canals.

- 3,515 kilometers of access roads and streets cleared of debris and basic repairs made.
- 2,893 hectares of farmland rehabilitated through clearing rocks and debris, building drainage canals, and recovering soil.
- 7,087 homes have been rehabilitated by clearing out mud and repairing flood damage. 71 houses are under construction.
- 786 communities were assisted in repairing water and sanitation facilities.

CARE, as CRS not did quantify planned outputs, for their municipal and rural infrastructure food for work program. CARE reports that they have produced the following outputs under this program:

- 983 communities rehabilitated through clearing of mud and debris from roads and streets, schools, clinics, churches and cemeteries.
- 916 road projects were undertaken with more substantial repair and resurfacing, including rehabilitating drainage canals.
- 480 agricultural rehabilitation projects were completed, which involved erosion control, reforestation, and repair of agricultural infrastructure.
- 340 housing rehabilitation projects were supported which involved basic repairs to the structures of the homes.
- 572 water and sanitation repair projects were completed.

c. Number of person months of employment generated by food for work.

CRS calculated the number of person/months of employment by dividing the total number of work days reported by their counterparts by 20 days, the number of days required to earn a monthly ration for a family of five. CARE used a similar formula but requires 22 days of work for a family ration. Therefore, the person/months of employment numbers shown below are best estimates with the information available. The value of a daily family ration is estimated at 25 Lempiras or US\$ 1.79 which is below the minimum wage and should not compete with locally available jobs which range from a low of 38 Lempiras (US\$ 2.71), mostly for women, to 42 Lempiras (US\$ 3.00) for daily laborers and 50 to 100 Lempiras for piece work (US\$ 3.57 to 7.14). Food for work is self-selective meaning that only those people who are extremely poor will participate in these activities, because they have limited job opportunities.

CRS generated a total of 21,454 person months of employment mostly in Colon, 15,385, and Comayagua, Cortes and Yoro, 5,269. Eighty percent of the program has been concentrated in these Departments under CRS's counterparts, the Parish of Tocoa in Colon and Aldea Global, supported by Mercy Corps, in Comayagua, Cortés and Yoro. In Francisco Morazán and Olancho, 600 and 200 person months of employment, respectively, were created in the month of February 1999 when the food for work began in these Departments.

CARE generated a total of 66,640 person months of employment. Of this quantity, 2,922 corresponds to the Department of Atlantida; 16,982 in Choluteca; 1,884 in Comayagua; 13,045 in Cortés; 2,420 in Tegucigalpa in the Department of San Francisco Morazán; 166 in La Paz; 6,125 in Olancho; 4,151 in Santa Barbara; and, 6,606 in Valle.

**Summary of Person Months of Employment**

CRS	21,454
CARE	66,640
Total	88,094

d. Maintenance of Nutritional Status of Target Population.

Under the Program Proposals, CRS and CARE as well as the WFP are to report on nutritional status of the beneficiary population using secondary sources as part of their final report. To date, no data have been gathered to report on this indicator.

**B. World Food Program**

Although the Mission has requested distribution information from WFP, only Shipping information has been provided. As stated earlier, WFP planned to provide food aid, mostly through direct distribution through 165 municipalities to 600,000 beneficiaries from November 11, 1998 through May 5, 1999. Distributions are taking place in 16 of the 18 Departments, namely, Cortés, Yoro, Santa Barbara, Atlantida, Copan, Francisco Morazan, Olancho, Choluteca, Lempira, La Paz, Intibuca, Valle, Paraíso, Comayagua, Octopeque and Gracias a Dios.

Of the 25,260 Mts. donated by the United States, 16,950 are in country and the balance of 8,876 is estimated to arrive in the remainder of March and April.

The major problem WFP has faced logistically is the difficulty of sending food supplies to La Mosquitia, Department of Gracias a Dios, because of the isolation of this Department and access is only through the Atlantic Ocean or by air. Food shipments were interrupted in January 1999, because the only two shipping companies working out of Cortés and La Ceiba were giving preferential treatment to commercial merchandise. In late February WFP approached the Mission to request airlift support from the US Air Force. After checking with the MILGROUP, USAID was advised that no funding was available for the airlift and no Navy Ships were in the Atlantic coast near Honduras to assist WFP.

The MILGROUP suggested that WFP contact the Honduran Navy which had a ship capable of loading and shipping 100 metric tons of food each trip to La Mosquitia. WFP, to our knowledge did not follow-up on this advice and instead requested donors to provide US\$500,000 for the airlift operation. The Canadian International Development Agency (CIDA) provided the equivalent of US\$ 50,000 and USAID was again verbally approached for an equal amount to haul by air 300 tons to this area.

The request was denied, because by this time WFP had been successful in contracting commercial haulers and boats owned by religious groups to move 600 Mts. of food to La Mosquitia. By March 18, 1999 WFP began distributions in the municipalities of Ahuas, Wampusirpe, Puerto Lempira and Villeda Morales. WFP reports that food distributions in J.F. Bulnes and Brus Laguna will start on March 29, 1999.

USAID assisted WFP identify two barges declared excess property by SOUTHCOM, but because of the high cost of repairing the barges and renting a ship to haul them to Honduras, WFP declined the offer. USAID

continues to assist WFP obtain 6 trucks that have been identified in Panama to help them alleviate their logistic problems.

As will be noted in the **Problems/Delays** section of this report, CRS and CARE complain that the WFP's food distribution program is causing them problems, because WFP is not respecting the geographical distribution coverage agreed upon in December of 1998.

#### **Other Accomplishments**

1. CARE, with USAID funds and DOD assistance, responded immediately to the Hurricane Mitch disaster by distributing by airlift and ground transportation a total of 3,476 metric tons of rice, beans, vegetable oil and corn soya blend. This quantity of food provided immediate relief to approximately 270,000 persons for a period of 30 days.

2. The food for work and direct distribution program provided thousands of homeless, unemployed and traumatized people with a means of dedicating their time to their most immediate needs. Homes have been rehabilitated allowing people to return to their houses from temporary shelters or being in crowded quarters with relatives. Where homes could not be re-built to date, both CARE and CRS are beginning to start housing construction. Schools have been cleaned out, rebuilt and made ready for thousands of children to reinitiate classes. Community health clinics have been restored giving the benefited communities access to basic health care services. Fields have been cleared and drained and hundreds of farmers are preparing their land for planting. Neighborhood streets have been cleared and access roads rehabilitated providing people access to their communities and allowing for renewed movement of commerce and produce at harvest time. Anti-malaria health campaigns have been launched in communities where drainage canals have been opened to reduce the incidence of this disease and other health services provided. Both CRS and CARE have provided hurricane victims with seeds and tools for the next planting season.

3. CRS and CARE are working with different models of community organization that reach across religious, political and gender barriers. CRS is working with the church and Aldeas Global in the Departments it covers. In these Departments, CRS is promoting Local Development Committees to prioritize projects and ensure they are carried out. These Committees are beginning to articulate longer term rehabilitation needs and means for resolving them. They are also a means of bringing their needs to the attention of the Mayors and lobbying for solutions. CARE is working directly with the municipalities and helping them work with neighborhoods and village committees. Both approaches foster municipal development and democratic decision making.

4. CARE, CRS, and the WFP are independently implementing a rapid assessment of the food program to determine what the micro level food security needs are and whether the programs should withdraw from some communities and re-target others and whether the food programmed is consistent with needs.

5. A Bellmon and Food Needs Assessment being finalized by Roberta VanHaeften from LAC/RSD will help the Mission and BHR/FFP make better programming decisions on the direction of the Emergency Title II Program

and its support to WFP.

6. An Inter-institutional Coordinating Committee was established at the beginning of the program to assign geographic regions of coverage, agree on rations to be distributed and as a forum to resolve inter-institutional problems. Although problems still exist, as explained below, without this means of coordination and healthy debate institutional rivalries could have gotten out of hand.

#### **Problems and Delays Affecting Implementation and Actions to Correct Them.**

1. **Problem:** The CARE Transfer Authorization incorporated 1,200 metric tons of food to be airlifted to CARE for immediate distribution to Hurricane Mitch victims. However, according to BHR/FFP, 1,570 metric tons of food was actually airlifted, but CARE reports that they received only 1,078 metric tons, leaving an unaccounted for balance of 492 metric tons with a value of US\$ 671,088 at an estimated cost of US\$ 1,364 per metric ton, which includes airfreight charges.

**Corrective Action:** An attempt at reconciling this shortage is being made with the Controller's office and also inspections of Soto Cano and Toncontin have been made to verify that no Title II food is still in these airports. If the reconciliation cannot be made, which seems doubtful at this point, an audit may be necessary to track airlifts from the United States to Honduras.

2. **Problem/Delay:** Logistics and Port Congestion have been plaguing the program since its initiation. Puerto Cortés was flooded with relief containers from all over the world over extending its capacity to adequately off load and store them in its limited yards. Secondly, Sealand, the maritime company, handling both ocean and inland food cargo under "through" bills of lading from the ports in the United States to the various points of entry established under the emergency program, lacked trailers and trucks to efficiently deliver the food containers to the Cooperating Sponsors' warehouses. Since this was the first shipping company directly contracted by OPS/TRANS, CARE and CRS were unable to begin steady deliveries to the beneficiaries until the middle of January 1999.

**Corrective Action:** The Port Congestion in Puerto Cortes has subsided, because relief supplies are not at the volume of November and December 1998. Other maritime companies, contracted by the Cooperating Sponsors and WFP, are transporting food more efficiently than Sealand to the various points of entry. CRS is also using the Port of La Castilla in Trujillo for some of its shipments to Colon. For the southern part of Honduras, San Lorenzo is also being considered as a Port for future shipments. Sealand continues to cause problems by not providing the Cooperating Sponsors with proper documentation for handling maritime claims such as, Outturn reports, but this company has been advised by USAID to immediately resolve this issue.

3. **Problem/Delay:** Food shipped from the United States did not always have the proportionate quantities of the corn or corn soy blend, rice, beans, and vegetable oil to meet the ration requirements of the beneficiaries. The current major problem affecting ration distributions

is the scarcity of vegetable oil for both CRS and CARE.

**Corrective Action:** CARE has 600 metric tons of vegetable oil pre-positioned in the Gulf and 100 metric tons is on its way with the balance being transferred to Honduras in late March and April 1999. Although CRS has not been able to follow CARE's example, FFP is exploring ways to resolve this problem. If the CARE shipments arrive as scheduled, CRS will be able to borrow from CARE to resolve its immediate problem.

**4. Problem:** CRS and CARE manage programs along similar programmatic lines under their food for work program. WFP manages mostly a direct distribution program in areas at times overlapping the CRS and CARE programs. Because of these different modalities of working and coverage in the same geographical areas, there is confusion among the beneficiaries and mayors on the overall coherency of the program. CRS and CARE report that some of their food for work projects have been undermined, because WFP is working in the same municipality, which caused workers to withdraw from these projects in favor of WFP's direct distribution program, despite agreements with the WFP to work in other municipalities. Considerable time has been spent by CRS and CARE with WFP on issues of coverage, despite the fact that USAID took the leadership in settling territorial issues in the start-up phase of the program in November and December 1998. Note that Minister Moisés Starkman of SETCO, the cabinet level technical secretariat of international cooperation, called the Cooperating Sponsors and WFP to a meeting on March 6, 1999 to state that the GOH policy is to channel, to the maximum extent possible, food aid through food for work.

**Corrective Action:** USAID will take the lead in convoking an Inter-institutional Emergency Coordinating Committee meeting to re-assign territorial coverage by Cooperating Sponsor and WFP to force compliance with the earlier assignments and to ensure that there is only one food aid organization working in each municipality. Further, since CRS and CARE use 20 days and 22 days of work to earn a full monthly ration, this will be standardized. The number of days worked should not exceed 12 days so that the families can earn a full ration and still have time to work on their farms or seek other temporary employment.

**5. Problem:** The Transfer Authorizations provided funds to WFP and the Cooperating Sponsors to deliver the food to the ultimate beneficiary. All three organizations have been delivering the food to the municipal level only and requiring beneficiaries from the towns and hamlets under the jurisdiction of the municipality to provide transportation from the warehouse to their communities. This has caused a hardship for communities at a considerable distance from the warehouses.

**Corrective Action:** The Cooperating Sponsors have been advised to respect the terms of the Transfer Authorizations and effectively immediately pay for transport costs to the ultimate beneficiary.

**6. Problem:** The original estimates of the food aid gap were exaggerated, because of lack of information, when the emergency food aid program was initiated. Although a food gap exists, it is considerably less according to the draft Bellmon and Food Needs Assessment conducted by Roberta VanHaeften of LAC. The **Summary Report, Honduras Post-Hurricane Mitch,**

**Employment Generation Assessment** by Robert and Cynthia Gersony, February 1999, states that "An immediate reduction in the volume of Title II food aid programmed for 1999, and a cautious approach to further food aid requests, are indicated. A smaller better-managed effort with pinpoint targeting would be a more appropriate response to the needs of the affected areas." The report states that food for work is not appropriate and "Pl-480 Title II donations are meant for direct distribution to needy families", contrary to the terms of the Transfer Authorizations which program food for work. The report recommends that food aid should be concluded "... in April and September (in the north and south, respectively)..." Further, "A large-scale employment generation program would not be an appropriate response to Honduras' reconstruction needs. In the areas visited, jobs and income are recovering quickly." However,

the evidence is not conclusive whether employment is being regenerated as quickly as the Gersony's predict and whether or not food aid still has a role to play in the recovery stage.

**Corrective Action:** The Bellmon Analysis and the Assessments now being conducted by the Cooperating Sponsors and WFP, plus other information available to the Mission, will be analyzed during the week of March 22, 1999 to make rational decisions on whether food aid should be immediately reduced or not and the directions for the remainder of the emergency program. David Hagen and Jim Wright from BHR/FFP/ER and Roberta VanHaeften of LAC/RSD will participate in both the analysis and decision making. There is a growing consensus that the emergency phase of the program is ending and there is a need to re-target food resources to areas of most need and agree on the types of projects to be supported. Decisions will be made on whether the program should be re-targeted and whether food not called forward should be reduced or cancelled. If call forwards are cancelled, CRS would be forced to end its program before the November 18, 1999 Transfer Authorization termination date and a no cost extension for CARE's program would be denied or limited to a wrap-up time frame.