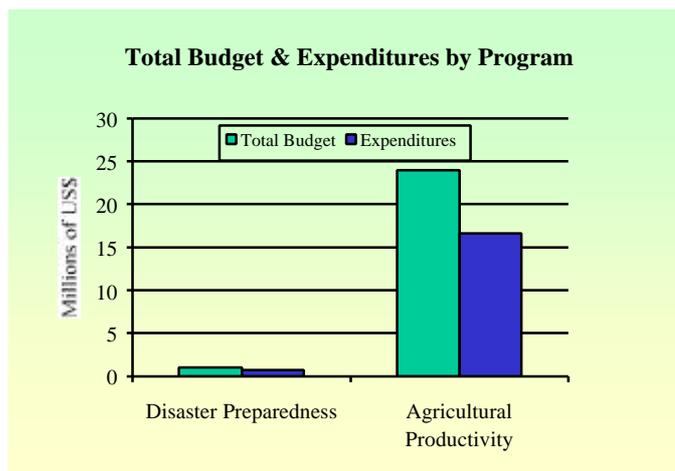
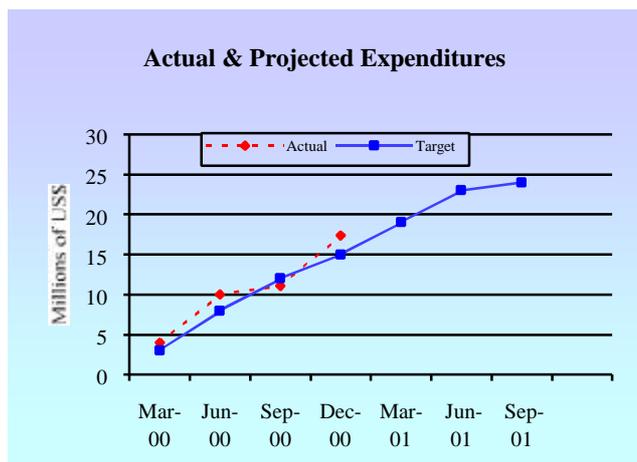


USAID Guatemala Supplemental Reconstruction Programs: Response to Hurricane Mitch, October 1998 Status as of December 31, 2000

MAY 1999 SUPPLEMENTAL RECONSTRUCTION FUNDS (CACEDRF)	TOTAL BUDGET	OBLIGATIONS	COMMITMENTS	EXPENDITURES
	\$25,000,000	\$25,000,000	\$22,764,000	\$17,396,000



Impact of Hurricane Mitch

Hurricane Mitch hit Guatemala hardest on the south coast, in the central and northwest river valleys of Polochic and Motagua near Lake Izabal and on the Caribbean coast – damaging an area the size of Massachusetts. While loss of life was minimal due to preventive evacuation of populations most at risk, direct damages to infrastructure, crops, housing, schools and health clinics was estimated at \$550 million plus \$280 million in foregone revenues from exports and reduced economic growth.

The estimates of damage included 268 dead, 106,000 evacuees and a total of 750,000 people affected out of a population of 12 million. The damage to infrastructure was great, with 53 bridges damaged and 68 destroyed; 90 stretches of road affected and 19,332 houses damaged and another 2,293 destroyed.

On the productive side, agriculture was hardest hit, with 225,000 acres of losses in basic grains, coffee, vegetables and bananas. Fifty major and over 2000 minor irrigation systems were also damaged.

Initial USAID Response

Immediately after Hurricane Mitch struck, USAID provided \$1 million in disaster assistance and \$3.6 million in emergency food assistance. Prior to the passage of the Supplemental Reconstruction appropriation, USAID reprogrammed an additional \$4.3 million for public health to fight the reemergence of malaria, dengue, cholera and other infectious diseases.

Local epidemiological surveillance systems were strengthened, community-based malaria prevention programs expanded, household water and sanitation programs established, and preparedness for epidemic outbreaks was enhanced.

Using a recently completed baseline survey to measure hygiene practices, USAID is producing health education materials. Malaria monitoring and the distribution of over 11,000 insecticide-treated bednets to households in 44 malaria-ridden villages is underway.



Reprogrammed funds also repaired small irrigation systems and the production of improved seed to replace up to 70% of the loss due to the hurricane. Improved black bean, rice, and corn seed is currently being reproduced by 150 selected farmers. Certified seed will later be distributed to 17,000 small producers.

Reconstruction Program Progress

USAID Supplemental Funds support reconstruction activities in the following areas:

Disaster Preparedness

USAID support to the Guatemalan disaster preparedness system has so far created five municipal and seventy-five local community committees, and another 50 are currently being created. All are in the perennially disaster prone Motagua and Polochic valleys. During Hurricane Keith in October 2000, these communities were on alert and prepared. Fortunately, the storm veered north, but they will no doubt be tested during the upcoming 2001 rainy season which starts in May. The January 2001

earthquake affected communities far away from these Mitch recovery communities, but had it occurred in the Motagua fault, the new committees would have been better prepared to cope and respond on their own.

USAID and partner USG agencies helping CONRED, the national emergency management agency, are creating a civilian entity better able to prepare for and mitigate the effects of future disasters. FEMA and AID's Office of Disaster Assistance, OFDA, have put in place new management systems, manuals and operations procedures. In addition, USAID has delivered updated computer, radio, and disaster system monitoring equipment for CONRED's central offices while OFDA's Central America Mitigation Initiative has provided substantial equipment for CONRED's system of units in the interior of Guatemala.



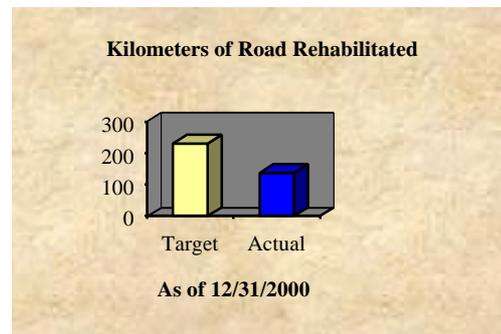
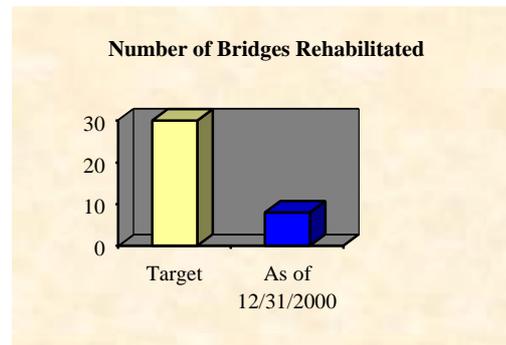
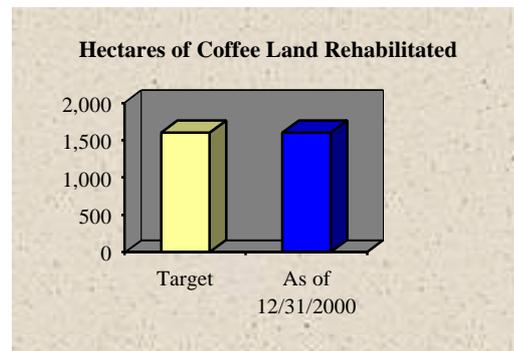
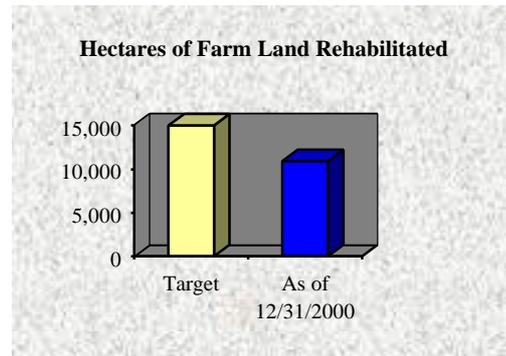
- NOAA has replaced 10 weather stations and is providing new equipment and training to CONRED and national meteorological staff in flood forecasting and early warning systems, and in 2001 is installing two automatic flood early warning systems in the flood-prone Polochic valley.
- USGS' two river gauging stations, which also support NOAA'S flood early warning systems, are to be installed during 2001. Also on USGS' 2001 delivery docket are landslide and volcano hazard maps, geo-referenced

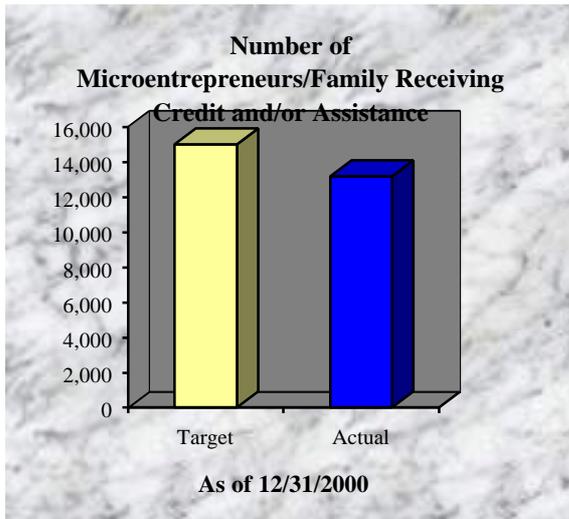
information maps of ten selected communities, and a meta-data clearing-house for Guatemalan public agencies including CONRED.

Agricultural Productivity

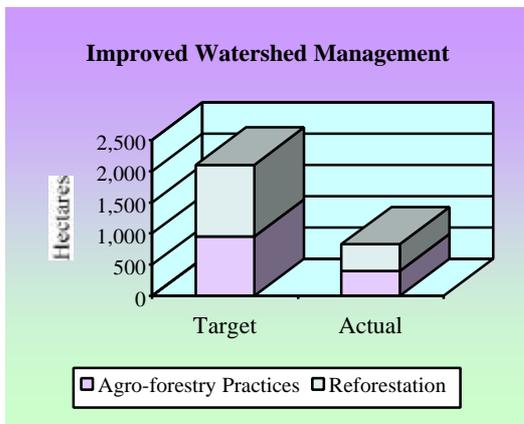
Efforts to restore agricultural productivity are focused in the valleys of the Polochic and Motagua rivers, and include channel training, irrigation dike and levee repairs, gabion construction, and some direct interventions to restore production. USAID is helping small farmers reestablish their productive capability by rehabilitating 15,000 hectares of farm land, restoring 1,600 hectares of hillside coffee land, providing credit to 13,000 affected microentrepreneurs, and repairing 230 kilometers of road and 30 bridges. As a result, small farmers are returning to productivity.

- Over 3000 small coffee growers enjoyed the first harvest, and the first secure income, since Mitch, following the restoration of 1,600 hectares of hillside coffee land.
- 14 coffee mills are back in production, two of them brand new replacements, enabling thousands of growers to enjoy value added as a result of lowered transactions costs.
- Over 20,000 small crops producers are back in business following the rehabilitation of irrigation facilities that service 11,000 hectares.
- Microenterprise credit reached its target of 13,000 borrowers when small cardamom producers were extended credit; by project's end another 2000 borrowers are expected to benefit.
- Progress on vital roads and bridges continued with 138.2 kilometers of 200 targeted, and 8 of 13 bridges now completed.





- Additional to the original plans, USAID is targeting 2,102 hectares under improved watershed management that includes 952 hectares of reforestation and 1,112 hectares under agro-forestry practices.



- The USDA Forest Service 's work in the Sierra de las Minas biosphere reserve is reducing vulnerability through fire prevention seminars and promotions, the rehabilitation and stabilization of critical landslide areas, and establishment of a baseline data collection system for fire and hydrological information. Three meteorological stations and 69 erosion control and bank stabilization structures are now in place. As we enter the dry season, the fire prevention work is having a marked impact. In the 2000 fire season, fewer fires were experienced than in previous years. And since virtually all the fires are man-made, the expectation is for even fewer fires in 2001.

Disease Prevention

Building on the work of reprogrammed USAID funds, the US Center for Disease Control (CDC) is using Supplemental funds to strengthen epidemiological surveillance systems, including the training of local staff. A CDC advisor is now located full time in Guatemala. Reprogrammed Child Survival funds are building or rehabilitating 30 waters systems, and over 2300 latrines complemented by hygiene education.

Commentary: USAID/Guatemala's cumulative expenditure target for 12/31/2000 was \$15.2 million, or 61% of the \$25 million of supplemental funds. Actual expenditure was 70% or \$17.4 million. The return to full implementation of the construction component following the 2000 rainy season, and an increase in the momentum of overall program implementation have restored expenditure rates to target levels, where they are expected to remain up to December 2001.

El Rancho. The final touches being put on the El Rancho-El Jicaro irrigation canal in December. The project rehabilitates 900 hectares of agricultural land. A formal inauguration will take place in January 2001.