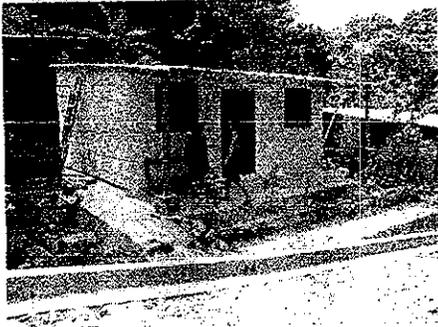


Cooperative Agreement
No. 519-AA-00-01-00130-00

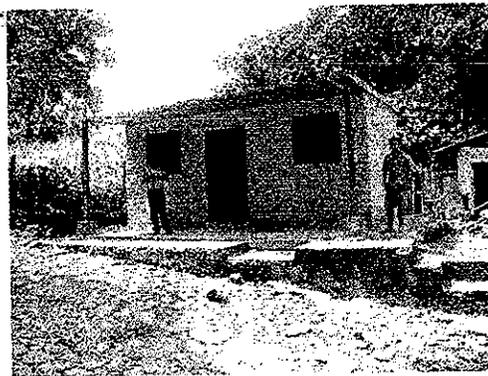
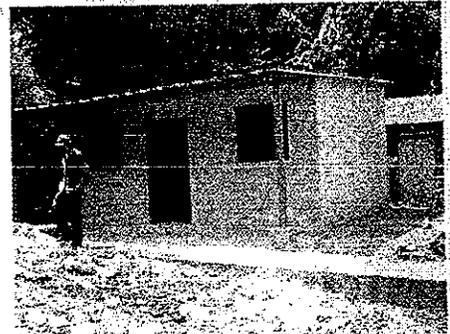
**El Salvador
Permanent Housing Reconstruction
Program I**

**QUARTERLY
REPORT**

May to September, 2001



Presented to:



San Salvador, September, 2001

PERMANENT HOUSING RECONSTRUCTION PROGRAM I

QUARTERLY REPORT

Grantee: Cooperative Housing Foundation
Cooperative Agreement Number: 519-A-00-01-00130-00
Reporting Period: May 23, 2001 to September 30, 2001

i. Introduction

In January and February of this year, El Salvador suffered from two major earthquakes. Over 1,100 people lost their lives, and a further 8,000 were injured. The widespread destruction affected the well-being of over 1.5 million people - in a country of approximately 6 million.

The situation in the housing sector is critical. Due to the earthquakes, 150,000 homes were destroyed and a further 185,000 were damaged. The earthquakes did not strike the whole country evenly, and its effects were particularly felt in the departments of Usulután, San Vicente, La Paz, and Cuscatlán.

This destruction contributes to an already dire situation. According to UNDP, in 1997, El Salvador faced a housing deficit of 570,000 homes. At 5 people per home, this means that 48% of the country's population was either homeless or living in inadequate shelter conditions. It goes without saying that this situation is now drastically worse, and there is limited domestic capacity to cope.

CHF was awarded a Cooperative Agreement by USAID to implement the El Salvador Permanent Housing Reconstruction Program I. The Agreement became effective May 23rd, 2001, and the Project Assistance Completion Date was January 31st, 2002. This Agreement contemplated the construction of 715 houses for victims of the earthquakes, and was funded with US\$ 2,499,828 from USAID. On September 28, 2001, the Agreement was modified. An additional US\$ 3,000,000 was added, and the Completion Date extended to May 31st, 2002. The number of houses was increased to 1,315, and the following components were incorporated: a) construction and/or repair of latrines, including an education component, b) construction and/or repair of water systems, and c) construction of environmental mitigation measures. Also included in the program, as needed by the beneficiaries, are the construction of gray water soak pits and the provision of washbasins.

This is the first progress report, and covers the period May 23rd – September 30th 2001.

The activities related to program implementation can be divided into two broad areas:

- 1) Groundwork -- involving the identification of communities, the completion of environmental impact assessments, and the selection of individual beneficiaries.
- 2) Construction process, involving technical inspections, opening of work fronts, organizing of field work, maintaining quality controls and supervision, addressing water and sanitation needs, and implementing risk mitigation measures.

II. Groundwork

Before the houses can be constructed, many different steps must be carried out. Most importantly, beneficiaries must be selected rigorously to ensure that USAID criteria are adequately met. These steps entail:

- community selection
- environmental impact assessment
- individual beneficiary selection
 - gender
 - land ownership
 - USAID site inspection

A. Community selection:

Potential communities are visited in coordination with municipal authorities, and contacts established with community leaders to organize community members and select beneficiaries. ~~Communities are selected based on the level of damage suffered due to the earthquakes and on the levels of environmental and economic vulnerability facing the victims, as well as on the interest and organization of the local government and community leaders. At present, CHF has identified some 67 communities for inclusion in the Program.~~

B. Environmental impact assessment:

Once the communities that will be included in the reconstruction process have been identified, an environmental assessment must be carried out for each one. These assessments done by CHF technicians to analyze the environmental risks facing each community (such as liability to flooding, susceptibility to landslides) using a guide designed and provided by USAID. These technicians have been previously trained and have acquired experience by visiting sites with USAID environmental staff. The completed guidelines are revised by the Program Manager and approved by the CHF Director.

Should it be determined that mitigation measures must be implemented in order to ensure the safety of a house and its inhabitants, then a program to implement these measures is formulated. Only in cases where CHF is uncertain about a site, is USAID contacted to program a visit to verify the site in question.

To date, environmental assessments have been carried out in 55 communities in the Departments of Usulután, San Miguel, Sonsonate, San Vicente, La Libertad, and La Paz. Files for 38 communities have been sent to USAID, and of these 13 have been approved to date.

C. Beneficiary selection:

Once the Environmental Assessment is approved by CHF, the Social Promoter Coordinator starts reviewing the candidates. This includes contacting municipal authorities and community leaders to set up meetings with potential beneficiaries to explain the program's requirements, and to set dates to complete survey's and collect legal land title documents.

In order to comply with USAID beneficiary requirements, a form has been designed by CHF to collect information on the socio-economic circumstances of each family. This form collects information on damage from the earthquakes, monthly income, number of family members, and employment status of income-earners. This is done to target assistance to the most needy families, and to ensure that USAID criteria are met.

The legal documents and surveys collected are revised by a CHF social worker, who has been trained to sort documents based on legal and socio-economic criteria. After this initial screening, legal documents are submitted for revision to the *Instituto Libertad y Progreso* (ILP) – the Salvadoran government institution working with USAID support to validate land ownership status.

CHF has been working with local partners to facilitate this process. We have agreements in place with ASALDI, OEF de El Salvador, and Camara Junior to process beneficiaries in San Miguel, Usulután, Mercedes Umaña, and San Vicente.

Gender

CHF's methodology is highly gender-sensitive. Single mothers are a priority in the beneficiary selection process, due to their greater economic vulnerability in disaster situations. In addition, women are encouraged to participate in beneficiary selection committees and in collective decision-making. Furthermore, they are encouraged to participate in the construction process, thus acquiring additional skills and capacity.

Land ownership

Establishing land ownership is one of the key determinants in the beneficiary selection process. In order for a case to be qualified, the land title must be registered at the *Centro Nacional de Registros* (CNR). This procedure is carried out through the ILP. Once land ownership is verified, the ILP issues a certification of its legal status, qualifying the case. The situation regarding the remission of documents and responses from the ILP to date is as follows:

	June	July	August	September	Total
Documents sent to ILP	287	48	294	312	941
Documents certified by ILP		134		327	461
Documents denied by ILP		2		24	26

As can be seen in the table above, CHF has developed a very effective screening and processing mechanism for the selection of beneficiaries, with a minimal number of cases being rejected (less than 3%).

USAID Site Inspection

The environmental impact assessment and a list of the potential beneficiaries are sent to USAID. A site-by-site visit is programmed. In these occasions, each construction plot is visited to assess the environmental conditions and identify mitigation actions, if any, that need to be taken. This list is prepared beforehand and filled-in during the visit. This list is signed by the CHF and USAID representative and becomes the qualifying document for each site.

D. Challenges in the Groundwork Phase:

The most challenging step in the groundwork phase is the verification of land ownership. The main obstacle to program implementation to date has been the turn-around time for this verification. CHF has mastered the beneficiary selection process, and has sent a considerable quantity of files to the ILP. However, these files have not been processed quickly enough to allow for effective implementation. In the past few weeks, the ILP's response has greatly improved. We appreciate their efforts and hope that this new, faster turn-around can be maintained.

Nonetheless, construction remains hampered by this process as in many cases files are certified for only a few families in each community. In other words, CHF may receive clearance from the ILP for 50 families, but more often than not these families reside in over a dozen communities. Thus, it is more difficult and costly to initiate construction for all 50. We often must wait until more are cleared for each community in order to have a minimum scale of construction work in the area. We ask that the ILP consider reviewing cases by community, so that an entire community can be cleared at the same time and construction can be launched at full scale.

III. The construction process

Once the legal status of each plot of land has been approved by the ILP and USAID, CHF begins the construction process. The activities carried out are the following:

A. Technical inspections

An engineer or architect visits each one of the sites where construction is planned. A technical inspection of the characteristics of the terrain is carried out (accessibility, dimensions, access to basic services, environmental risk, and other elements are considered), as well as the home damaged by the earthquake. From this inspect, construction can be planned.

B. Opening of a work front

After the technical approval of each site, the work front is opened. At the same time, the method of implementation is decided upon: direct construction by CHF technicians, bidding out to private firms, or sub-awards with NGOs. If CHF carries out the construction directly, a resident engineer and social promoter are assigned to the community. In cases where construction is subcontracted to private firms or NGOs, a monitor, who is the person in charge of supervising the technical aspects of the implementation, is assigned to the project. In parallel to this, a schedule is drawn up to implement this project in conjunction with others and to organize construction equipment and material provision.

C. Organization of field work

In the field, one foreman per project is hired, and s/he directly supervises skilled laborers and beneficiaries. The CHF Technical Resident draws up a schedule for the implementation of the construction project and informs material suppliers on the needs for materials, equipment, and other elements. The CHF Social

Resident organizes work groups with the beneficiaries that supply unskilled labor and coordinates with the foreman and Technical Resident.

D. Quality Supervision

In addition, there is an engineer from CHF in charge of controlling quality on all projects. This person carries out periodic visits to each construction site and prepares recommendations for the Technical Resident. In addition, a laboratory for monitoring soils and materials carries out constant assessments to control quality.

E. Water and Sanitation

Through its work in hundreds of communities affected by the earthquakes, and in specific diagnostics that it has carried out, CHF has assessed the pattern of damage and destruction to drinking water supplies. In particular, among the beneficiaries of the housing program, such damage includes: collapse or contamination of wells, damage or destruction of pumping equipment, damage or destruction of water distribution systems, and damage or destruction of water storage facilities.

In response to these problems, CHF also works with housing beneficiaries to guarantee safe access to drinking water and sanitation services by building or repairing wells and water systems, as well as latrines.

CHF has been implementing a latrine repair and reconstruction program for earthquake victims with funds from OFDA. Under this program, 1,238 latrines have been built to date. As part of this effort, latrines for 292 Permanent Housing Reconstruction Program beneficiary families were repaired or reconstructed to date.

F. Mitigation measures

In addition to resources for the construction of houses, funds have been obtained to carry out mitigation measures in areas where such measures are necessary for the houses' security. There are a range of mitigation measures that are being planned, each tailored to the specific circumstances. Among those that can be mentioned are the following:

- Retaining walls to stabilize slopes
- Raising of the floor in houses in areas liable to flooding
- Drains and canals for rainwater around the houses
- Protection of wall and foundations in buildings adjacent to those about to be built
- Replacement of soils with a high organic content

G. Construction Progress To Date

To date, work has begun on 332 houses. Of these, 112 houses have been completed, 66 are currently under construction, and the groundwork has been completed so that construction can begin on another 154. This work has been carried out in 32 communities in 11 municipalities in the Departments of La Paz, San Vicente, and Usulután.

Of the 112 completed houses, 57 are built in urban areas, and 55 in rural areas. Of the 66 houses under construction, 48 are being built in urban areas and 18 in rural areas.

Most of the houses built up until the present are of cast-in-place concrete, with 104 houses fitting this category. Concrete block and structural panel are beginning to be used with six and two houses, respectively. Concrete block will increasingly be used as, of the 66 houses in progress, 35 under construction are made of block and 31 of cast-in-place concrete.

For additional information see Annex 1.

H. Partners

CHF actively incorporates a wide range of actors in the construction process, encompassing local and international NGOs as well as private sector companies. To date, agreements have been reached with the following organizations:

- CORDES (53 houses)
- Coordinadora del Bajo Lempa (50 houses)
- Alcaldía de Mercedes Umaña and Camara Junior (54 houses)
- Plan International (100 houses)
- FUNDASAL (200 houses)
- Fundación Techo para un Hermano (50 houses)

In some cases construction is managed jointly, in others CHF essential sub-contracts the construction process to the NGO. In terms of private firms, CHF has initiated the first two bids, of 35 houses each, which will lead to contracts signed in October.

ANNEX 1

Annex 1

El Salvador Earthquake Permanent Housing Reconstruction Program

Distribution of houses by community to September 30th, 2001

Department	Municipality	Community	Completed	In Process	To Begin	Total	Total by Municipality
La Paz	San Juan Nonualco	Barrio El Calvario	0	8	7	15	21
		Barrio Santa Rita	2	0	4	6	
San Vicente	Tecoluca	Caserío Guajoyo		7	2	9	12
		Caserío Santa Teresa El Casino		3	0	3	
Usulután	California	Colonia El Milagro			11	11	19
		Barrio El Centro			3	3	
		Cantón El Pozón			5	5	
	Jiquilisco	Tierra Blanca			28	28	46
		Hacienda California			12	12	
		Caserío El Postón			4	4	
		Caserío San Judas Quinal			2	2	
	Mercedes Umaña	Cantón El Jocoíto			6	6	12
		Cantón La Montañita			0	3	
		Cantón El Caulote			1	0	
		Cantón Santa Anita			1	1	
	Puerto El Triunfo	Colonia Buenos Aires			10	10	27
		Comunidad El Sitio			5	8	
		Comunidad Las Palmeras			4	0	
	San Francisco Javier	Casco Urbano	23	0	0	23	57
		Cantón Hobal Hornos	23	0	5	28	
		Cantón Los Hornos	0	0	6	6	
	Santa Elena	Barrio El Calvario	18	2	0	20	69
Barrio Analco		0	0	16	16		
Casco Urbano		0	15	3	18		
Cantón Amate Centro		9	0	0	9		
Cantón Amate Sur		6	0	0	6		
Santiago de María	Barrio La Parroquia			2	2	30	
	Barrio El Calvario			4	4		
	Casco Urbano			15	15		
	Colonia Montebello I			6	6		
	Cantón El Marquezado			3	3		
Tecapán	Casco Urbano	16	4	0	20	35	
	Cantón El Jícaro	15	0	0	15		
Usulután	Usulután	Caserío Buena Vista			4	4	4
Total			112	66	154	332	

Distribution of houses by urban or rural area to September 30th, 2001

Finished Homes

Type of House	Quantity
Urban	57
Rural	55
Total	112

Homes in process

Type of House	Quantity
Urban	48
Rural	18
Total	66

Total urban	105
Total rural	73
	178

Distribution of finished houses by construction system to September 30th, 2001

Finished homes

Walls of:	Quantity
Poured Concrete	104
Concrete Block	6
Structural Panel	2
Total	112

Homes in process

Walls of:	Quantity
Poured Concrete	31
Cement Block	35
Structural Panel	0
Total	66

Poured Concrete	135
Cement Block	41
Structural Panel	2
	178

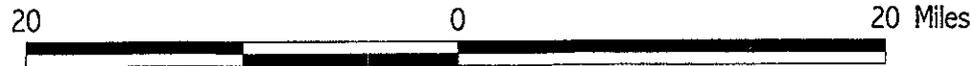
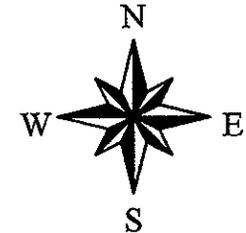
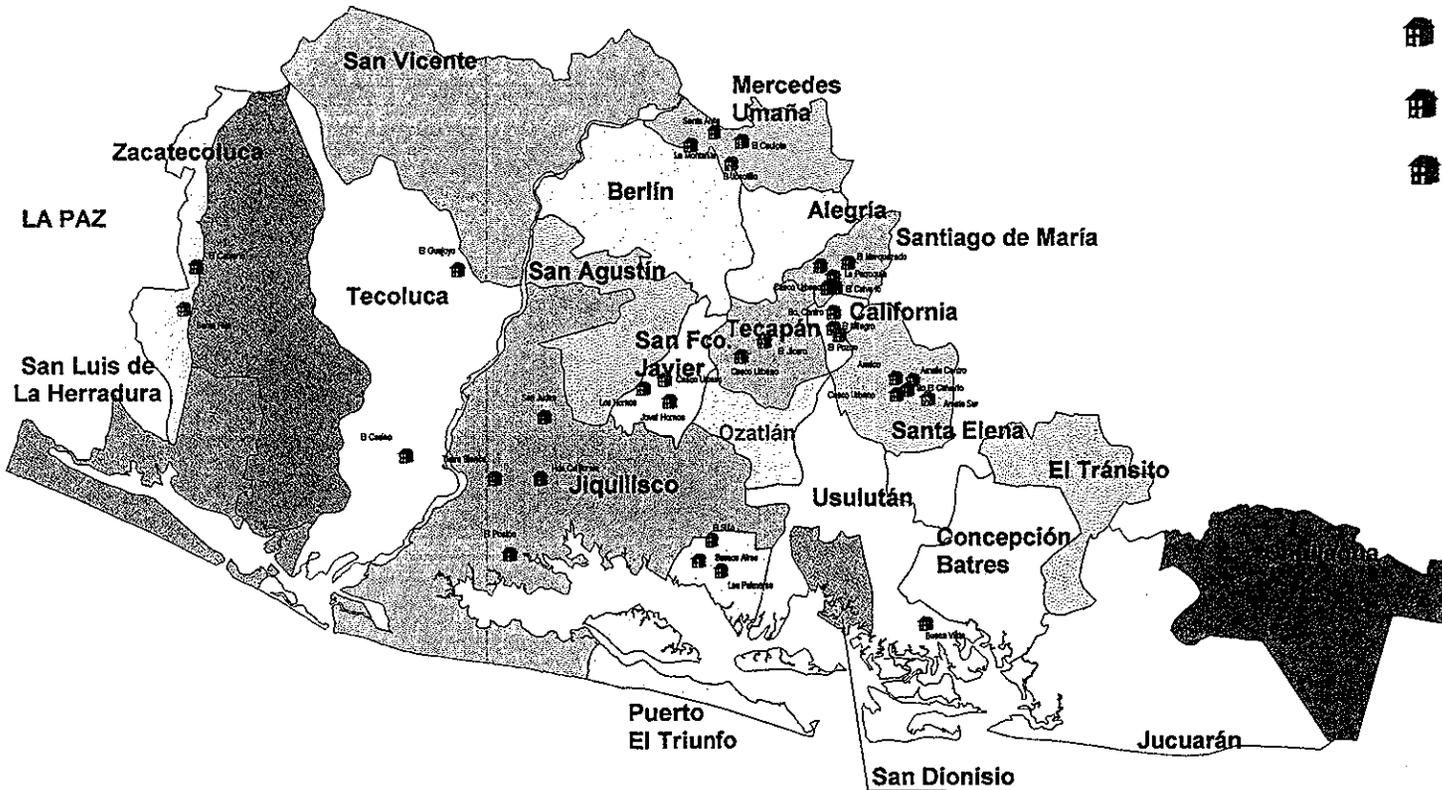
ANNEX 2
MAP

Geographic Distribution of Housing

Permanent Housing Reconstruction Program I



-  Communities with housing completed and under Construction
-  Communities with housing under Construction
-  Communities with housing set to begin construction



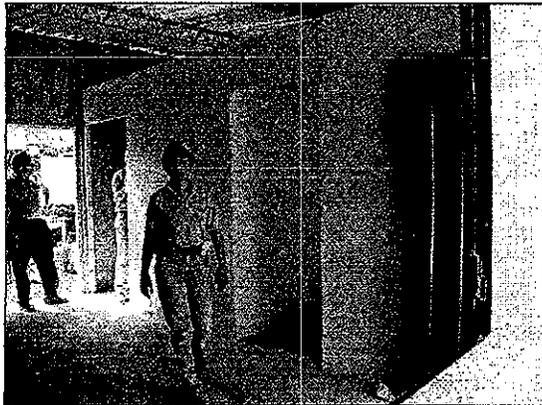
ANNEX 3
SUCCESS STORY

Benefiting families, for their part, help decide the layout of the house and contribute labor during the construction process.

CHF works in coordination with the local governments, receiving in-kind cost share such as local warehousing and guarding of materials and equipment.

The housing design is very resistant and comfortable for the family. It has the following characteristics:

- Floor with reinforced concrete foundation
- Poured in place concrete walls with strong reinforcement
- Interior Divisions
- Wide Porch
- Roof materials that keep temperatures down.

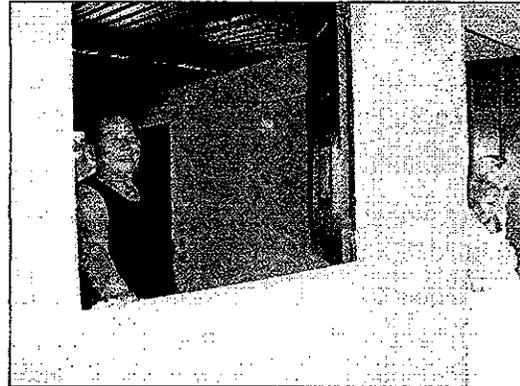


Technicians in the Family Villegas' new house

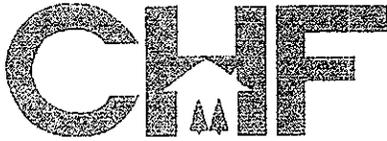
At present, CHF is building 53 new houses in the community of Santa Elena.

*Success Story
Permanent Housing Program
CHF International*

Evangelina Villegas, who is 85 years old, and her daughter Etelvina Villegas, are beneficiaries of the Program. They expressed their gratitude to CHF and USAID. They had a temporary shelter made by CHF after the earthquake and now they have their own new permanent home. Ms. Villegas states that "*I did not expect to have such a wonderful house, this is a blessing*". Ms. Evangelina has her own little business. She produces cigars for sale in town.



Etelvina Villegas and her daughter, happy to be in their new home.



Comunidad - Hábitat - Finanzas

October 31, 2001

Mr. Jorge Abullarade
Agreement Officer's Technical Representative
USAID El Salvador
San Salvador, El Salvador

Re: Cooperative Agreement No. 519-AA-00-01-00130-00
El Salvador Permanent Housing Reconstruction Program I

Dear Mr. Abullarade:

I am pleased to send to you the original and one copy of the **Quarterly Report for the period of May, 2001 to September, 2001**, for the El Salvador Permanent Housing Reconstruction Program I funded by the subject Cooperative Agreement.

We will send you the SF 269a form as soon as it is prepared by our accounting department.

If you have any questions on the report, please do not hesitate to contact me.

Thank you for your cooperation in this innovative program.

Peter W. Loach
Director
CHF/El Salvador



cc: El Salvador Desk Office, LAC
USAID/CDIE/DI
CHF/Headquarters