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COUNTRY STRATEGY OUTLINES

Agenda item 4

For consideration



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COUNTRY STRATEGY OUTLINE— HONDURAS

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Note to the Executive Board

 This document is submitted for consideration to the Executive Board.

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Executive Summary

Honduras is a low-income, food-deficit country (LIFDC). In 1998, its average per capita gross national product (GNP) of US\$740¹ was the third lowest in Latin America and the Caribbean, and had fallen from US\$796 in 1990. It was also among the most unequally distributed in Latin America, with the poorest 30 percent of the population receiving only 4.5 percent of the GNP.² Almost one half of the population is affected by extreme poverty. In 2000, daily wages in the rural sector were estimated to cover the purchase of only 70 percent of the minimum food basket. Almost 50 percent of all children surveyed in 1997 displayed moderate to severe malnutrition. In 2000, average daily caloric consumption was estimated to be only 85 percent of the recommended minimum. The country's under-5 mortality rate for 1996 was 53 for every 1,000 children, and the maternal mortality rate for 1998 was extremely high, at 182 per 100,000 live births. The UNDP gave Honduras a Human Development Index (HDI) ranking of 653 in 1998, placing it 113th out of 172 countries, and its Gender Development Index in 1998 was 644, or 94th in the world.

The destruction caused by Hurricane Mitch in 1998 dramatically affected the country's social infrastructure and its national and household economy, increasing the poverty and hunger of people who were already among the most food insecure. Honduras' high vulnerability to floods, landslides, forest fires and drought means that large parts of its population live virtually on the brink of natural disaster. Low income levels and the unequal distribution of wealth, particularly in rural areas, are determining factors for the chronic and severe poverty that has changed little over the last ten years. The immediate food insecurity impacts of this poverty are evident in the very high levels and broad geographic dispersion of malnutrition across the country. Although some of the educational and health factors that are prerequisite to development have shown improvement, recent natural and economic disasters threaten to reverse even these minor positive developments.

Taking into account the Government's Poverty Reduction Strategy, the Common Country Assessment (CCA) and United Nations Development Assistance Framework (UNDAF), vulnerability analysis and mapping (VAM), and the focus of the Food Aid and Development (FAAD) policy, WFP will concentrate its activities mainly on 96 municipalities in 6 departments that show severe levels of malnutrition and that have a low HDI. Most of these municipalities are located in the western, central and southern regions of the country, areas characterized by hilly plots with unfertile soil and a prevalence of subsistence agriculture (Annex, Map 2).

² Technical Analysis Unit of the Ministry of the Presidency (UNAT), 1999.



¹ UNDP, 1998. Per capita GNP declined from US\$796 in 1990 to US\$758 in 1997, and then declined further to an estimated US\$740 in 1998, owing to the impact of Hurricane Mitch. World Bank figures indicate a GNP of US\$740 in 1997.

In accordance with decision 1999/EB.A/2 of the Executive Board, WFP focuses its development activities on five objectives. This second-generation Country Strategy Outline (CSO) addresses the following objectives: (1) Enable young children and expectant and nursing mothers to meet their specific nutritional and nutrition-related health needs; (2) Enable poor households to invest in human capital through education and training; (4) Mitigate the effects of natural disasters, in areas vulnerable to recurring crises of this kind; and (5) Enable households that depend on degraded natural resources for their food security to make a shift to more sustainable livelihoods.

This CSO will constitute the basis for preparing a Country Programme (CP) covering the period 2002–2006.



The Board endorses the Country Strategy Outline for Honduras (WFP/EB.2/2001/4/6) and authorizes the Secretariat to proceed with the formulation of a Country Programme, which should take into account the comments of the Board.



FOOD SECURITY AND THE HUNGRY POOR

Food Insecurity at the National Level

1. At the end of 1998, Hurricane Mitch destroyed much of Honduras, causing the death of some 6,000 people and leaving another 1.5 million affected by its devastation. The country lost huge amounts of social and economic infrastructure, housing and productive assets, with total losses estimated in excess of US\$3 billion and an estimated drop in the GNP of 7 percent.³ Owing to its geographical location, the Honduran territory is commonly affected by natural disasters. Four types are considered to be the most problematic and occur with devastating frequency: floods, landslides, forest fires and drought. Similar to the impact of these disasters was the fall in the world price of the country's two main agro-exporting products, coffee and bananas, which is potentially as devastating to the country.

National Food Security Conditions

- 2. With an estimated population of approximately 6 million people in 2000, characterized by a large number of children under 15, Honduras has one of the highest rates of growth in Latin America, at 2.8 percent. According to poverty assessments carried out in 1999 by the Technical Analysis Unit of the Ministry of the Presidency (UNAT),⁴ 66 percent of the population is poor, and 49 percent is classified as extremely poor, particularly in the rural areas.
- 3. Demand for food is increasing at rates that surpass increases in agricultural production. During the period 1995–1999, the average daily per capita caloric consumption was well below the recommended minimum. The yearly deficit of cereals is approximately 215,000 tons. Much of this consumption deficit can be attributed to a generally declining household production of basic grains and to a large increase in the population over the last ten years. In 1999, basic grain production was about 607,477 tons, while demand was 1,107,710 tons, representing a deficit of 500,232 tons. The areas of the country with the largest deficits in grain production and consumption are the western and southern departments.
- 4. During 1990–1999, Honduras received a total of 896,690 tons of food aid, of which WFP provided 215,710 tons, including 117,196 tons for development. The total value of WFP assistance during this period was US\$112.8 million, of which US\$50 million was utilized for development projects. Official Development Assistance between 1993 and 1997 was US\$1.726 billion, which represented an average of 9.1 percent of the GNP.
- 5. The average national daily wage rate in August 2000 was US\$5.20, although the rural area average was only US\$4.54 per day. Since the basic daily family food basket costs around US\$6.53, the average rural household dependent on a labourer's wages can afford only 70 percent of the food basket.
- 6. Malnutrition data available from regular surveys of the height for age of almost all students enrolled in grade 1 showed a 1997 national average growth retardation rate of 41 percent, and 48 percent in rural areas. The prevalence of moderate-to-severe stunting in some areas of the country rose to as high as 89 percent of all children. The national prevalence of severe malnutrition based on this same measure was estimated in 1997 to be



³ ECLAC, 1999.

⁴ UNAT 1999, using standard Poverty Line and Unsatisfied Basic Needs assessment norms.

14 percent, with some municipalities reporting rates of severe malnutrition as high as 68 percent.

- 7. In 1998, infant mortality rates were 39 per 1,000 live births.⁵ Maternal mortality rates (182/100,000 in 1998⁶) remain extremely high and steady, especially in rural areas.
- 8. In terms of education, 68.7 percent of the adult population is literate,⁷ with little difference between male and female literacy rates. Current school attendance rates of females equal or outnumber those of males in all school grades. However, the national average level of education completed is only 4.6 years,⁸ and drops to less than 3.5 years in rural areas. The enrolment rate for children is 75 percent to 84 percent for rural and urban areas, respectively, and it is estimated that 130,000 children do not attend school at all.

Sub-national Food Security Conditions

- 9. The country is divided into 18 departments and 298 municipalities. The main agricultural areas are located in intermountain valleys, and include Olancho and El Paraíso in the East, and Yoro, Colón and Atlántida in the North. Agricultural activities in the West, East and South, where the main rains fall between May and November, are often greatly affected by the varying length of a mid-season dry period. The North is more prone to crop damage owing to excessive rains and floods, and is marked by bimodal precipitation that allows two agricultural cycles per year. Drought is more frequent in the western and southwestern areas of the country.
- 10. While most of the agricultural land is held by a small number of large-scale farmers, the majority of the rural farming population is engaged in subsistence agriculture on small farms of less than 3.5 ha, generally found in areas with unfertile soil and marginal lands. These subsistence agricultural activities are characterized by low levels of productivity and technology, and often need to be supplemented by wage labour in the coffee zones of the East and West and by export-oriented agriculture in the North and South. Wage labour is generally poorly remunerated and is heavily dependent on international prices for coffee and banana.

Target Population

Analytical Process for Targeting

11. Most national and international development-oriented organizations in Honduras use Family Allocation Programme (PRAF) malnutrition data, obtained from seven nationwide nutrition surveys, conducted between 1986 and 1997 and measuring the height for age of almost all children attending grade 1 (when school attendance is compulsory). The 1997 PRAF survey evaluated 234,111 children, or 94.2 percent of all children attending grade 1, of whom 63 percent resided in rural areas. The rural stunting rate that year was 47.6 percent, up from 40.8 percent in 1991. In urban areas, the rate in 1997 was 28.5 percent, up from 24.4 percent in 1991. This demonstrates unacceptable and worsening food security levels and a continuing high vulnerability to food insecurity.

⁸ UNDP Human Development Report 2000.



⁵ UNAT, 1999.

⁶ Ministry of Health.

⁷ DGEC, 2000 and Ministry Education, 1998.

- 12. The first step in the WFP-Honduras geographic targeting process began with an examination of data showing the highest levels of municipality and departmental malnutrition in six departments of the West and Southwest of the country. These six departments are commonly viewed by national authorities as those with greatest levels of poverty and food insecurity (especially poor access to food), and as marked especially by low levels of income, "human development", educational attainment, health, agricultural productivity, irrigation, commercial activity and access to roads.
- 13. VAM sorted all municipalities into three groups: "severe", "high", and "lower" malnutrition,⁹ according to data from PRAF surveys. Then, municipality-level data regarding food production, productive assets, education, health, general income and human development were summed and averaged for each of the three types of municipalities. The results of this analysis show that there is a predictable relationship between levels of malnutrition for each group and factors that are generally known to be associated with food insecurity and malnutrition.
- 14. Compared with municipalities of both lower and higher malnutrition, those with severe malnutrition have: (i) higher per capita kilocalories produced from basic grains; (ii) lower income (purchase power parity [PPP]/GNP); (iii) higher male and female illiteracy levels; (iv) lower HDI; and (v) a smaller amount of cultivated land per capita, and a smaller average farm size.

Targeted Geographic Areas

15. An analysis of available data suggests that 96 municipalities with severe malnutrition display the intersection of food consumption problems and poverty, which constitute Enabling Development priority conditions. Priority targeting will be carried out in 79 municipalities found in relatively contiguous areas in the West, comprising the departments with highest malnutrition (Copán, Intibucá, La Paz, Lempira, Ocotepeque and Santa Barbara). These municipalities have a total population of 758,246, or 13.5 percent of the national population, and are clearly the areas of most severe food insecurity and poverty in the country, along with municipalities with low HDI and those inhabited by the minority ethnic groups.

Vulnerable Groups and Households in These Targeted Geographic Areas

- 16. Household surveys carried out by CARE in 1995 and 1998, in the departments of Intibucá, Lempira, and La Paz, provide more detail on the key household characteristics of these most vulnerable populations. Approximately 96 percent of the households in these areas are engaged principally in farming,¹⁰ and about 15 percent of them are headed by women. These families consume and grow principally maize and beans, in poor soil and with little land preparation or use of fertilizers. Irrigation is rare, and soil erosion is a big problem. For 81 percent of male-headed households and 85 percent of female-headed households, the average farm size is less than 3.5 ha.
- 17. The structure of household income varies according to weather and to the local demand for wage labour. In good years, the value of agricultural production may reach 60 percent



⁹ The standards set by PRAF were used to identify those departments with "severe/very high" malnutrition, that is, an average of more than 52 percent of the population evidencing moderate-to-severe stunting over the 1995–1997 period; "high" malnutrition is equal to a prevalence of between 37–52 percent, and "less" malnutrition is equal to prevalence rates of less than 37 percent.

¹⁰ CARE, 1999.

of the household's total, while in a bad year it may be only 30 percent. Wages represent 20–50 percent of the total, but are particularly dependent upon world coffee prices and the demand for labour on larger coffee farms. Other economic activities (11–16 percent) and aid (2–10 percent) represent other important sources of income. Incomes are insufficient to cover the cost of a minimum food basket in about 77 percent of all households. Female-headed households are particularly affected, having only 68 percent of the income of male-headed households, and female heads of households have much lower literacy rates than male heads of households.

18. From the information above, it is also clear that certain households among the small farmer population of these most vulnerable municipalities are more prone to food insecurity than others, and therefore should be targeted also on the basis of their unique household characteristics. Such households may (one or more of the following): be headed by women, have only one economically active adult, have a high dependency ratio (children to adults), comprise elderly residents, and include expectant or nursing mothers.

GOVERNMENT PRIORITIES AND POLICIES ADDRESSING POVERTY AND FOOD INSECURITY

Overall Policies

- 19. After Hurricane Mitch hit Honduras, the Government agreed to thorough reforms for the social and economic structures of the country, and international cooperation has played an active role in contributing to this effort by supporting joint policies and strategies, rather than isolated short-term, low-impact projects. A Reconstruction and National Transformation Master Plan was prepared that focused on the following priorities: (a) democratization and governance; (b) equity and inclusion; (c) poverty reduction; (d) the fight against corruption; (e) human rights; (f) order and austerity in the macro-economy; (g) economic growth; (h) external debt reduction; and (i) execution of the new disaster mitigation strategy.
- 20. The strategy for poverty reduction and other priorities of the Reconstruction and National Transformation Master Plan are being adopted as official government policies in areas such as poverty and food security, where the priority actions include: (a) reduction of the external debt to yield more internal resources for social programmes; (b) the strategy for poverty reduction; (c) a gender equity approach; and (d) the national programme for rural development.
- 21. The Government's shift in its agrarian reform policies towards improving gender equity through land title mechanisms has resulted in increased access to land for women. To date, 9.15 percent¹¹ of the total farming population are women farmers. Measures to promote women's participation, decision-making and training capabilities are likewise being undertaken by the Government.

Food Security Policies

22. At present, there is no explicit government policy on nutrition and food security, but only policies and programmes to mitigate the social impact of recent structural adjustment and economic reforms. A "social cabinet" of the Ministers of Health and Education was



¹¹ PNUD 1998 IDH.

formed to advise the Presidency on formulating policies and coordinating actions in this area, and government budgeted expenditures for education and health have increased by 2 percent. Principal beneficiaries include PRAF and the Honduran Social Investment Fund (FHIS), and some small programmes of food support and targeted subsidies.

- 23. PRAF provides additional income to vulnerable groups through a subsidy of the cost of school attendance and mother and child health care. Mothers are also trained to develop micro-enterprise capacities. The Government, the Inter-American Development Bank (IDB), the Central American Bank of Economic Integration (CABEI) and a bilateral donor finance the programme with an annual investment of US\$13 million. Financial assistance to vulnerable groups, made possible by a new loan from the IDB (US\$45.2 million), began in October 2000 and is planned to continue over a period of five years.
- 24. The National Programme for Sustainable Rural Development (PRONADERS) increases the access of poor rural communities to resources and services that support the growth of household income, with particular attention given to reinforcing agricultural production, food security, and the protection and management of natural resources and rural services. The programme has a budget of US\$30 million, and has approved 120 initiatives in economically deprived rural areas.
- 25. In terms of **health and nutrition**, the Government's decentralization programme increases the participation of civil society in health services and the rehabilitation of the country's health infrastructure.
- 26. In order to insure greater availability of maize, sorghum and rice, the Government, through the Agricultural Marketing Institute of Honduras (IHMA), has formulated a **grain price policy**, the main purpose of which is to "avoid negative impacts on producers and consumers of grains in the country that might arise from extreme variations in international basic grains prices". The policy provides protection against depressed national producer prices resulting from cheap and subsidized imports of fodder wheat. More than 50 percent of the national production of maize is derived from small producers living on farms of less than 10 ha, and their food security can be greatly damaged by excessive imports.
- 27. In order to be better prepared to meet emergency food needs, the Government has created a **strategic food reserve of beans and maize**, with a maximum level of 3 percent of total national consumption (or approximately 20,450 tons of maize and 2,045 tons of beans). A **National Disaster Mitigation Project** has been prepared by the Permanent Contingency Commission. The project includes a municipality training plan for emergency prevention, an information system for managing and distributing donations, and a process for identifying sites where food reserves could be stored during critical periods.

Food Aid Policies

- 28. Food security is one of the main priorities within the Government's Reconstruction and National Transformation Master Plan to assist people affected by Hurricane Mitch. WFP has requested food aid from the Government to support the rehabilitation of housing, productive plots and community infrastructure and to enhance the local capacity to link rehabilitation to long-term development objectives.
- 29. The Government has established that policies regarding food aid monetization should be regulated by the national market and should take into account the national food balance. The Ministry of External Cooperation, along with the Ministry of Agriculture and Livestock, must verify that food aid will not harm the food balance of the country, based upon a previous analysis made by the Economy and Trade Ministry, with technical



assistance from WFP, USAID, the European Union and other potential international donors.

- 30. Most of the food aid coming from the United States Government (PL480 and Title II) and the European Union is targeted mainly to monetization to support government strategies to reduce poverty, particularly rural development projects.
- 31. The Government has made progress in adhering to the Commitments to Women made at the Beijing Women's Summit and the 1996 Word Food Summit to address food insecurity for women and girls. The National Institute for Women has reported government progress in addressing economic, social and legal issues related to women's rights and gender equity.

ASSESSMENT OF WFP'S PERFORMANCE TO DATE

32. WFP assistance in Honduras began in 1964, and can be divided into two different periods: the first, from 1964 to 1997, focused mainly on assistance to vulnerable groups, and on food production through agroforestry activities; the second, from 1997 to 2000, dealt mainly with addressing emergencies: the El Niño phenomenon (emergency operation [EMOP] 5949), Hurricane Mitch (EMOP 6079), and protracted relief and recovery operation (PRRO) 6089, due to end by mid-2001.

Effectiveness of Targeting (Food Aid)

- 33. Since 1990, six development projects have been carried out, at a total cost of US\$50 million. These projects can be divided into two main types: (i) health and nutrition programmes, with an emphasis on children and expectant and nursing mothers; and (ii) improvements in household food production and income generation in marginal areas through agroforestry and watershed management activities. More than 800,000 people, of whom more than 30 percent are children under 5 in the poorest regions in the country, have benefited from these projects.
- 34. Between 1997 and 1998, the El Niño phenomenon disrupted the cycle of cereal and bean crops in most of Honduras, producing poor harvests of these basic grains. Through EMOP 5949, WFP assisted 44,150 people affected by drought. Activities were implemented to rehabilitate production plots, giving families direct food support through food for work (FFW).
- 35. WFP's capacity in Honduras had to be quickly expanded in the aftermath of Hurricane Mitch. The Programme provided US\$28.4 million to assist more than a million people under EMOP 6079, and received 32,235 tons of food aid during the most critical time (the first three to four months). Through this quick, timely and efficient intervention, support was given for the rehabilitation of more than 6,900 ha of agricultural farmland, for the implementation of approximately 7,000 community projects and for the repair (94 percent) and construction of more than 7,735 km of road.
- 36. A total of 1,182,132 persons participated under EMOP 6079, 54 percent in FFW,
 29 percent in vulnerable group distributions and 17.9 percent in school feeding. Thirty-five percent of the beneficiaries in the FFW and vulnerable group distributions were women.
- 37. From July 1999 to December 2000, PRRO 06089.0 (former WIS no. 6089.00) benefited 633,977 persons, of whom 49.3 percent were women, including girls.



Effectiveness of Targeting: Achievements and Sustainability

- 38. Food assistance has promoted the adoption of new knowledge and techniques by households, and has improved sanitary practices, soil conservation, nutrition, assistance to health centres, and agroforestry management in marginal areas.
- 39. Food aid is a strong incentive for community and municipality participation. However, stronger mechanisms for promoting women's participation are needed to expand women's levels of decision-making and skills. A closer and strengthened relationship with community organizations and local groups has been promoted as enabling the achievement of sustainable impacts.
- 40. Non-food resources, distributed in a timely manner, have been used to complement the achievements of WFP development activities and to support the rehabilitation of community infrastructure. In future interventions, complementary non-food assistance has to be formally ensured at the beginning of projects.
- 41. The magnitude of the damage caused by Hurricane Mitch was enormous. The evaluation mission for EMOP 6079 determined that WFP's achievements were very visible since they resolved food needs immediately after the hurricane. WFP's capacity has been transferred to the recipient Government, with the participation of municipalities and civil organizations, thus promoting greater local responsibility and facilitating resource complementarities.
- 42. WFP's development assistance focused on two projects: one in agroforestry and the other in sanitary and nutritional assistance to vulnerable groups. Three new modalities have now been identified by the Government and WFP: (i) more direct participation by WFP to strengthen the management capacity of the projects; (ii) a commitment to link assistance to vulnerable groups with the development of productive capacity within those groups; and (iii) direct linkages with local counterparts who provide needed non-food resources to increase the effectiveness of operations.

Strengths and Weaknesses in Implementation

43. Halfway through 2000, approximately 107,000 people benefited from development activities. Vulnerable groups received approximately 20 percent of total resources. The two development projects have been affected by weak governmental counterparts, thus experiencing delays in programmed activities. Furthermore, the wait for loans of substantial quantities of food to the emergency and reconstruction operations slowed down the execution of these two projects.

Health and Community Development Project No. 5691

44. Starting in 1998, this US\$11.6-million project, with a WFP cost of US\$8.9 million, has a projected distribution of 13,000 tons of food over five years. The project, executed by the Ministry of Health, has suffered delays resulting from the complexity of its design and the impact of Hurricane Mitch. Efforts are being made to complete food deliveries and reinforce local capacities.

Participatory Forest Management Project No. 5609

45. This project, implemented by the Forestry Development Corporation of Honduras (AFE-COHDEFOR), has a total cost of US\$10.8 million (with a cost to WFP of US\$7.1 million), and a projected distribution of 22,000 tons of food during five years, starting in 1997. Its activities are geared towards providing enhanced vegetative cover in watersheds, thus



reducing the incidence of flooding, erosion and landslides. It promotes new agroforestry practices and production, the rational use of land, and participatory forest management.

46. The ontset of Hurricane Mitch, at the end of 1998, significantly affected implementation of development projects. In this regard, the integration of EMOP and PRRO activities into the two ongoing WFP development projects made possible a more sustainable impact. Moreover, borrowing of commodities from development projects enabled WFP to fulfil its obligations to assist in a timely manner those most affected by the devastation of the hurricane.

Cost-effectiveness

- 47. The cost of the ration provided in the FFW programme has been US\$1.37, while the cost of the school ration, provided as lunch or a snack, is US\$0.15. The cost of each ration is only 88 percent of that ration's value on the local market.
- 48. There has been no negative impact of the provision of food assistance on local markets and domestic production: food has been distributed directly to the target population, which lacks access to the local food market, and has been well accepted, as the food basket fits local dietary tastes. In FFW activities, the delivery of rations "by day worked" has been replaced with rations "by results". This has been carried out taking into account gender considerations by setting minimum and maximum time limits for the completion of each activity. This latter system of delivering rations has allowed for better evaluation of the activities carried out in the projects.
- 49. WFP commodities have also been used for commodity exchanges or swaps, in accordance with WFP audit standards and procedures. In this manner, a total of 8,400 tons (3,500 tons of wheat and 4,900 tons of sugar) has been exchanged for local food commodities.

An itoring and Reporting

- 50. Monitoring activities of the three ongoing projects can be categorized into quantitative (activities and outputs) and qualitative (impact). The computer system used for monitoring and evaluation (M&E) purposes within PRRO 06089.0 uses an Access software that generates reports on four different levels: national, regional, municipality and community. Thanks to the information generated by this software, the country office is updated, on a monthly basis, on the number of beneficiaries by gender; the quantities of food distributed; the number of FFW days; and the quantitative outputs.
- 51. Reports are obtained automatically, using a cross-reference database. This allows for the exportation of reports to simple spreadsheets that can be shared with the VAM Unit in order to generate maps. The same type of monitoring and reporting system is being implemented for the two development projects.
- 52. Qualitative monitoring is based upon indicators that the activities have made an impact. Quality indicators for measuring impact on livelihood changes are identified at the design stage of new projects. By the end of 1999, WFP had started to apply impact assessment indicators in project monitoring plans. In this CSO, beneficiary participation will be an essential feature, with beneficiaries directly involved in the design and identification of activities. Training initiatives have been implemented at the regional and local levels, in order to transmit knowledge of simple techniques such as the Rapid Rural Appraisal and the Household Food Economy approach.

53. Women beneficiaries' participation is measured at the community and national levels, enabling the country office to determine in which areas of the country the requirements on gender still need to be met. More WFP women staff will be involved in monitoring activities.

Conclusions

- 54. The portfolio of projects and activities of WFP Honduras has constituted an important contribution to the improvement of food security in Honduras. The portfolio is consistent and has always been compatible with government strategies. Four main elements of the portfolio should be considered when assessing WFP's performance to date: (i) its close relationship with beneficiaries, resulting in the provision of assistance to the most vulnerable sectors in emergency situations to development projects; (ii) the positive lessons learned from the experience of Hurricane Mitch, especially those related to the successful linking of emergency relief to development activities; (iii) the cost-effectiveness of WFP's actions, in increasing the alpha and transfer value of food aid without causing dependency or negative effects on local markets; and (iv) the formulation of partnerships, which has provided the opportunity for WFP to work with multilateral, bilateral and national NGOs and national and municipal government institutions.
- 55. Distribution of commodities has increased food security. The distribution of food to nearly 1.8 million people in different critical situations has contributed to alleviating food household deficits. Modalities now need to be identified for transferring short-term actions into long-term results by linking the provision of food assistance to sustainable access to education, health and the recovery of human and productive assets.
- 56. Based on lessons learned from the EMOP experience and the PRRO, there should be a greater focus on establishing a disaster mitigation strategy that will guide the implementation of future emergency operations. WFP food stocks have been utilized to provide food relief and assistance with the shortest delay, and therefore enhance government capacity to minimize the impact of disasters.
- 57. Sustainability will require changes in patterns of co-management of projects. The execution of projects through government entities was supposed to have established long-term relationships, but continual changes and weaknesses in these entities impeded effective assistance to the target groups. There is no guarantee that after WFP phase-out action will be continued or that the progress made will not be reversed. On a more positive note, one of the most valuable experiences acquired from PRRO 06089.0 is the link between development of the community's productive capacities and the decentralized execution of the activities by counterparts who shared the costs.
- 58. The sustainability of investment and development of the beneficiaries' capacity to undertake economic activities is an aspect that requires an adequate evaluation. The challenge is to be able to link WFP's actions to other types of actions directly related to productive development. Furthermore, actions should be carried out in the longer term, in order to sustain the increase in local capacity.
- 59. Institutional weakness affects execution. The constant changes in policy and the weak operative structure of government and municipality counterparts have been limiting factors in project execution. Training in risk management, and increasing the capacity of local leaders to identify priorities and connect disaster mitigation activities to ongoing rehabilitation actions will address institutional weaknesses in this area.
- 60. Women have benefited equitably. WFP gives priority to vulnerable groups, in particular expectant and nursing mothers, and the active participation of women in planning and



execution in all projects is a prerequisite for this. Since women manage the household economy, they are continually consulted on the ration formulation. Currently, 61 percent of the beneficiaries of development projects are women. Greater focus is needed, however, on promoting their participation in decision-making structures and their management and control of income sources and the means of production.

- 61. WFP has succeeded in promoting coordination with other agencies, particularly for the implementation of emergency assistance and rehabilitation programmes, even though this has not been explicitly stated at the beginning of the projects.
- 62. The managing and distribution of commodities delivered by WFP have been efficient and transparent. Responsibility and procedures for these operations vary according to the type of project. In the case of PRRO 06089.0, the management of commodities is under the full responsibility of WFP, up to the delivery of food to the counterparts, who are then responsible for its management and distribution to beneficiaries. In the case of development projects, the Government, through the Honduran Institute of Family and Children, is responsible for the management of food under the supervision of WFP.

FUTURE ORIENTATION OF WFP ASSISTANCE

Target Groups and Geographical Targeting

- 63. WFP's overall development goal in Honduras is to enable the poor and hungry to meet their short-term food consumption needs, while encouraging investments, both physical and human, in the most vulnerable and poorest households, giving priority to women. The population groups to be targeted will include: (i) children under 2 in conditions of acute malnutrition and expectant and nursing mothers, with particular regard given to femaleheaded households; (ii) children at nutritional risk at primary and pre-school levels in poor rural schools; and (iii) food-insecure households, located in vulnerable, depleted forest areas.
- 64. The targeting of beneficiaries will make use of VAM analyses of hunger and poverty, and of participatory techniques in the communities. Final selection will be made on the basis of greatest food insecurity and poverty levels. Complementary criteria should be established in areas where WFP is now present, and future interventions should be designed within a framework of existing programmes and rural development projects, in order to start actions that coincide with the efforts undertaken by others. In addition, geographic areas prone to recurrent disaster will receive special attention. The most food insecure households in all of these activities will be targeted for assistance.
- 65. VAM analyses emphasize that all 96 municipalities with "severe" malnutrition, and in particular the 79 of them in the relatively contiguous area comprising the departments with highest malnutrition (Copán, Intibucá, La Paz, Lempira, Ocotepeque and Santa Bárbara), should be geographically targeted because they are clearly the areas of most severe food insecurity and poverty in the country.
- 66. Priority areas are located in zones at high risk for drought and with a dependence on a single annual agricultural cycle of basic grain production. These municipalities are located in the western and southern departments, including those municipalities where the minority ethnic groups are located. These regions are characterized by weakness of productive resources and low quality of soils, a high degree of environmental damage, scarce public investment in physical and social infrastructure, scarce generation of jobs, limitations of capital stock, and the absence of supporting services for income-generation.



Identification of Key Areas for Assistance

67. In accordance with decision 1999/EB.A/2 of the Executive Board, WFP focuses its development activities on five objectives. This CSO addresses Enabling Development objectives 1, 2, 4 and 5: Enable young children and expectant and nursing mothers to meet their special nutritional and nutrition-related health needs; enable poor households to invest in human capital through education and training; mitigate the effects of natural disasters in areas vulnerable to recurring crises of this kind; and enable households that depend on degraded natural resources for their food security to make a shift to more sustainable livelihoods.

Enable Young Children and Expectant and Nursing Mothers to Meet Their Special Nutritional and Nutrition-related Health Needs

68. Attention to these vulnerable groups is considered a priority for WFP Honduras owing to the high rates of maternal and infant mortality and malnutrition. Project HON 05691.0 (former WIS no. 5691.00) aims at improving the health and nutritional conditions of the most vulnerable populations (106,000 direct beneficiaries) and reinforcing local capacity through training and rebuilding community/family infrastructure. Implementation is and will be a joint responsibility of the Ministry of Health and NGOs, with the participation of the Municipality Committee and technical assistance from UNICEF, UNFPA and the Pan-American Health Organization (PAHO)/WHO.

Enable Poor Households to Invest in Human Capital through Education and Training

69. Basic education (pre-school and primary education) is an essential contribution to the alleviation of poverty and hunger and the improvement of people's lives. The school feeding objectives will stimulate enrolment and increase attendance. The Ministry of Education, together with the President's Office, will implement the Health and Nutritional Feeding Project, using counterpart resources to fund activities such as school vegetable gardens, deworming and school infrastructure. WFP assistance will include the provision of enriched and fortified food to improve the attendance of approximately 200,000 schoolchildren per year, especially girls. That activity will be jointly implemented and monitored by the Ministry of Education and WFP. The United States contribution toward school feeding has been used as matching grant with financial resources from the Government and other multilateral institutions such as CABEI.

Enable Households that Depend on Degraded Natural Resources for Their Food Security to Make a Shift to More Sustainable Livelihoods

70. Activities are directed toward recovering and conserving natural resources, forestry protection, watershed management and the introduction of sustainable agroforestry practices. These activities are carried out in the Participatory Forest Management Project (HON 05609.0 [former WIS no. 5609.00]), which will increase the income and food security of 17,055 families in 262 villages. Participatory and gender approaches are highly integrated here and will increase sustainability.

Mitigate the Effects of Natural Disasters in Areas Vulnerable to Recurring Crises of This Kind

71. Given the country's high degree of vulnerability to natural disasters, and based upon lessons learned from Hurricane Mitch, WFP, through FFW, will support preparedness and mitigation activities in order to reduce vulnerability in those areas prone to recurrent

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disasters, enabling 100,000 vulnerable people to become food secure. Assistance in this field has started with VAM's setting up of a system of information and cartography on food insecurity. This initiative will be linked to the Government's Permanent Contingency Planning Commission to give greater resources and coverage to disaster management and contingency planning.

Scope for Joint Programming

72. This CSO will be harmonized with the programming cycle of the other United Nations agencies. WFP staff are active participants in various United Nations task forces, providing analysis and inputs to the CCA and to the current analysis of the UNDAF. As part of a collaborative United Nations strategy, with WHO/PAHO, UNICEF, FAO, UNDP, UNFPA, and International Organization for Migration (IOM), special attention will be given to targeting, in jointly determined priority geographical areas, to women and children's health and nutrition, education, natural resources, disaster mitigation and community organizational strengthening. Government and NGO joint programming will continue to be an essential feature during project implementation.

Modalities for Assistance and Operational Aspects

- 73. Future interventions will be guided along the following lines: (a) targeted aid will be results-oriented; (b) the family unit will be the nucleus of assistance, with particular emphasis placed on the needs of women; and (c) local capacity-building will be promoted. WFP will concentrate on FFW, supplementary feeding to vulnerable groups and school feeding. Bearing in mind that food aid must be given only where and when necessary, that it must leave durable assets, and that it should incorporate disaster mitigation activities, WFP will ensure timeliness in the delivery of food; and monitor changes in family revenue and levels of nutrition, changes in production patterns, local market price fluctuations and decreases in rates of diseases. FFW, vulnerable group and school feeding schemes will be designed with particular reference to seasonal harvest periods, labour seasonality and the critical periods for specific sectors of the country. The country office will carry out local purchases when appropriate, which will in turn help stimulate local production. This strategy will require some cash contributions.
- 74. The participation of beneficiaries, especially women, in all project cycles and in particular at the level of decision-making and the management and handling of food, will ensure a positive outcome for WFP actions. Special care will be taken to apply rapid rural assessment for the identification and selection of activities and target population at the community level (self-selection).
- 75. The participation of civil organizations, NGOs and local community, union and government organizations will continue to be an essential feature of WFP actions, and will take into account the process of decentralization being driven by the Government.
- 76. Joint modalities will be coordinated through the CCA/UNDAF initiatives, which also will be harmonized with the programme cycle of the other Honduras United Nations agencies (2002–2006).
- 77. Local purchases will be made when they are in the best interest of the operation. Purchase and distribution of seed in the case of emergencies will be effected using available bilateral funds in coordination with FAO.
- 78. Greater WFP advocacy at the government level is required to give coherence and complementarity to future interventions. WFP will continue to participate, jointly with other United Nations agencies and donors, in the processes of long-term strategic planning

and particularly in the implementation of the Government's Poverty Reduction Strategy, including the design and application of health and education strategies with nutritional programmes. The ongoing development projects have already committed approximately US\$5.8 million as counterpart resources, covering operational and logistics costs. The Government is also committing US\$1.3 million for the School Feeding Initiative.

79. In the framework of WFP's present strategy (1998–2002), the two development projects should undergo a revision process and necessary adjustments for contingencies, in line with the changes and orientations of this new strategy. The project HON 05609.0 will also take into consideration the protection of national resources to reduce natural disaster vulnerability. Project HON 05691.0 will be integrated with the other WFP initiatives, such as school feeding and the municipality capacity-building. PRRO 06089.0 is ending in June 2001, and the school feeding initiative will be implemented to assist approximately 200,000 children in the most food insecure municipalities.

PARTNERSHIPS

- 80. Partnership is one of the strongest aspects of WFP Honduras. Since Hurricane Mitch, WFP has maintained and worked with 3 multi- and bilateral donors (USAID, CABEI, Canadian International Development Agency [CIDA]), 30 international agencies (German Agency for Technical Cooperation [GTZ], CRS, CARE, World Vision [WV], International Foster Plan, Save the Children, *Médecins sans Frontières* [MSF], Atlas Logistique, Red Cross, etc.), 45 national NGOs, 121 municipalities, various authorities/commissions, 5 community groups, 19 governmental institutions and others. This co-implementation has built a national network aimed at alleviating poverty and rebuilding destroyed infrastructure and reinforcing local capacity for the sustainable development of the poor and hungry.
- 81. Partnership is considered one of the main WFP criteria for achieving sustainability of development assistance. This can be done effectively by combining food aid with other organizations' resources. Government counterparts for development projects currently provide approximately 30 percent of the total project implementation costs, while local organizations, NGOs and municipalities provide staffing, warehousing and local resources as added value to WFP assistance.
- 82. Coordination and implementation of future activities will take advantage of the current national network mentioned above and of the current government counterparts of the different projects and activities. Partners will be trained in gender awareness, and Memoranda of Understanding (MOUs) will address WFP's Commitments to Women. Special agreements have been signed between CABEI and the private sector to complement resources for WFP activities that fit into Government's Poverty Reduction Strategy.

KEY ISSUES AND RISKS

83. In spite of government efforts in the recently approved Poverty Reduction Strategy (June 2000), a National Food Security Plan has not yet been prepared. However, the strategy provides a framework for possible WFP food aid assistance. It also represents an opportunity to guarantee the coherence of policies between the Government and the various cooperating agencies. WFP will participate actively in this initiative and in



supporting the broad participation of the organizations with which it has established collaborative relationships.

- 84. The implementation of WFP activities could be impeded by the following constraints: low institutional capacity for project implementation, insufficient counterpart resources, lack of government funds to reconstruct lost community infrastructure, and low management capacity at the municipality level to enhance government decentralization processes.
- 85. To contribute to the sustainability of the activities, WFP will continue to support the network of local organizations, allowing greater participation by NGOs and community and local organizations. Taking into account the responsibilities that these organizations will have in the future, WFP will emphasize and complement these initiatives to strengthen execution capabilities.
- 86. During the last two decades, Honduras has seen an increase in the frequency of natural disasters—drought in the central and southern regions, landslides in the West, and flooding in the North. WFP intends to continue to support government efforts for disaster prevention and mitigation to reduce people's vulnerability to recurring natural disasters. Another severe disaster such as Hurricane Mitch might make it necessary to modify the targeting areas included in the CSO.



ANNEX

Map 1: Municipalities with Lower Human Development Index



Legend

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Department boundaries

Municipality boundaries

uman Development Index

0.18–0.4 (59 municipalities) 0.4–0.5 (83 municipalities)

VAM-WFP Honduras

The designations employed and the presentation of material in this publication do not imply the expression of any opinion whatsoever on the part of the World Food Programme (WFP) concerning the legal status of any country, territory, city or area or of its frontiers or boundaries





Map 2: Municipalities with "Very High" Malnutrition Prevalence Rates

Legend



VAM-WFP Honduras

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LIST OF ACRONYMS USED IN THE DOCUMENT

AFE-COHDEFOR	Forestry Development Corporation of Honduras	
CABEI	Central American Bank of Economic Integration	
CARE	Cooperative for Assistance and Relief Everywhere	
CCA	Common Country Assessment	
CODEM	Municipality Development Committee	
СР	Country Programme	
CRS	Catholic Relief Services	
CSO	Country Strategy Outline	
ECLAC	Economic Commission for Latin America and the Caribbean	
FAO	Food and Agriculture Organization	
FFW	Food for work	
FHIS	Honduran Social Investment Fund	
GDI	Gender Development Index	
GNP	Gross national product	
GTZ	German Agency for Technical Cooperation	
HDI	Human Development Index	
IDB	Inter-American Development Bank	
IHMA	Agricultural Marketing Institute of Honduras	
IHNFA	Honduran Institute of Family and Children	
IOM	International Organization for Migration	
MSF	Médecins sans Frontières	
NGO	Non-governmental organization	
РАНО	Pan-American Health Organization	
PRAF	Family Allocation Programme	
PRONADERS	National Programme for Sustainable Rural Development	
PRRO	Protracted relief and recovery operation	
UNAT	Technical Analysis Unit of the Ministry of the Presidency	
UNDAF	United Nations Development Assistance Framework	
UNDP	United Nations Development Programme	
UNFPA	United Nations Population Fund	
UNICEF	United Nations Children's Fund	
USAID	United States Agency for International Development	
VAM	Vulnerability analysis and mapping	

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