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Agenda item 7

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## PROTRACTED RELIEF AND RECOVERY OPERATION— CENTRAL AMERICA REGION 6089.00

Assistance for reconstruction and rehabilitation to families  
in Central America affected by Hurricane Mitch

|                         |   |
|-------------------------|---|
| Number of beneficiaries | First year: 1,110,000<br>Second year: 893,000 |
| Duration                | Two years (15 May 1999–14 May 2001)           |
|                         | <b>Cost (United States dollars)</b>           |
| WFP food cost           | 43,093,120                                    |
| Total cost to WFP       | 73,105,113                                    |

### ABSTRACT

Hurricane Mitch struck Central America at the end of October 1998, causing the largest natural disaster in the region's history. It claimed the lives of over 10,000 persons, leaving some 9,000 unaccounted for and affecting one out of every five inhabitants in Honduras, Nicaragua, Guatemala and El Salvador. Agricultural production suffered heavy losses; vital economic and social infrastructure was destroyed. Estimates are that the overall economic losses amount to over four billion dollars, slowing the expected annual growth rate for 1999 from 5.3 to 2.9 percent. The poor and vulnerable have been the most affected. Most already lived in conditions of extreme poverty and food insecurity. Mitch exacerbated these conditions, leaving over one million people in need of emergency food and with practically no source of income. The next major harvest is expected during the third quarter of 1999. In this context, WFP immediately provided food from existing in-country stocks to thousands of persons and approved a 58.4 million dollar, six-month emergency operation (EMOP) 6079.00 "Emergency food assistance to households affected by Hurricane Mitch", which targets 1,125,000 beneficiaries in all four countries. This amount was subsequently increased to 60.5 million dollars to reflect a donation of biscuits and revised direct support costs. Currently, 53 percent of the total tonnage has been resourced from Canada, France, Germany, Italy, Switzerland and the United States of America.

Although the proposed protracted relief and recovery operation (PRRO) has a regional structure, Honduras was the country most affected: agricultural production was seriously damaged in 100 percent of the lowlands, where commercial agriculture is predominantly practised. Damages to crops in hilly areas, where smallholdings are located, were localized, showing average losses of 30 percent for maize and beans. Social and economic infrastructure, such as bridges and roads, was destroyed, and schools and health centres were damaged. Fifty percent of the resources of this PRRO will be directed to assisting in the rehabilitation of households and reconstruction of productive assets in Honduras.

The PRRO will begin at the time of the EMOP's termination, in May 1999. It aims at contributing to the recovery and improvement of food security of the more affected segments of the population in Honduras, Nicaragua, Guatemala and El Salvador. This is to be achieved with the active participation of beneficiaries in activities for the recovery of their productive capacity, and the rehabilitation of economic and social infrastructure through food-for-work schemes. WFP will also provide food to the more vulnerable segments of the population: expectant and nursing mothers; malnourished children and pre-school and primary schoolchildren. Over one million persons will benefit during the first year of the PRRO: 148,000 families (about 50 percent women and girls); 90,000 malnourished women and children; and 180,000 pre-school and primary schoolchildren, about half of them girls. As part of a phasing-out strategy and taking into account expected recovery levels, the number of beneficiaries will drop during the second year to 893,000, including 268,000 women and children.

WFP will work closely with the Governments of all four countries for the execution of the PRRO. The implementation of activities will involve civil society organizations, mainly NGOs. Agreements are being negotiated with other partners, such as the World Bank, USAID and the European Union, as well as with other United Nations organizations. Each country will have its own implementation plan based on its priority needs. WFP offices in each country will be responsible for coordination and implementation, with backstopping provided by the Regional Bureau in Managua, Nicaragua.

## NOTE TO THE EXECUTIVE BOARD

**This document contains recommendations for review and approval by the Executive Board.**

Pursuant to the decisions taken on the methods of work by the Executive Board at its First Regular Session of 1996, the documentation prepared by the Secretariat for the Board has been kept brief and decision-oriented. The meetings of the Executive Board are to be conducted in a business-like manner, with increased dialogue and exchanges between delegations and the Secretariat. Efforts to promote these guiding principles will continue to be pursued by the Secretariat.

The Secretariat therefore invites members of the Board who may have questions of a technical nature with regard to this document, to contact the WFP staff member(s) listed below, preferably well in advance of the Board's meeting. This procedure is designed to facilitate the Board's consideration of the document in the plenary.

The WFP focal points for this document are:

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Should you have any questions regarding matters of dispatch of documentation for the Executive Board, please contact the Documentation and Meetings Clerk (tel.: 066513-2641).



## RECOVERY STRATEGY: CONTEXT AND RATIONALE

### Situation analysis

1. After the massive destruction caused by Hurricane Mitch at the end of October 1998 in the four Central American countries of Honduras, Nicaragua, El Salvador and Guatemala, the period immediately following the emergency has been dedicated to the immense task of clearing demolished infrastructure, repairing bridges and roads, and restoring basic services such as supply of drinking water, sanitation and electricity. Emergency measures have been taken to avoid epidemics, although there have been several outbreaks of dengue fever, leptospirosis and malaria. This was an unprecedented disaster for Central America, both in its geographic scope and the extent of damage it caused. More than 10,000 people died, over 9,000 are missing, and over 500,000 lost their homes. In all, more than 6.7 million people were affected directly and indirectly by Mitch's winds, torrential rains, landslides and floods. Most of the casualties and damage were concentrated in Honduras and Nicaragua, although El Salvador and Guatemala were also badly hit.
2. Even though Central America is a disaster-prone area where climatic anomalies are frequent, a determining factor for such an extent of casualties and physical devastation was that the damage was compounded by man-made intervention. On the one hand, large-scale deforestation and inadequate farming practices—particularly the cultivation of marginal lands without soil conservation measures and adequate watershed management—increased the vulnerability of many areas. On the other, poverty as a structural phenomenon imbedded in the affected region meant that a considerable number of subsistence farmers were left with no access to good land, credit or technical assistance, living in high-risk marginal areas, in the front line to bear the heaviest costs of natural disasters. The hurricane therefore brought to light the extreme vulnerability of a large part of the rural population, and the pressing need for sustainable, environmentally responsible policies with a focus on poverty alleviation and social equity. This was recognized by the presidents of Central American countries, who in a statement made on 7 November 1998 indicated that the region “lives one of the deepest human, social, environmental and economic dramas in our history”, and that “the dimensions of this tragedy compromise the future of the region”. These leaders have appealed formally to the international community to formulate a Rehabilitation and Reconstruction Plan of Central America, since the magnitude of the disaster exceeds the capacity of Central American countries to face the crisis with their own means.

### Political context

3. Governments recognize the need to begin immediately with rehabilitation efforts. The situation is propitious for such efforts, because activities to cope with the disaster are urgently needed, and the forthcoming six-month dry season is well suited for reconstruction. The immediate initiation of works will provide jobs; this may be a determining factor in containing large migratory movements and avoiding dependency on aid, particularly food aid.
4. Reconstruction is an opportunity to bring about a change for the better, not to reconstruct the old but to build new structures on the basis of social development policies with a focus on the reduction of poverty and vulnerability. Reconstruction should emphasize not only infrastructure, but also the reduction of vulnerability of the poorest, and environmental



factors to prevent the consequences of future events. Safe locations for resettled people, and integrated watershed management and reforestation are also key elements.

5. Thus, the reconstruction effort in these countries is already being formulated to take into account three strategic elements, among others: a) focusing activities on people, their special circumstances, productive capacities and their community environment; b) designing programmes and activities which not only seek to restore the original situation, but also aim to create conditions for adequate employment opportunities and food security of these families; and c) establishing conditions for sustainable solutions in terms of economic and agricultural activity, as well as settlement of dwellings, villages and towns.

### **WFP emergency response**

6. Immediately after the onset of Hurricane Mitch, WFP provided food from existing in-country stocks to thousands of persons in all four affected countries. Apart from small immediate response operations, WFP also processed and approved a 58.4 million dollar<sup>1</sup>, six-month regional EMOP for a total of 1,125,000 beneficiaries. This amount was subsequently increased to 60.5 million dollars to reflect a donation of biscuits and revised direct support costs. The objectives of EMOP 6079.00 are to provide emergency food aid, until the next harvest, to the most affected population, who have no means of purchasing food or have lost their own food stocks, and are left with no options in terms of employment or income-generating activities.

### **Needs assessment**

#### **Poverty and food insecurity in the hurricane-affected areas**

7. Although with some variations, the four affected countries show large concentrations of poverty and extreme poverty, particularly in rural areas. The average per capita gross domestic product (GDP) for the region is only 986 dollars, but there are some disparities: El Salvador with 1,610 dollars and Guatemala with 1,340 dollars have a higher per capita GDP than Honduras, at 600 dollars, and Nicaragua—the lowest—with 380 dollars. Life expectancy at birth in the region is 66 years, three years below the average of 69 for the Latin America and Caribbean Region. El Salvador has the highest life expectancy (72), and Guatemala the lowest, at 56. Table 1 gives relevant data on infant and maternal mortality.

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<sup>1</sup> All monetary values are expressed in United States dollars.



**TABLE 1: DATA ON INFANT AND MATERNAL MORTALITY**

| Indicator                            | Guatemala | El Salvador | Honduras | Nicaragua | Average |
|--------------------------------------|-----------|-------------|----------|-----------|---------|
| GDP per capita (dollars)             | 1 340     | 1 610       | 600      | 380       | 986     |
| Infant mortality (per 1,000)         | 43        | 34          | 29       | 44        | 37.5    |
| Infant mortality (under 5-per 1,000) | 56        | 40          | 35       | 57        | 47      |
| Maternal mortality (per 100,000)     | 300       | 200         | 220      | 160       | 220     |

Source: UNICEF, 1998.

8. Central American countries affected by Mitch are classified as low-income, food-deficit countries (LIFDC), except for El Salvador. Honduras has an Aggregate Household Food Security Index (AHFSI) of 89.3 and Nicaragua and Guatemala of about 83.

**TABLE 2: AHFSI IN CENTRAL AMERICA**

| Country     | AHFSI | Classification |
|-------------|-------|----------------|
| El Salvador | 89.3  | Non-LIFDC      |
| Honduras    | 87.6  | LIFDC          |
| Nicaragua   | 83.9  | LIFDC          |
| Guatemala   | 82.6  | LIFDC          |

Source: WFP, 1998.

9. Access to drinking water, health services and sanitation was already precarious prior to Hurricane Mitch. On average, about 27 percent of the region's population lack access to safe water (39 percent in Nicaragua). About 40 percent do not have access to health services (60 percent in El Salvador). In addition, 30 percent do not have access to sanitation (nearly 70 percent in Nicaragua). Even more striking is the fact that in the four countries about 50 percent of the population live with under one dollar a day, and 50 percent are below the poverty line, as can be seen in Table 3 below.

**TABLE 3: SITUATION OF CENTRAL AMERICAN POPULATION**

| Country     | Human poverty index | Not expected to survive beyond 40 | Adult illiteracy rate (%) | Population without access to: |                 |            | Real GDP per capita (dollars) |             | Population below poverty line (%) |                       |
|-------------|---------------------|-----------------------------------|---------------------------|-------------------------------|-----------------|------------|-------------------------------|-------------|-----------------------------------|-----------------------|
|             |                     |                                   |                           | Safe water                    | Health services | Sanitation | Poorest 20%                   | Richest 20% | \$1 a day                         | National poverty line |
| Guatemala   | 29.3                | 14                                | 35.0                      | 23                            | 43              | 17         | 357                           | 10 710      | 53                                | 58                    |
| El Salvador | 27.8                | 12                                | 23.3                      | 31                            | 60              | 19         | —                             | —           | —                                 | 38                    |
| Honduras    | 21.8                | 12                                | 27.3                      | 13                            | 31              | 13         | 399                           | 6 027       | 47                                | 53                    |
| Nicaragua   | 26.2                | 12                                | 34.3                      | 39                            | 17              | 69         | 479                           | 6 293       | 44                                | 50                    |
| Average     | 26.3                | 12.5                              | 30                        | 27                            | 38              | 30         | 412                           | 7 677       | 48                                | 50                    |

Source: UNDP Human Development Report, 1998.



10. Associated with the prevalence of poverty in the region is Central America's condition of food insecurity. Food insecurity is caused partly by the increasing marginality of subsistence agricultural production which affects directly small farmers, who are the main producers of food staples such as beans and maize. About 1.3 million of the 1.7 million Central American farmers are engaged in the production of basic grains, usually on small family plots. They use traditional, very low productivity techniques and 80 percent of their harvest is for self-consumption. In fact, even though the rate of growth in food production has been below that of population growth, a modest increase in the growth of apparent food consumption of 4.5 percent in the nineties was possible only because of the expansion of imports of food, mainly cereals.
11. The per capita food production index has deteriorated considerably in the four countries, decreasing by 14 percent from 1980 to 1996, except for Guatemala, where there was an increase of 3 percent for the same period. Honduras' index decreased by 27 percent. Per capita cereal supply for 1995 was 141 kg; El Salvador had the highest with 161 kg, and Honduras and Nicaragua the lowest at 127 and 129 kg, respectively. The average for all developing countries is 165 kg.
12. It is estimated that Hurricane Mitch caused losses in food crops ranging from 30 to 40 percent for maize, rice and beans. In the aftermath of the hurricane, access to markets of whole areas of the countries was severely limited, causing temporary shortages particularly in large cities and towns throughout Honduras and northern Nicaragua. This situation has improved quickly with the re-establishment of transport links and the setting up of temporary bridges. Food prices have undergone increases of 10 to 20 percent; such increases were associated mainly with inaccessibility rather than overall shortages. However, as the dry summer season comes on, and stocks of food get depleted, there may be a further upward pressure on food prices. A joint mission by WFP and FAO was organized in December to assess crop losses in Nicaragua and Honduras.

## Nutrition

13. The combination of inadequate caloric intake and the prevalence of infections among poor families has resulted in high malnutrition rates of vulnerable groups. The nutritional situation of the four countries is precarious. The average proportion of low-weight newborns (under 2.5 kg.) is 13 percent, but Guatemala and Nicaragua have an even higher rate, with 15 percent each.
14. Moderately-severe malnutrition of children under five is 27 percent in Guatemala and 11 percent in El Salvador. The average for the countries is 17 percent, high compared with 10 percent for the whole of Latin America and the Caribbean. Severe malnutrition is also higher in Guatemala, with 6 percent and lower in El Salvador at 1 percent; the latter is the overall rate for Latin America. Moderately-severe low weight for height is higher in Guatemala with 50 percent and the lowest in El Salvador, with 23 percent. Honduras is also high, with 40 percent. The four-country average is high, with 34 percent, compared to 18 percent for Latin America and the Caribbean.
15. The proportion of population suffering from goiter averages 15 percent. The highest is El Salvador (20) and the lowest Nicaragua (4). The average for Latin America and the Caribbean is 12 percent. About 85 percent of households consume iodized salt, the lowest being Guatemala (64 percent). Table 4 shows these data.



**TABLE 4: NUTRITIONAL SITUATION OF THE COUNTRIES  
AFFECTED BY HURRICANE MITCH**

|   | Guatemala | El Salvador | Honduras | Nicaragua | Average |
|---|-----------|-------------|----------|-----------|---------|
| <b>Low-weight newborns (%)</b>                      | 15        | 11          | 9        | 15        | 13      |
| <b>Breast-feeding (%)</b>                           |           |             |          |           |         |
| Exclusive breast-feeding (0–3 months)               | 50        | 20          | 11       | 11        | 23      |
| Breast-feeding with supplementary food (6–9 months) | 56        | 71          | –        | 48        | 58      |
| Continuous breast-feeding (20–23 months)            | 43        | 28          | –        | 17        | 29      |
| <b>Under 5</b>                                      |           |             |          |           |         |
| Moderately severe underweight                       | 27        | 11          | 18       | 12        | 17      |
| Severe  | 6         | 1           | 3        | –         | 3       |
| Emaciation/moderately severe                        | 3         | 1           | 2        | 2         | 2       |
| Low weight for height/moderately severe             | 50        | 23          | 40       | 24        | 34      |
| <b>Population suffering goiter (%)</b>              | 20        | 25          | 9        | 4         | 15      |
| <b>Households consuming iodized salt (%)</b>        | 64        | 91          | 85       | 98        | 85      |

Source: UNICEF, 1998.

16. In 1995 the region received food aid in cereals amounting to 257,000 metric tons, of which 56 percent went to Guatemala and 28 percent to Honduras. The remaining 16 percent was for El Salvador and Nicaragua.
17. Rural populations in Central America live on a diet composed mainly of beans and cereals. Cooking is based on fuelwood and sometimes on kerosene or cooking gas. Deforestation has resulted from uncontrolled exploitation of forests and trees for fuelwood. The PRRO contemplates coping with this situation by encouraging the utilization of fuel-efficient stoves, whenever possible promoting the milling of cereals and grains at the community level.
18. The household food security situation in the areas most affected by Hurricane Mitch in these four countries is characterized by a heavy dependence on subsistence agriculture to provide food staples. This dependence, coupled with limited seasonal off-farm income opportunities, has made rural families in these areas highly vulnerable to the erratic weather patterns of the last two years, with the onset of drought induced by El Niño, followed by a severe hurricane season accompanied by floods and mudslides. At present the bulk of these families are facing hardship because of loss of crops and income, and cannot expect to begin to have any degree of food self-sufficiency at least until the next main harvest, around September 1999.

### Assessment of damages

19. Information on damages caused by the hurricane and losses of crops and property is uneven, and is being continuously reviewed and adjusted. Therefore, for the purposes of the proposed PRRO, it was necessary to consult a number of sources and reports, taking as a basis the work of the WFP teams in each country and the relevant reports issued by the Economic Commission for Latin America and the Caribbean (ECLAC), UNDP and the Governments, among others.





20. Table 5 below gives an overview of information on the affected population, as found in the aforementioned reports.

| <b>TABLE 5: BREAKDOWN OF AFFECTED POPULATION</b> |                 |                  |                  |                    |              |
|--|-----------------|------------------|------------------|--------------------|--------------|
|  | <b>Honduras</b> | <b>Nicaragua</b> | <b>Guatemala</b> | <b>El Salvador</b> | <b>Total</b> |
| Dead   | 5 657           | 2 863            | 268              | 240                | 9 028        |
| Missing  | 8 058           | 948              | 121              | 19                 | 9 146        |
| Wounded <sup>1</sup>                             | 12 272          | 388              | 280              | n.a.               | 12 940       |
| In shelters <sup>2</sup>                         | 285 000         | 65 271           | 50 000           | 55 864             | 456 135      |
| Total evacuated                                  | 617 831         | 370 641          | 108 594          | 84 316             | 1 181 382    |
| Total affected <sup>3</sup>                      | 4 753 537       | 867 752          | 734 198          | 346 910            | 6 702 397    |
| Total population <sup>4</sup>                    | 6 203 188       | 4 492 700        | 11 645 900       | 6 075 536          | 28 417 324   |
| Percentage affected                              | 76.6            | 19.3             | 6.3              | 5.7                | 23.6         |

Source: UNDP, ECLAC, December 1998.

<sup>1</sup> Does not include wounded for El Salvador.

<sup>2</sup> In Nicaragua, as of 26 November 1998, and in Guatemala as of 15 November 1998.

<sup>3</sup> Includes the dead, injured and homeless as well as those who suffered material and economic losses. Source of definition: ECLAC. In the case of Honduras, this includes the primary affected population (estimated at 2.4 million) and the secondary affected population, which includes city inhabitants still without basic services.

<sup>4</sup> Estimated as of October 1998. Source: CELADE.

21. As may be seen from Table 5 above, the impact of the hurricane was particularly damaging in Honduras and Nicaragua.

### **Impact on households**

22. Hurricane Mitch severely affected the level of incomes and food security of subsistence farmers. They lost food stocks, livestock and seeds; their farms were seriously damaged, and many lost their houses and belongings. In addition, many plantations or agro-industries where they had previously obtained temporary or permanent employment were damaged. This drastic reduction in incomes and food availability is having serious repercussions on the food security of affected families, especially of those households with a large number of pre-school children, and with women heads (at least 25 percent of total households) who do not have as much access to formal credit and training programmes, and whose coping mechanisms were completely crumbled in the wake of the hurricane's destruction.
23. The extent of damage suffered by families in rural areas can be classified as follows:
- those who have lost all their productive assets and personal belongings (30 percent of total affected population);
  - those who have sustained partial loss of land, (the fertile soil layer has been lost), livestock, food supplies, and personal belongings (50 percent of total affected population); and
  - those who have sustained limited losses to productive assets or personal belongings (20 percent of total affected population).

### **Damage to social and productive infrastructure**

24. Damage has been primarily to roads and bridges, farming areas, housing, and community infrastructure such as schools, health centres and water and sanitation facilities.





## Beneficiaries

25. The PRRO will focus on those families and vulnerable groups who have sustained total loss of assets and personal belongings, and who face hardship in their household food security in the coming months, until a new harvest can be reaped. It is planned to assist about 1,110,000 persons during the first year and 893,000 during the second year. Details are given in Table 6 below.

| Category                              | Year     | Nicaragua      | Honduras       | Guatemala     | El Salvador   | Total            |
|---------------------------------------|----------|----------------|----------------|---------------|---------------|------------------|
| <b>FFW</b>                            |          |                |                |               |               |                  |
| Workers and members of their families | 1        | 250 000        | 400 000        | 40 000        | 50 000        | 740 000          |
|                                       | 2        | 200 000        | 250 000        | 35 000        | 40 000        | 525 000          |
| <b>Supplementary food assistance</b>  |          |                |                |               |               |                  |
| Malnourished women and children       | 1        | 60 000         | 100 000        | 25 000        | 5 000         | 190 000          |
|                                       | 2        | 60 000         | 100 000        | 25 000        | 3 000         | 188 000          |
| Pre-school children                   | 1        | 10 000         | 15 000         | 0             | 0             | 25 000           |
|                                       | 2        | 10 000         | 15 000         | 0             | 0             | 25 000           |
| Primary schoolchildren                | 1        | 70 000         | 85 000         | 0             | 0             | 155 000          |
|                                       | 2        | 70 000         | 85 000         | 0             | 0             | 155 000          |
| <b>Total</b>                          | <b>1</b> | <b>390 000</b> | <b>600 000</b> | <b>65 000</b> | <b>55 000</b> | <b>1 110 000</b> |
|                                       | <b>2</b> | <b>340 000</b> | <b>450 000</b> | <b>60 000</b> | <b>43 000</b> | <b>893 000</b>   |

26. In the particular case of Honduras, due to the weak infrastructure of the national health system, malnourished vulnerable groups—pre-school and primary schoolchildren—will be served through school feeding channels. CARE and Caritas are already assisting expectant and nursing mothers to a large extent. One hundred thousand children—about half of them girls—will receive supplementary rations during the two-year period.

27. The PRRO will concentrate assistance on subsistence farmers, landless rural workers, and malnourished women and children. For instance, in Honduras there are about 320,000 farms, about 230,000 of which measure under 5 hectares each and account for only 11 percent of the total farmland. In Nicaragua, the number of smallholdings is in excess of 400,000, over 60 percent of which measure under 3.5 hectares. The number of landless peasant families is considerable; however, no reliable estimates are available. Households headed by women are estimated to be between 25 and 30 percent of total households in rural areas. A similar situation prevails in Guatemala and El Salvador.

28. Most small-scale farms are located in hilly areas, on lands more appropriate for forestry use. Poor soils, traditional farming methods and a low use of farm inputs contribute to the very low yields. The main characteristics of these families are:

- a) they have landholdings below 4 hectares and few opportunities for off-farm employment;
- b) they own little or no land and have to pay high prices, in cash or produce, for leasing land;
- c) rural households headed by women are in the majority; and



- d) their highest concentrations in terms of affected areas are in the north-east and western regions of Honduras, north and north-west of Nicaragua, south-east of El Salvador, and eastern areas of Guatemala.
29. Under a shifting cultivation system and depending on the size of a family and the availability of labour, up to 1.5 hectares a year of basic grains are cropped; this area allows for the production of up to 800 kg of maize and 200 of beans, which can barely cover a family's food needs. Despite this small production, an urgent need for cash forces many poor farmers to sell their crop shortly after the harvest. A minority of peasant families rear small animals (poultry or pigs), and only few own cattle. Cash income to buy other household items and medicines usually has to be generated through temporary off-farm work, on nearby cattle and coffee farms, and/or by working on commercial farms. Some family members may have to migrate to towns and/or abroad in order to be able to support their family at home.
30. The incomes of peasant households from their farms (including the value of self-consumption) and cash incomes are estimated to range from 300 to 900 dollars a year. Survival strategies of peasant families are therefore based on a delicate balance of on-farm food production, cash income and risk avoidance. Hurricane Mitch has severely disrupted this balance. Although some farmers were able to harvest first-cycle crops, second-cycle crops were lost either through water damage (rotten stems and roots) or landslides. With the loss of work opportunities outside their farms, small farmers have also lost their traditional coping mechanisms.
31. Rural daily wages in the past varied from 2 to 3 dollars. In comparison, the market value of the standard WFP food-for-work ration is 1.30 dollar. Although the ration value represents some 43 to 65 percent of the average daily wage, in many areas FFW has now become the only source of income for poor families. To some extent, the relatively short working day (4–5 hours) and the reduced time to reach the workplace compensate for the lower value of the FFW ration. There is therefore considerable enthusiasm to undertake food-for-work activities and an excellent self-targeting effect.
32. Rural families affected by Hurricane Mitch have also seen their access to health services curtailed, together with the availability of and their participation in preventive care and nutrition support activities. The PRRO will aim at providing temporary dietary support to malnourished women and children, and to pre-school and primary schoolchildren in targeted areas.

## Targeting

33. In order to limit the scope of the intervention and achieve effective targeting, the PRRO will limit itself to covering the immediate rehabilitation needs of those households whose homes or agricultural land were severely damaged or lost. The transfer value of food aid to those households will cover a significant amount of the losses. The assistance must be provided during a sufficiently prolonged period of time, in line with the agricultural cycle and reconstruction efforts in other sectors.
34. Two of the main criteria for the PRRO's success therefore will be the income transfer to and nutritional impact on the beneficiaries. The creation of assets must be regarded as an important additional benefit, without applying strict cost-benefit considerations. Longer-term rehabilitation needs, especially as regards environmental protection and rural road infrastructure, should be met by a possibly expanded WFP development programme, as



soon as the necessary implementing structures can be set up, and when a comprehensive government rehabilitation plan is formulated.

35. Most of the relief distribution in shelters will have been phased out by May 1999, the time when the PRRO is due to commence. However, a limited number of people living in shelters or who have become totally destitute after the hurricane will still need support.
36. Between January and September 1999, food insecurity will increase progressively at the national level, but particularly at the level of rural households living in the traditionally food-deficit areas of the affected countries. The severity of these food deficits depends on how quickly agricultural support programmes (especially seeds) can be executed and to what extent the considerable amount of programme food aid already pledged reaches rural markets in deficit areas.
37. In terms of support to restoring productive capacity, the PRRO should strive for a very high “disbursement rate” during the first year of its implementation phase and subsequently reduce its activities in those areas which have already regained much of their previous potential for agricultural production.
38. With no reliable studies available on the extent of damages to individual households, only qualitative assessments carried out during field visits of the most affected and poorest rural areas could be used as a basis for planning the PRRO. The estimates of the beneficiary numbers and the calculation of adequate transfer values as food entitlements are based on the following assumptions:
  - a) Only disaster-affected departments will be covered; those regions serviced by other food aid implementing partners will not be included.
  - b) The percentage of the rural population living below the poverty line will be estimated for each intervention area.
  - c) An estimated 50 percent of these poor households will participate in activities planned under the PRRO.
  - d) The average food transfer per household should cover two thirds of the yearly basic food needs.
39. Based on the above, the priority selection criteria for individual households participating in the PRRO activities should be the following:
  - a) poor households whose houses have sustained significant damage or are totally destroyed;
  - b) households with landholdings below 4 hectares, out of which at least 1.5 hectares have been lost;
  - c) households with landholdings below 2 hectares who have lost employment opportunities as a consequence of the disaster; and
  - d) households headed by women who have lost more than two thirds of their usual sources of income.
40. Since most of the poor households, even during normal times, were able to cover only one third to one half of their basic food needs through their own production or raising animals, they had to rely on other sources of income, mainly through contractual work on larger farms and plantations. It is estimated that, at least until the end of 1999, these income sources will have been severely reduced by the damages to sugar cane, banana, melon and coffee plantations, and shrimp farms.



41. In order to carry out the rehabilitation of their own homesteads and farms, many of the households will not be able to migrate—as they did in the past—in search of temporary work. Food assistance to deficit rural areas affected by Mitch therefore will also have the additional benefits of stabilizing market prices and creating work opportunities in the vicinity of the beneficiaries' homes. This is of particular importance for women with small children, who cannot afford to seek employment far away.
42. Details of the current targeted areas in each country are given below.

### **El Salvador**

43. Beneficiaries are located in the Pacific Coast areas of the departments of Ahuachapán, Sonsonate, La Libertad, La Paz, San Vicente, Usulután, San Miguel, La Unión, Cabanas, Morazán and Chalatenango. Within this area, a total of 37 municipalities have been selected in terms of the greater degree of damage suffered.

### **Guatemala**

44. Affected targeted areas are located in 25 municipalities of 13 departments: Alta Verapaz, Suchitepequez, Sacatepequez, Santa Rosa, San Marcos, Jutiapa, Jalapa, Izabal, Escuintla, El Progreso, Zacapa, El Petén and Chiquimula.

### **Honduras**

45. Targeted areas are those municipalities most affected in 12 departments, comprising 53 percent of the total population of the country, and where 47 percent of the affected population are located. These are primarily rural areas in the departments of Colón, Lempira, Ocotepeque, Copán, Yoro, Valle, Santa Bárbara, Intibucá, El Paraíso, Choluteca, Gracias a Dios and Olancho.

### **Nicaragua**

46. PRRO activities will be targeted to the 58 most affected municipalities of the departments of Chinandega, León, Estelí, Madriz, Nueva Segovia and Jinotega y Matagalpa. It is estimated that 43 municipalities are included in those areas with a high prevalence of extreme poverty.

### **Partnerships**

47. WFP food aid will be utilized jointly with other resources and inputs supplied by the Governments, bilateral and multilateral donors, civil society grass-roots associations and NGOs. The objective is to achieve an increased impact of the activities envisaged by the PRRO, matching food aid inputs with financial resources, technical assistance and provision of materials and supplies from other sources. For this purpose, in relation to the emergency operation, WFP is already entering into specific operational agreements and alliances with United Nations agencies, bilateral donors and NGOs. These partnerships, which have worked out well, are in tune with the outlines of reconstruction plans formulated by the Governments concerned. WFP has also participated actively in the preparation of the joint Transitional Consolidated Appeal launched by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) and has participated in the meetings of the Consultative Group for the Reconstruction of Central America organized by the Inter-American Development Bank (IDB) in Washington, D.C. in December 1998.



## IMPLEMENTATION PLAN

### Goals and objectives

48. Food aid supplied to beneficiaries under this PRRO will be utilized primarily to:
- a) cover household food deficits caused by the disaster;
  - b) reduce expenses for food purchases and use these savings for rehabilitating damaged houses and farm land; and
  - c) provide a healthier diet.
49. Given the relative weaknesses observed in the execution capacities, both at the government and community level, and keeping in mind the primary objective of covering critical household deficits, the majority of the food assistance will be provided through food-for-work programmes in order to derive additional benefits from food aid. Most of the food assistance will be targeted to rural areas.

### Immediate objectives

50. The immediate objectives are to:
- a) guarantee household food security to beneficiaries while they participate in activities to rehabilitate the productive capacity of their own farms and reconstruct the social and economic infrastructure of their communities;
  - b) promote and support, through FFW activities, local initiatives for the creation of temporary employment opportunities to rehabilitate destroyed infrastructure;
  - c) in coordination with the Ministry of Education, promote the improvement of pre-school and primary schoolchildren's diets in order to restore normalization of the school cycle, and maintain enrolment and attendance of children at pre-school centres and primary schools; and
  - d) support health activities aimed at improving the food security of the most vulnerable groups—children under five years of age and malnourished expectant and nursing mothers.

### Recovery activities

#### Implementation strategy

51. The resources of the PRRO will be utilized in accordance with the priorities established under the various national rehabilitation plans for the areas and people affected by the hurricane. WFP activities will target the poorest and most affected population groups in order to ensure a temporary supply of food rations during the rehabilitation period, thus covering the food gaps which these households will face during this period.
52. The two-year duration of the PRRO will enable the restoration of productive capacities and reconstruction of community infrastructure. The focus of the first year will be on beneficiaries working on their own farms. In the second year, depending on the time frame of activities, the focus will shift more to the construction of infrastructure at the community level. High priority will also be given to the reconstruction of housing for those families who have lost their homes and may still be living in temporary shelters. These activities



will be complemented with works in basic sanitation, rehabilitation or construction of aqueducts, and construction of latrines.

53. The issues of benefit analysis and gender will be incorporated in all the components and activities under the PRRO. This will be achieved through participatory methods so as to involve beneficiaries directly in the planning, supervision and monitoring of the resources available to the PRRO. To the extent possible, food distribution will be directed to women; considering that about one fourth to one third of the affected households are headed by women, it will be important to schedule activities to facilitate their participation.
54. In the activities of rehabilitation and construction of housing and basic sanitation, priority will be given to the application of self-help construction schemes and the intensive use of available labour and local materials. Similarly, WFP resources will be utilized in connection with the introduction of appropriate management of natural resources, soil conservation, appropriate use of pesticides and other chemicals, and a process of reforestation.
55. Priority attention will also be paid to training activities in the management and handling of food commodities, seeking to involve the community in the adequate use and monitoring of food distribution.
56. It is envisaged that food aid will also support a practical programme of disaster prevention and mitigation in the most vulnerable communities, placing special emphasis on the conservation of natural resources. Therefore, for beneficiaries the PRRO will represent a set of alternatives that can be implemented in various stages throughout the duration of the operation. An essential element of this participatory approach will be that beneficiaries and participating communities will decide themselves what activities to undertake, and formulate their own work plans accordingly. Taking into account the expected gradual improvement in household food security, it is envisaged that during the first year beneficiaries will participate in FFW activities for 150 days; the number of days will decrease to 120 during the second year.
57. As regards assistance to vulnerable groups, food aid will be geared to those months when the food deficit between harvests is greater. However, the main criterion for selecting beneficiaries will be the risk of malnutrition among expectant and nursing mothers and children under five.
58. The activities of rehabilitation and construction shall be reviewed in the light of further plans by recipient governments and donors resulting from the Stockholm meeting.

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## COMPONENTS AND ACTIVITIES

59. The two main modalities of implementation of the PRRO will be: food for work and supplementary food aid.



60. The food for work component will comprise the activities outlined below.

### Rehabilitation of productive capacities

- Reconstruction of farms
- Rehabilitation or construction of fences
- Rehabilitation or construction of soil conservation works (contour lines, terracing, dams, ditches)
- Rehabilitation or construction of small irrigation systems
- Setting up of nurseries
- Preparation of land for cultivation
- Forestry and fuelwood activities

### Rehabilitation of social and economic infrastructure

- Rehabilitation of
  - access roads
  - bridges and drainages
  - family wells
  - drinking-water systems
  - latrines
  - housing
  - schools
  - health centres
  - electricity lines

61. The supplementary food assistance component will involve feeding of malnourished pre-school children, primary schoolchildren and malnourished expectant or nursing mothers.

### Rations

62. For the food for work component, participants will receive monthly family rations according to the progress of works and the work norms established for each activity.

63. For the supplementary food component, beneficiaries will receive take-home rations in the case of the health centres. For pre-school and primary schoolchildren, WFP rations will be cooked together with other commodities at the primary schools or pre-school centres.

### Training

64. Under the FFW component, technical workshops will be held on aspects of agricultural production, forestry, environment, management of food aid, gender and benefit analysis, information and reporting, monitoring and evaluation. In the framework of supplementary food assistance, workshops will be held on mother and child health education, community participation, reproductive health, monitoring and evaluation. For all training events, food rations will be distributed according to the number of days for each event.





## Outputs

65. The PRRO envisages the generation of 34.8 million work days during the two years of its duration. The availability of labour funded by food aid will result in the rehabilitation of productive capacity and reconstruction of community infrastructure, as outlined in Annex III. The national teams in each country are currently working to determine the specific outputs in terms of works rehabilitated or constructed through FFW activities.
66. It is expected that the following qualitative results will be achieved:
- The food security of beneficiaries will be re-established to adequate levels
  - The productive capacity of farms owned by beneficiaries will be restored
  - Economic infrastructure will be restored: operational access roads, irrigation systems, warehouses, and collection centres for national crop production
  - Reconstruction of social infrastructure: available water-supply systems, restored basic sanitation systems and reconstructed schools, health centres and community centres
  - Activities for improved management of natural resources will be implemented
  - Community participation and control of resources by beneficiaries, in particular by women, will be ensured
  - The nutritional situation of malnourished women and children will improve
  - Attendance and enrolment in pre-school centres and primary schools will be improved and maintained

## Partnership arrangements

67. Considering the magnitude of the damage caused by the hurricane, United Nations agencies, international cooperation and NGOs have initiated an intensive process of reviewing the focus and objectives of their operations and assistance programmes. A cross-cutting element has emerged in this process: the imperative need for joint cooperation and for truly integrated programmes. In this framework, WFP is placed in a good position to reach operational agreements with a variety of partners in these countries, utilizing food aid as an essential element for reconstruction and rehabilitation. There are specific instances in each country, but most notable are the discussions held with UNDP for the strengthening of local capacities and reconstruction of housing, with FAO and IDB for agricultural rehabilitation, with the European Union and USAID for a broad rehabilitation programme, and with the World Bank for assistance to vulnerable groups. The status of negotiations by country is detailed below.

## El Salvador

68. In this country, United Nations agencies have prepared a common strategy in a document entitled "From emergency to development: the road to follow for reconstruction". This strategy was also discussed with OCHA in November 1998. Within this strategy, WFP, together with FAO, will work on the rehabilitation of the production of fruit and vegetables (as an important element of income generation for small farmers), and support to the repair of irrigation works and soil conservation. WFP will work with UNDP for the reconstruction of housing, and with the European Union to provide water-supply systems and basic sanitation at the community level.



## Nicaragua

69. WFP activities will be part of a common strategy for the reconstruction process undertaken by the Government and international cooperation agencies. The following arrangements are being worked out: with UNDP and UNFPA for support to local governments; WFP will sign a cooperation agreement with FAO to develop the area of Los Murrubios in Chinandega, with funds from the Netherlands, and to co-implement a food security project in support of small farmers in the area of San Francisco Libre. The latter has financial support from the Government of Spain.
70. A similar agreement will be negotiated with IDB. The World Bank has agreed with WFP regarding support during the rehabilitation period to pre-school and primary schoolchildren in the most affected areas. WFP will continue joint implementation of activities with CARE, Catholic Relief Services (CRS), Save the Children, Adventist Development and Relief Agency (ADRA), Project Concern International and Allistar, among others.

## Guatemala

71. The following partners will participate in the implementation of the PRRO: UNDP for training, and for management of alternative sources of financing; UNFPA in the reduction of child and maternal mortality, and in reproductive health; INCAP on food security and training in food and nutrition; UNICEF in training and organization of women's groups on food security, nutrition and basic sanitation; FAO will provide technical assistance for the rehabilitation of small irrigation systems; HABITAT in the areas of shelter and resettlement of the affected population. The World Bank will co-finance the reconstruction of infrastructure. USAID will assist also in the implementation.

## Honduras

72. There is already close cooperation and sharing of responsibilities with CRS and CARE. WFP activities are fully integrated with the strategy for reconstruction outlined by the Government and with the joint approach of United Nations agencies. Several local organizations are present in the villages and communities. Technical assistance will be provided primarily by the Ministry of Agriculture and Livestock and the Honduran Corporation for Forestry Development (COHDEFORT). International and local NGOs are active in social and economic development activities in many disaster-affected areas and are now expanding their operations.

## Logistics

73. Logistics aspects have been a determining factor during the initial phase of assistance to victims of the hurricane, and during the implementation of the EMOP. The flows of emergency food aid have represented three or four times the levels of development aid which were usually managed by these countries. For this purpose, the country offices, particularly in Honduras and Nicaragua, have had to strengthen their operations, staffing and infrastructure to handle the increased volume of commodities in ports and airports, central and regional warehouses, and extended delivery points (EDPs). Special efforts were also made to improve the state of communications with sub-offices, among country offices, the Regional Bureau in Managua, and with WFP headquarters in Rome.
74. It is expected that this strengthened logistics and communication capacity will support the implementation of the PRRO. However, in the short term, it is still necessary to strengthen the management capacity of the country office in Honduras with required staff, both for supervision of logistics operations, and monitoring and reporting of distributions



to beneficiaries. Honduras will continue to utilize the logistics infrastructure of the Honduras Forestry Development Corporation of the Ministry of Agriculture, and the regional offices of the Ministry of Health. In Nicaragua the logistics network will remain in place, with WFP managing and handling food commodities up to EDPs. From these points, operational and logistics aspects will be the responsibility of the implementing unit of project 4571.01—“Support to food security improvement for poor rural families in the dry zone”—together with partner NGOs and local governments.

75. In the case of El Salvador and Guatemala, logistics aspects will continue to be handled by the national counterparts which have the necessary logistical and management capacity. For El Salvador, the entity responsible for logistics will be the Directorate of Food Aid (DAA) of the National Secretariat for the Family. In the case of Guatemala, logistics aspects will be managed by the Agricultural Marketing Board (INDECA) and the Ministry of Agriculture.
76. Given the severity of the damage caused to Honduras and Nicaragua, WFP will contribute with 100 percent of the landside transport, storage and handling (LTSH) costs. In the case of El Salvador and Guatemala, WFP will cover 50 percent of such costs. The LTSH rate will be reviewed regularly to take into account the free services provided by the respective Governments or other organizations.
77. WFP will continue to use the ports of Santo Tomás de Castilla, Puerto Cortés, Puerto Quetzal, Acajutla and Corinto, which are now in good operational readiness and have good land transport links with project areas in the interior of the countries. Given the regional approach of the PRRO, the Regional Director in Managua may reallocate or divert shipments from one country to another, depending on the implementation rates in each country. A commodity pipeline system established for the management of the EMOP will be utilized also for the PRRO.

### **Capacity-building**

78. The PRRO will be implemented according to a strategy of co-execution with selected partners, and of reaching the poorest and most affected families of the four countries. This will require placing a sufficient number of experienced staff and management systems for the implementation of relief and recovery activities. It is recognized that at present these systems and staff are not yet available, one reason being that some of the areas of implementation were not originally considered priority areas within WFP’s regular development projects. A similar situation prevails with the implementing partners and beneficiary groups. In Honduras the issue of absorptive capacity has been raised as a matter of concern for the successful implementation of the activities planned under the PRRO; the budget takes this into consideration under DSC requirements.
79. It will be essential therefore to strengthen the management capacity all along the line of the institutions involved in the PRRO’s implementation, in particular for the monitoring and evaluation aspects as well as the planning and preparation of a schedule of activities at the community level. Prior to initiation of activities, participatory workshops will be conducted with the local governments, NGOs and beneficiary groups.

### **Monitoring and evaluation**

80. The implementation of an adequate system to monitor the activities and impact of the PRRO will be an important prerequisite. This system will include quantitative information on food distribution, type of works and number of beneficiaries; it will also give



indications on the relative success of the recovery package. Basic information on the implementation of activities will be collected and reported by NGOs, local governments and the counterpart project implementing units, such as that for project 4571.01, DAA, INDECA and COHDEFOR. Information on the results of rapid community surveys will be collected by WFP Food Aid Monitors. A special biannual report will provide quantitative and qualitative information on the achievement of the PRRO's immediate objectives. This report will be prepared by the main counterpart implementing units in each country and consolidated by the WFP Regional Reports Officer.

81. Specific basic indicators are being developed; these are based on the following:
- Number of participating households and composition by gender and age
  - Nutritional status of the malnourished mothers and children household members at the beginning and end of the operation
  - Nutritional status of pre-school and primary schoolchildren at the beginning and end of operation
  - Number of work days completed and number of food rations distributed for:
    - Hectares of land with soil/water conservation
    - Rehabilitation of small plots
    - Rehabilitation or construction of houses
    - Rehabilitation of community infrastructure, access roads, bridges, canals and water systems
    - Rehabilitation of small irrigation systems
    - Rehabilitation or construction of small dams and wells
    - Rehabilitation or establishment of family gardens or nurseries
82. After 12 months of operation, the Regional Bureau will conduct a mid-term review on the appropriateness of the information systems and the planning of activities within the PRRO, and on the role and functions of food aid within the PRRO. This review will provide the necessary elements for a possible reformulation of some of the components of the PRRO.

## EXIT STRATEGY

83. The exit strategy of the PRRO is based on the assumption that during the second year beneficiaries will have regained an adequate productive capacity and a degree of self-sufficiency. This is reflected by a decreasing number of beneficiaries in the second year. Although this is at best problematic given the high level of poverty which already afflicted these beneficiaries even in normal times, it is understood that the major thrust of WFP's relief and recovery efforts should be completed by the end of the second year. In the year 2000 the situation and the food aid needs of the countries will be reviewed for a possible need of further assistance.



## RISK ASSESSMENT

84. The success of the PRRO will depend mainly on the degree of support by the donor community to this package of activities, and the extent of absorptive capacity in the countries involved. Associated to this is the management capacity of WFP country offices and implementing partners at the regional and community level.

## INPUT REQUIREMENTS

### Food aid requirements

#### Food rations and commodity justification

85. The rations for the various components of the PRRO have been established on the basis of rations currently used in FFW activities and supplementary feeding programmes. They are also based on local food habits and preferences.

**TABLE 7: RATIONS FOR THE FFW COMPONENT**

| Commodity      | Ration size<br>(grams) | Nutritional content |                    |              |
|----------------|------------------------|---------------------|--------------------|--------------|
|                |                        | Calories            | Protein<br>(grams) | Fat          |
| Cereals        | 450                    | 1 485.0             | 31.5               | 2.25         |
| Pulses (beans) | 40                     | 134.0               | 8.0                | 0.48         |
| Vegetable oil  | 30                     | 265.5               | –                  | 30.0         |
| Canned fish    | 30                     | 91.5                | 6.6                | 7.2          |
| <b>Total</b>   | <b>550</b>             | <b>1 976.0</b>      | <b>46.1</b>        | <b>39.93</b> |

**TABLE 8: RATIONS FOR PRE-SCHOOL CHILDREN**

| Commodity      | Ration size (grams) | Nutritional content |                    |              |
|----------------|---------------------|---------------------|--------------------|--------------|
|                |                     | Calories            | Protein<br>(grams) | Fat          |
| Cereals        |                     |                     |                    |              |
| Rice           | 40                  | 144.0               | 2.8                | 0.2          |
| Maize          |                     | 140.0               | 4.0                | 1.6          |
| Pulses (beans) | 20                  | 67.0                | 4.0                | 0.24         |
| Vegetable oil  | 10                  | 88.0                | 4.0                | 10.0         |
| Canned fish    | 30                  | 91.5                | 6.6                | 7.2          |
| <b>Total</b>   | <b>100</b>          | <b>386.5</b>        | <b>18.6</b>        | <b>19.04</b> |



**TABLE 9: RATIONS FOR PRIMARY SCHOOLCHILDREN**

| Commodity             | Ration size (grams) | Nutritional content |             |            |
|-----------------------|---------------------|---------------------|-------------|------------|
|                       |                     | Calories            | Protein     | Fat        |
|                       |                     | (grams)             |             |            |
| Corn-soya-blend (CSB) | 25                  | 95                  | 4.5         | 1.5        |
| Biscuits (2 units)    | 50                  | 225                 | 6.0         | 7.5        |
| <b>Total</b>          | <b>75</b>           | <b>320</b>          | <b>10.5</b> | <b>9.0</b> |

**TABLE 10: RATIONS FOR MALNOURISHED MOTHERS AND CHILDREN**

| Commodity             | Ration size (grams) | Nutritional content |           |          |
|-----------------------|---------------------|---------------------|-----------|----------|
|                       |                     | Calories            | Protein   | Fat      |
|                       |                     | (grams)             |           |          |
| Corn-soya-blend (CSB) | 100                 | 380                 | 18        | 6        |
| <b>Total</b>          | <b>100</b>          | <b>380</b>          | <b>18</b> | <b>6</b> |

86. The number of rations a year for the FFW component will be, for each participant, 150 family rations in the first year and 120 in the second. For the supplementary feeding, women will receive a take-home ration of 100 grams of CSB during 270 days a year. Pre-school children will receive cooked rations in schools 220 days a year and primary schoolchildren 160 days.
87. The PRRO will require an amount of 111,607 metric tons of commodities during the two years of operation, at a total cost to WFP of 73,105,113 dollars.

### Staffing

88. Honduras and Nicaragua will receive approximately 90 percent of the food inputs under this PRRO. This is far greater than the tonnages usually managed by the two country offices. In order to properly manage these resources, the necessary additional staff, mainly in logistics and food monitoring, has been included in the direct support cost budget. A similar situation, although on a smaller scale, applies to the budgets for El Salvador and Guatemala.

### Non-food items

89. Although it is expected that the various partners and co-executors in each country and the governments themselves (particularly in the case of Guatemala and El Salvador) will provide essential inputs, taking into account the magnitude of the tasks ahead, tools will be provided for the FFW activities in Honduras and Nicaragua. The equivalent of 11 dollars in tools per participating FFW family will be provided during the first year. Considering that 148,000 families will be participating in these activities, the total amount for non-food items will be 1,430,000 dollars, or about 2 percent of the total cost of the PRRO.
90. Seeds and fertilizers will have an important role in rehabilitation plans in all four countries. It is expected that FAO will make arrangements to provide these items for each affected country.



### **Technical assistance**

91. Specific technical assistance will be required, particularly for the design of works and the application of evaluation techniques. Most of this assistance will be provided within the cooperation agreements to be finalized with FAO, UNDP, the World Bank, IDB and other partners. In addition, small amounts are being budgeted by the Regional Bureau for initial review and assessment of impact of the activities. In particular, the Regional Bureau will seek to link the PRRO to the vulnerability analysis and mapping (VAM) work undertaken by WFP in other regions, and with the pilot experience of the VAM Unit located in Santiago, Cuba.

### **Contingency provisions**

92. The schedule of activities of this PRRO retains sufficient flexibility based on the regional approach, so that it can respond quickly to unforeseen events or changes. For instance, it is not unlikely that a natural phenomenon of considerable proportions may occur in the region during the two-year implementation of the PRRO. Therefore, depending on circumstances, the Regional Bureau in Managua is well placed to act effectively in the face of changing circumstances. However, no specific allocation has been made in the budget for this purpose.

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## **RECOMMENDATION OF THE EXECUTIVE DIRECTOR**

93. The PRRO is recommended for Executive Board approval, within the budget provided in Annexes I and II.





## ANNEX I

| <b>PROJECT COST BREAKDOWN</b>  |                    |   |                    |
|--|--------------------|---|--------------------|
|  | Quantity<br>(tons) | Average<br>cost per<br>ton <sup>1</sup> | Value<br>(dollars) |
| <b>WFP COSTS</b>   |                    |   |                    |
| <b>A. Direct operational costs</b>                                   |                    |   |                    |
| Commodity <sup>2</sup>   |                    |   |                    |
| – Rice   | 39 370             | 250                                     | 9 842 500          |
| – Maize  | 39 370             | 133                                     | 5 236 210          |
| – Pulses   | 7 180              | 658                                     | 4 726 000          |
| – Vegetable oil  | 5 330              | 870                                     | 4 636 500          |
| – CSB  | 11 721             | 335                                     | 3 922 350          |
| – Biscuits   | 2 480              | 1 400                                   | 3 472 000          |
| – Sugar  | 606                | 260                                     | 157 560            |
| – Canned fish  | 5 550              | 2 000                                   | 11 100 000         |
| <b>Total commodities</b>   | <b>111 607</b>     |   | <b>43 093 120</b>  |
| External transport   | 111 607            | 114.97                                  | 12 831 146         |
| Superintendence  |                    |   | 279 018            |
| ITSH   | 111 607            | 65.4                                    | 7 299 098          |
| <b>Subtotal direct operational costs</b>                             |                    |   | <b>63 502 382</b>  |
| <b>B. Direct support costs (see Annex II for details)</b>            |                    |   |                    |
| <b>Subtotal direct support costs</b>                                 |                    |   | <b>4 756 360</b>   |
| <b>Total direct costs</b>  |                    |   | <b>68 258 742</b>  |
| <b>C. Indirect support costs (7.1 percent of total direct costs)</b> |                    |   |                    |
| <b>Subtotal indirect support costs</b>                               |                    |   | <b>4 846 371</b>   |
| <b>TOTAL WFP COSTS</b>   |                    |   | <b>73 105 113</b>  |

<sup>1</sup> The costs per metric ton have been rounded up.

<sup>2</sup> This is a notional food basket used for budgeting and approval purposes. The precise mix and actual quantities of commodities to be supplied to the project, as in all WFP-assisted projects, may vary over time depending on the availability of commodities to WFP and domestically within the recipient country.



## ANNEX II

|  |
|--|
| <b>DIRECT SUPPORT REQUIREMENTS (dollars)</b> |
|--|

|                                   |           |                  |
|-----------------------------------|-----------|------------------|
| <b>Staff costs</b>                |           |                  |
| International                     | 623 000   |                  |
| United Nations Volunteers         | 484 000   |                  |
| National Professional Officers    | 170 000   |                  |
| International consultants and SSA | 400 000   |                  |
| Local staff and temporaries       | 280 000   |                  |
| <b>Subtotal</b>                   |           | <b>1 957 000</b> |
| <b>Technical support services</b> |           |                  |
| Project appraisal                 | 190 000   |                  |
| Audit                             | 75 000    |                  |
| Project evaluation and audit      | 85 000    |                  |
| <b>Subtotal</b>                   |           | <b>350 000</b>   |
| <b>Travel and DSA</b>             |           |                  |
| International                     | 46 000    |                  |
| In-country                        | 150 160   |                  |
| <b>Subtotal</b>                   |           | <b>196 160</b>   |
| <b>Office expenses</b>            |           |                  |
| Rental of facility                | 99 000    |                  |
| Utilities                         | 60 000    |                  |
| Communications                    | 72 000    |                  |
| Office supplies                   | 25 000    |                  |
| Equipment repair and maintenance  | 28 000    |                  |
| <b>Subtotal</b>                   |           | <b>284 000</b>   |
| <b>Vehicle operation</b>          |           |                  |
| Maintenance                       | 133 000   |                  |
| Fuel                              | 103 200   |                  |
| <b>Subtotal</b>                   |           | <b>236 200</b>   |
| <b>Equipment</b>                  |           |                  |
| Communications equipment          | 12 000    |                  |
| Vehicles                          | 140 000   |                  |
| Computer equipment                | 31 000    |                  |
| Agricultural equipment            | 10 000    |                  |
| <b>Subtotal</b>                   |           | <b>193 000</b>   |
| <b>Non-food items</b>             |           |                  |
| Agricultural tools                | 1 430 000 |                  |
| <b>Subtotal</b>                   |           | <b>1 430 000</b> |
| <b>Other</b>                      |           |                  |
| Advocacy                          | 110 000   | <b>110 000</b>   |
| <b>TOTAL DIRECT SUPPORT COSTS</b> |           | <b>4 756 360</b> |



## ANNEX III

| <b>BREAKDOWN OF PRRO COMPONENTS</b>   |                 |   |
|---|-----------------|---|
|   | <b>Units</b>    | <b>Rations per unit</b>                 |
| <b>Rehabilitation of Productive Capacity</b>  |                 |   |
| Rehabilitation of agricultural areas  | mz <sup>1</sup> | 140                                     |
| Soil conservation <sup>2</sup>  | mz              | 250                                     |
| Construction of small irrigation systems  | No.             | 360                                     |
| Food and vegetables   | mz              | 100                                     |
| Nurseries <sup>3</sup>  | No.             | 800                                     |
| Agro-forestry   | mz              | 200                                     |
| <b>Community infrastructure</b>   |                 |   |
| Road rehabilitation   | km              | 600                                     |
| Bridge rehabilitation   | No.             | 150                                     |
| Family wells  | No.             | 150                                     |
| Drinking water systems <sup>4</sup>   | No.             | 4 000                                   |
| Latrines  | No.             | 20                                      |
| Housing construction <sup>5</sup>   | No.             | 250                                     |
| Housing rehabilitation  | No.             | 120                                     |
| School rehabilitation <sup>6</sup>  | No.             | 150                                     |
| Health centre rehabilitation  | No.             | 150                                     |
| <b>Vulnerable groups</b>  |                 |   |
| Mother-child  | No.             | 365 feeding days per year               |
| Pre-school children   | No.             | 220 feeding days per year               |
| Primary school children   | No.             | 160 feeding days per year               |
| Training in Agriculture, Sanitation,<br>Environment, Soil & water conservation,<br>Small irrigation, Nutrition, Hygiene | Days/person     | 10 days training per person per<br>year |

<sup>1</sup> Manzana—a local land measurement unit equivalent to 0.7 hectare.

<sup>2</sup> Includes contour lines, terracing, drains and ditches, wind breaks, compost, etc.

<sup>3</sup> Nurseries of 20,000 plants each.

<sup>4</sup> At 5 km. average distance from source, and domestic network distribution.

<sup>5</sup> Minimum constructed area 48 m<sup>2</sup>.

<sup>6</sup> Single classroom schools.



## ANNEX IV

## THE PRRO IN FIGURES

| <b>NICARAGUA</b>                          |                             |                          |                          |               |
|---|-----------------------------|--------------------------|--------------------------|---------------|
|   |                             | <b>May 1999–May 2000</b> | <b>May 2000–May 2001</b> |               |
| FFW beneficiaries                         |                             | 250 000                  | 200 000                  |               |
| Number of families                        |                             | 50 000                   | 40 000                   |               |
| Number of FFW days                        |                             | 150                      | 120                      |               |
| Number of malnourished women and children |                             | 60 000                   | 60 000                   |               |
| Number of supplementary feeding days      |                             | 270                      | 270                      |               |
| Number of pre-school children             |                             | 10 000                   | 10 000                   |               |
| Number of supplementary feeding days      |                             | 220                      | 220                      |               |
| Number of primary schoolchildren          |                             | 70 000                   | 70 000                   |               |
| Number of supplementary feeding days      |                             | 160                      | 160                      |               |
| <b>Item</b>                               | <b>Daily ration (grams)</b> | <b>Quantities (tons)</b> |                          |               |
|   |                             | <b>Year 1</b>            | <b>Year 2</b>            | <b>Total</b>  |
| <b>Food-for-work</b>                      |                             |                          |                          |               |
| Cereals                                   | 450                         | 16 875                   | 10 800                   | 27 675        |
| Pulses                                    | 40                          | 1 500                    | 960                      | 2 460         |
| Vegetable oil                             | 30                          | 1 125                    | 720                      | 1 845         |
| Canned fish                               | 30                          | 1 125                    | 720                      | 1 845         |
| <b>Subtotal</b>                           | <b>550</b>                  | <b>20 625</b>            | <b>13 200</b>            | <b>33 825</b> |
| <b>Malnourished women and children</b>    |                             |                          |                          |               |
| CSB                                       | 100                         | 1 620                    | 1 620                    | 3 240         |
| <b>Subtotal</b>                           | <b>100</b>                  | <b>1 620</b>             | <b>1 620</b>             | <b>3 240</b>  |
| <b>Pre-school children</b>                |                             |                          |                          |               |
| Cereals                                   | 40                          | 88                       | 88                       | 176           |
| Pulses (beans)                            | 20                          | 44                       | 44                       | 88            |
| Canned fish                               | 30                          | 66                       | 66                       | 132           |
| CSB                                       | 25                          | 55                       | 55                       | 110           |
| Sugar                                     | 10                          | 22                       | 22                       | 44            |
| Vegetable oil                             | 10                          | 22                       | 22                       | 44            |
| <b>Subtotal</b>                           | <b>135</b>                  | <b>297</b>               | <b>297</b>               | <b>594</b>    |
| <b>Primary schoolchildren</b>             |                             |                          |                          |               |
| Biscuits                                  | 50                          | 560                      | 560                      | 1 120         |
| CSB                                       | 25                          | 280                      | 280                      | 560           |
| Sugar                                     | 10                          | 112                      | 112                      | 224           |
| <b>Subtotal</b>                           | <b>85</b>                   | <b>952</b>               | <b>952</b>               | <b>1 904</b>  |
| <b>TOTAL</b>                              | <b>870</b>                  | <b>23 494</b>            | <b>16 069</b>            | <b>39 563</b> |



## THE PRRO IN FIGURES

| <b>HONDURAS</b>                           |                      |                   |               |               |
|---|----------------------|-------------------|---------------|---------------|
|   | May 1999–May 2000    | May 2000–May 2001 |               |               |
| FFW beneficiaries                         | 400 000              | 200 000           |               |               |
| Number of families                        | 80 000               | 50 000            |               |               |
| Number of FFW days                        | 150                  | 120               |               |               |
| Number of malnourished women and children | 100 000              | 100 000           |               |               |
| Number of supplementary feeding days      | 270                  | 270               |               |               |
| Number of pre-school children             | 15 000               | 15 000            |               |               |
| Number of supplementary feeding days      | 220                  | 220               |               |               |
| Number of primary schoolchildren          | 85 000               | 85 000            |               |               |
| Number of supplementary feeding days      | 160                  | 160               |               |               |
|   |                      |                   |               |               |
| Item                                      | Daily ration (grams) | Quantities (tons) |               |               |
|   |                      | Year 1            | Year 2        | Total         |
| <b>Food-for-work</b>                      |                      |                   |               |               |
| Cereals                                   | 450                  | 27 000            | 13 500        | 40 500        |
| Pulses                                    | 40                   | 2 400             | 1 200         | 3 600         |
| Vegetable oil                             | 30                   | 1 800             | 900           | 2 700         |
| Canned fish                               | 30                   | 1 800             | 900           | 2 700         |
| <b>Subtotal</b>                           | <b>550</b>           | <b>33 000</b>     | <b>16 500</b> | <b>49 500</b> |
| <b>Malnourished women and children</b>    |                      |                   |               |               |
| CSB                                       | 100                  | 2 700             | 2 700         | 5 400         |
| <b>Subtotal</b>                           | <b>100</b>           | <b>2 700</b>      | <b>2 700</b>  | <b>5 400</b>  |
| <b>Pre-school children rations</b>        |                      |                   |               |               |
| Cereals                                   | 40                   | 132               | 132           | 264           |
| Pulses (beans)                            | 20                   | 66                | 66            | 132           |
| Canned fish                               | 30                   | 99                | 99            | 198           |
| CSB                                       | 25                   | 83                | 83            | 165           |
| Sugar                                     | 10                   | 33                | 33            | 66            |
| Vegetable oil                             | 10                   | 33                | 33            | 66            |
| <b>Subtotal</b>                           | <b>135</b>           | <b>446</b>        | <b>446</b>    | <b>891</b>    |
| <b>Primary schoolchildren</b>             |                      |                   |               |               |
| Biscuits                                  | 50                   | 680               | 680           | 1 360         |
| CSB                                       | 25                   | 340               | 340           | 680           |
| Sugar                                     | 10                   | 136               | 136           | 272           |
| <b>Subtotal</b>                           | <b>85</b>            | <b>1 156</b>      | <b>1 156</b>  | <b>2 312</b>  |
| <b>TOTAL</b>                              | <b>870</b>           | <b>37 302</b>     | <b>20 802</b> | <b>58 103</b> |



## THE PRRO IN FIGURES

| <b>GUATEMALA</b>                          |                          |                          |              |              |
|---|--------------------------|--------------------------|--------------|--------------|
|   | <b>May 1999–May 2000</b> | <b>May 2000–May 2001</b> |              |              |
| FFW beneficiaries                         | 40 000                   | 35 000                   |              |              |
| Number of families                        | 8 000                    | 7 000                    |              |              |
| Number of FFW days                        | 150                      | 120                      |              |              |
| Number of malnourished women and children | 25 000                   | 25 000                   |              |              |
| Number of supplementary feeding days      | 270                      | 270                      |              |              |
|   |                          |                          |              |              |
| Item                                      | Daily ration<br>(grams)  | Quantities (tons)        |              |              |
|   |                          | Year 1                   | Year 2       | Total        |
| <b>Food-for-work</b>                      |                          |                          |              |              |
| Cereals                                   | 450                      | 2 700                    | 1 890        | 4 590        |
| Pulses                                    | 40                       | 240                      | 168          | 408          |
| Vegetable oil                             | 30                       | 180                      | 126          | 306          |
| Canned fish                               | 30                       | 180                      | 126          | 306          |
| <b>Subtotal</b>                           | <b>550</b>               | <b>3 300</b>             | <b>2 310</b> | <b>5 610</b> |
| <b>Malnourished women and children</b>    |                          |                          |              |              |
| CSB                                       | 100                      | 675                      | 675          | 1 350        |
| <b>Subtotal</b>                           | <b>100</b>               | <b>675</b>               | <b>675</b>   | <b>1 350</b> |
| <b>Pre-school children rations</b>        |                          |                          |              |              |
| Cereals                                   | 0                        | 0                        | 0            | 0            |
| Pulses (beans)                            | 0                        | 0                        | 0            | 0            |
| Canned fish                               | 0                        | 0                        | 0            | 0            |
| CSB                                       | 0                        | 0                        | 0            | 0            |
| Sugar                                     | 0                        | 0                        | 0            | 0            |
| Vegetable oil                             | 0                        | 0                        | 0            | 0            |
| <b>Subtotal</b>                           | <b>0</b>                 | <b>0</b>                 | <b>0</b>     | <b>0</b>     |
| <b>Primary schoolchildren</b>             |                          |                          |              |              |
| Biscuits                                  | 0                        | 0                        | 0            | 0            |
| CSB                                       | 0                        | 0                        | 0            | 0            |
| Sugar                                     | 0                        | 0                        | 0            | 0            |
| <b>Subtotal</b>                           | <b>0</b>                 | <b>0</b>                 | <b>0</b>     | <b>0</b>     |
| <b>TOTAL</b>                              | <b>650</b>               | <b>3 975</b>             | <b>2 985</b> | <b>6 960</b> |



## THE PRRO IN FIGURES

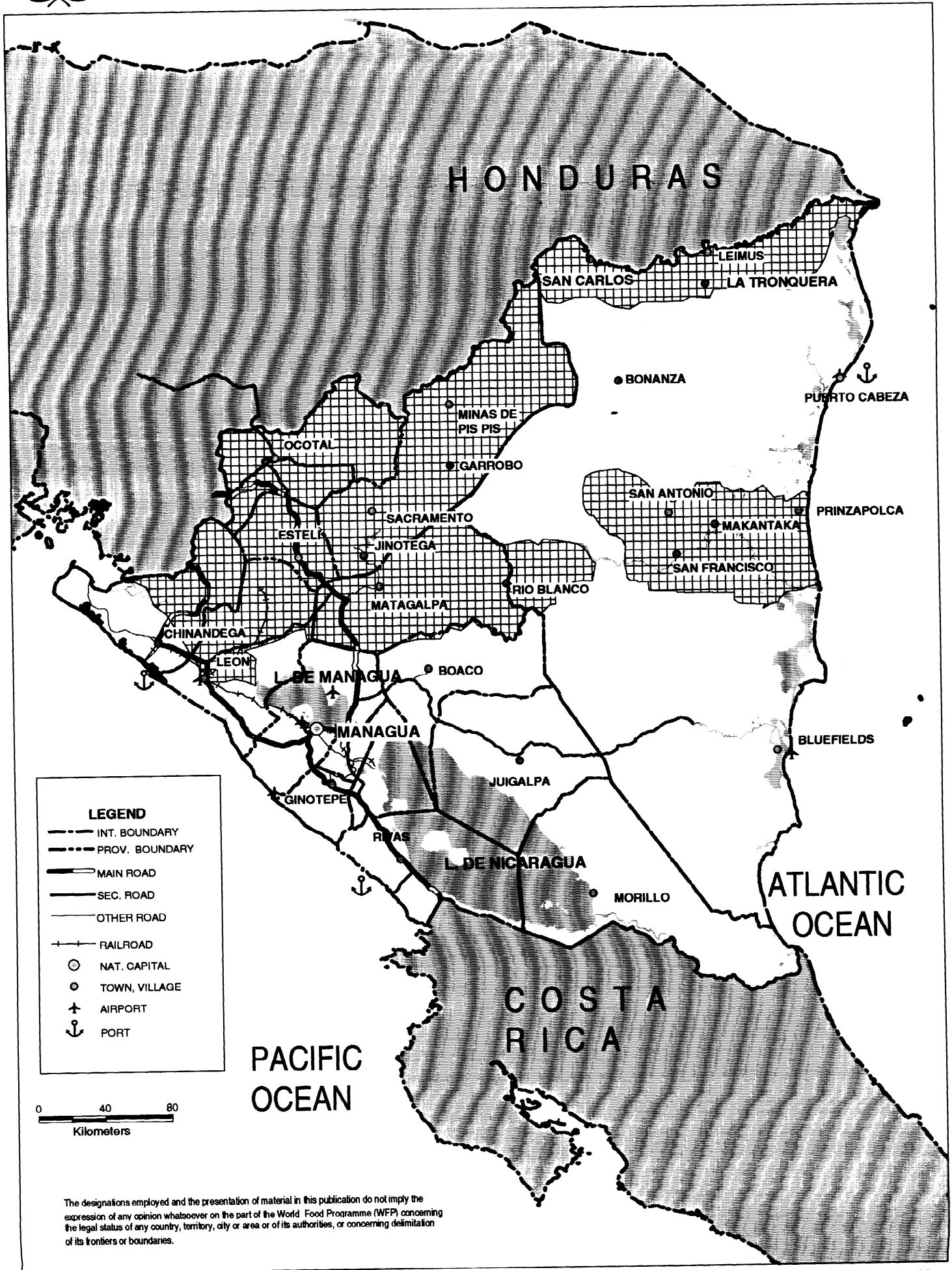
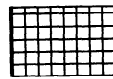
| EL SALVADOR                               |                   |                   |  |  |
|---|-------------------|-------------------|--|--|
|   | May 1999–May 2000 | May 2000–May 2001 |  |  |
| FFW beneficiaries                         | 50 000            | 40 000            |  |  |
| Number of families                        | 10 000            | 8 000             |  |  |
| Number of FFW days                        | 150               | 120               |  |  |
| Number of malnourished women and children | 5 000             | 3 000             |  |  |
| Number of supplementary feeding days      | 270               | 270               |  |  |

| Item                                   | Daily ration (grams) | Quantities (tons) |              |              |
|--|----------------------|-------------------|--------------|--------------|
|  |                      | Year 1            | Year 2       | Total        |
| <b>Food-for-work</b>                   |                      |                   |              |              |
| Cereals                                | 450                  | 3 375             | 2 160        | 5 535        |
| Pulses                                 | 40                   | 300               | 192          | 492          |
| Vegetable oil                          | 30                   | 225               | 144          | 369          |
| Canned fish                            | 30                   | 225               | 144          | 369          |
| <b>Subtotal</b>                        | <b>550</b>           | <b>4 125</b>      | <b>2 640</b> | <b>6 765</b> |
| <b>Malnourished women and children</b> |                      |                   |              |              |
| CSB                                    | 100                  | 135               | 81           | 216          |
| <b>Subtotal</b>                        | <b>100</b>           | <b>135</b>        | <b>81</b>    | <b>216</b>   |
| <b>Pre-school children</b>             |                      |                   |              |              |
| Cereals                                | 0                    | 0                 | 0            | 0            |
| Pulses (beans)                         | 0                    | 0                 | 0            | 0            |
| Canned fish                            | 0                    | 0                 | 0            | 0            |
| CSB                                    | 0                    | 0                 | 0            | 0            |
| Sugar                                  | 0                    | 0                 | 0            | 0            |
| Vegetable oil                          | 0                    | 0                 | 0            | 0            |
| <b>Subtotal</b>                        | <b>0</b>             | <b>0</b>          | <b>0</b>     | <b>0</b>     |
| <b>Primary schoolchildren</b>          |                      |                   |              |              |
| Biscuits                               | 0                    | 0                 | 0            | 0            |
| CSB                                    | 0                    | 0                 | 0            | 0            |
| Sugar                                  | 0                    | 0                 | 0            | 0            |
| <b>Subtotal</b>                        | <b>0</b>             | <b>0</b>          | <b>0</b>     | <b>0</b>     |
| <b>TOTAL</b>                           | <b>650</b>           | <b>4 260</b>      | <b>2 721</b> | <b>6 981</b> |



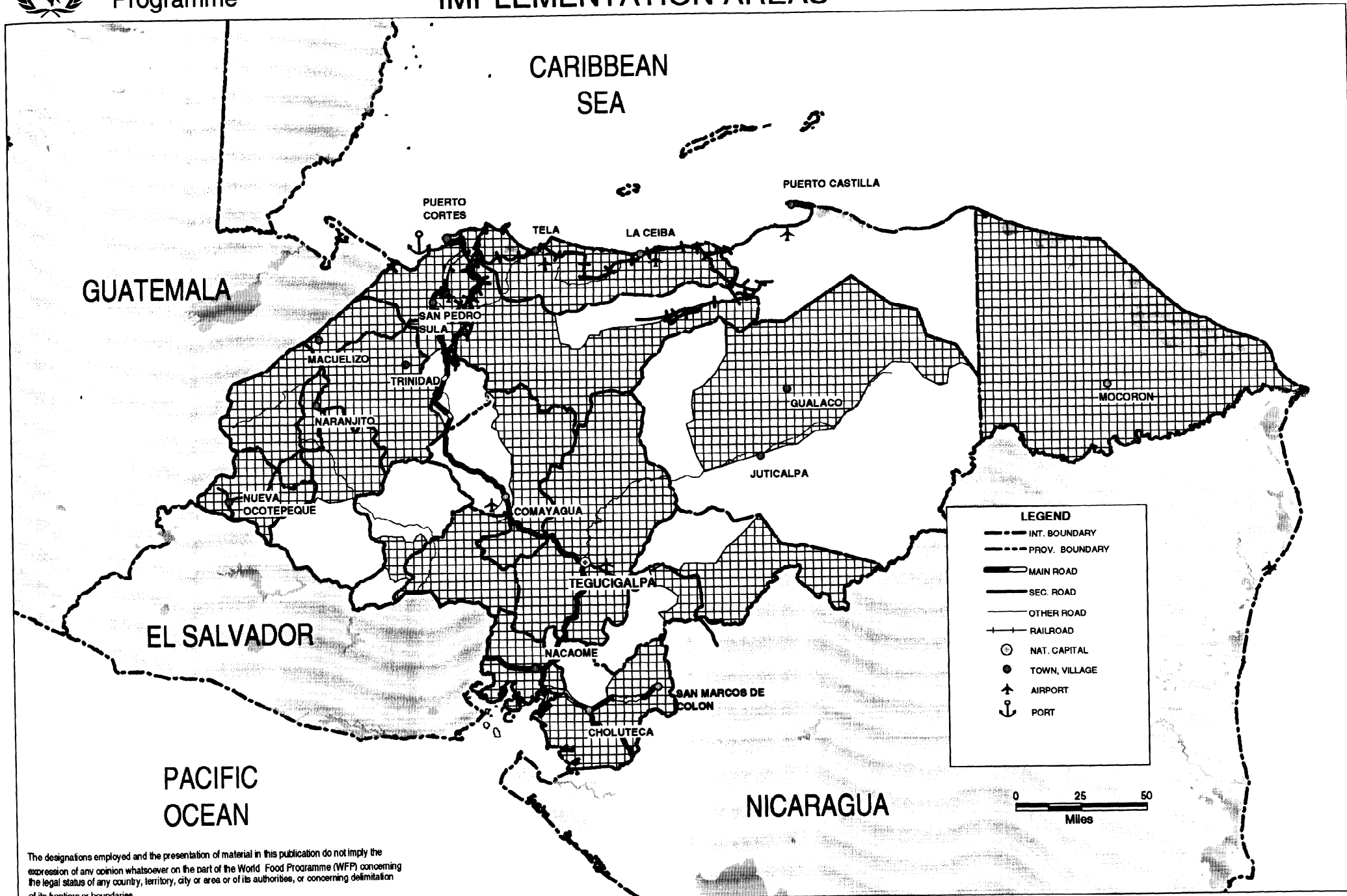
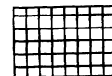




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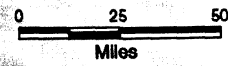


# HONDURAS: WFP PRRO IMPLEMENTATION AREAS



**LEGEND**

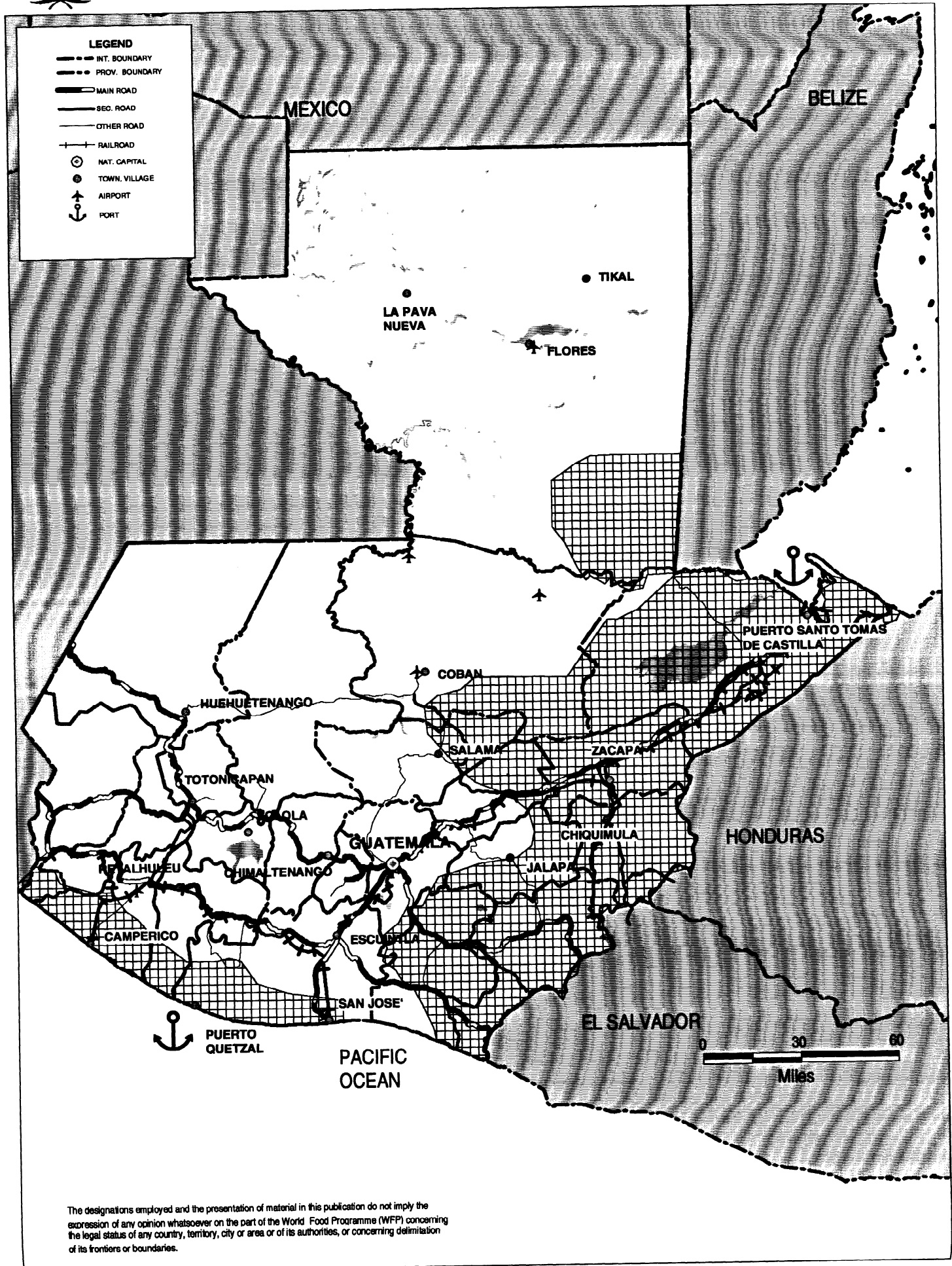
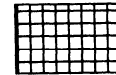
- INT. BOUNDARY
- - - PROV. BOUNDARY
- == MAIN ROAD
- SEC. ROAD
- OTHER ROAD
- + RAILROAD
- NAT. CAPITAL
- TOWN, VILLAGE
- ✈ AIRPORT
- ⚓ PORT



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# GUATEMALA: WFP PRRO IMPLEMENTATION AREAS

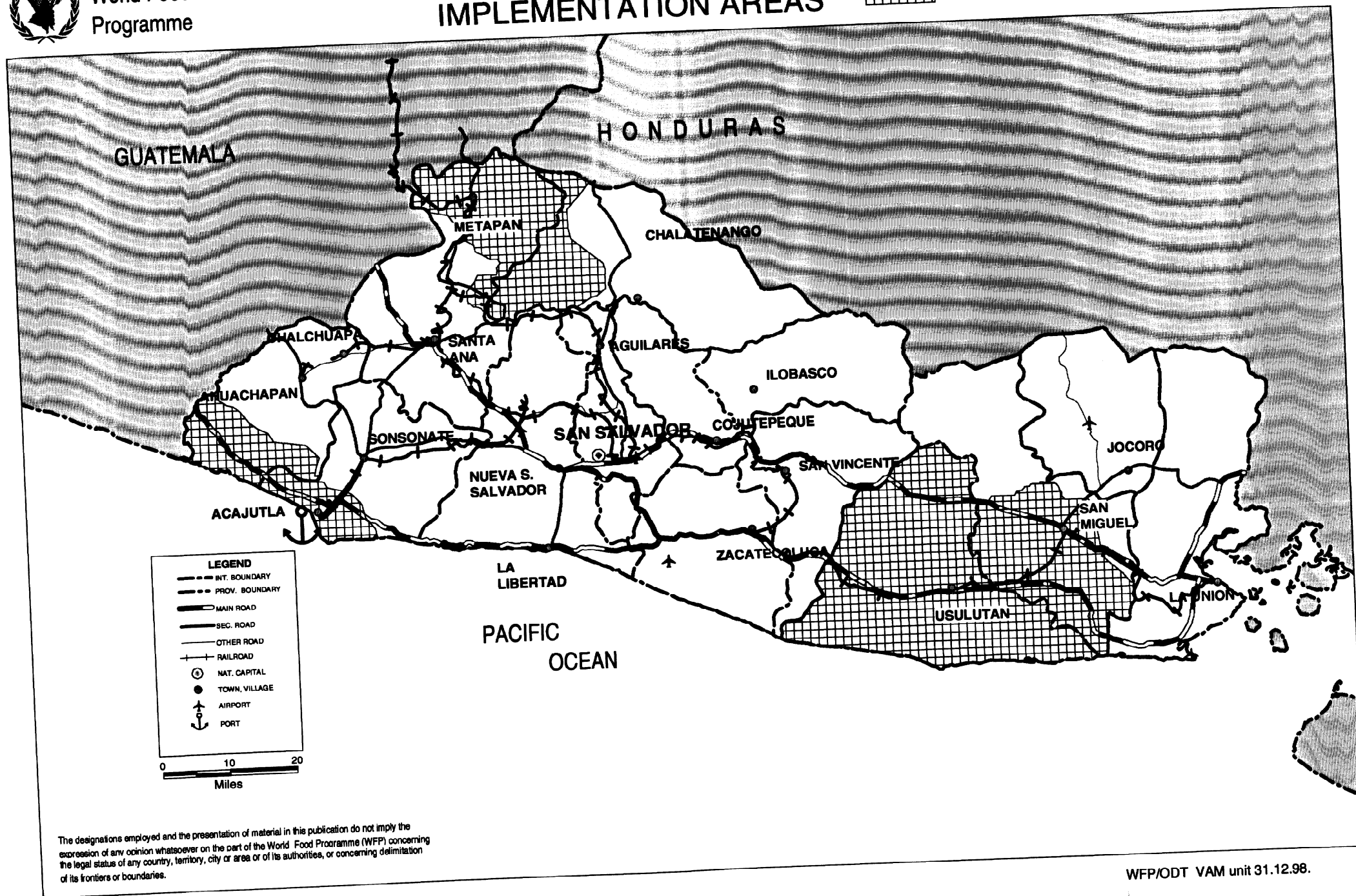
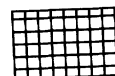


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