

# TELEGRAM

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FROM AMEMBASSY TEGUCIGALPA CLASSIFICATION UNCLASSIFIED

E.O. ~~XXXXX~~ 12065: N/A CN: 4622  
TAGS: EAID, SWEL, HO  
SUBJECT: DISASTER FLOODING: HONDURAN REQUEST FOR AID

ACTION: SECSTATE WASHDC PRIORITY

INFO: USCINCSO QUARRY HEIGHTS PN  
USMISSION GENEVA  
USMISSION USUN NEW YORK

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REF: TEGUCIGALPA 4603

Herewith Embassy translation of preliminary flood damage assessment conveyed to Ambassadors accredited Honduras by Vice Foreign Minister Rosales Abella morning June 2.

BEGIN TEXT:

AMB  
DCM  
POL-2  
ECON  
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CML  
DAO  
MILGP  
ICA

*Spanish version attached in DCM's "Disasters" file*

DRAFTED BY: AMB:JDNegroponete:kjl DRAFTING DATE: 6-2-82 TEL. EXT. 211 CONTENTS AND CLASSIFICATION APPROVED BY: AMB:JDNegroponete

CLEARANCES:

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OPTIONAL FORM 153  
(Formerly FS-413)  
January 1975  
Dept. of State

50153-101

Dept of State, RPS/IPS, Margaret P. Grafeld, Dir.  
( ) Release ( ) Excise ( ) Deny ( ) Declassify  
Date 6/1/98 Exemption \_\_\_\_\_

ECONOMIC CONSEQUENCES OF THE FLOODING IN THE  
SOUTHERN ZONE OF HONDURAS AND  
EVALUATION OF THE FINANCIAL NEEDS

During this week the southern part of the country has been seriously damaged by flooding, which has caused significant damages to the infrastructure and crops of the region. This situation adds to the difficult problems the economy has been encountering. In the past few years the economy has suffered a lack of growth in production of goods and services and a weakening financial posture, mainly due to an increase in imports which have significantly exceeded exports, causing substantial deficits in the current account of the Balance of Payments and causing substantial loss of international reserves. During past years the Central Government's financial position has deteriorated because tax revenues have been inferior to the rate of expansion in current expenditures and development costs. In addition, there are the growing financial difficulties of some decentralized government institutions, which the Government has had to help. The above mentioned factors have increased pressure on internal credits, negatively affecting the country's international net reserves.

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The fiscal problem referred to tends to become more difficult as a consequence of the efforts the Government must make to rehabilitate the southern zone, which as we have said, has suffered from flooding. Per the preliminary investigations made in the disaster zone, the total of the damages could amount to 29.0 million lempiras (US\$14.5 million), including 18.0 million (US\$4.0 million) for infrastructure and housing; the remainder is accounted for ~~xxx~~ <sup>by</sup> crop damages or losses both in agriculture and livestock. The crops most seriously damaged have been coffee, sugar cane, bananas, fruits and grains; to these we must add the losses in cattle, pigs and horses, fowl and bee hives. A detail of the preliminary figures follows:

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DAMAGES

1. INFRASTRUCTURE

|  |                 |
|--|-----------------|
| 1.1 Guasaule Bridge                        | L. 2,000,000.00 |
| 1.2 Paved highway                          | 1,800,000.00    |
| 1.3 Small bridges on highways<br>and roads | 300,000.00      |
| 1.4 Farm-to-market roads                   | 750,000.00      |
| 1.5 Canalization of rivers and springs     | 750,000.00      |

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|     |  |                 |                      |
|-----|--|-----------------|----------------------|
| 1.6 | Transmission, electricity and<br>telegraph lines |                 | 200,000.00           |
| 1.7 | Housing  |                 | 1,250,000.00         |
| 1.8 | Water supply system for Choluteca                |                 | 350,000.00           |
| 1.9 | Other damages                                    |                 | <u>500,000.00</u>    |
|     | SUB-TOTAL  | L.              | 7,900,000.00         |
| 2.  | <u>AGRICULTURE AND LIVESTOCK:</u>                | <u>LPS-UNIT</u> |                      |
| 1.1 | Pasture (2,700 sq.mts.)                          | (500.00)        | L. 1,350,000.00      |
| 2.2 | Heads of cattle (3,500)                          | (500.00)        | 1,750,000.00         |
| 2.3 | Pigs (700)                                       | (200.00)        | 140,000.00           |
| 2.4 | Kilometers of fencing<br>(500)                   | (5.00/M)        | 2,500,000.00         |
| 2.5 | Rural constructions                              |                 | 250,000.00           |
| 2.6 | Loss in grain crops                              |                 | 650,000.00           |
| 2.7 | Fruit trees                                      |                 | 750,000.00           |
| 2.8 | Sugar cane<br>(1,300 sq.mts.)                    | (3,000/mts)     | 3,900,000.00         |
| 2.9 | Bananas (550 mts.)                               | (1,000/mts)     | 500,000.00           |
| 3.0 | Coffee   |                 | 2,000,000.00         |
| 3.1 | Land rehabilitation                              |                 | 4,000,000.00         |
| 3.2 | Other  |                 | <u>3,000,000.00</u>  |
|     | SUB-TOTAL  | L.              | 20,790,000.00        |
|     | <u>TOTAL LOSSES</u>                              | L.              | <u>28,690,000.00</u> |

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It has been calculated that the number of persons affected by the floodings is approximately 8,000, who have to be fed and provided with the necessary means to live, for a period of at least two-months, for which an additional minimum of 11.0 millions is needed (US\$5.5 million), as per the following chart:

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URGENT NEEDS

1. MEDICAL ATTENTION:

|                       |           |                  |
|-----------------------|-----------|------------------|
| 1.1 Medicines         | L.        | 1,000,000.00     |
| 1.2 Vaccines          |           | 200,000.00       |
| 1.3 Surgical supplies |           | 400,000.00       |
| 1.4 Hospitalization   |           | 200,000.00       |
| 1.5 Potable water     |           | 50,000.00        |
| 1.6 Drainage          |           | 200,000.00       |
| 1.7 Other             |           | <u>50,000.00</u> |
|                       | SUB-TOTAL | L. 2,100,000.00  |

2. FOOD:

|                |           |                     |
|----------------|-----------|---------------------|
| 2.1 Grains     | L.        | 1,000,000.00        |
| 2.2 Meat       |           | 1,000,000.00        |
| 2.3 Milk       |           | 1,000,000.00        |
| 2.4 Other food |           | <u>1,000,000.00</u> |
|                | SUB-TOTAL | L. 4,000,000.00     |

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|     |                       |                         |
|-----|-----------------------|-------------------------|
| 3.  | <u>SWEETER:</u>       |                         |
| 3.1 | Clothing              | L. 1,000,000.00         |
| 3.2 | Sheets                | 1,000,000.00            |
| 3.3 | Other                 | <u>2,000,000.00</u>     |
|     | SUB-TOTAL             | L. 4,000,000.00         |
| 4.  | <u>OTHER NEEDS:</u>   |                         |
| 4.1 | Seeds for the farmers | L. 500,000.00           |
| 4.2 | Farming equipment     | <u>500,000.00</u>       |
|     | SUB-TOTAL             | L. 1,000,000.00         |
|     | TOTAL NEEDS           | <u>L. 11,100,000.00</u> |

Undoubtedly, after the emergency period is over, it will be necessary to put into effect a rehabilitation plan for this zone, which will require an approximate expenditure of L.40.0 million (US\$20.0 million), an amount the Honduran Government is unable to cover due to the financial problems it already encounters.

Therefore, the great internal effort the Government will have to make will require complementary support, mainly through donations or financial help of concessionary type, from the international economic and financial community, those friendly nations who are interested in assisting our Government preserve the social order and well being of the Honduran people.

Tegucigalpa, D. C., May 28, 1982      END TEXT.

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