



ASIA AND THE NEAR EAST

TSUNAMI RECONSTRUCTION

Update – July 7, 2005

\$422 million in funds dispatched to the field

Within days after expiration of the 15 day waiting period following submission of the detailed financial plan to Congress, \$422 million in funds was dispatched to USAID Missions in Indonesia, Sri Lanka, Thailand and India to ramp up reconstruction programs. An agreement to provide \$332 million in funding in support of reconstruction efforts in Indonesia was to be signed by USAID with Indonesia government authorities on July 5.



USAID Mission Director Dr. Carol Becker, Program Chief of Party David Dyer (center) and Spice Council President Sanada De Silva (right) watch a display of preparing cinnamon at a ceremony announcing the USAID grant to the council.

Photo: USAID/Sri Lanka

SRI LANKA

USAID spices up cinnamon industry

USAID has provided kits to process cinnamon using new technology, which is expected to improve quality and productivity among 100 tsunami-affected cinnamon workers. Beneficiaries received complete sets of cinnamon peeling tool kits in a durable canvas bag, newly developed cinnamon peeling table-and-chair units, and the latest in planting materials, chemicals and fertilizers. The \$18,239 grant from USAID to the Spice Council, a local partner, also provides technical assistance to the holders of the tsunami-affected cinnamon plantations. Sri Lanka accounts for 80 percent of the world's production of "true" cinnamon, which accounts for 60 percent of the country's total spice exports. On average, the majority of cinnamon cultivators are small holders with less than half a hectare of land.

FAST FACTS: U.S. ASSISTANCE AS OF JULY 7, 2005

Total USG Humanitarian and Recovery Assistance Pledged:	\$350,000,000
Total USAID/OFDA Humanitarian Assistance Committed:	\$ 83,123,613
Total USAID/FFP Humanitarian Assistance Committed:	\$ 13,054,400
Total USAID/ANE Humanitarian Assistance Committed:	\$ 5,372,944
Total USAID/ANE Rehabilitation/Reconstruction Assistance Committed:	\$ 18,622,969
Total USDA Humanitarian Assistance Committed:	\$ 12,000,000
Total State/PRM Humanitarian Assistance Committed:	\$ 200,000
Total USG Humanitarian Assistance Committed:	\$132,373,926

For more information on the tsunami and USAID's work, please see "Tsunami Relief" at www.usaid.gov.

SRI LANKA

Fishing families benefit from USAID microfinance loans

USAID is assisting fishing families to return to work through microfinance loans. A \$300 microfinance loan allowed Hansani and her husband Pasidou to purchase two more nets, doubling their earning power to a net profit of \$2-3 a day. Once their loan is repaid, the family plans to purchase three more nets.

Their neighbors Chandra and Indrani are fish sellers. With a \$200 loan, Chandra was able to purchase a new bicycle, scale, and knife to replace equipment lost in the tsunami. Currently, he nets approximately \$3 per day. He hopes that once the loan is repaid, he will qualify for a consumer loan that would allow him to purchase a motorbike, increasing his access to customers. The abovementioned loans are two of 800 USAID microfinance loans issued to date in tsunami-affected communities.



Chandra and Indrani display their new scale and knife purchased with a USAID-funded microfinance loan.

Photo: USAID/Zack Taylor



Sunil and Ramyawathi show off the new plywood walls in their temporary shelter.

Photo: USAID/Zack Taylor

Shelter upgrades improve quality of life for displaced

Y. Sunil and his wife Ramyawathi were happy to move into a transitional shelter near the southern port town of Galle after living in a tent after the tsunami. But the seasonal monsoon brought high winds and heavy rain, forcing them to cook inside the shelter. A USAID-funded partner improved their situation by modifying the shelter to add plywood walls and extend the roof to create a protected area outside the door. The shelter is now more durable and comparable in value with shelters built by other organizations that exceeded the government's maximum per-unit cost. Ramyawathi no longer needs to worry about the danger of making a fire inside. Today she can cook under a roof out of the

wind outside, no matter the weather. Several USAID-funded organizations are now taking on the task of upgrading other shelters previously built by private organizations below government quality standards.



THAILAND

USAID's fish breeding training helps villagers earn cash

The tsunami destroyed fish stock enterprises along the Andaman coast. Fish stock suppliers have yet to rebuild and recover their capacity to replenish backyard catfish farming cottage industries, leaving fisher families without the resources to restart their livelihoods. In response to this need, USAID recently brought nine villagers to Bangkok to learn how to produce young fish using artificial breeding techniques. As a result of the week-long training, villagers are now able to produce their own fish seed without having to rely on a local supplier. Through small investment capital from the project, the villagers will build back-yard hatcheries and sell their fish in the local market following business plans they developed during the Bangkok training. Villagers will share this new knowledge with their family and neighbors in order to expand livelihood activities while sustaining fish resources in tsunami affected villages.



Villagers participate in USAID training.
Photo: USAID/Saengroj Srisdawaskraisorn



Maheshwari Rajaram and others gather around her new sewing machine.
Photo: USAID/Nina Minka

INDIA

USAID provides sewing machines to seamstresses

Prior to the tsunami, Maheshwari Rajaram earned a comfortable living sewing for neighbors and others in her village of Sonankuppam in Tamil Nadu. However, she lost her sewing machine when the tsunami hit the village. USAID is providing a new sewing machine to Maheshwari and other women in this village of 5,500. The women are pleased with the quality of the machines. Maheshwari will now be able to restart her home-based business and support household expenses. More than 100 women in Tamil Nadu and Pondicherry are benefiting from this program.



INDONESIA

USAID provides training in environmentally sound design and construction practices

USAID has partnered with the Banda Aceh Provincial Environment Office to train project managers in environmentally sound housing and infrastructure techniques. Rebuilding after the century's worst natural disaster presents unique challenges to organizations in the region building homes, clinics, and markets. Much of the land allocated for reconstruction stretches through swampy areas littered with debris. Though drainage systems have yet to be repaired, housing and community facilities are already springing up as Indonesians in the region begin to rebuild their lives.



USAID is providing a hands-on series of field exercises using existing construction sites as case studies to strengthen participant skills in applying environmentally sound design under real field conditions. As a result, organizations providing tens of millions of dollars in reconstruction for Aceh are equipped with new environmental construction skills and a network of practitioners.

USAID establishes partnership with local Indonesian bank to increase credit access in tsunami-affected areas

On June 25, 2005 USAID approved a partial credit guarantee to mobilize up to \$16.4 million in micro-credit in Aceh Province and Northern Sumatra. By working in partnership with Bank Danamon, USAID will facilitate increased lending to those economically affected by the tsunami, including caring for additional family members post-tsunami, destruction of marketplace, disruption in road access, loss of credit sources, etc. It is expected that these persons will be ineligible for grants but will still need working capital and in some cases longer term financing for capital investments in order to re-gain productive livelihoods. Over the medium- to long-term and as grant assistance to those directly affected by the tsunami wanes, USAID expects overall demand for micro credit to increase. The credit guarantee with Bank Danamon will support all Indonesian micro and small businesses that require working capital and financing for capital investments.