

**MEMORANDUM**

**TO:** Executive Secretary Harry K. Thomas, Jr.

**FROM:** Katrina Working Group – Deborah McCarthy

**SUBJECT:** Status Report 2/17/06

**Interagency Agreement on Disposition of \$60.4 million in Foreign Donations:** U/S Fore chaired phone call on 2/16 with NSC, DHS, DOE, HSC??and First Lady's office and obtained agreement to channel the funds through DOE for K-12, universities and Laura Bush Gulf Coast Library Initiative. DOE has received specific proposals for K-12, the libraries and two universities (Dillard and Xavier). DOE wants to give an initial allocation to Dillard and Xavier of 7.5 to 8 million, or below their requested amounts. U/S Fore urged that this not be a cap. DOE will hold \$20.4 million for additional proposals expected imminently. Depending on what comes in, the allocations for Dillard and Xavier could be increased. DOE prepared to work out an MOU with DOS in the next two weeks and disburse funds within two months. The NSC requested that DOE and DOS provide an outline of outreach efforts made to make schools aware of available funding.

**Senator Lott and Mississippi Gulf Coast Community College:** We received a first draft of a proposal from this community college, which Senator Lott is supporting??. It is geared toward new construction rather than Hurricane Recovery. The Interagency agreed to not include it in the DOE package. However, we are reaching out to DOE, and the Bush Clinton Fund to see how the proposal can be funded (albeit in likely modified form).

**Implementation of HSC Katrina Comprehensive Review Taskers :** Two working groups have been formed, one to develop SOPs for accepting and handling international assistance (WG-1) and the second to address the issue of foreign nationals and the media (WG-2). WG-1 has focused primarily on MATERIAL ASSISTANCE AND IS WORKING TO DETERMINE pull, push and no-go categories of goods. Pull include resources that FEMA or an ESF might not be able to acquire domestically and might request from the international community. Push includes resources that are not needed, but

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could be easily accepted and used when gift acceptances must be made for diplomatic purposes. NOTE: FEMA has not yet agreed in principle to the "pushing" of resources. No-GO are goods that cannot enter the country without significant regulatory changes and/or waivers. process/procedures in general. Subgroup is looking at how to bring in Northcom mil to mil assistance offers into the process. Agency gift authorities are being identified. We are developing templates of cables to be sent to embassies that provide direction on international assistance during large disasters.

**GAO review:** is almost complete. Requested information on MREs passed on 2/17. Exit meeting is scheduled for 2/22

**Visit by Canadian Delegation on Lessons Learned:** Representatives of Foreign Affairs Canada, specifically the Director for Humanitarian Affairs and Global Response and the Director for US relations visited with the KWG, CMS and other agency reps at State to discuss lessons learned. They noted that the GOC had spent much time during Katrina trying to determine what was really needed and they proposed that we share with them, if possible, the pull list we come up with. They also noted the need for a SOFA for military deployments. In particular they were interested in knowing what role DOS vs DHS would play if there was a natural disaster in Canada. We explained who had the lead in foreign affairs would be and the role of OFDA. They requested another exchange when the lessons learned SOPs are finalized.

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**SUBJECT:** Status Report 2/24/06

**Latest Updates on MREs Disposition:** Should be Completed by March 15.

- 77,000 MREs being loaded this week and into beginning of next week destined for a group of four U.S. NGOs (Feed the Children, World in Need, Convoy of Hope, and Globus Relief) for use in Moldova, Romania, Georgia, Kazakhstan, and Tajikistan. Took a little longer than expected because USDA had additional questions and requirements as they will first go to an NGO warehouse in Arkansas before being shipped to final destinations in the next few weeks.
- Finalizing details with OSCE for the remaining 132,000 rations. State has Freedom Support Act funds earmarked for OSCE, which we can draw upon to cover transport costs (should be under \$100,000). Provided we do not have any problems getting the MOA signed and funds transferred, should load these March 2-9.
- Prior shipments include: 10,000 shipped to World Food Program in November for their use feeding WFP staff responding to Pakistani earthquake. 56,000 shipped to NGO "A Call To Serve" for use feeding at-risk populations, including victims of severe flooding last fall, in Republic of Georgia. 75,000 been shipped to OSCE mission in Georgia.
- Circulated press guidance and will provide to interagency once internal review is completed. Embassy London received inquiry from paper in Oxford on 2/23; DOS will answer after the OSCE piece is fully locked in.

**Transfer of funds to DOE:** L has sent draft MOU to DOE and will discuss it today 2/24. Aim to conclude and move funds by March 10.

**Basic Conclusions from GAO exit conference held 2/18.**

- Cash donations - noted that procedures were ad hoc but they did result in proper management of funds and in accurate balances - Treasury accounts square with State's.
- Material assistance - focused on the need for an ultimate reconciliation of what was pledged, what was received and what was delivered on the

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- ground, noting that FEMA owned the goods once they were accepted and that such a reconciliation would be proper.
- Noted that lack of involvement of regulatory agencies by FEMA on the MRE issue before their delivery cost the USG \$80K. They planned to state that FEMA should be both the recipient and the deciding agency on cash donations but will adjust to reflect State role as per NRP and ongoing process under Lesson Learned to have an established INTERAGENCY group decide what to do with donations if they are received by USG.
  - GAO also noted that \$1MM could have been earned if the funds had been placed in an interest bearing account. We noted that in cases where the transfer is subsequently made to an entity such as FEMA, they could be placed in such an account but that such a transfer was not automatic. We indicated that we would be placing the balance of the funds with another USG agency.

### **Lessons Learned Working Group 1 Met on 2/21:**

- Review of pull process: State/AID seeks international sources for procurement, passes information to requesting ESFs, and agencies contract services on their own. Pull recommendations: State/AID to identify and refer sources only, without facilitating logistics. FEMA recommends developing procedures for identifying and waiving entry requirements, rather than trying to come up with list of current requirements since these change regularly.
- Review of push process: Offers come from all sources (formal cables, phone calls, personal conversations), State Task Force logs offers in matrix, FEMA TF rep passes information to FEMA. Push recommendations: Logged offers will sit in the database for a set time in case a need arises, before State sends default answer. TF Director is only person to flag selected countries for FEMA and AID review to avoid overuse of push list. Have response templates ready, need to keep donors informed - role of diplomatic corp briefings, interaction with foreign press.

### **WG1 Subgroup on cash donations:**

- An internal state subgroup met on cash donations. Agreed that an ALDAC template was needed to send out immediately suggesting that those who wish to contribute do so through charities but that the list should be a longer one as was done after 9/11. Template should also

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include instructions on contributions to USG employee emergency fund and the FSN fund. The group also agreed to ask Treasury to set up a pre determined account for disasters contributions. STATE, FEMA, OMB AND TREASURY should be in core interagency group on application of funds. A pre-determined list of entities authorized to accept funds will be established. These preliminary decisions will now go to the interagency.

### **Working Group 2 Met to Discuss Formulating Standard Operating Procedures for Addressing Foreign Nationals and Media:**

- WG 2 met on 2/23 to discuss responsibilities and USG obligations to foreign nationals, and to develop a strategy to reach out and educate, develop standardized messages for use with foreign audiences, review policies on assistance to displaced/injured foreign nationals, and develop a strategy to manage the international media. Will distribute meeting minutes shortly.

### **White House Releases Final Katrina Lessons Learned on 2/24/06:**

- The HSC submitted the 228 Page Federal Response to Hurricane Katrina Lessons Learned document to President Bush, which will be released to the public today. Among lessons learned recommendations, it is suggested that USG establish a National Operations Center to coordinate the National response and provide situational awareness and a common operating picture for the entire Federal government.
- The Department of State is tasked, in coordination with the Department of Homeland Security, to review and revise policies, plans, and procedures for the management of foreign disaster assistance. In addition, this review should clarify responsibilities and procedures for handling inquiries regarding affected foreign nationals.

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