

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR - PHA

FROM: John A. Ulinski, Jr. ~~Director~~, PHA/PVC

Problem: Authorization for a Regional Consortia Grant to the Council of American Development Foundations (SOLIDARIOS) so as to provide the means by which SOLIDARIOS might implement the program described in the attached Project Paper.

Discussion: SOLIDARIOS is a private, non-profit consortium organized and created by the National Development Foundations (NDFs) of Latin America and the Caribbean on October 9, 1972. Its objectives, on behalf of its members, are to promote the participation of the different elements of the local private sector in the social development efforts of the Latin American countries and to act as catalyzer of the policies of its members in pursuit of a common philosophy of development. The NDFs, members of SOLIDARIOS, are institutions that work for the improvement of the social and economic conditions of low income groups in Latin America and the Caribbean with development criteria, providing technical assistance and credit delivery system; they are recognized as non-governmental, non-political and non-religious, and based on participation of nationals in the development of their own countries. At the present time, there are 13 NDF members of SOLIDARIOS.

A Regional Consortia Grant will enable SOLIDARIOS to increase and improve its capability to provide assistance to the member Foundations in the areas of long-range planning, long and short-term programming, project design and evaluation; the improvement of managerial skills that will permit a better use of the human and financial resources of the NDFs; and the dissemination and exchange of the necessary information to make the work of the Foundation better known and duplicated in other areas where they could be applied for the benefit of the lowest income people.

The consolidated budget of SOLIDARIOS for the next three years is planned at the \$700,000 level to which AID is requested to contribute \$391,710 at the rate of \$95,120 the first year, \$151,810 the second year and \$144,780 in the third year.

Included in the attached Project Paper is a justification for the AID Grant, a synopsis of the prior and current activities of SOLIDARIOS and an implementation program which describes SOLIDARIOS approach to development.

Recommendation: That you approve the attached Project Paper with funding from FY 1977 through FY 1979.

APPROVED: Elizabeth King

DISAPPROVED: _____

DATE: August 25-77

PHA/PVC/OPNS:MDKohan:sm:4/14/77

MEMORANDUM

11 AUG 1977

TO : AA/PHA, Mr. Sander M. Levin
FROM : Acting, AA/LA, ^{Edward W. Coy} Edward W. Coy
SUBJECT: Eligibility of SOLIDARIOS for PHA Grant

1. The Latin America Bureau is satisfied that SOLIDARIOS is eligible to receive funds from AID.

a. This Bureau has followed the progress of SOLIDARIOS from the time of its establishment in 1972.

b. SOLIDARIOS was legally incorporated by the Government of the Dominican Republic, (Presidential decree dated January 29, 1974) as a consortium of private, non-profit development foundations.

c. The Latin America Bureau PVO Liaison Officer has examined the SOLIDARIOS commercial audit for 1976, by the firm of Ernst and Ernst (dated February 14, 1977), and is satisfied with the administrative capability of SOLIDARIOS. On June 17, 1977, Mr. William L. Stanford, AAG/LA, in Report No. 1-519-77-43, confirmed the SOLIDARIOS managerial competency.

d. A number of the National Development Foundations which are members of SOLIDARIOS, are currently implementing OPGs from AID Missions in Latin America.

2. Because of the nature of the grant of \$392,000 which PHA/PVC is currently considering for SOLIDARIOS, the LA Bureau is requesting that the grant be made and processed by PHA. In discussions held in the Dominican Republic last week with Maurice Kohan and Paul Bell, the AID Director, Pat Morris, has agreed that his Program Office would monitor the grant.

AA/PHA
AUG 17 10 54 AM '77

**AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT AUTHORIZATION AND REQUEST
FOR ALLOTMENT OF FUNDS PART I**

1. TRANSACTION CODE
 A - ADD
 C - CHANGE
 D - DELETE

2. DOCUMENT CODE
5

3. COUNTRY/ENTITY
Latin America/SOLIDARIOS

4. DOCUMENT REVISION NUMBER

5. PROJECT NUMBER (7 digits)
[932-0105]

6. BUREAU/OFFICE
 A. SYMBOL: PHA
 B. CODE: [07]

7. PROJECT TITLE (Maximum 40 characters)
[SOLIDARIOS]

8. PROJECT APPROVAL DECISION
 A: APPROVED
 D: DISAPPROVED
 DE: DEAUTHORIZED

9. EST. PERIOD OF IMPLEMENTATION
 YRS. [03] QTRS. []

10. APPROVED BUDGET AID APPROPRIATED FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. 1ST FY 77		H. 2ND FY 78		K. 3RD FY 79	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	I. GRANT	J. LOAN	L. GRANT	M. LOAN
(1) ST	769 I	920		95		152		145	
(2)									
(3)									
(4)									
TOTALS				95		152		145	

A. APPROPRIATION	N. 4TH FY		O. 5TH FY		LIFE OF PROJECT		11. PROJECT FUNDING AUTHORIZED (ENTER APPROPRIATE CODE(S)) 1 = LIFE OF PROJECT 2 = INCREMENTAL LIFE OF PROJECT	A. GRANT	B. LOAN
	D. GRANT	P. LOAN	R. GRANT	S. LOAN	T. GRANT	U. LOAN			
(1) ST					392		C. PROJECT FUNDING AUTHORIZED THRU FY [79]	1	
(2)									
(3)									
(4) TOTALS					392				

12. INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000)

A. APPROPRIATION	B. ALLOTMENT REQUEST NO.	
	C. GRANT	D. LOAN
(1) ST	95	
(2)		
(3)		
(4) TOTALS		

13. FUNDS RESERVED FOR ALLOTMENT

TYPED NAME (C/M/I, N/R/FM/PS/D)

SIGNATURE

DATE

14. SOURCE/ORIGIN OF GOODS AND SERVICES
 000 041 LOCAL OTHER

15. FOR AMENDMENTS, NATURE OF CHANGE PROPOSED

FOR PPC/PIAS USE ONLY	16. AUTHORIZING OFFICE SYMBOL	17. ACTION DATE MM DD YY	18. ACTION REFERENCE (Optional)	ACTION REFERENCE DATE MM DD YY

PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS

PART II

Name of Country/Entity: WORLDWIDE-
Council of American Development
Foundations

Name of Project: SOLIDARIOS

Number of Project: 932-0105

Pursuant to Part I, Chapter 1, Section 106 of the Foreign Assistance Act of 1961, as amended, I hereby authorize a total level of A.I.D. appropriated funding planned for this centrally funded project of not to exceed Three Hundred and Ninety Two Thousand U.S. dollars (\$392,000), of which the entire amount will be grant funded during the period FY 77 through FY 79, in accordance with the attached Project Paper.

Elizabeth Keyshachman for
Sander Levin, AA/PHA

August 25-77
Date

Clearances:

DAA/PHA: AFurman AFM Date July 25-77
GC/TFHA: ARichstein AR Date 8/17/77
PHA/PVC/OPNS: CFShook CFS Date 8/17/77

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT PAPER FACESHEET		1. TRANSACTION CODE <input type="checkbox"/> A - ADD <input type="checkbox"/> C - CHANGE <input type="checkbox"/> D - DELETE	PP 2. DOCUMENT CODE 3
3. COUNTRY/ENTITY Latin America/SOLIDARIOS		4. DOCUMENT REVISION NUMBER <input type="checkbox"/>	
5. PROJECT NUMBER (7 digits) <input type="text" value="932-0105"/>	6. BUREAU OFFICE A. SYMBOL <input type="text" value="PHA"/>	7. PROJECT TITLE (Maximum 40 characters) <input type="text" value="SOLIDARIOS"/>	
8. ESTIMATED FY OF PROJECT COMPLETION FY <input type="text" value="8"/> <input type="text" value="0"/>		9. ESTIMATED DATE OF OBLIGATION A. INITIAL FY <input type="text" value="7"/> <input type="text" value="7"/> B. QUARTER <input type="text" value="3"/> C. FINAL FY <input type="text" value="7"/> <input type="text" value="9"/> (Enter 1, 2, 3, or 4)	

10. ESTIMATED COSTS (\$000 OR EQUIVALENT \$) - 1						
A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C. L/C	D. TOTAL	E. FX	F. L/C	G. TOTAL
AID APPROPRIATED TOTAL			95			392
(GRANT)						
(LOAN)						
OTHER U.S. 1.						
OTHER U.S. 2.						
HOST COUNTRY						
OTHER DONOR(S)						
TOTALS			95			392

11. PROPOSED BUDGET APPROPRIATED FUNDS (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. 1ST FY <u>77</u>		H. 2ND FY <u>78</u>		K. 3RD FY <u>79</u>	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	I. GRANT	J. LOAN	L. GRANT	M. LOAN
(1) ST	769 I	920		95		152		145	
(2)									
(3)									
(4)									
TOTALS				95		152		145	

A. APPROPRIATION	N. 4TH FY		O. 5TH FY		LIFE OF PROJECT		12. IN-DEPTH EVALUATION SCHEDULED MM YY <input type="text" value="0"/> <input type="text" value="7"/> <input type="text" value="7"/> <input type="text" value="9"/>
	D. GRANT	P. LOAN	R. GRANT	S. LOAN	T. GRANT	U. LOAN	
(1) ST					392		
(2)							
(3)							
(4)							
TOTALS					392		

13. DATA CHANGE INDICATOR WERE CHANGES MADE IN THE PID FACESHEET DATA, BLOCKS 12, 13, 14, OR 15 OR IN PRP FACESHEET DATA, BLOCK 12? IF YES, ATTACH CHANGED PID FACESHEET.

1 - NO
 2 - YES

14. ORIGINATING OFFICE CLEARANCE SIGNATURE <i>John A. Ulinski</i> TITLE - PHA/PVC, John A. Ulinski, Jr. DIRECTOR		15. DATE DOCUMENT RECEIVED IN AID W. OR FOR AID P. DOCUMENTS. DATE OF DISTRIBUTION DATE SIGNED MM DD YY <input type="text" value="0"/> <input type="text" value="7"/> <input type="text" value="7"/>
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AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT IDENTIFICATION DOCUMENT FACESHEET

To Be Completed By Originating Office

1. TRANSACTION CODE

- A - Add
 C - Change
 D - Delete

PID

2 DOCUMENT CODE

1

3. COUNTRY ENTITY

Latin America/SOLIDARIOS..

4 DOCUMENT REVISION NUMBER

5. PROJECT NUMBER (7 digits)

932-0105

6 BUREAU/OFFICE

A. Symbol PHA B Code 07

7. PROJECT TITLE (maximum 40 characters)

SOLIDARIOS

8. PROPOSED NEXT DOCUMENT

A. 3 2 - PRP
 3 3 - PP

B. DATE MM YY 03 77

10. ESTIMATED COSTS

(\$000 or equivalent, \$1 = 392)

FUNDING SOURCE		Life of Project
a AID Appropriated		392
b OTHER US	1	
	2	
c Host Country		
d Other Donor(s)		
TOTAL		392

9 ESTIMATED FY OF AUTHORIZATION/OBLIGATION

a. INITIAL FY 77 b. FINAL FY 79

II. PROPOSED BUDGET AID APPROPRIATED FUNDS (\$000)

A APPROPRIATION	B PRIMARY PURPOSE CODE	PRIMARY TECH CODE		E. FIRST FY		LIFE OF PROJECT	
		C. Grant	D. Loan	F. Grant	G. Loan	H. Grant	I. Loan
(1) ST	769 I	920					
(2)							
(3)							
(4)							
		TOTAL					

12 SECONDARY TECHNICAL CODES (maximum six codes of three positions each)

13 SPECIAL CONCERNS CODES (maximum six codes of four positions each)

BR BU PVON

14 SECONDARY PURPOSE CODE
150

15 PROJECT GOAL (maximum 240 characters)

To contribute to the process through which the National Development Foundation will improve and expand their development program, carried out with the participation of low income groups in LDCs.

16 PROJECT PURPOSE (maximum 480 characters)

To enable SOLIDARIOS to increase and improve its capability to provide assistance to the Member Foundations in the areas of long-range planning, long- and short-term programming, project design and evaluation; the improvement of managerial skills and the dissemination and exchange of information so it could be applied for the benefit of low income people.

17. PLANNING RESOURCE REQUIREMENTS (staff/funds)

18 ORIGINATING OFFICE CLEARANCE

Signature

John A. Ulinski, Jr.

Title

PHA/PVC, John A. Ulinski, Jr.
DIRECTOR

Date Signed

MM DD YY

19 Date Document Received in AID/W or for AID/W Documents Date of Distribution

MM DD YY

ENVIRONMENTAL THRESHOLD DETERMINATION

TO: AA/PHA, Sander M. Levin

FROM: PHA/PVC, John A. Ulinski, Jr.

SUBJECT: Environmental Threshold Determination

Project Title: Regional Consortia Grant to SOLIDARIOS

Project #: 932-0105

Specific Activity (if applicable) _____

REFERENCE: Initial Environmental/Examination (IEE) contained in attached paper dated _____

I recommend that you make the following determination:

XX 1. The proposed agency action is not a major Federal action which will have a significant effect on the human environment.

 2. The proposed agency action is a major Federal action which will have a significant effect on the human environment, and:

 a. An Environmental Assessment is required; or

 b. An Environmental Impact Statement is required.

The cost of and schedule for this requirement is fully described in the referenced document.

 3. Our environmental examination is not complete. We will submit the analysis no later than _____ with our recommendation for an environmental threshold decision.

Approved: Elizabeth Keys MacManus

Disapproved: _____

Date: August 25-77

INITIAL ENVIRONMENTAL EXAMINATION

Project Location: Support to the Council of American Development Foundations (SOLIDARIOS) headquartered at Guatemala City, Guatemala.

Project Title: Regional Consortia Grant to SOLIDARIOS

Funding: The Project Paper is to approve funding from FY 1977 through FY 1979 in the amount of \$392,000.

IEE Prepared by: Maurice D. Kohan

Date: June 10, 1977

Environmental Action Recommended:

It is recommended that this project receive a negative determination and that no additional environmental examinations be carried out on this project. This grant is a form of budgetary support to a private voluntary organization to improve its institutional capabilities, one of the categories of AID projects specifically cited as "by its general nature ordinarily has little or no effect on the environment and therefore usually does not require the preparation of an Environmental Assessment (or an Environmental Impact Statement)."

Assistant Administrator's Decision:

Date:

Contents of the Initial Environmental Examination

I. Examination of the Nature, Scope and Magnitude of Environmental Impacts

Description of Project:

The project purpose is to establish a professionally staffed central office which will facilitate the planning, design, training and evaluation of SOLIDARIOS developmental programs. The funding provided by this grant will enable SOLIDARIOS to increase and improve its capability to provide assistance to the member Foundations in the areas of long-range planning, long and short-term programming, project design and evaluation; the improvement of managerial skills that will permit a better use of the human and financial resources of the NDFs; and the dissemination and exchange of the necessary information to make the work of the Foundation better known and duplicated in other areas where they could be applied for the benefit of the lowest income people.

The nature of this project, budgetary support to a PVO, categorizes as one of those AID projects which ordinarily has little or no impact on the environment.

IMPACT IDENTIFICATION AND EVALUATION FORM

Impact
Identification
and
Evaluation 2/

Impact Areas and Sub-areas 1/

A. LAND USE

1. Changing the character of the land through:

a. Increasing the population -----

b. Extracting natural resources -----

c. Land clearing -----

d. Changing soil character -----

2. Altering natural defenses -----

3. Foreclosing important uses -----

4. Jeopardizing man or his works -----

5. Other factors

N
N
N
N
N
N
N
N
N
N

B. WATER QUALITY

1. Physical state of water -----

2. Chemical and biological states -----

3. Ecological balance -----

4. Other factors

N
N
N
N

1/ See Explanatory Notes for this form.

2/ Use the following symbols: N - No environmental impact
L - Little environmental impact
M - Moderate environmental impact
H - High environmental impact
U - Unknown environmental impact

IMPACT IDENTIFICATION AND EVALUATION FORM

3

C. ATMOSPHERIC

- 1. Air additives ----- N
- 2. Air pollution ----- N
- 3. Noise pollution ----- N
- 4. Other factors
- _____
- _____

D. NATURAL RESOURCES

- 1. Diversion, altered use of water ----- N
- 2. Irreversible, inefficient commitments ----- N
- 3. Other factors
- _____
- _____

E. CULTURAL

- 1. Altering physical symbols ----- N
- 2. Dilution of cultural traditions ----- N
- 3. Other factors
- _____
- _____

F. SOCIOECONOMIC

- 1. Changes in economic/employment patterns ----- N
- 2. Changes in population ----- N
- 3. Changes in cultural patterns ----- N
- 4. Other factors
- _____
- _____

IMPACT IDENTIFICATION AND EVALUATION FORM

137

G. HEALTH

- 1. Changing a natural environment ----- N
- 2. Eliminating an ecosystem element ----- N
- 3. Other factors
- _____
- _____

H. GENERAL

- 1. International impacts ----- N
- 2. Controversial impacts ----- N
- 3. Larger program impacts ----- N
- 4. Other factors
- _____
- _____

I. OTHER POSSIBLE IMPACTS (not listed above)

See attached Discussion of Impacts.

II. Recommendation for Environmental Action:

This project should receive a "Negative Determination" because it is a grant for budgetary support to a PVO Headquarters. It is to improve their organization's capabilities to assist its members organizations in planning, development and evaluation. SOLIDARIOS receives the bulk of its support from either national organizations, member organizations and individual donors. Any likely environmental impact is a number of steps removed from this form of budgetary support and would be assessed on a case-by-case basis if, and when, any specific projects are proposed for separate AID funding.

PD-AAH-927

ISN 1344

9320105/42

PROJECT PAPER FOR A
REGIONAL CONSORTIA GRANT
FOR
COUNCIL OF AMERICAN DEVELOPMENT FOUNDATIONS
(SOLIDARIOS)

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 - E. Permanent Secretariat - Statement of Intent
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I. INTRODUCTION

SOLIDARIOS, Council of American Development Foundations, is a private, non-profit consortium organized and created by the National Development Foundations (NDFs) of Latin America and the Caribbean on October 9, 1972. Its objectives, on behalf of its members, are to promote the participation of the different elements of the local private sector in the social development efforts of the Latin American countries and to act as catalyzer of the policies of its members in pursuit of a common philosophy of development. The NDFs, members of SOLIDARIOS, are institutions that work for the improvement of the social and economic conditions of low income groups in Latin America and the Caribbean with development criteria, providing technical assistance and a credit delivery system; they are recognized as non-governmental, non-political and non-religious, and based on participation of nationals in the development of their own countries. At the present time, there are 13 NDFs members of SOLIDARIOS.

During its first three years of operations, SOLIDARIOS has fostered the relations between its members and with international organizations for development assistance. It has organized seminars on relevant topics for the foundations and has published two books on development. It has contributed with audiovisual equipment for educational and promotion programs of six of its members.

During 1975, with the support of the German Foundation for International Development, a two week seminar was held in Europe on the theme of "Promotion of Selfhelp organizations with the participation of Development Institutions"; as a result of this seminar a Joint Document was prepared by the NDFs describing the conceptual framework, objectives and goals of the NDFs and SOLIDARIOS.

SOLIDARIOS has provided four scholarships to an equal number of candidates presented by the NDFs to enable them to complete their Master of Business Administration program at Instituto Centroamericano de Administracion de Empresas (INCAE) and then return to work for the sponsoring Foundation. This program is being financed by a TINKER FOUNDATION grant of US\$32,000 and counterpart funds from INCAE itself and the NDFs.

Currently, a research project is being carried out by SOLIDARIOS on the "Rural Development Model of the NDFs." This study will analyze the impact of the programs of the five participating NDFs on the social and economic wellbeing of rural communities, review their organizational and managerial practices, in order to disseminate the research results, and to formulate a basic development foundation approach to the rural modernization process. This research is funded with a grant of Can\$221,000 from the International Development Research Centre (IDRC). Five local research organizations are conducting studies at the local level for the NDFs in México, Nicaragua, Ecuador, Paraguay and the Dominican Republic. Three

workshops have been conducted to discuss the design and project reports presented by the local research teams and final workshop will be held in order to discuss the final document to be prepared by a Technical Coordinator also contracted under the program. The final document will include a joint analysis of the Foundations and the national reports and will be distributed to all NDFs as well as other institutions doing development work.

With a grant of US\$49,500 obtained from Banco Interamericano de Desarrollo (BID) a feasibility study is being conducted for a rural development program to be carried out by the NDFs. The program will be presented to BID for its financing with a global loan to the NDFs through SOLIDARIOS. The institution responsible for the preparation of the study and corresponding proposal is the Interamerican Agricultural Sciences Institute (IICA) and they have contracted a full time economist to work on the study for one year. SOLIDARIOS contributes to the program with the services of an agricultural economist, also working full time on the program. The term of references for this contract include the analysis of the human and financial resources of the NDFs and their capability to enlarge and extend the present programs for the benefit of the lowest income groups should enough resources become available to them.

During November 10-13, 1976, a seminar was organized by SOLIDARIOS on "Management of non-profit Development Institutions", under the academic direction of INCAE. Eighteen representatives of the NDFs and fourteen representatives of other similar organizations in Latin America and the U.S. participated in the program, financed with a grant received from ROCKEFELLER BROTHERS FUND for the sum of US\$16,000.

SOLIDARIOS contributes to establish contacts between its members and various organizations working in the development field and contributes to disseminate information that may be of value to the work of their institutions. Several exchanges of expertise have been made already between the NDFs in the areas of fund raising, educational methods, accounting systems, etc.

II. RATIONALE

A. REGIONAL CONSORTIA GRANT PROPOSAL

1. Background

The problems of the marginal sectors in the developing countries where the NDFs carry out their activities include the lack of financial resources and technical knowhow to undertake productive endeavors that will improve the quality of life of low income people.

This situation is experienced both in the rural area, where almost all of the NDFs undertake their programs, and in the urban area. The approach used by the NDFs implies the administration of a revolving loan fund used to finance social and productive projects in which low income people participate.

The loans are made without mortgage or collateral guarantee, at interest rates usually lower than those of commercial banks.

The loans are made by most of the NDFs only to groups, organized according to the desires of the members and in most instances of an informal nature. The group members elect their own board which runs the affairs of the group. Usually, however, most decisions are taken at meetings in which all members participate. Two NDFs also make loans to individuals mainly in the urban area for handicrafts or small industry projects.

The NDFs input into the projects is not only that of financial resources but also technical capacitation and training in group dynamics and organization to create a strong organizational structure that will contribute to strengthen the selfhelp efforts of the members of the group, specifically aimed to the lowest income level groups.

On the technical assistance side, the participation of the NDFs includes the provision or procurement of experts with technical knowhow of the activities to be undertaken by the group, when this expertise is required. Usually NDFs have agronomists in their field staff and in other cases experts from government or private and voluntary organizations provide the necessary technical assistance.

When a group has identified an area where they believe a project could be implemented, with the assistance of one of the field workers of the NDF, they prepare a proposal describing the necessary input and expected results of the projects, which is then analyzed by the NDF staff. Once the proposal is approved, funds are disbursed to the group or individual who is then in charge of administering the project. In some cases the group carries out the project as a joint venture with a central administration, whereas in

others, each member receives the funds necessary to undertake his projected activities. This depends on the proximity and tenure condition of the land.

In all cases the group as such is in charge of recuperating the loan from its members and payments of the beneficiaries of the loan are made to the Foundation through the group and not on an individual basis. Most loans are made on a short time basis. Those for seeds, fertilizers and the like are usually repaid once the harvest is collected, whereas those for machinery such as water pumps, are paid over a longer period of time, depending on the projected cash flow.

Although the NDFs started in the sixties, at the present time their combined loan portfolio is over twenty MM dollars (estimated figures are: Mexico 3MM., El Salvador 9MM., Rep. Dominicana 3MM, Honduras 1.5MM., Guatemala 2MM., Nicaragua 2MM., others 1MM.) These funds have been received through grants from international and foreign organizations, loans from financing institutions, both national and international and donations of the local private sector. One important characteristic of the NDFs is the voluntary participation of representatives of the private sector of the country, which contribute financially and also serve on the boards of directors of the NDFs. Typically the NDFs have regular members which help to finance their operations and programs and among whom are elected the members of the board.

One of the major problems which the NDFs face is that of remaining solvent despite the unique modus operandi under which they work. The fact that promotional and technical activities coupled with soft interest terms are an integral part of their activities, makes it necessary to obtain donations

to cover part of the operational costs. These donations are not as easy to obtain and are a limiting factor to the growth potential of the NDFs since they can not obtain as much money for their revolving loan fund as they could, if propostional amounts are not secured to cover the operational costs of their program.

SOLIDARIOS is interested in contributing to the solution of the problems encountered by the NDFs in the area of financial resources and technical knowhow.

2. Grant Purpose and Description of Project

The purpose of this Regional Consortia Grant is to enable SOLIDARIOS to contribute to the process through which the NDFs will improve and expand their development programs carried out with the participation of low income groups, in which they use the administration of revolving loan funds to finance productive projects for the benefit of the marginal and lowest income sectors in Latin America and the Caribbean.

Specifically, the grant will enable SOLIDARIOS to increase and improve its capability to provide assistance to the member Foundations in the areas of long range planning, long and short term programming, project design and evaluation; the improvement of managerial skills that will permit a better use of the human and financial resources of the NDFs; and the dissemination and exchange of the necessary information to make the work of the Foundations better known and duplicated in other areas where they could be applied for the benefit of the lowest income groups.

During a three year plan, emphasis will be made on detecting the solutions that the NDFs envision for the difficulties they encounter and the establishment of a basic technical language and common frame of reference.

The staff of SOLIDARIOS will be increased by two professionals and one secretary that will devote their time to work on the program. During the life of the program the Accounting and Finance System for the NDFs will be completed as well as the Operation System for SOLIDARIOS Development Fund. Time will also be devoted to increase the planning, programming and evaluative skills of the staff members of the Foundations and this activity will outlast the life of the project as the selected staff contracted at the beginning of the program will continue to provide this service to the NDFs.

Whenever possible the expertise of members of the NDFs staff will be sought in order to accomplish the goals set forth in the proposal and when necessary external short term consulting services will be contracted. It is expected that this type of service will be required for the preparation of the Manual of Accounting System which will be undertaken as a multinational type of endeavor. In all cases the staff members of SOLIDARIOS will work closely with the consultants in order to provide continuity to the information received from them.

Workshops will be conducted in order to bring together the different ideas of the NDFs particularly in the areas of a common accounting manual, where the respective accountants and/or controllers will be involved and in the creation of the operation system of SOLIDARIOS Development Fund where the Executive Directors point of view will have to be obtained in matters pertaining the operation of this Fund.

3. Expected Outcomes

Through the activities which SOLIDARIOS plans to undertake under this program, it is expected that the Foundations will receive benefits in the following areas:

National Development Foundations Staff

One of the major assets in any organization, particularly in those such as the NDFs where limited resources for compensation makes a high degree of motivation a must, will receive the major part of the benefit of the program. It is expected that through the assistance which SOLIDARIOS will be able to offer to the NDFs in planning, programming and evaluation, the members of the NDFs staff will improve the managerial skills and planning and evaluation strategies. Emphasis will be made in the area of finance, in particular to those having an impact in the growth potential of the Foundations that will enable them to participate in projects for a larger number of low income groups.

Accounting and Finance Systems for NDFs

Together with the organizational development activities, attention will be given to those areas which will enable the NDFs to improve their opportunities for qualifying for financing from international financing and development organizations. These financial resources could be obtained both at an individual level by each NDF or jointly through SOLIDARIOS. In both instances a sound and effective system for the control and reporting on the financial assets of the NDFs, will be of importance for the goal previously defined.

It is felt by the NDFs that in order to facilitate the presentation of joint proposals to international organizations it is necessary to unify the accounting systems used by the different NDFs. The creation of an accounting manual for the NDFs not only will improve the administrative area of the already existing NDFs but will also provide an excellent tool to be used for the creation or strengthening of new members of the Foundation movement in those places where there is a need for them.

SOLIDARIOS Development Fund Operational System

In order to receive financial resources from international organizations it will be necessary to create an infrastructure that will enable SOLIDARIOS to administer funds received jointly by the NDFs. Although traditionally international development finance organizations have dealt with government agencies, new avenues are being created which give access to funds for development programs of private organizations. This implies the necessity of an international coordinating agency such as SOLIDARIOS. The infrastructure needed by SOLIDARIOS is mainly that of a manual in which both the lending policies and legal and administrative requirements are spelled out for the creation and successful organization of SOLIDARIOS Development Fund, and the personnel and facilities required during the formative years of the Fund.

Information

Due to the limited resources of SOLIDARIOS it has not been possible to compile and disseminate information on the accomplishment and specific characteristics of all the NDFs. It is felt, however, that this will have a positive impact on the potential donor and financing institutions, will greatly improve the opportunities of the NDFs to receive funding, and will also contribute to the exchange of information on activities that could be repeated in other areas for the benefit of low income groups.

Part of the information and statistics compiled under this activity will be also of value in determining the success of the program that is to be undertaken under the plan described in this proposal.

The resulting impact of the program in the countries where the NDFs work will be in the areas of job creation, constructive income producing work, and increase production of food.

B. TRANSITION AFTER GRANT

One of the outcomes of the activities undertaken under this Program is the Operational System for SOLIDARIOS Development Fund, (SDF).

It is envisioned that this fund will be in a position to provide financing to the NDFs using for this purpose monies received as grants or loans to the fund.

A small interest charge collected from the SDF loans will provide enough resources to continue the provision of services by SOLIDARIOS staff, as contemplated during the grant years, after the completion of the program.

Another source of financing will be the NDFs themselves, who once they have grown as a result of this grant will be in a better position to finance SOLIDARIOS. As of today, they have been financing about half of SOLIDARIOS administrative costs and the rest has been covered by donations from the local private sector.

C. THE ROLE OF WOMEN

The role of women in the foundation movement has been quite significant both at the staff level and at the project level. All foundations maintain an equal opportunity selection system for both men and women. Out of 13 NDFs, 1 woman is the Executive Director of one of the Foundations. The position for extension workers as instruments for social and economic change are equally open to women and men, and several NDFs have already women technicians in their staffs.

Several programs have been conducted with women and beneficiaries. Cases like these exist in Nicaragua where the Foundation has financed cooperatives that make loans to women working in the markets eliminating their need to obtain very hard loans from intermediaries and also contributing to foster the habit of savings in them.

In the Dominican Republic, the Dominican Development Foundation has financed sewing machines, gas stoves and other implements through Women Clubs that received technical capacitation in areas such as sewing skills, hygiene, etc., for the benefit of their families.

D. SOLIDARIOS

The Regional Consortia Grant proposal includes the selection and preparation of qualified personnel to give SOLIDARIOS the capability to develop and implement an adequate project design and evaluation system for all current and new projects planned or undertaken by SOLIDARIOS. This new capability will also allow SOLIDARIOS to shape the direction it will take over the next few years in relation to development.

Within 90 days of the signing of the grant agreement, SOLIDARIOS will present to AID for review project design criteria and procedures to be used for projects which are developed as a result of this grant. Also, SOLIDARIOS will submit within the same time-frame a comprehensive evaluation system for AID approval and which will be applied to all SOLIDARIOS projects, both ongoing and new. With the system will also be included a schedule for the evaluation of ongoing projects.

III. PROJECT NARRATIVE

A. PROGRAM GOAL

1. Statement of the goal: The broader objective to which this project contributes is to enable SOLIDARIOS to contribute to the process through which the National Development Foundations will improve and expand their development programs carried out with the participation of low income groups, in which they use the administration of revolving loan funds to finance productive projects in the benefit of the marginal and lowest income sectors in Latin America and the Caribbean.

2. Measurement of Goal Achievement: The attainment of the general goal will be measured by the growth, in the NDFs, of rotating loan fund intfolio; by the increase in planning and evaluating capacity by the NDFs and by the increase in the number of low income families assisted.

3. Means of Verification: Goal achievements will be verified by documentation from SOLIDARIOS indicating individual and comparative analysis of the NDFs financial statements; by reports of operative systems by the NDFs and by reports from SOLIDARIOS indicating statistics and technical assistance.

4. Assumptions: Assumptions in achieving the goal targets are:

- (a) That the NDFs are operative, have a revolving loan fund and sustain SOLIDARIOS
- (b) That SOLIDARIOS will be asked by the NDFs for the assistance described in this paper.
- (c) That the NDFs are benefitting the low income sector of their countries through their program.

B. PROJECT PURPOSE

1. Statement of Purpose: The purpose of this grant is to enable SOLIDARIOS to increase and improve its capability to provide assistance to the member Federations in the areas of long range planning, long and short term programming, project design and evaluation; the improvement of managerial skills that will permit a better use of the human and financial resources of the NDFs; and the dissemination and exchange of the necessary information to make the work of the Foundations better known and duplicated in other areas where they could be applied for the benefit of the lowest income groups.

2. End of Project Status (EOPS): The conditions which will indicate that the objective has been reached at the end of the program will be:

(a) Manuals for accounting and financial systems for the NDFs and for the SOLIDARIOS Development Fund operational system, a planning and programming system operative and an evaluation system installed.

(b) Training of 15 NDFs staff.

(c) Three individual NDFs long term plans and six exchange programs implemented by NDFs.

3. Means of Verification: The accomplishments of the above indicators will be verified by SOLIDARIOS reporting and by AID/W and USAID's field trips.

4. Assumptions: In order to obtain the conditions for the project to achieve its purpose, it is assumed that: (a) SOLIDARIOS has the managerial and financial capability to implement the project. (b) The additional staff will have the skills to develop the purpose, and (c) The NDFs will be receptive to the assistance.

C. Project Outputs

1. Outputs and Output Indicators: The outputs to be obtained from the grant and its indicators are:

(a) Planning and Evaluation Staff. One Planning and Evaluation expert, one Financial expert and one secretary would have been hired and trained.

(b) Technical assistance and training. Nine workshops and thirteen field visits would have been conducted.

(c) Information Unit. Six field research visits would have taken place.

2. Means of Verification: The project outputs and its indicators will be verified by AID regular appraisal and SOLIDARIOS regular reporting with presentation of organization, operation and procedures manuals, presentation of training programs and evaluation results.

3. Assumptions: The listed outputs are dependent on several factors, such as the availability of necessary human resources for hiring and training and that the planning, evaluation and training are applicable elsewhere.

D. Inputs

1. AID grant
2. Members (NDFs)
3. International Donors
4. SOLIDARIOS own resources

The assumptions for providing the inputs are that the financial, human and material resources will be available as preseen.

IV. IMPLEMENTATION PLAN

The first five months of the first year will be devoted to the recruitment, selection and training of the two professionals and the secretary.

After SOLIDARIOS staff has been selected, a workshop will be held with the participation of the higher ranking staff members of the Foundations in order to discuss the overall program and in particular to set the framework under which the SOLIDARIOS staff will develop the training and exchange programs to be carried out as well as the criteria of acceptance of the NDFs Manual of Accounting System and the operational system for SOLIDARIOS Development Fund (S.D.F.

Once this workshop is concluded the staff of SOLIDARIOS will visit the NDFs in order to collect the necessary data for their work and become acquainted with the programs and peculiarities of the NDFs. This field visit will be conducted toward months 8 & 9 of the first year of the program. The remaining three months of the first year will be devoted to organization and analysis of the data collected and to work on the Accounting Manual and S.D.F. Operational System documents and training program being prepared.

During this first year the Evaluation Guidelines design will also be completed.

During the second year four workshops will be conducted (months 2,4,8 & 10), two dealing with financial topics and two on planning, programming and evaluation. During the last workshop of the year the Accounting and Financial Manual for NDFs and the SDF Operation System Manual will be submitted for the approval of the NDFs.

During the second year, the staff of SOLIDARIOS will make an estimated three field visits during which they will provide technical assistance to the Foundations and will work on the guidelines for project selection and evaluation of the financial system of the NDFs.

Also during the year, three exchange workshops will be held in an equal number of countries in order to provide an opportunity for interested NDFs to receive feedback from their colleagues in the activities they carry out and their planning and programming efforts.

During the last year the number of workshops, field visits and exchange workshops will be the same as that of the second year. During the Planning Programming and Evaluation workshop held on Month 8, the manual of guidelines for project selection & evaluation will be completed.

The calendar of activities is shown on the following page, with Project Performance Tracking System (PPT) charts showing the actual, critical events extended 36-month period.

It is important to point out that besides the programmed activities to be carried out under this Grant, the major outcome of this program is the capability on the part of SOLIDARIOS to respond to the needs of the NDFs as they arise. It is not always possible to foresee these needs but it is very

likely that the progress reports made once the program start will include information on the different occasions SOLIDARIOS has found itself in a position to be able to assist the NDFs.

CALENDAR OF ACTIVITIES

	YEAR 1												YEAR 2												YEAR 3											
	MONTHS												MONTHS												MONTHS											
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12
RECRUITMENT OF																																				
1 Secretary	X																																			
2 Staff members	X	X	X	X	Z																															
WORKSHOPS																																				
Program planning							Z																													
Financial training															X							Z					X							X		
Planning, programing & evaluation training													X							X					X							X				
FIELD VISITS																																				
Solidarios Staff							X	X					X							X							X				X		X		X	
NDFs Staff													X							X			X				X				X		X		X	
ACCOUNTING MANUAL NDFs Completed																						Z														
SOLIDARIOS DEVELOPMENT FUND OPERATIONAL SYSTEM Completed																						Z														
PROJECT SELECTION & EVALUATION GUIDELINES Completed								E																								Z				
OFFICE WORK						X			X	X	X	X					X	X	X					X	X	X			X	X					X	

Both letter X & Z indicated period during which projected activity will be undertaken. Letter Z indicates the critical points in the execution of the DPG. It is not implied that the activities will be carried out during the full month indicated. E indicates Evaluation Guidelines design completed with a manual on Project Selection and Evaluation guidelines for use by the NDFs completed by the 8th month of the 3rd year.

country: Latin America	project no.: 932-0105	project title: SOLIDARIOS	date: 3/77	/X/ original / / revision #	approved:
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CPI NARRATIVE

PROJECT PURPOSE: To enable SOLIDARIOS to increase and improve its capability to provide assistance to Member Foundations in the areas of long range planning, long and short term programming, project design and evaluation; the improvement of managerial skills and dissemination and exchange of information so it could be applied for the benefit of the low income groups. (Source: SOLIDARIOS PID)

PRIOR ACTIONS:

Apr. 77 (-120 days): Final SOLIDARIOS proposal accepted (SOLIDARIOS/AID)

Apr. 77 (-60 days): Project Paper approved (AID)

CPI Descriptions:

1977

1. Apr. - Grant Agreement signed (SOLIDARIOS/AID)
2. Aug. - Program staff and clerical help hired and on board (SOLIDARIOS)
3. Oct. - Program Planning for workshops completed (SOLIDARIOS)

1978

4. Jan. - Evaluation Design completed (SOLIDARIOS)
5. May - Training for Planning, Programming and Evaluation starts.

1979

6. Jan. - Workshop in Financial Training for NDFs is completed (SOLIDARIOS/NDFs)
7. Jan. - Account Manual for NDFs completed (SOLIDARIOS/NDFs)
8. Jan. - SOLIDARIOS Development Fund Operational System Completed
9. Nov. - Project Selection and Evaluation Guidelines completed (SOLIDARIOS)

1980

10. Mar. - Program Division fully operative. End of project.

POST ACTIONS

1980

11. May - Ex-post facto evaluation completed.

END OF PROJECT STATUS

1. Manuals for accounting and financial systems for NDFs and for SOLIDARIOS Development Fund operational system completed; planning and programming system and evaluation system operative.
2. Training of 15 NDFs staff.
3. Three individual NDFs long term plans and six exchange programs implemented by NDFs.

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V. ILLUSTRATIVE ESTIMATED BUDGET

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Total</u>
Salaries				
2 Staff	30,600	43,200	45,600	119,400
Secretary	3,600	3,900	4,200	11,700
Benefits	3,420	4,710	4,980	13,110
Consulting services	20,000	10,000	---	30,000
Travel				
Secretary General	6,000	6,000	6,000	18,000
Staff	9,000	16,000	16,000	41,000
Consultant	4,500	---	---	4,500
Workshops	9,000	36,000	36,000	81,000
Exchange field visits	---	27,000	27,000	54,000
Direct Costs (Rent, elec- tricity, supplies, postage, maintenance, etc.)	5,000	5,000	5,000	15,000
Furniture & equipment	<u>4,000</u>	<u>---</u>	<u>---</u>	<u>4,000</u>
TOTAL	<u>95,120</u>	<u>151,810</u>	<u>144,780</u>	<u>391,710</u>

Detailed Budget for Exchange Field Visits

Air Travel

Estimated the same as for workshops
although for some countries not as
centrally located as Guatemala cost
will be higher. 5,136.48

Hotel

12 out-of-town Foundations plus 2
SOLIDARIOS staff at \$20 during 7
nights. 1,960.00

Meals

15 participants x 7 days

Breakfast at \$3.00	315.00	
Lunch at \$6.00	630.00	
Dinner at \$7.00	735.00	
Coffee	73.50	
Service charges	175.35	
Total		1,928.85

Meeting room rental

6 days at \$50/day

300.00

T O T A L

US\$9,325.33

Detailed Budget for Workshops

Air Travel

(Round trip to Guatemala, 12% tax included)

México	230.72	
El Salvador	48.40	
Honduras	99.60	
Costa Rica	250.88	
Nicaragua	152.32	
Colombia (Cali)	452.48	
Ecuador (Quito)	517.44	
Ecuador (Guayaquil)	551.04	
Bolivia	777.28	
Paraguay	978.88	
República Dominicana	452.48	
Trinidad & Tobago	624.96	
Total		5,136.48

Hotel

12 out-of-town participants
x \$20/night x 7 nights. 1,680.00

Meals

16 participants including host
country Foundation, and SOLIDA
RIOS staff (3)

Breakfast at \$5.00 x 7 days	356.00	
Lunch at \$6.00 x 7 days	672.00	
Dinner at \$7.00 x 7 days	784.00	
Coffee (morning & afternoon) at \$0.35 each including cookies: 16 x 2 x 0.35 x 7	78.40	
Service charge for meal (10%)	187.04	
Total		2,057.44

Meeting room rental

6 days at \$50/day

300.00

T O T A L

US\$9,173.92

VI. Job Descriptions

Planning, programming and evaluation officer

Program and supervise courses and workshops for members of the NDFs staff on planning, programming and evaluation of development projects.

Prepare guidelines for a common approach to project selection and evaluation at a Foundation level.

Assist the NDFs in the design of development projects and proposal for their financing and execution.

Define data collection techniques and procedures for consolidated reporting and information systems.

Coordinate exchange of information among NDFs in the areas of his competence.

Other activities within the scope of the program.

Financial and accounting system specialist

Preparation of an accounting manual and chart of account to be used by all NDFs.

Assistance to NDFs in the financial analysis of overall programs and projects carried out by them.

Prepare the financial operation system of a Development Fund to be administered by SOLIDARIOS for the NDFs.

Prepare guidelines for project selection criteria both for the SOLIDARIOS Development Fund and the NDFs.

Program and supervise seminars and workshops for staff of the NDFs working on financial matters.

Other activities within the scope of the program.

VII. Logical framework matrix

The logical framework matrix indicating the narrative summary, indicators, means of verification and assumptions of the program is shown on the following page.

LOGICAL FRAMEWORK MATRIX

(SOLIDARIOS)

OPERATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p><u>Program or sector goal:</u> The broader objective to which this project contributes. Contribute to the process through which the NDFs will improve & extend their development programs carried out with the participation of low income groups</p>	<p><u>Measures of goal achievement</u></p> <ol style="list-style-type: none"> 1) NDFs increase in rotating loan fund portfolio growth. 2) Increase in planning & evaluation capacity by NDFs. 3) Increase in number of low income families assisted. 	<ol style="list-style-type: none"> 1) Longitudinal & comparative analysis of NDFs financial statements. 2) By reports of operative systems. 3) Statistical analysis. 	<p><u>Assumptions for achieving goal targets</u></p> <ol style="list-style-type: none"> 1) NDFs are operative, have a revolving loan fund to sustain SOLIDARIOS. 2) SOLIDARIOS will be assisted by NDFs for assistance. 3) The NDFs are benefiting the low income sector through this program.
<p><u>Project purpose:</u> Increase SOLIDARIOS capacity to assist NDFs in:</p> <ol style="list-style-type: none"> 1) Long range planning, long & short programming design & evaluation 2) Improvement of managerial skills 3) Dissemination & exchange 	<p><u>Conditions that will indicate purpose has been achieved. End of project status</u></p> <ol style="list-style-type: none"> 1) Manuals for accounting & financial systems for NDFs and for SOLIDARIOS Development Fund operational system, planning & programming system operative, evaluation system operative. 2) Training of 15 NDFs staff 3) Three individual NDFs long term plans and six exchange programs implemented by NDFs. 	<ol style="list-style-type: none"> 1 & 2) By SOLIDARIOS reporting. 3) By AID/Wash. & USAID field trips. 	<p><u>Assumptions for achieving purpose:</u></p> <ol style="list-style-type: none"> 1) SOLIDARIOS has the managerial and financial capability to implement program. 2) The additional staff have the skills to do the purpose. 3) The NDFs will be receptive to the assistance.
<p><u>Outputs:</u></p> <ol style="list-style-type: none"> 1) Planning & evaluation staff 2) Technical assistance & training. 3) Information unit. 	<p><u>Magnitude of Output</u></p> <ol style="list-style-type: none"> 1) One planning & evaluation expert, one financial expert, one secretary. 2) Nine workshops and thirteen field visits. 3) Six field research visits. 	<ol style="list-style-type: none"> 1) By internal evaluation. 2) By personnel roster. 3) By regular reporting. 4) By AID regular appraisal 	<p><u>Assumptions for achieving output:</u></p> <ol style="list-style-type: none"> 1) Availability of necessary human resources for training. 2) Availability of necessary human resources for training. 3) Planning, evaluation, training are applicable elsewhere.
<p><u>Inputs:</u></p> <ol style="list-style-type: none"> 1) DIF 2) Members (NDFs) 3) International donors 4) SOLIDARIOS own resources. 	<p><u>Implementation target (Type & Quantity)</u></p> <p>Budget & implementation plan</p>	<p>Audits by SOLIDARIOS, AID. SOLIDARIOS own accounting systems.</p>	<p><u>Assumptions for providing inputs:</u></p> <p>That the financial, human and material resources are available as foreseen.</p>

VIII. SOLIDARIOS ORGANIZATION

A. Description of Organization

i) Legal status

SOLIDARIOS is a private, non-profit consortium, organized and created by the National Development Foundations (NDFs) of Latin American and the Caribbean on October 9, 1972. It was legally incorporated in the Dominican Republic through presidential decree 4259 dated January 29, 1974. It was authorized to operate in Guatemala through presidential agreement dated August 12, 1975.

General cooperative relations were established between SOLIDARIOS and the Organization of American States on May 19, 1976. On June 26, 1976 a Cooperation Agreement with the Interamerican Institute of Agricultural Sciences (IICA) granted SOLIDARIOS the condition of Associate Program of IICA.

ii) Objectives

The objectives of SOLIDARIOS, as expressed in the bylaws, are the following: 1) to represent its members when they act jointly; 2) to assist and support the individual and collective endeavors of its members; 3) to coordinate joint programs among its members; 4) to disseminate the necessary information to extend and improve the work of its members, 5) to promote the participation of the different elements of the local private sector in the social development efforts of the Latin American countries, 6) to act as catalyzer of the policies of its members in pursuit of a common philosophy of development.

iii) Organization

The General Assembly of members is the maximum authority of SOLIDARIOS and in it participate representatives of the member foundations with one vote each. The members of the executive committee are also members of the General Assembly. The General Assembly meets every year.

The General Assembly elects the Executive Committee (Board of Directors) for a period of two years. The Executive Committee is formed by the President, the Vice-president, three members and the Secretary General who is a member ex-officio without vote. The past presidents are full members of the Committee for a two year period after their term has expired.

The activities carried out or coordinated by SOLIDARIOS are under the responsibility of the General Secretariat which as of this date is established in the country where the president resides. This office is run by a full time staff described elsewhere.

iv) Members

The NDFs members of SOLIDARIOS are institutions that work for the improvement of the social and economic conditions of low income groups in Latin America and the Caribbean with development criteria, not simply through assistance. Their work includes that of social workers or field staff that work with the lowest income groups helping them organize themselves and identify their potential for selfhelp and improvement; the NDFs provide

technical capacitation and operate with a credit delivery system; they are recognized as non-governmental, non-political and non-religious, and based on participation of nationals in the development of their own countries.

At the present time, the following NDFs are members of SOLIDARIOS:

- Fundacion Boliviana de Desarrollo
- Fundacion Nacional para el Desarrollo Social (Colombia)
- Fundacion Costarricense de Desarrollo
- Fundacion Ecuatoriana de Desarrollo (Guayaquil)
- Fundacion Ecuatoriana de Desarrollo (Quito)
- Fundacion Salvadorena de Desarrollo y Vivienda Minima
- Fundacion del Centavo (Guatemala)
- Fundacion Hondurena de Desarrollo
- Fundacion Mexicana para el Desarrollo Rural
- Fundacion Nicaraguense de Desarrollo
- Fundacion para el Desarrollo (Paraguay)
- Fundacion Dominicana de Desarrollo
- Trinidad & Tobago Development Foundation

B. Board of Directors

President

Ing. Adolfo Rios Sharp
Industria de Madera Las Quebradas
13 Calle 3-35, Zona 1, Guatemala, Guatemala
Industrialist, Guatemalan

Vice-president (President elect 1978-79)

Dr. Leonel Arguello
Compania Nacional de Seguros de Nicaragua
Apartado 129, Managua, Nicaragua
Insurance Executive, Nicaraguan

Members

Carlos Ponce Martínez
Automotores Andina
Avenida América 1864 y Colón, Quito, Ecuador
Businessman, Ecuadorian

Antonio Fernández Ibañez, S.J.
Fundación Salvadoreña de Desarrollo y Vivienda Mínima
18 Avenida Norte 633, El Salvador, San Salvador
Executive Director of Foundation, Spanish

Dr. Enrique Ibarra
Fundación para el Desarrollo
Alberdi 454, Asunción, Paraguay
President and Executive Director of Foundation, Paraguayan

Advisor

Alejandro E. Grullón E.
Banco Popular Dominicano
Isabel la Católica, Santo Domingo, República Dominicana
Banker, Dominican

Secretary General

Lic. Enrique A. Fernández P.
Consejo de Fundaciones Americanas de Desarrollo (SOLIDARIOS)
6 Avenida 6-47, Zona 9, Guatemala, Guatemala
Psychologist, Dominican

The board members meet every six months to supervise the activities of SOLIDARIOS and conduct other business according to the bylaws and the resolution of the General Assembly.

The board members at their regular meetings receive information on the programs being carried out by SOLIDARIOS and provide guidelines for them, when appropriate.

C. Personnel

There are three full time employees at the office of SOLIDARIOS. There are no regional offices as specific activities can be carried out by Foundation members in their respective countries. The Secretary General is in charge of the day to day activities of SOLIDARIOS and participates in the General Assembly and Board of Directors meetings as Secretary.

There is also an agricultural economist in the staff of SOLIDARIOS whose responsibilities include the preparation of specific project proposals or evaluation and general technical assistance to those NDFs that may indicate their desire to receive it.

The third member of the staff is a Secretary in charge of correspondence and filing.

D. Budget

The annual budget for the General Secretariat is shown below. Specific programs and activities are financed with donations and are not included in this budget.

As of October 31, 1976, the general operation of SOLIDARIOS for the ten month period starting January 1, 1976 have included disbursement of US\$129,735 the major part of it being devoted to programs such as that of IDRC and BID, as explained before.

ANNUAL BUDGET FOR GENERAL SECRETARIAT (1976)

INCOME

Membership quotas	US\$18,450
Donations	<u>31,325</u>
TOTAL	49,775

EXPENSES

Salaries	29,250
Tax on salaries	640
Benefits	2,580
Rent	3,960
Maintenance	180
Telephone & Telegraph	600
Electricity	180
Supplies	600
Printing	600
Postage	600
Legal expenses	240
Bank services	25
Meetings	50
Travel	6,000
Membership fees	350
Insurance	80
Business expenses	240
Transfer of office	3,000
Miscellaneous	<u>600</u>
TOTAL	49,775

CONSOLIDATED BUDGET - 1/1/76 - 10/31/76

INCOME

Members quotas	15,200.00
Donations	140,379.13
Others	4,809.53
TOTAL INCOME	160,388.68

EXPENSES

Salaries	23,154.00
Taxes on salaries	125.75
Fringe benefits	2,212.50
Rent	3,300.00
Maintenance	178.72
Telephone & Telex	621.59
Electricity	97.87
Supplies	403.19
Printing	283.15
Postage	655.86
Legal fees	366.24
Bank charges	22.00
Workshops	5,592.00
Travel	1,054.87
Consultants	90,863.09
Insurance	74.77
Membership	350.00
Others	378.85
TOTAL EXPENSES	129,734.85
BALANCE	30,653.83

E. Permanent Secretariat - Statement of Intent

SOLIDARIOS

CONSEJO DE FUNDACIONES AMERICANAS DE DESARROLLO

RAT DER AMERIKANISCHEN ENTWICKLUNGSSTIFTUNGEN - CONSEIL DE FONDATIONS AMERICAINES DE DEVELOPPEMENT - RAAD DER AMERIKAANSE ONTWIKKELINGSSTICHTINGEN - COUNCIL OF AMERICAN DEVELOPMENT FOUNDATIONS - CONSELHO DE FUNDAÇÕES AMERICANAS DE DESENVOLVIMENTO

January 19, 1977

Adolfo Ríos Sharp
Guatemala
Presidente

Leonel Argüello
Nicaragua
Vicepresidente

Antonio Fernández I.
El Salvador

Enrique Ibarra
Paraguay

Carlos Ponce
Ecuador
Vocales

Alejandro Grullón E.
República Dominicana
Asesor

Enrique A. Fernández P.
Secretario General

Miembros Activos:

Fundación Boliviana de Desarrollo

Fundación Nacional para el Desarrollo Social (Colombia)

Fundación Costarricense de Desarrollo

Fundación Ecuatoriana de Desarrollo (Guayaquil)

Fundación Ecuatoriana de Desarrollo (Quito)

Fundación Salvadoreña de Desarrollo y Vivienda Mínima

Fundación del Centavo (Guatemala)

Fundación Hondureña de Desarrollo

Fundación Mexicana para el Desarrollo

Fundación Nicaragüense de Desarrollo

Fundación para el Desarrollo (Paraguay)

Fundación Dominicana de Desarrollo

Trinidad & Tobago Development Foundation

Mr. Maurice D. Kohan
Senior Development Officer
Office of Private and Voluntary Cooperation
Agency for International Development (AID)
Department of State
Washington, D.C. 20523
Estados Unidos de America

Dear Maurice:

I would like to refer to your letter of December 30, 1976 and in particular to the question brought forth regarding the rotation of our Secretariat.

As I mentioned to you during your recent visit to Guatemala, our policy in SOLIDARIOS has been to rotate the Secretariat every two years. So far the Secretariat has been established in Santo Domingo, Dominican Republic, and now in Guatemala, in keeping with the countries of residence of the SOLIDARIOS Presidents.

We do feel however, that we must institutionalize our organization. Along these lines the first step we must take on every short notice to ensure continuity of our operations, is to establish a permanent residence for the Secretariat. In this regard we feel that our Secretariat has definitely become identified with this country.

I will keep you informed of our progress in this regard, and sincerely hope that this statement of intent will satisfy your preoccupation on our previous policy.

Thank you for your continued cooperation and assistance.

Yours very truly,


Ing. Adolfo Ríos Sharp
President

ARS:aa

IX. REPORTING AND EVALUATION

A. SOLIDARIOS will report progress to AID/W in accordance with the Implementation Work Plan.

B. The evaluation schedule which is proposed will consist of the following three types:

1. Informal status analysis to be performed by PHA/PVC Project Managers as regular monitoring practice, with frequency as determined by the reporting from SOLIDARIOS.

2. A non-intensive (meaning a regular PAR) evaluation by an AID/W team prior to the end of the first and second years of the grant. This evaluation will be adequate to gauge progress, identify bottlenecks, and determine if continuation of the grant is justified.

3. At the end of the grant, if the record of the grant should indicate the necessity of an intensive evaluation to determine possibilities of replication elsewhere, or continuation of support to the same institutions, outside consultants will be engaged to make an evaluation outside the AID/W influence.