

PROJECT DATA SHEET

1. TRANSACTION CODE

A = Add
 C = Change
 D = Delete

Amendment Number _____

DOCUMENT CODE

3

2. COUNTRY/ENTITY

Nicaragua

3. PROJECT NUMBER

524-0189A

4. BUREAU/OFFICE

LAC

05

5. PROJECT TITLE (maximum 10 characters)

Training for Leadership

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY

12 31 83

7. ESTIMATED DATE OF OBLIGATION

(Under "B" below, enter 1, 2, 3, or 4)

A. Initial FY 81

B. Quarter 4

C. Final FY 83

8. COSTS (\$000 OR EQUIVALENT \$1 =)

A. FUNDING SOURCE	FIRST FY 81			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. F.	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(945)	(55)	(1,000)	(3,245)	(255)	(3,500)
(Loan)	()	()	()	()	()	()
Other U.S.						
1.						
2.						
Host Country						
Other Donor(s)						
TOTALS	945	55	1,000	3,245	255	3,500

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) EH	600	690				1,000		3,500	
(2)									
(3)									
(4)									
TOTALS						1,000		3,500	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

11. SECONDARY PURPOSE CODE

12. SPECIAL CONGRUENS CODES (maximum 7 codes of 4 positions each)

A. Code

B. Amount

13. PROJECT PURPOSE (maximum 180 characters)

To increase the supply of U.S. trained private sector Nicaraguans both at the technical and administrative/managerial levels.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY
 07 82 02 84

15. SOURCE/ORIGIN OF GOODS AND SERVICES

000 941 Local Other (Specify)

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment)

17. APPROVED BY

Signature

Gerald R. Wein
 Acting Director

Date Signed

MM DD YY
 08 21 81

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

PD-AAI-104

ISN 1125

524-0189A

UNCLASSIFIED

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D. C. 20523

NICARAGUA
PROJECT PAPER

TRAINING FOR LEADERSHIP

LAC/DR 81-11

Project Number: 524-0189A

UNCLASSIFIED

PROJECT AUTHORIZATION

Name of Entity: INDE/EDUCREDITO
Name of Project: Training for Leadership
Number of Project: 524-0189A

1. Pursuant to Section 531 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Training for Leadership project with the EDUCREDITO Program of the Nicaraguan Development Institute ("EDUCREDITO") in Nicaragua involving planned obligations not to exceed One Million Dollars (\$1,000,000) in grant funds over a one year period from the date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the project.

2. The project ("Project") consists of financing short-term and long-term training in the U.S. and support for the strengthening of EDUCREDITO.

3. The Project Agreement, which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority, shall be subject to the following essential terms, covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate:

a. Source and Origin of Goods and Services

Goods and services, except for ocean shipping, financed by A.I.D. under the Project shall have their source and origin in countries which are members of the Central American Common Market or in the United States, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the Project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

b. Condition Precedent to Disbursement for Support to EDUCREDITO

Prior to any disbursement, or to the issuance of any commitment documents under the Project Agreement, for support to EDUCREDITO, EDUCREDITO shall, except as A.I.D. may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D., evidence that the Technical Advisory Committee has been established and is functioning as described in the Project Agreement.

c. Condition Precedent to Disbursement for Training

Prior to any disbursement, or to the issuance of any commitment documents under the Project Agreement, for training, EDUCREDITO shall, except as A.I.D. may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D., a detailed time-phased implementation plan and the initial list of training courses and recommended candidates for the first year of the Project.

d. Covenants

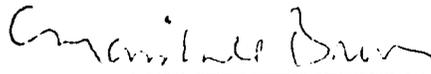
Except as A.I.D. shall otherwise agree in writing, EDUCREDITO shall covenant that:

(i) it will utilize its normal lending policies and procedures in carrying out loan-financed training under the Project;

(ii) it will utilize all A.I.D. resources provided to it under this Project for institutional support to cover operating expenses, and any remaining A.I.D. funds shall be utilized to finance additional short and long-term training in the U.S.;

(iii) it will, to the maximum extent possible, continue to solicit private sector financial support as a means of reaching its objective of self-sufficiency; and

(iv) upon completion of the technical assistance under the Project, it will furnish to A.I.D., in form and substance satisfactory to A.I.D., a long-term plan outlining how it intends to achieve self-sufficiency, which plan shall be revised and updated during the life of the Project at dates mutually agreed upon by A.I.D. and EDUCREDITO.



Marshall D. Brown
Acting Assistant Administrator
Bureau for Latin America
and the Caribbean

Sept 18 1981
Date

Clearances:

GC/LAC: BVerot: AV date 9/16/81
LAC/CEN: MArnold: MA date 9/16/81
LAC/DR: JLevy: JL date 9/16/81

GC/LAC: GMWinter: GM date 9/14/81: x29182

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I. SUMMARY AND RECOMMENDATIONS

A. Face Sheet

B. Recommendation

USAID/Nicaragua recommends authorization of a grant of up to \$3,500,000 to provide assistance to the Nicaraguan Development Institute (INDE). Funding for the project will be taken from FY1981 Economic Support Funds (ESF) earmarked for Nicaragua and from FY1982 and FY1983 Development Assistance (DA) funds. provided no ESF is available in FY1982 and FY1983.

C. Grantee and Executing Institution

The Grantee and Implementing Institution will be the Nicaraguan Development Institute's (INDE) EDUCREDITO program, a private educational program under legal charter in Nicaragua which provides financing for domestic and international education.

D. Goal and Purpose

The goal of the project is to contribute to the formation of more effective manpower resources, thereby ensuring the leadership and technical skills needed for a progressive, balanced and pluralistic development in Nicaragua.

The purpose of the project is to increase the supply of U.S. trained private sector Nicaraguans both at the technical and administrative/managerial levels.

E. Summary Rationale

The U.S. Government, acting through A.I.D., has committed itself to assist in the reactivation of the Nicaraguan economy. Particular emphasis is being placed on strengthening and ensuring the longer term viability of the private sector. Most private sector enterprises were adversely affected by the civil war and are now in a weakened position. Many firms in Nicaragua suffer from a lack of leadership, financial and human resources. While other A.I.D. assistance is being directed to providing financial resources, technical assistance and in-country training to the private sector, this project addresses the needs of the sector for external training.

Originally presented as a long-term training program designed to supply Nicaraguan private sector personnel with two year academic training, the project has been revised to include observational site visits and short-term training as well as long-term training. Emphasis under the project has been redirected to provide a maximum amount of training which is consistent with identified needs and the financial resources available.

F. Summary Project Description

The project consists of providing short and long-term training opportunities in the U.S. for individuals from the Nicaraguan private sector and institutional support to EDUCREDITO.

1. Short-Term Training

Approximately 526 person months of short-term training will be given to Nicaraguans, selected primarily from the private sector. Training will include observational site visits, internships, short courses, and field projects directed toward leadership and skills development. Priority training needs are considered to be those which will have an immediate impact on strengthening leadership and technical skills required to increase the productive capacity of the private sector and the overall economy. Actual training needs, individuals to be trained, and the training itself will be determined in a careful and systematic manner as detailed in Section II B, 3 below. To maximize training efficiency, whenever possible instruction will be conducted in Spanish.

2. Long-Term Training

Approximately 20 academic scholarships will be awarded to individuals who are judged to have the potential to assume leadership roles and/or to contribute significantly to the economic reconstruction of Nicaragua. The scholarships will provide graduate level training in fields relevant to economic and social development. Procedures for determining priority fields of study, nominating and selecting candidates, and obtaining appropriate training are also detailed in Section II B, 4 below.

3. Strengthening of EDUCREDITO

EDUCREDITO, which will carry major administrative responsibility for both the short and long-term trainees, will be strengthened through the project in two ways. EDUCREDITO will receive some direct assistance from AID in the form of institutional support, technical assistance and commodities to offset the costs of administering the program, to improve operational efficiency and to assist in its overall institutional development. EDUCREDITO will also receive partial repayment of training costs from either the trainees or their employers.

G. Summary Findings

On the basis of an intensive review and considerable revision of the original project, the Mission has determined that the project is institutionally, financially, economically and socially feasible. The type and mix of training to be provided along with the proposed institutional support will be within the capabilities of the implementing institution. The Project Committee reviewed the financial considerations necessary and found them adequate to ensure a timely implementation of the project. The economic

analysis indicates that, given the types of training to be undertaken, the project is cost-effective. Finally, the social analysis indicates that the project's activities and its derived benefits will be appropriately directed and that the Project will have the required local level support.

H. Summary Budget

The total cost of the project is \$4.378 million. AID grant funds and counterpart resources will be allocated as follows:

<u>SUMMARY BUDGET</u>			
(US\$000)			
<u>Component</u>	<u>AID</u>	<u>Counterpart</u>	<u>Total</u>
Short-Term Training	\$2,052	\$369	\$2,241
Long-Term Training	888	336	1,224
Institutional Support	255	100	355
Technical Assistance	45	0	45
Evaluation	12	0	12
Inflation/Contingency (15%)	<u>248</u>	<u>73</u>	<u>321</u>
Total	\$3,500	\$878	\$4,378

I. Project Beneficiaries

The direct beneficiaries of the project are the long and short-term trainees who will return to provide the critically needed leadership skills and manpower for a balanced development in Nicaragua. About twenty long-term and approximately two hundred sixty-three short-term participants will be trained and subsequently working in key positions which impact on the productivity of several thousand additional workers. The principle benefits to be derived from the project include increased production, employment and income.

Indirectly, the membership of the Superior Council of Private Enterprises (COSEP) and its affiliates will benefit from the project by the availability of a well trained human resource base. As COSEP represents over 100 chambers and associations with several tens of thousands of members, it is believed that the project will have a broad impact and will directly contribute to the revitalization of the country's private sector economy.

J. Project Issues

Private Sector Relationship with the Government for National Reconstruction (GRN)

Relationships between the government and the private sector have deteriorated measurably over the past several months. Although there is considerable private sector apprehension concerning the long term direction of the government, most private sector leaders and enterprises are committed to the struggle for a mixed economy and political pluralism. They maintain that it is critical for the U.S. to continue to support them in these efforts.

INDE's EDUCREDITO program is one of the few institutions in Nicaragua which responds to the educational and training needs of the private sector. Given the extensive government utilization of training opportunities in the socialist bloc countries, most notably Cuba, Bulgaria, East Germany, and the Soviet Union, a viable alternative is essential. Although the degree to which the GRN will support this project is unknown, it is envisioned that the Nicaraguan government will permit its implementation.

K. Project Development Committee

Arthur Warman, Chairman, Capital Projects Development Officer, USAID/N
Hunter Fitzgerald, Human Resources Officer, AID/W
Daniel Hayduck, Consultant

L. USAID/N Project Review Committee

Gerald R. Wein, Acting Director, USAID/N
Kenneth Schofield, Program Officer, USAID/N
C. Franklin Latham, Controller, USAID/N

Initial Financing of the Project

The Development Assistance Executive Committee (DAEC) reviewed and approved the Project on September 9, 1981. Due to a lack of certainty on availability of future funding and direction of bilateral relations, the Project will be initially authorized for \$1.0 million. These funds will be allocated as follows:

	<u>(\$000)</u>
Long-term training	\$ 444
Short-term training	456
Institutional support, TA and Commodities	<u>100</u>
TOTAL	\$',000

II. PROJECT BACKGROUND AND DETAILED PROJECT DESCRIPTION

A. The Problem

1. Background

The Civil War of 1978-79 devastated Nicaragua's economy. Since the 1979 takeover, the Government for National Reconstruction (GRN) has been endeavoring to reactivate the economy and is achieving some success in meeting its commitments to the country. For example, the National Literacy Campaign of 1980 has reduced illiteracy. The country's self-sufficiency in basic grains is being restored. Finally, some facilities and amenities formerly accessible only to the rich are becoming available to a greater portion of Nicaraguans.

On the other hand, serious developmental problems remain, including, inter alia, the persistent and serious balance of payment deficit; the sharp curtailment of private investment generated by the government's hostile attitude and behavior toward the private sector; the slow recovery of the industrial sector, and an unhealthy dependence on external debt. These major problems are not likely to be resolved as long as the uncertainty over the role of the private sector prevails and the perceived threats to political pluralism by the Sandinista "revolutionary vanguard" continues.

To date, the GRN has benefited from generous levels of external financial support, particularly from Western nations and from the international institutions (e.g. the IBRD, the IDB, and UN agencies) which they support. Support from Cuba, the Soviet Union and other socialist countries has been largely in the form of technical assistance, operational personnel, and training. The level of this latter type of assistance has been very significant.

2. Human Resources Needs

Since the war, the shortage of skilled human resources has become more acute. Even at the present reduced levels of economic activity, the country's limited human resource base has been, and continues to be, a major constraint to the country's development.

This constraint has been partially produced by the exodus of professionally-trained Nicaraguans who are not comfortable with the direction the country has taken. At the same time, Nicaragua's need for these professionals is more noticeable in view of the clear challenge facing Nicaragua in its reconstruction. This is supported by the evident desire of the new government to confront the economic and social development problems of the country.

In the public sector, the government is faced with the challenge of efficiently administering numerous confiscated and/or nationalized agricultural, industrial, banking and service enterprises, many of which have lost their managerial and technical personnel. In addition, the government has expanded social services considerably. As a result, the demand for qualified personnel is enormous, and the government has seen itself obliged to recruit technicians from all available sources. Technicians have been provided by other governments including Mexico, Venezuela, Cuba and the Soviet Union. Informal volunteers (internacionalistas) from many countries, including the United States, who are attracted to the idea of participating in a "revolution" have also helped the government fill this gap. Some key positions have also been filled by Nicaraguan students in their last year of studies and by university professors.

The private sector has also lost a substantial number of professionals and technicians. Many have left the country for political motives or in search of better job opportunities. Others have offered their services to the public sector. Together with its severe financial constraints, the lack of private sector human resources is a serious impediment to the country's reconstruction.

3. Demand for Trained Manpower

Due to the marked deterioration in physical facilities and training capacities brought on by the recent civil war, the quality of education available in Nicaragua is declining. Classes are overcrowded and most educational centers have lost many of their best staff members. Most have moved into positions in Government ministries or autonomous agencies, or they have chosen to leave the country. One example is the Sociology School of the Central American University, where all the professors and senior year students have left to fill government jobs.

The lower quality of education has important negative implications for the country's overall ability to meet its human resources needs. The graduates of in-country institutions or training programs are likely to be less than adequately prepared to respond to the vital, technical, and professional challenges of the country's reconstruction.

Due to the situation described above, there is neither currently, nor anticipated in the foreseeable future, an in-country capacity to adequately train technicians, specialists, supervisors and managers for the private sector.

In addition to the deterioration in facilities and in curriculum content, there is an increasing tendency toward a Marxist orientation in the Nicaraguan educational and training institutions. This coupled with extensive use of training in socialist countries has reduced considerably the opportunities to learn about Western democratic traditions and technology.

4. Opportunities for Training Abroad

The GRN is making a determined effort to take full advantage of training opportunities in other countries. Interest in studying abroad is very high and scholarships have been offered by many countries and international institutions. Bulgaria, Cuba, Hungary, the Soviet Union, Poland and East Germany are the major sources of these training opportunities. More than 800 scholarships have been offered to date and 300 more will be offered this year. The communist bloc countries are also providing short-term training, observation visits and scholarships for primary and secondary school students. Several contingents of young Nicaraguans numbering six hundred each have already participated. Although on a much smaller scale, the European Economic Community has also offered scholarship opportunities.

AID has continued its traditional assistance to Nicaragua in the human resources area. An on-going loan in the Agricultural sector provides the financing for short and long-term training in Nicaragua, and a grant with the Land Tenure Center in Wisconsin provides some training in the United States. The Mission is also financing two-year scholarships for twenty-five Nicaraguans studying at the Pan American Agricultural School at Zamorano, Honduras.

These programs will not, however, begin to meet the immense demand for the levels of human skills required for Nicaragua's reconstruction, nor will they provide an adequate balance to the training being offered by the socialist bloc countries.

5. Concern of the Private Sector

Private sector leaders are very aware of the relationship between overseas training and the course of Nicaragua's development. They are particularly concerned about ensuring the formation of managerial and technical resources which will eventually be part of private and public sector decision-making structures.

Given this concern, the private sector through the Nicaraguan Development Institute (INDE), approached USAID/Nicaragua to investigate opportunities to increase its activities in human resources development by providing short and long-term training in technical, supervisory and managerial fields in the United States. INDE has formally requested financial assistance to undertake such training and has proposed that it be channeled through EDUCREDITO, INDE's education loan program.

The Mission believes that such assistance would effectively complement on-going USAID/Nicaragua programs, would develop human resources needed for the country's development, and would further help achieve the stated goals of the GRN.

B. Detailed Project Description

1. Goal, Purpose, and Purpose Achievement

The goal of the project is to contribute to the formation of more effective manpower resources, thereby ensuring the leadership and technical skills needed for a progressive, balanced and pluralistic development in Nicaragua.

The purpose of the project is to increase the supply of U.S. trained private sector Nicaraguans both at the technical and administrative/managerial levels.

The purpose of the project will be achieved by establishing a functional system which identifies, selects and trains technical and managerial/administrative workers for the private sector.

2. Grantee and Project Design

The project will be implemented by the Nicaraguan Development Institute's (INDE) EDUCREDITO program and a U.S. contractor, henceforth referred to as the "Agent". In the beginning stages of the project, a Technical Advisory Committee will be formed and the U.S. Agent will be contracted.

a. Technical Advisory Committee

- (1) Purpose - the Committee will establish policies, select candidates, and provide liason with the community.
- (2) Membership - one permanent representative each from EDUCREDITO, COSEP, the AID Mission, the U.S. Agent, and one non-permanent member from the private sector at large.

The formal establishment of the committee and assignment of its members will be a Condition Precedent to the disbursement of grant funds for training activities.

b. U.S. Agent

The role of the Agent will be key in ensuring success of the project. The Agent's responsibilities will include:

- (1) assisting in the student selection process;
- (2) administering TOEFL, SAT, GRE and other tests;
- (3) placing trainees in the U.S.;

- (4) obtaining tuition waivers and other benefits for scholarship recipients;
- (5) meeting, orienting and supervising the trainee during and after his or her stay in the U.S.; and
- (6) reporting to AID and EDUCREDITO on the progress and problems of each trainee.

To carry out these responsibilities, the Agent must have a thorough knowledge of U.S. training institutions with long and/or short-term training capabilities in the subject areas needed. A familiarity with institutions which provide short-term training in Spanish is particularly important. Many training programs, especially short-term ones, will have to be tailor-made. They will include observation/study programs, internship, site visits, and possibly field projects. This will require the selection of an Agent with the necessary specialized and experienced staff to design, organize and coordinate such activities. Moreover, the Agent must have the capacity to provide an appropriate representative to serve on the Technical Advisory Committee, to develop training information services for EDUCREDITO, to maintain contact with trainees during their training programs, and to assist in post-training evaluations.

c. Survey/questionnaire and applications

The first and most important task the Technical Advisory Committee will undertake is assuring the development of a survey/questionnaire to identify private sector training needs and the individuals to be trained. This will include such information as:

1. name of enterprise;
2. type of enterprise and address;
3. product or service;
4. critical training needs of enterprise;
5. suggestions on training content (e.g. courses, groups, etc.);
6. nominees for training
7. nominees' availability;
8. bio-data of candidate;
9. enterprise's planned use of trainees upon return; and
10. enterprise's capability of partially funding training costs.

The Human Resources Division of COSEP in conjunction with EDUCREDITO has already agreed to carry out this activity. Appropriate instruments to identify training needs and people will be developed through the project's technical assistance. Staff members of COSEP and EDUCREDITO, working with AID financed contract assistance, will finalize the survey and present it for approval of the Technical Advisory Committee. The COSEP staff will then meet with the various governing councils and organizations in COSEP to explain the purpose and nature of the training program and give

instructions in collecting the data. Once collected and summarized by COSEP, EDUCREDITO and the AID contractor, this information will be presented to the Technical Advisory Committee where it will be categorized and put into priority listings. This analysis will take approximately two months.

d. Selection

The Technical Advisory Committee will review the survey findings, reject any training needs not within the scope of the project, and establish a tentative selection list. Criteria for the list will include:

- | | |
|--|---|
| (1) the importance of the training to development needs; | (5) the willingness of employer to share costs with EDUCREDITO; |
| (2) the level of training needed; | (6) the degree of certainty that the trainee will be effectively employed upon returning; and |
| (3) potential impact on the private sector; | (7) the candidate's capacity for training, work record, and previous training received. |
| (4) the potential of the candidate to assume a leadership role in the country; | |

After review by the Technical Advisory Committee, the tentative list will be submitted to the U.S. Agent which will ascertain if the specified training is available or can be developed in the U.S. Based on this assessment, the Technical Advisory Committee will select candidates for long and short-term training. Upon completion of all interviewing, this list will then be presented to USAID/Nicaragua for final approval.

USAID/Nicaragua will ensure that the training needs and individual trainees fall under the Mission's overall emphasis of high impact on leadership and development. Candidates will be prioritized based upon situational (e.g. level of upward mobility, current position, etc.) and individual (e.g. personal potential for growth, number of employees supervised, etc.) characteristics. A strong emphasis will be placed on selecting trainers, managers, supervisors and other current or potential leaders.

e. Placement, actual training and follow up

From this point forward, EDUCREDITO will work in close cooperation with the U.S. Agent. Based on trainee availability, desired length of training, training availability in the United States, requests from employers and other considerations; training schedules will be arranged. In conjunction with EDUCREDITO, the U.S. Agent will be responsible for cultural orientation, placement, training logistics, monitoring, exit interviews, and providing continual feed-back to EDUCREDITO on ways to improve the project.

f. Fields of study

The final determination of the type and field of study will be established through the COSEP survey. A preliminary survey of private sector leaders conducted during the intensive review suggests that the following are likely areas of training under the project:

Agriculture and Related Fields

Agricultural Economics
Herd Management
Farm Management
Irrigation, Drainage and
water Conservation
Crop Handling Technology
Disease and Pest Control
Forest Management and Products
Poultry Production
Animal Nutrition
Soils and Fertilizers
Sorghum Production
Rice Production
Cotton Production

Services

Repair of Medical Equipment
Maintenance of Industrial Equipment
Utilization of Tools and Equipment
Repair of Farm Equipment
Gasoline and Diesel Engine Repair
Electricity
Welding, Arc and Acetaline

Commerce

Business Administration
Business Organization
Personnel Management
Marketing and Distribution
Transportation
Pharmaceutical Production
Wholesaling and Retailing
Import/Export Promotion
Spare Parts Organization and Distribution
Basic Food Production and Distribution

Industry

Industrial Economics and
Policy Formulations for LDCs
Computer Sciences
Mine Management
Petrochemical Production
Food Technology
Textile Designs
Lumber Industry
Craft Design, Production and
Marketing
Industrial Safety
Industrial Management

Health

Hospital Administration
Para-Professional Training
Systems
Disease Control
Preventive Medical Practices
Industrial and Commercial
Sanitary Inspection
Nutrition

Leaders from the private sector and private universities detailed several specific examples of immediate training needs. One example which would reduce private sector dependence on imports and increase domestic production is the local pharmaceutical industry. It wants to produce at least fifty additional generic medicines and currently does not have the qualified human resources to begin such an endeavor.

In the agriculture sector, a high percentage (some estimates are over 50%) of farm equipment is unusable because of either a lack of spare parts and/or qualified mechanics to make repairs. This is an extremely important problem which has long-term negative implications for food production in Nicaragua. The solution will be to provide qualified candidates with short-term training in equipment repair and maintenance.

The semi-autonomous Central American University (UCA) has no one qualified to teach computer sciences. They would like to send one person to the U.S. for short-term training to continue the department while another person pursues an advanced program in computer technology.

Finally, the Polytechnical University has an agreement with the Canadian government which will establish a Faculty of Food and Nutrition. The Canadian project provides technical assistance, commodities, and construction, but the University needs both short and long-term training in food processing.

3. Short-Term Training

Approximately 526 person-months of short-term U.S. training will be provided. The training areas identified will be those which will have an immediate impact on the productive capacity of the economy and the overall reconstruction of Nicaragua.

a. Methodology

Based on the COSEP survey and assurances from the U.S. Agent as to the training's availability, the Technical Advisory Committee will select the trainees. Types of training will include:

- | | |
|--|--------------------------------|
| (1) Short courses
(classroom instruction) | (4) Field and site
visits |
| (2) Seminars | (5) Internships |
| (3) Workshops | (6) Study/observation
tours |

The need to train more than one individual in some specialities and given that some topics are cross sectorial (i.e. personnel management) will facilitate the programming of small groups, thus ensuring a more cost-effective program. Other special programs will be adapted to meet developmental needs, trainees' language capabilities and time constraints.

b. Guarantees

The trainee will sign an agreement which will require him or her to work for a duration of time which equals at least twice the monetary value of training when compared to his or her salary. For example, if he or she earns an equivalent salary of \$500.00 per month and the training costs are \$2,000, then he or she will work for at least an additional eight months after returning to Nicaragua. This formula should be flexible and will be adjusted as necessary by the Technical Advisory Committee.

In most cases the employer will also have to guarantee employment. The Mission feels this is a very important aspect of the design.

c. Eligibility and Level of Trainees ^{1/}

While emphasis under the project is primarily placed on the private sector, individuals who leave public sector employment could be included in short-term training activities. Moreover, individuals who are currently employed in the public sector may under certain circumstances be eligible to participate in group training activities.

No Nicaraguans are restricted from participating in the training opportunities under this project. However, access to the program by individuals without a sponsoring organization could be inconsistent considering the emphasis on counterpart support, job relevance of training, and guaranteed employment upon return.

The levels of experience and education of the trainees will vary greatly. The U.S. Agent will organize training programs which range from auto mechanics to high level management. Each short-term activity will therefore be planned and carried out on a case by case basis.

d. Repayments and Conditions

Those trainees not complying with the agreement to return to work will be expected to make restitution covering training costs. Employees who return to work will not be expected to repay short-term training costs.

The Technical Advisory Committee will require in most cases that sponsoring groups help defray EDUCREDITO overhead expenses and assume some of the actual training costs, (i.e. salary maintenance while in training). This will conceivably make it possible to increase the coverage of the program.

^{1/} Due to the April 1981 Presidential Determination terminating ESF assistance to the GRN, no persons currently employed in the public sector will be eligible to participate in training activities financed under appropriated ESF assistance.

4. Long-Term Training

Approximately 20 academic scholarships will be awarded to individuals for whom subsequent employment is reasonably assured. The scholarships will provide graduate level training in fields relevant to economic and social development. Procedures for making the final determination with respect to fields of study, nominating and selecting candidates, and obtaining appropriate program training are detailed below.

a. Methodology

The scholarship recipients will study at the graduate level in U.S. universities, generally not to exceed two years. After completion, trainees will return to Nicaragua to work. EDUCREDITO will be assisted in implementing the project by the U.S. Agent who will provide orientation, assistance in obtaining admission from the universities, and supervision of the students while in the U.S.

b. Guarantees

In order to ensure his or her return to Nicaragua after completing a study program, the recipient will sign a loan contract which obligates him or her to repay the cost of the educational services received. Up to ninety percent of the loan will be forgiven on the basis of two years of work in Nicaragua for each year of study. The remaining ten percent of the loan will be repaid to EDUCREDITO by the student on varying terms at a modest interest rate. EDUCREDITO will use the repayments to reduce its operating deficit and to capitalize its student loan program. Compliance by the recipient with the terms of the loan contract will be further guaranteed by requiring a loan contract co-signer (guarantor) who will be responsible for the entire amount of the debt if the recipient fails to meet his or her obligations.

Although no demand studies have recently been done, the scholarship programs offered by other countries have attracted more than sufficient applicants to provide ample evidence of a high level of interest among potential degree candidates. U.S. educational institutions are held in very high esteem by most Nicaraguans, and many high and mid-level government officials and private sector managers are U.S. educated.

c. Eligible Recipients

Any Nicaraguan citizen, usually under 35 years of age, will be eligible to apply. Scholarship recipients will be required to meet EDUCREDITO's already established criteria (see Annex C.2 and C.3) for loan approval. This includes:

- (1) Excellent previous academic record.
- (2) Unable to finance the study program with his or her own resources.
- (3) A study program proposed in a field vital to the country's development.

In addition to these criteria, the following additional criteria will apply:

- (4) Capable of successfully completing an advanced program in a U.S. university in no more than two years.
- (5) Demonstrate leadership potential.
- (6) Currently employed in private sector and/or have reasonable probability of private sector employment upon completion of training.

d. Candidates and Aspirations

Candidates will be selected as a result of the COSEP survey described in Section II B, 2c which will have prioritized training needs for the country's development. Most trainees will already be employed and will have a job guaranteed by their sponsoring organization. These candidates will have very high aspirations, and it is anticipated they will be highly motivated both during and after training.

Most candidates will probably not speak English well enough to enter a long term program directly. In some cases, course prerequisites may also be lacking. If needed, both English language and preparatory courses will be included in the study program.

5. Institutional Strengthening

EDUCREDITO, which will carry major administrative responsibility for both the short and long-term trainees, will be strengthened through the project in two ways.

a. Financial Strengthening

The institutional analysis revealed that EDUCREDITO is undergoing a financial decline due to its inability to cover costs. This problem is discussed in detail in the Financial Analysis.

During project implementation, \$255,000 of Grant funds will be provided to EDUCREDITO over a three year period: \$55,000 in FY1981, \$100,000 in FY1982, and \$100,000 in FY1983. Private Sector counterpart resources during the life of the project is anticipated to total \$878,000, representing employers' salary maintenance during training and direct contributions to EDUCREDITO.

These contributions should cover EDUCREDITO's projected operating deficit and provide for a minimal level of capitalization during and after project implementation.

b. Technical Assistance

A management specialist will work with the EDUCREDITO staff for approximately two months in order to develop and implement a series of recommendations to improve both the efficiency and management of the institution. The areas of management which will be studied will include: accounting methods, collections, purchasing, budgeting, control and coordination. Recommendations could include developing new management techniques and strengthening those already in place.

A second short-term specialist will work with EDUCREDITO for a period of approximately two months to improve planning and implementation of the educational credit program. The consultant will advise EDUCREDITO on documentation of training requests, application forms, filing and record systems, identification of training priorities, selection processes, information systems and evaluations. The consultant must have an extensive knowledge and experience in systems similar to that of EDUCREDITO. He will assist in the design of the project's survey and should be familiar with U.S. short-term training as it relates to an LDC's training needs.

c. Equipment

Although no additional staff is forecasted, a small amount of equipment procurement is programmed. AID will finance office equipment and published materials on short and long-term training sources and opportunities. A bibliography of basic resource materials relevant to the project has already been requested from the U.S.

III. PROJECT ANALYSIS

A. Institutional Analysis

1. EDUCREDITO: History, Legal Status, Organization and Support

The Nicaraguan Development Institute (INDE) is a private non-profit association founded in 1963 and organized under Nicaraguan law. Most of its members are from the private sector and are bound by a common desire to participate in promoting Nicaragua's social and economic development. INDE has promoted numerous development activities, among which are the Fundación Nicaraguense de Desarrollo (FUNDE) and EDUCREDITO.

Organized in 1964, EDUCREDITO's purpose has been to help finance domestic and international university and technical studies for low income Nicaraguan students. Since its creation, EDUCREDITO has benefited more than 1,200 students for in-country training and approximately 200 students for training outside Nicaragua. As a result of its international training activities, EDUCREDITO has developed good working relations with such international training agencies as the Institute for International Education and the Latin American Scholarship Program of American Universities (LASPAU).

As shown in the organization chart, EDUCREDITO's Executive Board is in charge of administering the program. The Executive Board has thirteen (13) members: ten private sector representatives, one member from each of the two private universities and INDE's Executive Secretary. EDUCREDITO follows the general policies and lending regulations approved by the Board.

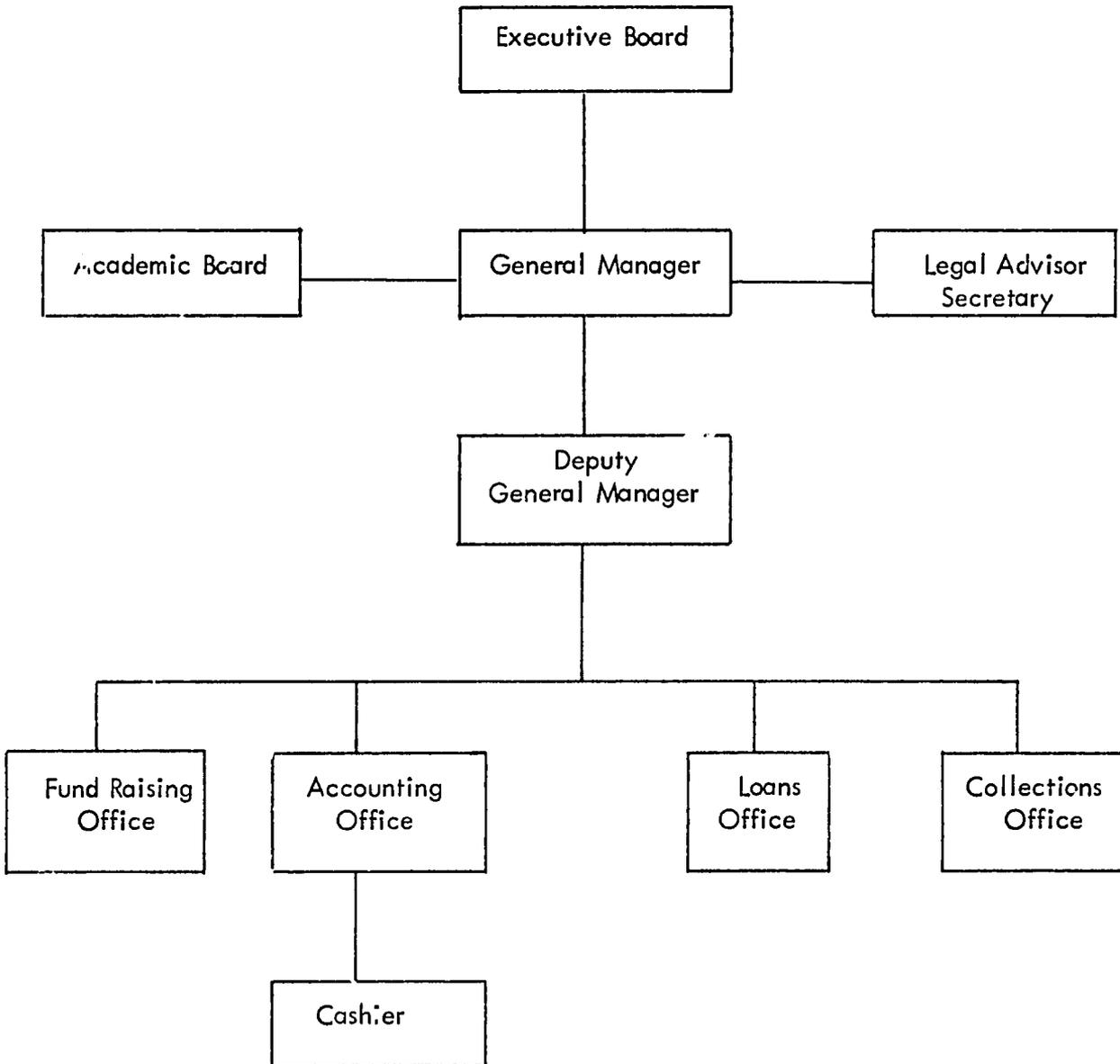
The General Manager of EDUCREDITO directs the activities of the institution, which is organized in a simple, but efficient manner. It has four basic units: Fund Raising, Accounting, Loans, and Collections. The Fund Raising Office is responsible for obtaining financial support from the private sector and other donors. The Accounting Office maintains the financial records. The Loan Office is in charge of loan applications and the Collections Office is in charge of debt servicing.

The Executive Board approves all loan applications. A special committee called the Academic Board, presided over by the General Manager, reviews the applications and sends the recommendations to the Executive Board. The General Manager is assisted by a legal advisor who works full time for INDE/FUNDE.

Though simple, the organization is adequate for the purpose of the institution, given its present low volume of operations. In fact, the existing structure and staff are capable of managing a larger volume than at present.

EDUCREDITO's support comes principally from private sector and international contributions. In 1980, 63 individuals and companies pledged contributions of approximately \$25,000 (see Annex C.4). As INDE has more than 600 members throughout the country, EDUCREDITO is attempting to work through INDE to increase its current level of contributions.

EDUCREDITO ORGANIZATION CHART



The organization has also received donations from international institutions. AID provided a grant of \$498,000 in September of 1979 for a special program of loans to low income youths and adults which enables them to acquire formal education at the university level. The Inter-American Foundation has also provided a small amount of funding. EDUCREDITO has received no direct support from the GRN.

2. EDUCREDITO Operations

a. Normal Lending Policies and Procedures

A student interested in receiving university or technical training can go to the EDUCREDITO offices or to one of the departmental offices of INDE to receive a verbal description of the program, a copy of EDUCREDITO's loan regulations (see Annex C.2) and an application form (see Annex C.3). One or more interviews may be necessary. Applicants must prove that they are good students, that they do not have sufficient economic resources with which to finance their studies, and that they will pursue a field of study vital to national development. After the application process is completed at the staff level, the Academic Board reviews the application and recommends acceptance or rejection through the General Manager to the Executive Board.

If the application for the loan is approved, the applicant signs a promissory note which is countersigned by two guarantors. This note approves financing for a specific period and may be renewed at regular intervals should the student request an amendment to the loan contract. This provides EDUCREDITO with up-to-date knowledge of each loan which could be used to collect money due from either the debtor or his guarantors.

At the end of his studies, the participant must sign a repayment contract (see Annex C.5). Repayment terms are negotiated on the basis of income and ability to pay. If necessary, the debtor can request a grace period of up to six months.

Interest on the loan is six percent during the period of study. Five alternatives for amortization of the loan are offered to the debtor. The interest rate varies according to the repayment period from eight percent for one year to twelve percent for five years. In carrying out this project, EDUCREDITO will covenant to utilize its approved lending policies, regulations and procedures.

b. EDUCREDITO Lending from 1976-1980

(1) In-country training. An analysis of 756 loans approved from 1976 to 1980 showed the following:

<u>COURSES</u>	<u>QUANTITY</u>	<u>PERCENTAGE</u>
Education	45	6
Agriculture and Related Fields	214	28
Engineering	95	13
Medicine and Related Fields	243	32
Administration, Economy and Related Fields	30	4
Social Sciences	15	2
Job Training	114	15
	<u>756</u>	<u>100%</u>

The level of studies financed for the same group is as follows:

<u>LEVEL</u>	<u>QUANTITY</u>	<u>PERCENTAGE</u>
University	428	57
Mid-level Technicians	214	28
Job Training	114	15
	<u>756</u>	<u>100%</u>

The emphasis in EDUCREDITO's lending programs has been directed primarily towards university studies at the undergraduate level. More recently, attention has also been given to mid-level technical training, especially in agriculture.

(2) International Training. Although EDUCREDITO's lending for training outside of Nicaragua has been limited due to its higher costs, 107 loans for international programs were provided between 1976 and 1980. These studies were conducted in the following geographic areas:

United States	18	17%
Canada	3	3%
Central America	26	24%
South America	22	21%
Mexico	25	23%
Europe	13	12%
	<u>107</u>	<u>100%</u>

Sixty-eight percent of the loans for studies outside the country were for studies in Latin America, with Mexico being the country most frequently utilized. In addition to the cultural aspects, emphasis has been placed on Latin American countries as they normally cost less than half as much as comparable programs in the United States or Europe. The students who went to the United States were most often provided with additional financing from the Latin American Scholarship Program of American Universities (LASPAU). Annex C.8 provides further information on international training to date.

A review of the professionals who have received EDUCREDITO assistance in the past shows that many have risen to important positions within the government and the private sector. A partial listing of former participants and their present positions is included in Annex C.9.

B. FINANCIAL ANALYSIS

1. EDUCREDITO's Present Financial Condition

The accounting of the institution is adequately maintained. The books are audited every year as part of an overall audit of INDE by outside auditors. EDUCREDITO's accounts are broken out in the audit to facilitate a separate review of its operations.

EDUCREDITO's balance sheet and income and expense statement (unaudited) to June 1981 are provided in Annex C.10. Assets are high and liabilities insignificant. Should a large number of accounts default simultaneously, it would be necessary to increase reserves for uncollectable debts. However, the balance sheet is healthy and there would be no significant change if there was a requirement to increase reserves.

In contrast to its healthy balance sheet, operational efficiency is not high. The cost of operations in comparison to income produced for the first six months of 1981 is as follows:

OPERATING REVENUE

Interest earned on loans	\$ 14,547.64
Collection of debts previously written off	671.00
Interest penalty payments	628.01
Interest generated on savings accounts	0
	<u>\$ 15,846.65</u>
<u>Operating Expenses:</u>	<u>\$ 47,666.99</u>
<u>Operating Deficit:</u>	<u>\$ (31,820.34) ^{1/}</u>

About 36% of the operating deficit was covered by private sector contributions as follows:

Operational deficit	\$ 31,820.34
Private Sector contributions	11,441.69
Remaining deficit	<u>\$ (20,378.65)</u>

^{1/} The above reflects a 17% reduction of the deficit of similar data observed as of November 1980.

2. The Financial Problem

A non-profit educational credit operation has two basic points of equilibrium. The first is when operational expenses equal operating income. The second is when disbursements on new loans equal principal repayments on old loans plus operating surplus. When both of these interrelated points have been reached, the institution can continue to capitalize itself.

Most educational credit operations have difficulty reaching the point of equilibrium due to the nature of the business. Student loans are extremely costly to manage because:

- they are personal loans which are costly to administer;
- they are supervised loans;
- the period of disbursement is long which necessitates high supervision costs and numerous disbursements; and
- the percentage of bad debts tends to be high.

As a program of this nature is expensive, theoretically the interest charged should be high enough to compensate for the costs. Nevertheless, given the social objective of this kind of program, educational credit institutions in general resist high interest rates. As a result, particularly in times of high inflation, operating deficits and decapitalization often occurs. To overcome these weaknesses, educational credit institutions need both a large loan portfolio and continued donations to meet expenses and to maintain an acceptable level of credit operations.

A large portfolio is important in order to take advantage of economies of scale. EDUCREDITO's experience demonstrates that in order to manage even a very small educational credit program, it is necessary to mount a minimum structure. EDUCREDITO's management is convinced that if additional capital were available, its existing structure could manage a much greater volume of operations without necessarily increasing personnel. Thus, the administrative potential of the organization is being wasted due to the current lack of sufficient working capital.

In order to achieve self-sufficiency, EDUCREDITO's patrimony would have to be many times larger than at present. The state of the Nicaraguan economy indicates that the private sector may not have the capacity to make this institution financially viable. However, EDUCREDITO is the only private sector Nicaraguan organization capable of carrying out this project. To ensure its continuation until the private sector recovers, AID will contribute \$255,000 to EDUCREDITO as discussed in Section B.5 of the project description. This amount should be sufficient to meet the operating expenses during the life of the project. The reflows from the 10% of the long-term scholarships that will be repaid to EDUCREDITO should cover some of the cash flow requirements projected for 1983-85 and beyond.

2. Collections

a. Loan Collection Status

As of June 30, 1981, EDUCREDITO's total portfolio of 506 loans amounted to \$400,000 of which \$180,000 (45%) is classified as "active" loans, (i.e. the recipients are still studying). The loans currently due for repayment total approximately \$220,000 (55%). Of the total loans now in repayment, 79% are paid up-to-date. The following table details the repayment status of the \$220,000 currently due for repayment.

<u>Loan Repayment Status</u>	<u>(US \$000)</u>	
Up-to-date loan payments	174	79%
One or more loan payments in arrears	<u>46</u>	<u>21%</u>
	<u>\$220</u>	<u>100%</u>

Arrearages of 21% would be considered disastrous by a banking institution. However, EDUCREDITO's educational loans must be viewed from a different perspective. They are personal loans to debtors who live in a developing country with many economic and social problems (e.g. a war-torn economy and escalating inflation). There is little difference in EDUCREDITO's experience than that of other educational loan programs in Latin America. For example, the Central American Institute of Business Administration (INCAE), which has an educational loan program financed with A.I.D. funds, has arrearages of 25%.

The following is an analysis of the active loan portfolio arrearages as of June 30, 1981:

<u>NUMBER OF PAYMENTS</u>	<u>IN ARREARS</u>	<u>AMOUNT</u>	<u>%</u>
45	1-3 months	\$ 3,373.80	8%
28	4-6 "	" 6,110.07	13%
20	7-9 "	" 6,769.27	15%
13	10-12 "	" 5,264.98	11%
13	1-1-1/2 years	" 6,490.26	14%
4	1-1/2-2 "	" 984.58	2%
<u>47</u>	2 to more "	<u>" 17,269.64</u>	<u>37%</u>
170		<u>\$ 46,262.63</u>	<u>100%</u>

In view of the severe economic dislocations that Nicaragua has faced over the past few years, it is not surprising that some delays in payment have been experienced by EDUCREDITO. A further analysis of the above active loan with arrearages indicates that some of the borrowers are continuing to make repayments. As the following table^{1/} indicates, of the 148 debtors in default, 116 are making some payments back to EDUCREDITO. This reflects the good effort on the part of EDUCREDITO to recover the debts.

^{1/} Reflects only 1980 data as 1981 data is not available.

<u>Loan Arrearage Recovery</u>					<u>%</u>
32	debtors	paid	0	quotas	(22%)
22	"	"	1	"	(15%)
21	"	"	2	"	(14%)
21	"	"	3	"	(14%)
18	"	"	4	"	(12%)
7	"	"	5	"	(5%)
12	"	"	6	"	(8%)
8	"	"	7	"	(5%)
3	"	"	8	"	(2%)
4	"	"	9	"	(3%)
<u>148</u>					<u>100%</u>

b. Bad Debts

An account is declared uncollectable when neither the debtor nor the guarantors can be located. When the institution began, loans were not well administered and an insufficient number of guarantors were required. When the earthquake occurred, resulting in the destruction of the city of Managua, many of the debtors' files were lost. This situation was worsened by the recent civil war.

Although 143 loans totaling \$32,571.00 have been declared uncollectable to date, EDUCREDITO has continued making strenuous efforts to recover these debts. As a result, a number of the debtors have been located and a total of \$11,053.00 was recovered by the end of 1980. EDUCREDITO intends to continue recovering bad debts. Its experience demonstrates that tardy debtors can be located. Although its experience is not exemplary, EDUCREDITO is making an effort in good faith to collect these debts under very difficult circumstances.

4. Financial Effects of the Project on EDUCREDITO

As detailed below and as amplified in Annex C, the project will have a direct effect on the operations, balance sheet, and cash flow of EDUCREDITO.

a. Effect on Operations

Implementation of the project will have minor financial effects on EDUCREDITO's operations. The incremental effects are estimated as follows:

	(US\$000)				
	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
<u>Income:</u>					
Interest Earned	-0-	-0-	-0-	-0-	-0-
<u>Expenses:</u>					
Office Expenses	5	5	3	-0-	-0-
Collections Expense	<u>-0-</u>	<u>-0-</u>	<u>1</u>	<u>2</u>	<u>2</u>
Net Effect:	(5)	(5)	(4)	(2)	(2)

The above analysis assumes the following:

- all long-term trainees return to Nicaragua in Jan/Feb 1984 and Aug/Sept 1984;
- no additional personnel are hired by EDUCREDITO for the project;
- there is a 90% debt forgiveness on long-term training loans;
- all students pay their loans on time; and
- 6% interest will be charged on the capitalized outstanding balance on all loans for long-term training.

b. Effect on Balance Sheet

Implementation of the project is expected to have major positive effects on EDUCREDITO's Balance Sheet. It should be noted that EDUCREDITO's total assets as of December 1980 totaled \$479,000. The total assets of EDUCREDITO will rise up to \$909,000 in 1985. This \$430,000 difference is a substantial (90%) overall increase in total assets. Taking into account the loan financed long-term training, the figures below also indicate a \$100,000 increase in EDUCREDITO's lending.

Comparison of Balance Sheet Projections
(US\$000)

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
<u>Assets</u>						
Cash Assets	154	110	249	320	239	117
Loans Receivable	302	490	707	763	759	770
Net Fixed Assets	23	22	22	22	22	22
Total Assets	<u>479</u>	<u>622</u>	<u>978</u>	<u>1,105</u>	<u>1,020</u>	<u>909</u>
Total Assets: Yearly						
Increase (Decrease)		143	356	127	(85)	(111)
Cumulative Increase						
(Decrease)		143	499	626	541	430
<u>Net Worth</u>						
Cumulative Increase						
(Decrease)		143	499	626	541	430

The above analysis assumes that there are no dropouts nor bad debts under the long-term training program. This analysis further assumes that the AID contribution of \$255,000 is used entirely for covering operational expenses during the life of the project. If as anticipated, on-going and new private sector contributions can be utilized to strengthen lending operations, the resulting capitalization would result in an even more positive balance sheet than the one presented here. This will very likely occur under the current project design.

c. Effect on Cash Flow

As the following cash flow projections indicate, the project will have administrative costs covered during the life of the project. In addition, the cash flow reflects that AID's institutional support will provide a firm basis for on-going operations after the project is completed.

EDUCREDITO CASH FLOW PROJECTION 1981 - 1985 ^{1/}

(US\$000)

	<u>1981 (*)</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>Total</u>
CASH-BEGINNING BALANCE	90	110	249	320	239	90
<u>Sources</u>						
Donation - AID Grant 524-0177	100	188				288
Donation - Private Sector	7	20	22	24	26	99
Donation - Private Sector to Project		35	57	8		100
Professional Fund Raising Campaign	3	10	11	12	13	49
Non-Project Loans Repayments (Princ. & Interest)	35	71	69	84	79	338
	145	324	159	128	118	874
Grant 524-0189A Institutional Support	55	100	100	0	0	255
Generated Inflows	200	424	259	128	118	1,129
<u>Total Funds Available</u>	290	534	508	448	357	1,219
<u>Applications</u>						
Undisb. Balance of App. Loans	25					25
New Loans and Renewals	100	188	75	80	90	533
Adm. Expenses	55	97	113	129	150	544
<u>TOTAL OUTFLOWS</u>	180	285	188	209	240	1,102
<u>CASH BALANCE</u>	110	249	320	239	117	117

^{1/} See Annex C.11 for assumptions and accompanying notes

* Reflects estimations for July through December 1981

5. Summary Budget and Financial Plan

The proposed project will total \$4,378,000 of which AID will contribute \$3,500,000 and counterpart contributions will total \$878,000. The project will be financed over a three year period. Table 1 details projected AID obligations by fiscal year. Table 2 details the estimated cost of project activities through the life of project funding. This includes both AID and counterpart contributions.

TABLE 1. Aid Fiscal Year Obligations
\$US (000)

<u>Fiscal Year</u>	<u>AID Grant</u>
1981	1,000
1982	1,250
1983	1,250
<u>Total</u>	<u>\$3,500</u>

TABLE 2. Summary Budget
US\$ (000)

<u>Component</u>	<u>AID</u>	<u>COUNTERPART</u>	<u>TOTAL</u>
Short Term Training	2,052	369	2,421
Long Term Training	888	336	1,224
Institutional Support	255	100	355
Technical Assistance	45	0	45
Evaluation	12	0	12
Inflation/contingency	248	73	321
<u>Total</u>	<u>3,500</u>	<u>878</u>	<u>4,378</u>

The project will be implemented in slightly under a three year period beginning in September 1981. Table 3 details the financial plan for the project.

TABLE 3. Financial Plan
\$U.S. (000)

Components	<u>First Year</u>		<u>Second year</u>		<u>Final Year</u>		Total
	AID	CP <u>1/</u>	AID	CP	AID	CP	
Short-Term training <u>2/</u>	889	160	831	149	332	60	2,421
Long-Term training <u>2/</u>	444	84	444	168	0	84	1,224
Institutional Support	100	45	100	45	55	10	355
TA & Commodities	45	0	0	0	0	0	45
Evaluation	0	0	6		6		12
Inflation/Contingency (15%)			191	48	57	25	321
Total	1,478	289	1,572	410	450	179	4,378

1/ Counterpart consists of salary maintenance while in training estimated at \$700/m and direct LOP institutional support of \$100,000.

2/ All estimated monthly participant costs are based on standard S&T/IT estimated costs for training.

C. Economic Analysis

The economic benefits and costs of educational activities have been widely studied in the past two decades. While education had previously been viewed by many as a form of consumption, these studies have clearly shown that expenditures on education are more appropriately viewed as investments, generally ones with very favorable returns.

AID has vast experience with providing short and long-term training to people from developing countries. This experience has led to a virtual consensus as to the very substantial economic returns that such training generates. Graduates of U.S. training programs and universities generally return to become the most technically advanced in their respective nations, contributing to economic growth both directly and through the leadership roles they exert among their colleagues. Frequently, this leadership goes beyond technical areas. The experience of advanced U.S. training has helped thousands of people from developing countries to assume positions of leadership in economic, political, social and cultural affairs.

With regard to the proposed project, the Mission believes that the potential benefits are particularly high. As noted in the Background Section, the shortage of skilled manpower has become acute as a result of the war. Many observers believe that this shortage of well-trained and experienced personnel may well be a more significant constraint on Nicaragua's development than is the loss of physical assets.

The Project will upgrade and improve the technical, managerial and administrative abilities of an estimated 270 Nicaraguans employed in the private sector. It is anticipated that the training proposed will result in direct increases in private sector production, employment and income. There are no means to realistically quantify these benefits, but previous experiences in similar projects suggest they will amply justify the costs involved.

As detailed in the Project Description, the Project has been designed to maximize economies of scale where they exist. For example, where opportunities occur to combine individual training needs into group programs, this format will be utilized. Moreover, the U.S. Agent will, to the extent feasible, utilize existing training programs and programs which do not require English language training.

In undertaking the intensive review of the Project, consideration was also given to the in-country and third country training. As compared with these alternatives, the proposed project design offers the best opportunity to take advantage of a wide variety of excellent training resources, to familiarize participants with U.S. managerial and technological advances and to expose many Nicaraguans to our competitive economic system and form of government. The Project Committee has concluded that the training incorporated under this project is deemed the most appropriate and the most effective.

D. Social Analysis

Since the conclusion of the 1978-79 civil strife, Nicaragua has experienced a marked transition from a relatively open society to one predominately under control of a Marxist leaning government. There has been increased governmental control of the press, political parties, unions, and virtually all other organized groups within the society. This has included the formation of "mass organizations" for campesinos, workers, women, youth, and militia training. These groups are highly political and broad participation is encouraged.

The GRN has also nationalized banks and insurance companies, confiscated businesses and "intervened" many companies and properties for a variety of economic and political reasons. At the same time, the GRN and its institutions have launched strong attacks on the private sector. Measures have included new taxes, failure to provide foreign exchange for capital goods and raw materials, the creation of labor problems, charging owners with unproven violations of the law, character assassination, etc. Although resilient in its efforts to promote a more open, mixed, and democratic society, the private sector is currently demoralized. This in turn affects their ability to promote the development of social, political, and economic institutions. At stake is the direction the Nicaraguan society will take in its evolution over the next several decades.

While it is difficult to assess the extent to which this project will invigorate the embattled democratic elements in the society, it does respond to these issues in two ways. First, it expands the pool of leadership and technical talent available to lead the private sector. As discussed in prior sections, about 526 person months of short-term and 480 person months of long-term training will be completed under the project. Over 280 trained people will be trained in technical, administrative and managerial areas identified as critically needed by the private sector. It is estimated that each of the returned participants will have a positive and direct influence on their fellow colleagues and on those institutions in which they work. As most trainees will be from enterprises affiliated with COSEP, the spread effect will have an impact on over 100 chambers and associations who represent tens of thousands of members. By providing skilled and leadership manpower, the project should enhance the possibilities of the private sector's survival by making it more responsive, self-sufficient and productive. The project is designed in such a way that training will be relevant, will be put to use immediately, and will have an impact where needed.

Second, the project will strengthen one of the private sector's many progressive institutions. As EDUCREDITO is the central point of private sector efforts to promote educational opportunities, its strengthening will result in increased educational opportunities for private sector individuals and in a broader appreciation of its role within the private sector. It is envisioned that upon completion of the project, EDUCREDITO will serve as a focal point to provide the wherewithal to produce the human resource skills needed for the private sector in the years to come.

IV IMPLEMENTATION PLAN

A. Administrative Considerations

The project grantee and implementing organization will be the Nicaraguan Development Institute's EDUCREDITO program. The General Manager of EDUCREDITO will be responsible for the overall direction, coordination and liaison of the project with the U.S. Agent, the Technical Advisory Committee, private sector institutions and USAID/Nicaragua. Applicant processing and selection will be under the administration of EDUCREDITO. Placement of trainees in the U.S. and subsequent arrangements for orientation, travel, evaluation, etc., will be under the direction of the U.S. Agent.

B. Disbursements

Obligations under the project will be taken from FY1981 Economic Support Funds (ESF) and FY1982 and FY1983 Development Assistance (DA) funds. The first obligation under the project will be for \$1.0 million and subsequent obligations are estimated at \$1.25 million in FY1982 and \$1.25 million in FY1983.

C. Procurement

1. Technical Assistance and Commodities

With the exception of the procurement of one vehicle, EDUCREDITO's procurement regulations will be utilized to the extent that they do not conflict with AID statutory restrictions. All goods and/or services financed under the project will have their source and origin in Central America or the United States. The justification for local procurement is based on the availability of lower cost goods and services and on the need to place as many resources as possible into training activities. In addition, locally procured goods and services will best promote the overall objectives of the U.S. Government Foreign Assistance Program for Nicaragua.

2. Contracting of the U.S. Agent

The U.S. Agent will have major implementation responsibilities under the project and careful consideration must be given to its selection. As detailed in Section II B 2, the contracted agent must: (a) have a thorough knowledge of U.S. training institutions which have long and/or short-term training capabilities in the specific areas covered in this project, (b) have familiarity with institutions providing short-term training in Spanish, (c) have capabilities to tailor make programs, (d) be able to participate fully in the Technical Advisory Committee, and (e) be able to assist EDUCREDITO strengthen itself institutionally and in its ability to conduct the post training evaluations.

D. Implementation Schedule

The project is planned for implementation in slightly under a three year period. Work will begin in September 1981 and will be concluded by December 1983. The anticipated scheduling of major events in the implementation of project activities is as follows:

<u>EVENT</u>		<u>TIME</u>
Project Approved	September	1981
Grant Agreement Signed	September	1981
Technical Advisory Committee Formed	September	1981
Initial CP's Met	October	1981
U.S. Agent Selected and Contracted	October	1981
Survey/Questionnaire Designed and Distributed	October	1981
Procurement Initiated	October	1981
Technical Assistance Contracted and Initiated	November	1981
Survey/Questionnaire Returned from COSEP Members	November	1981
Tentative Lists of Training Needs and Candidates Provided to U.S. Agent	December	1981
U.S. Agent Provides Information on Availability of U.S. Training	December	1981
Training Lists and Initial Candidates Presented to Mission for approval	December	1981
All CPs Met	December	1981
5 Long Term Trainees Depart	January	1982
90 p/m U.S. Short Term Training Initiated	January-March	1982
5 Long Term Trainees Depart	February	1982
90 p/m U.S. Short Term Training Initiated	April-June	1982
First Evaluation Completed	July	1982

48 p/m U.S. Short Term Training Initiated	July-September	1982
5 Long Term Trainees Depart	August	1982
5 Long Term Trainees Depart	September	1982
60 p/m U.S. Short Term Training Initiated	October-December	1982
53 p/m U.S. Short Term Training Initiated	January-March	1983
50 p/m U.S. Short Term Training Initiated	April-June	1983
50 p/m U.S. Short Term Training Initiated	July-September	1983
85 p/m U.S. Short Term Training Initiated	October-December	1983
Final Evaluation	February	1984

E. Evaluation Plan

The first evaluation of the project will occur in July 1982. The evaluation will include: (a) progress in strengthening EDUCREDITO institutionally, (b) success in placing short-term training candidates, and (c) implementation status of the long-term training component of the project. A second more comprehensive evaluation is scheduled for completion in February of 1984. This evaluation will include analyses of (a) achievement of goal and purpose (b) the institutional self-sufficiency of EDUCREDITO, (c) the projected growth patterns of EDUCREDITO financed training programs and (d) the status of implementation of the various recommended improvements developed by the technical assistance provided for under the Project. Both evaluations are to be financed by project funds and undertaken by an independent organization.

F. Conditions and Covenants

1. Condition Precedent to Initial Disbursement

Prior to any disbursement, or to the issuance of any commitment documents under the Project Agreement, EDUCREDITO shall furnish, in form and substance satisfactory to AID, evidence that the Technical Advisory Committee is established and functioning as described in the Agreement.

2. Condition Precedent to Disbursement for Training

Prior to any disbursement, or to the issuance of any commitment documents under the Project Agreement for training, EDUCREDITO shall furnish, in form and substance satisfactory to AID, a detailed time-phased implementation plan and the initial list of training courses and recommended candidates for the first year of the Project.

3. Covenants

Except as AID shall otherwise agree in writing, EDUCREDITO will covenant that:

(a) it will utilize normal EDUCREDITO lending policies and procedures in carrying out loan financed training under the project.

(b) It will utilize all AID resources provided to EDUCREDITO for institutional support to cover operating expenses, and any remaining AID funds shall be utilized to finance additional U.S. short and long-term training.

(c) As self sufficiency of the institution is a primary objective of EDUCREDITO, it will, to the maximum extent possible, continue to solicit private sector financial support as a means of reaching this objective.

(d) Upon completion of the technical assistance being provided for under the project, EDUCREDITO shall furnish, in form and substance satisfactory to AID, a long-term plan for achievement of self sufficiency, which will be revised and updated during the life of the project as mutually agreed upon by AID and EDUCREDITO.

DRAFT AUTHORIZATION

Name of Country: Nicaragua
Name of Project: Training for Leadership
Number of Project: 524-0189A

1. Pursuant to Section 105 of the Foreign Assistance Act of 1961, as amended, I hereby authorized the Training for Leadership Project for Nicaragua involving planned obligations not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) in grant funds over a three year period from the date of authorization, subject to the availability of funds and in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the project.
2. The project consists of (a) financing short-term training in the U.S. (\$2,230,000), (b) financing long-term training in the U.S. (\$958,000) and (c) support for the strengthening of EDUCREDITO (\$312,000). Except as AID may otherwise agree in writing these amounts may be increased or decreased in amounts not to exceed 15% of the aggregate total.
3. The Project Agreement, which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority, shall be subject to the following essential terms, covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate:
 - a. Source and Origin of Goods and Services

Goods and services, except for ocean shipping, financed by A.I.D. under the project shall have their source and origin in the Central American Common Market or in the United States, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

c. Condition Precedent to Initial Disbursement

Prior to any disbursement, or to the issuance of any commitment documents under the Project Agreement, EDUCREDITO shall furnish, in form and substance satisfactory to AID, evidence that the Technical Advisory Committee is established and functioning as described in the Agreement.

d. Condition Precedent to Disbursement for Training

Prior to any disbursement, or to the issuance of any commitment documents under the Project Agreement for training, EDUCREDITO shall furnish, in form and substance satisfactory to AID, a detailed time-phased implementation plan and the initial list of training courses and recommended candidates for the first year of the Project.

e. Special Covenants

Except as AID shall otherwise agree in writing, EDUCREDITO will covenant that:

(a) It will utilize normal EDUCREDITO lending policies and procedures in carrying out loan-financed training under the project.

(b) It will utilize all AID resources provided to EDUCREDITO for institutional support to cover operating expenses, and any remaining AID funds shall be utilized to finance additional U.S. short and long-term training.

(c) As self-sufficiency of the institution is a primary objective of EDUCREDITO, it will, to the maximum extent possible, continue to solicit private sector financial support as a means of reaching this objective.

Acting Assistant Administrator
Bureau for Latin America
and the Caribbean

Date

5C(1) - COUNTRY CHECKLIST

Listed below are, first, statutory criteria applicable generally to FAA funds, and then criteria applicable to individual fund sources: Development Assistance and Economic Support Fund.

A. GENERAL CRITERIA FOR COUNTRY ELIGIBILITY

1. FAA Sec. 116. Can it be demonstrated that contemplated assistance will directly benefit the needy? If not, has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights?

Will directly benefit the needy

2. FAA Sec. 481. Has it been determined that the government of recipient country has failed to take adequate steps to prevent narcotics drugs and other controlled substances (as defined by the Comprehensive Drug Abuse Prevention and Control Act of 1970) produced or processed, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country to U.S. Government personnel or their dependents, or from entering the United States unlawfully?

No

3. FAA Sec. 620(b). If assistance is to a government, has the Secretary of State determined that it is not controlled by the international Communist movement?

N/A

4. FAA Sec. 620(c). If assistance is to government, is the government liable as debtor or unconditional guarantor on any debt to a U.S. citizen for goods or services furnished or ordered where (a) such citizen has exhausted available legal remedies and (b) debt is not denied or contested by such government?

N/A

5. FAA Sec. 620(e)(1). If assistance is to a government, has it (including government agencies or subdivisions) taken any action which has the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without taking steps to discharge its obligations toward such citizens or entities?

N/A

A.

- | | | |
|--|-----|--|
| <p>6. <u>FAA Sec. 620(a), 620(f); FY 79 App. Act, Sec. 104, 114 and 606.</u> Is recipient country a Communist country? Will assistance be provided to the Socialist Republic of Vietnam, Cambodia, Laos, Cuba, Uganda, Mozambique, or Angola?</p> | No | |
| <p>7. <u>FAA Sec. 620(i).</u> Is recipient country in any way involved in (a) subversion of, or military aggression against, the United States or any country receiving U.S. assistance, or (b) the planning of such subversion or aggression?</p> | Yes | <p>The President determined that Nicaragua was involved in arms movement to El Salvador in early 1981. However, it is unclear whether this activity is continuing.</p> |
| <p>8. <u>FAA Sec. 620 (j).</u> Has the country permitted, or failed to take adequate measures to prevent, the damage or destruction, by mob action, of U.S. property?</p> | No | |
| <p>9. <u>FAA Sec. 620(l).</u> If the country has failed to institute the investment guaranty program for the specific risks of expropriation, convertibility or confiscation, has the AID Administrator within the past year considered denying assistance to such government for this reason?</p> | N/A | |
| <p>10. <u>FAA Sec. 620(o); Fishermen's Protective Act of 1967, as amended, Sec. 5.</u> If country has seized, or imposed any penalty or sanction against, any U.S. fishing activities in international waters:</p> <p style="margin-left: 20px;">a. has any deduction required by the Fishermen's Protective Act been made?</p> <p style="margin-left: 20px;">b. has complete denial of assistance been considered by AID Administrator?</p> | N/A | |
| <p>11. <u>FAA Sec. 620; FY 79 App. Act, Sec. 603.</u>
(a) Is the government of the recipient country in default for more than 6 months on interest or principal of any AID loan to the country?
(b) Is country in default exceeding one year on interest or principal on U.S. loan under program for which App. Act appropriates funds?</p> | Yes | |
| <p>12. <u>FAA Sec. 620(s).</u> If contemplated assistance is development loan or from Economic Support Fund, has the Administrator taken into account the percentage of the country's budget which is for military expenditures, the amount of foreign exchange spent on military equipment and the</p> | | <p>Yes as reported in annual report on implementation of Sec. 620 (5)</p> |

A.12.

amount spent for the purchase of sophisticated weapons systems? (An affirmative answer may refer to the record of the annual "Taking Into Consideration" memo: "Yes, as reported in annual report on implementation of Sec. 620(s)." This report is prepared at time of approval by the Administrator of the Operational Year Budget and can be the basis for an affirmative answer during the fiscal year unless significant changes in circumstances occur.)

13. FAA Sec. 620(t). Has the country severed diplomatic relations with the United States? If so, have they been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption? No
14. FAA Sec. 620(u). What is the payment status of the country's U.N. obligations? If the country is in arrears, were such arrearages taken into account by the AID Administrator in determining the current AID Operational Year Budget? Yes
15. FAA Sec. 620A, FY 79 App. Act, Sec. 607. Has the country granted sanctuary from prosecution to any individual or group which has committed an act of international terrorism? No
16. FAA Sec. 666. Does the country object, on basis of race, religion, national origin or sex, to the presence of any officer or employee of the U.S. there to carry out economic development program under FAA? No
17. FAA Sec. 669, 670. Has the country, after August 3, 1977, delivered or received nuclear enrichment or reprocessing equipment, materials, or technology, without specified arrangements or safeguards? Has it detonated a nuclear device after August 3, 1977, although not a "nuclear-weapon State" under the nonproliferation treaty? No

B. FUNDING CRITERIA FOR COUNTRY ELIGIBILITY1. Development Assistance Country Criteria

- a. FAA Sec. 102(b)(4). Have criteria been established and taken into account to assess commitment progress of country in effectively involving the poor in development, on such indexes as: (1) increase in agricultural productivity through small-farm labor intensive agriculture, (2) reduced infant mortality, (3) control of population growth, (4) equality of income distribution, (5) reduction of unemployment, and (6) increased literacy? N/A

B.1.

b. FAA Sec. 104(d)(1). If appropriate, is this development (including Sahel) activity designed to build motivation for smaller families through modification of economic and social conditions supportive of the desire for large families in programs such as education in and out of school, nutrition, disease control, maternal and child health services, agricultural production, rural development, and assistance to urban poor?

N/A

2. Economic Support Fund Country Criteria

a. FAA Sec. 502B. Has the country engaged in a consistent pattern of gross violations of internationally recognized human rights?

No

b. FAA Sec. 533(b). Will assistance under the Southern Africa program be provided to Mozambique, Angola, Tanzania, or Zambia? If so, has President determined (and reported to the Congress) that such assistance will further U.S. foreign policy interests?

No

c. FAA Sec. 609. If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made?

N/A

d. FY 79 App. Act, Sec. 113. Will assistance be provided for the purpose of aiding directly the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights?

No

e. FAA Sec. 620B. Will security supporting assistance be furnished to Argentina after September 30, 1978?

No

5C(2) - PROJECT CHECKLIST

Listed below are statutory criteria applicable generally to projects with FAA funds and project criteria applicable to individual fund sources: Development Assistance (with a subcategory for criteria applicable only to loans); and Economic Support Fund.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? Yes
HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PRODUCT? Yes

A. GENERAL CRITERIA FOR PROJECT

1. FY 79 App. Act Unnumbered; FAA Sec. 653 (b); Sec. 634A. (a) Describe how Committees on Appropriations of Senate and House have been or will be notified concerning the project; (b) is assistance within (Operational Year Budget) country or international organization allocation reported to Congress (or not more than \$1 million over that figure)?

Notification sent in **August 1981**

2. FAA Sec. 611(a)(1). Prior to obligation in excess of \$100,000, will there be (a) engineering, financial, and other plans necessary to carry out the assistance and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

Yes

3. FAA Sec. 611(a)(2). If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance?

N/A

4. FAA Sec. 611(b); FY 79 App. Act Sec. 101. If for water or water-related land resource construction, has project met the standards and criteria as per the Principles and Standards for Planning Water and Related Land Resources dated October 25, 1973?

N/A

5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and all U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability effectively to maintain and utilize the project?

N/A

6. FAA Sec. 209. Is project susceptible of execution as part of regional or multilateral project? If so why is project not so executed? Information and conclusion whether assistance will encourage regional development programs.

No

A.

7. FAA Sec. 601(a). Information and conclusions whether project will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.

N/A

8. FAA Sec. 601(b). Information and conclusion on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

N/A

9. FAA Sec. 612(b); Sec. 616(h). Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized to meet the cost of contractual and other services.

N/A

10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?

No

11. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

N/A

12. FY 79 App. Act Sec. 608. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar, or competing commodity?

N/A

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

a. FAA Sec. 102(b); 111; 113; 281a. Extent to which activity will (a) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained

B.1.a.

basis, using the appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries?

b. FAA Sec. 103, 103A, 104, 105, 106, 107.
Is assistance being made available: (include only applicable paragraph which corresponds to source of funds used. If more than one fund source is used for project, include relevant paragraph for each fund source.)

(1) [103] for agriculture, rural development or nutrition; if so, extent to which activity is specifically designed to increase productivity and income of rural poor; [103A] if for agricultural research, is full account taken of needs of small farmers;

(2) [104] for population planning under sec. 104(b) or health under sec. 104(c); if so, extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems and other modes of community research.

(3) [105] for education, public administration, or human resources development; if so, extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and urban poor, or strengthens management capability of institutions enabling the poor to participate in development;

(4) [106] for technical assistance, energy, research, reconstruction, and selected development problems; if so, extent activity is:

(i) technical cooperation and development, especially with U.S. private and voluntary, or regional and international development, organizations;

(ii) to help alleviate energy problems;

(iii) research into, and evaluation of, economic development processes and techniques;

(iv) reconstruction after natural or manmade disaster;

Project will utilize U.S. universities and institutions to develop appropriate leadership skills to support self-help measures.

Training to be provided under this Project will strengthen technical, administrative and managerial skills.

B.1.b.(4).

(v) for special development problem, and to enable proper utilization of earlier U.S. infrastructure, etc., assistance;

(vi) for programs of urban development, especially small labor-intensive enterprises, marketing systems, and financial or other institutions to help urban poor participate in economic and social development.

c. [107] Is appropriate effort placed on use of appropriate technology?

Yes

d. FAA Sec. 110(a). Will the recipient country provide at least 25% of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or has the latter cost-sharing requirement been waived for a "relatively least-developed" country)?

Yes

e. FAA Sec. 110(b). Will grant capital assistance be disbursed for project over more than 3 years? If so, has justification satisfactory to the Congress been made, and efforts for other financing, or is the recipient country "relatively least developed"?

No

f. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development, and supports civil education and training in skills required for effective participation in governmental and political processes essential to self-government.

Project responds directly to the training needs of the private sector in Nicaragua.

g. FAA Sec. 122(b). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase or productive capacities and self-sustaining economic growth?

Yes

2. Development Assistance Project Criteria (Loans Only)

a. FAA Sec. 122(b). Information and conclusion on capacity of the country to repay the loan, including reasonableness of repayment prospects.

N/A

b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete in the U.S. with U.S. enterprise, is there an agreement by the recipient country to prevent export to the U.S. of more than 20% of the enterprise's annual production during the life of the loan?

N/A

ANNEX B

B.

3. Project Criteria Solely for Economic Support Fund

a. FAA Sec. 531(a). Will this assistance support promote economic or political stability? To the extent possible, does it reflect the policy directions of section 102?

Yes

b. FAA Sec. 533. Will assistance under this chapter be used for military, or paramilitary activities?

No

5C(3) - STANDARD ITEM CHECKLIST

Listed below are statutory items which normally will be covered routinely in those provisions of an assistance agreement dealing with its implementation, or covered in the agreement by imposing limits on certain uses of funds.

These items are arranged under the general headings of (A) Procurement, (B) Construction, and (C) Other Restrictions.

A. Procurement

1. FAA Sec. 602. Are there arrangements to permit U.S. small business to participate equitably in the furnishing of goods and services financed? Yes
2. FAA Sec. 604(a). Will all commodity procurement financed be from the U.S. except as otherwise determined by the President or under delegation from him? Yes
3. FAA Sec. 604(f). If the cooperating country discriminates against U.S. marine insurance companies, will agreement require that marine insurance be placed in the United States on commodities financed? Yes
4. FAA Sec. 604(e). If offshore procurement of agricultural commodity or product is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? N/A
5. FAA Sec. 608(a). Will U.S. Government excess personal property be utilized wherever practicable in lieu of the procurement of new items? N/A
6. FAA Sec. 603. (a) Compliance with requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 per centum of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S.-flag commercial vessels to the extent that such vessels are available at fair and reasonable rates. Yes
7. FAA Sec. 621. If technical assistance is financed, will such assistance be furnished to the fullest extent practicable as goods and professional and other services from private enterprise on a contract basis? If the Yes

A.7.

facilities of other Federal agencies will be utilized, are they particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs?

8. International Air Transport. Fair Competitive Practices Act, 1974. If air transportation of persons or property is financed on grant basis, will provision be made that U.S.-flag carriers will be utilized to the extent such service is available? Yes

9. FY 79 App. Act Sec. 105. Does the contract for procurement contain a provision authorizing the termination of such contract for the convenience of the United States? N/A

B. Construction

1. FAA Sec. 601(d). If a capital (e.g., construction) project, are engineering and professional services of U.S. firms and their affiliates to be used to the maximum extent consistent with the national interest? N/A

2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? N/A

3. FAA Sec. 620(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the United States not exceed \$100 million? N/A

C. Other Restrictions

1. FAA Sec. 122 (e). If development loan, is interest rate at least 2% per annum during grace period and at least 3% per annum thereafter? N/A

2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? Yes

3. FAA Sec. 620(h). Do arrangements preclude promoting or assisting the foreign aid projects or activities of Communist-bloc countries, contrary to the best interests of the United States? Yes

4. FAA Sec. 636(). Is financing not permitted to be used, without waiver, for purchase, long-term lease, or exchange of motor vehicle manufactured outside the United States, or guaranty of such transaction? Yes

c.

5. Will arrangements preclude use of financing:

- a. FAA Sec. 104(f). To pay for performance of abortions or to motivate or coerce persons to practice abortions, to pay for performance of involuntary sterilization, or to coerce or provide financial incentive to any person to undergo sterilization? Yes
- b. FAA Sec. 620(g). To compensate owners for expropriated nationalized property? Yes
- c. FAA Sec. 660. To finance police training or other law enforcement assistance, except for narcotics programs? Yes
- d. FAA Sec. 662. For CIA activities? Yes
- e. FY 79 App. Act Sec. 104. To pay pensions, etc., for military personnel? Yes
- f. FY 79 App. Act Sec. 106. To pay U.N. assessments? Yes
- g. FY 79 App. Act Sec. 107. To carry out provisions of FAA sections 209(d) and 251(h)? (Transfer of FAA funds to multilateral organizations for lending.) Yes
- h. FY 79 App. Act Sec. 112. To finance the export of nuclear equipment, fuel, or technology or to train foreign nations in nuclear fields? Yes
- i. FY 79 App. Act Sec. 601. To be used for publicity on propaganda purposes within United States not authorized by the Congress? Yes

CONSEJO SUPERIOR DE LA EMPRESA PRIVADA

(COSEP)

LAS ORGANIZACIONES QUE CONFORMAN EL CONSEJO SUPERIOR DE LA EMPRESA PRIVADA (COSEP), SON LAS SIGUIENTES:

I. INSTITUTO NICARAGUENSE DE DESARROLLO (INDE)

INDE - CHINANDEGA

INDE - JINOTEGA

INDE - MATAGALPA

INDE - GRANADA

INDE - ZELAYA

INDE - LEON

INDE - RIVAS

II. CONFEDERACION DE CAMARAS DE COMERCIO DE NICARAGUA

CAMARA DE COMERCIO DE NICARAGUA

CAMARA DE COMERCIO DE JINOTEGA

CAMARA DE COMERCIO DE RIO BLANCO

CAMARA DE COMERCIO DE BOAGO

CAMARA DE COMERCIO DE LEON

CAMARA DE COMERCIO DE MATIGUAS

CAMARA DE COMERCIO DE CARAZO

CAMARA DE COMERCIO DE MADRIZ

CAMARA DE COMERCIO DE NUEVA SEGOVIA

CAMARA DE COMERCIO DE CHINANDEGA

CAMARA DE COMERCIO DE MASAYA

CAMARA DE COMERCIO DE RIVAS

CAMARA DE COMERCIO DE CHONTALES

CAMARA DE COMERCIO DE MATAGALPA

CAMARA DE COMERCIO DE ZELAYA NORTE

CAMARA DE COMERCIO DE ESTELI

CAMARA DE COMERCIO DE CIUDAD DARIO

CAMARA DE COMERCIO DE ZELAYA SUR

CAMARA DE COMERCIO DE GRANADA

CAMARA DE COMERCIO DE WASLALA

ASOCIACION NICARAGUENSE DE DISTRIBUIDORES DE VEHICULOS AUTOMOTRICES (ANDIVA)

ASOCIACION DE REPRESENTANTES DE CASAS EXTRANJERAS DE NICARAGUA. ASOCIACION DE FERRETEROS (AFENIC)

ASOCIACION NICARAGUENSE DE TALLERES AUTOMOTORES (ANTA)

ASOCIACION NICARAGUENSE DE DISTRIBUIDORES DE PRODUCTOS DE PETROLEO (ANDIPET)

ASOCIACION NICARAGUENSE DE PROPIETARIOS DE FARMACIAS (ANAPROFAR)

ASOCIACION DE TRANSPORTISTAS DE CARGA (A.N.T.C.)

ASOCIACION DE COMERCIANTES DE PRODUCTOS BASICOS, ALIMENTOS Y OTROS DE LA CIUDAD DE MANAGUA (ACOPROBAMA)

ASOCIACION NICARAGUENSE DE PEQUEÑOS DISTRIBUIDORES DE REPUESTOS AUTOMOTRICES (ANPDRA)

ASOCIACION DE COMERCIANTES MAYORISTAS (A.C.M.)

ASOCIACION NICARAGUENSE DE DISTRIBUIDORES DE PRODUCTOS FARMACEUTICOS (ANDIPROFA)

III. CAMARA NICARAGUENSE DE LA CONSTRUCCION

IV. CAMARA DE INDUSTRIAS DE NICARAGUA (CADIN)

V. CONFEDERACION DE ASOCIACIONES PROFESIONALES (CONFPRO)

ASOCIACION NICARAGUENSE DE INGENIEROS Y ARQUITECTOS (ANIA). ASOCIACION DE MEDICOS VETERINARIOS DE NICARAGUA

FEDERACION DE SOCIEDADES MEDICAS DE NICARAGUA (FESOMENIC) COLEGIO DE CONTADORES PUBLICOS DE NICARAGUA

COLEGIO NICARAGUENSE DE ADMINISTRADORES DE EMPRESA (CONAES) COLEGIO ODONTOLOGICO NICARAGUENSE

COLEGIO FARMACEUTICO DE NICARAGUA CAMARA DE INGENIEROS Y ARQUITECTOS CONSULTORES (CIAC)

ASOCIACION DE MICROBIOLOGOS Y QUIMICOS CLINICOS DE NICARAGUA COLEGIO DE OPTOMETRISTAS DE NICARAGUA

ASOCIACION MEDICA ODONTOLOGICA Y FARMACEUTICA EL SISTEMA UNICO DE SALUD (ANSUS)

VI. UNION DE PRODUCTORES AGROPECUARIOS DE NICARAGUA (UPANIC)

1. ASOCIACION NACIONAL DE PRODUCTORES DE SORGO (...IPROSOR)

2. ASOCIACION NACIONAL DE PRODUCTORES DE BANANO (ANPROBA)

3. FONDO DE DESARROLLO DE LA INDUSTRIA LACTEA (FONDILAC)

4. ASOCIACION DE CAÑEROS DE NICARAGUA (ASCANIC)

ASOCIACION DE PRODUCTORES INDEPENDIENTES DE CAÑA DE OCCIDENTE

ASOCIACION DE PRODUCTORES DE CAÑA DE RIVAS

5. ASOCIACION DE ARROZEROS DE NICARAGUA (ANAR)

6. UNION NACIONAL DE CARIQUILTORES DE NICARAGUA (UNCAFENIC)

ASOCIACION DE CAFETALEROS DE ESTELI

ASOCIACION DE CAFETALEROS DE MANAGUA

ASOCIACION DE CAFETALEROS DE MASAYA

ASOCIACION DE CAFETALEROS DE BOAGO

ASOCIACION DE CAFETALEROS DE JINOTEGA

COOPERATIVA DE CAFETALEROS DE SAN JUAN DE RIO COCO

COOPERATIVA DE CAFETALEROS DE NUEVA SEGOVIA

VIA

COOPERATIVA DE CAFETALEROS DE DIRIAMBÁ

COOPERATIVA DE CAFETALEROS DE GRANADA

COOPERATIVA DE CAFETALEROS DE MASAYA

COOPERATIVA DE CAFETALEROS DE MANAGUA

COOPERATIVA DE CAFETALEROS DE BOAGO

COOPERATIVA DE CAFETALEROS DE MADRIZ

COOPERATIVA DE CAFETALEROS DE LEON

COOPERATIVA CENTRAL DE CAFETALEROS "JORGE SALAZAR ARGUELLO" DE MATAGALPA

7. CONFEDERACION DE ASOCIACIONES ALGODONERAS DE NICARAGUA (CAN)

ASOCIACION DE ALGODONEROS DE LEON (DAL)

ASOCIACION DE ALGODONEROS DE CHINANDEGA (ADACH)

ASOCIACION DE ALGODONEROS DE ORIENTE (ADADO)

8. FEDERACION DE ASOCIACIONES CANADERAS DE NICARAGUA (FAGANIC)

ASOCIACION DE CRIADORES DE GANADO BRAHMAN DE INIC. (AGCBN)

ASOCIACION DE CANADEROS DE BOAGO

ASOCIACION DE CANADEROS DE MANAGUA

ASOCIACION DE CANADEROS DE CHINANDEGA

ASOCIACION DE CANADEROS DE CHONTALES

ASOCIACION DE CANADEROS DE EL SAUCE

ASOCIACION DE CANADEROS DE ESTELI

ASOCIACION DE CANADEROS DE MASAYA

ASOCIACION DE CANADEROS DE JINOTEGA

ASOCIACION DE CANADEROS DE LEON

ASOCIACION DE CANADEROS DE MADRIZ

ASOCIACION DE CANADEROS DE MATAGALPA

ASOCIACION DE CANADEROS DE RIVAS

ASOCIACION DE CANADEROS DE SAN JUAN DE LOS RIOS

ASOCIACION DE CANADEROS DE SAN LORENZO

ASOCIACION DE CANADEROS DE SAN FRANCISCO DEL NORTE

ASOCIACION DE CANADEROS DE SAN FRANCISCO DEL SUR

ASOCIACION DE GANADEROS DE RIVAS

ASOCIACION DE GANADEROS DE SAN FRANCISCO DEL NORTE

ASOCIACION DE GANADEROS DE SOMOTILLO

ASOCIACION DE GANADEROS DE VILLA ANGEVA

ASOCIACION DE GANADEROS DE ZELAYA

ASOCIACION DE GANADEROS DE MANAGUA

ASOCIACION DE GANADEROS DE SAN JUAN DE LIMAY

ASOCIACION DE GANADEROS DE SAN LORENZO

ASOCIACION DE GANADEROS DE SAN FRANCISCO DEL NORTE

COOPERATIVA AGROPECUARIA DE SAN JUAN DE LOS RIOS

- mando en cuenta la situación económica del deudor.
- Art. 15. Se considerará en mora el prestatario que ha incurrido en incumplimiento de una cuota de pago.
- Art. 16. En caso de atraso en los pagos, se cobrará un interés moratorio proporcional, equivalente a la mitad de la tasa máxima de interés cobrada por EDUCREDITO.
- Art. 17. Si vencido el préstamo el beneficiario continúa realizando estudios en el país o en el exterior, podrá solicitar un aumento en el período de gracia, pudiendo a juicio de EDUCREDITO posponerse la fecha para iniciar la amortización del principal. En tal caso se le exigirán los comprobantes que se estimen necesarios para justificar esta situación.
- Art. 18. Si el estudiante que tiene préstamo, obtuviera antes o después de haber firmado el Contrato y los Pagares con EDUCREDITO una Beca o recibiera ayuda económica proveniente de una Institución o persona distinta a EDUCREDITO, deberá informar inmediatamente a EDUCREDITO, en cuyo caso se podrá suspender o reducir el monto del préstamo; según se estime conveniente. En caso de que el estudiante no comuniqué estas circunstancias, EDUCREDITO podrá dar por vencida la obligación y por consiguiente quedará obligado el estudiante o sus fiadores a pagar de inmediato el saldo.

Capítulo IV
PROCESO DE SELECCIÓN

- Art. 19. Toda solicitud de préstamo deberá presentarse con los documentos exigidos por EDUCREDITO, dentro de las fechas señaladas con anticipación para tal efecto.
- Para los programas especiales y los casos excepcionales, el límite de entrega quedará a discreción de las autoridades de EDUCREDITO.
- Art. 20. Una vez presentado los documentos y el formulario, se hará una entrevista personal al candidato para evaluar su capacidad, méritos y personalidad. Esta entrevista podrá ser acompañada de prueba de orientación vocacional realizada por personal cualificado.
- Art. 21. Realizada la entrevista personal, las so-

licitudes de crédito acompañadas de los documentos establecidos serán sometidas al Comité Ejecutivo de EDUCREDITO para iniciar el proceso de selección.

- Art. 22. Una vez aprobado el préstamo, la Gerencia de EDUCREDITO notificará a los candidatos.

Capítulo V
ENTREGA DE PRÉSTAMOS

- Art. 23. Los préstamos destinados a manutención serán entregados por EDUCREDITO en cheques personales a favor del prestatario en las oficinas de EDUCREDITO o en el lugar que EDUCREDITO designe para tal fin.
- Art. 24. Los préstamos para gastos académicos se efectuarán mediante órdenes de pago, elaboradas y entregadas en EDUCREDITO, por la cual el prestatario autoriza a EDUCREDITO a pagar por su cuenta y a favor del Centro de Estudios, sus gastos académicos.
- Art. 25. Los prestatarios de EDUCREDITO, presentarán certificado de notas de cada período académico; de no hacerlo, se le podrá retener el envío o entrega de cheques y/o órdenes de pago.
- Art. 26. Todos los beneficiarios del Programa avisarán cualquier cambio que ocurra durante sus estudios, que afecte directamente a éstos, de no hacerlo podrán verse afectados por cualquier sanción establecida.

Capítulo VI
SANCIONES

- Art. 27. EDUCREDITO podrá suspender temporal o definitivamente el crédito por las siguientes causas:
- Notoria ineficiencia académica. — Se considerará ineficiencia académica la reprobación de alguna materia o una nota inferior a la establecida en el literal (c) del Art. 6.
 - Mala conducta. — Se entenderá por mala conducta el hecho de que medie una sanción por falta grave o una expulsión del Centro Educativo donde cursa sus estudios, o una sanción por falta grave o delito emanada de un tribunal competente.
 - Incumplimiento de las obligaciones del Reglamento de EDUCREDITO.
 - Proporcionar datos falsos.

PROGRAMA DE CRÉDITO
EDUCATIVO DEL INDE

EDUCREDITO

REGLAMENTO

DE

PRESTAMOS



Capítulo I

- Art. 1. La facultad del Comité Ejecutivo de EDUCREDITO para la aprobación de préstamos educativos, podrá ser delegada en la Gerencia de EDUCREDITO, quien aprobará o denegará aquellas solicitudes que han sido recomendadas por la Junta Académica.
- El Comité Ejecutivo de EDUCREDITO, fijará anualmente las prioridades y otros requisitos de financiamiento para el período respectivo.

Art. 2. El Comité Ejecutivo de EDUCREDITO, se reserva el derecho de rechazar cualquier solicitud o de renovar cualquier préstamo, cuando así le estime conveniente.

Art. 3. Los criterios para conceder créditos educativos se basarán en:

- a) Rendimiento académico del solicitante.
- b) Carencia de recursos económicos.
- c) Carácter prioritario de la carrera en el desarrollo socio-económico de Nicaragua.

Art. 4. Tipos de Préstamos.

De acuerdo a las disponibilidades de EDUCREDITO y a las condiciones económicas de cada aspirante, existirán las siguientes clases de préstamos:

- a) Préstamos Totales. Se otorgarán a aquellos estudiantes que se vean imposibilitados de asumir por su propia cuenta o por cuenta de sus padres o tutores todos los gastos que ocasionen los estudios a seguir.
- b) Préstamos Parciales o Complementarios. Se concederán a aquellos estudiante que por cuenta propia o de sus padres o tutores puedan asumir o sufragar una parte del costo de los estudios a seguir. Estos préstamos pueden ser para su manutención (alojamiento, alimentación, lavado, transporte, etc.), o para sus gastos académicos (matrícula, colegiatura, derechos de exámenes, libros, etc.). También podrán optar a este tipo de préstamos aquellas personas que habiendo recibido becas u otro tipo de ayuda, necesitarán de un complemento para cubrir el costo de los estudios.

Art. 5. Monto de los Préstamos.

El monto máximo de los préstamos para estudios en Nicaragua o en el extranjero, será señalado por el Comité Ejecutivo de EDUCREDITO, dependiendo del tipo de estudio, país, universidad y otros factores.

Capítulo II

Art. 6. Documentos a presentarse y condiciones de los préstamos.

- a) Ser nicaragüense o latinoamericano cuando exista reciprocidad con las instituciones de crédito educativo

de su país de origen; Este requisito deberá ser comprobado mediante la presentación de partida de nacimiento.

b) Poseer título oficial que acredite su capacidad para seguir los estudios que solicita.

c) Comprobar por medio de certificado de calificaciones de los años cursados de la carrera un índice académico no menor de 8 en la escala del 0 al 10 con nota mínima de 7 para aprobar, o su equivalente en otra escala. Los estudiantes que renueven préstamos deberán presentar certificado de calificaciones del último año o semestre cursado.

d) Demostrar carencia de recursos económicos para costearse los estudios por cuenta propia o por cuenta de sus padres o tutores. Para demostrar esta carencia de recursos económicos deberá presentar copia de la última declaración del impuesto sobre la renta y/o de capital de sus padres o en su defecto boleta de no contribuyente expedida por la Administración de Rentas del lugar de su residencia.

e) Una fotografía reciente.

f) Certificado de matrícula o inscripción expedido por la Universidad o Centro Docente donde realizará los estudios. Este documento podrá ser entregado posteriormente si al momento de aprobarse el préstamo no se ha terminado el proceso de matrícula.

g) Hoja de datos de los fiadores propuestos.

Art. 7. Los estudiantes que solicitan préstamos para seguir cursos en el exterior, deberán presentar además de los documentos señalados en el Art. 6, un certificado expedido por la Universidad o Centro Docente donde va a cursar los estudios, la duración del programa, tipo de estudios, aceptación o cualquier información adicional que muestre la participación del solicitante en el programa de estudios. También deberá presentar carta-poder legalizada a favor de su representante ante EDUCREDITO.

Art. 8. Las condiciones y demás requisitos de los préstamos están sujetos a cambios

de parte de EDUCREDITO y no tienen carácter de obligatoriedad para EDUCREDITO.

Capítulo III

CONDICIONES DE LOS PRÉSTAMOS

Art. 9. Los préstamos se conceden por un año académico.

Art. 10. Al momento de recibir su crédito educativo, el estudiante deberá firmar con INDE-EDUCREDITO un contrato en el que se establecerán las condiciones del préstamo y firmará también pagaré a favor de INDE-EDUCREDITO para garantizar el cumplimiento de la obligación. En caso de que el estudiante sea menor de edad, el contrato y el pagaré serán firmados por el padre o tutor del estudiante.

Art. 11. Durante el período de estudios, los préstamos devengarán un interés anual del 8% sobre los saldos. El interés se pagará deduciendo del cheque mensual la cantidad resultante de dividir el monto de interés anual entre el número de cuotas a entregarse.

Art. 12. Durante el período de amortización se cobrarán intereses de acuerdo al tiempo en que el préstamo sea pagado. Si el tiempo de amortización es de un año, 8%; 2 años, 9%; 3 años, 10%; 4 años, 11%; 5 años, 12%.

Art. 13. El vencimiento del préstamo será cuando a juicio de EDUCREDITO, el prestatario ha terminado el plan de estudios. EDUCREDITO notificará la fecha de vencimiento, con seis meses de anticipación.

El período de gracia no podrá ser mayor de seis meses a partir de la fecha de finalización de estudios y será fijado de acuerdo al caso específico. En caso especial, el Comité Ejecutivo de EDUCREDITO, está facultado para conceder prórroga si el caso lo amerita.

Art. 14. El pago de la obligación principal, podrá hacerse:

- a) En cuotas mensuales y sucesivas;
 - b) En cuotas mensuales ascendentes.
- El plazo para el pago de la obligación podrá llegar a ser, como límite máximo, igual al período de entrega del préstamo.

En todo caso, el pago para el préstamo podrá ser variado y fijado por el Comité Ejecutivo de EDUCREDITO, to-



PROGRAMA DE CREDITO EDUCATIVO DEL INDE EDUCREDITO



SOLICITUD DE PRESTAMO

Exp. _____

I.— IDENTIFICACION

Nombre _____ Sexo _____
 Fecha nacimiento _____ Lugar nacimiento _____
 Edad _____ Identificación No. _____ Nacionalidad _____ Estado Civil _____
 Domicilio _____ Dirección _____
 Telf. _____ Residencia mientras estudia _____
 Dirección _____

II.— DATOS FAMILIARES Y CONDICION SOCIO-ECONOMICA

1.— De quién depende el solicitante? _____
 2.— Nombre del padre _____ Vive? _____
 Dirección _____ Telf. _____
 Profesión u oficio _____ Nivel de Educación _____
 Lugar donde trabaja _____ Telf. _____
 Dirección, trabajo _____
 Cargo _____ Salario mensual _____
 Posee Bienes Raíces o Negocio? _____ Explique en qué consisten e ingresos que le produzcan _____
 3.— Nombre de la madre _____ Vive? _____
 Dirección _____ Telf. _____
 Profesión u oficio _____ Nivel de Educación _____
 Lugar donde trabaja _____ Telf. _____
 Dirección trabajo _____
 Cargo _____ Salario mensual _____
 Posee Bienes Raíces o Negocio _____
 Explique en qué consisten e ingresos que la produzcan _____

4.— Personas que por razones de parentesco hacen vida familiar bajo el mismo techo.

NOMBRE	PARENTESCO	EDAD	NIVEL EDUCACIONAL	ESTADO CIVIL	INGRESO MENSUAL

Si alguna de las personas mencionadas en (4) estudian, especifique dónde y quién está financiando sus estudios.

- a.— _____
- b.— _____
- c.— _____
- d.— _____

5.— Si tiene en la actualidad familiares con préstamos en EDUCREDITO, especifique nombre y parentesco.

6.— Si es Jefe de Familia, indique:

- a.— Nombre del cónyuge _____
- b.— Dirección _____ Telf. _____
- c.— Profesión u oficio _____ Nivel de Educación _____
- d.— Número de hijos _____ Otros dependientes _____
- e.— Lugar donde trabaja _____ Telf. _____
 Cargo _____ Salario mensual _____
 Trabaja independiente? _____ Qué ingreso percibe? _____

7.— Si el solicitante trabaja, indique:

- a.— Empresa para la que trabaja _____
- b.— Dirección de la empresa _____
- c.— Cargo que desempeña _____
- d.— Sueldo mensual _____ Trabaja independiente? _____
- e.— Qué ingreso percibe? _____

8.— Indique tres personas que no pertenezcan a su grupo familiar que puedan informar su dirección.

- a.— Nombre _____
 Dirección _____ Telf. _____
 Lugar donde trabaja _____ Telf. _____
- b.— Nombre _____
 Dirección _____ Telf. _____
 Lugar donde trabaja _____ Telf. _____
- c.— Nombre _____
 Dirección _____ Telf. _____
 Lugar donde trabaja _____ Telf. _____

III.— EDUCACION

NIVEL	INSTITUCION	AÑO INICIO ESTUDIOS	AÑO TERMINO ESTUDIOS	TITULO
SECUNDARIA	_____	_____	_____	_____
UNIVERSITARIA	_____	_____	_____	_____
POSTGRADO	_____	_____	_____	_____
OTROS	_____	_____	_____	_____

Si tiene otros estudios explíquese: _____

IV.— CAMPO DE ESTUDIOS O ENTRENAMIENTO

Estudios a realizar _____

Nombre del centro de estudios _____

Ciudad _____ País _____

Tiene Admisión? _____ Está en trámite? _____ Nombre de la carrera _____

Duración de la Carrera _____ Fecha en que la terminará _____

Año a cursar (incluyendo básico) _____ Duración total de los estudios que realizará con préstamo de EDDY-CREDITO _____

Fecha de inicio del préstamo _____ Fecha de terminación _____

Exponga en pocas palabras las razones para escoger la carrera para la que solicita el préstamo.

V.— INFORMACION FINANCIERA

Aparte de este préstamo cuenta con ayuda económica adicional _____

Explique de quien: _____ Qué cantidad? _____

Financiamiento que solicita de EDUCREDITO:

A.— Gastos Académicos:

Matrícula C\$ _____ C\$ _____

Valor mensual colegiatura C\$ _____

a partir del mes de _____ durante _____ Meses _____ C\$ _____

Derecho de Exámenes _____ C\$ _____

Libros _____ C\$ _____

SUB-TOTAL _____ C\$ _____

LISTA DE DONANTES DE EDUCREDITO EN EL AÑO 1980

ALMACEN FEMINA	800.00
AHLERS	3.000.00
AUTO CENTRO TOTOTA	3.600.00
AZUCARERA LACAYO MONTEALEGRE	750.00
ALPAC	7.000.00
ALKE DE NICARAGUA	5.000.00
ACEITERA CORONA	3.000.00
BOSCHE LACAYO	3.400.00
CARIBE MOTOR DE NICARAGUA	2.500.00
COMPANIA LICORERA DE NIC.	10.000.00
COMPESA	3.000.00
COCA COLA	3.000.00
DR. OSCAR CORTES	800.00
CARLAFISA	2.000.00
CAFETERIA LANZAS	10.000.00
DISTRIBUIDORA DATSUN	3.600.00
DINERS CLUB	2.000.00
ELVIR HERDOCIA	2.000.00
EMBOTELLADORA MILCA	2.400.00
ESKIMO	3.600.00
ESSO STANDAR OIL	20.000.00
ELECTROQUIMICA PENWALT	2.400.00
F.&C. REYES	2.000.00
FEDERACION DE ASOC. DE GAN. DE NIC.	1.500.00
FERRETERIA ULISES MORALES	2.000.00
FAGANIC	1.500.00
FERRETERIA REYNALDO HERNANDEZ	2.000.00
GRACSA	10.000.00
GRUPO AMBROSIANO	4.800.00
HERMOSO Y VIGIL	1.000.00
HERCASA	6.000.00
INDUSTRIAS NABISCO CRISTAL	.300.00
INDUSTRIAS LUNA	800.00
IRSA COSMETICOS	2.000.00
INDUSTRIAS GEMINA	7.600.00
JULIO MARTINEZ	21.950.00
LA CURACAO	3.000.00
LAS 3 F	2.000.00
LABORATORIOS RARPE	4.800.00
LABORATORIOS RECIPE	1.000.00
LLANSA INGENIEROS	5.000.00
LIBRERIA LEY	400.00
MANTICA REPUESTOS	1.250.00
ROLANDO MAYORGA	1.000.00
OPTICA NICARAGUENSE	2.400.00
PUBLICIDAD MCCANN ERICKSON	1.800.00
QUIMICA HOECHST	2.000.00
ROBLE DE NICARAGUA	1.000.00
JOSE ROBELO	5.000.00
SERRANO SUPLETA	5.000.00
SHELL DE NICARAGUA	15.000.00
SUCESORES CESAR DELGADILLO	1.200.00
TROPIGAS	1.200.00
TIENDA LETTY	1.600.00

TABACALERA NICARAGUENSE	5.000.00
UPANIC	2.500.00
UNIMAR	1.500.00
VAN LEER	3.600.00
XEROX DE NICARAGUA	5.000.00
NICARAGUA MACHINERY	10.000.00
MENNEN DE NICARAGUA	5.000.00
DROGUERIA ROCHA	3.000.00

247.550.00

CONTRATO DE PAGO

POR C\$ _____

Yo, _____, me obligo a pagar incondicionalmente, en dinero efectivo, a la orden de EDUCREDITO, o a quien le represente, la cantidad de _____ (_____), más los intereses del _____ % anual sobre los saldos que he recibido de EDUCREDITO, pago que haré en cuotas _____ de _____ cada una, la primera el día _____, en las oficinas de EDUCREDITO, pago que me obligo a hacerlo de manera continuada y sin interrupción hasta completar el valor total de la obligación consignada en el presente Contrato. En caso de mora, pagaré durante ella el recargo que establece EDUCREDITO, sin perjuicio de los demás derechos y acciones que le corresponden al acreedor, pudiendo además EDUCREDITO declarar extinguido e insubsistente el plazo que falte y exigir ejecutivamente, o de cualquier otro modo legal, no sólo la cuota o cuotas vencidas sino el total de la obligación pendiente. También acepto que EDUCREDITO declare vencida mi obligación por incumplimiento de los términos, siendo prueba suficiente la resolución motivada que para el efecto dicte EDUCREDITO. Expresamente declaro excusado el protesto de este Contrato a su presentación y la noticia de rechazo, para efecto de las disposiciones legales, y será de mi cargo los costos de la cobranza, si diera lugar a ella, incluyendo los honorarios del Abogado a quien se le confíe, promovase o no acción judicial.

Managua, D. N., de _____
ta

de mil novecientos setenta

FIRMA DEL DEUDOR

**DINERO
PARA LA
EDUCACION**



Programa de INDE

Centro INDE, Teléfono 24047 - Apartado 2598 - Cable: EDUCREDITO
Managua, D. N., Nicaragua

A - Universitarios
 B - Técnico medio
 C - Ent en servicio

E D U C R E D I T O

PRESTAMOS APROBADOS EN NICARAGUA

<u>CARRERA</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980 *</u>
B Peritos Agrónomos	5	0	8	8	105
A Ingeniería Agronómica	10	9	15	11	17
A Ingeniería Agrícola	-	-	-	-	1
B Administración Agropecuaria	2	3	-	-	1
A Veterinaria	1	1	-	-	-
B Agricultura y Ganadería	-	-	-	-	4
A Zootecnia	-	-	-	-	1
A Medicina y Cirugía	18	24	35	40	51
A Odontología	4	4	8	5	11
B Tecnología Médica	2	2	2	1	1
B Enfermería	5	7	10	10	2
A Psicología	1	1	2	1	-
A Dietética	-	-	-	1	1
A Ingeniería Civil	10	9	10	1	3
A Ingeniería Electromecánica	3	5	3	1	2
A Ingeniería Electrónica	2	-	-	-	-
A Ingeniería Industrial	-	1	1	2	-
A Ingeniería Química Industrial	2	2	3	4	-
A Ingeniería Eléctrica	1	1	2	1	2
B Topografía	1	1	-	-	-
A Arquitectura	1	1	3	1	1

...

A	Licenciatura en Matemáticas	-	-	1	1	1
A	Ciencias de la Computación	2	1	2	1	3
B	Técnico en Computación	-	-	2	1	-
A	Química	-	-	3	-	3
B	Electricidad	-	1	1	-	-
A	Ecología y Recursos Naturales	-	-	1	-	1
A	Biología	6	5	4	1	3
A	Fitotecnia	1	-	-	-	-
A	Citotecnia	1	-	-	-	-
A	Sociología	1	1	-	-	-
A	Ciencias de la Educación	1	-	-	1	-
B	Idiomas	2	3	-	-	-
A	Ciencias Sociales	1	2	-	-	-
B	Trabajo Social	-	-	1	1	-
A	Derecho	3	3	1	1	-
A	Master en Administración de Empresas (Post-Grado)	-	-	-	-	1
A	Administración de Empresas	2	4	1	-	1
A	Economía	-	-	1	-	1
A	Contaduría Pública	3	4	3	-	-
B	Mercadería	1	-	-	1	-
B	Educación Física	3	-	-	-	-
B	Mecánica Automotriz	2	-	-	-	-
B	Técnico en Seguros	7	-	-	-	-
C	Horticultura y Fruticultura	-	-	-	-	75

- 3 -

Manejo y Mantenimiento de Tractores	-	-	-	-	19
Tecnificación Cultivo del Algodón	20
	104	103	123	95	331

*Los datos de 1980 están registrados al 30 de Octubre.

E D U C R E D I T OPRESTANOS APROBADOS EN NICARAGUA

<u>CENTRO DE ESTUDIOS</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980*</u>
Escuela Internacional de Agricultura - Rivas	6	6	8	8	73
Escuela de Agricultura Francisco Luis Espinoza - Estelí	-	-	-	-	27
UNAH - León	✓ 28	33	50	47	70
UNAH - Managua	✓ 12	15	16	4	7
U.C.A	23	23	22	15	9
Escuela Nacional de Agricultura y Ganadería (ENAG) Managua	9	9	14	10	18
Instituto Agropecuario Germán Pomares - Jiquilpa	-	-	-	-	2
U.P.O.L.I	6	7	5	61	2
INTESNIC	-	-	-	-	2
INTECNA	3	3	1	-	-
C.E.S	2	2	1	-	-
Escuela Nacional de Enfermería	2	2	5	4	-
Instituto Agropecuario de Granada	2	2	-	-	-
Escuela de Contadores Públicos - Matagalpa (E.C.P.)	1	1	1	-	-
Escuela Adventista de Enfermería	-	-	-	1	-
Instituto Centroamericano de Administración de Empresas (INCAE)	-	-	-	-	1
Instituto Manuel Ignacio Lacayo - León	-	-	-	-	70
ANSCA	-	-	-	-	20
Desmotadora San Cristóbal	-	-	-	-	19
	<u>104</u>	<u>103</u>	<u>123</u>	<u>95</u>	<u>331</u>

* Los datos de 1980 están registrados al 30 de Octubre.

E D U C R E D I T O
PRESTAMOS EN EL EXTERIOR

1 9 7 6

P A I S	CENTRO DE ESTUDIOS	No. ESTUDIANTES
CANADA	ESC. DE CITO TECNOLOGIA, QUEBEC	1
GUATEMALA	UNIVERSIDAD DE SAN CARLOS	2
ESTADOS UNIDOS	JACKSONVILLE UNIVERSITY, ALABAMA	1
ESPAÑA	UNIVERSIDAD DE SALAMANCA	1
MEXICO	UNIVERSIDAD AUTONOMA DE GUADALAJARA	2
MEXICO	UNIVERSIDAD VERACRUZANA, VERACRUZ	1
MEXICO	UNIVERSIDAD DE GUADALAJARA	1
MEXICO	HOSPITAL INFANTIL D.F.	1
MEXICO	INSTITUTO POLITECNICO, MEXICO, D.F.	1
COSTA RICA	INST. CENTROAMERICANO ADVENTISTA, SAN JOSE	1
ESTADOS UNIDOS	RICE UNIVERSITY, TEXAS	1
SAN SALVADOR	INST. TECNOLOGICO CENTROAMERICANO, STA. TECLA	1
MEXICO	INST. TECNOLOGICO DE MONTERREY	2
MEXICO	UNIVERSIDAD NACIONAL AUTONOMA	1
ESTADOS UNIDOS	NORTH EASTERN UNIVERSITY, BOSTON, MASS	1
ESTADOS UNIDOS	DEKALB COMMUNITY COLLEGE ATLANTA, GEORGIA	1
COLOMBIA	UNIVERSIDAD DEL VALLE, CALI	1
PERU	E.S.A.N. LIMA	1
EL SALVADOR	U.C.A. SAN SALVADOR	1
CANADA	LA SALLE, MONTREAL	1
ESPAÑA	CENTRO DE ESTUDIOS ECONOMICOS Y TRIBUTARIOS	1
ESTADOS UNIDOS	OHIO UNIVERSITY ATHENS, OHIO	1
HONDURAS	ESCUELA AGRICOLA PANAMERICANA, TEGUCIGALPA	1
BRAZIL	UNIVERSIDAD FEDERAL DE PERNAMBUCO, RECIFE	1
ESTADOS UNIDOS	BATON ROUGE, LOUISIANA STA. UNIVERSITY	2
ESTADOS UNIDOS	UNIVERSITY OF MICHIGAN	1
COSTA RICA	ESC. CENTROAMERICANA DE SOCIOLOGIA, SAN JOSE	1
ESTADOS UNIDOS	UNIVERSITY OF ILLINOIS AT CHAMPAIGN, URBANA	1
ESPAÑA	ESC. DE ARTES APLICADAS A LA RESTAURACION,	1
COLOMBIA	INSTITUTO CARO Y CUERVO, BOGOTA	1
TOTAL		34

E D U C R E D I T O
PRESTAMOS EN EL EXTERIOR

1 9 7 7

P A I S	CENTRO DE ESTUDIOS	No. ESTUDIANTES
BRAZIL	UNIVERSIDAD FEDERAL DE RIO JANEIRO	1
MEXICO	UNIVERSIDAD VERACRUZANA	1
GUATEMALA	UNIVERSIDAD DE SAN CARLOS	1
ESPAÑA	UNIVERSIDAD DE SALAMANCA	2
MEXICO	HOSPITAL INFANTIL	1
MEXICO	INSTITUTO CIRUGIA PLASTICA Y RECONSTRUCTIVA	1
ESPAÑA	FUNDACION JIMENEZ DIAS, MADRID	1
ESPAÑA	HOSPITAL GARCIA IBAÑEZ, BARCELONA	1
BRAZIL	HOSPITAL DOS CLINICAS, SAO PAULO	1
BRAZIL	UNIVERSIDAD DE SAO PAULO, SAO PAULO	1
FRANCIA	CENTRO HOSPITALARIO REGIONAL, TOLOUSE	1
MEXICO	HOSPITAL INFANTIL DE MEXICO	1
MEXICO	INSTITUTO POLITECNICO NACIONAL	1
MEXICO	UNIVERSIDAD NACIONAL AUTONOMA	1
EL SALVADOR	INSTITUTO TECNOLOGICO CENTROAMERICANO, STA. TECLA	1
MEXICO	INSTITUTO TECNOLOGICO DE MONTERREY	1
ESTADOS UNIDOS	DAKAPB CONUHITY COLLEGE, ALABAMA	1
MEXICO	UNIVERSIDAD AUTONOMA DE GUADALAJARA	1
ESTADOS UNIDOS	NORTH EASTERN UNIVERSITY, BOSTON, MASS.	1
HONDURAS	ESCUELA AGRICOLA PANAMERICANA, TEGUCIGALPA	1
BRAZIL	UNIVERSIDAD FEDERAL RURAL DE PERNANBUCO	1
VENEZUELA	INSTITUTO DE ESTUDIOS SUPERIORA DE ADMON. CARACAS	1
CANADA	LA SALLE MONTREAL	1
ESPAÑA	INST. PSICOLOGIA APLICADA, UNIVERSIDAD COMPLUTENSE	1
COSTA RICA	ESC. CENTROAMERICANA DE SOCIOLOGIA, SAN JOSE	2
ESTADOS UNIDOS	BROOKS INSTITUTE STA. BARBARA, CALIFORNIA	1
ESTADOS UNIDOS	OHIO UNIVERSITY, ATHENS OHIO	1
ESTADOS UNIDOS	STATE UNIVERITY OF NEW YORK, BUFFALO	1
ESTADOS UNIDOS	IOWA STATE UNIVERSITY, IOWA	1
TOT.L		31

E D U C R E D I T O

PRESTAMOS EN EL EXTERIOR

1 9 7 8

P A I S	CENTRO DE ESTUDIOS	No. ESTUDIANTES
GUATEMALA	UNIVERSIDAD DE SAN CARLOS	2
MEXICO	UNIVERSIDAD VERACRUZANA	1
GUATEMALA	HOSPITAL ROOSVELT	1
BRAZIL	CENTRO DE ESTUDIOS MEDICOS	1
URUGUAY	HOSPITAL DE CLINICAS, MONTERREY	1
HONDURAS	HOSPITAL MATERNO INFANTIL, TEGUCIGALPA	1
BRAZIL	HOSPITAL DOS CLINICAS, SAO PAULO	1
VENEZUELA	HOSPITAL MIGUEL PREZ CARREÑO, CARACAS	1
BRAZIL	HOSPITAL DOS CLINICAS, SAO PAULO	1
BRAZIL	INSTITUTO DE CARDIOLOGIA R.G.S. PORTO ALEGRE	1
ESPAÑA	HOSPITAL DE LA CRUZ ROJA, MADRID	1
BRAZIL	HOSPITAL DOS CLINICAS, SAO PAULO	1
ESPAÑA	FUNDACION JIMENEZ DIAS, MADRID	1
MEXICO	HOSPITAL DEL SEGURO SOCIAL	1
BRAZIL	HOSPITAL CRISTO REDENTOR, PORTO ALEGRE	1
MEXICO	INSTITUTO MEXICANO SEGURO SOCIAL	1
ESPAÑA	HOSPITAL GARCIA IBAÑEZ, BARCELONA	1
MEXICO	I. P. N.	1
MEXICO	U.N.A.M. D.F.	1
MEXICO	UNIVERSIDAD AUTONOMA DE GUADALAJARA	1
HONDURAS	ESCUELA AGRICOLA PANAMERICANA, TEGUCIGALPA	3
BRAZIL	UNIVERSIDAD FEDERAL REGIONAL DE FERNANBUCO	1
MEXICO	UNIVERSIDAD IBEROAMERICANA	1
PERU	E. S. A. N. LIMA	1
TOTAL		27

E D U C R E D I T O

PRÉSTAMOS EN EL EXTERIOR

1 9 7 9

<u>P A I S</u>	<u>CENTRO DE ESTUDIOS</u>	<u>No. ESTUDIANTES</u>
HONDURAS	UNIVERSIDAD NACIONAL AUTONOMA	1
HONDURAS	E.A.P. TECUCIGALPA	2
GUATEMALA	UNIVERSIDAD DE SAN CARLOS	2
MEXICO	U.N.A.M. MEXICO	1
BRAZIL	HOSPITAL DOS CLINICAS	2
BRAZIL	HOSPITAL CRISTO REDENTOR	1
ESTADOS UNIDOS	NORTH EASTERN UNIVERSITY	1
ESPAÑA	HOSPITAL DE LA CRUZ ROJA	1
TOTAL		11

E D U C R E D I T O

PRESTAMOS EN EL EXTERIOR

1 9 8 0

<u>P A I S</u>	<u>CENTRO DE ESTUDIOS</u>	<u>No. ESTUDIANTES</u>
HONDURAS	ESC. AGRICOLA PANAMERICANA	2
ESTADOS UNIDOS	NORTH EASTERN UNIVERSITY, BOSTON, MASS.	1
GUATENALA	HOSPITAL ROOSVELT	1
<u>TOTAL</u>		<u>4</u>

*Los datos de 1980 están registrados al 30 de Octubre.

PARTIAL LIST OF PAST
EDUCREDITO BENEFICIARIES

LIC. ENRIQUE ALVARADO	VICE-RECTOR UNIVERSIDAD CENTROAMERICANA
DR. SILVIO DE FRANCO	CATEDRATICO I N C A E
ING. EMILIO PEREIRA	ASESOR MINISTERIO DE FINANZAS
LIC. WILLIAM VILLAGRA	OFICIAL MAYOR MINISTERIO DEL TRABAJO
DR. ERNESTO SALMERON	DIRECTOR DOCENCIA PEDIATRICA HOSPITAL VELEZ PAIZ
ING. VENANCIO IZAGUIRRE	DIRECTOR DPTO. CAPACITACION I N R A
DR. GALIO GURDIAN	DIRECTOR REGIONAL INRA-ZELAYA
LIC. FELIX JIMENEZ	ADMINISTRADOR ESCUELA CARLOS AGUERO
ING. SERGIO ESPINOZA	ASISTENCIA TECNICA INRA-PROCAMPO JINOTEGA
DR. JULIO CESAR ARAUZ	PROCURADURIA DPTAL. DE JUSTICIA JINOTEGA.
DR. RICARDO CHAVARRIA LOPEZ	I N E GERENTE DIVISION SISTEMAS Y RECURSOS HUMANOS
LIC. RICARDO PEREIRA	JEFE DEL ESTADO MAYOR FUERZA AEREA SANDINISTA (FAS)

ING. MAURICIO PEREIRA	JEFE CAMPAMENTO DE VIVIENDAS FUERZA AEREA SANDINISTA (FAS)
DR. OCTAVIO MARTINEZ	DIRECTOR OFICINA DE PLANEAMIENTO CONSEJO NACIONAL DE LA EDUCACION SUPERIOR
SR. ALFONSO LOPEZ LOPEZ	COORDINADOR JUNTA DE RECONSTRUCCION MATAGALPA
DR. D'NIS PEÑA GUTIERREZ	JEFE SERVICIO CIRUGIA GASTROENTEROLOGICA BOACO
DR. ENRIQUE TALENO	JEFE DPTO. CIRUGIA GASTROENTEROLOGICA HOSPITAL BERTHA CALDERON MANAGUA
LIC. HORACIO GONZALEZ	GERENTE PUBLICIDAD MCCANN ERICKSON
ING. ROGER HAMGUIEN	DPTO. DE INGENIERIA JUNTA DE RECONSTRUCCION MATAGALPA
ING. MARCIA AVILES	DPTO. DE INGENIERIA JUNTA DE RECONSTRUCCION MATAGALPA
DR. ALLAN LACAYO NUÑEZ	RESPONSABLE REGIONAL MINISTERIO DE SALUD MASAYA
DR. JAIME MANZANARES	RESPONSABLE EPIDEMIOLOGIA MEDICINA PREVENTIVA MINISTERIO DE SALUD

ING. ORLANDO SORIANO

JEFE DEPTO. PRODUCCION
INCESA STANDARD

LIC. LINO MARTINEZ

DIRECTOR REGIONAL
CEPAD
MATAGALPA.

INSTITUTO NICARAGUENSE DE DESARROLLO
E D U C R E D I T O

BALANCE GENERAL

Y

ESTADO DE INGRESOS Y EGRESOS

AL 30 DE JUNIO DE 1981

INSTITUTO NICARAGUENSE DE DESARROLLO

E D U C R E D I T O

B A L A N C E

JUNIO 1981

ACTIVO CIRCULANTE

Caja Chica	2.500.00
Caja	500.00
Banco Nicaraguense Cta. Cte.	592.051.81
Banco de América Cta. Cte.	454.763.96
Banco de América Cta. de Ahorro	1.259.06
Ctas. de Ahorro Camp. de Prof.	41.12
Fin. de la Viv. Cta. de Ahorro	94.716.96
Cuentas por Cobrar	8.076.82
Ptmes a Func y Empleados	300.00
Depósito en Garantía	-----
	<u>1,154,209.73</u>

ACTIVO FIJO

Ptmes. x cobrar a lgo plazo.	4.006.213.34
Menos: Res. p/ctas. malas	(337.450.65)
Mobiliario y eq. de oficina	152.533.85
Menos: Res. p/deprec. de Mob.	(51.295.18)
Terreno	25.000.00
Doc. x cob. a largo plazo	25.000.00
Equipo rodante	75.441.00
Menos: Res. p/deprec. de Equipo rodante	(15.842.68)
	<u>3.879.599.68</u>
TOTAL ACTIVO	<u><u>5.033.809.41</u></u>

PASIVO CIRCULANTE

Cuentas por Pagar	33.933.82
Ctas de ptmos por aplicar	11.012.50
Ints. cobrados por adel.	44.078.38
Res. p/Prov. de vacaciones	12.831.47
Fondo no exigible	-----
Res. p/Prov. de aguinaldo	18.838.60
Gastos acumulados por pagar	5.839.10
Fondo Jorge Salazar	30.000.00
	<u>156.533.87</u>

Patrimonio	2.855.639.11
Excedentes	1.829.163.84
Diferencia entre Ingresos y Egresos	192.472.59
	<u>4.877.275.54</u>
TOTAL PASIVO Y CAPITAL	<u><u>5.033.809.41</u></u>

INSTITUTO NICARAGUENSE DE DESARROLLO

E D U C R E D I T O

ESTADO DE INGRESOS Y EGRESOS

JUNIO 1981

INGRESOS

Empresa Privada	114.416.90
Intereses ganados sobre préstamos	145.476.37
Multas	6.280.10
Recuperación de cuentas malas	6.709.15
Intereses ganados sobre cuenta de ahorro	-----
Donaciones IAF	396.260.00

TOTAL INGRESOS

669,142.52

EGRESOS

Sueldos y Salarios	231.959.70
Seguro Social	24.418.45
Vacaciones, Preavisos y Horas Extras	20.117.50
Comisiones sobre cobros y Pr. de Fondos	7.865.07
Bonificaciones	20.117.50
Gastos Profesionales	4.883.30
Representaciones	-----
Viáticos	-----
Alquiler y Servicios	9.000.00
Teléfono	4.903.37
Portes de Correo	2.539.39
Cablegramas	-----
Reparación y Mantenimiento de Oficina	29,646.60
Reparación y Mantenimiento de Vehículo	150.00
Papelería y Utiles de Oficina	35,982.79
Combustible y Suministros	8.643.25
Seguro de Vehículo	-----
Otros Seguros	709.20
Fletes y Acarreos	180.00
Suscripciones	1.156.00
Publicidad	16,434.00
Otros Gastos	31.698.91
Contribuciones Especiales	10.100.00
Vehículo (Depreciación)	6,789.72
Depreciación de Mob. y Equipo de Oficina	9.375.18

TOTAL DE EGRESOS

476.669.93

DIFERENCIA ENTRE INGRESOS Y EGRESOS

192,472.59

NOTES TO CASH FLOW PROJECTIONS

1. AID Grant 524-0177. This is an OPG which provides both budgetary and program support to EDUCREDITO's program to provide loans to low-income youths and adults for university training.
2. Private Sector Donations. Currently, EDUCREDITO has modest private sector support. "Donation-Private Sector" reflects a reasonable prediction of continued support from traditional supporters. "Donations-Private Sector to Project" reflects support to EDUCREDITO from institutions and/or enterprises which have employees in training under the program. This has been estimated at \$100/month/trainee. "Professional Fund Raising Campaign" is a new initiative being undertaken by EDUCREDITO to broaden its private sector program.
3. Grant 524-0189A. For purpose of this table, only institutional support is detailed. An estimated reflow of \$5,000 from loan financed long-term training will occur in the last half of 1984 and in 1985. As it would reflect only a marginal impact, this amount has been left out of the cash flow. However, in the long run, principal and loan repayments will total a minimum of \$100,000 for loan financed long-term trainees.
4. Adm. Expenses. It is estimated that administration expenses will increase only slightly due to no anticipated hiring of new staff. Line item figures include inflation estimated at 15% per annum.

Initial Environmental Examination

Project Location: Nicaragua

Project Title: Training for Leadership
(524-0189A)

Funding: FY81 \$1.0 million
FY82 \$1.2 million
FY83 \$1.2 million

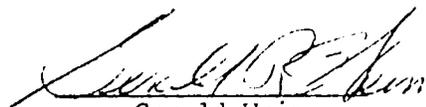
Life of Project: FY81 - FY83

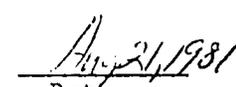
Prepared by: Arthur L. Warman, Acting Chief
CDO

Date: August 12, 1981

Environmental Action Recommended: The IIE has determined that no reasonable foreseeable significant adverse environmental impacts will result from the project's activities. Therefore, a negative determination is recommended.

Concurrence:


Gerald Wein
Acting Director, USAID/N


Date

A. Description of the Project

The purpose of the Project is to increase the supply of U.S. trained private sector Nicaraguans both at the technical and administrative/managerial levels. The project purpose will be achieved through the institutional strengthening of the grantee and through the provision of short and long-term training in those areas identified as essential to the reactivation of the private sector economy in Nicaragua.

B. Consideration of Environmental Concerns

This project is an educational program not designed to result in activities which directly affect the environment. As such, it falls within these activities specified in Section 216.2 of Regulation 10 as not normally requiring an environmental analysis. However, as some training may result in revitalization of the rural productive sectors idled since the civil strife of 1979, where applicable, careful consideration of such training programs will be given to increase awareness of environmental issues.

C. Environmental Action Recommendation

A negative determination is recommended for this project.

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 _____ | N |
| | b. Extracting natural resources _____ | N |
| | c. Land-clearing _____ | N |
| | d. Changing soil character _____ | N |
| 2. | Altering natural defenses _____ | N |
| 3. | Foreclosing important uses _____ | N |
| 4. | Jeopardizing man or his works _____ | N |
| 5. | Other Factors _____ | N |
| | _____ | N |
| | _____ | N |

B. WATER QUALITY

- | | | |
|----|--------------------------------------|---|
| 1. | Physical state of water _____ | N |
| 2. | Chemical and biological states _____ | N |
| 3. | Ecological balance _____ | N |
| 4. | Other factors _____ | N |
| | _____ | N |
| | _____ | N |

1/ See Explanatory notes for this form

2/ Definition of 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

C. ATMOSPHERIC

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

D. NATURAL RESOURCES

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

E. CULTURAL

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

F. SOCIO-ECONOMIC

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

IMPACT IDENTIFICATION AND EVALUATION FORM

G. HEALTH

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

H. GENERAL

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

I. OTHER POSSIBLE IMPACTS (not listed above)

- _____ N
- _____ N

PROJECT DESIGN SUMMARY
LOGICAL FRAMEWORK
Project Title & Number: Training for Leadership (524-0189.A)

Narrative Summary	Objectively Verifiable Indications	Means of Verification	Important Assumptions
<p>Program of Sector Goal: The broader objective to which this project contributes:</p> <p>The goal of the project is to contribute to the formation of more effective man power resources, thereby, ensuring the leadership and technical skills needed for a progressive, balanced and pluralistic development in Nicaragua</p>	<p>Measures of Goal Achievement</p> <p>-100% of returned participants employed in technical, managerial and related positions. -Returned participants are more effective and productive.</p>	<p>Follow-up evaluation and surveys.</p>	<p>Assumptions for achieving goal targets:</p> <p>Social, political and economic situations remains relatively stable, thereby permitting private sector development.</p>
<p>Project Purpose:</p> <p>The purpose of this project is to increase the supply of U.S. trained private sector Nicaraguans both at the technical and administrative/managerial levels.</p>	<p>Conditions that will indicate purpose has been achieved; End of Project status:</p> <p>-A system in place and functioning to identify, select, train, and utilize technical and managerial/administrative workers for the private sector. -Training conducted in at least ten general disciplines.</p>	<p>AID and contractor evaluation and EDUCREDITO reports.</p>	<p>Assumptions for achieving purpose:</p> <p>Identified training needs can be met in the U.S.</p>
<p>Outputs:</p> <ol style="list-style-type: none"> 1. Technical advisory committee functioning. 2. Need surveys conducted by EDUCREDITO/COSLP. 3. Short-term training completed. 4. Long-term training in fields relevant to private sector reconstruction completed. 	<p>Magnitude of Outputs:</p> <ol style="list-style-type: none"> 1. 5 member committee meeting regularly and functioning. 2. 200 surveys completed 3. 526 person months completed 4. 480 person months completed 	<p>EDUCREDITO records, AID and contractor files.</p>	<p>Assumptions for achieving outputs:</p> <p>Sufficient incentives and guarantees are included in the program to insure return of participants to Nicaragua.</p>
<p>Inputs:</p> <p>AID</p> <ol style="list-style-type: none"> 1. Short-term training-526 person months and long-term training-480 person months. 2. Technical assistance - 4 person months 3. Budget support to EDUCREDITO 4. Equipment and supplies 5. Evaluation <p>COUNTERPART</p> <ol style="list-style-type: none"> 6. Salary continuation 7. Operating expenses and contributions 	<p>Implementation Target (Type and Quantity)</p> <ol style="list-style-type: none"> 1. \$3,188,000. 2. 20,000. 3. 255,000. 4. 25,000. 5. 12,000. 6. 778,000. 7. 100,000. <p>\$4,378,000.</p>	<p>USAID/N and EDUCREDITO files</p>	<p>Assumptions for providing inputs:</p> <p>Private sector support to EDUCREDITO will continue at its present level or more.</p>

24 de agosto de 1981

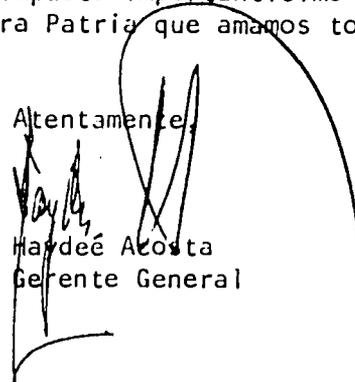
Señor Gerald R. Wein
Acting Director, AID
Embajada Americana
Managua, D.N.

Estimado Señor Wein:

En base a los consejos y recomendaciones profesionales del experto, Doctor Daniel Hayduck, del Instituto Internacional de Educación, Nueva York, E.E.U.U., contratado por AID, y de acuerdo a conversaciones sostenidas entre el personal de EDUCREDITO y los oficiales de AID, me es muy grato por este medio solicitar a su Agencia una donación de US\$3,500,000 (tres millones quinientos mil dólares) para los programas de EDUCREDITO. De esta donación US\$3,188,000 (tres millones ciento ochenta y ocho dólares) se destinará a becas en los Estados Unidos para estudios a cortos y largos plazos. Con ésto se logrará aumentar substancialmente el número de técnicos, supervisores, especialistas, gerentes y administradores mejor capacitados para realizar el desarrollo del país. La cantidad de US\$312,000 (trescientos doce mil dólares) será utilizada para ayuda técnica, compras de un vehículo, equipo de oficina, y materiales bibliotecarios, evaluaciones del proyecto, y apoyo financiero de EDUCREDITO. Nuestra contribución a las actividades será apróximadamente el equivalente de US\$878,000 (ochocientos setenta y ocho mil dólares) que incluye los salarios de los becarios mientras estén estudiando en los E.E.U.U. y las contribuciones directas a EDUCREDITO de parte de la instituciones, negocios, industrias, y organizaciones patrocinadores de los becarios.

La donación tendrá por objeto incrementar los recursos humanos capacitados en el sector privado y a la vez fortalecer la capacidad institucional y financiera de EDUCREDITO.

En nombre de los miembros y afiliados de esta entidad, le agradezco de antemano el apoyo que usted le dé a esta solicitud, la cual, le prometo con toda sinceridad, tendrá un impacto importantísimo en la realización de la reconstrucción de nuestra Patria que amamos todos los nicaraguenses.

Atentamente,

Haydee Acosta
Gerente General

**DINERO
PARA LA
EDUCACION**

