

Quarterly Report
for the
Foundation for Cooperative Housing
Development Program Grant
for the period of
1 February through 30 April 1977

I. Accomplishments

The DPG Second and Third Year Work Plan and the preceding Quarterly Report list various activities to be continued and undertaken during the present reporting period. A description of the activity and a resume of the action taken is given below.

- A. Assemble and review material related to low-income, self-help shelter programs.

This is an on-going DPG activity.

- B. Prepare and disseminate DPG publications.

Work on the Manual for the Application of Cooperatives in Minimum Shelter Programs was finalized. The Manual will be distributed in the next quarter.

- C. Develop contact with international development agencies and local institutions.

This is an on-going DPG activity.

- D. Workshops.

No DPG sponsored workshops were held during the reporting period.

- E. Demonstration projects.

1. Honduras

In March, FEHCOVIL (Federation of Housing Cooperatives of Honduras) submitted a request to CABEI (Central American Bank for Economic Integration) for the financing of two site and service projects in Tegucigalpa. FEHCOVIL later made a written request to RHIID/ROCAP for the technical assistance of FCH to assist it in the development of these projects. On 28 April, FCH was

advised that INVA (National Housing Institute) had remitted a request to CABEI to finance its site and service project in Tegucigalpa, and that it had informed RHIID/ROCAP that it intended to request the technical assistance of FCH for the project.

Based on the above, FCH is in the process of revising the material that it had acquired during December to prepare an OPG for Honduras.

2. Peru

An FCH team, Ted Priftis, Wallis Westwood and Dick Owens, visited Peru from 15 February to 3 March to get a commitment from the MOHC (Ministry of Housing and Construction) for use of AID HG funds in the Canto Grande project, determine if the MOHC wanted FCH assistance in the Canto Grande project and assist USAID Peru to prepare a PID for a development loan for the Canto Grande project to finance activities that the HG loan cannot fund. The MOHC agreed to use up to \$3.0 million from the HG loan for the Canto Grande project and requested the assistance of FCH for the development of the project. FCH assisted the Mission in drafting a PID for an integrated urban development loan. A trip report was submitted to SER/H. After returning from Peru, FCH prepared an OPG for its assistance to the MOHC which was reviewed with SER/H. A revised OPG was taken to Peru on 2 May for review and approval by the Mission and MOHC. FCH also prepared a draft agreement between the MOHC, AID and FCH, which defines institutional responsibilities, that was taken to Peru for review and approval.

3. Korea

Larry Salmen visited Korea from 10 to 15 March to assist the Seoul City Government and KNIHC to develop an evaluation system for their respective squatter settlement improvement programs and for the KNIHC's apartment program. A trip report was submitted to SER/H.

A meeting was held in Washington on 9 March to discuss the Korean OPG.

Target dates were tentatively set for its preparation, review, approval and placing of the FCH technician. As of the end of the reporting period, FCH was finalizing the drafting of the OPG.

4. Lesotho

A meeting was held 15 April by APR/ESA, AFR/DP, SER/H and FCH to discuss the FCH OPG's for Lesotho and Botswana. Regarding Lesotho, it was decided that after reviewing the PID like document, which was prepared and submitted to USAID Lesotho six months ago and the Revised Issues Paper on the PID, that AFR/DP would conduct an internal review to approve the proposed project in principal within a two week period after having received the Issues Paper.

5. Botswana

a. Self-help Housing Agency (SHHA)

As the result of the 15 April meeting, SER/H distributed the OPG proposal and an EPCR meeting was scheduled for 4 May. That meeting was postponed because of the question raised by USAID Botswana on project priority. It is understood that a telegram from AFR/DP to USAID Botswana proposed allocating \$200,000 in FY 77 Security Supporting Assistance funds for this project. A scope of work for the FCH team has also been sent to USAID Botswana for concurrence.

b. Production Center

As the result of the 15 April meeting, FCH prepared a PID like document for this project and submitted it to SER/H on 20 April for review and approval. It is understood that AFR/DP proposed an allocation of \$250,000 for this project in a telegram to USAID Botswana. This project requires an extensive reevaluation and restudy by the FCH team in its forthcoming visit.

6. Alternative Projects

See the attached memorandum for a description of the progress of the OPG's and identification of alternative projects.

F. First Year Report

The First Year Report for the DPG was submitted to SER/H on 25 March. It described the activity undertaken during that reporting period and presented our proposal for the second and third year anticipated activities.

II. Activities Project But Not Undertaken

The previous Quarterly Report listed some projected activities to be undertaken during the reporting period that, for different circumstances, were not undertaken. The activities and the reasons why they were not accomplished are described below.

A. Trips to Lesotho and Botswana to continue development of the OPG's.

The delay in focusing on the OPG's for these two countries within AID has made it necessary to postpone the trips to these two countries until the next quarter.

B. Trip to Honduras to gather information for the OPG.

This trip was delayed until institutional responsibilities could be redefined for the proposed site and service projects in Tegucigalpa. FCH was advised that this had been done on 28 April.

III. Activities Project for Next Quarter

A. OPG for Peru approved and grant agreement signed.

B. FCH team travels to Botswana and Lesotho to develop/finalize OPG's for projects in those two countries.

C. FCH team travels to Korea to finalize OPG and obtain ROKG agreement to operate in country and support FCH technician(s).

D. SER/H and FCH select countries to visit to identify possible OPG demonstration projects for FY 77, 78 and 79 monies.

IV. General Comments

DPG Time Frame

The development of the OPG's for the demonstration projects is proceeding

well but is taking longer than originally anticipated. Although different factors contribute in causing a delay in the preparation of the OPG's, the main ones seem to be in the design and interpretation of the OPG program and, in some cases, the absence of immediate responses from the local governments for the proposed shelter program and FCH technical assistance.