

UNCLASSIFIED

PD-ACC-010



**AGENCY FOR
INTERNATIONAL
DEVELOPMENT**

COUNTRY ASSISTANCE PROGRAM

COLOMBIA FY 1966

PART III

**DEPARTMENT
OF
STATE**



DECEMBER 1964

BEST AVAILABLE

UNCLASSIFIED

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 23 NOV 64	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	FY 1966	CAP: Part III - U.S. ASSISTANCE PROGRAM
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COUNTRY ASSISTANCE PROGRAM (CAP) SUBMISSION FOR COLOMBIA

APPROVED:
23 NOV 64

Joy Walla
Commander, USMILGRP

R. C. Anderson
Public Affairs Officer, USIS

Wm L. Rodgers
Acting Director, Peace Corps

James R. Fowler
Director, USAID

Corey T. Oliver
Ambassador

USAID/COLOMBIA
BOGOTA, COLOMBIA
23 NOVEMBER 1964

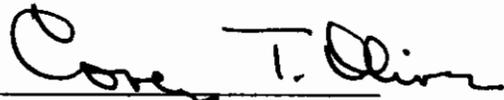
SECURITY CLASSIFICATION UNCLASSIFIED

PAGE NO. 1

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 OCT 64	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED		<u>TRANSMITTAL STATEMENT</u>
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The program presentation here submitted to AID/W for FY 1966 has the approval of the U.S. Country Team. The program goals, targets, activities and (AG, AL and PL 480) requirements estimates in this Country Assistance Program submission are in accordance with Colombia's Ten Year General Plan for Social and Economic Development, they are in consonance with the stated aims and objectives of the Alliance for Progress, and they are in keeping with the principles and policies set forth in the Long Range Assistance Strategy (LAS) Paper, as previously revised, updated and transmitted to State/AID by the Country Team as a part of the overall FY 1966 CAP presentation. However, it should be emphasized that the program here submitted is under continuing critical review by the Country Team, with further program re-structuring in prospect during the remainder of FY 1965, to bring it more fully into alignment with AID/W's projected and prescribed program reorientation. As in prior years, the program activities herein proposed for FY 1966 have been discussed in general terms with Planeación and the appropriate GOC Ministries and other Agencies concerned. It is my view that the program here submitted is, in general, addressed to the more critical bottlenecks presently impeding Colombia's social and economic development and, accordingly, it bears my approval.

25 NOV 64

Signed: 
Covey T. Oliver
AMBASSADOR

F Y 1 9 6 6 C A P S U B M I S S I O N

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AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 OCT 64	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED		TABLE OF CONTENTS
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PROJECT DATA SUMMARY — AID DOLLAR COSTS

1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3. PROJECT NO.			4. TITLE									
Oct. 20, 1964		COLOMBIA					TOTAL PROGRAM ^{a/}									
5. U.S. FUNDING:		BEGIN FY		END FY		6. PRIOR REFERENCES										
PHYSICAL WORK:																
7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)	APPROPRIATION TITLE	a. LOAN OR GRANT	b. TOTAL	c. CONTRACT ^{1/}	e. PERSONNEL SERVICES			f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS		
					(1) U.S. AGENCIES		(2) CONTRACT	(1) U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	
					AID	PASA										
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AG Ga/	16,916	2,495	3,361	791	2,453	1,178	-	3,709	42	5,382	-			
		AL L	48,500 ^b													
		c/ L	120,000													
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG G	3,027	431	1,235	175	434	200	-	299	42	642	-			
		AL L	5,000													
		c/ L														
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	AG G	12,408	753	3,181	359	738	927	-	2,086	15	5,102	-	5,361	48	
		AL L	21,961													
		c/ L	90,000													
	EXPENDITURES (ACTUAL YEAR)	AG G	1,843	112	1,090	74	120	45	-	26	15	473	-	632	46	
AL L		6,434														
c/ L																
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG G	4,508	1,635	180	432	1,715	251	-	1,623	27	280	-				
	AL L	20,539														
	c/ L	15,000														
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS	AG G	4,163	1,060	1,298	261	1,024	491	36	791	-	262	-			
		AL L	52,200 ^d													
	B. EXPENDITURES	AG G	6,066	1,514	1,306	288	1,591	524	25	1,898	27	407	-	635	141	
		AL L	60,109 ^d													
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG G	2,288	1,117	172	367	1,147	200	11	330	-	61	-			
		AL L	29,130 ^e													
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG G	4,380	1,477	1,366	270	1,403	450	74	593	-	224	-			
		AL L	5,000													
	B. EXPENDITURES	AG G	4,774	1,321	1,379	356	1,531	448	40	688	-	332	-	539	122	
		AL L	30,305 ^e													
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG G	1,819	828	159	281	879	202	35	235	-	28	-			
		AL L	3,825													
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS ^{2/}	AG G	2,736	480	1,302	275	480	275	-	236	-	168	-	1,969	980	
		AL L	f											825	3,000	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS ^{2/}	AG G	4,341	446	2,677	269	446	199	-	412	-	338	-	3,921	950	
		AL L	f													
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS ^{2/}	AG G	32,536	5,958	10,004	1,866	5,806	2,593	110	5,741	42	6,374	-	26,578	5,958	
		AL L	60,700													
		c/ L	150,000													

REMARKS:

- ^{1/} This is a memorandum (non-add) column.
- ^{2/} Show estimated expenditures in column 1.

- a. Because of format inadequacy, all "grant" funding was necessarily combined under the AG symbol in this table (only).
- b. Components, i.e., Contract services, commodities, etc., presently unknown.
- c. Program Loans.
- d. Includes \$45.0 Program Loan.
- e. Includes \$15.0 Program Loan funds.
- f. Not possible project loan assistance this far in advance.

AID 1020-3 (7-64)		PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES										SECURITY CLASSIFICATION UNCLASSIFIED					
E-1b		1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3. Funding		BEG. FY		END FY		4. PROJECT NO.		5. TITLE			
		20 OCT. 1964		COLOMBIA		Phys. Work								TOTAL PROGRAM			
7. OBLIGATED AND DISBURSED		a. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)						
		(1) TYPE		(2) SOURCE	(3) LOAN OR GRANT	(1) DOLLAR EQUIVALENTS (000) 1/		(2) LOCAL CURRENCY UNITS (000)		(1) OBLIGATED		(2) DISBURSED		(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER	
					(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED			(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED			
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		4,631		46,310 ^{2/}		32,600	4,920	4,600		4,190			
		(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																
TOTAL ACTUAL FY 64	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		442		4,420		200	1,210	1,860		1,150			
		(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																
II OPERATIONAL YEAR (EST.) FY 65	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G/L		2,002 ^{2/}		20,020		200	1,350	2,790		15,680			
		(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																
III BUDGET YEAR (EST.) FY 66	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G/L		3,323 ^{2/}		33,230		250	1,500	3,100		28,380			
		(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																
IV PLANNING YEAR (EST.) FY 67	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G/L		2,657 ^{2/}		26,570		100	1,410	3,200		21,860			
		(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																
V ALL SUBSEQUENT FYs (EST.)	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		1,734		17,340		300	2,660	8,780		5,600			
		(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																
VI TOTAL ALL YEARS (EST.)	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G/L		14,364 ^{2/}		143,640		33,450	11,930	22,530		75,730			
		(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																

REMARKS: a/ Rate has been steady at 9.98 but is now fluctuating. Rate is arbitrarily set at 10.00 for convenience.
 1/ Exchange Rate: \$1 = 10.00 pesos b/ Includes 1/c estimated expenditures for Feasibility Studies Loan as follows: FY 65 - \$1,300; FY 66 - \$2,600;
 2/ The total dollar equivalent amounts are the same as in Col. f of Table E-1a FY 67 - \$2,000; total all years - \$5,900.

E-1c		PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS										1. DATA CURRENT AS OF:		2. COOPERATING CTRY.		3. PERSONNEL SERVICES PARTICIPANT TRAINING		BEG. FY		END FY		4. PROJECT NO.			
		a. CUM. THRU ACTUAL FY			b. ACTUAL FY			c. OPERATIONAL FY			d. BUDGET FY			e. PLANNING FY			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS					
		Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract			
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	152	24	30	40	6	16	43	13	37	45	15	50	40	15	33	81	13	17	361	80	167		
		Non U.S.	245	20	17	76	1	12	78	-	19	81	-	27	79	-	26	200	-	18	683	20	107		
	B. ON 1/ BOARD	U.S.				39	8	18	45	17	45	45	17	45	37	15	24								
		Non U.S.				76	-	15	81	-	27	81	-	27	78	-	16								
II. PARTICIPANTS PROGRAMMED	A. U.S.		588	4	2	350	-	2	230	5	6	202	5	15	103	5	12	81	-	2	1204	19	37		
	B. THIRD CTRY.																								

REMARKS:
 1/ End of Fiscal Year

AID 1020-4 (7-84)	PROGRAM STATUS OF LOCAL CURRENCY FUNDS - TOTAL PROGRAM AVAILABILITIES AND OBLIGATIONS FOR FINANCING LOCAL COSTS										
E-3a	1. DATA CURRENT AS OF:			2. COOPERATING COUNTRY				SECURITY CLASSIFICATION			
	Oct. 20, 1964			COLOMBIA				UNCLASSIFIED			
4. PLANNING AND OBLIGATION STATUS	3. SOURCES AND AMOUNTS OF LOCAL CURRENCY - LOCAL CURRENCY UNITS (000)										
	a. TOTAL		b. P.L. 480				c. FOREIGN ASSISTANCE ACT				
	(1) 1/ DOLLAR EQUIVALENTS (\$000)	(2) LOCAL CURRENCY UNITS (000)	(1) TITLE I				(2)	(1)	(2)	(3)	(4)
			(a) SEC. 104 (C)	(b) SEC. 104 (e) GRANTS	(c) SEC. 104 (e) COOLEY LOANS	(d) SEC. 104 (g) LOANS	OTHER TITLES (Specify)	COUNTER- PART	U.S. OWNED	TRUST FUND	LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS
I. END OF PRIOR YR.-AVAILABILITIES FOR PROGRAMMING, UNOBLIGATED											
A. NEW AVAIL. FROM \$ AND P.L. 480 OBL., AY											
B. NET OBLIGATIONS											
II. ACTUAL YEAR											
A. NEW AVAIL. FROM \$ AND P.L. 480 OBL., AY											
B. NET OBLIGATIONS											
(i) BUDGET SUPPORT											
MILITARY											
ECONOMIC DEVELOPMENT											
OTHER											
(ii) CAPITAL ASSISTANCE PROJECTS											
(iii) TECHNICAL ASSISTANCE PROJECTS											
(iv) LOCAL CURRENCY PROJECTS											
CAPITAL ASSISTANCE											
TECHNICAL ASSISTANCE											
(v) COUNTERPART COMMITMENTS FOR TRUST FUND											
C. END OF AY - AVAILABILITIES FOR PROGRAMMING, UNOBL.											
A. NEW AVAIL. FROM \$ AND P.L. 480 OBL., OY											
B. NET OBLIGATIONS											
(i) BUDGET SUPPORT											
MILITARY											
ECONOMIC DEVELOPMENT											
OTHER											
(ii) CAPITAL ASSISTANCE PROJECTS											
(iii) TECHNICAL ASSISTANCE PROJECTS											
(iv) LOCAL CURRENCY PROJECTS											
CAPITAL ASSISTANCE											
TECHNICAL ASSISTANCE											
(v) COUNTERPART COMMITMENTS FOR TRUST FUND											
C. END OF OY-AVAILABILITIES FOR PROGRAMMING, UNOBL.											
A. NEW AVAIL. FROM \$ AND P.L. 480 OBL., BY											
B. NET OBLIGATIONS											
(i) BUDGET SUPPORT											
MILITARY											
ECONOMIC DEVELOPMENT											
OTHER											
(ii) CAPITAL ASSISTANCE PROJECTS											
(iii) TECHNICAL ASSISTANCE PROJECTS											
(iv) LOCAL CURRENCY PROJECTS											
CAPITAL ASSISTANCE											
TECHNICAL ASSISTANCE											
(v) COUNTERPART COMMITMENTS FOR TRUST FUND											
C. END OF BY-AVAILABILITIES FOR PROGRAMMING, UNOBLIGATED											

REMARKS:

1/ EXCHANGE RATE: \$1 = 12.00 pesos

a/ Includes Program Loans; rate of exchange \$1 = 9.00 pesos.

b/ Title II, Food for Work; rate of exchange \$1 = 10.00 pesos.

c/ Peso has been fluctuating recently; arbitrary rate of \$1 = 12.00 pesos used; agreed upon uses are: 25% - 104(e); 40% - 104(g); 35% - U.S. uses.

d/ Title II, Food for Work; rate of exchange \$1 = 12.00 pesos

CASH STATUS OF LOCAL CURRENCY FUNDS - TOTAL AVAILABILITIES IN CASH AND RECEIVABLES, AND DISBURSEMENTS TO FINANCE LOCAL COSTS

SECURITY CLASSIFICATION
UNCLASSIFIED

1. DATA CURRENT AS OF: 20 OCT. 1964		2. COOPERATING COUNTRY COLOMBIA		3. SOURCES AND AMOUNTS OF LOCAL CURRENCY - LOCAL CURRENCY UNITS (000)													
4. CASH STATUS OF PROGRAM IMPLEMENTATION				a. TOTAL		b. P.L. 480				c. FOREIGN ASSISTANCE ACT							
				(1) DOLLAR EQUIVALENTS (000)	(2) LOCAL CURRENCY UNITS (000)	(a) Sec. 104 (c)	(1) TITLE I (b) Sec. 104 (e) GRANTS (c) Sec. 104 (e) Cooley Loans		(d) Sec. 104 (g) LOANS	(2) OTHER TITLES (Specify)	(1) COUNTERPART	(2) U.S. OWNED	(3) TRUST FUND	(4) LC COSTS CHGD TO \$ ACCTS.			
TOTAL PROGRAM	I. END OF PRIOR YEAR	A. TOTAL CASH ON HAND															
		UNOBLIGATED															
	II. ACTUAL YEAR FY 64	B. TOTAL BALANCE TO BE GENERATED, PRIOR YEAR PROGRAMS															
		RECEIVABLES UNCOMMITTED															
		A. TOTAL DEPOSITS		2,740							45,000 ^{B/}						
		(i) FROM PRIOR PROGRAMS															
		(ii) FROM AY PROGRAMS		2,740							45,000						
		B. TOTAL CASH DISBURSEMENTS		1,340							22,100						
		(i) BUDGET SUPPORT															
		MILITARY															
		ECONOMIC DEVELOPMENT															
		OTHER															
		(ii) CAPITAL ASSISTANCE PROJECTS															
		(iii) TECHNICAL ASSISTANCE PROJECTS															
		(iv) LOCAL CURRENCY PROJECTS															
CAPITAL ASSISTANCE									11,100								
TECHNICAL ASSISTANCE									11,100								
(v) COUNTERPART TRANSFERS TO TRUST FUND																	
C. TOTAL CASH ON HAND END OF AY									22,900								
UNOBLIGATED																	
D. TOTAL BALANCE TO BE GENERATED, END OF AY									33,000								
RECEIVABLES UNCOMMITTED																	
III. OPERATIONAL YEAR (EST.) FY 65	A. TOTAL DEPOSITS		2,060						33,000 ^{B/}								
	(i) FROM PRIOR PROGRAMS		2,060						33,000								
	(ii) FROM OY PROGRAMS																
	B. TOTAL CASH DISBURSEMENTS		3,460							55,900							
	(i) BUDGET SUPPORT																
	MILITARY																
	ECONOMIC DEVELOPMENT																
	OTHER																
	(ii) CAPITAL ASSISTANCE PROJECTS																
	(iii) TECHNICAL ASSISTANCE PROJECTS																
	(iv) LOCAL CURRENCY PROJECTS																
	CAPITAL ASSISTANCE		2,400							38,900							
	TECHNICAL ASSISTANCE		1,060							17,000							
	(v) COUNTERPART TRANSFERS TO TRUST FUND																
	C. TOTAL CASH ON HAND END OF OY																
UNOBLIGATED																	
D. TOTAL BALANCE																	
RECEIVABLES UNCOMMITTED																	
IV. BUDGET YEAR (EST.) FY 66	A. TOTAL DEPOSITS																
	(i) FROM PRIOR PROGRAMS																
	(ii) FROM BY PROGRAMS																
	B. TOTAL CASH DISBURSEMENTS																
	(i) BUDGET SUPPORT																
	MILITARY																
	ECONOMIC DEVELOPMENT																
	OTHER																
	(ii) CAPITAL ASSISTANCE PROJECTS																
	(iii) TECHNICAL ASSISTANCE PROJECTS																
	(iv) LOCAL CURRENCY PROJECTS																
	CAPITAL ASSISTANCE																
	TECHNICAL ASSISTANCE																
	(v) COUNTERPART TRANSFERS TO TRUST FUND																
	C. TOTAL CASH ON HAND END OF BY																
UNOBLIGATED																	

NOTE: See E-3a table and Food For Peace table for Title I data.

REMARKS: ^{B/} Title IV. Pesos generated on net sales proceeds basis averaging 1/Exchange Rate: \$1 = about 16 pesos per dollar.

SECURITY CLASSIFICATION
UNCLASSIFIED

MANPOWER PROGRAMMING ANNEX

LINE	MPA	DATA CURRENT AS OF:		COUNTRY OR ORGANIZATION				COUNTRY OR ORGANIZATION NO.				SECURITY CLASSIFICATION																
		October 20, 1964		COLOMBIA				514				UNCLASSIFIED																
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)				(9)				(10)				(11)				(12)			
POSITION TITLE	IDENTIFICATION CODE	OCCUPATION CODE	PAY SCHEDULE AND GRADE	SOURCE OF FUNDS AND PROJECT NO.	AG. CODE	END FY	FISCAL YEAR 65				FISCAL YEAR 66				FISCAL YEAR 67				FISCAL YEAR				FISCAL YEAR					
							1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th		
RURAL DEVELOPMENT DIVISION - AID DIRECT-HIRE POSITIONS																												
	Devl. Off. Rural	AGKM	10340.06	FSR-02	P190097		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Asst. Devl. Offr. Rur.	AGKM	10340.06	FSR-03	P190097		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Agric. Economist	AGKM		FSR-03	P190097		0	0	0	1	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Agric. Advisor	AGKM	10450.08	FSR-03	P190097		3	3	2	1	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Biling. Secretary	AHKM	-	FSLS-5	P190097		2	2	-	-	2	2	-	-	2	2	-	-	2	2	-	-	2					
	Agr. Reform. Tech.	AHKM					0	0	0	1	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Agr. Credit Adv.	AGKM	10110.56	FSR-03	P130098		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Spec. Asst.	AHKM	-	FSLS-1	P130098		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Executive Secy.	AHKM	-	FSLS-5	P130098		3	3	-	-	3	3	-	-	3	3	-	-	3	3	-	-	3					
	Cooperative Adv.	AGKM	10301.12	FSR-03	P130098		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Biling. Secy.	AHKM	-	FSLS-6	P130098		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Livestock Adv.	AGKM	10487.00	FSR-03	P130098		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Animal Husb. Adv.	AHKM			P130098		0	0	0	1	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Agron. Adv.	AGKM	10471.00	FSR-03	P130098		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Agronomist	AHKM	-	FSLS-3	P130098		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1					
RURAL DEVELOPMENT DIVISION - PASA-CONTRACT POSITIONS																												
	Nat. Agr. Planning	EG--			P190097		0	0	0	3	3	4	8	8	5	2	-	-	0									
	Coop. Asst.	DH--			P190098		1	1	-	-	1	1	-	-	1	0	-	-	0									
	Agric. Market. Adv.	DG--			P190098		1	1	-	-	1	1	0	0	0	0	-	-	0									
	Agric. Divers.	EG--			P190098		0	0	-	-	0	0	-	-	0	2	-	-	2									
	Sup. Agric. Credit	BG--		GS-13	E140108	K	0	1	1	2	3	3	-	-	3	3	-	-	3									
	Basic Res. Survey	BG--			P190097	H	2	3	4	5	5	5	-	-	5	3	2	1	0									
	Land Tenure - Wisc.	EG--			Regional		2	2	-	-	2	-	-	-	-	-	-	-	-									
HUMAN RESOURCES DIVISION - AID DIRECT-HIRE POSITIONS																												
	Dev. Off. - HRD	AGKM	60340.06	FSR-02	P660101		1	1	0	0	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Educ. Adv. Dep. - HRD	AGKM	61710.19	FSR-03	P660101		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Pub. Health Adv.	AGKM	50685.00	FSR-03	P990000		1	1	1	0	0	0	-	-	0	0	-	-	0									
	Exec. Secy.	AHKM	-	FSLS-5	P660101		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Tech. Ed. Adv.	AGKM	61710.14	FSR-03	P680083		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1					
	Elem. Ed. Adv.	AGKM	61710.02	FSR-03	P640039		2	2	0	-	0	0	-	-	0	0	-	-	0	0	-	-	0					
	Elem. Ed. Adv.	AGKM	61710.02	FSR-04	P640039		1	1	-	-	1	1	0	-	0	0	-	-	0	0	-	-	0					
HUMAN RESOURCES DIVISION - PASA-CONTRACT POSITIONS																												
	Higher Ed. Survey	EG--			P660101		0	0	0	3	4	5	-	-	5	0	-	-	0									
	Bus. Admin. - Medellin	EG--			P660101		3	4	-	-	4	4	-	-	4	4	3	2	2									
	Economics - Los Andes	EG--			P660101		3	3	-	-	3	4	-	-	4	4	-	3	2									
	Nat. Ed. Planning	EG--			P680083		3	4	-	-	4	0	-	-	0	0	-	-	0									

MANPOWER PROGRAMMING ANNEX

LINE	MPA	DATA CURRENT AS OF:		COUNTRY OR ORGANIZATION				COUNTRY OR ORGANIZATION NO.				SECURITY CLASSIFICATION																		
		October 20, 1964		COLOMBIA				514				UNCLASSIFIED																		
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)				(9)				(10)				(11)				(12)					
POSITION TITLE	IDENTIFICATION CODE	OCCUPATION CODE	PAY SCHEDULE AND GRADE	SOURCE OF FUNDS AND PROJECT NO.	AG. CODE	END FY	FISCAL YEAR 65				FISCAL YEAR 66				FISCAL YEAR 67				FISCAL YEAR				FISCAL YEAR							
							1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th				
URBAN AND INDUSTRIAL DEVELOPMENT DIVISION - AID DIRECT-HIRE POSITIONS:																														
	Dev Off - UID	AGKM	90340.06	FSR-2	P290117		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1							
	Industry Off	AGKM	21150.00	FSR-3	P290117		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1							
	Industrial Adv	AGKM	-	FSR-4	P290117		1	0	-	1	1	-	-	1	1	-	-	1	1	-	-	1								
	Exec Secretary	AHKM	-	FSL-5	P290117		1	2	-	-	2	2	-	-	2	2	-	-	2	2	-	-	2							
	Housing Adv	AGKM	80020.03	FSR-3	P830058		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1							
	Exec Secretary	AHKM	-	FSL-5	P830058		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1							
	Labor - AIFLD	EG&H			P410015		17	17	17	17	18	19	-	-	19	19	-	-	19	19	-	-	19							
URBAN AND INDUSTRIAL DEVELOPMENT DIVISION - PASA-CONTRACT POSITIONS:																														
	Ind. Prom. Adv	EG--			P290117		1	1	-	-	1	1	-	1	0	0	-	-	0	0	-	-	0							
	Ind Development	EG--			P290117		0	0	1	1	1	0	-	-	2	2	-	-	2	2	-	-	2							
	Ind Trng Adv	EG--			P290117		0	0	0	2	2	2	-	-	2	2	-	-	2	2	-	-	2							
	Ind Mktg Adv	EG--			P290117		0	0	-	-	0	1	-	-	1	1	-	-	1	1	-	-	1							
	Ind Credit	EG--			P290117		1	1	0	-	0	0	-	-	0	0	-	-	0	0	-	-	0							
	Export Prom Adv	DG--			P950112		0	0	0	1	1	1	-	-	1	1	1	0	0											
	Export Prom & Mktg	DG--			P950112		0	0	0	0	0	1	-	-	1	1	-	-	1	1	-	-	1							
	Export Prom & Trng	DG--			P950112		0	0	0	0	0	1	-	-	1	1	-	-	1	1	-	-	1							
	Coop Hcrft P & M	EG--			P990114		2	6	-	-	6	6	-	-	6	6	-	-	6	6	-	-	6							
	FCH Contract	EG--			P830058		0	0	1	2	2	2	-	-	2	1	-	-	1	-	-	1								
	Social Serv HEW	BG--			P830058	M	0	0	0	2	3	3	-	-	3	3	2	1	0											
	FHA consultants	BG--			P830058	M	0	0	0	2	1	1	-	-	1	0	-	-	0	-	-	0								
	Savings & Loan	EG--			P830058		0	0	-	-	0	2	-	-	2	2	-	-	2	2	-	-	2							
	Coop Housing	EG--			P830058		0	0	0	2	3	3	-	-	3	-	3	2	0											
	Mineral Resources	BG--			E210109	H	1	1	4	5	5	5	-	-	5	5	-	-	5	5	-	-	5							
	Chf Civil Av. Adv	BG--	32150.11	FSR-5	P370029	A	1	0	-	-	0	0	-	-	0	0	-	-	0	0	-	-	0							
	Air Oprn Spec	BG--	32152.02	FSR-5	P370029	A	1	0	-	-	0	0	-	-	0	0	-	-	0	0	-	-	0							
PUBLIC SAFETY DIVISION - AID DIRECT-HIRE POSITIONS:																														
	Chf Pub Sfty Adv	AGKM	70083.00	FSR-2	P710066		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1							
	Pub Sfty Adv Inv	AGKM	70083.09	FSR-5	P710066		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1							
	Pub Sfty Adv Communic	AGKM	70083.04	FSR-4	P710066		1	1	-	-	1	1	-	-	1	0	-	-	0	-	-	0								
	Pub Sfty Adv Rural	AGKM	70083.18	FSR-5	P710066		1	1	-	-	1	1	-	-	1	0	-	-	0	-	-	0								
	Pub Sfty Adv Mun	AGKM		FSR-5	P710066		0	0	0	1	1	1	-	-	1	1	-	-	1	1	-	-	1							
	Pub Sfty Adv Trng	AGKM	70083.20	FSR-5	P710066		0	0	1	-	1	1	-	-	1	1	-	-	1	1	-	-	1							
	Pub Sfty consults	AGKM			P710066		0	0	1	1	0	0	-	-	0	0	-	-	0	0	-	-	0							
	Executive Secretary	AHKM		FSL-5	P710066		1	1	-	-	1	1	-	-	1	1	-	-	1	1	-	-	1							
PUBLIC SAFETY DIVISION - AID PASA - CONTRACT POSITIONS:																														
	Communications Asst	DH--			P710066		1	1	-	-	1	1	-	-	1	0	-	-	0	-	-	0								

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL I	FINANCIAL BALANCE AT A LEVEL PERMITTING ACCELERATED ECONOMIC GROWTH AND SOCIAL PROGRESS
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Goal Statement and Plan

a. Fiscal

Financial balance has been achieved on the fiscal side but apparently not at a level consistent with public sector needs and administrative capabilities for both operations and investment expenditures, although data on total public sector spending are still not available. The balance which has been achieved has occurred mainly as the result of major new tax measures and some restraint on spending. The new tax measures of the past year have included:

(1) A 20 per cent surcharge on income tax payments for the tax years 1962 and 1963.

(2) A 30 per cent surtax on inheritance and gift duties, the increase in gift duties to begin in 1965.

(3) A 10 per cent gallon tax on the sale of gasoline, effective in 1964.

(4) A general sales tax with rates of 3, 5, 8 and 10 per cent, effective on January 1, 1965, foodstuffs, drugs and schoolbooks exempted (implementation still not absolutely assured).

(5) The forbidding of the offsetting of losses in the cattle business against earnings in other activities.

Despite these tax measures Colombian tax revenues are thought still not to be a high percentage of Colombia's gross national product (although precise figures on total public sector tax revenues are not available), and substantially greater mobilization of savings for the public sector appears needed and is expected to be proposed by the Valencia Administration to the present session of the Colombian Congress. Reliance will also be placed on improved tax administration. In addition, an accelerated property appraisal program coupled with steps to improve property tax collection are anticipated in the next two years. Work should also be speeded on the collection of total public sector income and investment and current expenditure data. This should be aided by the budget reform recently decreed by the Government.

b. Balance of Payments

Substantial progress has been made during the past year on the import side through the establishment for the first time of an import budget and the establishment of a new government foreign trade organization which will include the former Superintendency of Imports and should lead to better administration of import controls and of the new import budget. The import budget needs to be refined with experience, however.

Over the long term it is to be hoped that direct import controls can be reduced as the result of export development. Under present circumstances of foreign exchange availabilities and self-help performance, large-scale further increases in imports do not seem in order, despite the rise in coffee prices. Given the growth of the population and continued industrialization, this kind of restraint on the total import budget requires increasingly careful planning and selectivity respecting imports, if vital sectors of the economy are not to be left uncovered.

Instead of going for increased imports, the rise in coffee prices is being used largely to limit the increase in short-term debt, as evidenced by the general adherence to the import budget level and other steps to limit the increase in short-term debt. This has been adopted as a policy by the Government and steps are being taken to implement it.

Measures have just been taken to protect the country's exchange position by discontinuing official support of the free market exchange rate, by terminating overly liberal import privileges from the free port of San Andres and by intensifying the fight against contraband imports. It is too early to judge particularly the impact of the freeing of the free exchange rate.

On the export side, awareness of the critical importance of increased exports is growing and the following new steps have been recently taken: A single organization to coordinate trade policy and stimulate exports has been established. The requirement for prior deposits on exports other than coffee has been eliminated. The Bank of the Republic has contracted with Arthur D. Little, Inc., for a survey of Colombian export potential for five major classes of manufactured goods, potential markets and general export conditions and bottlenecks in Colombia. The operations of the Private Investment Fund (PIF), with new financing by AID and IBRD, are to be oriented more firmly than before toward exports as first priority. These are in addition to previous arrangements for preferential tax treatment for exports, special Bank of the Republic credits for imports to be used in export industries, and tariff rebates on imports used for export production (Vallejo plan).

Among the several important measures taken at the end of October and already referred to, the freeing of the free market exchange rate from its previous effective pegging by Government support is a spur to the so-called minor exports, but the significantly enlarged spread between the new and fluctuating free rate and the lower coffee exchange rate may cause increased smuggling of coffee out of the country.

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL I	FINANCIAL BALANCE AT A LEVEL PERMITTING ACCELERATED ECONOMIC GROWTH AND SOCIAL PROGRESS
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Even with the best efforts now in sight a large balance of payments gap is likely to continue and even to grow. This gap is larger than previously estimated to some extent because of more realistic estimates regarding the debt-servicing burden. Thus the importance of maximum export promotion, exchange rate rationalization, liberal lending terms, sound general financial policies and careful husbanding of foreign exchange resources so far as imports are concerned is underlined. At the same time it must be realized that unless the sharp growth of domestic demand is restrained, the success of aggressive export promotion depends very largely on success in raising the national product.

c. Monetary Policy

The establishment of the Monetary Commission has brought the monetary situation under much better control. Whether or not the monetary restraint dictated by concentration on the limitation of price increases after an inflationary spurt will severely limit economic growth remains to be seen. On the other hand, continuation of severe inflation would also adversely affect the growth rate and moreover have adverse political and social consequences.

The specific targets of AID assistance during fiscal years 1965 and 1966 to help achieve Goal I, apart from program loan assistance, are as follows:

1. Tax Administration

A sharp increase in revenue through improved tax administration is considered by both the GOC and AID a high priority activity which must be achieved as soon as possible. Increased revenue is needed to eliminate the national inflationary deficit, to place the GOC in a position from which it can finance growing public investment for development, provide essential social services and improve public administration through better salaries. Improved tax administration is also essential to create greater equity in tax administration between those who today pay their full share and those who do not.

The assistance oriented and generally directed to the Ministry of Finance, has the following specific objectives in priority order:

a) To convert operations in the Ministry of Finance's National Tax Division to electronic data processing, to the extent feasible, for all processes now being performed manually, and for other administrative and enforcement programs not now within the capabilities of the Tax Division.

b) To develop and implement programs for identification of delinquent accounts and to apply systematic, effective collection procedures.

c) To develop programs to obtain tax declaration from those who fail to file declarations.

d) To develop programs to establish correct tax liabilities through analysis and investigation of declarations and records of taxpayers and third parties.

e) To develop programs for effective sanctions in cases of willful evasion of taxes.

f) To improve training, both in-service and for new employees of the Tax Division, and to arrange participant training programs in the U.S. or other countries.

g) To improve management techniques with respect to first line supervision, planning and organizing at upper management levels, uniform instruction manuals, personnel, and budget practices, etc.

2. Customs Administration

Existing Colombian customs procedures are not accomplishing satisfactorily the purposes intended. The Minister of Finance has requested technical assistance to improve the operations of the Bureau of Customs. The target of this activity will be threefold:

a) A significant increase in collection of Customs duties through improved appraisal, examination and collection procedures and better training, improved morale and control of Customs personnel.

b) Faster and more efficient service to Colombian importers and exporters.

c) A sharp reduction of contraband imports.

3. Property Tax and Land Valuation Project

This project is being proposed to accelerate the valuation of properties and evolve a more effective system of property tax collection.

The current rate of property valuation is unsatisfactory, and available statistics disclose a delinquency rate of more than 35% in the collection of property taxes by Municipalities.

Agricultural production needs to be increased (Goal 2) and the underutilization of land in Colombia is great (less than 4% of the land area is under crops). Reasonable but effective taxation of properties would induce property owners to exploit their land more fully.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL I	FINANCIAL BALANCE AT A LEVEL PERMITTING ACCELERATED ECONOMIC GROWTH AND SOCIAL PROGRESS
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Fair and reasonable treatment of all parties involved in the land reform program requires prior and accurate assessment of land values. Sharp increases in collection would allow the municipalities to provide badly needed services (school construction and maintenance, payment of teachers, bridges, road improvement and maintenance, other public works), increasing local self-reliance and relieving the national government of large-scale subsidies to department and municipalities.

The specific targets and operating procedures for this project will be determined through an on-the-spot study now under preparation. Previous proposals based on earlier studies have proved inadequate, largely because they did not provide satisfactory proposals for the vital tax administration aspects and likewise did not achieve agreement with the Instituto Geográfico Agustín Codazzi (IGAC) responsible for the management of the technical aspects of a system of accelerated methods of property valuations.

PROJECT DATA SUMMARY — AID DOLLAR COSTS

E-1a

7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)		8. COOPERATING COUNTRY		3. PROJECT NO.				4. TITLE															
		1. DATA CURRENT AS OF:		COLOMBIA		514-11-750-100				TAX ADMINISTRATION													
		October 20, 1964		BEGIN FY		END FY		6. PRIOR REFERENCES															
		U.S. FUNDING:		1963		1968																	
PHYSICAL WORK:		1963		1968																			
		e. APPROPRIATION TITLE		b. LOAN OR GRANT		c. TOTAL		d. CONTRACT 1/		e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS					
										(1) U.S. AGENCIES		(2) CONTRACT		(1) DIRECT AND U.S. AGENCIES		(2) CONTRACT		(1) DIRECT AND U.S. AGENCIES		(2) CONTRACT			
										AID		PASA											
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		AG	G	178	17	11	131	17	17	-	-	-	2	-								
	GROSS OBLIGATIONS (ACTUAL YEAR)		AG	G	143	7	3	131	7	-	-	-	-	2	-								
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR		AG	G	85	10	10	50	10	13	-	-	-	2	-	14	5						
	EXPENDITURES (ACTUAL YEAR)		AG	G	60	-	3	50	5	-	-	-	-	2	-	10	5						
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	93	7	1	81	7	4	-	-	-	-	-								
			AG	G	290	-	13	238	-	20	-	-	-	19	-								
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS		AG	G	290	-	13	238	-	20	-	-	19	-									
	B. EXPENDITURES		AG	G	247	7	13	200	7	10	-	-	-	17	-	14	10						
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	136	-	1	119	-	14	-	-	-	2	-								
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS		AG	G	298	-	13	258	-	20	-	-	7	-									
	B. EXPENDITURES		AG	G	286	-	13	240	-	25	-	-	-	8	-	14	10						
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	148	-	1	137	-	9	-	-	-	1	-								
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/		AG	G	290	-	13	250	0	20	-	-	7	-	340	-							
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/		AG	G	280	-	3	257	-	15	-	-	5	-	340	-							
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/		AG	G	1,336	17	53	1,134	17	92	-	-	40	-	1,319	17							

REMARKS:

- 1/ This is a memorandum (non-add) column.
- 2/ Show estimated expenditures in column 1.

AID 1020-3 (7-64)	PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES										SECURITY CLASSIFICATION UNCLASSIFIED												
E-1b	1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA		3. BEG. FY 1963 END FY 1968		4. PROJECT NO. 514-11-750-100		5. TITLE TAX ADMINISTRATION														
	6. PRIOR REFERENCES:		7. OBLIGATED AND DISBURSED		a. FUNDS				b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)								
		(1) TYPE		(2) SOURCE		(3) LOAN OR GRANT		(1) DOLLAR EQUIVALENTS (000) 1/				(2) LOCAL CURRENCY UNITS (000)				(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER					
								(a) OBLIGATED		(b) DISBURSED		(a) OBLIGATED		(b) DISBURSED		(a) U.S. PERS.		(b) NON-U.S. PERS.		(a) OBLIGATED		(b) DISBURSED	
I CUMULATIVE THRU ACTUAL YEAR		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/		G				19		190 a/				120		20				50			
		FA ACT (ii) TRUST FUND																					
		(iii) OTHER LC																					
		B. P.L. 480 LC																					
TOTAL ACTUAL FY 64		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/		G				15		150				80		20				50			
		FA ACT (ii) TRUST FUND																					
		(iii) OTHER LC																					
		B. P.L. 480 LC																					
II OPERATIONAL YEAR (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/		G				24		240				110		30				100			
		FA ACT (ii) TRUST FUND																					
		(iii) OTHER LC																					
		B. P.L. 480 LC																					
III BUDGET YEAR (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/		G				24		240				110		30				100			
		FA ACT (ii) TRUST FUND																					
		(iii) OTHER LC																					
		B. P.L. 480 LC																					
IV PLANNING YEAR (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/		G				19		190				110		30				50			
		FA ACT (ii) TRUST FUND																					
		(iii) OTHER LC																					
		B. P.L. 480 LC																					
V ALL SUBSEQUENT Fys (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/		G				14		140				100		30				10			
		FA ACT (ii) TRUST FUND																					
		(iii) OTHER LC																					
		B. P.L. 480 LC																					
VI TOTAL ALL YEARS (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/		G				100		1,000				550		140				310			
		FA ACT (ii) TRUST FUND																					
		(iii) OTHER LC																					
		B. P.L. 480 LC																					

REMARKS: a/ Rate has been steady at 9.98 but recently has depreciated and is presently fluctuating unpredictably. Rate is 1/ Exchange Rate: \$1 = 10.00 pesos arbitrarily set at 10.00 for convenience. 2/ The total dollar equivalent amounts are the same as in Col. 1 of Table E-1a

E-1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS			1. DATA CURRENT AS OF: Oct. 20, 1964			2. COOPERATING CTRY. COLOMBIA			3. PERSONNEL SERVICES PARTICIPANT TRAINING			BEG. FY 1963 END FY 1968		4. PROJECT NO.									
	5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY			b. ACTUAL FY 64			c. OPERATIONAL FY 65			d. BUDGET FY 66			e. PLANNING FY 67			f. ALL SUBSEQUENT Fys			g. TOTAL ALL YEARS		
			Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	1	3		3			8			9			9			1	7		1	36		
		Non U.S.			1		1	1	2			1	1					1			5		3	
	B. ON BOARD	U.S.				5			10			10			9									
		Non U.S.					1	2	1	2		1	1											
II. PARTICIPANTS PROGRAMMED	A. U.S.		4	4		4			9			9			7						38	4		
	B. THIRD CTRY.																							

REMARKS: 1/ End of Fiscal Year

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-750-100	TAX ADMINISTRATION
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1. The Activity Target

Tax reform has been laid down in the Charter of the Punta del Este as one of the basic self-help requirements to be fulfilled by Latin American countries. A sharp increase in revenue through improved tax administration is considered by both the GOC and AID a high priority activity which must be achieved as soon as possible. Increased revenue is needed to eliminate the national inflationary deficit, to place the GOC in a position from which it can finance growing public investments for development, provide essential social services and improve public administration through better salaries. Improved tax administration is also essential to create greater equity in tax administration between those who today pay their full share and those who do not.

and

There are serious problems/ inequities apart from the loss of revenue involved in the failure to pay established tax liabilities, failure to fully report taxable income, and failure to submit declaration of income. The administration of national taxes in Colombia is encountering serious difficulties. Among them are: the extremely complicated income tax law, which encompasses taxes on income, wealth and excess profits, complex tax incentives for private investments; lack of adequate accounting and controls; and an organizational structure with an extremely broad span of control over 22 operating regions, but not providing adequate staff support or adequate front line supervision.

This activity is intended to resolve these problems and to reduce substantially non-compliance with tax laws. The assistance oriented and generally directed to the Ministry of Finance, has the following specific objectives in priority order:

- a. To convert operations in the Ministry of Finance's National Tax Division to electronic data processing, to the extent feasible, for all processes now being performed manually, and for other administrative and enforcement programs not now within the capabilities of the Tax Division.
- b. To develop and implement programs for identification of delinquent accounts and to apply systematic, effective collection procedures.
- c. To develop programs to obtain tax declarations from those who fail to file declarations.
- d. To develop programs to establish correct tax liabilities through analysis and investigation of declarations and records of taxpayers and third parties.

e. To develop programs for effective sanctions in cases of willful evasion of taxes.

f. To improve training both in-service and for new employees of the Tax Division, and to arrange participant training programs in the U.S. or other countries.

g. To improve management techniques with respect to first line supervision, planning and organizing at upper management levels, uniform instruction manuals, personnel, and budget practices, etc.

Additional important targets are:

h. To implement effectively new taxes to be adopted by the GOC; and,

i. To formulate and begin implementation of long-range plans for overall improvement in tax administration.

2. Course of Action

Nine U.S. advisors from the U.S. Internal Revenue are being assigned to Colombia for two years each, plus three advisors for short-term assignments. It is anticipated that the entire program of technical assistance, which began in FY-1963, will cover a period of six years and end in FY-1968.

Specific plans for assistance in FYs 1965 and 1966 provide for the full complement nine long-term advisors, (six of whom are already on duty in Bogotá), the three short-term advisors, and one local technician, all under the leadership and supervision of the IRS team leader, as follows:

- a. The IRS advisor on Electronic Data Processing and a local advisor will assist the new ADP Division of the Ministry of Finance in the installation and operation of rental equipment nearly being installed in the Ministry and in the development of electronic computer systems and programs. The IRS withholding and Sales Tax advisor, as a result of governmental indecision as to adoption of these taxes, will assist in the conversion to electronic data processing by revising procedures, forms and work schedules of the Tax Division to provide processable input data for the ADP Division. A short-term Programming Technician will train and assist the Ministry's ADP programmers.
- b. The IRS Delinquent Accounts advisor is assisting the Tax Advisor in the development, installation and operation of large volume collection procedures for delinquent accounts. These procedures

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-750-100	TAX ADMINISTRATION
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already initiated in the Bogotá Region, will be extended to other large regional offices before the end of FY-1965, to be followed by training and procedural programs for problem accounts.

c. The IRS Audit advisor assists in the development and operation of systematic programs to identify those who fail to file declarations of tax, and in attempts to obtain declarations not requiring exorbitant administrative costs.

d. The Audit advisor will additionally develop and start programs for analysis and investigation of declarations and records of taxpayers and of third parties. These programs will include recruitment of investigators and auditors; development of training and supervisory programs and of programs for selection of potentially productive audit workload. Also, a training course will be held in Washington in February 1965 in the supervision of investigator groups for certain Ministry officers.

e. The Fraud Investigation advisor will assist in the development of programs to apply effective sanctions, criminal or otherwise, in cases of willful and flagrant evasion of taxes.

f. The IRS Training advisor will help develop a Ministry or Division training unit, in the training of a staff of tax instructors, preparation of training material, and programming of participant training courses in the U.S. or in other countries.

g. The Organization, Methods and Manuals advisor, and the General Administration advisor will work on the improvement of management techniques, including first line supervision, planning and organizing at management levels, and uniform instruction manuals.

h. The technical advisors will assist, as appropriate and requested by the GOC, in the implementation of new taxes the GOC contemplates introducing.

i. The technical advisors, in addition, will participate in general planning for the further development and improvement of GOC tax administration.

3. Progress to Date

a. A separate division was established in the Ministry of Finance during 1964 for the electronic data processing operation, followed by recruitment and training of personnel, including formal IBM courses and on-the-job courses. Initial processing of 1963 tax returns from the Bogotá Region is being done by IBM under a service bureau contract, pending installation (scheduled for December 1964) of equipment in the Ministry.

b. A newly developed program for analysis of current accounts is nearly 50% completed in the Bogotá Region and will be initiated in three other large regional offices before the end of CY 1964.

A correspondence collection procedure to be applied to batches of accounts was developed, a short emergency training course was given, and the procedure initiated in the Bogotá region in August 1964.

c. Programs to identify taxpayers who fail to submit declarations are being conducted on a text basis.

d. Tests of the accuracy of tax liabilities statements reported by taxpayers, and the ability of Tax Division employees to carry out effective investigations disclosed that tax liabilities are in fact under-reported and that a complete investigative program is needed, with a separate organizational unit.

e. A program of sanctions, criminal, or otherwise, in cases of willful evasion is being developed.

f. A complete program including sample regulations, forms, instruction pamphlets, tax tables, and processing procedures, was developed on a tentative basis for the withholding current payment tax system, originally re-scheduled for implementation in January 1965 but further postponed by the GOC.

g. Training and observation programs were arranged in the U.S. for the Chief of the ADP Division, and in Chile for the Chief of the Tax Division and the Administrator of the Bogotá region. A Tax Division employee was enrolled in the Harvard University International Tax Course.

h. A project for development of an internal instruction manual system has been established.

i. A committee has been designated to draft an overall long range improvement plan for presentation to GOC officials.

4. <u>Funding Requirements</u>	<u>FY 1965</u>	<u>FY-1966</u>
A. Personnel Services:		
(IRS) One two-year Supervisor	25,000	26,000
One two-year Collection Advisor	25,000	25,000
One two-year Audit Advisor	24,000	24,000
One two-year Fraud Investigation Advisor	15,000	24,000
One two-year Electronic Data Processing Advisor	27,000	24,000
One two-year Withholding Sales Tax Systems Procedures Advisor	24,000	24,000

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-750-100	TAX ADMINISTRATION
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	<u>FY-1965</u>	<u>FY-1966</u>
One two-year O. M. & Manuals Advisor	24,000	24,000
One two-year General Administration Advisor	19,000	24,000
One two-year Training Advisor	19,000	24,000
One short-term Programming (ADP) Technician	3,000	--
Two short-term Specialist Advisors (Technical areas to be determined as need arises)	6,000 (3)	9,000
One two-year local Advisor (contract)	10,000	10,000
One Interpreter (local)	3,000	--
One Bilingual Secretary	3,000	3,000
PASA Overhead Charge	27,000	30,000
	<u>254,000</u>	<u>271,000</u>

B. Training

9 Participants, each year	20,000	20,000
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C. Other Costs

Travel, some administrative support and local supplies	<u>16,000</u>	<u>7,000</u>
TOTAL	290,000	298,000

In the PRO-AG executed in 1963, the GOC pledged 5,684,000 pesos from its 1964 budget for costs of Tax Improvement Projects. Three million pesos were allocated and substantially all disbursed, principally to establish and staff the ADP Division prior to 7-1-64. Two million pesos have been requested in a supplemental 1964 budget request now being considered by the GOC Congress.

For 1965, the GOC has executed an agreement to provide the resources necessary for installation and operation of computer equipment and to carry out Tax Division programs necessary to achieve the objectives listed under the Activity Target.

D. Contributions from Other Sources FY-1965 FY-1966

N O N E

AID 1020-2 (8-64)		PROJECT DATA SUMMARY — AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED				
E-1a		1. DATA CURRENT AS OF: 20 Oct., 1964		2. COOPERATING COUNTRY COLOMBIA		3. PROJECT NO. 514-11-750-115				4. TITLE CUSTOMS ADMINISTRATION						
5.		BEGIN FY		END FY		6. PRIOR REFERENCES										
U.S. FUNDING:		1965		1968												
PHYSICAL WORK:		1965		1968												
7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT ^{1/}	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS		
						(1) U.S. AGENCIES		(2) CONTRACT	(1) U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT
						AID	PASA	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT	
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR															
	GROSS OBLIGATIONS (ACTUAL YEAR)															
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR															
	EXPENDITURES (ACTUAL YEAR)															
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS	AG	G	141	135			135	6							
	B. EXPENDITURES	AG	G	53	50			50	3						9	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	88	85			85	3							
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	12					12							
	B. EXPENDITURES	AG	G	69	60			60	9						9	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	31	25			25	6							
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS ^{2/}	AG	G	150	140			140	10						75	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS ^{2/}	AG	G	10					10						116	
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS ^{2/}	AG	G	313				275	38					38	275	

REMARKS: a/ Two year funding.

^{1/} This is a memorandum (non-odd) column.

^{2/} Show estimated expenditures in column 1.

PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES

SECURITY CLASSIFICATION
UNCLASSIFIED

7. OBLIGATED AND DISBURSED	1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY	3.		4. PROJECT NO.	5. TITLE				6. PRIOR REFERENCES:					
	Oct. 20, 1964			COLOMBIA			BEG. FY 1965 END FY 1968		514-11-750-115				CUSTOMS ADMINISTRATION			
							Funding 1965 Phys. Work 1968									
		a. FUNDS		b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)						
		(1)	(2)	(3)	(1)		(2)		(1)	(2)	(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER			
		TYPE	SOURCE	JOAN OR GRANT	DOLLAR EQUIVALENTS (000) 1/		LOCAL CURRENCY UNITS (000)		OBLIGATED	DISBURSED	(a)	(b)	(a)	(b)		
					(a)	(b)	(a)	(b)			U.S. PERS.	NON-U.S. PERS.	OBLIGATED	DISBURSED		
I CUMULATIVE THRU ACTUAL YEAR	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/														
	FA ACT	(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															
TOTAL ACTUAL FY 64	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/														
	FA ACT	(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															
II OPERATIONAL YEAR (EST.) FY 65	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		9		90						90		
	FA ACT	(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															
III BUDGET YEAR (EST.) FY 66	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		9		90						90		
	FA ACT	(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															
IV PLANNING YEAR (EST.) FY 67	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		9		90						90		
	FA ACT	(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															
V ALL SUBSEQUENT FYs (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		9		90						90		
	FA ACT	(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															
VI TOTAL ALL YEARS (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		36		360						360		
	FA ACT	(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															

REMARKS:
 1/ Exchange Rate: \$1 = 10.00 a/ Rate has been steady at 9.98 but recently has depreciated and is presently fluctuating unpredictably. Rate is arbitrarily set at 10.00 for convenience.
 2/ The total dollar equivalent amounts are the same as in Col. 1 of Table E-1a

E-1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS		1. DATA CURRENT AS OF:			2. COOPERATING CTRY.			3. DATA SERVICES			BEG. FY		END FY		4. PROJECT NO.							
	PERSONNEL AND PARTICIPANTS		Oct. 20, 1964			COLOMBIA			PERSONNEL SERVICES			1965 1968		1965 1968		514-11-750-115							
									PARTICIPANT TRAINING														
5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS		a. CUM. THRU ACTUAL FY			b. ACTUAL FY 64			c. OPERATIONAL FY 65			d. BUDGET FY 66			e. PLANNING FY 67			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS			
		Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	
I PROJECT PERSONNEL	A. MAN YEARS	U.S.																					
		Non U.S.									2			2			3			1			8
B. ON BOARD	U.S.										2			2									
	Non U.S.																3						
II. PARTICIPANTS PROGRAMMED		A. U.S.			2			4			4			4			14						
		B. THIRD CTRY.																					

REMARKS:
 1/ End of Fiscal Year

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-750-115	Customs Administration
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1. Activity Target

Existing Colombian customs procedures are not accomplishing satisfactorily the purposes intended. The Minister of Finance has requested technical assistance to improve the operations of the Bureau of Customs. The target of this activity will be threefold:

- a. A significant increase in collection of Customs duties through improved appraisal, examination and collection procedures and better training, improved morale and control of Customs personnel.
- b. Faster and more efficient service to Colombian importers and exporters.
- c. A sharp reduction of contraband imports.

2. Course of Action

Following an initial reconnaissance survey technical experts are to be provided to the Directorate General of Customs, initially in one or two priority fields, such as appraisal. At the same time more complete surveys of other aspects of Customs administration will be undertaken. Based on the findings of these surveys and the experience gained with the initial advisor or advisors, a more comprehensive program will be developed and implemented in FY 1966/67.

3. Progress to Date

In response to the GOC request, a short survey was conducted in August 1964 to determine whether a technical assistance program would be feasible, and, if so, its scope, priorities, work plan and procedure.

A memorandum report has been received and the more complete survey report with recommendations is expected before the end of 1964. On the basis of this report, the Mission will review with the Minister of Finance the specific scope and terms of a technical assistance project.

4. Funding Requirements (U.S.)

In the anticipation that an effective technical assistance program can be developed and initiated, provision has been made in the FY 1965 budget for \$141,000 to cover contract and participant training costs, with an additional sum of \$12,000 in FY 1966 for participant training.

The GOC contribution will be determined during development of the program details.

PROJECT DATA SUMMARY — AID DOLLAR COSTS

E-1a

1. DATA CURRENT AS OF:
October 20, 1964

2. COOPERATING COUNTRY
COLOMBIA

3. PROJECT NO.
514-11-750-084
514-22-750-084

4. TITLE
PROPERTY TAX-LAND VALUATION

5. U.S. FUNDING:
1964 a/
1964 a/

6. PRIOR REFERENCES

7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)	a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS		
					(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
					AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR														
	GROSS OBLIGATIONS (ACTUAL YEAR)														
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR														
	EXPENDITURES (ACTUAL YEAR)														
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR														
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS	AG G	41	30	10		30				1				
		AL L	2,500 a/	2,500											
	B. EXPENDITURES														
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR														
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS														
	B. EXPENDITURES														
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR														
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/														
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/														
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AG G	41	30	10		30				1		11	30	
		AL L	2,500	2,500											

REMARKS:

1/ This is a memorandum (non-add) column.

2/ Show estimated expenditures in column i.

a/ It is not possible to determine at this early stage the duration of the activity or for just what components loan funds will be used, since such determination depends on study to be made with AG funds.

AID 1020-8 (7-64)	PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES										SECURITY CLASSIFICATION UNCLASSIFIED				
E-1b	1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA		3. Funding 1964	END FY a/	4. PROJECT NO. 514-11-750-084			5. TITLE PROPERTY TAX - LAND VALUATION					
7. OBLIGATED AND DISBURSED	a. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)			d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)				
	(1)	(2)	(3)	(1)		(2)		(1)	(2)		(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER		
	TYPE	SOURCE	LOAN OR GRANT	(a)	(b)	(a)	(b)	OBLIGATED	DISBURSED	OBLIGATED	DISBURSED	(a)	(b)	(a)	(b)
I CUMULATIVE THRU ACTUAL YEAR	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/													
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														
TOTAL ACTUAL FY _____	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/													
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														
II OPERATIONAL YEAR (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/													
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														
III BUDGET YEAR (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/													
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														
IV PLANNING YEAR (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/													
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														
V ALL SUBSEQUENT FYs (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/													
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														
VI TOTAL ALL YEARS (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/													
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														

REMARKS:
 1/ Exchange Rate: \$1 = a/ Activity has not developed enough to determine its duration, the components of expenditures of loan funds, nor local currency financing.
 2/ The total dollar equivalent amounts are the same as in Col. i of Table E-1a

E-1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS			1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING CTRY. COLOMBIA		3. a/ PERSONNEL SERVICES PARTICIPANT TRAINING	BEG. FY 1965	END FY a/	4. PROJECT NO. 514-11-750-084											
5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS	a. CUM. THRU ACTUAL FY			b. ACTUAL FY 64			c. OPERATIONAL FY 65			d. BUDGET FY 66			e. PLANNING FY 67			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS			
	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	
I PROJECT PERSONNEL	A. MAN YEARS	U.S.																				
		Non U.S.																				1
	B. ON BOARD	U.S.																				
		Non U.S.																				3
II. PARTICIPANTS PROGRAMMED	A. U.S.																					
	B. THIRD CTRY.																					

REMARKS:
 1/ End of Fiscal Year
 a/ See footnote for E-1b above.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-750-084	Property Tax and Land Valuation Project
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1. The Activity Target

This project is being proposed to accelerate the valuation of properties and evolve a more effective system of property tax collection.

The current rate of property valuation is unsatisfactory, and available statistics disclose a delinquency rate of more than 35% in the collection of property taxes by Municipalities.

Agricultural production needs to be increased (Goal 2) and the under-utilization of land in Colombia is great (less than 4% of the land area is under crops). Reasonable but effective taxation of properties would induce property owners to exploit their land more fully.

Fair and reasonable treatment of all parties involved in the land reform program requires prior and accurate assessment of land values.

The weakness of local governments is due largely to an insufficiency of municipal funds. The property tax is the leading source of these funds. Sharp increases in collections would allow the municipalities to provide badly needed services (school construction and maintenance, payment of teachers, bridges, road improvement and maintenance, other public works, increasing local self-reliance and relieving the national government of large-scale subsidies to departments and municipalities. In 1961, for example, Central Government transfer payments to Departments and municipalities were about 10.7% of the Central Government expenditures, and by 1963 this transfer increased to 17%.

The responsibility of property valuation rests with the Instituto Geografico Agustin Codazzi (hereinafter referred to as IGAC), except for the City of Bogota and the Department of Antioquia. IGAC is inadequately equipped, staffed and financed to achieve a reasonably adequate rate of coverage of valuation of properties not valued in recent years, as well as the necessary periodic revaluations of properties. Its output is further reduced by the application of overly detailed methods aiming at complete precision.

The principal final product of IGAC's land valuation function is fair and equitable collection of municipal property taxes which is greatly diminished, however, ~~mainly~~ because of the slow pace of bringing old valuations up to date. A second, probably even more serious obstacle is the inadequacy of property tax assessment, billing and collection methods of most municipalities, especially in the less developed rural areas. This weakness would become more pronounced and so would be the difficulties of collecting, as property values are raised from almost nominal levels to realistic ones. The great number of municipalities (over 800), the significance of municipal collection of property taxes in the historic relationship between rural and central government in Colombia, and the non-involvement of the central government

in property tax collection, all make very difficult an all-out attempt to improve property tax collection significantly. Yet without success on this point, large-scale investment in expansion of IGAC valuation operations could have little result and would not be justified.

The specific targets and operating procedures for this project will be determined through an on-the-spot study now under preparation. Previous proposals based on earlier studies have proved inadequate, largely because they did not provide satisfactory proposals for the vital tax administration aspects and likewise did not achieve agreement with IGAC management on the technical aspects of a system of accelerated methods of property valuations.

2. The Course of Action

This project is now being planned for implementation on a phased basis. The initial phase provides for assignments in 1964 of three technical advisors to develop a specific project proposal for a loan agreement based on the following:

a. Procedures for acceptable cadastral surveys on a volume basis; determine priority criteria for early attention; identify equipment, personnel, training and budgetary requirements; develop services (in addition to properly appraised values) which can be provided by IGAC for the benefit of municipalities or other GOC agencies.

b. Identification of existing procedures which can be performed by use of electronic computer equipment; design programs to compile data to be furnished to the municipalities and the National Ministry of Finance; identify equipment and other resource requirements; and prepare for installation of such equipment ~~as~~ as the need requires.

c. Developing procedures whereby the collection agencies of the municipalities can substantially improve the rate of property tax collections through issue to taxpayers of official notices of liabilities, use of pre-printed receipts; reminder notices and follow-up action on delinquent accounts, etc., and adoption of more efficient administrative procedures in municipal offices, aided by incentives and sanctions on the part of the central government.

d. Development of project for the study by the GOC of central-local government fiscal relationships and required changes, legislative or otherwise, to improve the financing of essential services, fullest utilization of the important property tax resource, and efficient divisions of revenues and expenditures between local and central governments.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-750-084	Property Tax and Land Valuation Project
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The second phase contemplated is the execution of a loan agreement and its initial implementation on a limited basis to test the adequacy and execution capabilities of the various GOC agencies involved.

The loan agreement will provide that upon satisfactory completion of the second phase, the third phase which will provide full-scale specific programs and schedules for complete achievement of the objectives, will be initiated.

3. Progress to Date

Previous surveys and proposals for this project, although not complete enough to permit actual negotiation of a loan agreement, have furnished a large amount of essential information which will be very useful in the further development of the project. The technical advisor for item (b) above has been assigned and has started work on his share of the initial phase. The other two advisors are now being recruited in the U.S.

4. Funding Requirements

\$41,000 has been provided in the FY 1965 budget for the three U.S. technical advisors described above.

It is presently contemplated that all other costs of this activity will be provided in the loan agreement to be developed.

5. Contributions from Other Sources

The Basic Resource Survey grant has already provided \$750,000 dollars in grant funds for equipment and vehicle purchase for the IGAC Cadastral Department. Such equipment and vehicles were ordered to properly outfit the present IGAC Cadastral Department, without contemplating any increment in work force. This equipment will provide a good base from which to start this program.

This program will make use of the results obtained under the Cartographic and Soils Section of the Basic Resource Survey grant. The Officer in Charge of the Inter-American Geodetic Survey, which is administering this grant, will also co-direct the IGAC portion of the Land Tax Program, in order to assure that the program is properly meshed with the IGAC program, facilitate coordination between Mapping and Soils Surveys and, in general, avoid duplication and cross purpose efforts on the part of the U.S.

E-1a

1. DATA CURRENT AS OF: 20 October 1964

2. COOPERATING COUNTRY: COLUMBIA

3. PROJECT NO.: a/

4. TITLE: PROGRAM LOANS a/ b/

5. U.S. FUNDING: BEGIN FY 1962, END FY 1966

6. PRIOR REFERENCES: a/

7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)	e. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS		
					(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
					AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT
I. THRU ACTUAL YEAR FY 1964	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	LA-23 L	30,000												
	GROSS OBLIGATIONS (ACTUAL YEAR)	L-024 L	60,000												
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	L-032 L	15,000												
	EXPENDITURES (ACTUAL YEAR)	L-032 L	15,000												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	L-032 L	15,000												
	II. OPERATIONAL YEAR (EST.) FY 1965	A. GROSS OBLIGATIONS	L-039 L	45,000											
B. EXPENDITURES		L-032 L	15,000												
C. UNLIQUIDATED OBLIGATIONS END OF YEAR		L-039 L	30,000												
III. BUDGET YEAR (EST.) FY 1966	A. GROSS OBLIGATIONS		b/												
	B. EXPENDITURES	L-039 L	15,000												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR														
IV. PLANNING YR. (EST.) FY 1967	GROSS OBLIGATIONS 2/		b/												
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/		b/												
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	LA-23 L	30,000											30,000	
		L-024 L	60,000											60,000	
		L-032 + L-039 L	60,000											60,000	

REMARKS: a/ The following four program loans are utilized for the importation into Colombia of certain U.S. commodities. The loans are summarized as follows:

1. Non-Project Loan, LA-23; \$30 million; April, 1962. The equivalent in pesos was used for GOC budgetary support.
2. Development Assistance Loan, 514-L-024; \$60 million; December, 1962. The equivalent in pesos was used for the following: \$20 million in pesos for GOC budgetary support; \$10 million in pesos for ICT, Colombia's housing agency, for housing construction (slum clearance); and \$30 million in pesos for the PIF, Private Investment Fund.
3. Program Assistance Loan, 514-L-032; \$15 million; March, 1964. Pesos utilization is being programmed.
4. Program Assistance Loan, 514-L-039; \$45 million; July, 1964. Pesos utilization is being programmed.

b/ Future program loans will be the subject of other communications between the USAID and AID/W.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL II	A MORE DIVERSIFIED AND PRODUCTIVE AGR! SECTOR WHICH WILL LEAD THE WAY IN THE EXPORT DRIVE AND ACT AS A STIMULUS TO THE ECONOMY AS A WHOLE
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Goal Statement and Plan

The focus of the future AID assistance to Colombia's agriculture will be the promotion of increased production to help the balance of payments through expansion of import substitution and export crops, to alleviate the cost of living through increased supplies of prime internal consumption products, and to stimulate the economy as a whole. The strategy of this assistance will be worked out in greater detail in the coming months with expert advice from the U.S. which the Mission hopes to obtain. In the meantime, the U.S. agricultural assistance strategy should be in general terms to provide, together with other donors and the Colombian Government, incentives, knowledge and tools for accelerated agricultural production with emphasis on key products, and all guided and coordinated by improved planning for the agricultural sector. To a certain extent the programs for achievement of the primary goal of increased production will overlap with those for the alleviation of rural sector social problems mentioned below.

The incentives to be provided or sought would include a favorable price structure for agricultural products; reduction in violence of price swings; the greater returns achieved through an improved marketing system resulting from better grain storage facilities, better roads, strengthened marketing cooperatives and export market development, technical assistance aimed at higher quality standards and better presentation of products, and perhaps support to the development of terminal markets; security of land tenure through acceleration of the land titling process, and assurances from INCORA that land being productively used will normally not be expropriated; increased taxation of land through acceleration of property appraisals and improved land tax collection; and the stimulation resulting from the simultaneous expansion of industry, including rural processing industries.

The knowledge would be provided through the newly created Colombian Agricultural Institute (ICA) which brings graduate agricultural training, extension training, and research under one roof and which will receive support from foundations and probably AID; the Basic Resources (soil) Survey which is underway with AID assistance; technical assistance for better statistics and crop reporting and forecasting; improved planning in both the Ministry of Agriculture and the National Planning Department with outside technical assistance; Peace Corps assistance in extension; and expanded primary and secondary education opportunities for farm families.

The tools would include improved agricultural credit, to which attention is already being given by the Colombian Government and AID and in which the IBRD has also expressed an interest; increased machinery imports to the extent needed; increased fertilizer, pesticide, herbicide, and good seed production and imports and development of cooperatives.

The foregoing are the points of appropriate emphasis for all foreign assistors and for Colombia thus far identified in the agricultural sector. A great deal more study is needed on a continuing basis on the part of both the Colombians concerned and their foreign friends in order to be more precise regarding the key bottlenecks holding up agricultural production and the most effective apportionment of resources and energies among these many projects. Such study will be an important element of improved agricultural planning processes and institutions which AID assistance will aim to promote.

While primary emphasis will be placed on agricultural production, alleviation of the rural sector social problems resulting particularly from high underemployment in the rural areas and still limited employment opportunities in the urban centers, widespread undesirable or insecure land tenure conditions, and minifundia will not be ignored. The Colombian Institute of Agrarian Reform (INCORA) is now well established. It is doing constructive work in land titling, rural penetration road construction, some resettlement, and administration of a major supervised credit program financed by AID. It has rather sweeping plans for the future for major land reclamation and irrigation programs and is developing into an agricultural agency of diversified interests and programs. United States support, which has been considerable in the past through budget subventions, will continue through the disbursement over a two year period of the \$10 million supervised credit loan signed in 1963 which is expected to benefit some 10,000 rural families. The IBRD and the IDB have both indicated interest in the land reclamation and irrigation projects, but a preliminary review of these projects has indicated that many of them are probably marginal to current Colombian priority development needs. They should thus be studied very carefully before being undertaken, and probably only a few of the most promising should be entered into in the next few years. The Inter-American Bank is beginning an important program of support of diversification on small coffee farms in the Caldas area. This will be watched with interest and may merit future AID support.

The specific activities programmed for AID assistance during fiscal years 1965 and 1966 and their objectives and targets are as follows:

1. National Agricultural Planning

The general objective of this project is improved and coordinated forward planning of rural development in Colombia, including Colombian agriculture in all of its branches. The project is sub-divided into two parts with the following specific activity targets.

a. Agricultural Ministry Planning

The objective is to develop within the Ministry of Agriculture

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL II	A MORE DIVERSIFIED AND PRODUCTIVE AGR. SECTOR WHICH WILL LEAD THE WAY IN THE EXPORT DRIVE AND ACT AS A STIMULUS TO THE ECONOMY AS A WHOLE
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a well functioning central office of agricultural planning to perform the planning function of the Ministry of Agriculture so that the Minister can exercise his intended and urgently needed role of policy guidance, priority determination, program and project coordination of the vast number of action agencies in agricultural and rural development, advice and recommendations to the President and the Cabinet, and preparation of necessary legislation for Congressional action. The objective of the project is not in the first instance the making of a plan or several plans: this is a task for Colombian policy makers, not for U.S. assistance.

b. Basic Resources Survey

The specific objective of this sub-project is provision of facts and data on basic agricultural resources of soil, water, and forests. The Basic Resources Survey, now being implemented by the Colombian Geographic Institute (IGAC) with the help of AID financing of equipment and technical assistance, is designed to provide that evaluation of the physical resources of the country without which sound planning for increasing agricultural production, reform of agrarian tenure structures, and for establishing means for optimum utilization and conservation of the natural resources, are impossible.

The principal target here is to triple the competence and capability of IGAC to provide sound evaluation of the country's basic resources, including basic soil studies, climatic and stream flow data, aerial photos, maps and forest surveys urgently needed to help in planning of land settlement and land development projects (irrigation, drainage, flood control, and land clearing).

2. Agricultural Diversification
(Supervised Agricultural Credit)

The objective of this project is to raise productivity, diversify production and increase income, investment and level of living of a significant portion of Colombia's small farm operators through a combination of low cost credit and extension in the form of Supervised Agricultural Credit. Specifically, the target is to help the Colombian Agrarian Reform Institute (INCORA) establish and operate an efficient National Agricultural Supervised Credit Program which will provide Supervised Loans to approximately 20,000 farm families initially, over a four-year period. During the second two-year period of the activity, a thorough review of progress made in the farm credit field will determine the program for the future of Supervised Credit within the framework of the total agricultural credit system of Colombia.

This activity is expected to establish Supervised Loans as an effective instrument of agricultural development through the training of near-marginal small farmers in the efficient use of credit, thereby commercializing their operations and gradually making them eligible for

ordinary credit available in Colombia. In addition, the initial program is expected to attract additional external credit into this activity and stimulate the use of domestic financial resources for the same purpose.

After five years, at least 30% of the Supervised Credit Program borrowers, and thereafter an additional 10% annually, are expected to qualify for direct credit from the Caja Agraria (which now also acts as fiscal agent for the National Supervised Credit Program), agricultural cooperatives, or other credit institutions in the country, thereby releasing Supervised Credit capital, including repayments, and Supervised Credit field workers to be re-directed to as many other qualified farmers each year.

Supervised loans are based on farm plans of farm families owning or having available sufficient land and manpower to operate an economic farm unit. The farm plans are designed by the farmer with the help and guidance of trained field supervisors to improve productivity, in particular through carefully planned programs of crop diversification. The program thus is a direct instrument in helping achieve Colombia's overall goals of expansion and diversification of agricultural production.

At the same time, the program will raise farm income, investment and level of living of an important group of small farmers now held down by the familiar combination of backward farming methods and dependence on high-cost, scarce private credit. In part the program will be utilized by INCORA to support its twin programs of land reform through settlement of landless (or almost so) farmers on subdivided large properties or on newly opened virgin lands.

3. Agricultural Diversification
(Cooperative Development)

The activity target is to improve the organization and management of cooperative organizations in Colombia so they can do a better job of enabling farmers to market their produce more effectively and efficiently.

Cooperative marketing of agricultural produce will help producers to sell in wholesale lots and so eliminate middle men who now perform that function. Food consumer cooperatives offer an excellent medium through which the farmers' marketing cooperatives can sell their produce, especially in quantity.

Progress will be measured by a reduction in the spread in prices paid agricultural producers and those paid by ultimate consumers with appropriate analysis of the effects of cooperative activities in improving the efficiency of moving foods from producer to consumer.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL II	A MORE DIVERSIFIED AND PRODUCTIVE AGR. SECTOR WHICH WILL LEAD THE WAY IN THE EXPORT DRIVE AND ACT AS A STIMULUS TO THE ECONOMY AS A WHOLE
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4. Agricultural Diversification
(Livestock Development)

The activity target is to assure an adequate supply of beef at reasonable prices for a rapidly increasing Colombian population, allowing for a gradual increase in per capita consumption and significant beef exports to European markets as a contribution to meeting Colombia's balance of payments problem.

A Colombian population estimated at 20 million persons in 1970 will require 600,000 - 700,000 metric tons of beef. Exports of up to 40,000 metric tons are a real possibility by that year. This requires both an increase in cattle population and improved animal husbandry practices.

The GOC has announced its intention to make the livestock industry an attractive investment and way of life, especially for persons who will place their major efforts and direct management in livestock enterprises. Basic institutional and legislative actions have already been taken to establish a favorable setting for this activity.

5. Agricultural Diversification
(Crop Production and Industrial Utilization)

The objective of this sub-activity is twofold: to develop in GOC institutions a capacity systematically and effectively to promote (a) export market development for agricultural products that Colombia can export competitively and (b) new or expanded production of agricultural products both for export and for import substitution. This will help reduce dependence on coffee as the major export crop; it will contribute to alleviation of the balance of payments problem; and it will increase the farmer's productivity, income, investment capacity and standard of living. Emphasis will be not only on market promotion for farm products but on the development of industries which process or utilize agricultural products for both export and domestic consumption.

Colombia has climatic conditions for the production of vegetables and fruits when such are out of season in U.S. and European markets. Many exotic fruits that are unknown or little known in world markets are grown in Colombia. Aggressive promotional efforts on a pilot basis have already demonstrated the real potential of developing new markets for old and new products, and of attracting foreign capital and management as well. The major task ahead is one of developing capacity and programs in appropriate Colombian agencies to move from pilot demonstration promotion by USAID personnel to large scale effective, continuing programs of agricultural diversifications aimed primarily at earning or saving foreign exchange.

6. Rural Electric Co-ops.

This project consists of a loan of up to US\$1,300,000 for three pilot rural electrification projects under the control of two different Colombian organizations. The pilot project approach is intended to demonstrate the economic and social effects of the supply of electricity to rural families and test the cooperative medium for administering the distribution of the electricity. This loan is made to assist in financing the cost of construction of electric power transmission and distribution facilities, technical assistance, tools and equipment and working capital for development of the cooperatives, and credit to members of the cooperatives for installation of home wiring and purchase of certain electrical equipment.

One of the three projects is to be established under the auspices of the Cauca Valley Corporation in the Sevilla-Calcedonia area of the Department of Cauca, where economic development is lagging and considerable social unrest prevails, but light manufacturing is practical. The other two pilot projects are sponsored by Centrales Electricas of North Santander in the vicinity of Cucuta. One of these will serve 1554 household and small commercial establishments in the Durania-Diamante and Chinacota area where small agricultural holdings predominate. The other project will serve 645 households in the Tibú area.

E-10	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	3. PROJECT NO. 514-11-190-097	4. TITLE NATIONAL AGRICULTURAL PLANNING
	5. BEGIN FY 1961 END FY 1968		6. PRIOR REFERENCES a/	
	U.S. FUNDING:			
	PHYSICAL WORK:	1961	1968	

7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)	e. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS		
					(1) U.S. AGENCIES		(2) CONTRACT	(1) U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT
					AID	PASA	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT	
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	SA G	60	-	37	-	-	-	-	22	-	1	-	-	
		AB G	1,726	150	272	313	150	85	905	1	-	-	-	-	
		AG G	445	4	170	-	4	29	240	2	-	-	-	-	
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG G	205	4	170	-	4	29	-	-	2	-	-	-	
		SA G	60	-	37	-	-	-	22	-	1	-	-	-	
		AB G	880	72	272	-	72	70	465	1	-	28	-	-	
	EXPENDITURES (ACTUAL YEAR)	AG G	214	-	140	-	-	18	54	2	-	9	-	-	
		AG G	160	-	140	-	-	18	-	2	-	9	-	-	
		AB G	846	-	-	313	78	15	440	-	-	-	-	-	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG G	231	4	30	-	4	11	186	-	-	-	-	-	
AG G		310	137	115	-	137	46	1	11	-	-	-	-		
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS	AB G	608	78	-	75	78	15	440	-	-	-	-		
		AG G	472	-	135	-	100	40	187	10	-	-	-		
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AB G	238	-	-	238	-	-	-	-	1	-	-		
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG G	442	295	109	-	295	30	-	-	8	-	-		
		AB G	100	-	-	100	-	-	-	-	-	-	-		
	B. EXPENDITURES	AG G	403	-	110	-	250	35	-	-	8	-	-		
		AB G	138	-	-	138	-	-	-	-	-	-	-		
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG G	108	-	9	-	86	12	-	-	1	-	-		
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/	AG G	154	-	120	-	-	25	2	-	7	-	-		
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	AG G	130	-	98	-	-	25	-	-	7	-	-		
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	SA G	60	-	37	-	-	-	22	-	1	-	60		
		AB G	1,726	150	272	313	150	85	905	1	-	1,576	150		
		AG G	1,481	436	612	-	436	155	243	35	-	1,045	436		

REMARKS:
 1/ This is a memorandum (non-add) column.
 2/ Show estimated expenditures in column f.
 a/ This activity consolidates under one title former activities 514-11-120-060 Basic Resources Survey and 514-11-120-051 Agrarian Reform.

PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES

SECURITY CLASSIFICATION
UNCLASSIFIED

7. OBLIGATED AND DISBURSED	1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3. BEG. FY		4. PROJECT NO.		5. TITLE				6. PRIOR REFERENCES:			
	Oct. 20, 1964		COLOMBIA		1961		1968		514-11-190-097				NATIONAL AGRICULTURAL PLANNING			
	a. FUNDS		b. TOTALS		c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)									
	(1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	(1) DOLLAR EQUIVALENTS (000) 1/				(2) LOCAL CURRENCY UNITS (000)				(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER		
				(a) OBLIGATED		(b) DISBURSED		(a) OBLIGATED		(b) DISBURSED		(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED	
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/	G		37		370	a/			300	60		10		
		(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															
TOTAL ACTUAL FY 64	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/	G		9		90				80	-		10		
		(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															
II OPERATIONAL YEAR (EST.) FY 65	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/	G		29		290				100	90		100		
		(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															
III BUDGET YEAR (EST.) FY 66	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/	G		32		320				150	90		80		
		(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															
IV PLANNING YEAR (EST.) FY 67	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/	G		31		310				150	90		70		
		(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															
V ALL SUBSEQUENT FYs (EST.)	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/	G		30		300				130	90		80		
		(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															
VI TOTAL ALL YEARS (EST.)	A. FA ACT	(i) LC COSTS CHGD TO \$ ACCTS. 2/	G		159		1,590				830	420		340		
		(ii) TRUST FUND														
		(iii) OTHER LC														
	B. P.L. 480 LC															

REMARKS:
1/ Exchange Rate: \$1 = 10.00 pesos a/Rate has been steady at 9.98 but recently has depreciated and is fluctuating unpredictably. Rate is arbitrarily set at 10.00 for convenience.
2/ The total dollar equivalent amounts are the same as in Col. 1 of Table E - 1a

E - 1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS			1. DATA CURRENT AS OF:			2. COOPERATING CTRY.			3. PERSONNEL SERVICES		4. PROJECT NO.		5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			6. ALL SUBSEQUENT FYs			7. TOTAL ALL YEARS		
	Oct. 20, 1964			COLOMBIA			1961		1968		514-11-190-097			Direct PASA Contract			Direct PASA Contract			Direct PASA Contract		
	a. CUM. THRU ACTUAL FY			b. ACTUAL FY 64			c. OPERATIONAL FY 65			d. BUDGET FY 66			e. PLANNING FY 67			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS			
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	19		4	4	4	3	4	8	4		4		4		35		11			
		Non U.S.	3			3	3	3	3	3	3		3		3		15					
	B. ON BOARD	U.S.			4	4	4	3	4	4	8	4										
		Non U.S.			1	3	3	3	3	3	3	3										
II. PARTICIPANTS PROGRAMMED	A. U.S.		79		30	33			5				5		5		127					
	B. THIRD CTRY.																					

REMARKS:
1/ End of Fiscal Year

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-190-097	NATIONAL AGRICULTURAL PLANNING
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1. The Activity Target

The general objective of this project is improved and coordinated forward planning of rural development in Colombia, including Colombian agriculture in all of its branches.

Still a predominantly agricultural country, Colombia is faced with a long list of needs and opportunities in its rural sector: the need to maintain and the possibility of intensifying and diversifying agricultural exports which in 1963 made up 76% of Colombia's export earnings; the problem of maintaining and preferably increasing production of food and fiber for the country's growing population, a target affected by problems of agricultural marketing, price support and development of agricultural cooperatives; industrialization of agriculture and its products; the potentials of exploitation of the vast, empty llanos and tropical forests while old and more favorably located lands call for reclamation, drainage, or irrigation; the masses of landless, or almost so, campesinos pressing for faster implementation of land reform; burning questions of optimum land use arising from a widespread intensive cattle economy. These and other choices and alternatives for utilization of public resources of domestic and foreign credit, research, training, extension, technical assistance, and other, illustrate Colombia's urgent need for short and long term planning and for determination of national policies and priorities.

The Ministry of Agriculture was completely reorganized during the past year and has evolved into an administrative agency responsible for budgeting and disbursement for agricultural programs, to act as mediator of national agricultural policy, to plan development campaigns, and to serve as voice of the executive branch in internal and external agricultural affairs.

At the same time, the long established trend of turning over operational, regulatory and promotional functions in the broad fields of agricultural and general rural development to specialized independent or semi-independent agencies continued apace. Today the Minister of Agriculture participates in, or presides over, about 35 Boards of Directors of such agencies. Many of them are quite successful in their specialized fields. There is, in addition, much stirring and new development of private enterprise in agriculture. But the Ministry of Agriculture, organized to devote itself to national planning, has not so far tackled in earnest the task of coordinating of sub-sector and agency planning and of guiding national agricultural policy and priorities.

Moreover, for sound long range planning, especially of alternative land use and water resources management and development, insufficient basic facts and data are available.

Against this background, the project is sub-divided into two parts with the following specific activity targets.

a. Agricultural Ministry Planning

The objective is to develop within the Ministry of Agriculture a well functioning central office of agricultural planning to perform the planning function of the Ministry of Agriculture so that the Minister can exercise his intended and urgently needed role of policy guidance, priority determination, program and project coordination of the vast number of action agencies in agricultural and rural development, advice and recommendations to the President and the Cabinet, and preparation of necessary legislation for Congressional action. The objective of the project is not in the first instance the making of a plan or several plans: this is a task for Colombian policy makers, not for U.S. assistance.

b. Basic Resources Survey

The specific objective of this sub-project is provision of facts and data on basic agricultural resources of soil, water, and forests. The Basic Resources Survey, now being implemented by the Colombian Geographic Institute (IGAC) with the help of AID financing of equipment and technical assistance, is designed to provide that evaluation of the physical resources of the country without which sound planning for increasing agricultural production, reform of agrarian tenure structures, and for establishing means for optimum utilization and conservation of the natural resources are impossible.

The principal target here is to triple the competence and capability of IGAC to provide sound evaluations of the country's basic resources, including basic soil studies, climatic and stream flow data, aerial photos, maps and forest surveys urgently needed to help in planning of land settlement and land development projects (irrigation, drainage, flood control, and land clearing).

2. The Course of Action

a. Agriculture Ministry Planning

In cooperation with the new Minister of Agriculture and the new Chief of the National Administrative Department of Planning, USAID proposes to initiate, as a first step in a field both difficult and sensitive, a short term project for survey and analysis of the existing organizations, methods and status of planning for agriculture and rural

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-190-097	NATIONAL AGRICULTURAL PLANNING
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development in the multitude of public and semi-public agencies active in this field. This survey and analysis will culminate in recommendations for the type of organization, programs and procedures which the Ministry of Agriculture might best employ, initially to coordinate and, as soon as possible, to guide such decentralized planning.

This more long range pre-planning and organizational survey is expected to reveal the need for a considerable number of sectoral and sub-sectoral study projects. The project provides funds to finance surveys of specific agricultural priority problems and programs both to resolve serious bottlenecks and for planning of action in fields with the most immediate developmental potential. These surveys and studies will involve cooperation with the USDA, land grant colleges, or other institutions as contractors.

Research underpinning of future planning and decision making is also being performed by a University of Wisconsin team (Land Tenure Center) at the Faculty of Sociology of the National University financed under AID/W regional contract. USAID is further strengthening its staff for agricultural planning by the addition of an Agricultural Economist.

b. Basic Resources Survey

During FY 1965 through a PASA with Inter-American Geodetic Survey (IAGS), a five-man team will train staff of the Agustin Codazzi Geographic Institute (IGAC) in field work and in the Institute's laboratories and workrooms. The team will consist of a soils survey advisor, an irrigation and drainage advisor, a hydrologist-meteorologist, a forest inventory advisor, and a geographer who will emphasize field training. IAGS staff in Colombia will train IGAC personnel in utilization of field data for production of economic resource inventory and mapping. IAGS staff will also ensure that all equipment provided under this activity will be properly utilized by the IGAC.

Activities in FY 1966 will be similar to those carried on in FY 1965 but with emphasis on advanced training which FY 1965 efforts will make feasible.

With the increased capability IGAC will be able to take part in additional, more specific project - oriented land use planning activities, such as the Upper Cauca Valley study expected to be financed under the Feasibility Study Loan (Goal 4).

The activities of the PASA team are expected to extend over a period of approximately 30 months and are financed by prior year no-year funds. It is anticipated that the activity will phase out in FY 1967.

3. Progress to Date

a. The conviction that planning of national agricultural development policies and priorities needs urgent organization and attention, if Colombia's rural sector is to fulfill its very great potential, has long been held not only by USAID but in other national and international development agencies as well. The reorganization of the Ministry of Agriculture in early 1964 has been an important step forward. The organization of the Instituto Colombiano Agropecuario (ICA) to concentrate agricultural research and advanced education in one GOC agency, also indicates a greater awareness on the part of the GOC of the need for sound planning for agricultural development.

b. Basic Resources Survey

Begun in FY 1962, this activity has been slow in developing, primarily because of the long period of time between placing of orders for equipment and its arrival. Particularly slow has been procurement of specialized mapping and cartographic equipment.

As of September 30, 1964, equipment received and in use included soils laboratory and field equipment, forestry resources inventory and climatology equipment, and other miscellaneous equipment for field mapping, cartography and photolaboratory use. Seventy-seven field vehicles had been received and most are in service. While these were new vehicles, most are 1953 model jeeps for which many spare parts are unavailable in Colombia or the U.S.; 29 additional vehicles are on order, which USAID hopes will be of later vintage. One aircraft for photography has been received. During CY 1963 this aircraft photographed 34,168 square kilometers and in the first nine months of 1964 photographed 27,000 square kilometers at a scale of 1:20,000. In addition during 1964, 112,000 square kilometers of 1:1,000 and 1:2,000 scale maps had been flown in priority areas for engineering map purposes. Also, 3,600 square kilometers have been flown at a scale of 1:10,000 for regional development purposes such as highway design, irrigation projects, dam site locations, etc.

The IGAC has increased its staff by about 250 employees and expects to increase its staff further if its budget will permit.

Actual physical work under this activity started in January 1964. Already the field equipment use has eliminated the need for contracting field work. IGAC is now able to do large scale economic mapping, including cadastral mapping.

The PASA with IAGS was executed in mid-1964. Three members of the team are at work in Colombia and the other two are selected and expected to arrive soon.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-190-097	NATIONAL AGRICULTURAL PLANNING
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4. Funding Requirements

a. Technical Cooperation

FY 1965 (thousands of US\$)

FY 1966 (thousands of US\$)

PERSONNEL SERVICES

PERSONNEL SERVICES

	Position Title	Pos. Grade	No. Months	No. Persons	Cost
Direct U.S.	Rur. Dev. Off.	FSR-2	12	1	25
Direct U.S.	Dept. Rur. Dev. Off.	FSR-3	12	1	21
Direct U.S.	Agr. Econ.	FSR-3	12	1	19
Direct U.S.	Agr. Advisor	FSR-3	12	1	38 ^{1/}
Direct Local	Sec. Biling.		12	2	6
Direct Local	Agr. Ref. Tech.		12	1	6
					<u>115</u>

	Position Title	Pos. Grade	No. Months	No. Persons	Cost
Direct U.S.	Rur. Dev. Off.	FSR-2	12	1	25
Direct U.S.	Dept. Rur. Dev. Off.	FSR-3	12	1	24
Direct U.S.	Agr. Economist	FSR-3	12	1	25
Direct U.S.	Agr. Advisor	FSR-3	12	1	23
Direct Local	Sec. Biling.		12	2	6
Direct Local	Agrarian Ref. Tech.		12	1	6
					<u>109</u>

PARTICIPANTS

PARTICIPANTS

U.S. Agencies	Cartographic Training (U.S.)		10	3	18
U.S. Agencies	Topographic Mapping (U.S.)		4	30	<u>28</u>
					46

U.S. Agencies	Hydrology (U.S.)		12	1	6
	Photogrammetry (U.S.)		12	1	6
	Semi-detailed Soil Survey (U.S.)		12	1	6
	Agr. Planning Econ. (U.S.)		12	1	6
	Food Technology (U.S.)		12	1	<u>6</u>
					30

CONTRACT

Agric. Ministry Planning 137

CONTRACT

Agr. Planning 295

COMMODITIES

U.S. Agencies 1

COMMODITIES

U.S. Agencies -

OTHER COSTS

U.S. Agencies 11

OTHER COSTS

U.S. Agencies 8

TOTAL 310

TOTAL 442

^{1/} Includes Miles (3 mos.) and Jeffers (6 mos.)

AID 1020-2 (8-64)		PROJECT DATA SUMMARY -- AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED				
E-1a	1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA			3. PROJECT NO. 514-15-130-098			4. TITLE AGRICULTURAL DIVERSIFICATION b/							
	5. U.S. FUNDING:		BEGIN FY 1960	END FY 1969		6. PRIOR REFERENCES a/										
	PHYSICAL WORK:		1960	1969												
7. AID DOLLAR FINANCING -- OBLIGATIONS AND EXPENDITURES (\$000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS 1/		
						(1) U.S. AGENCIES		(2)	(1) U.S. AGENCIES	(2)	(1) DIRECT AND U.S. AGENCIES	(2)	(1) DIRECT AND U.S. AGENCIES	(2)	(1) DIRECT AND U.S. AGENCIES	(2)
						AID	PASA	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT			
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		DG	G	108	-	101	-	2	-	-	5	-	-	-	
			AB	G	393	47	315	47	22	3	6	-	-	-		
			AG	G	259	55	166	55	20	12	6	-	-	-		
	GROSS OBLIGATIONS (ACTUAL YEAR)		AG	G	209	-	149	45	9	-	6	-	-	-		
			DG	G	108	-	101	-	2	-	5	-	18	-		
			AB	G	369	32	315	32	13	3	6	63	-	-		
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR		AG	G	187	33	135	33	8	6	5	-	34	-		
			AG	G	151	-	128	18	1	-	4	-	29	-		
			AB	G	24	15	-	15	9	-	-	-	-	-		
C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	72	22	31	22	12	6	1	-	-	-			
		AG	G	296	49	129	49	63	9	46	-	-	-			
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS		AG	G	296	49	129	49	63	9	46	-	-			
	B. EXPENDITURES		AG	G	312	52	145	52	55	15	45	-	-			
	AB	G	24	15	-	15	9	-	-	-	-	-				
C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	56	19	15	19	20	-	2	-	-				
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS		AG	G	246	-	139	-	51	5	51	-	-			
	B. EXPENDITURES		AG	G	269	19	145	19	50	5	50	-	-			
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	33	-	9	-	21	-	3	-	-			
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/		AG	G	250	50	150	50	35	-	15	223	25			
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/		AG	G	400	50	255	50	60	10	25	360	75			
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/		DG	G	108	-	101	-	2	-	5	108	-			
			AB	G	393	47	315	47	22	3	6	346	47			
			AG	G	1,451	204	839	204	229	36	143	1,247	204			

REMARKS:

- 1/ This is a memorandum (non-add) column.
2/ Show estimated expenditures in column i.

a/ In FY 1964 this title consolidates Supervised Credit, Cooperatives Development, Livestock Development, and Crop Production into a single project. For convenience in describing each important segment of the activity, the narrative which follows is divided into the four respective parts with objective, course of action, progress, and funding requirements for each segment.

b/ For lack of space, loans are shown on succeeding E-1a table.

AID 1020-2 (8-64)		PROJECT DATA SUMMARY — AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED					
E-1a	1. DATA CURRENT AS OF: OCT. 20, 1964		2. COOPERATING COUNTRY COLOMBIA			3. PROJECT NO. 514-22-140-105 a/ 514-22-140-108 b/ 514-26-130-111 c/			4. TITLE AGRICULTURAL DIVERSIFICATION a/ b/ c/								
	5. U.S. FUNDING:		BEGIN FY 1962	END FY 1966		6. PRIOR REFERENCES											
	PHYSICAL WORK:		1962	1968													
7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS 1/			
						(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)	
						AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		208	L	8,000												
	GROSS OBLIGATIONS (ACTUAL YEAR)		027	L	10,000												
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR		208	L	8,000												
	EXPENDITURES (ACTUAL YEAR)		208	L	2,670												
			027	L	1,112												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		027	L	8,888												
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS		038	L	4,000												
	B. EXPENDITURES		027	L	4,200												
			038	L	3,300												
C. UNLIQUIDATED OBLIGATIONS END OF YEAR		027	L	4,688													
		038	L	700													
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS																
	B. EXPENDITURES		027	L	4,688												
			038	L	700												
C. UNLIQUIDATED OBLIGATIONS END OF YEAR																	
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/																
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/																
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/		208	L	8,000									8,000	-		
			027	L	10,000									10,000	-		
			038	L	4,000									4,000	-		

REMARKS:

- 1/ This is a memorandum (non-add) column.
2/ Show estimated expenditures in column i.

- a/ Agricultural Credit and Resettlement, Caja Agraria; DLF-208; \$8,000 - August 1961; 20 years, with one year grace period; 4% interest.
- b/ Supervised Agricultural Credit, INCORA, 514-L-027; \$10,000 - June 1963; 40 years with ten year grace period; 3/4% interest.
- c/ Livestock Bank; 514-L-038; \$4,000 - July 1964; 20 years with five years grace period; 2% interest.

PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES

SECURITY CLASSIFICATION
UNCLASSIFIED

E-1b

7. OBLIGATED AND DISBURSED	1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3.	BEG. FY	END FY	4. PROJECT NO.		5. TITLE				6. PRIOR REFERENCES:			
	Oct. 20, 1964		COLOMBIA		Funding	1960	1969	514-15-130-098		AGRICULTURAL DIVERSIFICATION							
					Phys. Work	1960	1969										
	a. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)				d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)					
TYPE	SOURCE	LOAN OR GRANT	(1) DOLLAR EQUIVALENTS (000) 1/		(2) LOCAL CURRENCY UNITS (000)		(1) OBLIGATED		(2) DISBURSED		(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER				
			(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED	OBLIGATED	DISBURSED	(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED					
I CUMULATIVE THRU ACTUAL YEAR	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		115		1,150					700	330		120			
	FA ACT (ii) TRUST FUND																
	(iii) OTHER LC																
	B. P.L. 480 LC																
TOTAL ACTUAL FY 64	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		29		290					140	120		30			
	FA ACT (ii) TRUST FUND																
	(iii) OTHER LC																
	B. P.L. 480 LC																
II OPERATIONAL YEAR (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		94		940					160	330		450			
	FA ACT (ii) TRUST FUND																
	(iii) OTHER LC																
	B. P.L. 480 LC																
III BUDGET YEAR (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		100		1,000					170	330		500			
	FA ACT (ii) TRUST FUND																
	(iii) OTHER LC																
	B. P.L. 480 LC																
IV PLANNING YEAR (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		67		670					170	330		170			
	FA ACT (ii) TRUST FUND																
	(iii) OTHER LC																
	B. P.L. 480 LC																
V ALL SUBSEQUENT FYs (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		112		1,120					240	600		280			
	FA ACT (ii) TRUST FUND																
	(iii) OTHER LC																
	B. P.L. 480 LC																
VI TOTAL ALL YEARS (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		488		4,880					1,440	1,920		1,520			
	FA ACT (ii) TRUST FUND																
	(iii) OTHER LC																
	B. P.L. 480 LC																

REMARKS:
1/ Exchange Rate: \$1 = 10.00 pesos a/ Rate has been steady at 9.98 but recently has depreciated and is fluctuating unpredictably. Rate is arbitrarily set at 10.00 for convenience.
2/ The total dollar equivalent amounts are the same as in Col. i of Table E-1a

E-1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS		1. DATA CURRENT AS OF:			2. COOPERATING CTRY.			3. PERSONNEL SERVICES PARTICIPANT TRAINING		4. PROJECT NO.		5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS																	
	Oct. 20, 1964			COLOMBIA			BEG. FY 1960	END FY 1969	514-15-130-098		a. CUM. THRU ACTUAL FY			b. ACTUAL FY 64			c. OPERATIONAL FY 65			d. BUDGET FY 66			e. PLANNING FY 67			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS	
		Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract		
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	16		2	4		1	4		1	4		4		2	8		2	36		7								
		Non U.S.	24			6			7			7					13			58										
	B. ON BOARD	U.S.				4		1	4		1	4		4		2														
		Non U.S.				6			7			7																		
II. PARTICIPANTS PROGRAMMED	A. U.S.		12			12			28			30					30			120										
	B. THIRD CTRY.																													

REMARKS:
1/ End of Fiscal Year

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-130-098	AGRICULTURAL DIVERSIFICATION (SUPERVISED AGRICULTURAL CREDIT)
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1. The Activity Target

The objective of this project is to raise productivity, diversify production and increase income, investment and level of living of a significant portion of Colombia's small farm operators through a combination of low cost credit and extension in the form of Supervised Agricultural Credit. Specifically, the target is to help the Colombian Agrarian Reform Institute (INCORA) establish and operate an efficient National Agricultural Supervised Credit Program which will provide Supervised Loans to approximately 20,000 farm families initially, over a four-year period. During the second two-year period of the activity, a thorough review of progress made in the farm credit field will determine the program for the future of Supervised Credit within the framework of the total agricultural credit system of Colombia.

According to available data, there are about 1.2 million farm families in the country of which only about 50% qualify for traditional bank credit, including loans from the GOC's Caja de Crédito Agrario. Obviously, supplying Supervised Loans to only 20,000 families will not solve this problem, but it will make a good beginning. It is expected to establish Supervised Loans as an effective instrument of agricultural development through the training of near-marginal small farmers in the efficient use of credit, thereby commercializing their operations and gradually making them eligible for ordinary credit available in Colombia. In addition, the initial program is expected to attract additional external credit into this activity and stimulate the use of domestic financial resources for the same purpose.

After five years, at least 30% of the Supervised Credit Program borrowers, and thereafter an additional 10% annually, are expected to qualify for direct credit from the Caja Agraria (which now also acts as fiscal agent for the National Supervised Credit Program), agricultural cooperatives, or other credit institutions in the country, thereby releasing Supervised Credit capital, including repayments, and Supervised Credit field workers to be re-directed to as many other qualified farmers each year.

Supervised Loans are based on farm plans of farm families owning or having available sufficient land and manpower to operate an economic farm unit. The farm plans are designed by the farmer with the help and guidance of trained field supervisors to improve productivity, in particular through carefully planned programs of crop diversification. The Program thus is a direct instrument in helping achieve Colombia's overall goals of expansion and diversification of agricultural production.

At the same time, the program will raise farm income, investment and level of living of an important group of small farmers now held down by the familiar combination of backward farming methods and dependence on high-cost, scarce private credit. In part the Program will be utilized by INCORA to support its twin programs of land reform through settlement of landless (or almost so) farmers on subdivided large properties or on newly opened virgin lands.

The heart of the National Supervised Agricultural Credit Program naturally is the quality of supervision to assure efficient use of each loan. The INCORA Program provides for a network of field supervisors under the supervision of zone supervisors, the latter supervised by a small number of area supervisors. To assure use of Supervised Loans for agreed purposes, funds are held in joint accounts requiring supervisor's signature for withdrawal. Field supervisors undergo six months of specialized training before engaging in field work. They are backstopped by subject matter specialists, agronomists and economists on INCORA's staff who provide principal guidance regarding crop diversification and farming methods. The Program as a whole, policy planning, organization, farm plan development principles and all training phases are aided by a USAID specialist advisor assisted by a PASA team of three U.S. Department of Agriculture farm credit experts.

2. Course of Action

FY-1965 is the first full year of operation under the US\$ 10 million loan. During this year it is expected that at least 4,000 Supervised Loans will be made in a total of 40 zones in 12 of Colombia's Departments. This will be an important year for further development of lending and supervision policies and techniques. INCORA will recruit and train during the first two years of operation at least 300 field supervisors, 60 zone supervisors and 25 area supervisors. In addition, an intensive training program will successively reach all employees. Selected technical and professional personnel and field area supervisors will receive training in the USA. Training and farm plan demonstration for the

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-130-098	AGRICULTURAL DIVERSIFICATION (SUPERVISED AGRICULTURAL CREDIT)
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practical training of field supervisors will be a major concern of U.S. technical assistance personnel.

Establishment of agricultural purchasing and marketing cooperatives to serve Supervised Credit borrowers will be an additional major task of the Program.

Policy planning and evaluation at the headquarters level will be strengthened. The first annual INCORA-USAID joint review required under the Loan Agreement is scheduled for November 1964.

In FY-1966 another 4,000 Supervised Loans will be made which will utilize the remainder of the existing US\$ 10 million loan as well as part of the repayments received by INCORA from earlier loans. At that time, a second input of US\$ 10 million in lending capital will be provided for the Program in the form of Peso Counterpart from U.S. Program Loans.

The training program will continue both in Colombia and, for a small number of key personnel, in the U.S. Evaluation of results will be stepped up further.

3. Progress to Date

Prior to the organization of the National Supervised Credit Program, a pilot program in Supervised Credit was conducted for 2-1/2 years in six pilot projects located in six representative agricultural areas of the Country. This program provided INCORA personnel as well as USAID advisors significant experience and guidance in the planning and operation of the National Program.

Loan Agreement AID 514-L-027 was signed by INCORA and AID on June 26, 1963 for a loan of US\$ 10 million repayable in 40 years with a ten-year grace period, to initiate the National Supervised Credit Program. Except for \$200,000 set aside for technical assistance and, under a recent agreement, for the procurement of vehicles for field personnel, the Loan proceeds are converted to pesos under the Special Letter of Credit procedure. The first peso disbursements under the loan were received by INCORA in February 1964. By October 1964, a total of 20 million pesos have been drawn by INCORA and 1,630 farmers in 24 zones located in seven Departments have obtained Super-

vised Loans. So far ten supply and marketing cooperatives have been organized in conjunction with the Supervised Credit Program.

The Program has received great acclaim and much publicity, and requests for its extension to other Departments are continuously received.

In July 1963, INCORA contracted with the GOC's National Apprenticeship Service (SENA) for specialized training for Supervised Credit personnel. The training ranges from basic philosophy of Supervised Credit to technical aspects of agriculture and livestock production. So far, about 200 field technicians have been trained by SENA under this arrangement, assisted by INCORA specialists and USAID advisors. In the fall of 1964 the first one U.S. field personnel arrived under the PASA agreement with the U.S. Department of Agriculture, which calls for a total of three experts on farm credit operations.

4. Funding Requirements

a. Contribution DG

(see chart following page)

b. Operating Country Contributions.

The GOC provides the administrative and technical personnel of the Supervised Credit Division of INCORA. The cost to the GOC of the budget for this personnel and operating expenses including those of the field force will approximate 10 million pesos in FY-1965 and 15 million pesos in FY-1966.

c. Contributions from other sources.

None.

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-130-098	AGRICULTURAL DIVERSIFICATION (SUPERVISED AGRICULTURAL CREDIT)
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4. Funding Requirements

a) Development Grants

FY-1965 (Thousands of US\$)				
Position Title	Position Grade	No. Mos.	No. Per-sons	Cost
PERSONNEL SERVICES				
Direct - U.S.	Agr.Cred.Adv.	FSR-3	12 1	22
Direct - Local	Col.Assist.	FSL-1	12 1	7
Direct - Local	Sec.Bi-ling.		12 1	3
(PASA	Cred.Trng.Adv.			
	Paid from Loan Funds	GS-13	12 3)
PARTICIPANTS				
U.S. Agencies Contract	Sup.Cred.Trng. None		20 10	14
COMMODITIES				
(Vehicles	Paid from Loan Funds)
OTHER COSTS				
U.S.Agencies	Local Travel Costs			<u>7</u>
TOTAL				53

FY-1966 (Thousand of US\$)				
Position Title	Position Grade	No. Mos.	No. Per-sons	Cost
PERSONNEL SERVICES				
Direct - U.S.	Agr.Cred.Adv.	FSR-3	12 1	25
Direct - Local	Col.Assist.	FSL-1	12 1	7
Direct - Local	Sec.Bi-ling.		12 1	3
(PASA	Cred.Trng.Adv.			
	Paid from Loan Funds	GS-13	12 3)
PARTICIPANTS				
U.S. Agencies Contract	Sup.Cred.Trng. None		20 10	15
OTHER COSTS				
U.S. Agencies	Local Travel Costs			<u>8</u>
TOTAL				58

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-130-098	AGRICULTURAL DIVERSIFICATION (COOPERATIVE DEVELOPMENT)
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1. Activity Target

The Activity Target is to improve the organization and management of cooperative organizations in Colombia so they can do a better job of enabling farmers to market their produce more effectively and efficiently.

Cooperative marketing of agricultural produce will help producers to sell in wholesale lots and so eliminate middle men who now perform that function. Food consumer cooperatives offer an excellent medium through which the farmers' marketing cooperatives can sell their produce, especially in quantity.

This activity is related to the goals of a more productive and diversified agriculture, the amelioration of pressing causes of social and political unrest and a positive mystique for social and economic progress focused on the Alliance for Progress, and increased stimuli to a vigorous, competitive private sector.

Progress can be measured by a reduction of the spread in prices paid agricultural producers and those paid by ultimate consumers with appropriate analysis of the effects of cooperative activities in improving the efficiency of moving foods from producer to consumer.

2. Course of Action

In Colombia there are many groups giving a support to coops, including the Coffee Federation, the Catholic Church and several governmental agencies. (the Superintendencia Nacional de Cooperativas - Ministry of Agriculture, the Agrarian Reform Institute and INA). However, the most appropriate institution to develop the cooperatives of Colombia is a volunteer service organization known as ASCOOP (The Asociación Colombiana de Cooperativas).

ASCOOP has several important program activities:

- a) The establishment of a financing institution for cooperatives to supply expansion capital to cooperatives.
- b) The operation of an educational program to train technicians to run cooperatives efficiently and according to cooperative principles.
- c) The provision of technical assistance to agricultural product marketing cooperatives designed to improve marketing facilities, quality of product and farmer income.
- d) The provision of technical assistance to consumer cooperatives designed to improve their management procedures, especially in wholesale operation which will eliminate unnecessary middle-men and permit lower prices to consumers without reduction of producer income.

Cooperatives must be encouraged to pay dues to their association, but before they are willing to do that, they must be convinced of the value of services provided to them by ASCOOP. US AID will strengthen the ability of ASCOOP to provide services to cooperatives in organization, business operations, legislation, and member education through a grant of US\$25,000 in FY 1965 and possibly FY 1966 to finance their operations as an interim measure while it advances toward complete support by dues from members.

A Cooperatives Advisor will work with ASCOOP to guide the development of the institution and assist in the implementation of its specific programs.

Training will be provided in the United States for two participants in a three months course of Advanced Cooperative Management. Training for 100 Cooperative Managers and accountants will be conducted in Colombia.

Training and demonstration materials will be purchased to

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-130-098	AGRICULTURAL DIVERSIFICATION (COOPERATIVE DEVELOPMENT)
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assist the local training programs.

It is anticipated that the financing institution for co-operatives will be chartered and in operation in this fiscal year. The Bank is expected to submit an application for US\$ 5 million in peso counterpart of US program loans in FY 1965 and again in FY 1966.

The program for FY 1966 is to continue the FY 1965 activities, particularly in the field of agricultural product co-op marketing. Other programs are to continue with slight increase in training costs, training materials and local travel.

3. Progress to Date

ASCOOP has progressed from a largely paper organization to one with good employees and a program of action. It offers substantial assistance to groups wishing to organize cooperatives. It has been very effective in working with the government in legislative matters. It has been guiding the cooperatives in better co-op development and practices. It has been in direct charge of two school training some 40 co-op leaders this last year and has worked closely with all other co-op promotion groups in guiding the training schools financed by AID participant training money. This training program trained 100 local co-op managers and bookkeepers---6 weeks each.

The GOC has frequently expressed its active support of cooperatives by having very good legislation under which cooperatives can start and grow, and by many statements favorable to cooperatives from many high government officials including the President of Colombia.

4. Funding Requirements

a) Technical Cooperation (see chart page following)

b) <u>Development Loans</u>	FY 1965	FY 1966
Bank for Co-ops	US\$5,000,000	SU\$5,000,000
	TOTAL US\$10,000,000	

c) Colombian Contributions

ASCOOP will be partly financed by dues of its cooperative members--to an estimated 50,000 pesos in addition to the AID grant. This income should rapidly increase in the years ahead.

The GOC departments--the Superintendencia Nacional de Cooperativas, the Ministry of Agriculture, INCORA and INA--are all operating with small budgets in their promotion of cooperatives. Other organizations, the Cafeteros, FANAL, the Catholic Church among them, have personnel working in cooperative promotion and development. It is a conservative estimate that the budget of these governmental departments and promotional activities of other entities is more than a million pesos annually.

d) Other Source Contributions

The US Government has a contingent of 20 Peace Corps Volunteers working in cooperative development in Colombia. They are to be replaced by 40 new Volunteers in early FY 1965.

FAO has a cooperative specialist working in Colombia. ILMA of the U.N. Special Fund has a co-op specialist on its staff.

The West German and Israeli Governments have special programs of assistance to the cooperatives of Colombia with experts being brought in from time to time.

F. Y. 1965 (Thousands of US\$)

F. Y. 1966 (Thousands of US\$)

Position Title	Position Grade	No. Mos.	No. Persons	Cost
PERSONEL SERVICES				
Direct-U.S. Consultants	Co-ops Adv. FSR-3	12	1	25
	Grocery Co-op From Retail Consultant (FY-64)	1	1	4
Direct Lcl.	Bi-ling. Sec.	12	1	3
Local Cont. Participants (US or Local Training)	Bi-ling. Asst.	12	1	5
		2	12	21
Commodities Training & Demonstration Materials				4
OTHER COSTS				
US Agencies Local Traves Costs Contract				2
				1
Grant to ASCOOP				25
TOTAL				90

Position Title	Position Grade	No. Mos.	No. Persons	Cost
PERSONNEL SERVICES				
Direct-U.S. Consultants	Co-ops Adv. FSR-3	12	1	30
Direct-Local	Bi-Ling. Sec.	12	1	3
Local Contr. Participants (US or local trng.)	Bi-Ling. Asst.	12	1	5
		2	16	24
Commodities Training & Demonstration Materials				5
OTHER COSTS				
U. S. Agencies Local Travel Costs Contract				3
				2
Grant to ASCOOP				25
TOTAL				97

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-130-098	AGRICULTURAL DIVERSIFICATION (LIVESTOCK DEVELOPMENT)
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1. Activity Target

The Activity Target is to assure an adequate supply of beef at reasonable prices for a rapidly increasing Colombian population, allowing for a gradual increase in per capita consumption and significant beef exports to European markets as a contribution to meeting Colombia's balance of payments problem.

A Colombian population estimated at 20 million persons in 1970 will require 600,000 - 700,000 metric tons of beef. Exports of up to 40,000 metric tons are a real possibility by that year. This requires both an increase in cattle population and improved animal husbandry practices.

The GOC has announced its intention to make the livestock industry an attractive investment and way of life, especially for persons who will place their major efforts and direct management in livestock enterprises. Basic institutional and legislative actions have already been taken to establish a favorable setting for this activity.

2. The Course of Action

Achievement of the Activity Target requires action on the part of the Ministry of Agriculture, the Livestock Bank, Regional Livestock Funds, the Federation of Livestock Producers, Breed Associations, Veterinary Colleges, meat packing companies and thousands of livestock producers and distributors of livestock products working in every part of Colombia.

Because the Livestock Bank is an institution where capital assistance and technical assistance are combined, because it is an organization where government and private enterprise meet, it is a particularly suitable place to apply United States assistance for long lasting effect on a Colombian institution.

The FY 1965 program is to implement the FY 1964 development loan of US\$ 4 million. (Alliance for Progress Agreement 514-L-038). This loan to the livestock Bank is designed to provide not only an expanded Directed Production Credit portfolio, but also to generate resources to augment and improve the technical assistance and investment control services of the Bank over its entire loan portfolio of approximately US\$ 20 million.

In accordance with the provisions of Colombian Law 26 of 1959, sub-loans are made by the Livestock Bank to implement ranch investment plans jointly agreed upon by the ranchers and the technical staff of the Bank. These plans are made to encourage and enforce steadily improving standards of animal husbandry by means of selective sub-lending and professional technical assistance.

In the utilization of the loan, USAID personnel will assist the Livestock Bank to improve both the quantity and quality of the technical services provided under the directed Livestock Production Credit Program of the Livestock Bank. This will increase the number of cattle available for slaughter and reduce the cost of production.

The Livestock Advisor monitors the development loan and advises and assists in the enlargement and training of the technical section of the Bank. In addition, he will promote private investment in livestock enterprises and gather information which will help other agencies concerned with livestock production to work toward achievement of the activity target. The loan agreement allows for additional technical assistance. The Livestock Advisor, during the initial implementation stage, will determine the need and types of United States contract technical assistance to be financed by loan funds.

Training in Supervised Credit procedures for two participants in Puerto Rico is planned. Training and demonstration materials will be purchased to be used in assisting the technical section of the Bank to gather and disseminate ranch management information to borrowers.

The course of action for FY 1966 is essentially a continuation of the FY 1965 program. While no additional dollar loans are contemplated, provisions will be made for the release of program loan counterpart peso funds equal to US\$ 5 million for continued work based on

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-130-098	AGRICULTURAL DIVERSIFICATION (LIVESTOCK DEVELOPMENT)
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experience gained in using the US\$ 4 million development loan approved in FY 1964.

This activity will influence the policies of the livestock Bank and the ranch management plans of its clients during the full period of the dollar loan. Re-investment of interest payments in excess of those required to support the expanded technical assistance services and re-investment of capital amortization payments will occur several times during the life of the loan. The project is nation-wide in scope through 21 offices and agencies of the Livestock Bank located in major cattle producing areas.

Factors which will control the rate of development of the technical section are:

- 1) Availability of financing through collection of service and higher interest charges than paid by the Bank for the development loan.
- 2) Availability of professional personnel for positions in the Bank.
- 3) Time required in on-the-job training to acquire experience which will develop skill in ranch investment planning. Present plans are for an increase in technical personnel of the Bank from 38 in 1964, to 48 in 1965, 62 in 1966, 82 in 1967 and 92 in 1968. The services of the Mission Livestock Advisor will be needed in the early stages of this expansion process and should be completed by the end of CY 1967.

Effectiveness of the activity will be tested by analysis of Livestock Bank reports and field observations by the Livestock Advisor.

Information necessary to proper implementation of the project will be disseminated by circu-

lar letters to Livestock Bank personnel and monthly publication by the Bank of a Livestock Letter which rancher recipients can keep as a management manual for constant reference.

3. Progress to Date

The Livestock Bank has grown steadily since its establishment in 1956. The loan portfolio for Directed Livestock Production Credit stood at 131 million pesos in December 1963 compared to 110 million for the previous year. Deposits and capital growth have shown a steady increase, reflecting sound management and increasing confidence in the Bank by the public.

As a result of AID financed studies of the livestock industry and with AID technical assistance, a well financed Colombian-American company has recently decided to build modern slaughterhouses in Bogotá and Cartagena and to carry out breeding and fattening operations on a large scale to supply the slaughterhouses.

Because technical assistance and training was provided by former USAID activities, five Colombian companies are now importing bull semen and artificial insemination equipment from the United States on a continuing basis as compared to zero in 1960. As a result, one calf in every thousand calves born during 1963 was sired by high quality bulls from the United States.

A development loan amounting to US\$ 4 million at 2% interest for 20 years was authorized and negotiated during FY 1964 to build the Livestock Bank into a stronger, more useful instrument for development of the Colombian Livestock Industry.

GOC actions to permit beef exports, to regulate hygiene in slaughterhouses, to permit free prices on export quality meat, in addition to support of education, research, extension and regulation indicate a genuine interest in promoting rapid growth of the livestock industry.

Veterinary consultants brought in by USAID and the Rockefeller Foundation during FY 1963-64 to analyze problems involved

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-130-098	AGRICULTURAL DIVERSIFICATION (LIVESTOCK DEVELOPMENT)
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in improving the quality and availability of Colombian veterinarians have proposed changes which have led to the preparation of a request to the United Nations Special Fund to help finance additional classrooms and laboratories, training of faculty members and separate curricula for animal husbandry and veterinary students at the National University.

Progress in control of foot and mouth disease, contagious abortion and other infectious diseases of livestock is slow, but will be accelerated by information and training which is expected from the Veterinary Research Laboratory jointly sponsored by PL-480 funds, the Rockefeller Foundation, the Ministry of Agriculture and the National University.

A soils and livestock survey of the Eastern Plains country has recently been made available by the FAO financed as a United Nations Special Fund project backstopped by the Mission Livestock Advisor.

4. Funding Requirements

a) Technical Cooperation (see chart page following)

b) Development Loans. - No dollar loans are planned, but provision will be made for release of counterpart program loan pesos equal to US\$ 5 million for FY-1966.

c) Colombian Contributions

- (1) The Livestock Bank contributes resources totalling Col. \$291,357,702 at the end of CY 1963 compared to December 31, 1962 figure of Col. \$247,896,653. The major portion of these resources are devoted to programs of Directed Production Credit implemented through offices in the major livestock production areas. Other banks also extend credit

for livestock production accompanied by lesser amounts of technical assistance and investment control. Total credit available for livestock enterprises was approximately 1,954 million pesos in December 1963 compared to 1,360 million pesos in 1962.

- (2) The Livestock and Pasture sections of the Ministry of Agriculture, the Veterinary Medicine and Agronomy Colleges, the National Vaccine Production Laboratory, the National Statistics Department, the Livestock Producers Associations and similar agencies work toward improvement of the livestock industry.

d) Other Sources Contributions

- (1) The Private Investment Fund is available to provide credit for export marketing facilities where the investment is in capital projects of an industrial nature. This is especially important to the construction of beef export facilities.
- (2) The budget and personnel of the Latin American Institute for Training and Research in Agricultural Marketing (ILMA) is sponsored by the U. N. Special Fund and Colombian agencies at a level of about US\$400,000 per year. Courses in marketing of perishable agricultural commodities are directly related to achievement of the activity target. The FAO soils and livestock study of the Eastern Plains area is another U. N. Special Fund contribution.
- (3) The Pan American Sanitary Bureau provides advice and assistance in control of foot and mouth disease.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-130-098	AGRICULTURAL DIVERSIFICATION (LIVESTOCK DEVELOPMENT)
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F. Y. 1965 (Thousands of US\$)

F. Y. 1966 (Thousands of US\$)

<u>Position Title</u>	<u>Position Grade</u>	<u>No. Mos.</u>	<u>No. Persons</u>	<u>Cost</u>	
PERSONNEL SERVICES					
Direct-U. S.	LV ADV GEN	FSR-3	12	1	21
Direct-Local	Sec. Bi-Ling.		12	1	3
Local-Contr.	AnHus. Adv.		12	1	6
PARTICIPANTS					
U. S. Agencies	Supr. Credit				
	Trng. P. R.		6	2	4
COMMODITIES					
U. S. Agencies	Training and Demonstration Materials				2
OTHER COSTS					
U. S. Agencies	Local Travel Costs				3
TOTAL					39

<u>Position Title</u>	<u>Position Grade</u>	<u>No. Mos.</u>	<u>No. Persons</u>	<u>Cost</u>	
PERSONNEL SERVICES					
Direct-U. S.	LV ADV GEN	FSR-3	13	1	23
Direct-Local	Sec. Bi-Ling.		12	1	3
Local-Contr.	AnHus. Adv.		12	1	6
PARTICIPANTS					
U. S. Agencies	NONE				
	Contract				
COMMODITIES					
U. S. Agencies	Contract				
OTHER COSTS					
U. S. Agencies	Local Travel Costs				3
	Contract				
TOTAL					35

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-130-098	AGRICULTURAL DIVERSIFICATION (CROP PRODUCTION AND INDUSTRIAL UTILIZATION)
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1. The Activity Target

The objective of this sub-activity is twofold: to develop in GOC institutions a capacity systematically and effectively to promote (a) export market development for agricultural products that Colombia can export competitively and (b) new or expanded production of agricultural products both for export and for import substitution. This will help reduce dependence on coffee as the major export crop; it will contribute to alleviation of the balance of payments problems; and it will increase the farmer's productivity, income, investment capacity and standard of living. Emphasis will be not only on market promotion for farm products but on the development of industries which process or utilize agricultural products for both export and domestic consumption.

Colombia has climatic conditions for the production of vegetables and fruits when such are out of season in US and European markets. Many exotic fruits that are unknown or little known in world markets are grown in Colombia. Aggressive promotional efforts on a pilot basis have already demonstrated the real potential of developing new markets for old and new products, and of attracting foreign capital and management as well. The major task ahead is of developing capacity and programs in appropriate Colombian agencies to move from pilot demonstration promotion by USAID personnel to large scale effective, continuing programs of agricultural diversifications aimed primarily at earning or saving foreign exchange.

2. Course of Action

A team composed of a US direct-hire technician and a contract specialist in market promotion, will identify the best prospective GOC agencies and units within them to develop an agricultural export and diversification promotion function. On the basis of past successes and continuing promotional efforts, they will demonstrate the potential of export promotion work to obtain acceptance of

this function by one or more suitable agencies with a view to securing establishment of appropriate programs with the organization and budgets required. They will then advise, assist, demonstrate and train personnel of such units in the development of effective export promotion programs and techniques.

At the same time, they will continue to seek out and encourage Colombian farmers to produce crops now imported or which have a demand in the major world markets. In many instances this involves advice and assistance in improved production practices including the use of improved varieties, better seed, fertilizers and modern planting, harvesting, packaging, processing and shipping methods. Insofar as practicable this effort will be tied in with the Supervised Credit activity. A major aspect of this promotional activity will continue to be the location and encouragement of Colombian farmers and industrialists, as well as U.S. investors, to enter into joint ventures or other contractual or business relationships for production, processing and/or export marketing of old and new agricultural specialty products.

Here, too, the main new emphasis will be on institutionalizing this promotional work so as to make it a growing and increasingly effective priority program of Colombian public and private agencies.

3. Progress to Date

The following are examples of advances in crop diversification, improved production, industrial use of agricultural products and new export business attributable to this activity.

- a. Colombian interest in development of native flora has been considerably stimulated as a result of the AID sponsored economic botany course presented by Dr. R. Schultes of Harvard University in the summer of 1963. The course had a surprisingly large enrollment of 137 with 95 completing the course.

One result of the course, is the preparation, now underway, of projects for plant exploitation and chemical analysis aiming at commercial utilization of known but unexploited species by personnel of the National

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-130-098	AGRICULTURAL DIVERSIFICATION (CROP PRODUCTION AND INDUSTRIAL UTILIZATION)
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University.

- b. A tropical horticulturist under 10 months contract conducted a series of training courses, advised GOC technicians and private producers in various parts of the Country, and prepared 23 reports on aspects of tropical horticulture which received wide distribution throughout Colombia.
- c. A practical manual of general tropical agriculture is being published by RTAC/Mexico primarily for USAID/Colombia for distribution to students in vocational agricultural schools, government technicians and farmers.
- d. Original investigation by USAID technicians under this activity led to one of the first loans made by the Private Investment Fund, viz., mint growers.
- e. As a result of the market promotion efforts of this activity a U. S. farmer has entered into a joint venture with a Colombian land owner to plant 300 hectares of melons for export to the U. S. winter market. Between \$800,000 to \$1,000,000 dollars worth of produce is expected to be exported by this one venture in the first season, and production is to be expanded to vegetables and other fruits in the near future.
- f. Small but increasing exports of tropical flowers, guava jam, tamarind pulp, pineapples, etc., to U. S., Canada, Panama and Curacao, have been initiated and are expected to expand rapidly as production increases and processing quality is stabilized.

In additional recent successes in crop diversification this activity has had more limited participation. Banana exports are increasing with increased planting both in the Urabá Region where United Fruit is sponsoring develop-

ment, and also in the Pacific coast area of Tumaco where Japanese interests have started banana production. A Holland-Colombian Oil Palm Company has over 2,000 hectares planted of a proposed 5,000 hectare plantation and is constructing an oil processing plant scheduled to start operations next year. PIF loans have increased oil palm and sugar planting and cacao planting and ipecac production.

The La Rosa Company, backed by W. R. Grace Company, is expanding production of marmalade, jelly, and canned fruits both for domestic market and export.

4. Funding Requirements

a. Technical Cooperation

(see chart page following)

b. Development Loans

No dollar loans are planned.

c. Colombian Contribution

The contributions of Colombia to the activities of this sub-project are difficult to estimate for a number of reasons. This activity is inherently and, of necessity, diverse in its approaches to crop diversification problems. Major emphasis is being placed on stimulation of private industry and joint ventures with foreign investment of capital and technology. Changes in investment patterns are taking place rapidly.

d. Other Sources Contributions

Actively working and making contributions or loans under this category are: Rockefeller Foundation, Ford Foundation, Kellogg Foundation, UN Special Fund, Latin American Marketing Institute (ILMA), World Bank, Interamerican Development Bank and others. Equally important from a technological standpoint are the private

and government sponsored investments and T.A. supplied by England, The Netherlands, Germany, Japan and other countries.

F. Y. 1966 (Thousands of US\$)

F. Y. 1965 (Thousands of US\$)

<u>Position Title</u>	<u>Position Grade</u>	<u>No. Mos.</u>	<u>No. Persons</u>	<u>Cost</u>
PERSONNEL SERVICES				
Direct-US Agron. Adv.	FSR-3	12	1	25
Direct-Lcl. Sec. Bi-Ling.		12	1	3
Contr. -Lcl. Agronomist		12	1	6
Contr. -US		18	1	45
PARTICIPANTS				
US Agencies Fruit Processing Food Technology Pkg., Marketing Grading Tropical Hort.		48	4	24
COMMODITIES				
Equipment - Planting Material				3
OTHER COSTS				
US Agencies Local Travel Seed and Planting Materials Reference Material				8
TOTAL				114

<u>Position Title</u>	<u>Position Grade</u>	<u>No. Mos.</u>	<u>No. Persons</u>	<u>Cost</u>
PERSONNEL SERVICES				
Direct-US Agron. Adv.	FSR-3	12	1	25
Direct-Local Sec. Bi-Ling.		12	1	3
Contract-Lcl.		12	1	6
PARTICIPANTS				
Seed Production Processing Plant Quarantine Adm.		24	2	12
OTHER COSTS				
US Agencies Local Travel				10
TOTAL				56

PROJECT DATA SUMMARY — AID DOLLAR COSTS

E-1a

7.	1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA		3. PROJECT NO. 514-15-150-074			4. TITLE FOOD TECHNOLOGY ^{a/}						
	5. U.S. FUNDING:		BEGIN FY 1963	END FY 1963	6. PRIOR REFERENCES						i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS			
	PHYSICAL WORK:		1963	1965	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		(1)	(2)
AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT ^{1/}	(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)
						AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		AG	G	139	-					139			
	GROSS OBLIGATIONS (ACTUAL YEAR)													
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR		AG											
	EXPENDITURES (ACTUAL YEAR)													
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	139						139			
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS													
	B. EXPENDITURES		AG	G	139						139			
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR													
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS													
	B. EXPENDITURES													
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR													
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS ^{2/}													
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS ^{2/}													
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS ^{2/}		AG	G	139						139		139	

REMARKS:

- ^{1/} This is a memorandum (non-add) column.
- ^{2/} Show estimated expenditures in column i.

^{a/} This activity provides only commodities to assist the Institute of Technological Investigations in its program of food processing research which is designed to establish new markets for agricultural products, reduce waste and spoilage of produce, and contribute to crop diversification. Commodities have all been ordered, some have been delivered and the remainder expected soon.

AID 1020-2 (8-64)	PROJECT DATA SUMMARY — AID DOLLAR COSTS											SECURITY CLASSIFICATION UNCLASSIFIED			
E-1a	1. DATA CURRENT AS OF: 20 October 1964		2. COOPERATING COUNTRY COLOMBIA			3. PROJECT NO. 514-22-220-110 ^{a/}			4. TITLE RURAL ELECTRIC COOPS ^{a/}						
	5. U.S. FUNDING:		BEGIN FY 1964	END FY 1966		6. PRIOR REFERENCES									
	PHYSICAL WORK:		1965	1968											
7.	AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)	a.	b.	c.	d.	e.		f.		g.		h.		i.	
		APPROPRIATION TITLE	LOAN OR GRANT	TOTAL	CONTRACT 1/	PERSONNEL SERVICES		PARTICIPANTS		COMMODITIES		OTHER COSTS		LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS	
						(1) U.S. AGENCIES		(2)		(1) DIRECT AND U.S. AGENCIES		(2)		(1) DIRECT AND U.S. AGENCIES	
						AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT
I. THRU ACTUAL YEAR FY 1964	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	035	L	1,300											
	GROSS OBLIGATIONS (ACTUAL YEAR)	035	L	1,300											
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR														
	EXPENDITURES (ACTUAL YEAR)														
II. OPERATIONAL YEAR (EST.) FY 1965	A. GROSS OBLIGATIONS														
	B. EXPENDITURES	035	L	800											
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	035	L	500											
III. BUDGET YEAR (EST.) FY 1966	A. GROSS OBLIGATIONS														
	B. EXPENDITURES	035	L	500											
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR														
IV. PLANNING YR. (EST.) FY	GROSS OBLIGATIONS 2/														
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/														
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	035	L	1,300										1,300	--

REMARKS:

1/ This is a memorandum (non-add) column.
 2/ Show estimated expenditures in column i.

a/ Rural Electric Coops, ELECTRAGUAS; 514-L-035; \$1,300 - May, 1964; 35 years, with 10 years grace period; 2% interest.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 OCTOBER 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-22-220-110	RURAL ELECTRIC CO-OPS
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1. The Activity Target

This project consists of a loan of up to US\$1,300,00 for three pilot rural electrification projects under the control of two different Colombian organizations. The pilot project approach is intended to demonstrate the economic and social effects of the supply of electricity to rural families and test the cooperative medium for administering the distribution of the electricity. This loan is made to assist in financing the cost of construction of electric power transmission and distribution facilities, technical assistance, tools and equipment and working capital for development of the cooperatives, and credit to members of the cooperatives for installation of home wiring and purchase of certain electrical equipment.

One of the three projects is to be established under the auspices of the Cauca Valley Corporation in the Sevilla-Caicedonia area of the Department of Cauca, where economic development is lagging and considerable social unrest prevails, but light manufacturing is practical. The present power facilities in the town of Sevilla are very antiquated whereas the facilities of the town of Caicedonia are more acceptable. The Sevilla system is now being administered by Empresas Municipales at a loss. CVC, which sells block power to Empresas, estimates that 40 percent of the energy is lost because of the antiquated distribution system.

The other two pilot projects are sponsored by Centrales Electricas of North Santander in the vicinity of Cucuta. One of these will serve 1554 household and small commercial establishments in the Durania-Bochalema-Diamante and Chinácota area where small agricultural holdings predominate. The other project will serve 645 households in the Tibú area. Electric service will make possible a variety of economic activities, including small-scale industry and will raise the standard of living.

Transfer to the Cooperatives promptly after completion of construction: the physical facilities will be transferred to the Cooperatives and the two power companies will supply the co-ops during the life of the loan with electric power in adequate quantities at reasonable rates.

2. Course of Action

Although ELECTRAGUAS (the Instituto de Aprovechamiento de Aguas y Fomento Electrico) has been designated as "Borrower" in Loan Agreement No. 514-L-035, Centrales (a subsidiary of ELECTRAGUAS) and the CVC (an autonomous agency independent of ELECTRAGUAS) will be chiefly responsible for the execution of the three (3) cooperative projects. ELECTRAGUAS will provide overall administration of loan funds and general supervision of the projects. Centrales and CVC will provide the additional financial and necessary technical backup to make the respective cooperatives fully operative.

The Loan Agreement also provides for financing the services of a NRECA Consultant who will supervise the construction of the electric power transmission and distribution facilities.

3. Progress to Date

The Loan Agreement was signed on May 11, 1954.

CVC and Centrales have each appointed a provisional manager for the cooperatives; one by CVC to handle the Sevilla-Caicedonia Cooperative, and one by Centrales to handle the Palermo and Tibú Cooperatives. The two latter cooperatives are completely organized and contractual arrangements with Centrales for engineering services have been completed. Final organization of the Sevilla-Caicedonia Cooperative is dependent upon dissolving a currently operating power company.

4. Funding Requirements

a. Alliance Grant Funds

b. Development Loans

No additional funds required.

c. Colombian Contribution

CVC and Centrales will provide assistance in the management and operation of the Cooperatives and their facilities, including assistance in obtaining and training personnel, to enable the Cooperatives to become capable of independent operation.

d. Other Sources

None.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL III	A MORE EFFECTIVE, EFFICIENT AND OPEN EDUCATIONAL SYSTEM, AIMED AT MEETING AS FIRST PRIORITY, THE TRAINED MANPOWER REQUIREMENTS OF THE DEVELOPMENT PROCESS
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Goal Statement and Plan

The statement of this as one of the first order goals is based on the conviction of the central importance of high quality trained human capital in the development process, and of the influence of the youth of the present on the path of the future. But it is a difficult and sensitive goal with which to work, and progress is bound often to be frustratingly slow. To say this is not, however, to gainsay the continued significance of the goal and thus the importance of continued efforts toward its achievement, even though these efforts may not pay full returns for some time.

Some progress has been made in the last two years. Perhaps the least significant part of this has been the construction of some 2,000 primary classrooms with joint U.S.-Colombian funds, although this in itself has had more permanent effect of improving the school construction abilities of the Colombian Government, and focussing its attention more on general education problems. The more important progress probably has been the beginning of a strengthening of the planning office of the Ministry of Education as the result of the leverage of a two-year planning effort for primary and secondary education with the help of a UNESCO-USAID team, the constructive thinking about future educational problems and policies which has been begun in the Ministry of Education and the National Planning Department under the stimulus of possible approval by AID of releases of funds from program loans for further school construction and improvement, the inclusion in that thinking now of greater emphasis than in the past on secondary education, the progress being made by some Colombian universities and the project for planning assistance to the Colombian Association of Universities; the dynamism of and support for SENA, Colombia's national apprenticeship training program (which now receives the benefit of a two instead of one per cent payroll tax); and the continued good work of ICETEX in the scholarship field, expected soon to be supported in broadened form by releases of program loan pesos.

On the other hand, there have been disappointments in the failure to use funds for expansion of the primary school system more rapidly and more efficiently, failure on the part of Colombia as yet to come to grips imaginatively with the total education problem and to mobilize the type of national enthusiasm behind such a total effort which has been mobilized behind SENA, and the slowness of AID in staffing its part of the two educational planning efforts. The predominance of private schools in secondary education is a cultural historical factor undoubtedly accounting in part for Colombia's relative slowness to deal with the educational problem more satisfactorily at the secondary level.

A consensus is growing (a) that secondary education is the chief bottleneck in the Colombian educational system at this point and that plans for dealing with this bottleneck therefore need to be formed; and (b) that higher education is farther advanced relatively than other

parts of the educational structure and also readier to receive and use assistance constructively. The private foundations, the Inter-American Bank, and the International Bank are all prepared to help in the higher education field, and the International Bank appears ready to help on a very restricted basis at the secondary level.

The question of where the future emphasis in AID assistance programs to education should be placed cannot be projected precisely without considerable more study and the development of a sector strategy similar to that which needs to be worked out for agricultural development in Colombia. As indicated in the statement of the goal, first priority is given to meeting the trained manpower requirements of the development process, particularly higher level manpower. What these requirements are over the next decade or two and what the institutional framework should be to meet them are two questions which are central to the development of a sector strategy for education. The two AID projects in education planning, one under way jointly with international agencies and one in prospect through a college contract to assist the Colombian Association of Universities in higher education planning, should be of direct assistance in developing this strategy. Consideration is being given to the need for and scope of additional studies and projects in manpower requirements analysis.

The specific activities programmed for AID assistance during fiscal years 1965 and 1966, to help achieve the educational goal, and their objectives are as follows:

1. National Education Planning

The two purposes of this activity are to help the Ministry of Education develop long-range plans for the expansion and improvement of Colombian education at all levels and to establish an effective planning office within the Ministry.

The current comprehensive study of primary and secondary education points toward reform of public education. The study, which embraces national education policy and objectives and the means for the achievement of these, such as teaching methods, curricula, personnel, administration-finance, and school plant, is scheduled for completion during FY 1965. Recommendations from it are to be integrated with those of a companion study of higher education in a National Education Plan.

As a result of the survey, and, in particular, as a result of the calculation of current investment and operating costs and available funding resources, the options available to the GOC in education will be better known. An increased allocation of resources to the improvement and expansion of the secondary school sector, which may be the best in which to initiate educational reform since it prepares both

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL III	A MORE EFFECTIVE, EFFICIENT AND OPEN EDUCATIONAL SYSTEM, AIMED AT MEETING AS FIRST PRIORITY, THE TRAINED MANPOWER REQUIREMENTS OF THE DEVELOPMENT PROCESS
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the primary education teacher and the university student, is expected to be one of the options considered. A national plan which attempts to solve the problems of chronic revenue shortages and high unit or student cost can be prepared. The reduction of unit cost through better use of facilities, the adoption of modern instructional methods, and a consequent sharp increase in the number of graduates, is expected to follow.

2. Primary Education

During FY 1965 AID technical assistance will continue to contribute to the administrative decentralization carried out by the six Regional Centers of the Ministry of Education established under this project. The decision to phase out AID's Primary Education project by the end of FY 1965 is based on the very substantial amount of assistance already provided, the urgent need for program concentration in other top priority areas where AID assistance can be most effective, and on the expectation that better use of primary education facilities, in coordination with improvement in instructional methods, will arise from the National Education Planning Survey.

3. Higher Education

The two main purposes of this activity are: 1) to assist the Colombian University system develop a program of administrative and academic reform aiming at both substantial increases in enrollment and improvement of educational standards; 2) to help carefully selected Colombian universities raise the standards of certain professions essential to economic development and effective, responsible democratic leadership. Specific sub-targets are to improve the preparation of executive and managerial personnel at the School of Business Administration and Finance in Medellin; develop a model program of graduate study in economics and economic research at Los Andes University, Bogotá; and provide peso counterpart support to carefully selected high priority sectors of the university system.

AID 1020-2 (8-64)		PROJECT DATA SUMMARY — AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED				
E-1a	1. DATA CURRENT AS OF: 20 October 1964		2. COOPERATING COUNTRY COLOMBIA			3. PROJECT NO. 514-11-680-083				4. TITLE NATIONAL EDUCATION PLANNING						
	5. U.S. FUNDING:		BEGIN FY 1964		END FY 1968		6. PRIOR REFERENCES									
	PHYSICAL WORK:		1964		1968											
7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT ^{1/}	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS		
						(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
						AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT
I. THRU ACTUAL YEAR FY 1964	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		AG	G	170	170	-	-	170	-	-	-	-	-	-	-
	GROSS OBLIGATIONS (ACTUAL YEAR)		--	-	-	-	-	-	-	-	-	-	-	-	-	-
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR		AG	G	-	-	-	-	-	-	-	-	-	-	-	-
	EXPENDITURES (ACTUAL YEAR)															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	170	170	-	-	170	-	-	-	-	-	-	-
II. OPERATIONAL YEAR (EST.) FY 1965	A. GROSS OBLIGATIONS		AG	G	63	-	21	-	30	10	2	-	-	-	-	
	B. EXPENDITURES		AG	G	168	119	19	119	20	8	2	5	-	-	-	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	65	51	2	51	10	2	-	-	-	-	-	
III. BUDGET YEAR (EST.) FY 1966	A. GROSS OBLIGATIONS		AG	G	35	-	23	-	-	10	2	-	-	-	-	
	B. EXPENDITURES		AG	G	95	51	22	51	10	10	2	5	-	-	-	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	5	-	3	-	-	2	-	-	-	-	-	
IV. PLANNING YR. (EST.) FY 1967	GROSS OBLIGATIONS ^{2/}		AG	G	51	-	26	-	18	5	2	48	-	-	-	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS ^{2/}		AG	G	39	-	25	-	12	-	2	47	-	-	-	
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS ^{2/}		AG	G	358	170	95	170	60	25	8	188	170	-	-	

REMARKS:

- ^{1/} This is a memorandum (non-odd) column.
^{2/} Show estimated expenditures in column i.

PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES

SECURITY CLASSIFICATION
UNCLASSIFIED

7. OBLIGATED AND DISBURSED	a. FUNDS		b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)				
	(1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	(1) DOLLAR EQUIVALENTS (000) 1/		(2) LOCAL CURRENCY UNITS (000)		(1) OBLIGATED	(2) DISBURSED	(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER	
				(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED			(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/											
	FA	(ii) TRUST FUND											
	ACT	(iii) OTHER LC											
	B. P.L. 480 LC												
TOTAL ACTUAL FY 1964	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/											
	FA	(ii) TRUST FUND											
	ACT	(iii) OTHER LC											
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY 1965	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/	G	5		50 ^{a/}			30	-		20	
	FA	(ii) TRUST FUND											
	ACT	(iii) OTHER LC											
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY 1966	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/	G	5		50			30	-		20	
	FA	(ii) TRUST FUND											
	ACT	(iii) OTHER LC											
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY 1967	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/	G	6		60			40	-		20	
	FA	(ii) TRUST FUND											
	ACT	(iii) OTHER LC											
	B. P.L. 480 LC												
V ALL SUBSEQUENT FYs (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/	G	6		60			40	-		20	
	FA	(ii) TRUST FUND											
	ACT	(iii) OTHER LC											
	B. P.L. 480 LC												
VI TOTAL ALL YEARS (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/	G	22		220			140	-		80	
	FA	(ii) TRUST FUND											
	ACT	(iii) OTHER LC											
	B. P.L. 480 LC												

REMARKS: ^{a/} rate has been steady at 9.98 but recently has depreciated and is presently fluctuating unpredictably.
 1/ Exchange Rate: \$1 = 10.00 Rate is arbitrarily set at 10.00 for convenience.
 2/ The total dollar equivalent amounts are the same as in Col. 1 of Table E - 1a

E - 1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS		1. DATA CURRENT AS OF: 20 October 1964			2. COOPERATING CTRY. COLOMBIA			3. PERSONNEL SERVICES		4. PROJECT NO. 514-11-680-083		5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			6. ALL SUBSEQUENT FYs			7. TOTAL ALL YEARS			
		a. CUM. THRU ACTUAL FY			b. ACTUAL FY <u>64</u>			c. OPERATIONAL FY <u>65</u>			d. BUDGET FY <u>66</u>			e. PLANNING FY <u>67</u>			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS		
		Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract			
I PROJECT PERSONNEL	A. MAN YEARS	U.S.		1		1		1		4		1		1			4		5			
		Non U.S.																				
	B. ON 1/ BOARD	U.S.				3	1		4	1			1									
		Non U.S.																				
II. PARTICIPANTS PROGRAMMED	A. U.S.					5						3		2			10					
	B. THIRD CTRY.																					

REMARKS:
1/ End of Fiscal Year

AID 10204 (7-64)	1. DATA CURRENT AS OF: October 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-680-083	NATIONAL EDUCATION PLANNING
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1. The Activity Target.

The two purposes of this activity are to help the Ministry of Education develop long-range plans for the expansion and improvement of Colombian education at all levels and to establish an effective planning office within the Ministry.

The current comprehensive study of primary and secondary education points toward reform of public education. The study, which embraces national education policy and objectives and the means for the achievement of these, such as teaching methods, curricula, personnel, administration-finance, and school plant, is scheduled for completion during FY-65. Recommendations from it are to be integrated with those of a companion study of higher education in a National Education Plan.

It has been estimated that, in 1962, out of a total population of approximately 3.2 million children of primary school age, only 1.9 million children were enrolled. During the same year, 425,000 students attended secondary school. These were drawn from an estimated secondary school age population of 1.6 million children.

The GOC has been urged to expand education at both these levels. Presently available resources, however, have proven to be insufficient. Despite a substantial AID grant in FY-62 for investment in primary school construction, the GOC has not been able to make prompt payment of current operating expenses.

As a result of the survey, and, in particular, as a result of the calculation of current investment and operating costs and available funding resources, the options available to the GOC in education will be better known. An increased allocation of resources to the improvement and expansion of the secondary school sector, which may be the best in which to initiate educational reform since it prepares both the primary education teacher and the university student, is expected to be one of the options considered. A national plan which attempts to solve the problems of chronic revenue shortages and high unit or student cost can be prepared. The reduction of unit cost through better use of facilities, the adoption of modern instructional methods, and a consequent sharp increase in the number of graduates, is expected to follow.

2. Course of Action.

The study of primary and secondary education is a joint undertaking of U.S. and UNESCO teams with Ministry Division Chiefs and 11 members of the Ministry Planning Office, as counterparts. Four AID and three UNESCO specialists in education constitute the National Education Planning Study Group. The preparation of a National Plan will thus be the responsibility of Ministry of Education officials, assisted by foreign advisors. The 11 professionals to be appointed under this project to the Ministry Planning Office are to constitute the basic staff of a permanent and active planning office.

The project initiated upon the arrival of most of the foreign advisors around the beginning of CY-1964, has the following planned stages: a) Staffing of the Ministry Planning Office; b) An initial estimated six month period devoted to the collection of data; c) Discussion of proposed reforms by the Planning Office, Ministry Division chiefs, foreign advisors, and other interested parties; d) Preparation of the National Education Plan.

This final and decisive phase of the study is about to begin. Although a considerable amount of written material has been prepared by the foreign advisors, working committees, established for each of the major education divisions and constituted by Ministry officials as well as advisors, will be responsible for the final report. As appointments to the Ministry Planning Office are made, these officials will collaborate in the working committee.

Assistance will be provided to the Ministry for additional years in order to help implement educational reforms called for by recommendations of the study. Books, teaching material, equipment and supplies, reflecting progress and breakthroughs in education, will be donated to the Planning Office for the purpose of contributing to Colombian educational reform. Colombian personnel in key posts, such as supervisors, rectors, deans, and Departmental secretaries of education will be selected for participant training, in instances in which impetus can be given to educational reform as recommended by the survey.

3. Progress to Date.

a. Planning Office Staff. A presidential decree establishing a budget for the planning office was signed early in FY 1965, but due to an objection by the GOC Treasury to an increase in salaries, none of the 11 professionals planned to staff this office have been appointed as yet. However, there is a Colombian Project Director, under contract, responsible for coordination; and an official on loan from the National Planning Agency is devoting full time to the project. Appointments to the Planning Office are expected shortly.

b. Data Correction. A large part of the basic statistics on education needed to correct present inaccuracies and to fill statistical gaps, has been gathered. In addition, the Ministry divisions, in close collaboration with the foreign advisors, have prepared descriptive reports on their respective educational sectors. These reports are now in the process of revision and translation. The National Education Planning Study Group has undertaken numerous interviews, conferences and field visits throughout the country. It has participated in seminars and round tables and reviewed literature bearing on the study.

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: October 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-680-083	NATIONAL EDUCATION PLANNING
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c. Discussion of Proposed Reforms. Exchange of ideas regarding basic educational reforms between the foreign advisors and Ministry Division chiefs has progressed considerably and there is growing understanding by Ministry officials of the basic structural reforms required. Observations and recommendations prepared by the four U.S. Contract Technicians have been presented to the Division Chiefs and the Planning Office for analysis and comments.

In the field of secondary school reform, a Presidential Decree has provided for the conversion of 56 of the 62 national normal schools to general secondary schools and for conversion of the remaining ones to second-cycle normal schools. Six regional seminars have been conducted by the ministry in the schools subject to conversion and reform.

4. Funding Requirements.

The basic funding requirements of the Study have been met.

	<u>FY 1965</u>	<u>FY 1966</u>
a. One direct-hire technician in teacher education, especially technical education	\$21,000	\$23,000
b. Commodities, books, teaching material, supplies, and equipment	10,000	10,000
c. Training: 5 participants	30,000	--
d. Other: In-country travel for direct-hire technician	2,000	2,000
TOTAL	\$63,000	\$35,000
e. Cooperating Country Contribution: The Ministry continues to amake available professional staff for participation in the UNESCO/AID Study	\$27,000	\$35,000
GOC continues to provide necessary administrative services, equipment, supplies, bilingual and clerical help essential to the activity	\$32,000	\$38,000
Ministry continues to provide secretarial assistance, supplies, office space, equipment, and other facilities to the direct-hire technicians	\$18,000	\$25,000
TOTAL	\$77,000	\$98,000
f. Contributions from other sources:		
UNESCO will continue providing the services of a professional staff of two specialists in		

certain fields of specialization
IBRD will provide short-term consultants.

<u>FY 1965</u>	<u>FY 1966</u>
\$50,000	none

PROJECT DATA SUMMARY — AID DOLLAR COSTS

7.	1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3. PROJECT NO.			4. TITLE								
	Oct. 20, 1964		COLOMBIA		514-11-640-039			PRIMARY EDUCATION								
	5. U.S. FUNDING:		BEGIN FY	END FY	6. PRIOR REFERENCES											
		1958	1965													
PHYSICAL WORK:		1958	1965													
AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)	APPROPRIATION TITLE	a.	b.	c.	d.	PERSONNEL SERVICES		PARTICIPANTS		COMMODITIES		OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS		
						(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
						AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	DG	G	276	-	236	-	38	-	-	-	2	-	-	-	
		AB	G	3,806	-	213	-	56	-	297	-	3,240	-	-	-	
		AG	G	235	20	84	20	18	-	110	-	3	-	-	-	
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	107	-	84	-	10	-	10	-	3	-	-	-	
		DG	G	275	-	236	-	37	-	-	-	2	-	28	-	
		AB	G	3,760	-	213	-	47	-	260	-	3,240	-	3,281	-	
	EXPENDITURES (ACTUAL YEAR)	AG	G	175	12	76	12	3	-	81	-	3	-	17	-	
		AG	G	80	-	76	-	-	-	1	-	3	-	17	-	
		DG	G	1	-	-	-	1	-	-	-	-	-	-	-	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AB	G	46	-	-	-	9	-	37	-	-	-	-	-	
		AG	G	60	8	8	8	15	-	29	-	-	-	-	-	
		AG	G	73	-	40	-	30	-	-	-	3	-	-	-	
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS	DG	G	1	-	-	-	1	-	-	-	-	-	-		
	AB	C	46	-	-	-	9	-	37	-	-	-	-	-		
	AC	C	123	8	48	8	35	-	29	-	3	-	8	-		
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	10	-	-	-	10	-	-	-	-	-	-	-		
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	AG	G	10	-	-	-	10	-	-	-	-	-	-		
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	DG	G	276	-	236	-	38	-	-	-	2	-	276	-	
		AB	G	3,806	-	213	-	56	-	297	-	3,240	0	3,806	-	
		AG	G	308	20	124	20	48	-	110	-	6	-	288	20	

REMARKS:

- 1/ This is a memorandum (non-odd) column.
- 2/ Show estimated expenditures in column i.

AID 1020-3 (7-64)	PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES							SECURITY CLASSIFICATION UNCLASSIFIED					
	1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA		3. BEG. FY 1958		END FY 1965		4. PROJECT NO. 514-11-640-039		5. TITLE PRIMARY EDUCATION		
E-1b		6. PRIOR REFERENCES:											
7. OBLIGATED AND DISBURSED	g. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)			
	(1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	(1) DOLLAR EQUIVALENTS (000) 1/		(2) LOCAL CURRENCY UNITS (000)		(1) OBLIGATED	(2) DISBURSED	(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER	
				(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED			(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		3,343		33,430		32,400	630	340		60	
	FA (ii) TRUST FUND												
	ACT (iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY 64	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		17		170			90	60		20	
	FA (ii) TRUST FUND												
	ACT (iii) OTHER LC												
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY 65	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		8		80			50			30	
	FA (ii) TRUST FUND												
	ACT (iii) OTHER LC												
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY 66	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/												
	FA (ii) TRUST FUND												
	ACT (iii) OTHER LC												
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY 67	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/												
	FA (ii) TRUST FUND												
	ACT (iii) OTHER LC												
	B. P.L. 480 LC												
V ALL SUBSEQUENT FYs (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/												
	FA (ii) TRUST FUND												
	ACT (iii) OTHER LC												
	B. P.L. 480 LC												
VI TOTAL ALL YEARS (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		3,368		33,680		32,400	770	400		110	
	FA (ii) TRUST FUND												
	ACT (iii) OTHER LC												
	B. P.L. 480 LC												

REMARKS: a/ Rate has been steady at 9.98 but recently has depreciated and is fluctuating unpredictably. Rate is arbitrarily set
 1/ Exchange Rate: \$1 = 10.00 pesos. at 10.00 for convenience.
 2/ The total dollar equivalent amounts are the same as in Col. i of Table E-1a b/ For school construction and equipment.

E-1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS			1. DATA CURRENT AS OF: Oct. 20, 1964			2. COOPERATING CTRY. COLOMBIA			3. PERSONNEL SERVICES PARTICIPANT TRAINING		BEG. FY 1958		END FY 1965		4. PROJECT NO. 514-11-640-039							
	5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY			b. ACTUAL FY 64			c. OPERATIONAL FY 65			d. BUDGET FY 66			e. PLANNING FY 67			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS	
I PROJECT PERSONNEL	A. MAN YEARS	U.S.		Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract		
		Non U.S.	U.S.																			Non U.S.	
II. PARTICIPANTS PROGRAMMED	A. U.S.	33		2			5													38			
	B. THIRD CTRY.																						

REMARKS:
 1/ End of Fiscal Year

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: October 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-640-039	PRIMARY EDUCATION
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1. The Activity Targets.

Efficient expansion of the primary school system, of great concern to the people and the Government of Colombia, depends on a reorganized system which will sharply reduce the present waste of human and financial resources. Moreover, new primary school construction needs to be based on a calculation of the resources available to pay for the operation and maintenance of an increased number of schools.

A National Education Planning Study now in progress with AID assistance will be completed during FY-65. A major AID activity will be to assist the GOC to implement the findings and recommendations of that Study. It is also anticipated that a National Education Plan arising from the Study will provide specific measures for sharply increasing the percentage of first grade students (now only around 12%) who graduate from primary school.

During FY-65 AID technical assistance will continue to contribute to the administrative decentralization carried out by the six Regional Centers of the Ministry of Education established under this project. The decision to phase out AID's Primary Education project by the end of FY-65 is based on the very substantial amount of assistance already provided, the urgent need for program concentration in other top priority areas where AID assistance can be most effective, and on the expectation that better use of primary education facilities, in coordination with improvement in instructional methods, will arise from the National Education Planning Survey.

2. Course of Action.

During FY-65 AID will continue to provide technical assistance to the Ministry of Education:

- a. In the in-service training of primary school teachers who, as a result, are placed on the official salary scale, and in encouraging concentration of quality pre-service teacher training in selected normal schools;
- b. To increase the low (12%) primary school graduation rate;
- c. To convert four-year normal schools to quality four-year, first-cycle secondary schools, and to upgrade selected second-cycle, two-year normal schools so as to graduate more and better qualified teachers;
- d. To strengthen the Regional and Local Education Centers in the Departments and Municipalities in their execution of Ministry programs and in their assistance to the Departments in the up-grading of teaching.
- e. In addition, AID will continue to provide T/A for the Teaching Materials Center for its program of production of instructional materials.

3. Progress to Date.

The AID Primary Education program in Colombia was transferred from the departmental level with offices in Cali, to the national level with offices in the Ministry of Education at Bogotá in April, 1962. The Servicio was phased out in December, 1962.

At this time, a new administrative office, OAPEC, was established, (under Ministry direction) for the purpose of carrying out the school construction program and in-service training activities aiming at the improvement of primary school education. OAPEC operates through 17 departmental construction offices, six regional and six municipal centers.

3,000 classrooms have been constructed by September, 1964; and the construction of an additional 1,545 by December, 1964 is expected. Cooperation in primary school construction has been provided by organizations such as the Coffee Growers Association, the Peace Corps and Community Action Juntas. The governors of six departments have released to OAPEC school construction funds long dormant for lack of an agency sufficiently prepared to utilize them advantageously. A total of 11 million pesos has been received from private and Departmental sources.

The OAPEC has been collecting and revising basic educational data for use by the Ministry Planning Office and the Technical Divisions. The Regional Centers have operated as branches of the Ministry in their provision of technical assistance to the Departmental Secretariats of Education.

The Ministry has issued a decree requiring the conversion of inefficient, inadequate four-year normal schools to basic first-cycle general secondary schools - a significant step toward improvement of secondary education and teacher preparation. For the first time teaching guides, prepared in the light of a recent revision of the primary school curriculum, will be distributed to all the teachers. 60,000 copies will be printed by December 1, 1964.

From July 1963 to July 1964, 13,847 educators, including teachers, supervisors, principals, directors of normal schools, literacy leaders, etc., were given in-service training in 333 courses. During the second semester of FY-64, 5,000 more will receive in-service training.

4. Funding Requirements.

- | | |
|--------------------------------------------------------------------------------|----------------|
| a. Staff requirements | <u>FY 1965</u> |
| 1 Direct-hire technician for 12 months | \$24,000 |
| 2 Direct-hire technicians, 3 months cost (these two technicians have departed) | 16,000 |

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: October 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-640-039	PRIMARY EDUCATION
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	<u>FY 1965</u>
b. Participants (5 at \$6,000 each)	\$30,000
c. Other Costs (in-country travel for three technicians FY-65)	<u>3,000</u>
TOTAL	\$73,000
Cooperating Country Contribution ^{1/}	\$5,240,000

^{1/} Cooperating country contribution shows funds for FY 1962 through FY 1965 derived from all local sources, including: GOC contribution as specified in the Primary Education Pro/Ag, additional funds contributed by the GOC funds from private sources, and funds from the departments. It does not enumerate contribution of GOC for office space and teaching materials nor the value of the land on which new schools are being constructed.

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION
UNCLASSIFIED

7.	1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3. PROJECT NO.			4. TITLE									
	Oct. 20, 1964		COLOMBIA		514-15-660-101			HIGHER EDUCATION									
	5. U.S. FUNDING:		BEGIN FY	END FY	6. PRIOR REFERENCES												
PHYSICAL WORK:		1962	1967	a/													
		1963	1968														
AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)		e. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS			
						(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)	
						AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		DG	G	249	230			230	19							
	AB		G	288	281			281	7								
	AG		G	541	541			541	-								
	GROSS OBLIGATIONS (ACTUAL YEAR)																
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR		DG	G	121	105			105	16							
	AB		G	41	35			35	6								
AG		G	-	-			-	-									
EXPENDITURES (ACTUAL YEAR)																	
C. UNLIQUIDATED OBLIGATIONS END OF YEAR		DG	G	128	125			125	3								
AB		G	247	246			246	1									
AG		G	541	541			541	-									
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS		AG	G	251	168	49		132	30	36			4			
	B. EXPENDITURES		DG	AG	G	449	385	35	360	25	25			4	12	-	
	SAB		G	300	296	-	296	4	-	-	-			-	-	-	
C. UNLIQUIDATED OBLIGATIONS END OF YEAR		DG	SAB	G	75	75	=	75	-	-			-	-	-		
AG		G	343	324	14	313	5	11					-	-	-		
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS		AG	G	570	490	46		436	30	54			4			
	B. EXPENDITURES		DG &	AG	G	486	400	52	370	30	30			4	13	-	
	AB		G	75	75	-	75	-	-	-	-			-	-	-	
C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	427	414	8		379	5	35			-	-	-		
AG		G	73	-	52			-	18	-			3	70	300		
GROSS OBLIGATIONS 2/																	
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/		AG	G											16	114	
	GROSS OBLIGATIONS 2/																
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/		DG	G	249	230	-		230	19	-			-	19	230	
	AB		G	288	281	-		281	7	-				-	7	281	
	AG		G	1,435	1,199	147		1,109	78	90				11	236	1,199	
GROSS OBLIGATIONS 2/																	

REMARKS:

1/ This is a memorandum (non-add) column.

2/ Show estimated expenditures in column f.

a/ This project consolidates: 514-13-660-061 - Univ. Educ. Economics
514-15-660-076 - Higher Education
514-13-770-023 - Univ. Educ. - Bus. Admin.

E-1b	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	3. Funding 1962 1962	BEG. FY 1962	END FY 1967 1968	4. PROJECT NO. 514-15-660-101	5. TITLE HIGHER EDUCATION
	6. PRIOR REFERENCES:						

7. OBLIGATED AND DISBURSED	a. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)			
	TYPE	SOURCE	LOAN OR GRANT	DOLLAR EQUIVALENTS (000) 1/		LOCAL CURRENCY UNITS (000)		(1) OBLIGATED	(2) DISBURSED	(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER	
				(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED			(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/												
	FA ACT (ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY 64	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/												
	FA ACT (ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		12		120 ^{a/}			50	30			40
	FA ACT (ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
III BUDGET YEAR (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		13		130			60	30			40
	FA ACT (ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		11		110			50	30			30
	FA ACT (ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
V ALL SUBSEQUENT FYs (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		2		20			10	-			10
	FA ACT (ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
VI TOTAL ALL YEARS (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		38		380			170	90			120
	FA ACT (ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												

REMARKS: ^{a/} Rate has been steady at 9.98 but recently has depreciated and is fluctuating unpredictably. Rate is 1/ Exchange Rate: \$1 = 10.00 pesos arbitrarily set at 10.00 for convenience. 2/ The total dollar equivalent amounts are the same as in Col. 1 of Table E-1a

E-1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS			1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING CTRY. COLOMBIA	3. PERSONNEL SERVICES PARTICIPANT TRAINING	BEG. FY 1962	END FY 1968	4. PROJECT NO. 514-15-660-101							
	5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY	b. ACTUAL FY 64	c. OPERATIONAL FY 65	d. BUDGET FY 66	e. PLANNING FY 67	f. ALL SUBSEQUENT FYs	g. TOTAL ALL YEARS						
				Direct PASA Contract	Direct PASA Contract	Direct PASA Contract	Direct PASA Contract	Direct PASA Contract	Direct PASA Contract	Direct PASA Contract						
I PROJECT PERSONNEL	A. MAN YEARS	U.S.		9	6	1	9	2	13	1	5	1	3	5	39	
		Non U.S.				1	1	1	1	1		1		4		
B. ON BOARD	U.S.			7	2		11	2	13	1	4					
	Non U.S.					1	1	1	1	1						
II. PARTICIPANTS PROGRAMMED	A. U.S.		2	2	2		6		9		6			2	2	25
	B. THIRD CTRY.															

REMARKS: 1/ End of Fiscal Year

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: October 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-660-1.01	HIGHER EDUCATION
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1. Activity Target.

The two main purposes of this activity are: 1) to assist the Colombian university system develop a program of administrative and academic reform aiming at both substantial increases in enrollment and improvement of educational standards; 2) to help carefully selected Colombian universities raise the standards of certain professions essential to economic development and effective, responsible democratic leadership. Specific sub-targets are to improve the preparation of executive and managerial personnel at the School of Business Administration and Finance in Medellín; develop a model program of graduate study in economics and economic research at Los Andes University, Bogotá; and provide peso counterpart support to carefully selected high priority sectors of the university system.

Colombian progress in higher education, reflected by the establishment of 24 officially recognized universities, has not been accompanied by a needed adjustment of academic programs to overcome such weaknesses as: proliferation of universities and the existence of too many faculties within each; few full-time faculty members; inadequate libraries, laboratories and other facilities; costly duplication of services due to the system of largely autonomous faculties; excess of class hours and lack of individual study and research; over-emphasis on traditional subjects to the neglect of other fields essential to development; outdated instructional methods; a high professor-student ratio; weak intellectual discipline; and poor university organization and administration.

2. Courses of Action.

a. Higher Education Survey. Seven man-years of technical assistance by a U.S. university contract team will be provided to the Association of Colombian Universities to help undertake a survey of the entire university complex for the purposes of developing recommendations for orderly expansion, reduction of duplication and waste, and optimum use of human and financial resources. The survey will also help develop capacity for future self-study and planning on the part of national personnel. Recommendations arising from this survey will be coordinated with those of the National Education Planning Study (Primary and Secondary Education).

The Higher Education Survey, utilizing the results of the current ICETEX Manpower Study of professional and sub-professional levels, will cover the following areas: 1) projections of college-age populations, both at the university level and at the technical and semi-professional level; 2) projections of need for expansion related to projections of relative shortages and priorities; 3) inventory, analysis and evaluation of the existing physical plant, its use, suggestions for improvement, and projections of additional plant needs; 4) analysis and evaluation of education and research curricula and

programs; 5) existing teaching staffs, their utilization and projected needs; 6) organization, programming, capital and operating costs, and financial controls.

With the help of the Survey, the Association of Colombian Universities intends to develop a National Plan which will orient Colombian higher education to the requirements of national development and which will overcome the present weaknesses referred to above.

b. Business Administration - Medellín. AID assistance to the School of Business Administration and Finance at Medellín, by means of a contract with Syracuse University since FY-60, will be continued to increase the output of graduates of the School as rapidly as possible to 120-140 students annually in the two programs; to develop sound administrative practices and procedures, including financing, a competent full-time faculty, courses of study and instructional materials suited to Colombian conditions; and to develop a Business Research Center and programs of adult education.

Extension of the present contract, expiring on December 31, 1965, through December, 1967 is being considered. Such extension would serve further to develop library and visual aid materials, accelerate participant training programs in order that personnel may fit smoothly into staff positions prior to termination of activity and give greater emphasis to the development of a Business Research Center.

c. Economics - University of Los Andes. A contract with the University of Minnesota, in effect since July 25th, 1963, provides technical assistance to the Faculty of Economics, University of Los Andes, in Bogotá, for the purpose of developing a program of graduate study in economics, leading to the Masters Degree, and a program of research on problems relevant to the Colombian economy in the Center for Studies in Economic Development - an independent, non-profit economic Research Center in the university.

The University has proposed to extend the present contract beyond its current expiration date of 12/31/65 to 12/31/67. This request is under examination. Activities of U.S. contract staff during FY-65 and FY-66 will include the following: teaching of 9 graduate courses and occasional lectures for graduate students, CEDE staff and outside economists; research and advice and assistance to CEDE staff on its research activities, as well as seminars and conferences to stimulate interest in economic research; participant training in the United States to prepare Colombian staff for both the CEDE and the graduate school; and help in the purchase of library materials to make the CEDE library adequate both for research and for graduate training.

d. Peso Counterpart Support to High Priority Sectors of the University System. The Collection of further information and data on the part of AID is expected to reveal areas of high priority assistance for peso counterpart support of expansion or improvement of facilities of selected universities. This support will be directed to a reinforcement of university reform programs and to the training of the more urgently needed professionals.

AID 1020-1 (7-54)	1. DATA CURRENT AS OF: October 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-660-101	HIGHER EDUCATION
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3. Progress to Date.

a. Higher Education Survey. At a meeting in Ibagué in 1962, the Association of Colombian Universities decided to conduct a study of higher education in Colombia for the purpose of establishing long-range planning and to request technical and financial assistance from AID. Since that time the Association has established a permanent Planning Commission to carry out the study and to provide follow-up action; it has hired a number of Colombian professionals; and initial planning and analysis are under way. A proposed AID financial contract with the University of Michigan did not materialize after considerable negotiations and much loss of time. Negotiations with other interested U.S. universities are under way.

b. Business Administration - Medellín. This private college was established in August 1960 and reorganized in May 1964. It has been more than usually successful in raising funds and the physical plant has been enlarged. The first dormitory is scheduled for occupancy in February 1965. The AID financed contract with Syracuse University was signed in February 1962 and American professors began arriving in May 1962. Due to a number of unforeseeable events, progress has been slower than anticipated. Two Colombian teachers are currently receiving participant training in the U.S. Enrollment increased from 125 in 1960 to 467 in 1964 and requests for admission exceed capacity. Methods of teaching and course procedures have been revised. Assignments are now systematic and study requirements have been made more demanding. A student revolving fund to purchase textbooks, and another to purchase a bus to transport students to and from school, have been put into effect.

c. Economics - University of Los Andes. This private college was founded in November, 1948 and has quickly gained a very good reputation. The AID financed contract with Minnesota University was signed in July, 1963. Foreign staff began arriving in August, 1963. The first semester in the preparatory program was started in February 1964 and ended in June. From 22 applicants, 15 students were admitted and 14 actually enrolled in one or more courses. The regular semester was started on August 12, 1964. There are currently eight students enrolled in the degree program, (five courses), plus three CEDE staff members attending individual courses. Increased enrollment thus is one of the principal needs. Special courses offered outside the degree program have covered: Linear algebra and Linear programming for faculty members of Los Andes and National Universities; an informal reading course for faculty members who were preparing to participate in a new program of industrial engineering economics for Los Andes graduates planning to pursue graduate studies in the United States; elementary mathematics for economists for CEDE staff.

Research completed includes studies on: "Some characteristics of Colombian industry", "Inflation in Colombia", and "A proposal for

regulating coffee production." Further research is underway in macro-economic analysis and the efficiency of electric distribution systems. U.S. contract staff are engaged in consultation with CEDE and other academic institutions.

Nine lectures have been given by three visitors from the United States, Argentina and Ecuador. The participant program has now started. Approximately 500 volumes were purchased for the CEDE library. The expansion of the library building has been completed.

4. Funding Requirements.

a. Higher Education Survey.

	<u>FY-65</u>	<u>FY-66</u>
1. Funding requirements of the Study have been met.		
2. Personnel:		
a. Two direct-hire technicians ^{1/}	\$46,000	\$43,000
b. Local hire secretary	3,000	3,000
3. Participants (five at \$6,000 each)	30,000	30,000
4. Other Costs: In-country travel and related costs for the two technicians	<u>4,000</u>	<u>4,000</u>
TOTAL	\$83,000	\$80,000
5. Cooperating Country Contributions:		
1) The Association continues to make available necessary professional personnel - 7 individuals	\$50,000	\$80,000
2) The Association continues to provide secretarial assistance, interpreters, office facilities, supplies, equipment, and other logistical support to U.S. technicians	<u>\$40,000</u>	<u>\$50,000</u>
TOTAL	\$90,000	\$130,000
6. Contributions from Other Sources:		
1) U.S. Foundations	-0-	100,000 ^{2/}
2) Other International Organizations	-0-	<u>50,000</u> ^{2/}
GRAND TOTAL	\$173,000	\$360,000

^{1/} Chief of the Human Resources Development Division and his Deputy, the Education Advisor.

^{2/} Estimated: Ford Foundation, for example.

AID 1020-1 (7-84)	1. DATA CURRENT AS OF: October 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-660-101	HIGHER EDUCATION
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b. Business Administration - Medellin. The contract budget for services ending December 31, 1965, is \$550,000. Total AID funding obligations for this period are \$572,000. However, a proposal to continue the contract at least through December 31, 1967 is under study. This contract extension would involve estimated additional funding of \$300,000 in FY 1966 for the support of four (4) two year technicians and ten participants through December 31, 1967.

The Colombian contribution from private business is approximately \$85,000. Income from student tuition is \$55,000. The School provides counterparts, office space and facilities, supplies, classrooms, equipment and in-country travel for a total of \$45,000.

c. Economics - University of Los Andes.

1. \$168,000 will be funded in FY-65. If during FY-65 the activity progresses satisfactorily, \$190,000 will be funded in FY-66.

Services to be rendered by the contractor during FY 1965 and FY 1966 will include a full-time coordinator economist, two full-time economist-specialists, two short-term staff members, commodities, such as books, conferences, participant training (probably four participants each year). Contract funds will also cover travel, fringe benefits and overhead costs.

The FY-65 expenditures estimated at \$186,000 have been funded in prior years. FY-66 expenditures estimated at \$186,000 are to be met by \$168,000 of FY-65 funds and \$18,000 of prior year funds. FY 1967 expenditures, estimated at \$190,000, are to be provided from FY 1966 funds, if contract extension is decided upon.

2. Cooperating country contributions:

The University of the Andes has made the following (approximate) expenditures and commitments.

	<u>Colombian Pesos.</u>	
	<u>FY-1965</u>	<u>FY 1966</u>
<u>Staff</u>		
Administration and professors for graduate school	\$130,000	\$200,000
Counterparts for U.S. professors	67,000	80,000
Bilingual secretaries	15,000	18,000
Research assistants	8,000	12,000

	<u>FY 1965</u>	<u>FY 1966</u>
Social benefits (20% of wage bill)	\$44,000	\$62,000
<u>Local travel and expenses</u>		
(including offices and use of IBM computer)	71,000	80,000
<u>Overhead (20%)</u>	67,000	78,000
Total in Colombian pesos:	\$402,000	\$530,000
Total in U.S.:	\$40,200	\$53,000

In addition, the physical facilities of the economics faculty, the faculty itself, and the library staff have been expanded greatly as part of a general program of expansion in economics, of which this AID activity is an important part. (The new building in which the economics faculty is housed, for example, was paid for primarily with tuition collected in special extension courses, taught by professors of the economics faculty without pay.)

AID 1020-2 (8-84)		PROJECT DATA SUMMARY — AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED									
1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA			3. PROJECT NO. 514-11-690-077				4. TITLE EDUCATIONAL TELEVISION ^{a/}												
5. U.S. FUNDING: PHYSICAL WORK:		BEGIN FY 1963		END FY 1965		6. PRIOR REFERENCES						7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)									
		a.	b.	c.		d.		e.		f.		g.		h.		i. ^{1/} LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS					
		APPROPRIATION TITLE	LOAN OR GRANT	TOTAL		CONTRACT ^{1/}		PERSONNEL SERVICES		PARTICIPANTS		COMMODITIES		OTHER COSTS							
								(1) U.S. AGENCIES		(2)		(1) DIRECT AND U.S. AGENCIES		(2) CONTRACT		(1) DIRECT AND U.S. AGENCIES		(2) CONTRACT			
		AG	G					AID		PASA		CONTRACT		U.S. AGENCIES		CONTRACT		DIRECT AND U.S. AGENCIES		CONTRACT	
I. THRU ACTUAL YEAR FY <u>64</u>	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AG	G	575								573		2							
	GROSS OBLIGATIONS (ACTUAL YEAR)																				
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	AG	G	376								374		2				2			
	EXPENDITURES (ACTUAL YEAR)																				
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	199									199									
II. OPERATIONAL YEAR (EST.) FY <u>65</u>	A. GROSS OBLIGATIONS																				
	B. EXPENDITURES	AG	G	199								199									
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR																				
III. BUDGET YEAR (EST.) FY <u>66</u>	A. GROSS OBLIGATIONS																				
	B. EXPENDITURES																				
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR																				
IV. PLANNING YR. (EST.) FY <u>67</u>	GROSS OBLIGATIONS ^{2/}																				
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS ^{2/}																				
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS ^{2/}	AG	G	575								573		2			575				

REMARKS:

^{1/} This is a memorandum (non-odd) column.

^{2/} Show estimated expenditures in column i.

^{a/} Terminating activity; totally funded in FY 1963 as a one-shot activity.

PROJECT DATA SUMMARY — AID DOLLAR COSTS

E-1a

1. DATA CURRENT AS OF:
Oct. 20, 1964

2. COOPERATING COUNTRY
COLOMBIA

3. PROJECT NO.

514-11-540-046

4. TITLE

NURSING EDUCATION ^{a/}

5. U.S. FUNDING: BEGIN FY 1958 END FY 1964
PHYSICAL WORK: 1958 1965

6. PRIOR REFERENCES

7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)	a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT ^{1/}	e. PERSONNEL SERVICES			f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS ^{1/}	
					(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
					AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	DG G	72		33			38				1			
		AB G	217	115	26		115	74				2			
		AG G	53		24			26				3			
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG G	53		24			26				3			
		DG G	72		33			38				1		7	
		AB G	111	35	16		35	58				2		5	
	EXPENDITURES (ACTUAL YEAR)	AG G	21		18			2				1		5	
		AG G	21		18			2				1		5	
		AB G	106	80	10		80	16				-			
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG G	32		6			24				2				
	AG G	32		6			24				2				
	AB G	106	80	10		80	16				-				
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS														
	B. EXPENDITURES	AB G	106	80	10		80	16				2			
	AG G	32		6			24				2				
C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS														
	B. EXPENDITURES														
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR														
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS ^{2/}														
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS ^{2/}														
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	DG G	72		33			38				1		72		
	AB G	217	115	26		115	74				2		102	115	
	AG G	53		24			26				3		53		

REMARKS:

- 1/ This is a memorandum (non-add) column.
- 2/ Show estimated expenditures in column i.

^{a/} Terminating activity. FY 1965 expenditures are for participant costs and final payment on contract with Catholic University of America.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL IV	IMPROVED PLANNING, PROGRAMMING, PROJECT PREPARATION, AND PROJECT IMPLEMENTATION
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Goal Statement and Plan

This requires stronger efforts to improve the planning and execution functions and processes of the Colombian Government as a whole and of key agencies of the Government. It is in part a public administration problem. The focal point in this context is the Administrative Department of Planning and Technical Services (Planeación). Some progress is being made in this and other governmental agencies and institutions, with the assistance of a small but effective Harvard Advisory Group (financed by the Ford Foundation). Work is going ahead in Planeación on a current four-year plan (1965-1968) within the previously issued ten-year plan. However, more needs to be done to improve the national and regional planning structure, including the establishment and efficient functioning of planning units within each Ministry. Special reference has been made above to the needs in the Agriculture and Education Ministries. Hope for progress in this vital field has received fresh impetus through the appointment of a new head of the National Planning Department to fill the gap left by the move of the previous head to the position of Minister of Finance and to take advantage of the reform in the planning structure decreed at the end of 1963.

A major planning gap is approaching with respect to public sector investment where the applicable portion of the existing ten-year National Plan is expiring in 1964. Moreover, much of the existing plan needs updating in view of inflation and other developments since the ten-year plan was drafted. The pipeline of unfinanced projects is rapidly shrinking and the scarcity of well selected and prepared projects will very shortly become an important obstacle to a rising growth rate, unless prompt action is taken to improve planning on all levels. An important element in this process is the upgrading of planning personnel. AID is funding two technicians to help Planeación with development of projects in the agricultural and industrial areas; also, AID has approved a \$4.0 million loan for feasibility studies, and is prepared to provide more funds, as required, for this purpose. Surveys of national resources, mineral resources, primary and secondary education, all under way with AID assistance, and a higher education survey approved but not yet under way, will contribute to better planning capacity.

The specific activities programmed for AID assistance during fiscal years 1965 and 1966 and their objectives and targets are as follows:

1. Feasibility Studies

As a major U.S. effort to help Colombia eliminate the project planning bottleneck, a \$4 million Feasibility Study Loan was executed by AID and the GOC in June 1963. After a slow start, it is now anticipated that this loan will be fully committed to specific studies during FY 1965 and early 1966 and a second loan is therefore proposed for FY 1966.

The principal target of this activity will continue to be the preparation of project studies leading to loan proposals for infrastructure and other major projects for public sector investment which has been lagging behind in many essential fields. A portion of the existing loan will be used for sector and pre-feasibility studies needed as bases for sound selection and planning of specific feasibility studies. Another portion of the loan is intended for the private sector under arrangements modeled after AID's own Private Investment Surveys. A similar division of funds is intended for the proposed second loan.

A second important objective of the activity is the improvement and enlargement of the GOC's own capacity to select, plan and develop sound feasibility studies, surveys, and contracts. In summary, the activity provides the GOC with an essential and greatly needed tool for accelerated and more rational investment of its limited internal and available external resources.

2. Mineral Resources Survey

The objective of this loan is to enlarge the knowledge of Colombian mineral resources as precondition of their exploitation, for the further industrialization of the country and also the development of additional export capacity and import substitution.

The project provides for the geological mapping, exploration and economic analysis of the metallic and non-metallic mineral resources (excluding coal and oil) of four important areas of Colombia (Santa Marta, Medellín, Santander and Bogotá) embracing a total of 70,000 square kilometers, selected to stimulate particularly the further development of mineral-based industries in the existing industrial centers of Colombia. The activity will advance the inventorying of Colombian natural resources essential for economic development planning; the production of basic materials now largely or partially imported and increase employment opportunities both in remote areas where mines are commonly located and in the four industrial centers mentioned above. Exploration of individual deposits will be conducted only to the extent necessary to supply sufficiently reliable information to encourage and promote private enterprise to undertake any additional exploration required, their development, and their placement into eventual production.

3. Planning Assistance.

In FY 1963 funds were provided to supply two U.S. technicians to assist Colombia's Administrative Department of Planning with the preparation of loan applications for economic development projects. To date, the technicians have not been supplied, but implementation is expected towards the end of FY 1965.

PROJECT DATA SUMMARY — AID DOLLAR COSTS

7.	AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)	5.		c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS							
		a. APPROPRIATION TITLE	b. LOAN OR GRANT			3. PROJECT NO.		(1) U.S. AGENCIES		(2)		(1) DIRECT AND U.S. AGENCIES		(2) CONTRACT		(1) DIRECT AND U.S. AGENCIES		(2) CONTRACT			
						1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		6. PRIOR REFERENCES		4. TITLE									
						U.S. FUNDING:		BEGIN FY		END FY											
E-1a		Oct. 20, 1964		COLOMBIA		514-22-990-106		FEASIBILITY STUDIES													
		1963		1966																	
		1964		1967																	
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AL	L	4,000	4,000			4,000													
	GROSS OBLIGATIONS (ACTUAL YEAR)																				
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR																				
	EXPENDITURES (ACTUAL YEAR)																				
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR																				
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS																				
	B. EXPENDITURES	AL	L	2,000	2,000			2,000									1,300				
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	2,000	2,000			2,000													
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AL	L	5,000	5,000			5,000													
	B. EXPENDITURES	AL	L	4,000	4,000			4,000									2,600				
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	3,000	3,000			3,000													
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/	AL	L														3,000				
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/																				
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AL	L	9,000	9,000			9,000									9,000				

REMARKS:

- 1/ This is a memorandum (non-add) column.
- 2/ Show estimated expenditures in column i.

g/ Loan number 514-L-025, signed June 1963, 3/4 of one percent interest, repayable in 40 years with 10 year grace period.

AID 1020-3 (7-64)	PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES										SECURITY CLASSIFICATION UNCLASSIFIED			
E-1b	1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3. BEG. FY		END FY		4. PROJECT NO.		5. TITLE			
	Oct. 20, 1964		COLOMBIA		Funding 1963 1964		1966 1967		514-22-990-106		FEASIBILITY STUDIES			
7. OBLIGATED AND DISBURSED	a. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)				
	(1) TYPE	(2) SOURCE	(3) LOAN GRANT	(1) DOLLAR EQUIVALENTS (000) 1/		(2) LOCAL CURRENCY UNITS (000)		(1) OBLIGATED	(2) DISBURSED	(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER		
				(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED			(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED	
I CUMULATIVE THRU ACTUAL YEAR	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/												
	FA ACT	(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
TOTAL ACTUAL FY 64	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/												
	FA ACT	(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		L		1,300		13,000 ^{a/}					13,000	
	FA ACT	(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
III BUDGET YEAR (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		L		2,600		26,000					26,000	
	FA ACT	(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
IV PLANNING YEAR (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		L		2,000		20,000					20,000	
	FA ACT	(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
V ALL SUBSEQUENT FYs (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/												
	FA ACT	(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
VI TOTAL ALL YEARS (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		L		5,900		59,000					59,000	
	FA ACT	(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													

REMARKS: ^{a/} Rate has been steady at 9.98 but recently has depreciated and is presently fluctuating unpredictably. Rate is arbitrarily set at 10.00 for convenience.

1/ Exchange Rate: \$1 = 10.00

2/ The total dollar equivalent amounts are the same as in Col. 1 of Table E-1a

E-1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS										1. DATA CURRENT AS OF:		2. COOPERATING CTRY.		3. ^{a/} PERSONNEL SERVICES		BEG. FY		END FY		4. PROJECT NO.			
											Oct. 20, 1964		COLOMBIA		1964 1967		N.A. N.A.		514-22-990-106					
I PROJECT PERSONNEL	5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS		a. CUM. THRU ACTUAL FY			b. ACTUAL FY			c. OPERATIONAL FY			d. BUDGET FY			e. PLANNING FY			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS			
		Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract		
A. MAN YEARS	U.S.																							
	Non U.S.																							
B. ON BOARD	U.S.																							
	Non U.S.																							
II. PARTICIPANTS PROGRAMMED	A. U.S.																							
	B. THIRD CTRY.																							

REMARKS: ^{a/} Studies to be carried out under this loan have not yet been determined to the point where personnel requirements can be estimated. No participant training is involved.

1/ End of Fiscal Year

AID 10204 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-22-990-106	Feasibility Studies
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1. Activity Target

As in other underdeveloped countries, the limited capacity of many Government agencies and semi-autonomous entities to plan and develop investment proposals meeting the requirements of external financing institutions is one of the most serious obstacles to the acceleration of Colombia's economic development needed to achieve the growth targets of Colombia's Ten Year Development Plan. The flow of well selected, well planned and well prepared project proposals needs to be substantially increased if potentially available external financial assistance is to be utilized. It is widely recognized that the IBRD, IDB, EKIMBANK, AID and other members of the Consultative Group for Colombia are both willing and able to finance more projects than have been ready in adequate form for presentation by Colombia to the Consultative Group.

As a major US effort to help Colombia eliminate the project planning bottleneck, a \$4 million Feasibility Study Loan was executed by AID and the GOC in June 1963. After a slow start, it is now anticipated that this loan will be fully committed to specific studies during FY 1965 or early 1966 and a second loan is therefore proposed for FY 1966.

The principal target of this activity will continue to be the preparation of project studies leading to loan proposals for infrastructure and other major projects for public sector investment which has been lagging behind in many essential fields. A portion of the existing loan will be used for sector and pre-feasibility studies needed as basis for sound selection and planning of specific feasibility studies. Another portion of the loan is intended for the private sector under arrangements modeled after AID's own Private Investment Surveys. A similar division of funds is intended for the proposed second loan.

A second important objective of the activity is the improvement and enlargement of the GOC's own capacity to select, plan and develop sound feasibility studies, surveys, and contracts. In summary, the activity provides the GOC with an essential and greatly needed tool for accelerated and more rational investment of its limited internal and available external resources.

2. Course of Action

During FY 1965, operations under the first Feasibility Study Loan will go into high gear. The first comprehensive listing of potential study projects, just received by USAID from the Administrative Department of Planning (Planeación) will help accelerate selection of priority study projects and contracting for a significant number of them. At the same time procedures and guidelines for private sector utilization of the loan will be finalized and given a tryout.

The general outline and scope of work for individual studies will be prepared by Planeación, or if prepared by action agencies, will be

reviewed and as necessary revised by Planeación. They are then submitted to USAID for review and approval before the contracting phase is started.

Specific studies will be carried out by contract with US or Colombian engineering or economic consulting firms, or combinations of the two. Under a recent amendment of the existing Loan Agreement, the Bank of the Republic will act, as it already did in the first study project, as contracting and fiscal agent for the study contract.

Planeación's comprehensive list of potential Feasibility Studies total an estimated cost of about \$6.6 million of which \$2.3 million is estimated as dollar cost and \$4.3 million as the equivalent of peso costs. The breakdown by activity fields is as follows:

<u>Activity Field</u>	<u>Estimated Cost in US\$ Thousands</u>		
	<u>\$</u>	<u>Pesos (in \$)</u>	<u>Total</u>
Power & Telecommunications	25	25	50
Transport	320	1,030	1,350
Agriculture	880	1,145	2,025
Water & Sewerage	180	990	1,170
Housing & Public Health	85	245	330
Education	105	175	280
Industry	700	720	1,420
TOTAL	2,295	4,330	6,625

After elimination of items not sufficiently specific to permit serious consideration, items of low priority, items unsuitable for other reasons, the larger part of the existing loan is expected to be committed during the remainder of FY 1965. For items on this list in FY 1966, based on the experience gathered during FY 1965, a second somewhat larger loan will be planned and negotiated.

A major element in this year's operations is expected to be technical assistance to Planeación in the form of two US technicians who would advise and assist Planeación personnel in the selection, review and revision of study projects. Assignment of these advisors, requested by Planeación initially during FY 1963 and financed in the amount of \$50,000 from that year's grant program was postponed as long as Planeación was without a director for a prolonged period during 1964. A new director was appointed in October 1964 and an early move to provide this technical assistance is now anticipated.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 OCTOBER 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-22-990-106	Feasibility Studies
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3. Progress to Date

The first Feasibility Study Loan (AID Loan No. 514-L-025) for \$4 million was signed in June 1963. In March 1964, "Conditions Precedent" were met and disbursement was authorized. In August the Loan Agreement was amended to permit use of up to \$1 million for sector studies. The first contract under the Loan was approved in June for a feasibility study of a nationwide system of cereal and other crop storage and handling facilities. This study was executed by Weitz-Hattelstaedter Engineers of Kansas City at a cost of \$92,500. The present status of studies approved or proposed and under review is as follows:

other agencies to plan and contract for feasibility studies will be substantially enlarged compared to FY 1964 and 1965 due to a combination of full-time leadership, development of experience and procedures, and assistance by full-time US technicians. Finally, the rapid exhaustion of the backlog of planned and financed projects, new progress in overall planning, and the urgency of reaching a higher level of investment, especially in the lagging public sector, all combine to make a higher rate of project development imperative.

On the other hand, the proposed increase in AID lending for this purpose is kept small because organized and enlarged operations under the existing loan during 1965 will provide a better picture than is now available of the very substantial extent to which Colombian consulting firms, already well experienced in many fields can be relied upon for the execution of a large number of the proposed feasibility studies. Such use reduces the need for dollar funding and permits the use of peso counterpart from US-financed Program Loans or other peso sources.

For the same reason it is proposed to await more adequate experience with the activity before deciding on its duration and timing of its phasing out as a US aid project.

<u>Study Project</u>	<u>Date First Submitted to USAID</u>	<u>Approved</u>	<u>AID Loan Funds Required</u>
1) Crop Storage Nation Wide	March/64	June/64	92,500
2) Upper Cauca River Basin (Land Reclamation)	July/64	-	500,000 *
3) Tulua Water Supply and Sewerage	July/64	-	55,500 *
4) Highway Caucasia - La Gloria	July/64	-	170,000 *
		TOTAL	\$818,000

* Estimates

In addition in October 1961 IDB lent the GOC \$0.5 from their Ordinary Capital Resources for feasibility studies.

In October 1964, a first comprehensive list of potential study projects under preparation or consideration in the GOC was submitted to USAID by Planeacion. The list included a section of privately sponsored projects.

4. Funding Requirements

No additional funding is required for FY 1965.

For FY 1966, a second loan for \$5 million is proposed (which would also be used to pay for continued technical assistance). This increase over the first loan of \$4 million is proposed for three reasons: Both the inclusion of sector studies and the more specifically contemplated use of part of the loan funds for private sector project studies developed after the first \$4 million loan was executed, the coverage of which thus has been significantly broadened. In addition, by 1966 the capacity of Planeacion and

AID 1020-9 (7-64)	PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES							SECURITY CLASSIFICATION UNCLASSIFIED						
	1. DATA CURRENT AS OF:	2. COOPERATING COUNTRY	3. Funding	BEG. FY	END FY	4. PROJECT NO.	5. TITLE							
E-1b	Oct. 20, 1964	COLOMBIA	1964	1967	514-22-210-109	MINERAL RESOURCES SURVEY								
	6. PRIOR REFERENCES:	7. OBLIGATED AND DISBURSED	8. a. FUNDS				b. TOTALS		c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)			
	(1)	(2)	(3)	(1)		(2)		(1)	(2)	(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER		
	TYPE	SOURCE	LOAN OR GRANT	(a)	(b)	(a)	(b)	OBLIGATED	DISBURSED	(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED	
I CUMULATIVE THRU ACTUAL YEAR	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	FA ACT (ii) TRUST FUND	(iii) OTHER LC	NOT APPLICABLE AT THIS TIME										
TOTAL ACTUAL FY	B. P.L. 480 LC	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	FA ACT (ii) TRUST FUND	(iii) OTHER LC										
II OPERATIONAL YEAR (EST.)	B. P.L. 480 LC	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	FA ACT (ii) TRUST FUND	(iii) OTHER LC										
FY	B. P.L. 480 LC	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	FA ACT (ii) TRUST FUND	(iii) OTHER LC										
III BUDGET YEAR (EST.)	B. P.L. 480 LC	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	FA ACT (ii) TRUST FUND	(iii) OTHER LC										
FY	B. P.L. 480 LC	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	FA ACT (ii) TRUST FUND	(iii) OTHER LC										
IV PLANNING YEAR (EST.)	B. P.L. 480 LC	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	FA ACT (ii) TRUST FUND	(iii) OTHER LC										
FY	B. P.L. 480 LC	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	FA ACT (ii) TRUST FUND	(iii) OTHER LC										
V ALL SUBSEQUENT FYs (EST.)	B. P.L. 480 LC	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	FA ACT (ii) TRUST FUND	(iii) OTHER LC										
FY	B. P.L. 480 LC	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	FA ACT (ii) TRUST FUND	(iii) OTHER LC										
VI TOTAL ALL YEARS (EST.)	B. P.L. 480 LC	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	FA ACT (ii) TRUST FUND	(iii) OTHER LC										
FY	B. P.L. 480 LC	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	FA ACT (ii) TRUST FUND	(iii) OTHER LC										

REMARKS:
 1/ Exchange Rate: \$1 =
 2/ The total dollar equivalent amounts are the same as in Col. 1 of Table E-1a

E-1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS			1. DATA CURRENT AS OF:			2. COOPERATING CTRY.			3. PERSONNEL SERVICES		BEG. FY		END FY		4. PROJECT NO.							
	Oct. 20, 1964			COLOMBIA			PARTICIPANT TRAINING		1964		1968		514-22-210-109										
5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY			b. ACTUAL FY <u>64</u>			c. OPERATIONAL FY <u>65</u>			d. BUDGET FY <u>66</u>			e. PLANNING FY <u>67</u>			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS		
			Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract			
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	1			1	4	2	5	5		5	5		5			20					
		Non U.S.						4		10			10							24			
	B. ON BOARD	U.S.		1		5	5	10	5	5		5											
		Non U.S.					10	10		10													
II. PARTICIPANTS PROGRAMMED	A. U.S.					5			5			5								15			
	B. THIRD CTRY.																						

REMARKS:
 1/ End of Fiscal Year

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-22-210-109	MINERAL RESOURCES SURVEY
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1. The Activity Target

The objective of this loan is to enlarge the knowledge of Colombian mineral resources as a precondition of their exploitation, for the further industrialization of the country and also the development of additional export capacity and import substitution.

This project provides for the geological mapping, exploration and economic analysis of the metallic and non-metallic mineral resources (excluding coal and oil) of four important areas of Colombia (Santa Marta, Medellin, Santander and Bogotá) embracing a total of 70,000 square kilometers, selected to stimulate particularly the further development of mineral-based industries in the existing industrial centers of Colombia. The activity will advance the inventorying of Colombian natural resources essential for economic development planning; the production of basic materials now largely or partially imported and increase employment opportunities both in remote areas where mines are commonly located and in the four industrial centers mentioned above. Exploration of individual deposits will be conducted only to the extent necessary to supply sufficiently reliable information to encourage and promote private enterprise to undertake any additional exploration required, their development, and their placement into eventual production.

2. Course of Action

The loan project consists of five courses of action: (1) photogeologic interpretation of the four areas already mapped at 1:25,000 scale, to be executed by a technical services contract with a private U.S. firm; (2) geological field investigation by some 20 geologists of the Colombian National Geological Service with the collaboration of 5 USGS geologists; (3) improvement of facilities of the chemical laboratories of the Ministry of Mines and Petroleum in Bogotá and Medellin, including equipment and technical assistance for chemical analyses, special laboratory studies in mineralogy (including X-Ray), petrography, paleontology, and laboratory studies for radioactivity and absolute age determinations; (4) training of at least ten Colombian geologists in the U.S. as well as training in Colombia of Colombian counterpart personnel; (5) publication of geological reports and maps.

The project is planned as a program of four-years duration involving close collaboration of the National Geological Service of the GOC Ministry of Mines and Petroleum, and the U.S. Geological Survey, under a PASA supplemented by additional special technical services contracted between the Ministry of Mines and Petroleum and private companies. Execution is supervised jointly by a Colombian Project Manager and a Chief U.S. Advisor (who is simultaneously the Chief of the USGS group).

In addition, the Ministry is negotiating with the German Government for a technical assistance program in the study of national coal resources and with the French Government for photogeological studies and the

Japanese Government for other technical assistance in areas not covered by the U.S. project. These programs are somewhat smaller and when approved will be integrated into the overall effort.

3. Progress to Date

The project was first proposed by the Ministry of Mines and Petroleum in 1961. A feasibility study was undertaken by two USGS (Ralph Miller and William Olive) in 1962 and a report submitted in October of that year entitled "Proposal for Mineral Resources Survey of Selected Parts of Colombia." In early 1963 it was decided that the project should be accomplished under a loan, and Loan Agreement 514-L-030 was executed September 18, 1963. In March 1964 the Conditions Precedent of the Loan Agreement were met and disbursement authorized.

From July-December 1963, a U.S. Advisor was assigned to Colombia to plan and develop the project in detail. During this period the bidding documents were prepared for the photogeological interpretive mapping activities, and issued to 11 American firms in December. Bids were opened March 1964. Contract negotiations have proceeded since that date; their finalization is now awaiting resolution of the problem of Colombian taxation of AID-financed contractors.

A PASA Agreement between the USGS and AID/W, funded from the loan and providing for the services of 5 USGS geologists, was executed September 11, 1964.

The Ministry of Mines and Petroleum in the meantime had developed the necessary organization and has purchased, or is about to purchase, all equipment essential for the operations of the project. Field operations started in June 1964, when twenty-one Colombian geologists were deployed into the field viz. 6 in the Santa Marta area; 10 in Antioquia area; and 5 in the Bogotá region. (Work in the Santander Department is scheduled to be undertaken upon completion of operations in the Santa Marta area). In late September, after execution of the PASA, three additional geologists of USGS joined the Team. Of these geologists, 2 have been assigned to the Medellin area and one to the Bogotá area.

4. Funding Requirements

The loan agreement provides up to US\$2,000,000 at 3/4% interest p.a. with repayment to begin 9½ years after the first interest payment due (March 18, 1964) after execution of the loan agreement and in 61 equal semi-annual installments thereafter.

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-22-210-109	MINERAL RESOURCES SURVEY
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To fund its own contribution to the project, the GOC has prepared a detailed budget for the 4 year period, in the amount of about 28.3 million pesos, to cover local expenses of participants, the local costs of the contract for photogeology, peso expenses of Colombian personnel in the field and in laboratories, Colombian purchased equipment, general expenses, and peso expenses for publication of resulting geological reports and maps.

Funds for the project are programmed on an annual basis beginning July 1, 1964, as follows:

SOURCE	1st Year	2nd Year	3rd Year	4th Year	Total
1) \$US (AID LOAN)	608,075	580,375	509,150	302,400	2,000,000
2) PESOS (GOC)	8,121,350	7,708,500	6,735,200	5,735,200	28,300,250

The above funds are allocated as follows:

ACTIVITY	1st Year	2nd Year	3rd Year	4th Year
1) <u>Photogeological Map Interpretation</u>				
PESOS	1,041,500	848,600	360,000	---
US\$	405,000	246,000	84,000	---
2) <u>Geological Investigations</u>				
a) <u>Field Mapping</u>				
PESOS	6,000,000	5,450,000	4,450,000	3,850,000
US\$	160,700	224,375	245,050	145,000
b) <u>Geophysics, Geochemistry, Drilling</u>				
PESOS	479,850	759,900	775,200	635,200
US\$	16,000	80,500	266,000	157,400
3) <u>Laboratory Improvement and Operations</u>				
PESOS	600,000	600,000	600,000	600,000
US\$	---	---	---	---

ACTIVITY	1st Year	2nd Year	3rd Year	4th Year
4) <u>Participant Training</u>				
PESOS	---	---	---	---
US\$	26,375	29,500	14,100	---
5) <u>Publication of Reports and Maps</u>				
PESOS	---	50,000	550,000	650,000
US\$	---	---	---	---

The GOC appropriated ten million pesos for the project for Col. FY 64, and budgeted seven million pesos for Col. FY 65. In addition, the Ministry of Mines and Petroleum was able to recover 3,660,000 pesos from FY 63 hold-over funds, which are not obligated for purchase of equipment for the project.

Of the loan proceeds, US\$15,000 were disbursed in FY 64, mainly for the services of the Chief U.S. Advisor. The recently executed PASA Agreement provides a budget of \$155,000 for technical assistance for the U.S. Geological Survey for FY 65. It is estimated that total PASA costs through FY 68 will amount to approximately \$850,000. The dollar cost of a contract for the photogeological program is estimated at US\$735,000.

AID 1020-2 (8-64)		PROJECT DATA SUMMARY — AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED				
E-1a	1. DATA CURRENT AS OF: Oct. 30, 1964	2. COOPERATING COUNTRY COLOMBIA			3. PROJECT NO. 514-11-750-075				4. TITLE PLANNING ASSISTANCE a/							
	5. U.S. FUNDING: a/	BEGIN FY 1963		END FY 1966		6. PRIOR REFERENCES a/										
	PHYSICAL WORK:	1965		1966												
7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)	APPROPRIATION TITLE	a.	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	PERSONNEL SERVICES		PARTICIPANTS		COMMODITIES		OTHER COSTS		i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS		
						(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
						AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AG	G	50	50			50								
	GROSS OBLIGATIONS (ACTUAL YEAR)															
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR															
	EXPENDITURES (ACTUAL YEAR)															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	50	50			50								
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	AG	G	14	14			14								
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	36	36			36								
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	AG	G	36	36			36								
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	50	50			50								50

REMARKS:

- 1/ This is a memorandum (non-add) column.
2/ Show estimated expenditures in column i.

a/ This activity was established May 2, 1963. Two U.S. technicians, skilled in the preparation of loan applications for economic development projects, were to be provided Colombia's Administrative Department of Planning. There has ensued much discussion and planning of the best way to effect such assistance. Nevertheless, decisions which are necessary for recruitment of the technicians and implementation of the activity have not yet been made. It is expected that implementation will be effected toward the end of FY 1965.

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL V	INTERNAL SECURITY, AMELIORATION OF PRESSING CAUSES OF UNREST, AND A POSITIVE MYSTIQUE FOR SOCIAL AND ECONOMIC PROGRESS FOCUSED ON THE ALLIANCE FOR PROGRESS
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Goal Statement and Plan

Achievement of this goal will necessitate continued assistance in the improvement of rural and urban public order, control of inflation, continued assistance directed toward reduction of acute localized social pressures, and continued public relations efforts.

During the past year, Colombia's military and police forces have achieved exceptional results in their campaigns against organized banditry, subversion and public disorders, and in their efforts to help create in violence-stricken rural areas a more peaceful social and political climate for orderly economic development. Moreover, this notable progress has been achieved despite internal pressures exerted by politically influential elements concerned with preservation of the status quo. To this outstanding self-help process, AID has contributed measurably through the Civic Action and Public Safety Activities. In the future, public order problems may occur increasingly in urban centers and decreasingly in rural areas.

The rapid price increases in 1963 and early 1964 had decidedly negative social and political, as well as economic, effect. The social effects derive from the traditional tendency for the income of the lower and middle classes as a whole to lag behind prices in an inflationary situation. Thus the recent effective efforts of the Colombian Government to halt the inflationary trend have had importance beyond the purely economic. The United States decision to proceed with a second tranche of program lending in the amount of \$45 million in the second quarter of 1964 took these efforts into account.

While reliable statistics do not exist, a continuing deficit of 280,000 urban housing units is believed to prevail, the 50,000 new urban housing units annually constructed sufficing merely to meet urban growth (paced by a continuing rapid influx of rural people into the cities). The Colombian Government has launched a vigorous campaign for slum clearance and various area programs are now under way -- helped by PL 480 loan funds (pesos) totaling 20.0 million in FY 1964, plus a 20.0 million peso subsidy by the Colombian Government. AID assistance to the socially most essential housing programs is expected to continue, with increased emphasis on accompanying social programs and community action and on housing directed to free labor unions and to cooperatives. AID assistance to agrarian reform described under Goal 2 is also oriented toward a favorable political and social framework for development.

The specific targets of the activities programmed for AID assistance during fiscal years 1965 and 1966 are as follows:

1. Public Safety

This project provides technical assistance to two independent

police agencies of Colombia under separate Ministries - the National Police, under the Ministry of War, and the Investigative Police (DAS), under the Ministry of Government.

The overall objectives of the Public Safety Program are to support development in Colombia of a national police organization and an internal security service jointly capable in their respective areas of interest of countering communist subversion and maintaining law and order up to a level where military action may become necessary.

2. Housing

This activity intends to achieve the following:

- a. The establishment and improvement of institutions and mechanisms enabling the home building industry to increase its contribution to the alleviation of existing and potential social and political problems.
- b. The channeling of Colombian capital and other resources to the home building industry on a sound and continuing basis.

Both of these targets will continue to emphasize the priority in low-cost housing, particularly in areas of social stress resulting from sub-standard living conditions, and lower middle class housing, especially for members of democratic labor unions and housing cooperatives.

The program proposes that the Instituto de Crédito Territorial (ICT) be afforded financial assistance through the GOC budget, and external assistance from pesos generated by AID program loans and the Social Progress Trust Fund (SPTF), to enable it to expand its aided self-help low-cost housing program.

In addition, AID will provide expanded technical assistance, coordination, guidance and evaluation in FY 1965 and FY 1966.

The specific objectives for FY 1965 and FY 1966 are the following:

- a. To improve the coordination between ICT and other GOC and local agencies to assure adequate public utility services in ICT housing projects and between ICT and appropriate GOC agencies including GOC and local community development organizations to speed up and make less expensive the provision of schools, health centers and other community facilities including an increased emphasis on construction of such facilities by the aided self-help efforts of the homeowners.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL V	INTERNAL SECURITY, AMELIORATION OF PRESSING CAUSES OF UNREST, AND A POSITIVE MYSTIQUE FOR SOCIAL AND ECONOMIC PROGRESS FOCUSED ON THE ALLIANCE FOR PROGRESS
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b. To improve the ICT social program and, based on thorough prior investigations, to promote other efforts to prevent deterioration of existing and new low-cost housing projects.

c. To improve the GOC program directed to eradication of slums.

d. To maintain in FY 1965 and increase in FY 1966 the ICT's rate of completion of houses conforming to satisfactory standards and in that process to improve ICT's internal organization, operations and enforcement of ICT rules and regulations.

e. To develop housing cooperatives including those formed by democratic labor unions, utilizing effective cooperative techniques and attracting an increased flow of private savings.

f. To assist in development of private institutions and mechanisms to attract housing capital at reasonable rates, including development of secondary and tertiary markets to serve the home building industry.

3. Civic Action

The overall target of Civic Action by the Armed Forces of Colombia is the initial improvement of conditions in the wake of defeat of organized banditry in rural areas. By such use of the Armed Forces, their image and prestige, and those of the National Government as a whole, are at the same time to be improved or restored so as to help pacify the affected areas more permanently.

The objectives of the six sub-projects programmed for FY 1965 and/ or FY 1966 are as follows: a) Tolima Highway. Construction of two arterial, all weather, two-lane gravel highways, one east-west and the other one north-south crossing each other in the center. This network of highways totals 173 miles of new construction in one of the most critical areas of recent and still threatening violence in the centrally located departments of Tolima and Valle. b) Road Improvement and Maintenance. Rehabilitation of severely neglected or completely abandoned roads in violence areas of the Departments of Santander and Caldas where national and departmental civilian Public Works forces cannot yet safely operate. c) Well Drilling. Provision of potable water supply to villages in areas of recent and potential violence as a means of improving health and living conditions and demonstrating the interest of their government to the affected area. d) Field Dispensaries. To establish and equip rural health centers in violence areas and supply them with drugs and medicines thereby raising the health standards of the people in the area and demonstrating governmental concern for them. e) Rural School Construction. To construct schools in violence areas where none presently exist. The construction of these simple schools is accomplished with the help of community action. f) Radiotelephone Net. To establish a communication radio network in remote violence areas that are not now served by any modern form

of communication. g) Youth Camps. Designed to expose youth from violence areas to short programs of education in civics, history, geography, personal hygiene, sanitation, group activities and sports.

4. Urban Sewerage System Loans

The objective of this loan activity is the improvement and expansion of sanitary and storm sewer systems in major urban areas of Colombia. Sanitary problems in these urban areas have greatly increased in recent years, because of the rapid growth of these urban centers, especially since the outbreak of organized rural violence in Colombia.

In this situation, improvement and expansion of urban sanitary and storm sewer systems has become extremely urgent; it is an important factor in preventing not only disease and epidemics but deterioration of social and general living conditions to a point where they add fuel to existing agitation and political and social tensions.

Cali. A loan agreement in the amount of \$3,700,000 was signed on September 30, 1963 with Empresas Municipales de Cali (EMCALI) to help finance the engineering and construction cost required to construct: 15,540 meters of interceptor and collector mains, one pumping station, twenty separation structures and 24,000 meters of concrete-lined canals.

Medellin. On July 18, 1964, a Development Loan Agreement in the amount of \$250,000 was signed with the Empresas Públicas de Medellín to finance the dollar costs of U.S. consulting engineering services required to complete plans, specifications and supervise construction of the project. This project is estimated to require two years to complete and is the first stage of a six-year program of improvement and expansion estimated to cost \$7,118,000.

Bogotá. On July 18, 1964, a Development Loan Agreement in the amount of \$450,000 was signed with the Empresa de Acueducto y Alcantarillado de Bogotá, D.E.. This loan is to finance the dollar cost of U.S. consulting engineering services and the purchase of U.S. manufactured maintenance equipment. Peso costs will be financed in part by the Empresa and in part from proceeds of A.I.D. program loans. This project is the first phase of a 21 year plan to expand and improve the collection and treatment facilities for sanitary sewage and the collection and disposal of storm water in the Sanitary District of Bogotá, D.E. The total project is estimated to cost \$85,000,000.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL V	INTERNAL SECURITY, AMELIORATION OF PRESSING CAUSES OF UNREST, AND A POSITIVE MYSTIQUE FOR SOCIAL AND ECONOMIC PROGRESS FOCUSED ON THE ALLIANCE FOR PROGRESS.
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5. Labor

The purpose of this activity is to strengthen the democratic labor movement in Colombia so that it can contribute more effectively to social, economic and political development and serve as a bulwark against undemocratic control and subversive infiltration in the Colombian labor movement.

Specifically, the activity target for the two sub-activities are as follows:

a. Workers Education. Training of Colombian trade unionists for enlightened and responsible union and community leadership.

b. Social Projects. Development and execution of projects, such as housing, to improve the social condition of membership of democratic labor unions.

Colombia's labor movement is one of the primary targets of the Communists. The Workers Education program helps to develop the necessary leadership for a Colombian democratic union movement, presently having about 800,000 organized unionists, which otherwise might be usurped by the Communists. The Social Projects program has dual objectives: to help solve certain social problems, such as to reduce the worker's housing deficit; and to fortify and stabilize the democratic labor movement by helping it provide for social needs and improve worker's living standards and morals, thereby unifying leaders and membership and strengthening the institution of democratic labor unions as well.

AID 1020-2 (8-64)		PROJECT DATA SUMMARY — AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED					
E-1a	1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA			3. PROJECT NO. 514-11-710-066			4. TITLE PUBLIC SAFETY								
	5. U.S. FUNDING:		BEGIN FY		END FY	6. PRIOR REFERENCES											
			1963		1967												
	PHYSICAL WORK:		1963		1967												
7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES			f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS		
						(1) U.S. AGENCIES		(2) CONTRACT	(1) U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	
						AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		SA	G	145	-	-	-	-	-	145	-	-	-	-	-	
	GROSS OBLIGATIONS (ACTUAL YEAR)		AG	G	914	1	146	-	1	69	-	696	-	2	-	-	-
			AG	G	340	1	108	-	1	65	-	165	-	1	-	-	-
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR		SA	G	145	-	-	-	-	-	-	145	-	-	-	-	-
	EXPENDITURES (ACTUAL YEAR)		AG	G	538	-	120	-	-	21	-	395	-	2	-	30	-
			AG	G	102	-	85	-	-	15	-	1	-	1	-	16	-
C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	376	1	26	-	1	48	-	301	-	-	-	-	-	
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS		AG	G	647	-	126	-	-	184	-	331	-	6	-	-	
	B. EXPENDITURES		AG	G	704	-	132	-	-	154	-	412	-	6	-	18	-
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	319	-	20	-	-	78	-	220	-	1	-	-	-
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS		AG	G	566	-	142	-	-	200	-	210	-	14	-	-	
	B. EXPENDITURES		AG	G	619	-	146	-	-	160	-	300	-	13	-	18	-
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	266	-	16	-	-	118	-	130	-	2	-	-	-
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/		AG	G	178	-	110	-	-	60	-	-	-	8	-	14	-
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/																
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/		SA	G	145	-	-	-	-	-	145	-	-	-	145	-	
			AG	G	2,305	1	524	-	1	513	-	1,237	-	30	-	2,307	1

REMARKS:

1/ This is a memorandum (non-odd) column.

2/ Show estimated expenditures in column 1.

E-1b	1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3. Funding		BEG. FY	END FY	4. PROJECT NO.		5. TITLE			
	Oct. 20, 1964		COLOMBIA		Phys. Work		1963	1967	514-11-710-066		PUBLIC SAFETY			
											6. PRIOR REFERENCES:			
7. OBLIGATED AND DISBURSED	a. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)				
	(1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	(1) DOLLAR EQUIVALENTS (000) 1/		(2) LOCAL CURRENCY UNITS (000)		(1) OBLIGATED	(2) DISBURSED	(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER		
				(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED			(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED	
I CUMULATIVE THRU ACTUAL YEAR	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/		G		30		300			180	100		20	
	FA ACT (ii) TRUST FUND													
	(iii) OTHER LC													
TOTAL ACTUAL FY 64	B. P.L. 480 LC													
	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/		G		16		160			90	60		10	
	FA ACT (ii) TRUST FUND													
II OPERATIONAL YEAR (EST.) FY 65	(iii) OTHER LC													
	B. P.L. 480 LC													
	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/		G		18		180			110	60		10	
III BUDGET YEAR (EST.) FY 66	FA ACT (ii) TRUST FUND													
	(iii) OTHER LC													
	B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 67	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/		G		14		140			70	60		10	
	FA ACT (ii) TRUST FUND													
	(iii) OTHER LC													
V ALL SUBSEQUENT FYs (EST.)	B. P.L. 480 LC													
	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/		G		80		800			470	280		50	
	FA ACT (ii) TRUST FUND													
VI TOTAL ALL YEARS (EST.)	(iii) OTHER LC													
	B. P.L. 480 LC													

REMARKS: a/ Rate has been steady at 9.98 but recently has depreciated and is presently fluctuating unpredictably.
 1/ Exchange Rate: \$1 = 10.00 pesos Rate is arbitrarily set at 10.00 for convenience.
 2/ The total dollar equivalent amounts are the same as in Col. 1 of Table E - 1a

E-1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS		1. DATA CURRENT AS OF:			2. COOPERATING CTRY.			3. PERSONNEL SERVICES		BEG. FY	END FY	4. PROJECT NO.										
	PERSONNEL AND PARTICIPANTS		20 October 1964			COLOMBIA			PARTICIPANT TRAINING		1963	1967	514-11-710-066										
I PROJECT PERSONNEL	A. MAN YEARS	U.S. Non U.S.	5. CUM. THRU ACTUAL FY			6. ACTUAL FY 64			7. OPERATIONAL FY 65			8. BUDGET FY 66			9. PLANNING FY 67			10. ALL SUBSEQUENT FYs			11. TOTAL ALL YEARS		
			Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	5			4			6			6			4						21		
		Non U.S.	2			1			2			2			1						7		
I PROJECT PERSONNEL	B. ON BOARD	U.S.				5			6			6			1								
		Non U.S.				2			2			2			-								
II PARTICIPANTS PROGRAMMED	A. U.S.		106			88			100			100			30						336		
	B. THIRD CTRY.																						

REMARKS:
 ✓ End of Fiscal Year

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1. Activity Target

This project provides technical assistance to two independent police agencies of Colombia under separate Ministries - the National Police, under the Ministry of War, and the Investigative Police (DAS), under the Ministry of Government. It is necessary to distinguish between the National Police and DAS when referring to objectives and targets. The same is true when treating with commodity and participant funding. However, because of the overlapping nature of technical advice and services provided under "other costs", any distinctions here would be unrealistic and arbitrary.

The overall objectives of the Public Safety Program are to support development in Colombia of a national police organization and an internal security service jointly capable in their respective areas of interest of countering communist subversion and maintaining law and order up to a level where military action may become necessary. This requires the following specific targets:

a. Strengthening of the National Police sufficiently so that:

(1) The forces in the rural areas can provide police protection in "normal" districts, and can prevent development of vacuums in which anti-social elements can seize power, by quickly and effectively assuming responsibility for law and order in territories newly cleared of violence by the National Police and the Military Forces, thus maintaining a climate favorable to orderly and rapid resettlement of these lands by productive social elements, and relentlessly repressing incipient violence.

(2) The forces in urban areas can maintain law and order on a continuing basis and move quickly to prevent and suppress outbreaks of terrorism, quell civil disturbances, and deal effectively with other unlawful acts which threaten the economic, political and social stability.

b. Development of the Administrative Department of Security (DAS) on a country-wide basis so that:

(1) As the National Police assumes criminal investigative functions, DAS activities will be devoted primarily and effectively toward collecting, evaluating, assembling, and disseminating to authorized elements information on extreme leftist or rightist groups, movements, activities, and plans directed at undermining and/or overthrowing the constitutional

Government of Colombia.

(2) DAS can identify and apprehend those suspected of such activity, and gather for presentation to proper authority appropriate evidence.

c. Development of management and administrative practices in both police organizations which will allow for most effective use of human, financial and material resources.

2. Courses of Action

The conditions the police face in maintaining law and order and assuring internal security, are: the brutal violence and banditry which have torn some of the most potentially productive rural areas of Colombia over the past sixteen years, discouraging development of these lands and negating their benefit to the country; politically motivated terrorism, principally confined to urban areas and consisting mainly of bombings and arson committed by extremist groups of both the left and right; civil disturbances which often take the form of riots, causing considerable property damage, bodily injury, endangering life, and disrupting political, economic and social stability in the community over periods of time; ordinary crime, predominantly for gain, consisting of highway robbery (hi-jackings), armed robbery of business establishments, burglaries, theft by stealth, etc. These crimes are often accompanied by wanton assassination or wounding of the victim. Perpetrators tend to gravitate toward centers of high concentration and circulation of funds and other valuables. Thus any increase in economic activity can result in a higher crime rate if not energetically suppressed. However, DAS cannot conceivably handle adequately the investigative jurisdiction now assigned. After Decree 1726 takes effect in January, 1965, recognizing the criminal investigative function of the National Police, a tremendous step forward in law enforcement should gradually become apparent. Much will depend on an orderly division of investigative functions. The courses of action as related to the defined objectives follows:

a. Training

(1) The National Police

Over a period estimated at two years, the entire curriculum of the nine National Police Training Schools will be revised to include all subjects which are in direct support of police operations. The majority of the technical material and guidance for this curriculum revision will be supplied by AID, and United States technicians will work with National Police officer graduates of the Inter - American Police

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Police Academy or other U. S. approved courses. A rural police training project will be supported as an annex to the National Police Training School at Espinal, Department of Tolima, which is in the violence area. At the Academy for Officers and Gadets in Bogotá, increased emphasis will be placed on courses in civil police management and administration, criminal investigation, and public relations. Courses in criminal investigation, public relations, and police tactics (urban and rural) will be stressed in the schools for non-commissioned officers and agents. In-service and participant training will continue. It is anticipated that this program will be phased out by the end of FY 1967.

(2) Administrative Department of Security (DAS)

Work on the two training centers will continue. One center is intended to train 200 men annually in a basic three month course for recruits. Construction of the other, a rural intelligence school in Agua Azul in the Llanos, also capable of training 200 men a year, is to be completed. Advanced in-service courses will also be given. In addition, 39 men will receive training at IAPA, and a limited number of DAS personnel will receive technical and advanced investigative training in the U. S. It is expected that this program will be phased out by the end of FY 1967.

b. Administrative and Operational Changes

(1) The National Police

Operations

Inspections of all police stations in Bogotá as well as those in other principal cities of Colombia will continue in an effort to identify and eliminate unnecessary assignments of personnel and tasks, revise working schedules, and make operational changes to insure that a minimum of 20% of personnel is on patrol or otherwise engaged in rendering police services to the public at any one time. (The current figure is approximately 13%.) This should be accomplished by the middle of FY-66. To carry out the criminal investigative function newly assigned to the National Police, criminal investigative units will be activated and will be established in Bogotá, along with a demonstration records and criminal identification unit.

AID has recommended a law or presidential decree that would give the National Police the responsibility for investigating the majority of common crimes. Although the decree promulgated (Decreto 1726) did not give the National Police sole responsibility for investigating common crimes, it does afford them equal responsibility with DAS and the lower courts, thus creating the

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c. Mobility and Communications

(1) The National Police

Through continually improving use and maintenance of police vehicles, and the orderly acquisition of approximately 250 new automobiles over a period of years, the following goal will be reached: 300 vehicles in service in Bogotá, and 600 in the departments. Over the three year period, a minimum of 150 vehicles will be provided by AID and at least 100 will be provided by the local governments and communities on a self-help basis. A comprehensive automotive fleet modernization, management and maintenance survey is planned for this fiscal year as basis for development of a 5 year plan.

The first step in establishing reliable 24 hour communications for the National Police with all parts of Colombia is the completion of the single-sideband Ministry of Government net. Major National Police posts will be provided with teletype and multiplex equipment to be used with this equipment, thus affording them relatively secure and rapid transmission of written messages, with inherent advantages of low error rate and a permanent written record of all messages.

In connection with the Ministry of Government net, a communications center will be established in Bogotá which will be expanded to handle all police traffic. This center will benefit the police by assuring rapid and equitable traffic handling to both agencies.

During FY 65-66, approximately 150 portable single-sideband transceivers which can be used in motor vehicles or dismounted, and which can communicate between each other or with fixed stations in the Ministry of Government net, will be provided to the National Police, mostly in the violence areas. The communications plan is based on a telecommunications survey completed in mid-1963.

(2) DAS

Twenty radio equipped vehicles will be acquired to extend DAS operations to areas not now served and where adequate security intelligence is now lacking. Future Public Safety acquisition of vehicles for DAS will be earmarked for specific needs related to the extension of DAS services to areas of mutual interest not now covered. The same is true of certain specialized communications equipment for DAS not included in the joint communications net.

The DAS communications system will be integrated into that of the National Police through the Ministry of Government. Twenty-seven portable single-sideband transceivers will be placed in operation in posts of the Rural Security Service of DAS in the Llanos Orientales of Colombia, including seven newly established posts.

(3) General

Approximately fifty technicians will be trained in installation and maintenance of communications equipment. They will be drawn from the National Police, DAS, and the Ministry of Government. Although some of this training must be done in the United States, the bulk of it will be done by the National Institute of Apprenticeship (SENA) in collaboration with the aforementioned agencies and USAID at minimal cost to AID.

d. Firearms

A survey will be made of the firearms in use by the National Police and DAS to determine their appropriateness, serviceability, and sufficiency in number for police use. This study will be performed by a qualified firearms expert and will form the basis for a comprehensive firearms standardization-modernization-maintenance-training program for both organizations. Based on such programs, an initial supply of firearms will be provided by AID.

e. Public Relations

(1) The National Police

The 21 National Police officers trained in Public Relations work will inaugurate public relations programs in their respective departments. All departments will receive additional AID training. It is intended that a twenty-hour course will be integrated within the year into the curriculum of the training centers and will become a permanent part of the instruction.

(2) DAS

This program will have three divisions: 1) An educational campaign in the law schools to attract qualified career applicants, 2) public relations course in both DAS training schools, and 3) the establishment of a DAS public relations office and speakers bureau.

3. Progress to Date

a. During the fall of 1962, a Public Safety Survey team completed

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preliminary surveys at the request of the Colombian Government to determine the feasibility of a program of technical assistance in this field. The Public Safety staff assigned to Colombia commenced operations in January, 1964, as the result of the preliminary survey and its acceptance by the Ministry of War in the case of the National Police and by the President and the Ministry of Government in the case of DAS. The Public Safety staff has submitted its recommendations for the National Police periodically to the Minister of War, and for DAS a comprehensive report with recommendations was submitted at the end of the first six months of operations. This report was accepted by the President as the guideline for the DAS Program.

b. Training

(1) The National Police

Five National Police officers have completed the general police course at Inter-American Police Academy, 13 officers are currently in training, and the Minister of War and Director General of National Police have indicated intentions of sending more than one hundred additional officers during the next 18 months. Agreement has been reached and implementation is underway in revising curricula of the training schools to conform to AID recommendations. In-service training is well underway in police stations throughout the republic in four basic police subjects. A U. S. technician on TDY trained a group of National Police instructors in use of the wooden baton who in turn trained 18,000 National Police personnel. Another U. S. technician gave a two-week course to 24 National Police instructors in use of audio-visual aids in police training. Twenty-five thousand manuals each on "Use of the Baton" and "Patrol Methods" have been printed and distributed to police personnel. Two National Police officers completed a one-week bomb disposal course at IAPA in Panama. Other AID supported local training in the National Police includes: criminal investigation course, 21 agents; one-week course in patrol methods, 4404 agents; twenty-hour FBI-PPC revolver course, 107 officers and non-coms; two-week course in driver training, 450 agents; revolver refresher training course, 4470 agents; ten-week course in counter-bandit training, 22 officers (24 non-commissioned officers are now in training); special three-week intensified course in counter-bandit operations, 230 officers, non-coms, and agents in the violence area; two-week course in public relations, 21 officers.

(2) DAS

The DAS training program has made notable progress, both internally and as a result of training opportunities abroad. To date 93 officers have graduated from IAPA and 12 are currently attending the Academy. One senior DAS official is attending the

senior course at International Police Academy, Washington. The Director General of DAS has recently completed a tour of observation in the United States as the recipient of a State Department Leader Grant. One DAS technician has completed a technical course in Chicago in teletype installation and maintenance. Within Colombia DAS has established the two training centers recommended by USAID with a present annual training capacity exceeding 300. This rate is being increased, and advanced in-service courses have been added for approximately 100 agents annually. A group of 21 instructors for the FBI practical pistol course have been trained and are instituting this course in DAS throughout the country. Five are in training in SENA in Medellin in installation and maintenance of communications equipment. This course was arranged in collaboration with USAID. It is noteworthy that despite a large overall personnel turnover rate in DAS, none of the personnel who received U. S. training, have been lost through dismissal or resignations.

c. Operational and Administrative Changes

(1) The National Police

A study of the use of National Police manpower was completed, and several of the resulting recommendations have been implemented, resulting in 20% more personnel available for patrol duty and other essential police services. A foot and auto-radio patrol is now evident in Bogotá with other cities following the example. The National Police have adopted a standard riot and crowd control procedure in Bogotá based on readiness with minimum force, and since its adoption demonstrations and other gatherings have tended to assume a more passive character. In line with USAID recommendations, a decree has assigned the National Police a role in criminal investigation, although not as decisively as had been recommended. USAID recommendations for establishment of a Model Police Headquarters have been accepted and this includes establishment of a model criminal investigation unit and a basic crime laboratory patterned after recommendations of an AID criminalistics advisor on TDY for that purpose. The Director General of National Police has designated the headquarters of the Bogotá command to be used as the model headquarters, a large part of which is being devoted to investigative, laboratory and records and identification functions.

(2) DAS

The DAS survey and recommendations were accepted by GOC as the basis for further technical and material assistance as well as training of personnel. Those recommendations which could be implemented internally by the Director of DAS and his staff have been rapidly adopted. These include the training program described under paragraph 3, b. 2., physical and personnel security measures, methods of foreigner control, and technical improvements. Those recommendations requiring organic

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changes have been more difficult. The elimination of undesirable functions and responsibilities from DAS, including much of the present investigative jurisdiction, will be a continuing task, but some progress has been made. Decree 1726 adopted in July, 1964, as one of the judicial reform measures, recognizes the permanent function of the National Police as well as DAS part of the judicial or criminal investigative police. The quality of DAS investigations has improved noticeably as evidenced by improved press notices, expressions of confidence by the President, and fewer cases of misconduct or mishandling of cases. A larger number of cases is also being handled as the result of improved training and discipline.

c. Mobility and Communications

(1) The National Police

The number of police vehicles on patrol in Bogotá at any given time has been increased from 25% to approximately 60% of the existing fleet. Sixty-five motor vehicles have been purchased by city and department governments, supported by public contributions, for use of the National Police in those entities. Additional funds are on deposit or are being raised. One hundred two vehicles contributed by AID (FY-63 funding) have arrived and were distributed and placed in service according to a plan mutually agreed upon by GOC and USAID. Eight additional vehicles provided through the AID Program (FY-64) are expected to arrive shortly.

(2) DAS

The 26 vehicles delivered to DAS (FY-63) have been placed in service and have alleviated immediate needs. Eight of these vehicles are panel trucks equipped as mobile criminal investigative laboratories. Fourteen are jeep type vehicles for rural areas, and four are personnel carriers for use in training and transportation of personnel. Several 1953 and 1954 model vehicles, extremely costly to maintain, have been discarded.

(3) Communications

The Ministry of Government Telecommunications net provided by AID (financed from Civic Action funds) is about 60% complete, with all installed stations now in 24 hour communication with Bogotá. This provides National Police and DAS with point to point communication within the limits of the net, as well as between them and headquarters in Bogotá. National Police and DAS have access to the net via teletype and multiplex speech equipment being provided by AID. For local communications, the AID Telecommunications Advisor has surveyed the Special District of Bogotá, three departments, and portions of a

fourth in preparation for installation of mobile nets, at least partially financed by local self-help measures.

d. Public Relations

(1) The National Police

A public relations office was established in 1963. In mid 1964, 21 National Police officers graduated from a special two-week course in Public Relations and returned to their respective units to launch the program at their level. Recent successes against organized banditry have also raised public esteem for the police. Press and radio and TV relations are generally good.

(2) DAS

A public relations course is now included in the two training schools of DAS. Public and press relations have improved along with better performance in investigative work and fewer cases of misconduct. An important part of the DAS public relations program is an effort to attract law graduates. This has been only partly successful because of the low salaries offered.

4. Funding Breakdown

The total estimated U. S. cost over a period of five years is US \$2,450,000. A staff of six U. S. technicians, assisted from time to time by specialists on TDY is required. Approximately 60% of the U. S. cost will be for commodities, principally mobile and communications equipment, as well as small arms under an equipment standardization program to be developed, and riot control equipment.

<u>Personnel</u>		<u>Grade</u>	<u>FY 65</u>	<u>FY 66</u>
<u>Position</u>				
Chief Public Safety Advisor	12 months	FSR-2		
Public Safety Advisor (Inv.)	12 months	FSR-5		
Public Safety Advisor (Rural)	12 months	FSR-5		
Public Safety Advisor (Munic.)	6 months	FSR-5		
Public Safety Advisor (Train.)	9 months	FSR-5		
Public Safety Advisor (Telecom.)	12 months	FSR-4		
Automotive Fleet and Maintenance Consultant	3 months			
Firearms Standardization and Maintenance Consultant	3 months			
Local Contract Communications Assistant	12 months			

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<u>Position</u>	FY-65	FY-66	<u>Training Requirements</u>	<u>FY 65</u>	<u>FY 66</u>
Local Travel for Technicians			<u>FY 65 National Police</u>		
Local Secretary			61 Students U.S. & 3rd Country		
Total Cost	\$129,000	\$148,000	2 High Level Observation U.S.		
<u>Commodity Requirements</u>			4 Prison Administration U.S.		
<u>FY-65 National Police</u>			8 Special Police Administration Course U.S. (IAPA)		
Automotive Equipment	\$ 52,000		10 Non-Commissioned Officers Special Police Operations Course U.S.		
Communications Equipment	102,000		36 General Police Course IAPA	\$106,000	
Laboratory Equipment	7,500		<u>DAS</u>		
Training Equipment and Materials	5,000		39 General Police Course IAPA	78,000	
Arms and Ammunition	104,000		Total Cost	184,000	
Total	\$270,500		<u>FY 66 National Police</u>		
<u>DAS</u>			74 General Police Course IAPA		\$148,000
Automotive Equipment	\$ 30,500		<u>DAS</u>		
Communications Equipment	14,500		26 General Police Course IAPA		52,000
Arms and Ammunition	4,500		Total Cost		200,000
Laboratory Equipment	10,000		<u>Other Costs (U.S. Equivalents)</u>		
Training Equipment and Materials	1,000		Translating Services and Printing (local)		
Total	\$ 60,500		Total Cost	3,000	8,000
<u>FY-66 National Police</u>			<u>Total FY 65 Program</u>	\$647,000	
Automotive Equipment	\$ 80,000		<u>Total FY 66 Program</u>		\$566,000
Communications Equipment	80,000				
Laboratory Equipment	15,000				
Total	\$175,000				
<u>DAS</u>					
Automotive Equipment	\$ 10,000				
Communications Equipment	11,000				
Laboratory Equipment	13,000				
Training Equipment and Materials	1,000				
Total Commodities	\$331,000	\$ 35,000 210,000			

Host country contributions will come from national revenues and from budgets of the participating police agencies. GOC contributions, in peso equivalents, are estimated as follows: offices, vehicles, and personnel provided U.S. technicians, US \$13,000; maintenance of U.S. contributed equipment U.S. \$12,000 annually; increased training costs and the construction and equipping of two training centers in DAS, a total of US \$375,000.

The estimated GOC contribution is \$250,000. This includes employees, vehicles, and offices supplied for U.S. technicians, maintenance of U.S. technicians, maintenance of U.S. contributed equipment, and additional training costs necessary to the implementation of the program.

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In addition it is expected that local and departmental governments as well as the communities of Colombia through self-help efforts will contribute US \$500,000 to \$1,000,000 for purchase of police vehicles and communications equipment. In addition it is estimated that the GOC budgetary outlay for the National Police over the 5 year period will total US \$280,000,000.

5. Other

This project involves two police agencies, the National Police and Administrative Department of Security. These agencies have a total personnel of over 33,000 and render police protection and services to a population estimated at 16,000,000.

It is hoped that the major goals outlined in this project will have been attained by the end of CY 1967. However, it would be unrealistic to fix any inflexible phase-out date at this time.

AID 1020-2 (8-64)		PROJECT DATA SUMMARY — AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED				
E-1a		1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA			3. PROJECT NO. 514-15-830-058 a/			4. TITLE HOUSING a/						
		5. U.S. FUNDING:		BEGIN FY 1961		END FY 1968		6. PRIOR REFERENCES								
		PHYSICAL WORK:		1961		1969										
7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES			f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS	
						(1) U.S. AGENCIES		(2)	(1) U.S. AGENCIES	(2)	(1) DIRECT AND U.S. AGENCIES	(2)	(1) DIRECT AND U.S. AGENCIES	(2)	(1) DIRECT AND U.S. AGENCIES	(2)
						AID	PASA	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT	CONTRACT		
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	SA G	G	500	-	-	-	-	-	-	-	-	500	-	-	
		DG G	G	18	-	16	-	-	-	-	-	-	2	-	-	
		AB G	G	91	-	84	-	5	-	-	-	-	2	-	-	
		AG G	G	117	79	38	79	-	-	-	-	-	-	-	-	-
		AG G	G	117	79	38	79	-	-	-	-	-	-	-	-	-
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	SA G	G	500	-	-	-	-	-	-	-	-	-	500	-	-
		DG G	G	18	-	16	-	-	-	-	-	-	2	-	8	-
		AB G	G	89	-	83	-	4	-	-	-	2	-	14	-	-
		AG G	G	37	-	37	-	-	-	-	-	-	-	-	6	-
		AG G	G	37	-	37	-	-	-	-	-	-	-	-	6	-
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	SA & DG G	G	-	-	-	-	-	-	-	-	-	-	-	-	-	
	AB G	G	2	-	1	-	-	1	-	-	-	-	-	-	-	
	AG G	G	80	79	1	79	-	-	-	-	-	-	-	-	-	
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS	AG G	G	332	185	103	18	185	24	-	-	-	2	-	-	
	B. EXPENDITURES	AB G	G	2	-	1	-	-	1	-	-	-	-	-	-	-
		AG G	G	140	50	60	8	50	20	-	-	-	2	-	12	-
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AB G	G	-	-	-	-	-	-	-	-	-	-	-	-	-	
	AG G	G	272	214	44	10	214	4	-	-	-	-	-	-	-	
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG G	G	214	60	117	12	60	24	-	-	-	1	-	-	
	B. EXPENDITURES	AG G	G	307	140	125	16	140	25	-	-	-	1	-	19	-
		AG G	G	179	134	36	6	134	3	-	-	-	-	-	-	-
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/	AG G	G	161	60	50	25	60	24	-	-	-	2	-	85	110
		AG G	G	76	-	50	12	-	12	-	-	-	2	-	137	84
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	SA & DG G	G	518	-	16	-	-	-	-	-	-	502	-	518	-
		AB G	G	91	-	84	-	-	5	-	-	-	2	-	91	-
		AB G	G	900	384	358	67	384	84	-	-	-	7	-	516	384

REMARKS:

a/ For lack of space, loans are shown on succeeding E-1a table.

1/ This is a memorandum (non-add) column.

2/ Show estimated expenditures in column i.

PROJECT DATA SUMMARY — AID DOLLAR COSTS

E-1a

1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA		3. PROJECT NO. 514-22-830-104 a/ 514-22-830-107 b/		4. TITLE HOUSING a/ b/	
b. U.S. FUNDING:		BEGIN FY 1962		END FY 1966		5. PRIOR REFERENCES	
PHYSICAL WORK:		1962		1968			

7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)	a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES			f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS		
					(1) U.S. AGENCIES		(2) CONTRACT	(1) U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	
					AID	PASA										
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	207	L	12,000												
		026	L	7,500												
	GROSS OBLIGATIONS (ACTUAL YEAR)															
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	207	L	10,791												
		026	L	2,058												
	EXPENDITURES (ACTUAL YEAR)	207	L	2,594												
	026	L	2,058													
C. UNLIQUIDATED OBLIGATIONS END OF YEAR		207	L	1,209												
		026	L	5,442												
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	207	L	1,209												
		026	L	2,400												
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	207	L	3,042													
	026	L														
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	207	L	3,042												
		026	L													
C. UNLIQUIDATED OBLIGATIONS END OF YEAR																
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	207	L	12,000												12,000
		026	L	7,500												7,500

REMARKS:

- 1/ This is a memorandum (non-add) column.
- 2/ Show estimated expenditures in column i.

a/ Aided Self-Help Housing, ICT; DLF-207; \$12,000 - August 1961; 20 years, with one year grace period; 4% interest.

b/ Self-Help Housing, ICT; 514-L-026; \$7,500 - June 1963; 40 years, with 10 years grace period; 3/4% interest.

PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES

SECURITY CLASSIFICATION
UNCLASSIFIED

E-1b

7. OBLIGATED AND DISBURSED	1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3. Funding	BEG. FY	END FY	4. PROJECT NO.	5. TITLE		6. PRIOR REFERENCES:			
	20 October 1964		COLOMBIA						Phys. Work	1961	1968	514-15-830-058	HOUSING	
	a. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)				
	(1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	(1) DOLLAR EQUIVALENTS (000) 1/		(2) LOCAL CURRENCY UNITS (000)		(1) OBLIGATED	(2) DISBURSED	(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER		
			(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED			(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED		
I CUMULATIVE THRU ACTUAL YEAR	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		28		280 ^{a/}			150	90		40		
	FA ACT (ii) TRUST FUND													
	(iii) OTHER LC													
	B. P.L. 480 LC													
TOTAL ACTUAL FY 1964	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		6		60			60	--		--		
	FA ACT (ii) TRUST FUND													
	(iii) OTHER LC													
	B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.) FY 1965	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		12		120			70	20		30		
	FA ACT (ii) TRUST FUND													
	(iii) OTHER LC													
	B. P.L. 480 LC													
III BUDGET YEAR (EST.) FY 1966	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		19		190			130	30		30		
	FA ACT (ii) TRUST FUND													
	(iii) OTHER LC													
	B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 1967	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		14		140			70	30		40		
	FA ACT (ii) TRUST FUND													
	(iii) OTHER LC													
	B. P.L. 480 LC													
V ALL SUBSEQUENT FYs (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		14		140			70	30		40		
	FA ACT (ii) TRUST FUND													
	(iii) OTHER LC													
	B. P.L. 480 LC													
VI TOTAL ALL YEARS (EST.)	A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		87		870			490	200		180		
	FA ACT (ii) TRUST FUND													
	(iii) OTHER LC													
	B. P.L. 480 LC													

REMARKS: a/ Rate has been steady at 9.98 but recently has depreciated and is fluctuating unpredictably.
 1/ Exchange Rate: \$1 = 10.00 pesos Rate is arbitrarily set at 10.00 for convenience.
 2/ The total dollar equivalent amounts are the same as in Col. 1 of Table E-1a

E-1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS			1. DATA CURRENT AS OF:			2. COOPERATING CTRY.			3. PERSONNEL SERVICES		BEG. FY	END FY	4. PROJECT NO.										
	20 October 1964			COLOMBIA			PARTICIPANT TRAINING		1961	1968	514-15-830-058													
I PROJECT PERSONNEL	5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY			b. ACTUAL FY <u>64</u>			c. OPERATIONAL FY <u>65</u>			d. BUDGET FY <u>66</u>			e. PLANNING FY <u>67</u>			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS		
	A. MAN YEARS	U.S.	Non U.S.	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract			
I PROJECT PERSONNEL	U.S.	7					1			2	1	2	4	1	5	2	1	2	2	1	1	17	4	10
	Non U.S.	7					2			1		1	1		1	1			1			11		2
B. ON BOARD	U.S.						1			3	2	3	4	2	4	2	1	2						
	Non U.S.						2			1		1	1		1	1								
II PARTICIPANTS PROGRAMMED	A. U.S.						0			12			12			8			4			38		
	B. THIRD CTRY.																							

REMARKS:
 1/ End of Fiscal Year

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-22-830-104 LOAN 514-15-830-058 GRANT 514-22-830-107 LOAN	HOUSING
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1. The Activity Target

This activity intends to achieve the following:

a. The establishment and improvement of institutions and mechanisms enabling the home building industry to increase its contribution to the alleviation of existing and potential social and political problems.

b. The channeling of Colombian capital and other resources to the home building industry on a sound and continuing basis.

Both of these targets will continue to emphasize the priority in low cost housing, particularly in areas of social stress resulting from sub-standard living conditions, and lower middle class housing, especially for members of democratic labor unions and housing cooperatives.

Evaluation of the low-cost housing program of the Instituto de Credito Territorial (ICT), the autonomous housing agency of the GOC, considerably augmented and intensified during the past three years, has indicated certain shortcomings. Unsatisfactory organization, excessive centralization, inability of regional office to assume responsibility, among other, have resulted in unnecessary delays, lack of respect for ICT at local levels, and incomplete projects. Therefore, during FY 1965 and FY 1966 USAID is concentrating its efforts in the housing field on assisting the ICT to become a more effective organization especially in implementation of its low-cost housing program.

Based on the conclusion that it is unrealistic and self-deceiving to attack the low-cost housing problem from a statistical point of view, the program approach is to achieve the best possible utilization of available resources, financial, technical and self-help, in the directions outlined in the target statement, with a realization that the problem has not yet been completely resolved even in well advanced societies. Self-help efforts, both GOC and local, sponsored and aided with outside assistance, can effectively relieve the critical nature of the problem as it adds to Colombian political and social problems.

With the establishment of a savings and loan system, it is expected that the cooperative housing organizations and others will form member savings and loan associations to attract savings for the continuation of their housing programs. Also, the development of a sound savings and loan system in Colombia will set the stage for participation by US savings and loan associations, assuming passage of pending US legislation permitting such investment.

The program proposes that the ICT be afforded financial assistance through the GOC budget, and external assistance from pesos generated by AID program loans and the Social Progress Trust Fund (SPTF), to enable it to expand its aided self-help low-cost housing program.

In addition, AID will provide expanded technical assistance, coordination, guidance and evaluation in FY 1965 and FY 1966.

The specific objectives for FY 1965 and FY 1966 are the following:

a. To improve the coordination between ICT and other GOC and local agencies to assure adequate public utility services in ICT housing projects and between ICT and appropriate GOC agencies including GOC and local community development organizations to speed up and make less expensive the provision of schools, health centers and other community facilities including an increased emphasis on construction of such facilities by the aided self-help efforts of the homeowners.

b. To improve the ICT social program and, based on thorough prior investigations, to promote other efforts to prevent deterioration of existing and new low-cost housing projects.

c. To improve the GOC program directed to eradication of slums.

d. To maintain in FY 1965 and increase in FY 1966 the ICT's rate of completion of houses conforming to satisfactory standards and in that process to improve ICT's internal organization, operations and enforcement of ICT rules and regulations.

e. To develop housing cooperatives including those formed by democratic labor unions, utilizing effective cooperative techniques and attracting an increased flow of private savings.

f. To assist in development of private institutions and mechanisms to attract housing capital at reasonable rates, including development of secondary and tertiary markets to serve the home building industry.

2. Course of Action

a. Technical and other assistance in coordination of planning activities of ICT with the planning activities of other GOC ministries and agencies such as National Planning Department, Ministries of Education and Health, Instituto de Fomento, City of Bogotá and other municipalities to assure adequate public utilities and community facilities in ICT project. USAID will utilize regional studies and assistance and will enlist the support of Inter-American Development Bank in support of this course of action.

b. Technical assistance to ICT in increasing the effectiveness of its social program through a team of social service experts oriented to community living concepts of low-cost housing projects. These experts are to develop a more effective and realistic social program for ICT and will train an augmented ICT social service staff. Peace Corps will

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: October 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-22-830-104 LOAN 514-15-830-058 GRANT 514-22-830-107 LOAN	HOUSING
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continue assistance to ICT (inaugurated in 1963 and 1964) with an increased number of volunteers trained in urban community development. Peace Corps volunteers' activities will be coordinated with ICT social workers through a program of joint seminars and training.

The Centro Interamericano de Vivienda (CINVA), an OAS low-cost housing training organization, is cooperating in this program by inaugurating courses in FY 1965 in the training of Colombia social workers on a continuing basis. It will be recommended that the IDB support this program of CINVA through the SPTF.

c. Continuation of the program initiated in FY 1963 with the assistance of loan equivalent to \$2,000,000 from PL 480 pesos generation directed to the eradication of slum areas. The USAID will continue to cooperate with ICT in encouraging local communities to develop programs for slum removal, making use of the coordinated efforts of civic groups and committees representing the occupants of the slum areas.

The USAID proposes the use of peso proceeds from program loans equivalent to \$2,000,000 each in FY 1965 and FY 1966 to finance 50% of the cost of this program.

d. Technical assistance inaugurated in FY 1964, to enable ICT to undertake FHA functions will continue in FYs 1965 and 1966 with the short-term services of FHA technicians as recommended by the FHA technician who studied ICT operations in FY 1964. This will lead to the establishment of minimum property standards, sound underwriting and appraisal techniques, and inspection procedures necessary to insure proper construction and maintenance of value of homes constructed. FHA experts will assist ICT with the problem of centralization of authority and several ICT participants will be trained in FHA practices and procedures.

e. Democratic Colombian labor unions through their organization the Alianza Sindical, will be assisted in strengthening the organization and effectiveness of their housing effort by formation of union housing cooperatives to enable these unions to use cooperative techniques in providing housing for their members. Technical assistance will be provided to the Alianza Sindical for planning and implementation of housing projects, organization and operation of cooperatives, and community activities, under contract with AIFLD. This program will be supported by 45 million pesos to be made available from pesos generated from the FY 1964 AID program loan to GOC. It is estimated that 3,000 units will be constructed in FY 1965 and FY 1966 under this program.

An additional 45 million pesos generated from the FY 1964 AID program loans will be utilized to assist the Colombian Organization of Housing Cooperatives (FEDECOOP) in constructing 3,000 housing units in cooperative housing projects, and to assist in establishing mechanisms

to continue an effective cooperative housing program in Colombia through FEDECOOP. This program was begun in FY 1964 with technical assistance to FEDECOOP in organization structure, project analysis and loan preparation under a AID task order with the US Foundation of Cooperative Housing. Assistance to FEDECOOP in the implementation of the proposed program is to be continued in FY 1965 and FY 1966. Backed by program loan pesos and technical assistance, FEDECOOP is expected to attract savings and continue a valid cooperative housing program thereafter without further AID assistance.

Provision is being made for three cooperative housing technicians for a period of two years each to assist in the implementation of the FEDECOOP and Alianza Sindical Cooperative housing programs.

f. The USAID is working with the GOC and interested Colombians to stimulate interest in development of a savings and loan system to mobilize private savings and channel them to the home building industry. The system envisages a central organization to stimulate and supervise the establishment of local branches. This system is to provide a mechanism to protect against peso devaluation, and an FHA system of guarantees, valuations and inspections to insure uniformity in mortgage practices. This will set the stage for rediscounting and the multiplying use of savings through secondary and tertiary markets.

US private investors will be encouraged and assisted in pilot FHA type projects, with guarantees available under the All Risk Guarantee Insurance program. Applications are pending for investment guarantees in the total amounts of \$20,000,000 to participate in the construction of 5,000 units for sale under this program in FY 1965. With funds exhausted, continuation of this program in FY 1966 depends upon US congressional action.

3. Progress to Date

Financial assistance to ICT in prior years has been as follows:

FY 1962 - \$500,000 special assistance grant
FY 1962 - \$12.2 million DLF loan
FY 1962 - \$15½ million IDB loan (SPTP)
FY 1963 - \$7½ million AID loan
FY 1963 - \$2 million in pesos generated from PL 480 (Slum Eradication)
FY 1963 - \$10 million in pesos generated from AID 1963 program loan to GOC (Plan T)

With this external assistance ICT as of September 30, 1964 programmed 77,812 units, begun construction on 55,601 units, and has completed 42,386 units.

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: October 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-22-830-104 LOAN 514-15-830-058 GRANT 514-22-830-107 LOAN	HOUSING
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The number of houses financed by ICT annually under its low-cost program was reduced in FY 1964 from 30,000 units to 20,000 units due to a 30% increase in building costs over FY 1963 and the change in policy from a concentration on minimum loan to homeowner (FY 1963 average of \$800) to a more liberal loan allowance of \$1,200. Although the increased loan has resulted in better houses and more satisfactory communities, the situation is far from being completely satisfactory at this time.

However, problems of high rates of defaults in monthly payments and non-compliance with ICT regulations relating to occupancy, renting and resale, have received increased ICT attention, aided by USAID. At the same time, ICT has begun to place more emphasis on social program and community programs particularly through utilization of Peace Corps volunteers and of CINVA for training of social assistants.

Efforts to improve ICT organization and technical ability were aided by the services of an FHA consultant who revised the ICT manual for inspection procedures. In FY 1964, ICT at its own expense sent 3 of its section managers to Puerto Rico to study FHA operations with evident beneficial results.

An office of research for new materials, methods systems, and training in productivity was established in ICT in FY 1964 with CINVA help. ICT contributes to the support of CINVA and Ciudad Kennedy is used by CINVA for field training of CINVA students from Alliance for Progress countries in aided self-help techniques.

The extension of housing programs in 22 major cities and many smaller towns has induced national and city leaders to awaken to the necessity of future planning in order better to integrate the rapidly growing populations with areas of commerce and industry. The National Planning Office and the City of Bogotá have recognized the necessity of city planning and have commenced efforts to coordinate planning and construction of facilities with housing activities.

Growing realization of civic and municipal government responsibilities is also reflected in the slum eradication and improvement program now being carried out by the ICT, wherein the municipality and local private interests establish priorities and share in the cost burden.

In FY 1963, AID introduced a \$10 million labor housing program - "Plan T" - with the use of pesos generated by the FY 1962 \$60 million program loan to the GOC. Approximately 6,000 units are being constructed for industrial workers under this program with financial contributions from employers. Although the program met with enthusiastic response and although individual union members secured houses as intended, the two major democratic federations of union (CTC and UTC) were technically unable to present projects. AID therefore enlisted assistance from

AIFLD to provide technical assistance to both federations with reference to housing problems and participation in Plan T and other future housing programs. The CTC and UTC subsequently formed the Alianza Sindical to organize the present cooperative labor union housing project. The Alianza Sindical has also received a commitment from IDB for the utilization of a \$2½ million dollar loan to ICT to construct 1,400 units in Ciudad Kennedy for cooperative housing for its members.

A task order with the Foundation of Cooperative Housing (FCH) assisted FEDECOOP to reorganize, and to prepare applications for cooperative housing projects for implementation in FY 1965 and 1966.

Construction was begun in FY 1964 on 2,000 house pilot demonstration project financed by U.S. investors with guarantees under the all risk housing guarantee program. The project has proceeded well, has proven to be an excellent demonstration project, and has been utilized to train ICT personnel in inspection and reporting in accordance with FHA standards and procedures.

Although there is strong GOC and private Colombian support for the introduction of a savings and loan system, its establishment has been delayed by failure to agree on a suitable mechanism. It is anticipated that this problem will be resolved in FY 1965.

4. Funding Requirements

A continuation of the ICT low-cost housing projects at present levels is advisable for several additional years. The funding for this program will be undertaken to as great an extent as possible directly from GOC budget, assisted by allocation of pesos generated from AID program loans and by the Social Progress Trust Fund (SPTF) administered by the IDB.

Financial assistance to ICT in FY 1965 is planned as follows:

- a. \$7½ million from IDB - SPTF for low-cost housing.
- b. \$2½ million from IDB - SPTF union cooperative housing
- c. Equivalent of 10 million in pesos generated from FY 1964 AID program loan to GOC union cooperative housing and FEDECOOP.
- d. Equivalent of 2 million pesos from FY 1964 PL 480 for slum eradication.

Additional projects are in the planning stage for ICT low-cost housing at the level of \$15 million per annum for FY 1966 through

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-22-830-104 LOAN 514-15-830-058 GRANT 514-22-830-107 GRANT	HOUSING
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FY 1968 financed from SPTF or pesos generated from AID program loans. It is proposed that 10 million in pesos of this be provided by counterpart allocation in FY 1966.

It is recommended that the assistance to the ICT slum eradication program be continued in FY 1966 and FY 1967 with allocation of pesos generated by program loans equivalent to \$2 1/2 million each year.

Additional allocation of \$5 million in pesos is programmed in FY 1966 for seed capital for the proposed Savings and Loan system, supplementary to Colombian financial assistance to the proposed system.

AID, AG and DL funding for this activity, begun in FY 1962, will end in FY 1968. For FYs 1965 and 1966 the following AG funding is proposed:

	<u>FY 1965</u>	<u>FY 1966</u>
<u>Personal Services</u>		
a. One Housing Advisor	25,000	27,000
b. FCH contract to provide one resident housing advisor and U.S. short term consultants as required on savings, loan, mortgage banking and city planning (\$50,000 carry-over funds from FY 1964)	35,000	-
c. Three social service advisors by PASA with HEW or contract if necessary	75,000	75,000
d. Three short-term FHA consultants in FY 1965, 1-3 months each.	18,000	-
e. Two savings and loan technicians in FY 1966, two years each	-	60,000
f. Two short term FHA consultants in FY 1966, 6 months each	-	24,000
g. Three cooperative housing technicians 2 years each	150,000	-
h. One local secretary for direct hire technician	3,000	3,000

<u>Participants</u>	<u>FY 1965</u>	<u>FY 1966</u>
12 Participants 1-4 months each	24,000	24,000
<u>Other Costs</u>		
In country travel and some administrative services for direct hire technicians	2,000	1,000
TOTALS	332,000	214,000

Other Contributions

Inter-American Development Bank - SPTF

It is anticipated that the IDB will continue support to the ICT low cost housing program as follows:

FY 1966	-	\$ 5 million
FY 1967	-	\$15 million
FY 1968	-	\$15 million

C. O. C.

The GOC is expected to provide budgetary support to the ICT in the equivalent of \$10 million dollars in pesos annually in order to enable ICT to continue its program and to pay for the augmented social assistance staff necessary to implement the social program as described above. Continued training of ICT social assistance after FY 1966 will be carried on by GINVA.

PROJECT DATA SUMMARY — AID DOLLAR COSTS

UNCLASSIFIED

E-1a

1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA		3. PROJECT NO. 514-11-820-099		4. TITLE CIVIC ACTION	
5. U.S. FUNDING:		BEGIN FY 1963		END FY 1969		6. PRIOR REFERENCES	
PHYSICAL WORK:		1963		1970			

7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)	e. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS		
					(1) U.S. AGENCIES		(2) CONTRACT	(1) U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT
					AID	PASA									
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR														
	AG	G	1,363							248		1,115			
	GROSS OBLIGATIONS (ACTUAL YEAR)														
	AG	G	546							8		538			
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR														
	AG	G	1,163							233		930		783	
EXPENDITURES (ACTUAL YEAR)															
AG	G	378							-		378		231		
C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
AG	G	200							15		185				
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS														
	AG	G	317							317		-			
	B. EXPENDITURES														
AG	G	425							275		150		147		
C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
AG	G	92							57		35				
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS														
	AG	G	240							240					
	B. EXPENDITURES														
AG	G	280							245		35				
C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
AG	G	52							52		-				
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/														
AG	G	150							150		-		152		
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/														
AG	G	150							150		-		200		
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/														
AG	G	2,220							1,105		1,115		2,220		

REMARKS:

1/ This is a memorandum (non-add) column.

2/ Show estimated expenditures in column i.

AID 1020-3 (7-64)		PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES						SECURITY CLASSIFICATION UNCLASSIFIED									
E-1b		1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA		3. Funding BEG. FY 1963 END FY 1969 Phys. Work 1963 1970		4. PROJECT NO. 514-11-820-099		5. TITLE CIVIC ACTION							
7. OBLIGATED AND DISBURSED		a. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)						
		(1) TYPE		(2) SOURCE	(3) LOAN OR GRANT	(1) DOLLAR EQUIVALENTS (000) 1/		(2) LOCAL CURRENCY UNITS (000)		(1) OBLIGATED		(2) DISBURSED		(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER	
						(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED	OBLIGATED	DISBURSED	(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED		
I CUMULATIVE THRU ACTUAL YEAR	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/				783 a/		7,830							7,830		
	FA ACT	(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																
TOTAL ACTUAL FY 64	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/				231 a/		2,310							2,310		
	FA ACT	(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																
II OPERATIONAL YEAR (EST.) FY 65	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/				147 a/		1,470							1,470		
	FA ACT	(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																
III BUDGET YEAR (EST.) FY 66	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/															
	FA ACT	(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																
IV PLANNING YEAR (EST.) FY 67	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/															
	FA ACT	(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																
V ALL SUBSEQUENT FYs (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/															
	FA ACT	(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																
VI TOTAL ALL YEARS (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/				930 a/		9,300							9,300		
	FA ACT	(ii) TRUST FUND															
		(iii) OTHER LC															
	B. P.L. 480 LC																

REMARKS: a/ Peso expenditures expected to come from program loan generated pesos.

1/ Exchange Rate: \$1 = 10.00 Pesos

2/ The total dollar equivalent amounts are the same as in Col. 1 of Table E-1a

E-1c		PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS			1. DATA CURRENT AS OF: Oct. 20, 1964			2. COOPERATING CTRY. COLOMBIA			3. PERSONNEL SERVICES a/ PARTICIPANT TRAINING b/			4. PROJECT NO. 514-11-820-099										
5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY			b. ACTUAL FY			c. OPERATIONAL FY			d. BUDGET FY			e. PLANNING FY			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS			
			Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	
I PROJECT PERSONNEL	A. MAN YEARS	U.S.																						
		Non U.S.																						
B. ON BOARD	U.S.																							
	Non U.S.																							
II. PARTICIPANTS PROGRAMMED	A. U.S.																							
	B. THIRD CTRY.																							

REMARKS: a/ All personnel services are provided by U.S. or GOC military personnel at no cost to USAID.
b/ No participants.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-820-099	CIVIC ACTION
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1. Activity Target

The overall target of Civic Action by the Armed Forces of Colombia is the initial improvement of conditions in the wake of defeat of organized banditry in rural areas; by such use of the Armed Forces, their image and prestige, and those of the National Government as a whole, are at the same time to be improved or restored so as to help pacify the affected areas more permanently.

The objectives of the six sub-projects programmed for FY 1965 and/or FY 1966 are as follows:

a. Tolima Highway: Construction of two arterial, all-weather, two-lane gravel highways, one east-west and the other one north-south crossing each other in the center. This network of highways totals 173 miles of new construction in one of the most critical areas of recent and still threatening violence in the centrally located departments of Tolima and Valle. This will help conclude and assure the pacification of the area by permitting rapid deployment of security and law enforcement forces. It will open up this large and previously almost inaccessible area to contact with local and national government and its representatives and provide access to health and educational facilities; and it will establish a prime condition for the economic improvement of the area through development of agriculture and commerce. Construction of this highway is scheduled for completion by December, 1966.

b. Road Improvement and Maintenance: Rehabilitation of severely neglected or completely abandoned roads in violence areas of the Departments of Santander and Caldes where national and departmental civilian Public Works forces cannot yet safely operate. Once the roads are rehabilitated sufficiently to permit flow of commercial traffic, violence decreases and the civilian agencies can again assume responsibility for maintenance.

c. Well Drilling: Provision of potable water supply to villages in areas of recent and potential violence as a means of improving health and living conditions and demonstrating the interest of their government to the affected area.

d. Field Dispensaries: To establish and equip rural health centers in violence areas and supply them with drugs and medicines, thereby raising the health standards of the people in the area and demonstrating governmental concern for them. The Ministry of Health will be expected to assume full responsibility for the operation of these field dispensaries over the period of the next three years.

e. Rural School Construction: To construct schools in violence areas where none presently exist. The Construction of these simple schools is accomplished with the help of community action. Once built, their operation and maintenance becomes the responsibility of the community.

f. Radiotelephone Net: To establish a communication radio network in remote violence areas that are not now served by any modern form of communication. Farm owners purchase civilian type transceivers which are then installed on the farms. These are supplemented by construction of radio net control and relay stations, permitting communication with military or police posts as well as connection with the national telephone circuits. In this way isolated farms and settlements can communicate with police and/or military post in case of natural disasters, disturbances or bandit activity, epidemics and other emergencies. Upon completion of the installation, its maintenance becomes the responsibility of the community.

g. Youth Camps: Designed to expose youth from violence areas to short programs of education in civics, history, geography, personal hygiene, sanitation, group activities and sports. A series of Youth Camps of three weeks duration will be conducted in military installations for up to 50 boys each of ages 12 to 16, selected from poor families in violence areas. Visits to local universities, industrial plants and business concerns will be arranged whenever possible. Boys will be given a pair of shoes, shirt, trousers, underwear and toilet articles. Local business, social and professional groups, who are already assisting this program, will be encouraged to take over the cost of operation of the camps by 1967. During FY 1964 and 1965 this project was financed by the U. S. Army.

2. Course of Action

The Armed Forces of Colombia organize the projects, coordinating with the appropriate ministries, the Departmental Governments and the local communities. The United States is assisting this program through the provision of technical assistance with a minimum of needed imported commodities and allocation of proceeds generated by Program Loans.

a. Tolima Highway: The east-west portion of this project involves the construction of 98 miles of all-weather, two-lane, gravel highway between Ataco in Tolima and Palmira in Valle. The north-south portion proceeds south from Chaparral for 27 miles and crosses the east-west section via a proposed bridge across the Saldaño river. From there it proceeds southwest 36 miles to another proposed bridge at the north end of an isolated section of usable road from Planadas. At the south end of this section of Planadas road there is a section of new construction for 12 miles between Gaitania and El Carmen. This will connect the complex of roads in the vicinity of Neiva, Department of Huila, to those in Tolima. At present, elements of three engineer battalions are working on the Tolima Highway Project. Three companies are working on the Palmira-Ataco-Chaparral section. One is working on the Parcani-Rio Chiquito trace; and one is working on the El Carmen-Gaitania trace.

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-820-099	CIVIC ACTION
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b. Road Improvement and Maintenance: One engineer battalion will be committed to this sub-project during FY 1965 and FY 1966. Since the roads have been without maintenance for a long period of time this is slow work and part of it is virtually new construction.

c. Well Drilling: The Colombian Army's well drilling platoon, divided into three sections, two of these operating rotary drilling units and one a percussion drilling unit, will operate at gradually increasing pace at priority locations working with the GOC's Ministry of Health. During FY 1965, 31 wells and small water supply systems are expected to be completed in the Departments of Boyaca and Cundinamarca. Technical guidance for this sub-project is furnished by the U. S. Military Group to Colombia. AID funds the necessary construction materials, hardware, fuels, and lubricants, and the local communities furnish the necessary labor and material to complete the community water systems.

d. Field Dispensaries: Under this project, drugs, and medical supplies, are furnished to 23 field dispensaries located in remote and violence areas where medical facilities were formerly not available. The operation of these health centers is under the supervision of the Surgeon of the Military Forces and coordinated with the Ministry of Health. In locations where the Ministry of Health cannot supply civilian doctors to staff the health centers, the Surgeon of the Military Forces assigns a military doctor until a civilian doctor can be found. MAP has provided generators and Jeep ambulances and furnishes spare parts for same. AID assists through program loan pesos; this sub-project requires no U. S. dollar funding.

The Ministry of Public Health is to assume the full cost of this project by 1969.

e. Rural School Construction: Under this project rural schools will be constructed in remote and violence areas with the Colombian military furnishing technical assistance and some construction materials while the community furnishes the site, labor, main construction materials and in all but a few cases, the teachers. The schools are constructed according to the plans and specifications furnished by the Federation of Coffee Growers and usually consist of 2 classrooms, living quarters for the instructor and latrine facilities. Upon completion of the schools the local community assumes responsibility for operating cost and administration. No dollar funding is required.

f. Radiotelephone Net: Pesos generated from Program Loans will finance the purchase and installation of radio net control stations and relay stations during FY 1965 and FY 1966. The system will be completely supported by local subscribers, i.e. the owners of transceivers utilizing this service, by mid 1967. No dollar funding is proposed.

g. Youth Camps: During the first half of FY 1965, 16 youth camps were financed through funds made available by DOD. In FY 1966, approximately 80 youth camps will be financed with pesos generated by Program Loans. No dollar funding is required.

3. Progress to Date

a. Tolima Highway: Approximately 72 miles of the original project have been completed. Twenty miles of this completed construction have been turned over to the Ministry of Public Works. Of the remaining 101 miles, all of the trace has been completed. Approximately 30 miles has been surveyed and 10 miles of right-of-way opened. There have been 54 bridges and approximately 50 culverts constructed. Presence of the engineer troops, coupled with the reaction capability provided by the road, have significantly reduced banditry, extortion, and other violence. Bus lines are operating over all completed sections, hauling passengers and produce. Small settlements and trading centers have sprung up along the route and movement of families into the area is gaining volume rapidly.

b. Road Improvement and Maintenance: Approximately 78 miles of roads have been rehabilitated to date under this Civic Action project which was started in 1963.

c. Well Drilling: A training team from U. S. Army Forces Southern Command completed a comprehensive training course for the well-drilling platoon in June, 1964. Three well-drilling units are now in operation. Lack of geological data for areas of operation hampers progress. To date ten wells have been drilled, of which six are producing, and two purification units have been installed to provide potable water for health centers.

d. Field Dispensaries: There are in operation 16 dispensaries organized by the Army, 3 small hospitals and 2 floating dispensaries operated by the Navy, and 1 fixed and 1 flying dispensary operated by the Air Force. Most of the dispensaries have limited dental and medical equipment, potable water, generators for operation of equipment and emergency lighting, visiting doctors and dentists, permanent nurses and first aid men. The Field Dispensaries treat about 650,000 patients annually.

e. Rural School Construction: During the past 2 years 18 schools have been constructed in remote areas, bringing education facilities to a segment of population that has never had such opportunities. As a result, approximately 1800 students receive better education. The communities have assisted in these programs and in most cases have provided the teachers.

f. Radiotelephone Net: At the present time ten nets are in operation and the eleventh is in the process of being set up. They have proved to be a great deterrent to bandit activity and in several instances have been instrumental in apprehension of criminals.

g. Youth Camps: The first four pilot camps financed through funds

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-11-820-099	CIVIC ACTION
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of the U. S. Army were held in May, 1964, at Neiva, Tunja, Palmira and Barcelona. In order to help judge the full impact and effect of this project upon the youth and upon their communities, sociological data on the group will be collected during the remainder of FY 1965.

4. Funds

The funds requested for Civic Action activities during FY 66 are as follows:

(Costs in 1,000's)

<u>ACTIVITY</u>	<u>FY 1965</u>		<u>FY 1966</u>	
	<u>DOLLARS</u>	<u>PESOS</u>	<u>DOLLARS</u>	<u>PESOS</u>
Tolima Highway	160	6,152	100	7,000
Road Construction and Maintenance	93	1,127	80	3,120
Field Dispensaries	---	1,080	---	1,600
Well Drilling	64	709	60	750
Radiotelephone Net	---	500	---	1,000
Rural School Construction	---	1,400	---	1,000
Youth Camps	---	---	---	810
TOTALS	317	10,968	240	15,280

The dollar figures represent the costs of necessary items which cannot be obtained in Colombia, such as:

Tolima Highway: Tires for earth graders and Front end loaders, batteries and repair parts.

Well Drilling: Well screens, drill tubing, drill bits, casing, chlorinators and selected U. S. salvage not obtainable under MAP Program.

AID 1020-2 (8-64)	PROJECT DATA SUMMARY — AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED						
E-1a	1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA			3. PROJECT NO. 514-22-520-118 a/				4. TITLE URBAN SEWERAGE SYSTEMS a/							
	b. U.S. FUNDING:		BEGIN FY		END FY		6. PRIOR REFERENCES										
	PHYSICAL WORK:		1964		1966												
7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)		a.	b.	c.	d.	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS			
		APPROPRIATION TITLE	LOAN OR GRANT	TOTAL	CONTRACT 1/	(1) U.S. AGENCIES		(2) CONTRACT	(1) U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	
						AID	PASA										
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		029 L		3,700												
	GROSS OBLIGATIONS (ACTUAL YEAR)		029 L		3,700												
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR																
	EXPENDITURES (ACTUAL YEAR)																
C. UNLIQUIDATED OBLIGATIONS END OF YEAR		029 L		3,700													
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS		036 L		250												
	B. EXPENDITURES		037 L		450												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		029 L		1,000												
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS		036 & 037 L		200												
	B. EXPENDITURES		029 L		2,700												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		036 & 037 L		500												
IV. PLANNING YR. (EST.) FY 67	A. GROSS OBLIGATIONS		029 L		-										700	-	
	B. EXPENDITURES		036 & 037 L		-										125	-	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS																
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS		029 L		3,700										3,700	-	
			036 L		250										250	-	
			037 L		450										450	-	

REMARKS:

- 1/ This is a memorandum (non-add) column.
2/ Show estimated expenditures in column i.

a/ Consolidated project for programming purposes. Includes the following loan projects:
Cali Sewerage, EMCALI; 514-L-029; \$3700 - August 1963; 30 years, with five years grace period;
3½% interest. Medellín Sewerage, Empresas Municipales; 514-L-036; \$250 - July 1964; 10 years,
with five years grace period; 3½% interest and Bogotá Sewerage; 514-L-037; \$450 - July 1964;
10 years, with five years grace period, 3½% interest.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-22-520-118	URBAN SEWERAGE SYSTEM LOANS
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1. The Activity Target

The objective of this loan activity is the improvement and expansion of sanitary and storm sewer systems in major urban areas of Colombia. Sanitary problems in these urban areas have greatly increased in recent years, because of the rapid growth of these urban centers, especially since the outbreak of organized rural violence in Colombia. The population increase is caused not only by the natural rate of growth but by the heavy influx of migrants from the rural areas. This urban growth has led to rapid expansion of settled city areas and the development of thickly populated squatter and slum sections surrounding many major cities. The population of Bogotá has grown from 785,000 in 1951 to 1,769,000 in 1964, that of Cali from 328,000 in 1951 to 815,000 in 1963, and that of Medellin from 417,000 in 1951 to 790,000 in 1963.

In this situation, improvement and expansion of urban sanitary and storm sewer systems has become extremely urgent; it is an important factor in preventing not only disease and epidemics but deterioration of social and general living conditions to a point where they add fuel to existing agitation and political and social tensions.

Cali

A loan agreement in the amount of \$3,700,000 was signed on September 30, 1963 with Empresas Municipales de Cali (EMCALI) to help finance the engineering and construction cost required to construct: 15,540 meters of interceptor and collector mains, one pumping station, twenty separation structures and 24,000 meters of concrete-lined canals. EMCALI will contribute the equivalent of \$1,810,000 of their own funds towards this project in addition to the cost of improvements and expansion of the system in other areas. Construction is estimated to be completed in two years.

Medellin

On July 18, 1964, a Development Loan agreement in the amount of \$250,000 was signed with the Empresas Públicas de Medellin to finance the dollar costs of U.S. consulting engineering services required to complete plans, specifications and contract documents, assist in selection of contractors and supervise construction of the project. Peso costs for construction engineering services and for construction proper will be financed in part from Empresas contributions and in part from proceeds of A.I.D. program loans. The total cost of the project is estimated at \$2,189,000 which will finance the following: 6,676 meters of interceptor sewers, 19,962 meters of trunk sewers, 16,873 meters of branch sewers and 54,500 meters of laterals. This project is estimated to require two years to complete and is the first stage of a six-year program of improvement and expansion estimated to cost \$7,118,000.

Bogotá

On July 18, 1964, a Development Loan agreement in the amount of \$450,000 was signed with the Empresa de Acueducto y Alcantarillado de Bogotá, D.E. This loan is to finance the dollar cost of U.S. consulting engineering services and the purchase of U.S. manufactured maintenance equipment. Peso costs will be financed in part by the Empresa and in part from proceeds of A.I.D. program loans. This project is the first phase of a 21 year plan to expand and improve the collection and treatment facilities for sanitary sewage and the collection and disposal of storm water in the Sanitary District of Bogotá, D.E. The total project is estimated to cost \$85,000,000. The first stage, which constitutes this project, will include the construction of about 19.2 kilometers of canals lined with reinforced concrete and 36.3 kilometers of intercepting sewers. Engineering, equipment purchase and construction for the first phase is estimated to cost \$16,164,000 and to require three years to complete.

2. Course of Action

Cali

The U.S. Consulting Engineering Firm of Buck, Seifert and Jost in association with Hernando Gonzalez Hurtado of Cali has been retained by EMCALI and began work in March 1964 on the design phase of the project. EMCALI has awarded contracts, to be financed with their own funds, for the construction of 8,744 meters of interceptor sewers, 1,730 meters of outfall sewers and the fabrication of pipe all of which will complement the project being financed with AID assistance. EMCALI is required to obtain all property rights required for construction, operation and maintenance. In addition, it has agreed to revise and increase its rate structure sufficiently to assure adequate financing for the project, including repayment of existing and future debts. EMCALI will provide a full time Construction Supervision Engineer and other personnel, equipment, vehicles and services that may be required to supplement the services of the engineers.

Medellin

The U.S. Consulting Engineering firm of Greeley and Hansen in association with Asesorias e Interventorias Limitada of Medellin have been retained by the Empresas for the design and supervision of construction. The Empresas will obtain all necessary property rights for the construction; it will furnish equipment, office space and vehicles required by the engineers and will assign a full time Project Engineer and other personnel as required to supplement the staff of the engineers. In February 1963, a revised schedule of tariffs was adopted which is sufficient to finance the proposed project.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-22-520-118	URBAN SEWERAGE SYSTEM LOANS
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Bogotá

Seven Colombian engineering firms, have been retained by the Empresa to make the final design and preparation of contract drawings. The staff of the Empresa will prepare the specifications and contract documents, will advertise and receive bids and award contracts. The U.S. Consulting Engineering firm of Camp, Dresser and McKee has been retained to review plans, specifications and bid documents, assist in the analysis of bids, and be responsible for the general supervision of construction. The Empresa has agreed to take steps to insure an increase of revenue sufficient to finance the project, including servicing of debt. It will acquire all necessary land rights and contribute the equivalent of \$5,553,400 from its own funds towards the peso cost of engineering and construction. The Empresa will assign a Project Engineer to work with the U.S. Consulting Engineers. In addition, the Empresa will assign engineers, office personnel and inspectors to work under the supervision of the Consultants staff and will make available to them office space, equipment, vehicles and laboratory services as required for the successful completion of the project.

3. Progress to Date

Cali

Construction of interceptors and outfalls, which are being financed by EMCALI, is progressing satisfactorily. The design of the portion to be financed with AID assistance is well advanced, specifications and contract documents are being prepared and construction is scheduled to begin during the first part of 1965.

Medellin

The draft contract for engineering services is being reviewed. The design and preparation of plans and specifications is expected to be started before the end of this year and construction started in 1965.

Bogotá

Construction plans and preparation of specifications and contract documents is nearing completion. Pre-qualification questionnaires have been sent out to nearly 200 interested U.S. and Colombian contractors and replies have been received from about half this number indicating interest in bidding on the contracts. Construction is scheduled to begin in January 1965.

No difficulty is anticipated in obtaining qualified engineering personnel or construction contractors in sufficient number for all of the proposed work and construction materials are believed to be in adequate supply.

4. Funding Requirements

Cali

	Dollar Cost	Local Cost	Total
AID Loan	451,026	3,198,974	3,650,000
EMCALI	-	1,810,000	1,810,000
	451,026	5,008,974	5,460,000

Medellin

AID Loan	250,000	-	250,000
Empresas	-	539,000	539,000
AID Program Loan Peso Proceeds	-	1,400,000	1,400,000
	250,000	1,939,000	2,189,000

Bogotá

AID Loan	445,000	-	445,000
Empresas	-	10,133,000	10,133,000
AID Program Loan Peso Proceeds	-	5,586,000	5,586,000
	445,000	15,719,000	16,164,000

E-1a	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	3. PROJECT NO. 514-13-410-015	4. TITLE LABOR
	5. U.S. FUNDING: 1953 1969		6. PRIOR REFERENCES	
	PHYSICAL WORK: 1953 1970			

7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES			f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS 1/			
						(1) U.S. AGENCIES		(2) CONTRACT	(1) U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT		
						AID	PASA											
I. THRU ACTUAL YEAR FY 1964	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	DG G		256	-				-	256								
		AB G		182	-				-	182								
		AG G		220	150				150	45	25							
		GROSS OBLIGATIONS (ACTUAL YEAR)																
			AG G		173	103			103	45	25							
			DG G		256	-				-	256						12	-
		B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	AB G		166	-				-	166						18	-
			AG G		59	54			54	3	2						-	7
		EXPENDITURES (ACTUAL YEAR)																
			AG G		12	5			5	5	2						-	5
II. OPERATIONAL YEAR (EST.) FY 1965	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AB G		16	-			-	16	-								
		AG G		161	96			96	42	23								
		AG G		230	182			182	30	-			18					
	A. GROSS OBLIGATIONS																	
	B. EXPENDITURES	AB G		16	-			-	16	-						-	-	
		AG G		240	160			160	45	23			12			12	8	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR																	
		AG G		151	118			118	27	-			6					
III. BUDGET YEAR (EST.) FY 1966	A. GROSS OBLIGATIONS	AG G		230	182			182	30	-			18					
	B. EXPENDITURES																	
		AG G		250	190			190	40	-			20			20	-	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR																	
		AG G		131	110			110	17	-			4					
IV. PLANNING YR. (EST.) FY 1967	GROSS OBLIGATIONS 2/	AG G		206	170			170	20	-			16			40	185	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	AG G																
		AG G		270	210			210	30	-			30			77	305	
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	DG G		256	-			-	256	-			-			256	-	
		AB G		182	-			-	182	-			-			182	-	
		AG G		1156	894			894	155	25			82			262	894	

REMARKS:
 1/ This is a memorandum (non-odd) column.
 2/ Show estimated expenditures in column i.

AID 1020-3 (7-64)		PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES							SECURITY CLASSIFICATION UNCLASSIFIED					
E-1b		1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA		3. BEG. FY 1953	END FY 1969	4. PROJECT NO. 514-13-410-015		5. TITLE LABOR					
7. OBLIGATED AND DISBURSED		a. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)			
		(1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	(1) DOLLAR EQUIVALENTS (000) 1/		(2) LOCAL CURRENCY UNITS (000)		(1) OBLIGATED	(2) DISBURSED	(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER	
					(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED			(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G			37		370						370
		FA ACT (ii) TRUST FUND												
		FA ACT (iii) OTHER LC												
		B. P.L. 480 LC	X			X		X						X
TOTAL ACTUAL FY 1964		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G			5		50						50
		FA ACT (ii) TRUST FUND												
		FA ACT (iii) OTHER LC												
		B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G			20		200						200
		FA ACT (ii) TRUST FUND												
		FA ACT (iii) OTHER LC												
		B. P.L. 480 LC												
III BUDGET YEAR (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G			20		200						200
		FA ACT (ii) TRUST FUND												
		FA ACT (iii) OTHER LC												
		B. P.L. 480 LC												
IV PLANNING YEAR (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G			20		200						200
		FA ACT (ii) TRUST FUND												
		FA ACT (iii) OTHER LC												
		B. P.L. 480 LC												
V ALL SUBSEQUENT FYs (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G			30		300						300
		FA ACT (ii) TRUST FUND												
		FA ACT (iii) OTHER LC												
		B. P.L. 480 LC												
VI TOTAL ALL YEARS (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G			127		1270						1270
		FA ACT (ii) TRUST FUND												
		FA ACT (iii) OTHER LC												
		B. P.L. 480 LC												

REMARKS:
 1/ Exchange Rate: \$1 = 10.00 a/ Rate has been steady at 9.98 but recently has depreciated and is fluctuating unpredictably. Rate is arbitrarily set
 2/ The total dollar equivalent amounts are the same as in Col. i of Table E-1a at 10.00 for convenience.

E-1c		PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS			1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING CTRY. COLOMBIA		3. PERSONNEL SERVICES PARTICIPANT TRAINING		BEG. FY 1963	END FY 1969	4. PROJECT NO. 514-13-410-015										
5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS		a. CUM. THRU ACTUAL FY			b. ACTUAL FY 64			c. OPERATIONAL FY 65			d. BUDGET FY 66			e. PLANNING FY 67			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS		
		Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract
I PROJECT PERSONNEL		A. MAN YEARS	U.S.	3			2			3			4			4			6			20
			Non U.S.	16			11			14			15			15			18			78
		B. ON BOARD	U.S.				3			3			4			4						
			Non U.S.				14			15			15			15						
II. PARTICIPANTS PROGRAMMED		A. U.S.	b/	231			207			15			15			10			15			286
		B. THIRD CTRY.																				

REMARKS: b/ The training was conducted both in the U.S. and Puerto Rico. No specific breakdown is available.

1/ End of Fiscal Year

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-13-410-015	LABOR
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1. Activity Target

To achieve a strengthened democratic labor movement in Colombia, which can contribute more effectively to the social, economic and political development of Colombia, and serves as a bulwark against undemocratic control and subversive infiltration in the Colombian labor movement.

Specifically, the activity targets for the two sub-activities are as follows:

a. Workers Education, Training of Colombian trade unionists for enlightened and responsible union and community leadership.

b. Social Projects. Development and execution of projects, such as housing, to improve the social condition of membership of democratic labor unions,

Colombia's labor movement is one of the primary targets of the Communists. The Workers Education program helps to develop the necessary leadership for a Colombian democratic union movement, presently having about 800,000 organized unionists, which otherwise might be usurped by the Communists. The Social Projects program has dual objectives: to help solve certain social problems, such as to reduce the worker's housing deficit; and to fortify and stabilize the democratic labor movement by helping it provide for social needs and improve worker's living standards and morale, thereby unifying leaders and membership and strengthening the institution of democratic labor unions as well.

2. Courses of Action

a. Workers Education. Trade unionists will be trained in the following ways:

1) Under a contract with the American Institute of Free Labor Development (AIFLD), a program for worker's education courses is to be continued in FY-1965 and 1966. The expansion proposed by AIFLD is presently under review by the Country Team. The AIFLD employs Colombian instructors for these courses, backstopped by a U.S. professional and Colombian staff which will plan and guide instruction and administration of the courses. The program is divided into two operational sectors working with the two national democratic labor confederations, the Union of Colombian Workers (UTC) and the Confederation of Colombian Workers (CTC).

AIFLD/Colombia uses a national traveling-team type of program. Instructors have been chosen from earlier students and have been intensively trained. Also, recognized experts, both national and

U.S., are frequent instructors in the courses. The instructors travel to all major industrial cities to conduct the courses, most of which last from 6-10 weeks, depending on the type. The basic curriculum is leadership responsibilities; union organization and administration; collective bargaining; trade union history, both national and international; labor law; parliamentary procedure; union accounting; labor economics; oratory; and labor journalism. Other topics are added at times, such as industrial engineering, communist tactics, etc. Courses are taught at both beginning and intermediate levels.

The students for the courses are picked by the departmental units of the CTC and UTC. Most of the students are on paid leaves of absence by their employers while attending the courses, with 25-30 students usually attending each course. More than 2,000 unionists are to be trained in each of FY-1965 and 1966, in some 76 courses each year to be held in more than 30 Colombian cities.

2) Short term training in the U.S. and Puerto Rico of Colombian labor unionists and the GOC Ministry of Labor officials. In FYs 1965 and 1966 the AID training courses in Puerto Rico and/or the U.S. will begin to be specialized offerings, generally not available in the AIFLD/Colombia program.

A total of 15 participants, taking courses lasting 6-12 weeks, are programmed for each of FYs 1965 and 1966. In FY 1965 training is planned as follows: labor education - 8 participants; cooperatives - 2; union journalism - 2; occupational health - 1; and labor statistics - 2.

3) Special UTC and CTC worker's education programs. Continuing assistance will be provided to the CTC and UTC, in the amount of \$6,500 to each for each of FYs 1965 and 1966, in the conduct of their own training courses.

4) Special seminars and conferences. An amount of \$5,000 for each of FYs 1965 and 1966 is programmed for travel and per diem costs of selected GOC and trade union officials attending special AID or ORIT courses in Colombia and, primarily, in other Latin American countries.

b. Social Projects. Pursuant to the earlier mentioned AIFLD Contract, with a separate U.S. professional in charge, just as in the case of AIFLD Workers Education the program for worker's cooperative housing and labor union community centers is now in the final planning stage. Construction is expected to start during the second-half of FY 1965. The project is described more fully under the Housing Activity. During FY 1966, it is expected that the Social

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-13-410-015	LABOR
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Projects emphasis will be on the proper utilization of workers cooperative housing, i.e., home care, social services instruction, community services instruction and organization, continued development of union housing cooperatives, labor union community centers located in the housing developments, and credit union development for trade unionists.

3. Progress to Date

a. Workers Education. A total of 231 unionists have been trained in the U.S. under the USAID participant training program, since its inception in FY 1954. More than 40% of the top democratic union and Ministry of Labor leadership has been sent to the U.S. under the USAID participant training program, or on other AID sponsored trips. The AIFLD workers education program, during its two years in Colombia under a contract signed in 1962, has trained over 4,000 workers in the industrial centers of Colombia. Also, a number of leaders of FANAL, the farmers union, have been trained under the AIFLD program.

In CYs 1961 and 1962, before the AIFLD commenced functioning in January 1963, the International Union of Food, Drink and Tobacco Workers gave 26 fulltime training courses of from 4-6 weeks duration to 832 labor leaders in over a dozen Colombian cities. In CY 1963 the AIFLD continued this training by conducting 69 courses for 1,947 workers.

Benefits of both programs can be seen in terms of the improving quality of trade union leadership, more successful labor-management relationships, and greater durability of resistance to anti-ORIT propaganda. Both training programs for labor have also developed a mounting interest in and appreciation of the United States, as is apparent from analysis of the readership of U.S. labor information distributed to Colombian workers.

AID financing has further made possible Colombian attendance in FY 1964 courses in cooperative housing, workers banking, and trade union education held in Santiago, Lima, San José, Costa Rica.

b. Social Projects. Although the AIFLD program for Social Projects has had some difficulty in getting under way, a prime achievement was realized in late CY 1963 in the creation of the "Alliance of Democratic Unionism for Housing" (Alianza Sindical). This is a joint UTC - CTC mechanism for planning and administration of labor housing projects.

c. Other. RTAC materials, and commodity funding provided through FY 1964 for books, pamphlets and other instruction materials, distributed to trade unionists, have provided an important impact on

the education and democratic orientation of trade unionists, especially union leadership.

4. Funding Requirements

AID funding for this activity began in FY 1963 and is expected to continue through FY 1969. AID funding, all grant, is as follows:

a. Workers Education

	<u>FY 1965</u>	<u>FY 1966</u>
<u>AIFLD - Contract (Workers Education);</u> Salaries, administrative support, travel and per diem, educational equipment and materials, and scholar- ships:	\$107,000 ^{1/}	\$107,000 ^{2/}
<u>UTC leadership training program;</u> Support for costs of UTC leader- ship training program for their workers ("Other Costs" funding):	6,500	6,500
<u>CTC leadership training program;</u> Support for costs of CTC leader- ship training program for their workers ("Other Costs" funding):	6,500	6,500
<u>USAID participant training;</u> 15 participants each year, 6-12 week courses in U.S. and/or Puerto Rico:	30,000	30,000
<u>Other Costs;</u> Travel and per diem to Labor conferences, special courses, etc	5,000	5,000
b. <u>AIFLD - Contract .</u> <u>(Social Projects);</u> Salaries, administrative support, travel and per diem:	<u>75,000</u>	<u>75,000</u>
TOTAL:	\$230,000	\$230,000

c. Cooperating Country Contribution. Though it cannot be calculated in dollar amounts, Colombia's support of the AID labor activity by the GOC Ministry of Labor, the CTC, and UTC, is large.

^{1/} AIFLD is requesting additional funding of \$37,000 which is undergoing USAID-Embassy review.

^{2/} AIFLD is requesting additional funding of \$53,000 which is undergoing USAID-Embassy review.

UNCLASSIFIED

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AID 1020-4 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-13-410-015	LABOR
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d. Other Sources.

1) The AID Labor activity includes AID/W funds for RTAC, planned at a level of \$25,000 for each of FYs 1965 and 1966, for RTAC publications and technical books distributed to democratic labor unions and the GOC Ministry of Labor.

2) Though more appropriate under Goal II for Education, it should be mentioned that the U.N. Special Fund has two projects assisting Colombia's National Apprenticeship Training Service, SENA. Approximately 24 technical experts sponsored by the ILO, 22 fellowships, and materials are being provided the two SENA projects. The value of the U.N. contribution is more than \$1.3 million in total.

3) The U.N. Expanded Program of Technical Assistance (EPTA), through the ILO, is providing one technician in CY 1964, two in CY 1965 and one in CY 1966 to serve as instructors in workers education programs sponsored by the Ministry of Labor. Increased and more efficient worker's productivity will be emphasized.

AID 1020-2 (8-64)		PROJECT DATA SUMMARY — AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED				
E-1a	1. DATA CURRENT AS OF: 20 October 1964		2. COOPERATING COUNTRY COLOMBIA			3. PROJECT NO. 514-13-490-064				4. TITLE PILOT LABOR CENTERS ^{a/}						
	5. U.S. FUNDING: ^{a/}		BEGIN FY 1963		END FY 1965		6. PRIOR REFERENCES ^{a/}									
	PHYSICAL WORK:		--		--											
7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT ^{1/}	e. PERSONNEL SERVICES			f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. ^{1/} LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS	
						(1) U.S. AGENCIES		(2) CONTRACT	(1) U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT
						AID	PASA									
I. THRU ACTUAL YEAR FY 1964	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		AG	G	75	-	-	-	-	-	-	-	75	-	-	-
	GROSS OBLIGATIONS (ACTUAL YEAR)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR		-	-	-	-	-	-	-	-	-	-	-	-	-	-
	EXPENDITURES (ACTUAL YEAR)		-	-	-	-	-	-	-	-	-	-	-	-	-	-
C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	75									75			
II. OPERATIONAL YEAR (EST.) FY 1965	A. GROSS OBLIGATIONS															
	B. EXPENDITURES															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
III. BUDGET YEAR (EST.) FY 1966	A. GROSS OBLIGATIONS															
	B. EXPENDITURES		AG	G	75									75		
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
IV. PLANNING YR. (EST.) FY 1967	GROSS OBLIGATIONS ^{2/}															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS ^{2/}															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS ^{2/}		AG	G	75								75		Undecided	

REMARKS:

- ^{1/} This is a memorandum (non-add) column.
^{2/} Show estimated expenditures in column i.

^{a/} Under this activity it was intended to construct and equip three civic centers in connection with democratic union-sponsored housing projects; one each in Cali, Barranquilla and Medellin. For numerous reasons, implementation of the activity has been postponed, and it is possible that deobligation of the funds will be made. The USAID is studying the proposed particulars of the activity, and will make a decision as soon as possible as to whether or not it will be implemented. Present plans are to implement this activity in conjunction with the impending construction of union cooperative-housing projects.

PROJECT DATA SUMMARY — AID DOLLAR COSTS

1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA		3. PROJECT NO. 514-11-370-029		4. TITLE CIVIL AVIATION									
		5. BEGIN FY 1955		END FY 1965		6. PRIOR REFERENCES									
U.S. FUNDING:		1955		1965											
PHYSICAL WORK:		1955		1965											
7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)	a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS		
					(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
					AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	TC	G	477		79	243		113		32		10		
		AB	G	150		-	-		-		150		-		
		AG	G	175		18	104		30		17		6		
	GROSS OBLIGATIONS (ACTUAL YEAR)	TC	G	79		8	44		16		8		3		
		AB	G	-											
		AG	G	105		18	68		12		2		5		11
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	TC	G	453		79	241		113		11		9		27
		AB	G	-											
		AG	G	105		18	68		12		2		5		11
EXPENDITURES (ACTUAL YEAR)	TC	G	37		6	24		4		1		2		7	
	AB	G	-												
	AG	G	70		-	36		18		15		1			
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	TC	G	24		-	2		-		21		1			
	AB	G	150		-	-		-		150		-			
	AG	G	6		-	5		1							
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS	AG	G	6 a/		5		1							
	B. EXPENDITURES														
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR														
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS														
	B. EXPENDITURES														
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR														
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/														
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/														
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	TC	G	477		79	243		113		32		10	477	
		AB	G	150							150			150	
		AG	G	181		18	109		31		17		6	181	

REMARKS:

- 1/ This is a memorandum (non-add) column.
- 2/ Show estimated expenditures in column i.

a/ Terminal costs.

AID 10204 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL VI	AVOIDANCE OF INHIBITIONS TO THE CONTINUING DYNAMISM OF, AND PROVISION OF INCREASED STIMULI TO, A VIGOROUS, COMPETITIVE PRIVATE SECTOR
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Goal Statement and Plan

General financial and labor policies are of basic importance to the achievement of this goal, as are both internal and external political developments. Colombian industry has reached a relatively high level of sophistication and diversification, particularly in the consumer goods field under the stimulus of import substitution policies. United States lending strategy has been, and will continue to be, directed particularly toward providing ample resources to the private sector in the forms of foreign exchange for needed capital and intermediate goods imports and special peso credit for priority purposes.

However, there is a growing conviction among informed observers in and out of Colombia, recently expressed also by Colombia's President, that the process of industrialization in Colombia has reached a stage at which more emphasis needs to be on consolidation and qualitative improvement. There are efficient sectors, but others suffer from high costs, high prices, dependence on high tariffs and/or protection against imports as well as against new domestic competition, and a widespread preference for low volume and high unit profit. In the industries so affected, this means stagnation, low employment, high costs and low value to individual and industrial consumers, inability to export manufactured goods and thus basic inhibitions to the continued dynamism of the private sector.

Accordingly, strategy in the field of private enterprise, especially in industry, will increasingly aim at improving quality and competitiveness. The possibility of adapting suitable features of earlier U.S. assistance programs to spread the lessons and experience of U.S. industrial enterprise will be explored, including such means as industrial team visits, as well as utilization of the new U.S. executive service corps. Existing Colombian industrial programs such as the INCOLDA management training promoted successfully by AID and the Industrial Technological Institute receiving U.N. assistance can serve as vehicles for increased focus on competitiveness, quality, and low unit profit with large volume utilizing foreign markets that can be opened by such rationalization. The strategy will also involve efforts to bring to fruition present initial tendencies in the Colombian Government to adjust import planning and tariff policies in the direction of greater competitiveness as well as greater selectivity in promotion of import substituting industries emphasizing essentiality of the product and greater use of domestic resources.

The Private Investment Fund will continue to be a principal vehicle for foreign public financial assistance to Colombian private enterprise. It has already proved an effective device for promoting the private sector, both industry and modern larger-scale agriculture, directed particularly toward the balance of payments problem. Initially supported with pesos from AID program loans, plus some IDB and Dutch dollar assistance, the PIF is about to receive an AID dollar loan and added

program loan pesos, and is expected also shortly to receive a major IBRD loan. European governments are expected to lend their increased support, too. Negotiations for the IAD dollar loan to PIF made it possible to obtain agreement on policy and operational improvements which should increase the usefulness and quality of PIF financing to the private sector, as well as the constructive contribution of the private banking system through which the PIF operates.

Within the framework of general efforts to attract foreign capital into Colombia, the U.S. investment guaranty program, primarily in its specific risks version, has gotten off to a good start in Colombia since the basic country agreement was signed last year and despite the fact that it still remains to be ratified by the Colombian Congress.

With the recent conclusion of a new PL 480 Title I Sales Agreement, Cooley lending which has been done in Colombia successfully on a large scale, will be resumed shortly, providing a further resource for the promotion of private enterprise promising to help meet Colombian priority needs.

The specific targets of AID assistance programmed in fiscal years 1965 and 1966 to help move towards achievement of this goal are as follows:

1. Industrial Development

More effective and competitive development of Colombian private industry is the overall objective of this project.

Large industry has reasonably good access to management personnel, technical assistance and credit, while small and medium industry generally have little or no access to these aids. In the latter category fall over 90% of the total number of Colombian industrial establishments, producing 30% of the total product and employing 70% of the industrial labor force.

An activity target of this project is to make existing private industrial development institutions major, expanding and increasingly effective tools of industrial development. These institutions are now in a position to enter new fields, such as direct consulting services to medium industry through a series of area productivity centers and industrial extension services, and thereby to increase the efficiency and productivity of small and medium industry.

A second target is broadening access of industry to public and foreign credit and investment sources which to date have largely been available only to large industry.

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	GOAL VI	AVOIDANCE OF INHIBITIONS TO THE CONTINUING DYNAMISM OF, AND PROVISION OF INCREASED STIMULI TO, A VIGOROUS, COMPETITIVE PRIVATE SECTOR
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2. Export Promotion

The overall objective is to implement export promotion as a national goal of Colombia, particularly through the development of institutions and the adoption of policies and procedures designed to stimulate, promote and assist Colombian exports as the indispensable means of solving Colombia's structural balance of payments problem. The activity target is, in addition, supported by the Industrial Development project which aims at making Colombian industry more efficient and thus more competitive in LAFTA and other foreign markets; by the Agricultural Crop Diversification project (Goal II); and very prominently, by the Private Investment Fund Loan project (Goal I).

The Export Promotion project as such breaks down into two sub-activities. a) Export Promotion and Marketing: With the GOC increasingly aware of the need to promote exports of Colombian products, this activity intends to furnish technical assistance to achieve a full awareness of the need for, and the means of, organizing general and scattered activities of export promotion into effective, well coordinated action programs, and assist and advise on the development of such programs and their implementation. Specifically, such technical assistance aims at the development of effective institutions, both public and private, engaged in the promotion of exports. b) Industrial Standards: The target here is the establishment and enforcement of standards of quantity and quality, primarily for industrial products, indispensable for the development of diversified exports of manufactured products. On the world markets many goods can compete successfully only when they meet international standards of uniformity, quality, measure and composition.

3. Partners of the Alliance: Valle-Oakland County, Michigan

This project is one of the "Partners of the Alliance" programs of County-to-County and City-to-City cooperation through which the resources of local governments, local citizens and private organizations, both in the U.S. and in Latin America, are mobilized to supplement those of the national governments in the task of advancing the objectives of the Alliance for Progress. Specifically, the Valle-Oakland Co. project calls for student and professor exchanges, organized labor studies, hospital and child care improvement, seminars on regional planning and industry, social welfare and cultural exchanges.

4. Coop. Handicraft Production and Marketing

This project is part of the regional AID project to promote quality production and large-scale exports of native handicrafts from 4 countries of Latin America. The regional project is a direct approach to the crucial social and economic problems of the depressed rural Andean population of Colombia, Ecuador, Bolivia and Perú.

By means of creating and coordinating foreign marketing organizations, domestic purchasing and financing, business organizations providing professional talent and experienced personnel, and promoting artisans cooperatives, the target is to organize and develop the traditional abilities of the indigenous artisans of the region so as to integrate them into the economic, social and political life of the countries, raise and improve their production, increase their incomes and at the same time produce significant new export earnings.

In Colombia, the national organization will be assisted by 2 U.S. experts in design and production, as well as a general resident advisor Country Project Manager.

The design and production experts will coordinate with the U.S. contract marketing organization (which will handle sales for all four countries), providing samples, pricing and packaging in accord with buyer requirements and guiding the staff of the national organization, coop. personnel and Peace Corps assistance in the technical requirements of producing and shipping handicrafts. Producer cooperatives will be developed by the Cooperative League of the U.S.A. (CLUSA), which will assign two specialists to Colombia. These will be assisted by specially trained Peace Corps Volunteers located in the several artisan towns and villages, who will work directly with the producers and their cooperatives, helping with procurement of raw materials, standardization of production, coop organization and credit problems, and, when incomes increase, with community development project. The U.S. country project manager, under the policy guidance of the USAID/Director and Project Manager in Washington, will supervise all activities, working directly with the Colombian General Manager in an advisory and training capacity.

The Project Manager in Washington and his staff will be responsible for technical backstopping of the U.S. resident advisors in the region, including those in Colombia, evaluating performance and supervising, in particular, the U.S. merchandising effort.

In the case of Colombia, typical artisan products involved are woolen ruanas, brass decorations, ceramics in native designs, woven grass and bamboo containers, etc.

Exports from Colombia under this activity started in August 1964 and should reach a volume of \$100,000 by end-1964 with volume projected at \$400,000 for 1965, reaching a \$2,000,000 per annum level by 1967.

7.	1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3. PROJECT NO.			4. TITLE							
	Oct. 20, 1964		COLOMBIA		514-13-290-117 ^{a/}			INDUSTRIAL DEVELOPMENT ^{a/}							
	5. U.S. FUNDING:		BEGIN FY		END FY		6. PRIOR REFERENCES								
	PHYSICAL WORK:		1960		1968		a/								
AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)	APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT ^{1/}	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS ^{1/}		
					(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
					AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	SA G	156	156	-		156								
		AB G	65	65	-		65								
		AG G	460	299	135		299	19	5		2				
	GROSS OBLIGATIONS (ACTUAL YEAR)	SA G													
		AB G													
		AG G	251	172	73		172	-	5		1				
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	SA G	156	156	-		156								
		AB G	65	65	-		65								
		AG G	233	108	110		108	13	-		2		32	-	
EXPENDITURES (ACTUAL YEAR)	SA G														
	AB G														
	AG G	134	71	62		71	-	-		1		16	-		
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	SA G														
	AB G														
	AG G	227	191	25		191	6	5		-					
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS	AG G	289	174	81		174	25	5		4		14	-	
	B. EXPENDITURES	AG G	269	170	70		170	20	5		4				
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG G	247	195	36		195	11	5		-				
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG G	193	50	86		50	50	3		4				
	B. EXPENDITURES	AG G	291	150	80		150	51	6		4		16	-	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG G	149	95	42		95	10	2		-				
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS ^{2/}	AG G	188	60	81		60	40	3		4		150	85	
	GROSS OBLIGATIONS ^{2/}	AG G	86	-	56		-	25	2		3		128	70	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS ^{2/}	SA G	156	156			156	-	-		-		-	156	
	GROSS OBLIGATIONS ^{2/}	AB G	65	65	-		65	-	-		-		-	65	
	GROSS OBLIGATIONS ^{2/}	AG G	1,216	583	439		583	159	18		17		633	583	

REMARKS:

^{1/} This is a memorandum (non-add) column.^{2/} Show estimated expenditures in column i.

^{a/} Formerly was 514-13-910-053, "Financial Development." Also, it incorporates the former project "Free Enterprise Program", and will include the former project "Industrial Management" #514-13-270-044, once final disbursements are made.

AID 1020-3 (7-64)		PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES										SECURITY CLASSIFICATION UNCLASSIFIED					
E-1b		1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3. Funding		BEG. FY		END FY		4. PROJECT NO.		5. TITLE		6. PRIOR REFERENCES:	
		Oct. 20, 1964		COLOMBIA		Phys. Work		1960		1968		514-13-290-117		INDUSTRIAL DEVELOPMENT			
7. OBLIGATED AND DISBURSED		a. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)						
		(1) TYPE		(2) SOURCE	(3) LOAN OR GRANT	(1) DOLLAR EQUIVALENTS (000) 1/		(2) LOCAL CURRENCY UNITS (000)		(1) OBLIGATED		(2) DISBURSED		(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER	
						(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED			(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED		
I CUMULATIVE THRU ACTUAL YEAR		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		32		320 ^{a/}					180	120			20	
TOTAL ACTUAL FY 64		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		16		160					90	60			10	
II OPERATIONAL YEAR (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		14		140					70	30			40	
FY 65		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		16		160					90	30			40	
III BUDGET YEAR (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		17		170					100	30			40	
FY 66		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		13		130					70	30			30	
IV PLANNING YEAR (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G		92		920					510	240			170	
FY 67		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G														
V ALL SUBSEQUENT FYs (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G														
VI TOTAL ALL YEARS (EST.)		A. (i) LC COSTS CHGD TO \$ ACCTS. 2/	G														

REMARKS: ^{a/} Rate has been steady at 9.98 but recently has depreciated and is fluctuating unpredictably. Rate is 1/ Exchange Rate: \$1 = 10.00 pesos arbitrarily set at 10.00 for convenience.
^{2/} The total dollar equivalent amounts are the same as in Col. i of Table E-1a

a/ E-1c		PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS										1. DATA CURRENT AS OF:		2. COOPERATING CTRY.		3. PERSONNEL SERVICES		BEG. FY		END FY		4. PROJECT NO.		
												Oct. 20, 1964		COLOMBIA		PERSONNEL SERVICES		1960		1968		514-13-290-117		
		a. CUM. THRU ACTUAL FY			b. ACTUAL FY 64			c. OPERATIONAL FY 65			d. BUDGET FY 66			e. PLANNING FY 67			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS				
		Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract		
I PROJECT PERSONNEL		A. MAN YEARS	U.S.	11		12	3		4	3	3		3	3		4	3		3	2		2	22	24
		Non U.S.		6		1		2		2			2			2			2	1			13	
		B. ON BOARD	U.S.			3		2		3			3			3			3					
		Non U.S.				1		2		2			2			2			2					
II. PARTICIPANTS PROGRAMMED		A. U.S.		59				20					25			10			6				120	
		B. THIRD CTRY.																						

REMARKS: ^{1/} End of Fiscal Year ^{a/} Dated listed include project personnel and participants of the project, "Industrial Management", although cost figures for "Industrial Management" are not listed in the E-1a.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-13-290-117	INDUSTRIAL DEVELOPMENT
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1. The Activity Target

More effective and competitive development of Colombian private industry is the overall objective of this project. While Colombia is industrially advanced compared to some other Latin American countries, it is yet far from its potential. Increased efficiency and productivity are needed to reduce costs, increase production and make Colombian industry more competitive both at home and in foreign trade.

Large industry has reasonably good access to management personnel, technical assistance and credit, while small and medium industry generally have little or no access to these aids. In the latter category fall over 90% of the total number of Colombian industrial establishments, producing 30% of the total product and employing 70% of the industrial labor force.

An activity target of this project is to make existing private industrial development institutions major, expanding and increasingly effective tools of industrial development. These institutions are now in a position to enter new fields, such as direct consulting services to medium industry through a series of area productivity centers and industrial extension services, and thereby to increase the efficiency and productivity of small and medium industry.

A second target is broadening access of industry to public and foreign credit and investment sources which to date have largely been available only to large industry.

The two targets are interdependent, as without technical assistance small and medium industry is normally unable to develop the feasibility studies or project preparation necessary to interest investors or banks.

Previous AID efforts have established the Private Development Committee (CPD) and the Colombian Management Institution (INCOLDA) which are private, non-profit institutions directly assisting industry. The CPD is a new institution backed by major industrial associations and the Corporaciones Financieras. Its purpose is to develop industrial investment opportunities, provide investment contacts, export advice and technical assistance. INCOLDA provides management training, seminars, industrial libraries and technical literature and films in a nation-wide program administered by 6 departmental chapters. INCOLDA has a membership of over 500 including all important industrial associations and most leading industries, and over 25,000 executives and other personnel have participated in its various courses.

2. The Course of Action

This project continues assistance to industry through the Urban and Industrial Development Division of USAID, through training, and through provision of consultants to various private industry organizations. The project began in FY 1960, under the title "Financial Development", and will continue through FY 1968.

a. USAID/Colombia staff provides technical assistance, technical aids, information and contacts for private industry in Colombia -- domestic, joint-venture, and U.S. In addition, it services the U.S. Investment Guaranty program which is very active in Colombia.

b. Continuation of aid to the Private Development Committee (CPD) is planned through the extension of the present contract of an investment promotion expert until the end of FY 1966. This will complete the development of CPD work in joint-venture and industrial promotion, and training of its personnel. Further assistance to CPD in FY 1965 will be provided through short-term experts in selected speciality fields, including assistance to area committees and sector feasibility studies, industrial parks, cooperatives and land-use.

c. Establishment of an industrial consulting service for small and medium enterprise, through special INCOLDA training programs, is to be coordinated with training in production technology through the Instituto de Investigaciones Tecnológicas (IIT) under a UNSF project. The new technical and managerial advisory service, to be called the Advisory Center for Small and Medium Industry (CAMPI), will provide much needed technical services to industry.

Two U.S. experts specialized respectively in industrial production and financial management will be provided under the program to train the INCOLDA side of the joint INCOLDA - IIT undertaking. A specialist in marketing management will be furnished under the FY 1966 program.

d. An additional 3 months of services of a consultant in industrial economic and finance, first provided during FY 1964, will be provided in FY 1965 to the Caja de Credito Agrario, Industrial y Minero to evaluate results of the first 6 months operations of its new small industry loan program, recommend improvements, and conduct training for Caja loan officers.

e. Selected training will be continued, with 20 participants planned for FY 1965 and 25 for FY 1966. This will finance in FY 1965 attendance at seminars, conferences and special courses in the U.S., Mexico, and other Latin American countries for 6 participants; and intensive short-term training in the U.S. of 4 participants from CPD, Planeación and the Financieras in industrial development and promotion, under the Conway contract; and a group of 7-9 industrialists will study production techniques for 6 weeks in the U.S. and Puerto Rico. Of 25 participants programmed for FY 1966, 12-15 are expected to attend one-year courses in industrial development and promotion at Arkansas

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-13-290-117	INDUSTRIAL DEVELOPMENT
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University under a regional contract; six to nine Colombians will attend seminars, etc., in Mexico or the U.S.

3. Progress to Date

a. The activation of the Private Development Committee (CPD) in March 1964 achieved the goal set for the Amerconsult contract (AID 1a-82). The Amerconsult resident consultant was extended under direct USAID contract for 7 months until February 21, 1965 and continues to advise the Committee on joint-venture promotion and the formation of additional area committees. In addition to the 10,000 copy brochure prepared and distributed by Amerconsult, entitled "Investment in Colombia", CPD has been instrumental so far in promoting four cases of joint investments with U.S. partners, has a score more under study and has provided eight investment opportunity reports through the U.S. Commercial Attaché in Bogotá to the U.S. Department of Commerce. It has opened 6 area offices in outlying provinces such as Chocó, Nariño, Boyaca, etc., where little or no development planning has heretofore been done, and has given technical assistance, advice and investment contacts to numerous industrial and civic groups in these areas.

b. INCOLDA was founded in February 1959, with guidance and assistance from USAID on the part of the Industry Division and with funding of trainees to the U.S., and provision of U.S. professors and management specialists to conduct courses and seminars in Colombia. The original Chapter was formed in Medellín, followed by the Bogotá chapter in 1959; and Chapters in Cali in 1960 and in Bucaramanga, Barranquilla and Manizales in the following years.

To date INCOLDA has 163 subscribing individual members and 333 subscribing industry members. It has trained over 25,000 Colombians in management and business administration, through 374 courses and seminars, using 214 specialized course leaders from Colombia, the U.S. and other American countries. INCOLDA has also sponsored a total of 52 training participants abroad. The INCOLDA Chapters have raised funds to send at least 3 qualified consultant-trainees from each of the 6 areas to work for 2 years under the U.S. specialist-trainers provided in this project.

c. Under the impetus provided by the AID consultant, the Caja Agraria allocated Pesos 28 million and established criteria and procedures for its new program of rural supervised industrial credit. It began making loans in September 1964. Requests, being received at the rate of 1 million pesos per week, are being processed by 17 Caja loan officers who completed an intensive training course on October 1, 1964.

d. FY 1964 funds financed Colombian attendance at a productivity seminar in Mexico City, attendance of 2 INCOLDA officers at Monterrey, Mexico, in courses for industrial autodiagnosics, and participation in an ESAN seminar in Lima under contract with Stanford University on business administration.

4. Funding Requirements

FY 1965 FY 1966

Personnel Services (grant funding)

a. Direct-hire Technicians 75,000 80,000

- (1) Urban and Industrial Development Officers (Coordinating and setting policy for Industry, Housing and Mineral Resources branches of the Mission)
- (2) Industry Officer to assist U.I.D. Officer and work directly with U.S. consultants, the CPD, credit institutions, and private industry in guiding and controlling progress of activity.
- (3) Industrial Development Advisor to assist in general program implementation and to promote regional development activities.

b. Contract Services

- (1) Contract technician, 16 months, Private Development Committee 45,000 -
- (2) Two to three short-term consultants (two to three months) to Private Development Committee in various fields of industrial development, such as area development, feasibility studies, industrial estates, etc. 20,000 -
- (3) Two contract technicians, 2 years each, in production, finance and marketing management, serving as training advisors to INCOLDA. 100,000 -
- (4) One contract technician for 2 years to CAMPI in marketing management - 50,000
- (5) Contract consultant, 3 months, to Caja Agraria on supervised industrial credit program. 9,000 -

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-13-290-117	INDUSTRIAL DEVELOPMENT
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4. <u>Funding Requirements</u> (Cont.)	<u>FY 1965</u>	<u>FY 1966</u>
c. <u>Local Hire Staff</u>		
Two secretaries	6,000	6,000
d. <u>Training</u>		
20 participants, short-term	25,000	-
25 participants, short-term and long-term	-	50,000
e. <u>Commodities</u>	5,000	3,000
f. <u>Other Costs</u>		
Transportation, administrative costs, etc.	<u>4,000</u>	<u>4,000</u>
TOTAL	\$289,000	\$193,000

<u>Cooperating Country Contribution</u>	<u>FY 1965</u>	<u>FY 1966</u>
Private Enterprise		
(1) Support to Private Development Committee	20,000	50,000
(2) INCOLDA's budget Colombian Private Sector	100,000	125,000
(3) Caja de Crédito Agrario Small and medium ind. loans	<u>2,800,000</u>	<u>3,500,000</u>
TOTAL	\$2,920,000	\$3,675,000

<u>Other Donors</u>		
(1) United Nations technician, with Instituto de Investigaciones Tecnológicas	150,000	150,000
(2) Ford Foundation support of industrial management training faculty - University of Valle - 5 year program	<u>625,000</u>	-
TOTAL	\$775,000	\$150,000

AID 1020-2 (8-64)		PROJECT DATA SUMMARY — AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED					
E-1a	1. DATA CURRENT AS OF: 20 October 1964		2. COOPERATING COUNTRY COLOMBIA			3. PROJECT NO. 514-15-950-112			4. TITLE EXPORT PROMOTION								
	5. U.S. FUNDING:		BEGIN FY		END FY	6. PRIOR REFERENCES											
	PHYSICAL WORK:		1965		1969												
7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT ^{1/}	e. PERSONNEL SERVICES			f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS ^{1/}		
						(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)	
						AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	
I. THRU ACTUAL YEAR FY 1964	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		AG	G	(50) ^{a/}												
	GROSS OBLIGATIONS (ACTUAL YEAR)		AG	G	(50) ^{a/}												
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR																
	EXPENDITURES (ACTUAL YEAR)																
II. OPERATIONAL YEAR (EST.) FY 1965	A. GROSS OBLIGATIONS		AG	G	15				2		6		7				
	B. EXPENDITURES		AG	G	12				1		4		7		7		
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	3				1		2						
III. BUDGET YEAR (EST.) FY 1966	A. GROSS OBLIGATIONS		AG	G	125	100		100	3		15		7				
	B. EXPENDITURES		AG	G	72	50		50	3		12		7		7		
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	56	50		50	1		5						
IV. PLANNING YR. (EST.) FY 1967	GROSS OBLIGATIONS ^{2/}		AG	G	15				5		6		4		19	50	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS ^{2/}		AG	G	200	186		186	10				4		16	186	
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS ^{2/}		AG	G	355	286		286	20		27		22		69	286	

REMARKS:

- ^{1/} This is a memorandum (non-add) column.
^{2/} Show estimated expenditures in column i.

^{a/} Carryover funds obligated in FY 1964 under 514-13-910-053, Financial Development.

AID 1020-3 (7-64)		PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES							SECURITY CLASSIFICATION UNCLASSIFIED						
E - 1b		1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3. BEG. FY		END FY		4. PROJECT NO.		5. TITLE			
		Oct. 20, 1964		COLOMBIA		Funding		1965		1969		514-15-950-112		EXPORT PROMOTION	
7. OBLIGATED AND DISBURSED		a. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)				
		(1) TYPE		(2) SOURCE	(3) LOAN OR GRANT	(1) DOLLAR EQUIVALENTS (000) 1/		(2) LOCAL CURRENCY UNITS (000)		(1) OBLIGATED	(2) DISBURSED	(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER	
					(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED			(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED	
I CUMULATIVE THRU ACTUAL YEAR	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/													
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														
TOTAL ACTUAL FY 64	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/													
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														
II OPERATIONAL YEAR (EST.) FY 65	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		7		70 ^{a/}						70	
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														
III BUDGET YEAR (EST.) FY 66	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		7		70						70	
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														
IV PLANNING YEAR (EST.) FY 67	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		4		40						40	
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														
V ALL SUBSEQUENT FYs (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		4		40						40	
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														
VI TOTAL ALL YEARS (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G		22		220						220	
	FA ACT	(ii) TRUST FUND													
		(iii) OTHER LC													
	B. P.L. 480 LC														

REMARKS:
 1/ Exchange Rate: \$1 = 10.00 pesos ^{a/} Rate has been steady at 9.98 but recently has depreciated and is fluctuating unpredictably. Rate is arbitrarily set at 10.00 for convenience.
 2/ The total dollar equivalent amounts are the same as in Col. 1 of Table E - 1a

E - 1c		PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS			1. DATA CURRENT AS OF:			2. COOPERATING CTRY.			3. PERSONNEL SERVICES		BEG. FY		END FY		4. PROJECT NO.					
		Oct. 20, 1964			Colombia			PARTICIPANT TRAINING		1965		1969		514-15-950-112								
5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS		a. CUM. THRU ACTUAL FY			b. ACTUAL FY 64			c. OPERATIONAL FY 65			d. BUDGET FY 66			e. PLANNING FY 67			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS		
		Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract			
I PROJECT PERSONNEL	A. MAN YEARS	U.S.								1			3		3			2		9		
		Non U.S.																				
B. ON BOARD	U.S.																					
	Non U.S.																					
II. PARTICIPANTS PROGRAMMED	A. U.S.						1			2			4				8			15		
	B. THIRD CTRY.																					

REMARKS:
 1/ End of Fiscal Year

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-950-112	EXPORT PROMOTION
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1. The Activity Target

The overall activity target is to implement export promotion as a national goal of Colombia, particularly through the development of institutions and the adoption of policies and procedures designed to stimulate, promote and assist Colombian exports as the indispensable means of solving Colombia's structural balance of payments problem. The activity target is, in addition, supported by the Industrial Development project which aims at making Colombian industry more efficient and thus more competitive in LAFTA and other foreign markets; by the Agricultural Crop Diversification project (Goal II); and very prominently, by the Private Investment Fund Loan project (Goal I).

The Export Promotion project as such breaks down into two sub-activities: a) Export Promotion and Marketing and b) Industrial Standards.

a. Export Promotion and Marketing

With the GOC increasingly aware of the need to promote exports of Colombian products, this activity intends to furnish technical assistance to achieve a full awareness of the need for, and the means of, organizing general and scattered activities of export promotion into effective, well coordinated action programs, and assist and advise on the development of such programs and their implementation. Specifically, such technical assistance aims at the development of effective institutions, both public and private, that would make the country and its producers more export minded and at the same time would guide and assist the producers and potential exporters in the variety of specific measures and activities that make up effective export promotion and marketing programs.

b. Industrial Standards

The target here is the establishment and enforcement of standards of quantity and quality, primarily for industrial products, indispensable for the development of diversified exports of manufactured products. On the world markets many goods can compete successfully only when they meet international standards of uniformity, quality, measure and composition.

The Pan American Committee for Technical Standards (COPANT) was established in Montevideo, Uruguay, in May 1961 to develop standards for raw materials and semi-finished products important in Inter-American trade. In September 1961, the GOC established a National Standards Council within the Ministry of Development. In June 1964, recognizing the effectiveness of a private organization having the support of producers, consumers and technical experts, the GOC approved the formation of the private non-profit Instituto Colombiano de Normas Técnicas (ICONTEC). This body acts as the national standards

issuing body and Colombia's representative to the international standards organization COPANT. In April 1964, ICONTEC was designated by the GOC to act as advisor and coordinator for the National Standards Council.

2. Courses of Action

a. Export Promotion and Marketing

During FY 1965 AID will furnish one, funded in FY 1964, and during FY 1966 two technicians to work with the new GOC Superintendencia of Foreign Commerce (SUPERCOMEX) and Colombia's Private Development Committee (CPD) in the development of specific programs of export promotion and market development. The first of these technicians will continue to assist certain of the newly organized private area development committee in their programs of export promotion. He will also follow up on the export market analysis study undertaken during 1964 by Arthur D. Little Co. for the Bank of the Republic. A second contract technician will work in a similar capacity beginning in 1966. Another contract technician to be provided beginning in FY 1966 will guide the proposed New York City investment and export promotion office of the GOC and help train Colombian commercial attachés.

The specific work plans of these technicians will be developed in consultation with the National Department of Planning and the Export Assistance and Export Promotion Divisions of the new Superintendencia of Foreign Commerce (SUPERCOMEX). Since SUPERCOMEX will be the primary entity to implement GOC programs of export promotion, USAID assistance will aim at developing its capabilities for planning and implementation, review and simplification of export regulations, reduction of export restrictions, improved coordination of Government policies with the efforts of private organizations, and development of guidelines for export development programs of other government departments. Work plans in SUPERCOMEX and the CPD will include provisions for participant training.

Since this activity is new and pioneering in a most important field, AID assistance is being programmed through FY 1969.

b. Industrial Standards

The following assistance is planned for Colombia's Standards Institute (ICONTEC) during FY 1965 and 1966:

Procurement of standards reference library and equipment for standards reproduction and materials testing.

Short-term visits to Colombia of U.S. National Bureau of Standards (NBS) specialists in seven industrial fields, in

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-950-112	EXPORT PROMOTION
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order to conduct three week seminars intended to establish national standards, compatible with Inter American and international export standards, in the fields of metals fabrication, non-ferrous metals, building materials, agricultural chemicals, textiles, plastics and certain agricultural products. The US NBS will furnish the technicians and AID will pay international travel and per diem.

Training in the U.S. and Mexico of one ICONTEC engineer for six weeks in FY 1965 and similar training for two participants in FY 1966.

Since ICONTEC already has an organization with adequate technical personnel and is supported by private industry, the programmed two-year assistance in the technical aspects of specific standards should adequately meet its needs.

3. Progress to Date

a. Export Promotion and Marketing

Implementation of GOC objectives in this field has been lagging. As a result, export promotion efforts of the USAID, planned for FY 1964, were delayed while organizational arrangements within the GOC were progressing, and legislative and procedural hindrances to increased export activities began to be reduced. In May 1964 the GOC called a National Congress of Exporters and in June 1964 Decrees were issued incorporating many of the recommendations of the Congress. One of the Decrees created the Superintendencia of Foreign Commerce (SUPERCOMEX), with two Divisions to be in charge of, respectively, export assistance and export promotion.

The intent to undertake specific steps to organize more effectively the GOC's efforts to promote expansion of exports was included in the GOC's program of financial and economic development in support of the \$45 million Program Loan of 1964.

In mid-1964, the Bank of the Republic contracted with Arthur D. Little Co., at a cost of \$74,000, for a survey of Colombia's export possibilities for a number of specified major commodities. The results of the survey are expected to become available in late 1964 and the GOC is expected to follow up vigorously on the findings.

b. Industrial Standards

A technician from the U.S. National Bureau of Standards visited Colombia during 1963 on three occasions and developed a program of technical assistance to ICONTEC which was adopted as plan of action for FYs 1965 and 1966.

4. Funding Requirements

a. Export Promotion and Marketing

Personnel Services:

	<u>FY 1965</u>	<u>FY 1966</u>
1) Contract technician, for export promotion, two years, to work primarily with the Private Development Committee and area development organizations (carryover funding of \$50,000 from FY 1964 funds):	-	-
2) Contract technician, for export promotion and marketing, for two years, to work primarily with the Superintendencia of Foreign Commerce and other GOC agencies:	-	\$ 50,000
3) Contract technician, for two years, to assist and train Colombian organizations in market research and promotion, to establish and guide a New York City export promotion office and train Colombian Commercial attachés:	-	50,000
TOTAL	-	\$100,000

Peso Funding Requirements:

- \$5 million in pesos.

Training Requirements:

Training of Colombians in export marketing and promotion is to be done under the Conway AID Regional contract, and some training in Colombia under a possible Arkansas University Regional contract.

Cooperating Country Contribution:

Support costs for export marketing promotion cannot be estimated at this time. The Arthur D. Little Co. contract to survey markets for Colombian products in 26 countries was funded by the Bank of the Republic.

b. Industrial Standards

	<u>FY 1965</u>	<u>FY 1966</u>
1) Equipment for standards reproduction:	\$ 2,000	\$ 2,000
2) Equipment for testing materials:	-	10,000
3) Standards reference library, including materials on ASA, ASTM, SAE and Federal, Military, Commercial, Food & Drug, etc.:	4,500	3,000
4) Seven short-term consultants, approximately three weeks each in each fiscal year from U.S. National Bureau of Standards, (international travel costs and per diem only):	7,000	7,000
7) Training in USA and Mexico, one ICONTEC engineer in FY 1965 and two in FY 1966, <u>TOTAL</u> six weeks each:	1,500	2,000
	15,000	25,000

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-950-112	EXPORT PROMOTION
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Cooperating Country Contribution:

ICONTEC's budget for each of CYs 1964 and 1965 is 500,000 pesos. From this budget, ICONTEC will provide supporting services for the visiting NBS specialists, including office space, secretarial help, domestic travel, and meeting-rooms for an estimated seven 3-week seminar. Total cost to ICONTEC for these activities is estimated at \$4,500 per year.

Contributions from Other Sources:

The Instituto de Investigaciones Tecnológicas, supported by the U.N. Special Fund, will provide laboratory facilities, space, and technical help for materials testing center.

The US NBS will contribute the time and salaries of various specialists, estimated at a total of 21 weeks in each of the two years.

PROJECT DATA SUMMARY — AID DOLLAR COSTS

E-1c	1. DATA CURRENT AS OF: October 20, 1966		2. COOPERATING COUNTRY COLOMBIA		3. PROJECT NO. 514-15-990-113		4. TITLE PARTNERS OF ALLIANCE ^{a/}			
	5. U.S. FUNDING:		BEGIN FY 1965	END FY 1966	6. PRIOR REFERENCES					
	PHYSICAL WORK:		1965	1967						

7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)	e. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT ^{1/}	g. PERSONNEL SERVICES		i. PARTICIPANTS		s. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS ^{1/}		
					(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
					AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT
I. THRU ACTUAL YEAR FY <u>66</u>	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR														
	GROSS OBLIGATIONS (ACTUAL YEAR)														
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR														
	EXPENDITURES (ACTUAL YEAR)														
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR														
II. OPERATIONAL YEAR (EST.) FY <u>65</u>	A. GROSS OBLIGATIONS	AG	G	10								10			
	B. EXPENDITURES	AG	G	10								10			
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	2								2			
III. BUDGET YEAR (EST.) FY <u>66</u>	A. GROSS OBLIGATIONS	AG	G	10								10			
	B. EXPENDITURES	AG	G	10								10			
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	2								2			
IV. PLANNING YR. (EST.) FY <u>67</u>	GROSS OBLIGATIONS ^{2/}	AG	G											2	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS ^{2/}														
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS ^{2/}	AG	G	20								20	20		

REMARKS:

^{1/} This is a memorandum (non-add) column.
^{2/} Show estimated expenditures in column i.

^{a/} At this time the project pertains to one "Partners" arrangement, namely, Oakland County, Michigan - Cali, Dept. of Valle, but more such arrangements may develop.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-990-113	PARTNERS OF THE ALLIANCE: VALLE- OAKLAND COUNTY, MICHIGAN
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1. Activity Target

This project is one of the "Partners of the Alliance" programs of County-to-County and City-to-City cooperation through which the resources of local governments, local citizens and private organizations, both in the U.S. and in Latin America, are mobilized to supplement those of the national governments in the task of advancing the objectives of the Alliance for Progress. Specifically, the Valle-Oakland Co. project calls for student and professor exchanges, organized labor studies, hospital and child care improvement, seminars on regional planning and industry, social welfare and cultural exchanges.

2. Course of Action

Appointment of a Valle resident representative at Oakland Co., delayed through the death of the co-worker of the Colombian selected for this assignment, will be followed by development of additional mutual activities of the types listed under "Activity Target". Student exchanges and exchanges of democratic labor union leaders are programmed for FY 1965 and 1966. Tightening relationships are to be effected between the Pontiac, Michigan Junior Chamber of Commerce (JCC) and the Cali JCC. A Colombian architect is being sought to be hired by an Oakland Co. firm. Educational materials are being supplied and will be supplied in FY 1965 and 1966 by Oakland Co. people to poor children in Cali. Specific exchanges of course material and information between schools in Cali and Oakland Co. is to be carried out. Specific exchanges of technical expertise, however, is still in the stage of formulation.

Additional "Partners of the Alliance" programs, without AID financing, are in the planning stage. They involve the State of Florida and the Colombian north coast departments; and Massachusetts with Colombia's Department of Antioquia.

3. Progress to Date

On the initiative of U.S. Congressional Representative Wm. S. Broomfield of Michigan, a delegation from Oakland Co. visited Cali, capital of the Department of Valle and now the second largest city of Colombia, in May 1963. Following a return visit by a Valle group to Oakland Co., a plan of action under "Partners of the Alliance" guidelines was agreed upon. In February 1964, the "Cauca Valley Committee for Cooperation with Oakland County" was officially established in Cali by the Governor of Valle Department. The Committee includes the Governor, the Mayor of Cali, Rector of Valle University, and representatives of Unidad de Acción Vallecaucana, the Financiera and industrial groups. The Oakland Co. Committee

has also been established by civic, municipal and labor leaders, and to date has raised over \$12,000 to support the first year's activities.

Since May, 1964, an Oakland Co. representative has been stationed in Cali and has been working on a number of projects. A representative of Mr. Walter Reuther, a member of the Oakland Co. Committee, addressed the FESTRALVA labor congress in Cali in July 1964. The students from Oakland Co. are now attending college at Cali and two from Cali are attending college at Oakland University, the Oakland Co. branch of Michigan State University.

4. Funding Requirements

The project is financed in three ways: The Oakland Committee pays local costs in Oakland Co. and the salary of its representative in Cali; the Valle Committee does the same on its part; and AID is financing international travel costs involved in exchanges of representatives, technicians, professors, etc. The budget for both FY 1965, the first regular year of operation, and FY 1966 is as follows:

Annual Budget for each of FY 1965 and FY 1966

<u>A. Valle Funding</u>		
Valle Representative in Oakland Co., Salary	\$10,000	
Bilingual Secretary in Cali for Oakland Co. representative	3,000	
Administrative support and office expenditures in Cali	2,000	
Travel for project representatives in Colombia	<u>1,500</u>	\$16,500
<u>B. Oakland County Funding</u>		
Oakland Co. Representative in Cali, Salary	\$10,000	
Bilingual secretary, administrative support and office expenditures in Oakland Co.	7,500	
Travel for project representative in the U.S.A.	<u>1,500</u>	\$19,000
<u>C. USAID Funding</u>		
International Travel costs for Technical and Program Advisors	<u>\$10,000</u>	
		<u>\$10,000</u>
TOTAL		<u>\$45,500</u>

PROJECT DATA SUMMARY — AID DOLLAR COSTS

E-1a

1. DATA CURRENT AS OF:
OCT. 20, 1964

2. COOPERATING COUNTRY
COLOMBIA a/

3. PROJECT NO.
514-13-990-114

4. TITLE

COOP. HANDICRAFT PROD. & MKTC.

5. U.S. FUNDING:

BEGIN FY
1963 a/

END FY
1966

6. PRIOR REFERENCES
(See Remarks) a/

PHYSICAL WORK:

1964

1967

7. AID DOLLAR FINANCING - OBLIGATIONS AND EXPENDITURES (\$000)	g. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT ^{1/}	e. PERSONNEL SERVICES			f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS ^{1/}		
					(1) U.S. AGENCIES		(2) CONTRACT	(1) U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	
					AID	PASA										
I. THRU ACTUAL YEAR FY <u>64</u>	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		<u>a/</u>													
	GROSS OBLIGATIONS (ACTUAL YEAR)															
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR															
	EXPENDITURES (ACTUAL YEAR)															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
II. OPERATIONAL YEAR (EST.) FY <u>65</u>	A. GROSS OBLIGATIONS		<u>a/</u>													
	B. EXPENDITURES														50 <u>b/</u>	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
III. BUDGET YEAR (EST.) FY <u>66</u>	A. GROSS OBLIGATIONS	AG	G	300	300		280		20							
	B. EXPENDITURES	AG	G	150	150		140		10						70 <u>b/</u>	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
IV. PLANNING YR. (EST.) FY <u>67</u>	GROSS OBLIGATIONS ^{2/}	AG	G												150	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS ^{2/}															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS ^{2/}	AG	G	300	300		280		20						300	

REMARKS:

- 1/ This is a memorandum (non-add) column.
- 2/ Show estimated expenditures in column i.

a/ Country project funded in FY 1963 and 1964 under 514-13-910-053 Financial Development. Shifted to regional activity and funding in FY 1965. Country funding again in FY 1966 for two years.
b/ Estimates of allowances, travel, and support costs for team under CLUSA contract. At this time these costs are not strictly l/c costs charged to dollar accounts.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-13-990-114	COOP. HANDICRAFT PRODUCTION AND MARKETING
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1. The Activity Target

This project is part of the regional AID project to promote quality production and large-scale exports of native handicrafts from 4 countries of Latin America. The regional project is a direct approach to the crucial social and economic problems of the depressed rural Andean population of Colombia, Ecuador, Bolivia and Perú.

By means of creating and coordinating foreign marketing organizations, domestic purchasing and financing, business organizations providing professional talent and experienced personnel, and promoting artisans cooperatives, the target is to organize and develop the traditional abilities of the indigenous artisans of the region so as to integrate them into the economic, social and political life of the countries, raise and improve their production, increase their incomes and at the same time produce significant new export earnings.

The specific objectives of the regional contract for this project are:

- a. Organizing, supervising and training central national organizations for procurement, marketing, finance and technical services required by the artisan producer cooperatives, which national organizations are eventually to be owned jointly by the local cooperatives.
- b. Contracting with a marketing organization to establish and maintain world market outlets for artisan-produced products.
- c. Planning, organizing, supervising and training of artisan producer-cooperatives.

In Colombia, the national organization will be assisted by 2 U.S. experts in design and production, as well as a general resident advisor/Country Project Manager.

The design and production experts will coordinate with the U.S. contract marketing organization (which will handle sales for all 4 countries), providing samples, pricing and packaging in accord with buyer requirements and guiding the staff of the national organization, coop. personnel and Peace Corps assistants in the technical requirements of producing and shipping handicrafts. Producer cooperatives will be developed by the Cooperative League of the U.S.A. (CLUSA), which will assign 2 specialists to Colombia. These will be assisted by specially trained Peace Corps Volunteers located in the several artisan towns and villages, who will work directly with the producers and their cooperatives, helping with procurement of raw materials, standardization of production, coop organization and credit problems, and, when incomes increase, with community development projects. The U.S. country project manager, under the policy guidance of the USAID/Director and the Project Manager in Washington, will supervise all activities,

working directly with the Colombian General Manager in an advisory and training capacity.

The Project Manager in Washington and his staff will be responsible for technical backstopping of the U.S. resident advisors in the region, including those in Colombia, evaluating performance and supervising in particular the U.S. merchandising effort.

In the case of Colombia, typical artisan products involved are woolen ruanas, brass decorations, ceramics in native designs, woven grass and bamboo containers, etc.

Exports from Colombia under this activity started in August 1964 and should reach a volume of \$100,000 by end-1964 with volume projected at \$400,000 for 1965, reaching a \$2,000,000 per annum level by 1967.

2. The Course of Action

Financed by regional funds, made available to CLUSA in June and September 1964, project operations will move into high gear in FY 1965 by means of:

- a. Assignment of a Country Project Manager, a U.S. expert in production and one for design.
- b. Assignment of 2 Coop experts and training courses in Puerto Rico for 15 or more Peace Corps Volunteers.
- c. Increased sales and publicity efforts in the USA and in several other countries, including a show-room in New York for handicraft articles, and additional salesmen and contacts on the part of the American Sub-contract firm.
- d. Assignment of Colombian counterparts to the two production and design experts.
- e. Selection of community and artisan leaders for cooperative training.

In FY 1966 all the U.S. technicians will continue their work in Colombia, under the above 2-year contracts, and the U.S. marketing effort will continue. In FY 1966 and 1967 the U.S. marketing contractor will provide training for a total of 12 Colombians, for 3 months each, in handicraft design and production.

Support to Colombia under this project will continue for an estimated 3 years, by which time, as the result of the various training

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-13-990-114	COOP. HANDICRAFT PRODUCTION AND MARKETING
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programs involved, the Colombian organization should be fully self-supporting.

3. Progress to Date

The plan for this project arose out of market success of a private pilot project in Peru, where the present owners of Piñata Party restored the formerly large but recently defunct Panama hat industry.

With funds obligated under the "Financial Development Project", USAID/Colombia signed contracts with Piñata Party and Selegross in October 1963 for \$48,000 for an 18 man-months efforts in production and design of handicrafts in Colombia and sales and promotion centered in New York. These contracts were extended for an additional 15 man-months at a cost of \$48,000 in April and June 1964, providing services through September, until funding was shifted to the regional CLUSA contract in October 1964.

A third contract, with Milton Goldber Associates was concluded in March 1964 for \$25,000 providing for short-term services of 3 experts in the selection and organizing of a Colombian promotion and purchasing organization to expand the domestic and export volume of the country's handicraft industries.

With the help of Goldberg Associates, Artesanías de Colombia was established under leadership of the Colombian Tourist Bureau and the Caja Agraria in May 1964. It started operations July 1, 1964. The Selegross contract provided experts in production and in design, who located and up-graded artisan items for export. The Piñata Party contract as of October 1st. secured orders of over \$30,000 of which Artesanías had shipped \$10,000 to the U.S. as of that date.

Artesanías has obtained a budget of \$400,000 pesos, and is taking steps to raise this to \$200,000 estimated as necessary to carry the organization until commissions from sales rise to a level meeting operating costs, viz, primarily a staff of 9 Colombian employees including a general manager, as well as rental of an office-warehouse, and working capital.

The two U.S. cooperative technicians assigned to Colombia will be in the country by November 1964. One Peace Corps Volunteer has been working with Artesanías since May 1964, in Medellin, and one in Bogota since June. An additional five Peace Corps Volunteers are being selected for regional activities, and 10-15 more will be engaged in the project working with native artisans, after special training in Puerto Rico.

The Country Project Manager is likewise due to arrive in Bogota in November 1964. The U.S. design and production experts have been working in Colombia since April 1964.

The CLUSA regional contract was signed in June 1964 and in October the firm of Scherr-McDermott was contracted to be the U.S. marketing agency. The first visit of its representative to Colombia will take place in November. At the same time a New York show-room will be ready, with Latin American handicraft products on display ready for buyers.

4. Funding Requirements

CLUSA Task Order dated June 23, 1964 obligates \$800,000 for the regional project, and a second increment of \$450,000 was obligated in August. This provided funds for the marketing organization in the USA, and the in-country technician requirements including vehicles (probably too few for adequate field activities) through FY 1965. No country program funds are required for FY 1965. (Mission funding in FY 1963 was under Pro-Ag 514-23-910-053, "Financial Development" and in FY 1964 under the same number and title).

Beginning in FY 1966, the Mission expects to fund in-country contract technician costs estimated as follows, all covering two year funding:

	<u>FY 1966</u>
	TC
Two U.S. co-op experts	\$ 60,000
One design expert	50,000
One Production expert	50,000
One country project manager	70,000
One audit and funding manager	<u>50,000</u>
TOTAL	\$280,000
Participant Training	<u>20,000</u>
TOTAL	\$300,000

No AID funding after FY 1966 is planned at this time. The funds provided under Regional Task Orders, and USAID funding under FY 1966 program should provide the technical aid necessary to Colombia to reach self-sufficiency in this project. The regional funding will cover the U.S. marketing contractor from June 1964 to June 1966; Mission funding is sufficient to cover field technicians through FY 1967.

Cooperating Country Contributions

These are estimated for the last 4 months of CY 1964 at \$26,000 for operating expenses and at \$42,000 for CY 1965. In addition, capital requirements for furniture, trucks for transport of packing materials and of finished products, inventory and receivables under anticipated expanded operations are estimated at \$132,000 or a total of \$200,000.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-13-990-114	COOP. HANDICRAFT PRODUCTION AND MARKETING
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Artesanias is taking steps to raise this sum through additional grants from the Caja Agraria, Central Bank, Avianca, and the Colombian Tourist Bureau. At the same time Artesanias has invited the Banco Popular and the Coffee Growers Federation to join the list of sponsors. At the present level of operations, Artesanias' current budget of 400,000 pesos is adequate.

After CY 1965 additional capitalization should not be required as it is expected that Artesanias will be self-supporting from commissions on sales and will be able to secure short-term financing for a steadily growing volume of business.

Artesanias adds 15% to the cost-Bogotá price of handicraft products to cover expenses and amortize capital investment. It pays the producer the agreed price on delivery and gets paid by the buyer on receipt of shipping documents. The Caja Agraria has arranged immediate credits for Artisans for purchase of raw materials, against presentation of production orders from Artesanias.

AID 1020-2 (8-64)		PROJECT DATA SUMMARY — AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED				
E-1a		1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3. PROJECT NO.				4. TITLE						
		October 20, 1964		COLOMBIA		514-15-990-092				SPECIAL DEVELOPMENT ACTIVITIES						
		5. U.S. FUNDING:		BEGIN FY		END FY		6. PRIOR REFERENCES								
PHYSICAL WORK:		1964		1966												
7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES			f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS 1/	
						(1) U.S. AGENCIES		(2) CONTRACT	(1) U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	(1) DIRECT AND U.S. AGENCIES	(2) CONTRACT
						AID	PASA									
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		AG	G	50						42	-	8	-		
	GROSS OBLIGATIONS (ACTUAL YEAR)		AG	G	50						42	-	8	-		
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR		AG	G	9						5	-	4	-	9	-
	EXPENDITURES (ACTUAL YEAR)		AG	G	9						5	-	4	-	9	-
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG		41						37	-	4	-		
			AG													
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS		AG	G	50						40	-	10	-		
	B. EXPENDITURES		AG	G	55						45	-	10	-	25	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	36						32	-	4	-		
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS		AG	G	50						40	-	10	-		
	B. EXPENDITURES		AG	G	60						50	-	10	-	25	-
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		AG	G	26						22	-	4	-		
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/		AG	G											26	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/		AG	G	150						122	-	28	-	150	

REMARKS:

- 1/ This is a memorandum (non-add) column.
 2/ Show estimated expenditures in column i.

PROJECT DATA SUMMARY - LOCAL COSTS FINANCED WITH AID DOLLARS AND/OR CONTROLLED LOCAL CURRENCIES

7. OBLIGATED AND DISBURSED	1. DATA CURRENT AS OF:		2. COOPERATING COUNTRY		3.		BEG. FY	END FY	4. PROJECT NO.		5. TITLE				6. PRIOR REFERENCES:			
	Oct. 20, 1964		COLOMBIA		Funding	1964	1966	514-15-990-092		SPECIAL DEVELOPMENT ACTIVITIES								
					Phys. Work	1964	1967											
	a. FUNDS			b. TOTALS				c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000)		d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000)								
	(1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	(1) DOLLAR EQUIVALENTS (000) 1/		(2) LOCAL CURRENCY UNITS (000)		(1) OBLIGATED	(2) DISBURSED	(1) U.S. ADMINISTERED PERSONNEL, DISBURSED		(2) OTHER						
				(a) OBLIGATED	(b) DISBURSED	(a) OBLIGATED	(b) DISBURSED			(a) U.S. PERS.	(b) NON-U.S. PERS.	(a) OBLIGATED	(b) DISBURSED					
I CUMULATIVE THRU ACTUAL YEAR	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G	9		90 ^{a/}		50				40					
	FA ACT	(ii) TRUST FUND																
		(iii) OTHER LC																
	B. P.L. 480 LC																	
TOTAL ACTUAL FY 64	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G	9		90		50				40					
	FA ACT	(ii) TRUST FUND																
		(iii) OTHER LC																
	B. P.L. 480 LC																	
II OPERATIONAL YEAR (EST.) FY 65	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G	25		250		150				100					
	FA ACT	(ii) TRUST FUND																
		(iii) OTHER LC																
	B. P.L. 480 LC																	
III BUDGET YEAR (EST.) FY 66	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G	25		250		150				100					
	FA ACT	(ii) TRUST FUND																
		(iii) OTHER LC																
	B. P.L. 480 LC																	
IV PLANNING YEAR (EST.) FY 67	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/																
	FA ACT	(ii) TRUST FUND																
		(iii) OTHER LC																
	B. P.L. 480 LC																	
V ALL SUBSEQUENT FYs (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/																
	FA ACT	(ii) TRUST FUND																
		(iii) OTHER LC																
	B. P.L. 480 LC																	
VI TOTAL ALL YEARS (EST.)	A.	(i) LC COSTS CHGD TO \$ ACCTS. 2/		G	59		590		350				240					
	FA ACT	(ii) TRUST FUND																
		(iii) OTHER LC																
	B. P.L. 480 LC																	

REMARKS: ^{a/} Rate has been steady at 9.98 but recently has depreciated and is presently fluctuating unpredictably. Rate is arbitrarily set at 10.00 for convenience.
^{1/} Exchange Rate: \$1 = 10.00 pesos
^{2/} The total dollar equivalent amounts are the same as in Col. 1 of Table E-1a

E-1c	PROJECT DATA SUMMARY - PERSONNEL AND PARTICIPANTS		1. DATA CURRENT AS OF:			2. COOPERATING CTRY.			3. PERSONNEL SERVICES PARTICIPANT TRAINING		BEG. FY	END FY	4. PROJECT NO.											
	5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS		a. CUM. THRU ACTUAL FY			b. ACTUAL FY			c. OPERATIONAL FY			d. BUDGET FY			e. PLANNING FY			f. ALL SUBSEQUENT FYs			g. TOTAL ALL YEARS			
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	Direct	PASA	Contract	
				Non U.S.																				
	B. ON BOARD	U.S.																						
		Non U.S.																						
II. PARTICIPANTS PROGRAMMED		A. U.S.																						
		B. THIRD CTRY.																						

REMARKS:
^{1/} End of Fiscal Year

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-990-092	Special Development Activities (SDA)
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1. The Activity Target

This activity aims at a constructive economic and social impact on specific Colombian communities or organizations, and at the same time to increase public awareness and support of the Alliance for Progress in Colombia, through the financing of small but locally important projects in support of community or other self help efforts.

In many instances, Colombian communities and entities attempt to improve socio-economic conditions through community action and self-help measures but, because of the lack of a small amount of financial or material resources, they are unable to accomplish their objective.

Although outside the area of project assistance sponsored by the GOC under the regular AID program, these groups and organizations approach the USAID for assistance to their self-help efforts. They recognize that the Alliance for Progress is a program in which assistance is rendered to those who help themselves. Some of the requests arise out of the successful efforts of Peace Corps Volunteers at mobilizing local self help but lacking funds to purchase certain materials or contract for necessary services.

Favorable response to selected requests of this type produces large benefits from relatively small contributions. The activity which started in FY 1964 should therefore continue during FYs 1965 and 1966.

2. The Course of Action

The funds under this activity will be used by the Ambassador and the Director of USAID/Colombia to finance worthy projects having a definite, beneficial effect on the socio-economic development of Colombia, and in accordance to the Activity Target objectives.

It is intended to approve requests of such entities as village or town councils, schools, cooperatives, health institutions, voluntary agencies and similar organizations with small amounts of financial assistance devised to continue and complete projects requiring some small amount of assistance to supplement and bring to fruition self-help efforts, especially those involving the voluntary contribution of local labor.

USAID staff analyzes requests and the types and costs of materials and/or services necessary to achieve the objectives stated in each request for assistance.

The requests are then evaluated by the Special Projects Committee composed of Embassy, USAID and USIS representatives and approved by the USAID Director. Their eligibility will be

determined on the basis of the following criteria:

- a. That the assistance materially helps the recipient organization in a self-help effort to achieve a particular project objective furthering their socio-economic development.
- b. That the assistance creates a definite impact and generates public awareness of and support for the advancement of the Alliance for Progress.

Funds made available under this activity may be used for local purchases, local contract services, commodities and other costs as required by this project. U.S. Government excess property and regular procurement in the U.S. may also be utilized in carrying out this activity.

3. Progress to Date

Numerous requests have been received from various organizations and communities for assistance in self-help measures. USAID arranged to have many of these requests favorably acted upon by other financing entities, such as the GOC; Division of Acción Comunal, the Division of School Construction of the Ministry of Education, the Colombian Housing Agency (ICT), the Peace Corps, CARE, etc.

However, when justified but unsatisfied requests became so numerous because of the lack of funds, the USAID instituted this activity in FY 1964 to help meet the need. Thus far, Special Development Activities funds have assisted 27 specific projects, plus providing \$12,000 for miscellaneous common-use items from U.S. Excess Property sources (community development, Peace Corps, etc.), and approximately \$10,000 in commodities purchased for the GOC Community Development organization and Women's University of Manizales. All but \$45 of the original allotment of \$50,000 has now been allocated. Among the applicants benefitted are poor urban "barrios", schools, universities, bi-national centers, health centers, democratic labor unions, hospitals, etc. Specific details and funding data on the projects are regularly reported to Washington in USAID U-258 Quarterly Reports on Special Development Activities.

4. Funding Requirements

USAID contributions for FY 1965 are proposed for \$50,000. These funds will be utilized as above stated for local purchases and services ("other costs"), as well as small amounts of U.S. commodities, U.S. excess property sources are used as much as possible.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-990-092	Special Development Activities (SDA)
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Funding of an additional \$50,000 for FY 1966 is proposed, and will be utilized in the same manner.

Colombia contributions toward this activity obviously cannot be calculated. They are manifold both in the amount of personnel involved and money expended.

Many sources contribute to this project: communities; private and public agencies or institutions; municipal and departmental government ("juntas"); etc. Their contributions are varied and may be in the form of labor, building materials, administration, limited equipment and funds.

AID 1020-4 (7-64)		PROGRAM STATUS OF LOCAL CURRENCY FUNDS - TOTAL PROGRAM AVAILABILITIES AND OBLIGATIONS FOR FINANCING LOCAL COSTS											
E-3a		1. DATA CURRENT AS OF: Oct. 20, 1964				2. COOPERATING COUNTRY COLOMBIA				SECURITY CLASSIFICATION UNCLASSIFIED			
4. PLANNING AND OBLIGATION STATUS		3. SOURCES AND AMOUNTS OF LOCAL CURRENCY - LOCAL CURRENCY UNITS (000)											
		a. TOTAL		b. P.L. 480					c. FOREIGN ASSISTANCE ACT				
		(1) 1/ DOLLAR EQUIVALENTS (\$000)	(2) LOCAL CURRENCY UNITS (000)	(1) TITLE I				(2) OTHER TITLES (Specify)	(1) COUNTERPART	(2) U.S. OWNED	(3) TRUST FUND	(4) LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS	
			(a) SEC. 104 (C)	(b) SEC. 104 (e) GRANTS	(c) SEC. 104 (e) COOLEY LOANS	(d) SEC. 104 (g) LOANS							
I. END OF PRIOR YR.-AVAILABILITIES FOR PROGRAMMING, UNOBLIGATED													
A. NEW AVAIL. FROM \$ AND P.L. 480 OBL., AY		12	120 ^{a/}					120 ^{a/}					
B. NET OBLIGATIONS		12	120					120					
(i) BUDGET SUPPORT													
		MILITARY											
		ECONOMIC DEVELOPMENT											
		OTHER											
(ii) CAPITAL ASSISTANCE PROJECTS													
(iii) TECHNICAL ASSISTANCE PROJECTS													
(iv) LOCAL CURRENCY PROJECTS													
		CAPITAL ASSISTANCE											
		TECHNICAL ASSISTANCE											
(v) COUNTERPART COMMITMENTS FOR TRUST FUND													
C. END OF AY - AVAILABILITIES FOR PROGRAMMING, UNOBL.													
A. NEW AVAIL. FROM \$ AND P.L. 480 OBL., OY		3,250	39,000 ^{b/}			15,000	24,000						
B. NET OBLIGATIONS		3,250	39,000			15,000	24,000						
(i) BUDGET SUPPORT													
		MILITARY											
		ECONOMIC DEVELOPMENT											
		OTHER											
(ii) CAPITAL ASSISTANCE PROJECTS													
(iii) TECHNICAL ASSISTANCE PROJECTS													
(iv) LOCAL CURRENCY PROJECTS													
		CAPITAL ASSISTANCE											
		TECHNICAL ASSISTANCE											
(v) COUNTERPART COMMITMENTS FOR TRUST FUND													
C. END OF OY-AVAILABILITIES FOR PROGRAMMING, UNOBL.													
A. NEW AVAIL. FROM \$ AND P.L. 480 OBL., BY		6,500	78,000			30,000	48,000	600 ^{c/}					
B. NET OBLIGATIONS		6,500	78,000			30,000	48,000	600					
(i) BUDGET SUPPORT													
		MILITARY											
		ECONOMIC DEVELOPMENT											
		OTHER											
(ii) CAPITAL ASSISTANCE PROJECTS													
(iii) TECHNICAL ASSISTANCE PROJECTS													
(iv) LOCAL CURRENCY PROJECTS													
		CAPITAL ASSISTANCE											
		TECHNICAL ASSISTANCE											
(v) COUNTERPART COMMITMENTS FOR TRUST FUND													
C. END OF BY-AVAILABILITIES FOR PROGRAMMING, UNOBLIGATED													

REMARKS:

^{a/} Title II, Food for Work; rate of exchange \$1 = 10.00 pesos.

^{1/} EXCHANGE RATE: \$1 =

^{b/} Peso has been fluctuating recently; arbitrary rate of \$1 = 12.00 pesos used; agreed upon uses are: 25% - 104(e); 40% - 104(g); 35% - U.S. uses.

^{c/} Title II, Food for Work; rate of exchange \$1 = 12.00 pesos.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	FOOD FOR PEACE
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1. The Activity Target

Targets of the Food for Peace program are many and diverse since agricultural commodity sales for pesos or dollars, agricultural commodity grants for supervised distribution, local currency loans, food for work, and a variety of U.S. uses are all segments of this activity. These targets serve various program goals.

The import of commodities as such relieves the balance of payments problem (Goal I). To the extent it is not reserved for "U.S. uses", the peso payment for PL 480 Title I sales of agricultural commodities is divided among economic development loans jointly selected with the Colombian Government (Sec. 104g), and Cooley loans (Sec. 104e). The latter, as required by law, are made for investment projects of U.S. business firms, their affiliates or subsidiaries; or for processing facilities using U.S. agricultural commodities. Pesos generated by Title IV sales are used for social and economic development loans and grants.

Title II commodity grant projects (Food for Work) help carry out economic development programs. The commodities save both import dollars and project pesos. Potential Title II projects in Colombia would assist housing, land resettlement and supervised agricultural credit programs (Goals II and V).

Title III commodity grants distributed to the needy through Voluntary Agencies relieve causes of social unrest and improve the health and nutrition of children and expectant mothers, among others (Goal V).

In addition, Food for Peace is providing local currency for "U.S. uses" enabling the USG to meet local currency costs of Embassy, USIS, Treasury and Defense without direct dollar expenditure; and increasing, through various market development projects, the import of U.S. agricultural products. Approximately 87 million pesos have been generated for U.S. uses from previous Title I sales, and an addition 75 million pesos are anticipated from the 1964 sales agreement. Indications are that by early 1965 most, if not all, USG local currency expenses can be paid from U.S. use funds.

2. Course of Action

Title I

a. Commodities

A new Title I sales agreement, the 6th such sales agreement with Colombia, was signed October 8, 1964 for agricultural imports totaling 22.8 million dollars. Commodities, principally wheat, are to be imported over a 3 year or lesser period. First actual importation under the new sales agreement is expected at the

beginning of CY 1965. The exchange rate initially incorporated in the agreement would generate approximately 91.2 million pesos under Section 104(g), 57.0 million pesos for Cooley loans under Section 104(g) plus 79.8 million pesos for U.S. uses. With the decontrol of the free market exchange rate, these amounts will be exceeded.

b. Local currency proceeds

(1) Utilization of Section 104(g) funds will be programmed jointly with Planeación.

(2) Cooley loans: Listed below are the pending applications, as of October 1964.

- a. Don Pauly - Cheese manufacturing plant.
- b. Incubadora Interamericana - Chicken production.
- c. Rinco - Insecticide plant.
- d. Chrysler - Colmotores - Auto assembly plant.
- e. Remaches Industriales - Steel rivet plant.
- f. Conservas California - W.R.Grace & Co. - Canning plant.
- g. Huevos Oro - Egg production.
- h. Natural Gas - Barranquilla pipeline
- i. National Cash Register Co. - Bogotá - import of parts
- j. Facomec - Electrical equipment
- k. Singer - Sewing machines
- l. General Telephone & Electronic
- m. Kendall - Bauer and Black for expansion manufacturing

Title II

II

A small Title/food for work pilot project involving about \$14,000 in commodities (C.C.C. cost including ocean freight) is underway. This project is under the supervision of the Colombian Coffee Growers Federation and involves feeding 50 vocational agriculture students for 3 months; feeding 120 families being resettled on parcels of land donated by the Coffee Growers Federation; building of 15 Kms. of farm-to-market roads using food as payment to the workers.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	FOOD FOR PEACE
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This project was originally programmed for a period of three months and if successful will be expanded on a yearly basis, i.e. 200 vocational students, 480 families and 60 Kms. of roads. Present indications are that the program will be continued.

World Food Program (WFP), in cooperation with the GOC, has initiated a Title II Section 202 supplementary feeding program of particular vulnerable groups in rural Caldas, viz. 7,500 children from 1 to 6 years of age, 13,000 children from 7 to 14 years of age, attending school, and 9,500 expectant mothers.

WFP will provide 630 metric tons of dry skim milk, 97 metric tons of butter oil and 310 metric tons of dried fish. The USG will supply the milk and butter oil component under its pledge to WFP with a commodity grant of up to \$520,000 C.C.C. cost including U.S. transportation and handling costs. An additional \$45,000 has been made available for ocean freight charges.

This project began in September 1964 and WFP reports that food is being distributed through 35 health centers and 83 schools in 15 municipalities, supervised by 21 physicians, 22 medical assistants and 20 social assistants.

Additional Title II project proposals are under review.

INCORA proposes a Title II project to help feed settlers during the development stage of the resettlement program, and to assist established settlers in the change-over from one type of agricultural production to another.

Additional Title II project proposals involving Civic Action, CARE and CRS are being developed.

Title III

Title III donation programs in Colombia are under the direction of two Voluntary Agencies, CARE and Catholic Relief Services. Approved FY 1965 program requirements for both agencies total 94.4 million pounds of agricultural commodities valued at \$10.2 million dollars. Proposed distribution during FY 1965 is as follows:

<u>Category</u>	<u>CRS</u>	<u>CARE</u>
	<u>Recipients</u>	<u>Recipients</u>
School Lunch	340,000	1,105,300
Institutions	150,000	43,878
Family	250,000	258,330
Mother-Child	40,000	193,252
Miscellaneous	40,000	3,840
Feeding Centers	-	20,000
TOTAL	820,000	1,624,600

Program plans for FY 1966 are expected to be continued by both agencies at about the same levels, thus commodity requirements and recipient numbers will remain constant. Title III food supplies are given to those categories of recipients where maximum benefits to society are achieved. Child feeding and school lunch programs have highest priority, followed by poverty stricken individuals and families.

Charity type family feeding programs have been sharply reduced and gradual reorientation of donation programs towards food for work projects continues.

3. Progress to Date

Title I

a. Commodities

Five sales agreements have been executed with the GOC under provisions of Title I, PL 480 and one under Title IV. See Table No. 1 for a listing of Title I sales agreements showing commodities and total dollar values.

A 6th Title I sales agreement was signed October 8, 1964. See Table No. 1 for a breakdown of commodities and dollar values.

b. Local currency proceeds

The five Title I sales have produced a total of 349,859,806 pesos at varying exchange rates. A portion of the proceeds from the five sales amounting to about 196.8 million pesos were set aside for 104(g) economic development loans channelled through the Caja de Credito Agrario Industrial y Minero, a GOC bank. A reserve of 840,000 pesos is held by the USG to guarantee interest and capital payments. The largest contribution to the Colombian economy from 104(g) funds is the 67,451,000 pesos invested in the fertilizer plant at Barrancabermeja, Dept. of Santander. The next largest contribution of 39,950,000 pesos was for the Cauca Valley irrigation and electrification project. Additional activities include farm-to-market roads, water wells, lumber industry development, mining installations, cement factories, silo construction, reforestation and livestock improvement. See Table No. 2 for a complete list of peso uses, Title I, 104(g).

A Approximately 62.8 million pesos have become available for Section 104(a), Cooley loans. A total of 16 Cooley loans, covering a wide commercial segment of the Colombian economy, has been made as of April 1964. Disbursements amounted to 49.8 million pesos. An additional 5 loans totaling about 13.0 million pesos have been approved but not yet disbursed. See Table No. 3 for detailed Cooley loan activity under Section 104(a). Table No. 4 shows pending Cooley loan applications.

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AID 1020-1 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED		FOOD FOR PEACE
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Pesos provided for U.S. use have totaled more than 86.9 million and have been disbursed primarily under Sections 104 (a), (f), (h), (j). See Table No. 4 for details.

Title II

As previously mentioned the Title II food for work pilot project of the Colombia Coffee Growers Federation will soon be completed, and on the basis of its success an expanded program is anticipated.

A proposed Title II work project to rehabilitate and improve the port facilities of Buenaventura was found not feasible and has been dropped.

Title III

The first PL 480 Title III program in Colombia was begun in FY 1954 under the direction of CARE. This initial program utilized approximately one million pounds of commodities valued at \$177,000 (CCC value excluding transportation costs) and reached about 100,000 recipients. From this beginning until June 30, 1964 total donations of surplus agricultural commodities amounted to about 577.1 million pounds with a CCC value of about 67.6 million dollars excluding transportation. During the past eleven years of operation, Title III programs have provided food to 15.6 million recipients. See Table No. 6 for a breakdown of Title III activity since its inception in FY 1954.

The FY 1964 program was originally estimated at 17.5 million dollars but both voluntary agencies, CARE and CRS, have experienced increased operating expenses due largely to increased transportation costs from ports of entry. As a result, they reduced FY 1964 total program value to approximately 14.0 million dollars. Recipient reduction amounted to about 500,000 in the family feeding category of which 300,000 are estimated to be children of school age not attending schools. During the school year (February to November) the number of school children receiving one meal a day is estimated at 1,650,000.

Title IV

a. Commodities

The first, and thus far only, Title IV sales agreement was consummated on March 27, 1963. The agreement called for a total purchase of 6.8 million dollars of agricultural commodities, however there was a short fall in the purchase of tobacco and the agreed sales total was not reached. Table No. 7 lists the commodities, quantities and value.

b. Local currency

Pesos generated by the Title IV sales agreement were programmed for 14 mutually approved grant or loan projects, ranging from a population

census to construction of secondary roads. See Table No. 8 for approved peso projects under Title IV, and disbursements as of October 1964.

Table 1

P.L. 480 Title I Sales Agreements

1st Sales Agreement (as amended) FY 55 Million Dollars

Wheat	1.6
Cotton	1.6
Oils	1.0
NFDM & Butter	.7
Ocean Trans.	<u>.4</u>
	5.3

2nd Sales Agreement FY 56

Wheat	3.4
Cotton	6.0
Veg. Oil	1.5
Ocean Trans.	<u>.7</u>
	11.6

3rd Sales Agreement (11/17/57)

Wheat	8.62
Wheat Products	2.61
Cotton	1.83
Oils	1.12
Ocean Trans.	<u>1.76</u>
	15.94

In addition 4.46 million dollars worth of commodities paid in dollars

4th. Sales Agreement 1958 (as amended)

Grains (corn, barley, sorghum, oats)	2.2
Veg. Oil	2.5
Cotton	2.8
Tobacco	.5
Dairy Products	.2
Ocean Trans.	<u>.5</u>
	8.7

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5th Sales Agreement 1959 (3 year agreement
expired June 30/62)

Wheat	18.2
Wheat Products	5.0
Tobacco	1.1
Veg. Oils	3.4
Ocean Trans.	<u>3.9</u>
	31.6

6th Sales Agreement (October 8, 1964, 3 year agreement)

<u>Commodity</u>	<u>Approximate Quantity</u> (metric tons)	<u>Export Market</u> <u>Value</u> Million Dollars
Wheat/Wheat Flour	210,000	15.3
Feed Grains	25,000	1.6
Inedible Tallow	11,000	2.0
Tobacco & Products	250	.5
Ocean Trans. (Estimate)		<u>3.3</u>
		22.87

Table 2

PL 480 Title I (104(g)) as of Dec. 31, 1963

Agreed use of pesos:

Loan Agreement I - 6/27/57

Cacao	292,000
Secondary Roads	4,900,000
Livestock	1,200,000
Wells	223,500
Lime Kilns	430,000
Fertilizer	12,000,000
Irrigation	850,000
Small Industry	<u>2,153,500</u>
Total	22,549,000

Loan Agreement II - 4/14/58

Coal	6,000,000
CVC	33,590,000
Fertilizer	27,500,000
Lumber	1,000,000
African Palm	4,075,000
Staca Projects*	<u>835,000</u>
Total	73,000,000

Loan Agreement III - 10/16/59

Drainage Irr.-Atlántico	5,652,050	See note below
Fertilizer	10,000,000	
Cement	2,347,950	
Bucaramanga waterworks	<u>2,000,000</u>	
Total	20,000,000	

projects;
Note: 3.9 million still to be disbursed for new irrigation/
1.7 million spent on surveys, studies.
5.6

Loan Agreement IV (Revision to PROAG dated Dec. 20, 1963)
10/26/60

Fertilizer	22,149,880	(complete)
Cement	9,652,050	(complete)
Reforestation	6,000,000	(incomplete)
Silos INA	11,000,000	"
Port Buenaventura	10,000,000	"
Ponedera Irrigation	14,347,930	"
CVC Electrification	8,000,000	(complete)
Livestock Development	4,000,000	(incomplete)
Airport Barranquilla	2,000,000	(complete)
Nare Hydroelectric Project	6,000,000	(incomplete)
Interconnection grid		
Venezuela Colombia (Cúcuta)	<u>1,000,000</u>	(incomplete)
	92,249,880	* Note

*Note: This sum includes regeneration of pesos and amounts
undisbursed from other Agreements (marked in
asterisks).

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	FOOD FOR PEACE
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Table 3

PL 480 Title I Cooley Loans (Section 104(e))

Cooley generation 7/31/63	62,688,269.32 pesos
Loans disbursed: As of April 16, 1964	
Abbott Laboratories	7,700,000
Maizena (Corn Products)	5,900,000
Reynolds Aluminium	2,000,000
Carbo-química (Grace)	600,000
Carboard Industry	900,000
Hotel del Prado (Barranquilla)	900,000
Paper Containers (Shellmar)	400,000
Parke Davis (Drugs)	2,400,000
Pfizer Corp. (Drugs)	1,700,000
Purina Ltda. (Feed)	800,000
W.R. Grace Paper Co.	6,000,000
Goodyear (Rubber Products)	2,000,000
Hogares Colombianos (Housing)	5,000,000
Gillette of Colombia (Razor Blades)	4,000,000
Owens Illinois Intd. (Glass Mfg.)	4,500,000
General Electric	<u>5,000,000</u>
	49,800,000
Loans approved, not disbursed:	
American Radiator Co.	4,000,000
American Can Co.	1,476,000
Quaker Products S.A.	2,800,000
Maizena (Corn Products)	2,020,000
Facomec (Electrical Equipment)	<u>2,700,000</u>
	12,996,000
Loan disbursed	49,800,000
Loan undisbursed	<u>12,996,000</u>
Total	62,796,000

Table 4

Pending Cooley Loan Applications as of October 28, 1964
(pesos)

1 - Don Pauly - Cheese manufacture	1,500,000	- May 1964
2 - Incubadora Interamericana - Chicken ranch	1,200,000	- Oct. 21, 1964
3 - Rinco - Productos Químicos, Fungicide plant in Barranquilla	8,000,000	- Sept. 17, 1964
4 - Chrysler - Auto assembly plant in association with Colmotores (Total amount of loan not available on Oct. 19/64)		
5 - Remaches Industriales - Steel rivets plant in Barranquilla	150,000	- Feb. 1963
6 - Conservas California - W.R.Grace & Co. Canning plant in Barranquilla	1,300,000	- Feb. 1963
7 - Huevos Oro - Egg Production plant, Bogotá	480,000	
8 - Natural Gas - Barranquilla pipeline up to	14,000,000	- Aug. 1960
9 - National Cash Register Co. - Bogotá import of parts	up to 6,000,000	- April 1964
10 - Facomec - Electrical equipment	up to 2,700,000	
11 - Singer - Sewing machines	up to 6,500,000	- June 1964
12 - General Telephone & Electronic	up to 5,000,000	- Jan. 1963
13 - Kendall - Bauer and Black for expansion manufacturing	up to 1,000,000	- April 1963
TOTAL	47,830,000	(Excluding Chrysler project)

Note: This amount exceeds by 107,730.68 pesos the amount now in a/c No. 20FT 587 or 104(e) account at the USDO. Most probably this 107,730.68 will come from the 3,434,000 pesos on deposit with the USDO and not yet distributed for the various section 104 accounts.

AID 1020-4 (7-64)	1. DATA CURRENT AS OF: Oct. 20, 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	FOOD FOR PEACE
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Table 5

Title I U.S. uses

	<u>Pesos</u>
For market development Section 104(a)	19,224,031.53
For common defense Section 104(c)	375,440.00
For U.S. Government expenses in Colombia	
Section 104(f)	43,778,060.63
For Education Exchanges Section 104(h)	15,840,575.69
For Cinational Centers and American Sponsored	
Schools USIS Section 104(j)	7,690,335.00
For Health, Education and Welfare	20,400.00
For Congressmen Travel	13,377.24
TOTAL	86,945,220.09

Table 6

P.L. 480 Title III Programs

FY	Volagency	Commodity Lbs./Volagency (Excluding CARE Food Cruzade Pkgs)	Dollar Value (\$) Combined Total Pounds (C.C.C.) (Excluding Trans- port Costs)	Total Recipients per Volagency
1954	CARE CARITAS	1,015,000 -	177,000 -	101,436 -
1955	CARE CARITAS	2,927,000 -	946,000 -	108,289 -
1956	CARE CARITAS	- 7,554,411	- 3,164,000	- 893,370
1957	CARE CARITAS	335,364 14,351,934	2,872,000	14,704 833,986
1958	CARE CARITAS	16,321,041 19,008,924	7,378,000	453,372 600,000
1959	CARE CARITAS	23,956,131 17,613,395	4,180,000	744,524 670,000
1960	CARE CARITAS	25,820,000 16,554,934	2,488,000	774,625 830,000

1961	CARE	29,556,401	5,353,000	914,625
	CARITAS	19,615,599		760,000
1962	CARE	27,151,000	9,993,200	1,116,941
	CARITAS	60,979,300		1,029,082
1963	CARE	60,730,000	16,476,000	1,273,644
	CARITAS	102,704,000		1,640,000
1964	CARE	56,098,000*	17,566,600	1,756,132
	CARITAS	79,837,000*	(best estimate)	1,640,000
<u>Includes Food Cruzade</u>				
TOTALS		582,129,434*	70,593,000	16,154,730

* Reduced by Amendment AER

Table 7

P.L. 480 Title IV Sales Agreements

Date signed: March 27, 1963

Amended: Oct. 25, 1963

Agreement called for:

Commodity	Approximate Maximum Quantity (metric tons)	Maximum Export Market Value	Estimated GCC Cost
Wheat	30,000	2,130,000	3,200,000
Tallow	2,000	330,000	330,000
Edible Oil	10,000	2,620,000	2,620,000
Tobacco and/or Tobacco products	500	1,100,000	650,000
Ocean Transportation (estimated)	-	635,000	650,000
TOTAL		6,815,000	7,900,000

Actually shipped under Title IV Agreement:

Commodity	M.T. Shipped	U.S. Value
Wheat	29,614	1,984,769
Inedible Tallow	2,106	N.A.
Cotton Seed and Soybean Oil	10,286	N.A.
Cigarettes	122	268,400

SECURITY CLASSIFICATION

UNCLASSIFIED

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Table 8

Peso Uses PL 480 Title IV

Following is the list of projects as of April 16, 1964.

I. Approved Pesos Projects under Title IV PL 480 Agreement dated March 27, 1963.

Goal

4	1)	Population Census (grant)	28 million
5	2)	Community Development (grant)	2 million
7	3)	Secondary Roads - Cauca (loan)	4 million
2	4)	Silos Construction - INA (loan)	15 million
3	5)	Shao Foundation (grant)	1.2 million
3	6)	The parts assigned to the University of Antioquia are to be used as follows:	5.2 million
	a)	Faculty of Odontology (grant)	
	b)	Faculty of Veterinary (grant)	
1	7)	To Instituto Agustín Codazzi to be used in the program of national property valuation re-appraisal (grant)	3.8 million
3	8)	To construct dormitories for the School of Public Administration of Medellín (grant)	1.0 million
3	9)	To the Laboratory of Zootechnical Investigations of the National University to continue the Division of Agricultural Investigation of the Minister of Agriculture (grant)	3.2 million
3	10)	To the Corporation of Residencias of Universidad 10 de Mayo (grant)	2.0 million
5	11)	For the eradication of slums in accordance with the programs which will be developed by the Instituto de Credito Territorial (grant)	20.0 million
5	12)	To the Ministry of Justice for the programs on the protection of minors (grant)	.9 million
6	13)	To the Institute of Technological Investigations	1.0 million
1 or 4	14)	To Agustín Codazzi for construction of buildings	2.7 million

NOTE: The exact sums to be spent on these activities will depend on the local currencies generated. Disbursements made so far by the Caja Agraria, depository of these funds, is given below.

II. Disbursements for mutually approved projects PL 480 Title IV Agreement, dated March 27, 1963:

A. GRANTS (as of October 23, 1964)	Million Pesos
1) Population Census	26.0 (incomplete)
2) Community Development	2.0 (complete)
3) University of Antioquia, Faculty of Veterinary Science and Odontology	4.5 (incomplete)
4) Construction of dormitories at the School of Public Administration of Medellín	1.0 (complete)
5) National University, Zootechnical Investigations, Laboratory, Ministry of Agric.	3.2 (complete)
6) Corporation of Residencias of the University 10th of May	2.0 (complete)
7) Institute of Technological Investigations	1.0 (complete)
8) Agustín Codazzi Geographic Institute, construction of buildings	2.7 (complete)
9) Caja Agraria purchase of farm in Putumayo	2.0 (complete)
Total Grants	42.4
B. LOANS (as of October 23, 1964)	Million Pesos
University 10th of May	2.0 (complete)
Secondary Roads, Department of Cauca	4.0 (complete)
Total Loans	6.0
Total of Loans and Grants disbursed:	<u>48.4</u>

AID 1020-2 (8-64)		PROJECT DATA SUMMARY — AID DOLLAR COSTS										SECURITY CLASSIFICATION UNCLASSIFIED				
E-1a	1. DATA CURRENT AS OF: Oct. 20, 1964		2. COOPERATING COUNTRY COLOMBIA			3. PROJECT NO. 514-15-990-000				4. TITLE TECHNICAL SUPPORT						
	5. U.S. FUNDING:		BEGIN FY 1954		END FY 1970		6. PRIOR REFERENCES									
	PHYSICAL WORK:		1965		1971											
7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES (\$000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES		f. PARTICIPANTS		g. COMMODITIES		h. OTHER COSTS		i. LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS 1/		
						(1) U.S. AGENCIES		(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
						AID	PASA	CONTRACT	U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT	DIRECT AND U.S. AGENCIES	CONTRACT
I. THRU ACTUAL YEAR FY 64	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	TC	G	349	-	205	-	-	8	-	12	-	124	-		
		AG	G	1,313	65	952	-	23	-	-	36	42	260	-		
	GROSS OBLIGATIONS (ACTUAL YEAR)	TC	G	754	65	578	-	23	-	-	36	42	75	-		
		AG	G	347	-	205	-	-	8	-	12	-	122	-	208	-
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	TC	G	1,214	36	911	-	21	-	-	16	15	251	-	692	36
		AG	G	662	36	535	-	21	-	-	16	15	75	-	277	36
EXPENDITURES (ACTUAL YEAR)	TC	G	2	-	-	-	-	-	-	-	-	2	-	-	-	
	AG	G	99	-	41	-	2	-	-	20	27	9	-	-	-	
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	TC	G	802	-	611	-	-	-	-	72	-	110	-	-	-	
	AG	G	851	-	622	-	2	-	-	80	27	120	-	361	64	
	TC	G	2	-	-	-	-	-	-	-	-	2	-	-	-	
II. OPERATIONAL YEAR (EST.) FY 65	A. GROSS OBLIGATIONS	AG	G	849	-	691	-	-	-	70	-	88	-	-	-	
	B. EXPENDITURES	AG	G	831	-	686	-	-	-	60	-	85	-	402	33	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	68	-	35	-	-	-	22	-	11	-	-	-	
III. BUDGET YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	870	-	700	-	-	-	70	-	100	-	800	-	
	B. EXPENDITURES	AG	G	2,700	-	2,190	-	-	-	250	-	260	-	2,600	-	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	TC	G	68	-	35	-	-	-	22	-	11	-	-	-	
IV. PLANNING YR. (EST.) FY 67	GROSS OBLIGATIONS 2/	AG	G	870	-	700	-	-	-	70	-	100	-	800	-	
	GROSS OBLIGATIONS 2/	AG	G	2,700	-	2,190	-	-	-	250	-	260	-	2,600	-	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	TC	G	349	-	205	-	-	8	-	12	-	124	-	349	
	GROSS OBLIGATIONS 2/	AG	G	6,534	65	5,144	-	23	-	498	42	827	-	6,469	65	
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	TC	G	349	-	205	-	-	8	-	12	-	124	-	349	
	GROSS OBLIGATIONS 2/	AG	G	6,534	65	5,144	-	23	-	498	42	827	-	6,469	65	

REMARKS:

- 1/ This is a memorandum (non-add) column.
2/ Show estimated expenditures in column i.

Note: Local currency costs charged to Dollar Accounts are estimated even though USAID is planning to negotiate with GOC to cover certain categories of local currency costs with peso proceeds from the Program Loans.

AID 1020-1 (7-64)	1. DATA CURRENT AS OF: 20 October 1964	2. COOPERATING COUNTRY COLOMBIA	SECURITY CLASSIFICATION UNCLASSIFIED	514-15-990-000	TECHNICAL SUPPORT
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1. The Activity Target

The objective of this activity is provision of indispensable support services and administrative management required on a general level for all program activities, and funding for such activities as are general in nature and cannot be properly allocated to particular projects.

2. Course of Action

Support functions to carry out the objectives are provided by personnel with a wide variety of skills and specialties. The majority of these are program/administrative personnel, i.e., Training Officer, Supply Advisor, Field Support Officer, Assistant Program Officers, etc. Costs for personnel of this type represent the largest charge against technical support funds. The second major portion of the costs of technical support is for 60 local-hire employees.

Technical support services also require a pro rata share of service costs such as rent, utilities, communications, printing and reproduction, supplies, materials, equipment, maintenance, etc.

In addition it is proposed to provide funds under this activity to carry out a participant follow-up survey.

3. Funding Requirements

TC funds required for this activity are as follows:

a. Staff Requirements - U.S. Technicians

Position	Class	FY 65	FY 66
1 - Supply Advisor	FSR-4		
2 - Field Support Officer	FSR-4		
3 - Asst. Director, Dev. Planning	FSR-2		
4 - Special Asst. Program Coordination	FSR-3		
5 - Program Economist	FSR-2		
6 - Mission Engineer	FSR-2		
7 - Capital Dev. Officer	FSR-2		
8 - Capital Dev. Officer	FSR-3		
9 - Asst. Capital Dev. Officer	FSR-3		
10 - Asst. Capital Dev. Officer	FSR-4		
11 - Asst. Program Officer	FSR-4		
12 - Asst. Program Officer, Oper.	FSR-5		
13 - Asst. Program Officer, Oper.	FSR-4		
14 - Food for Peace Officer	FSR-4		
15 - Training Officer	FSR-5		

Position	Class	FY 65	FY 66
16 - Program Analyst	FSR-7		
17 - Program Documentation Clerk	FSR-8		
18 - Public Health Advisor	FSR-3		
19 - Secretary	FSS-8		
20 - Secretary	FSS-9		
21 - Secretary	FSS-10		
SUB-TOTAL		391,000	441,000

b. Staff Requirements - Local Hire

60 local hire personnel plus 3 vacancies			
SUB-TOTAL		220,000	250,000

c. Commodities

Household Furniture; Office Equipment and Supplies; Repairs, Maintenance, Storage, General Services; Vehicle Replacement			
SUB-TOTAL		72,000	70,000

d. Other Costs

a. Operations and repair of program vehicles, pro rata share of rents, communications, utilities, and miscellaneous expenses		55,000	55,000
b. Contractual services		34,000	33,000
c. Participant Follow-up Survey		30,000	-
SUB-TOTAL		119,000	88,000
TOTAL		802,000	849,000