~~CONFIDENTIAL~~

PD-ACC-011

AGENCY FOR INTERNATIONAL DEVELOPMENT

COUNTRY ASSISTANCE PROGRAM

FY 1967

COLOMBIA

PART II

DEPARTMENT OF STATE

OCTOBER 1965

~~CONFIDENTIAL~~

COUNTRY ASSISTANCE PROGRAM (CAP) SUBMISSION FOR COLOMBIA

APPROVED:
29 SEPT 65

James R. Fowler
Director, USAID

Covey T. Oliver
Ambassador

USAID/COLOMBIA
BOGOTA, COLOMBIA
29 SEPTEMBER 1965

U.S. ASSISTANCE PROGRAM - FY 1967

TITLE OF TABLE	PAGE
E-1d, Project Assistance Summary	1
E-3a, Program Status of Local Currency Funds	2
E-3b, Cash Status of Local Currency Funds	3
E-4, Summary of Dollar Financing	4
Manpower Programming Annex	5-18
AID Loans to Colombia (incl. DLF)	19-20

TITLE OF GOAL AND ACTIVITY	
GOAL 1 - Financial Balance at a Level Permitting Accelerated Economic Grwoth and Social Progress	21
ACTIVITIES:	
Program Loans	22
Tax Administration	23-27
Customs Administration	28-31
Property Tax and Land Valuation	32-35
GOAL 2 - Amelioration of Immediate and Pressing Causes of Social and Political Unrest, Strengthening of Internal Security and Development of a Positive Mystique for Social and Economic Progress Focused on the Alliance for Progress	36-37
ACTIVITIES:	
Public Safety	38-45
Housing	46-51
Labor	52-56
Civic Action	57-61
Urban Water and Sewerage Systems	62-66
GOAL 3 - A More Diversified and Productive Agricultural Sector to Meet Internal Needs, Lead the Way in the Export Drive and Act More as a Stimulus to the Economy as a Whole	67-69
ACTIVITIES:	
National Agricultural Planning	70-74
Agricultural Diversification	75-77
(Crop Diversification - Exports)	78-79
(Livestock Development)	80-81
(Supervised Agricultural Credit)	82-84
(Agricultural Cooperatives)	85-87
Agriculture Education	88-90

	PAGE
GOAL 4 - A More Effective, Efficient and Open Educational System Responding Increasingly to Merit and Interest Rather than Ability to Pay, and Aimed at Meeting as First Priority, the Democratic Leadership and Trained Manpower Requirements of the Development Process	91-92
ACTIVITIES:	
Higher Education	93-97
Secondary Education	98-100
National Education Planning - (Project terminating)	101-102
GOAL 5 - Improved Administrative Capacity - Particularly in Planning, Programming, Project Preparation and Project Implementation	103
ACTIVITIES:	
Feasibility Studies	104-106
Mineral Resources Survey	107-110
Planning Assistance	111
GOAL 6 - Avoidance of Inhibitions to the Continuing Dynamism of and Provision of Increased Stimuli to a Vigorous Competitive Private Sector	112-113
ACTIVITIES:	
Industrial Development	114-118
Cooperative Handicraft Production & Mktg.	119-122
Private Investment Fund	123-126
GOAL 7 - Continuance of the Development of the Transportation Network and Expansion of the Electric Power Facilities	127
ACTIVITIES:	
Electric Power Development (incl. Rural Electric Cooperatives)	128-132
Civil Aviation - (Project terminating)	133-134
NON-GOAL ACTIVITIES	135
Special Development Activities	136-139
Technical Support	140-142
Food for Peace	143-151

AID 1020-10 (5-65)

E-4

SUMMARY OF DOLLAR FINANCING FOR PROGRAMS UNDER THE FOREIGN ASSISTANCE ACT – TOTAL OBLIGATIONS, EXPENDITURES AND UNLIQUIDATED BALANCES

E-4

1. DATA CURRENT AS OF: 1 September 1965

2. COOPERATING COUNTRY: COLOMBIA

SECURITY CLASSIFICATION: UNCLASSIFIED

3. CATEGORY OF ASSISTANCE AND FUNDING STATUS	4. SOURCES AND AMOUNTS OF DOLLARS ($000)												
	(A) TOTAL DOLLARS–ALL SOURCES		(B) TYPE OF APPROPRIATION										(7) LC COSTS CHGD. TO DOLLAR ACCOUNTS
			(1) DEV. LOANS	(2) TECHNICAL COOPERATION		(3) ALLIANCE LOANS	(4) ALLIANCE TECH. COOP.		(5) SUPPORTING ASSISTANCE		(6) CONTINGENCY FUNDS		
	LOANS	GRANTS		(a) LOANS	(b) GRANTS		(a) LOANS	(b) GRANTS a/	(a) LOANS	(b) GRANTS	(a) LOANS	(b) GRANTS	
I. END OF PRIOR YEAR — UNLIQUIDATED BALANCES	41,546	4,854	1,210	–	169	40,336	–	4,685					
(i) PROGRAM ASSISTANCE	15,005	–	–	–	–	15,005	–	–					
(ii) CAPITAL ASSISTANCE PROJECTS	11,652	–	1,210	–	–	10,442	–	–					
(iii) TECHNICAL ASSISTANCE PROJECTS	14,889	4,854	–	–	169	14,889	–	4,685					
II. ACTUAL YEAR FY 65 — A. OBLIGATIONS, NET	59,700	3,647			(16)	59,700	–	3,663					
(i) PROGRAM ASSISTANCE	45,000	–	–	–	–	45,000	–	–					
(ii) CAPITAL ASSISTANCE PROJECTS	10,700	–	–	–	–	10,700	–	–					
(iii) TECHNICAL ASSISTANCE PROJECTS	4,000	3,647	–	–	(16)	4,000	–	3,663					
B. EXPENDITURES, NET	47,877	3,939	881	–	153	46,996	–	3,786					
(i) PROGRAM ASSISTANCE	40,005	–	–	–	–	40,005	–	–					
(ii) CAPITAL ASSISTANCE PROJECTS	1,692	–	881	–	–	811	–	–					
(iii) TECHNICAL ASSISTANCE PROJECTS	6,180	3,939	–	–	153	6,180	–	3,786					
C. UNLIQUIDATED BALANCES	53,369	4,562	329	–	–o–	53,040	–	4,562					
(i) PROGRAM ASSISTANCE	20,000	–	–	–	–	20,000	–	–					
(ii) CAPITAL ASSISTANCE PROJECTS	20,861	–	329	–	–	20,532	–	–					
(iii) TECHNICAL ASSISTANCE PROJECTS	12,825	4,562	–	–	–o–	12,825	–	4,562					
III. OPERATIONAL YEAR (Est.) FY 66 — A. GROSS OBLIGATIONS	19,000	4,894	–			19,000		4,894					
(i) PROGRAM ASSISTANCE	b/	–	–			b/		–					
(ii) CAPITAL ASSISTANCE PROJECTS	–	–	–			–	–	–					
(iii) TECHNICAL ASSISTANCE PROJECTS	19,000	4,894	–			19,000		4,894					
B. EXPENDITURES	36,828	6,728	–			36,828		6,728					
(i) PROGRAM ASSISTANCE	10,000	–	–			10,000		–					
(ii) CAPITAL ASSISTANCE PROJECTS	12,716	–	329			12,387		–					
(iii) TECHNICAL ASSISTANCE PROJECTS	14,112	6,728	–			14,112		6,728					
C. UNLIQUIDATED BALANCES	35,526	2,728	–			35,526		2,728					
(i) PROGRAM ASSISTANCE	10,000	–	–			10,000		–					
(ii) CAPITAL ASSISTANCE PROJECTS	7,944	–	–o–			7,994		–					
(iii) TECHNICAL ASSISTANCE PROJECTS	17,532	2,728	–			17,532		2,728					
IV. BUDGET YEAR (Est.) FY 67 — A. GROSS OBLIGATIONS	28,000	5,127				28,000		5,127					
(i) PROGRAM ASSISTANCE	b/	–				b/		–					
(ii) CAPITAL ASSISTANCE PROJECTS	10,000	–				10,000		–					
(iii) TECHNICAL ASSISTANCE PROJECTS	18,000	5,127				18,000		5,127					
B. EXPENDITURES	31,881	5,497				31,881		5,497					
(i) PROGRAM ASSISTANCE	b/	–				b/		–					
(ii) CAPITAL ASSISTANCE PROJECTS	13,719	–				13,719		–					
(iii) TECHNICAL ASSISTANCE PROJECTS	18,162	5,497				18,162		5,497					
C. UNLIQUIDATED BALANCES	21,595	2,358				21,595		2,358					
(i) PROGRAM ASSISTANCE	b/	–				b/		–					
(ii) CAPITAL ASSISTANCE PROJECTS	4,225	–				4,225		–					
(iii) TECHNICAL ASSISTANCE PROJECTS	17,370	2,358				17,370		2,358					

REMARKS: Exchange Rate $1 =

a/ Minimal Act of Bogotá pipeline included.

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

SECURITY CLASSIFICATION UNCLASSIFIED

AID 3-211 (7-64)

MPA

MANPOWER PROGRAMMING ANNEX

DATA CURRENT AS OF: 1 SEPTEMBER 1965

COUNTRY OR ORGANIZATION: COLOMBIA

COUNTRY OR ORGANIZATION NO.: 514

SECURITY CLASSIFICATION: UNCLASSIFIED

LINE	(1) POSITION TITLE	(2) IDENTIFICATION CODE	(3) OCCUPATION CODE	(4) PAY SCHEDULE AND GRADE	(5) SOURCE OF FUNDS AND PROJECT NO.	(6) AG. CODE	(7) END FY 65	(8) FISCAL YEAR 66 1st	2nd	3rd	4th	(9) FISCAL YEAR 67 1st	2nd	3rd	4th	(10) FISCAL YEAR 68 1st	2nd	3rd	4th	(11) FISCAL YEAR 1st	2nd	3rd	4th	(12) FISCAL YEAR 1st	2nd	3rd	4th
	MISSION SUMMARY:																										
	AID DIRECT HIRE -	US NATIONALS					47				60				74				62								
		LOCALS					93				110				120				120								
		THIRD COUNTRY NATIONALS																									
	TOTAL AID DIRECT HIRE						140				170				194				182								
	DETAILS IN																										
	PARTICIPATING AGENCY EMPLOYEES						19				26				25				21								
	AID DIRECT CONTRACTS:																										
		US NATIONALS					3				5				4				3								
		LOCALS					19				22				22				22								
		THIRD COUNTRY NATIONALS																									
	CONTRACTOR'S EMPLOYEES -	US					26				29				44				53								
		LOCALS					11				11				11				9								
		THIRD COUNTRY NATIONALS					3				2				2				1								

SECURITY CLASSIFICATION UNCLASSIFIED

AID 3-211 (3-65)

MANPOWER PROGRAMMING ANNEX

MPA

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	OFFICE OF DIRECTOR - AID DIRECT HIRE																				
	Mission Director	AGKM	A034000	FA-04	A		1	1			1	1			1	1			1		
	Dep. Mission Director	AGKM	A034001	FSR-01	A		-	1			1	1			1	1			1		
	Special Assistant	AGKM	A034004	FSR-02	A		1	1													
	Regional Legal Adv.	AGKM	A09051	FSR-03	A		1	1			1	1			1	1			1		
	Secretary	AGKM	A031800	FSS-06	A		1	1			1	1			1	1			1		
	Asst. Director Mgt.	AGKM	A034002	FSR-01	-																
	Spec. Asst. Prog.Cord.	AGKM	A034004	FSR-03	A		1	1			1	1			1	1			1		
	Executive Receptionist	AHKM	F006013	FSLS-05	N		1	1			1	1			1	1			1		
	Exec. Secretary	AHKM	F008011	FSLS-07	A		1	1			1	1			1	1			1		
	EXECUTIVE OFFICE - AID DIRECT HIRE																				
	Exec. Off.	AGKM	A034100	FSR-03	A		1	1			1	1			1	1			1		
	Asst. Exec. Off.	AGKM	A034101	FSR-04	A		1	1			1	1			1	1			1		
	General Services Off.	AGKM	A034104	FSR-04	N		1	1			1	1			1	1			1		
	Records Supervisor	AGKM	A034200	FSS-06	A		1	1			1	1			1	1			1		
	Supply Advisor	AGKM	9200100	FSR-04	N		1	1			1	1			1	1			1		
	Legal Asst. EXO	AHKM	F011005	FSLS-10	N		1	1			1	1			1	1			1		
	Mgt. Asst. EXO	AHKM	F011005	FSLS-10	N		1	1			1	1			1	1			1		
	Sr. Secretary	AHKM	F007008	FSLS-06	N		7	7		8	8	8			8	8			8		
	Exec. Secretary	AHKM	F008011	FSLS-07	A		1	1			1	1			1	1			1		
	Adm. Assistant	AHKM	F009017	FSLS-08	N		2	2			2	2			2	2			2		
	Jr. Adm. Asst.	AHKM	F008003	FSLS-07	N		1	1			1	1			1	1			1		

SECURITY CLASSIFICATION UNCLASSIFIED

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	Jr. Adm. Clerk	AHKM	F005003	FSLS-04	N		2	2			2	2			2	2			2		
	Clerk Typist	AHKM	F006001	FSLS-05	N		2	2			2	2			2	2			2		
	Adm. Clerk	AHKM	F006004	FSLS-05	N		1	1			1	1			1	1			4		
	Chauffeur	AHKM	F003000	FSLS-02	N		4	4			4	4			4	4			1		
	Sr. Chauffeur	AHKM	F004000	FSLS-03	A		1	1			1	1			1	1			1		
	Chief T & T Section	AHKM	F011006	FSLS-10	N		1	1			1	1			1	1			1		
	T & T Assistant	AHKM	F009000	FSLS-08	N		1	1			1	1			1	1			1		
	Jr. Travel Asst.	AHKM	F008002	FSLS-07	N		1	1			1	1			1	1			1		
	Sr. Adm. Asst.	AHKM	F010003	FSLS-09	N		--			1	1	1			1	1			1		
	Supply & Inv. Asst.	AHKM	F008012	FSLS-07	N		2	2			2	2			2	2			2		
	Records Sup. Asst.	AHKM	F009001	FSLS-08	N		1	1			1	1			1	1			1		
	Records Clerk	AHKM	F006003	FSLS-05	N		1	1			1	1			1	1			1		
	Jr. Records Clerk	AHKM	F005002	FSLS-04	N		1	1			1	1			1	1			1		
	Sr. Messenger	AHKM	F003005	FSLS-02	N		2	2			2	2			2	2			2		
	Sr. Psnl. Asst.	AHKM	F010010	FSLS-09	A		1	1			1	1			1	1			1		
	Sr. Psnl. Clerk	AHKM	F006014	FSLS-05	N		1	1			1	1			1	1			1		
	Typing Pool Superv.	AHKM	F009019	FSLS-08	N		1	1			1	1			1	1			1		
	Switchboard Operator	AHKM	F005010	FSLS-04	N		1	1			1	1			1	1			1		
	Jr. Multh.Operator	AHKM	F004004	FSLS-03	N		1	1			1	1			1	1			1		
	Principal Transl.	AHKM	F010011	FSLS-09	N		1														
	Chauffeur	AHKM	F002001	FSLS-01	N		7	7	8	9	9	9			9	9			9		
	EXECUTIVE OFFICE - INDIVIDUAL CONTRACT POSITIONS																				
	German Paris	DHKM	999999	FSLS-02	A + N		17	18			20	20			20	20			22		

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	CAPITAL PROJECT STAFF - AID - DIRECT HIRE POSITIONS																				
	Capital Dev. Off.	AGKM	9116002	FSR-03	N		1	1			1	1			1	1			1		
	Asst. Cap. Dev. Off.	AGKM	9116005	FSR-05	N		1	1			1	1			1	1			1		
	Jr. Off. C.Dev.Loans	AGKM	903119	FSR-06	N		--			1	1	1			1	1			1		
	Dev.Loans Asst.(Train)	AGKM	9116004	FSR-07	N		--			1	1	1			1	1			1		
	Secretary	AGKM	A031800	FSS-09	N		--			1	1	1			1	1			1		
	Exec.Secretary	AHKM	F008011	FSLS-07	N		1	1			1	1			1	1			1		
	Sr. Secretary	AHKM	F007008	FSLS-06	N		1	1			1	1			1	1			1		
	OFFICE OF MISSION ENGINEER - AID DIRECT HIRE POSITIONS																				
	Chief Engineer	AGKM	2080100	FSR-02	N		1	1			1	1			1	1			1		
	Dep. Engineering Off.	AGKM	2080103	FSR-03	N		--				1	1			1	1			1		
	Sr. Secretary	AHKM	F007008	FSLS-06	N		1	1			1	1			1	1			1		
	Engineer Adv.	AHKM	F012000	FSLS-11	N		--			1	1	1			1	1			1		
	OFFICE OF DEVELOPMENT PLANNING - AID DIRECT HIRE POSITIONS																				
	Asst.Dir.Devl.Plng.	AGKM	A034022	FSR-02	N		1	1			1	1			1	1			1		
	Prog.Off.	AGKM	A030100	FSR-02	A		-	1			1	1			1	1			1		
	Asst. Prog.Off	AGKM	A030101	FSR-03	N		3	3			3	4			4	4			4		
	Food for Peace Off.	AGKM	1045009	FSR-04	N		1	1			1	1			1	1			1		
	Training Off.	AGKM	9171027	FSR-04	N		1	1			1	1			1	1			1		
	Prog.Nnal.Oprns.	AGKM	A030102	FSR-06	N		-	1			1	1			1	1			1		

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	Prog.Econ.	AGKM	A011001	FSR-03	A		1	1			1	1			1	1			1		
	Prog.Doc.Clk.	AGKM	A030105	FSS-08	N		1	1			1	1			1	1			1		
	Jr. Off. Econ.	AGKM	A030119	FSR-06	N		--				1	1			1	1			1		
	Secretary	AGKM	A031800	FSS-09	N		3	3			3	3			3	3			3		
	Sr. Secretary	AHKM	F007008	FSLS-06	N		4	4		6	6	6			6	6			6		
	Exec. Secretary	AHKM	F008011	FSLS-07	N		1	1			1	1			1	1			1		
	Sr. Economic Asst.	AHKM	F010005	FSLS-09	N		1	1			1	1			1	1			1		
	Economic Adv.	AHKM	F012001	FSLS-11	N		--				1	1			1	1			1		
	Sr. Adm. Asst.	AHKM	F010003	FSLS-09	N		1	1			1	1			1	1			1		
	Training Prog. Asst.	AHKM	F009020	FSLS-08	N		3	3			3	3			3	3			3		
	Sr. Prog. Asst.	AHKM	F010001	FSLS-09	N		1	1			1	1			1	1			1		
	Asst. Food Peace Off.	AGKM	1045008	FSR-05	N					1	1	1			1	1			1		
	OFFICE OF DEVELOPMENT PLANNING - CONTRACTOR'S EMPLOYEES																				
	AMERICAN INSTITUTE FOR RESEARCH																				
	Field Director	EHKM	9999999		N		1	1			1	1			1	1			1		
	OFFICE OF THE CONTROLLER																				
	Cntr.	AGKM	A051000	FSR-02	A		-		1		1	1			1	1			1		
	Assistant Controller	AGKM	A051001	FSR-04	A		1	1			1	1			1	1			1		
	Auditor	AGKM	A051006	FSR-05	A		-		1		1	1			1	1			1		
	Accountant	AGKM	A051002	FSR-04	A		1	1			1	1			1	1			1		

SECURITY CLASSIFICATION UNCLASSIFIED

AID 3-211 (3-65)

MPA

MANPOWER PROGRAMMING ANNEX

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	Sr. Secretary	AHKM	F007008	FSLS-06	A		1	1			1	1			1	1			1		
	Special Auditor	AHKM	F012001	FSLS-11	A		1	1			1	1			1	1			1		
	Sr. Auditor	AHKM	F011009	FSLS-10	A		1	1			1	1			1	1			1		
	Auditor	AHKM	F010000	FSLS-09	A		1	1			1	1			1	1			1		
	Auditing Asst.	AHKM	F009016	FSLS-08	N		1	1			1	1			1	1			1		
	Sr. Secretary	AHKM	F007008	FSLS-06	N		1	1			1	1			1	1			1		
	Chf. Accountant	AHKM	F012002	FSLS-11	A		1	1			1	1			1	1			1		
	Jr. Account. Asst.	AHKM	F008001	FSLS-07	A		3	3		4	4	4			4	4			4		
	Accountant	AHKM	F010002	FSLS-09	A		1	1			1	1			1	1			1		
	Sr. Account. Clerk	AHKM	F007002	FSLS-06	A		1	1			1	1			1	1			1		
	Sr. Account. Clerk	AHKM	F007002	FSLS-06	N		1	1			1	1			1	1			1		
	Exec. Secretary	AHKM	F008011	FSLS-07	A		1	1			1	1			1	1			1		
	Sr. Accountant Loans	AHKM	F011002	FSLS-10	A		1	1			1	1			1	1			1		
	Accounting Asst.	AHKM	F009018	FSLS-08	A		1	1			1	1			1	1			1		
	OFFICE OF THE CONTROLLER - INDIVIDUAL CONTRACT POSITIONS																				
	Auditor	DGKM	0510.06		A		1	1			1	1			1	1			1		
	RURAL DEV. & CREDIT DIVISION - AID DIRECT HIRE POSITIONS																				
	Dev.Off. Rural	AGKM	1034006	FSR-02	N		1	1			1	1			1	1			1		
	Asst.Dev.Off Rural	AGKM	1034006	FSR-03	N		1	1			1	1			1	1			1		
	Agr. Adv.	AGKM	1045008	FSR-03	N		1	1			1	1			1	1			1		

SECURITY CLASSIFICATION UNCLASSIFIED

AID 3-211 (3-65)

MANPOWER PROGRAMMING ANNEX

MPA

DATA CURRENT AS OF: September 30, 1965

COUNTRY OR ORGANIZATION: COLOMBIA

COUNTRY OR ORGANIZATION NO.: 514

SECURITY CLASSIFICATION: UNCLASSIFIED

LINE	(1) POSITION TITLE	(2) IDENTIFICATION CODE	(3) OCCUPATION CODE	(4) PAY SCHEDULE AND GRADE	(5) SOURCE OF FUNDS AND PROJECT NO.	(6) AG. CODE	(7) END FY 65	(8) FISCAL YEAR 66 1st	2nd	3rd	4th	(9) FISCAL YEAR 67 1st	2nd	3rd	4th	(10) FISCAL YEAR 68 1st	2nd	3rd	4th	(11)	(12)
	Agr. Credit/Coop.Adv.	AGKM	1011056	FSR-03	N		1	1			1	1			1	1			1		
	Coop. Adv.	AGKM	1030112	FSR-03	N		1	1			1	1			1	1			1		
	Agronomy Advisor	AGKM	1047100	FSR-03	N		1	1			1	1			1	1			1		
	Lvstk. Adv.	AGKM	1048700	FSR-03	N		1	1			1	1			1	1			1		
	Agr.Economic Adv.	AGKM	1011050	FSR-03	N		-				1	1			1	1			1		
	Exec. Secretary	AHKM	F008011	FSLS-07	N		4	4			5	5			5	5			5		
	Sr. Secretary	AHKM	F007008	FSLS-06	N		2	2			3	3			3	3			2		
	Rural Credit Adv.	AHKM	F012000	FSLS-11	N		1	1			1	1			1	1			1		
	Animal Husb. Asst.	AHKM	F011007	FSLS-10	N		1	1			1	1			1	1			1		
	Agonomist	AHKM	F010006	FSLS-09	N		1	1			1	1			1	1			1		
	Consultants		9999999		N		-					2			6	2			2		
	RURAL DEV. & CREDIT DIVISION - PASA DIRECT HIRE POSITIONS																				
	NATIONAL AGRICULTURE PLANNING																				
	Soils Adv.	BGKM	1047000	FC-04	N	K	1	1			1	1			1						
	Soils Adv. Consv.	BGKM	1047003	FC-04	N	K	-				1	1			1						
	Hydraulic Eng.Design	BGKM	2081307	FC-04	N	K	1	1			1										
	Forestry Adv. Mgt.	BGKM	1046001	FC-09	N	K	1	1			1	1			1						
	Geographer	BGKM	2015000	FC-05	N	K	1	1			1										
	Mach.Mntn.Spec.Hy.Dy.	BGKM	2165104	FC-11	N	K	-	1			1	1			1						
	Coop. Adv.	BHKM	9999999	FSLS-	N		1	1			1	1			1	1			1		

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AID 3-211 (3-65)

MANPOWER PROGRAMMING ANNEX

MPA

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	SUPERVISED AGRICULTURAL CREDIT																				
	Agr. Econ.Farm Mgt.	BGKM	1011051	FC-05	K		2	2	-	-	-2	2	-	-	-2	2	-	-	-2		
	Agr. Credit Advisor	BGKM	1011057	FC-05	K		--														
	RURAL DEV. & CREDIT DIVISION - INDIVIDUAL CONTRACT POSITIONS																				
	Market & Prom. Adv.	DGKM	1146.05		N		1				1										
	Cooperative Adv.	DGKM	9999999		N		-				2	2	-	-	-2	2	-	-	-2		
	RURAL DEV. & CREDIT DIVISION - CONTRACTOR'S EMPLOYEES																				
	UNIVERSITY OF WISCONSIN																				
	Chief of Group	EGKM	9999999		N		1														
	Researcher	EGKM	0541.00		N		2	2	-	-	-2	2	-	-	-2	2	-	-	-2		
	INTERAMERICAN INST. OF AGRICL. SCIENCE OF THE O.A.S.																				
	Editor	EJKM	9999999		N		1														
	AGRICULTURE EDUCATION																				
	Professor	EGKM	9999999		N		--				10	10	-	-	~~30~~ -30	40	-	-	-40		

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AID 3-211 (3-65)

MANPOWER PROGRAMMING ANNEX

MPA

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	HUMAN RESOURCES DIVISION - AID DIRECT HIRE POSITIONS																				
	Dev.Off.Edu.	AGKM	6034006	FSR-03	N		-				1	1	-	-	1	1	-	-	1		
	Edu. Adv.	AGKM	6171019	FSR-03	N		1	1	-	-	1	1	-	-	1	1	-	-	1		
	High. Edu. Adv.	AGKM	6171006	FSR-04	N		1	1	-	-	1	1	-	-	1	1	-	-	1		
	Secnd. Edu. Adv.	AGKM	6171004	FSR-03	N		1	1	-	-	1	1	-	-	1	1	-	-	1		
	Exec. Secretary	AHKM	F008011	FSLS-07	N		1	1	-	-	1	1	-	-	1	1	-	-	1		
	Consultant	AGKL	9999999		N		-						2	-	2	2	-	-	2		
	HUMAN RESOURCES DIVISION - CONTRACTOR'S EMPLOYEES																				
	SYRACUSE UNIVERSITY																				
	Prof. Ind. Relations	EGKM	9999999		N		1	1	-	-	1	1	1								
	Prof. Bin.Acct.	EGKM	9999999		N		1	1	-	-	1	1	1								
	Professor	EGKM	9999999		N		1	1	-	-	1	1	1								
	Chf. of Party	EGKM	9999999		N		1	1	-	-	1	1	1								
	Accountant	EGKM	0510.02		N		-		1	-	1	1	1								
	Product. Mgt. Buss.	EGKM	9999999		N		-		1	-	1	1	1								
	NATIONAL EDUCATION ASSOCIATION OF THE U.S.A.																				
	Leader Team	EGKM	9999999		N		1	1	-	-	1										
	Teacher Specialist	EGKM	9999999		N		1	1													
	Second. Spec.	EGKM	1710.04		N		1	1													
	Agr. Educ. Adv.	EGKM	1710-12		N		1	1													

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AID 3-211 (3-65)

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	UNIVERSITY OF MINNESOTA																				
	Visiting Prof.	EGKM	9999999		N		6	3	-	-	3										
	UNIVERSITY OF CALIFORNIA																				
	Visiting Prof.	EGKM	9999999		N		--				3	2	-	-	2	2	-	-	2		
	URBAN AND INDUSTRIAL DEV. DIVISION - AID DIRECT HIRE POSITIONS																				
	Dev. Off. Urban	AGKM	9034006	FSR-02	N		1	1	-	-	1	1	-	-	1	1	-	-	1		
	Industrial Dev. Off.	AGKM	2115201	FSR-03	N		1	1	-	-	1	1	-	-	1						
	Industrial Dev. Off	AGKM	2115200	FSR-02	N		-				1	1	-	-	1						
	Housing Adv.Urban Dev.	AGKM	8002001	FSR-03	N		1	1	-	-	1	1	-	-	1	1	-	-	1		
	Administrative Asst.	AHKM	F009017	FSLS-08	N		1	1	-	-	1										
	Executive Sect.	AHKM	F008011	FSLS-07	N		3	3	-	-	3	3	-	-	3	2	-	1	1		
	URBAN & INDUSTRIAL DEV. DIVISION - AID DIRECT PARTICIPATING AGENCY POSITIONS																				
	MINERAL INVENTORY SURVEY																				
	Geologist	BGKM	210109	FC-03	K	H	1	1	-	-	2	2	-	-	2	2	-	-	2		
	Economic Geologist	BGKM	213000	FC-05	K	H	4	4	4	-	5	6	-	-	6	6	-	-	6		
	Executive Secretary	AHKM	F00811	FSLS-07	N			2	-	-	2	10	-	-	10	10	-	-	10		
	Contractor	AHKM			N			2	-	-	2	5	-	-	5	5	-	-	5		

SECURITY CLASSIFICATION UNCLASSIFIED

AID 3-211 (3-65)

MANPOWER PROGRAMMING ANNEX

MPA

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	PERSONAL SERVICES CONTRACT																				
	Export Advisor	EGKM	9999999		M		-				1	1			1	1			1		
	Regional Advisor	EGKM	9999999		M		-				1	1			1	1			1		
	URBAN & INDUSTRIAL DEVELOPMENT DIV. - CONTRACTOR'S EMPLOYEES																				
	AIFLD (LA-15)																				
	Educ. Director	EGKM	9999999		N		1	1			1	1			1	1			1		
	Secretary	EHKM	F008011		N		2	2			2	2			2	2			2		
	Typist	EHKM	F006001		N		1	1			1	1			1	1			1		
	Assistant	EHKM	F010003		N		1	1			1	1			1	1			1		
	Messenger	EHKM	F002002		N		1	1			1	1			1	1			1		
	AIFLD (LA-43)																				
	Country Director	EGKM	9999999		N		1	1			1	1			1	1			1		
	Assistant	EHKM	F010003		N		1	1			1	1			1	1			1		
	Secretary	EHKM	F008011		N		1	1			1	1			1	1			1		
	Typist	EHKM	F006001		N		1	1			1	1			1	1			1		
	Messenger	EHKM	F002002		N		1	1			1	1			1	1			1		
	CLUSA (Task Order No. 7)																				
	Coop. Training Adv.	EGKM	0301.12		N		1	1			1	1			1	1			1		

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AID 3-211 (3-65)

MANPOWER PROGRAMMING ANNEX

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	Sr. Adm. in Coop.	EGKM	9999999		N		1	1			1	1			1	1			1		
	Design Consult.	EGKM	9999999		N		1	1			1	1			1	1			1		
	Sr. Advisor Coop	EGKM	0301.12		N		1	1			1	1			1	1			1		
	Chief of Party	EGKM	9999999		N		1	1			1	1			1	1			1		
	Consultant	EGKM	9999999		N					1				1		1	1				
	CIPM (Task Order No. 40)																				
	Industrial Dev. Adv.	EGKM	1152.13		N		1	1		1											
	CIPM (Task Order No. 43)																				
	Markenting Adv.	EGKM	1140.01		N		1	1			1	1			1						
	FOUNDATION FOR COOPERATIVE HOUSING (Task Order No. 22)																				
	Coop. Adv.	EJKM	1030112		N		1	1			1	1			1						
	FOUNDATION FOR COOPERATIVE HOUSING (Task Order No. 24)																				
	Housing Expert	EHKM	002001		N		1	1			1	1			1						
	Executive Sect.	EHKM	F008011		N		1	1			1	1			1						
	Consultants	EGKM	9999999		N				1	1											

SECURITY CLASSIFICATION UNCLASSIFIED

AID 3-211 (7-64)

MPA

MANPOWER PROGRAMMING ANNEX

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COUNTRY OR ORGANIZATION: COLOMBIA

COUNTRY OR ORGANIZATION NO.: 514

SECURITY CLASSIFICATION: UNCLASSIFIED

LINE	(1) POSITION TITLE	(2) IDENTIFICATION CODE	(3) OCCUPATION CODE	(4) PAY SCHEDULE AND GRADE	(5) SOURCE OF FUNDS AND PROJECT NO.	(6) AG. CODE	(7) END FY 65	(8) FISCAL YEAR 66 1st	2nd	3rd	4th	(9) FISCAL YEAR 67 1st	2nd	3rd	4th	(10) FISCAL YEAR 68 1st	2nd	3rd	4th	(11) FISCAL YEAR 1st	2nd	3rd	4th	(12) FISCAL YEAR 1st	2nd	3rd	4th
	FHA PASA PERSONNEL POSITIONS																										
	Consultant	AGKL			N				1		1		1		1												
	PUBLID FINANCE DIVISION - PASA DIRECT HIRE POSITIONS																										
	Prog. Econ.	BGKM	A01101	FSR-03	N	M	-		1		1	1			1	1			1								
	Asst. Collec. Adv.	BGKM	703404	FSR-04	N	M	1	1			1	1			1	1			1								
	Collection Adv.	BGKM	703404	FSR-03	N	M	1	1			1	1			1	1			1								
	Org. Mth. Adv.	BGKM	703402	FSR-03	N	M	1	1			1	1			1	1			1								
	Intelligence Adv.	BGKM	703404	FSR-03	N	M	-				1	1			1	1			1								
	Data Processing Adv.	BGKM	703404	FSR-04	N	M	1	1			1	1			1	1			1								
	Audit Adv.	BGKM	703404	FSR-03	N	M	1	1			1	1			1	1			1								
	Training Adv.	BGKM	703404	FSR-05	N	M	1	1			1	1			1	1			1								
	Tax Advisor	BGKM	703404	FSR-02	N	M	1	1			1	1			1	1			1								
	Tax Advisor	BGKM	703404	FSR-02	N	M	-			1	1	1			1	1			1								
	Executive Sect.	AHKM	F008011	FSLS-07	N	M	1	1			1	1			1	1			1								
	Translator	AHKM	F007007	FSLS-06	N	M	-				2	2			2	2			2								
	Conulstant	AGKL	9999999		N	M	-		1		1	1			1	1											
	PUBLIC FINANCE DIVISION - INDIVIDUAL CONTRACT POSITIONS																										
	Org. & Meth. Adv.	DHKM	0343.02		N	M	1	1			1	1			1												
	Appraiser	DHKM	9999999		N	M	1	1			1	1			1												
	Consultant	AGKL			N	M	-	2	3		2	4	5		4	3			3								

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AID 3-211 (7-64)

MPA

MANPOWER PROGRAMMING ANNEX

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	MARSHALL & STEVENS INC.																										
	Consultant	EGIM	9999999		N	M					NOT	KNOWN															
	Consultant	EGIM	9999999		N	M					NOT	KNOWN															
	PUBLIC SAFETY DIVISION - AID DIRECT HIRE POSITIONS																										
	Chf. Pub. Sfty. Adv.	AGKM	7008300	FSR-02	N		1	1			1	1			1	1			1								
	Pub.Sfty.Adv.Comm.	AGKM	7008304	FSR-04	N		1	1			2	1			1	1			1								
	Pub.Sfty.Adv.Inv.	AGKM	7008309	FSR-05	N		1	1			1	1			1	1			1								
	PublSfty.Adv.Tng.	AGKM	1008320	FSR-03	N		1	1			1	1			1	1			1								
	Pub.Sfty.Adv.Rur.	AGKM	7008318	FSR-05	N		1	1			2	2			2	1			1								
	Pub.Sfty.Adv.Mun.	AGKM	7008313	FSR-05	N		1	1			1	1			1	1			1								
	Executive Sect.	AHKM	F008011	FSLS-07	N		1	1			1	1			1	1			1								
	Consultant	AGKM	9999999		N		2	1				1															
	PUBLIC SAFETY DIVISION - INDIVIDUAL CONTRACT POSITIONS																										
	Asst. Com Adv.	AGKM	008304		N		1	1			1	1			1												

SECURITY CLASSIFICATION: UNCLASSIFIED

AID 1020-1 (7-64)	1. DATA CURRENT AS OF:	2. COOPERATING COUNTRY	SECURITY CLASSIFICATION		A.I.D. DEVELOPMENT LOANS TO COLOMBIA (Repayable in U.S. Dollars)
	1 SEPTEMBER 1965	COLOMBIA	UNCLASSIFIED		

Loan No.	Date Signed	Amount	Borrower	Purpose	LOAN TERMS Interest	Grace Period	Repay
1) DLF 207	Aug-61	12.0	ICT (Housing Institute)	Construction of 18,405 low-cost housing units under 3 types of programs, one of which covers "Self-Help".	4%	1	20
2) DLF 208	Aug-61	8.0	Caja Agraria	Production credit to family-sized farms in several colonization projects and to spontaneous settlers.	4%	1	20
3) LA-23	Apr-62	30.0	GOVERNMENT	Maintain flow of essential imports	3½%	5	15
4) AID 514-L-024	Dec-62	60.0	GOVERNMENT	To support initial phase of Colombia's Development Plan through financing essential imports.	3/4%	10	40
5) AID 514-L-025	Jun-63	4.0	GOVERNMENT	Funds administered by Planning Department for feasibility and General Area (pre-investment) and Private Sector studies.	3/4%	10	40
6) AID 514-L-026	Jun-63	7.5	ICT (Housing Institute)	Construction of 8,345 low-cost housing units under 3 programs, one of which covers "Self-Help".	2% a/ 3/4%	10 10	25 40
7) AID 514-L-027	Jun-63	10.0	INCORA (Land Reform Institute)	Program of Supervised Agricultural Credit to family-sized farmers to cover operating costs, machinery and livestock. By end of July 1965 some 5,900 sub-loans had been made under supervision of 300 field supervisors.	3/4%	10	40
8) AID 514-L-029	Aug-63	3.7	EMCALI (Public Enterprises of Cali)	To finance engineering and construction costs of expansion of the Cali Sewerage System.	3½% a/ 3/4%	5 10	30 40
9) AID 514-L-030	Aug-63	2.0	GOVERNMENT	Mineral Resources Survey by the Ministry of Mines and Petroleum with Technical Assistance by U.S. Geological Survey under a PASA. Survey program includes Photogeological Services, advanced Training of Colombian Geologists and Laboratory Support.	3/4%	10	40

Loan No.	Date Signed	Amount	Borrower	Purpose	LOAN TERMS Interest	Grace Period	Repay
10) AID 514-L-032	Mar-64	15.0	GOVERNMENT	This third non-project loan was made to aid Colombia in carrying out its long-term economic and social development plan by assisting in the financing of dollar costs of essential imports.	3/4%	10	40
11) AID 514-L-035	May-64	1.3	ELECTRAGUAS (National Electric Institute)	To finance three pilot projects in Rural Electric Cooperatives within CVC and CENTRALES areas. Program includes technical assistance of NRECA Specialist.	2% a/ 3/4% b/ 2% c/	10 10	35 40
12) AID 514-L-036	Jul-64	0.25	MEDELLIN, EE.PP. (Public Companies)	To finance only engineering costs connected with expansion of Medellín Sewerage System.	3½% a/ 3/4% b/ 2% c/	5 10	10 40
13) AID 514-L-037	Jul-64	0.45	BOGOTA Water and Sewerage Company	To finance engineering costs connected with expansion of Bogotá Sewerage System and purchase of additional maintenance equipment.	3½% a/ 3/4% b/ 2% c/	5 10	10 40
14) AID 514-L-038	Jul-64	4.0	BANCO GANADERO (Livestock Bank)	To finance program of directed credit to eligible cattle producers and Fondos Ganaderos to increase cattle production through purchase of breeding stocks, acquisition of new equipment, pasture improvement, etc.	2% a/ 3/4% b/ 2% c/	5 10	20 40
15) AID 514-L-039	Jul-64	45.0	GOVERNMENT	This fourth (4th) non-project loan is also to assist in financing essential imports in support of Colombia's investment program.	3/4% b/ 2% c/	10	40
16) AID 514-L-040	Dec-64	10.0	BANK OF THE REPUBLIC (PIF)	Program is administered by the PIF (Private Investment Fund) to assist in financing foreign exchange costs of projects in the industrial and agricultural sector oriented toward import substitution and exports.	5½% a/ 3/4% b/ 2% c/	5 10	15 40

a/ Rate sub-borrower pays GOC in pesos.

b/ Rate during Grace Period.

c/ Rate after Grace Period.

GOAL I

Financial Balance at a level permitting accelerated economic growth and social progress.

The text of The Goal I Statement is classified and was included with Part I submitted previously. In the interest of easy handling of this portion of the CAP it has not been included.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 September 1965
2. COOPERATING COUNTRY: COLOMBIA
3. PROJECT NO.: a/
4. TITLE: PROGRAM LOANS - a/ b/
5. U.S. FUNDING: BEGIN FY 1962 — END FY 1966
PHYSICAL WORK:
6. PRIOR REFERENCES: a/

7. AID DOLLAR FINANCING – OBLIGATIONS AND EXPENDITURES ($000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES (1) U.S. AGENCIES AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR		L	150,000												
	GROSS OBLIGATIONS (ACTUAL YEAR)		L	45,000												
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR		L	130,000												
	EXPENDITURES (ACTUAL YEAR)		L	25,000												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		L	20,000												
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS		L	b/												
	B. EXPENDITURES		L	10,000												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR		L	10,000												
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS															
	B. EXPENDITURES															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/															

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

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

2/ Show estimated expenditures in column i.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION UNCLASSIFIED

1. DATA CURRENT AS OF: SEPTEMBER 1, 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-11-750-100

4. TITLE: TAX ADMINISTRATION

5.		BEGIN FY	END FY
U.S. FUNDING:	1963	1969
PHYSICAL WORK:	1964	1969

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 (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AG	G	440	24	51	326	24	29	-	1	-	9	-		
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	265	7	35	195	7	20	-	1	-	7	-		
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	AG	G	403	17	51	305	17	22	-	1	-	7	-	36	11
	EXPENDITURES (ACTUAL YEAR)	AG	G	251	6	36	195	6	9	-	1	-	4	-	22	6
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	37	7	-	21	7	7	-	-	-	2	-		
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	360	-	11	324	-	23	-	-	-	2	-		
	B. EXPENDITURES	AG	G	313	7	11	275	7	18	-	-	-	2	-	32	-
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	84	-	-	70	-	12	-	-	-	2	-		
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	360	-	11	324	--	23	-	-	-	2	-		
	B. EXPENDITURES	AG	G	327	-	11	295	-	18	-	-	-	3	-	32	-
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	117	-	-	99	-	17	-	-	-	1	-		
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	360	-	11	330	-	17	-	-	-	2	-	32	-
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	150	-	3	130	-	15	-	-	-	2	-	15	-
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	1,670	24	87	1,434	24	107	-	1	-	17	-	158	17

REMARKS:

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

2/ Show estimated expenditures in column i.

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
SEPTEMBER 1/65	COLOMBIA	Funding	1963	1969	514-11-750-100	TAX ADMINISTRATION
		Phys. Work	1964	1969		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		47		610			405	50		155
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY 65	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		28		420			285	30		105
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		32		480			285	165		30
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY 67	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		32		480			285	165		30
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY 68	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		32		480			285	165		30
	(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		15		225			150	45		30
	(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		158		2,275			1,410	590		275
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												

REMARKS:

1/ Exchange Rate: $1 = 10 pesos prior year - $1 = 15 pesos current year

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.	BEG. FY	END FY	4. PROJECT NO.
SEPTEMBER 1, 1965	COLOMBIA	PERSONNEL SERVICES	1964	1969	514-11-750-100
		PARTICIPANT TRAINING	1964	1969	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS		a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS U.S.		12			7			11			11			11			4			49	
	Non U.S.			1			1		4			4			4			1			11	1
	B. ON 1/ BOARD U.S.					7			9			9			9							
	Non U.S.						1	3	1		3	1		3	1							
II. PARTICIPANTS PROGRAMMED	A. U.S.	10			4			11			11			11			7			50		
	B. THIRD CTRY.				2															2		

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION: UNCLASSIFIED

1. The Activity Target

Tax Reform is laid down in the Charter of Punta del Este as one of the basic self-help reforms to be fulfilled by Latin American countries. Improved tax administration is an integral part of tax reform for without it tax laws will not have the desired effect; therefore, it is considered by both the GOC and AID a high priority activity which must be carried out energetically and effectively. Substantial increases in revenue through improved tax administration are needed to eliminate the deficit in the national budget, to provide more adequate essential public services and improved government administration through better salaries, and to provide larger surpluses on current account so that the GOC can finance growing public investments for development without resort to the inflationary borrowing. Improved tax administration is also essential to create greater equity in the tax burden between those who pay their full share and those who do not.

Because of poor tax administration there has been failure to pay established tax liabilities, failure to fully report taxable income and failure to submit declarations of income. Inadequate enforcement has increased tax evasion and the difficulties of raising tax revenue. There are many causes for the difficulties in national tax administration; among them are the complicated income tax law which includes taxes on income, wealth, and excess profits with various special development surcharges and an excessively complicated system of deductions and exemptions; widespread lack of adequate offices and even a minimum of essential equipment. Lack of clear and simple instructions and forms so that taxpayers can expeditiously determine and meet their tax obligations; lack of adequate internal accounting and controls in the tax administration; outmoded manual methods of processing tax returns; low organizational status in the Colombian Government of the tax collection office; legal difficulties in enforcing collection of tax liabilities; and an organizational structure with an extremely broad span of control over 22 operating regions which lack adequate staff support and front line supervision.

This activity is intended to attack these problems and in particular to reduce substantially non-compliance with tax laws. The assistance is directed to the Ministry of Finance and 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 many processes now being performed manually, and to establish electronic data processing for other administrative 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 and implement programs to obtain tax declarations from those who fail to file declarations.

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

e. To improve tax administration training programs in Colombia, both in-service and for new employees, and as required to arrange high level participant training in the U.S. or in other countries.

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

g. To advise on development of new tax legislation so as to simplify tax procedures, facilitate collection of tax revenue, eliminate loopholes and inequities, and increase enforceability of tax laws.

h. To implement effectively new taxes adopted by the GOC and advise on effective administrative methods for collecting these taxes.

i. To formulate and begin implementation of long range plans for further essential improvement of tax administration.

2. Course of Action

Nine advisors from the U.S. Internal Revenue Service, including a team leader, have been available for assignment to the Ministry of Finance for two years each, of whom 8 are actually assigned at this time. The project calls for ten advisors in FY 1966 and FY 1967, but, if the necessary requirements for their effective utilization are not met, the additional advisors will not be assigned and some of the present advisors may be withdrawn during the year. Originally it was hoped that the entire program of technical assistance and tax administration would be concluded in FY 1968; at this time it appears that at least one additional year will be required.

Specific focus for technical assistance in FY 1966 and 1967 will be as follows:

a. Complete the conversion of tax returns in the Bogotá area to the automatic data processing system and expand the system to other parts of the country. FY 1966 will be a critical year in the consolidation of this modern technique, and completion will greatly increase the speed with which returns are processed and tax liabilities assessed.

b. An expanded program to collect delinquent accounts in the Bogotá area will be implemented and completed. With the aid of systematic and effective collection procedures and a rapid and accurate reporting system to be developed in this project, additional projects to collect delinquent accounts in other areas of Colombia will be implemented.

c. A review of the effectiveness of the "paz y salvo" system, which is intended to force filing of tax returns and payment of taxes, to determine what improvements could be made. Plans will be prepared for integrating the paz y salvo system with the automatic data processing procedures to insure greater control over issuance of these documents which attend to compliance with tax laws.

d. Development of programs for analysis and investigation of tax declarations and records of taxpayers and of third parties in order to secure enforcement of tax regulations. Assessment of current auditing techniques will continue and newly employed and in-service auditors will be instructed in more effective methods of investigation. Tax Division employees will be sent to the U.S. for training courses in supervision of tax investigations.

e. Establishment of training center or unit for employees of the tax and automatic data processing divisions, continued training of instructors for in-service training, development of training materials, and holding of in-service training courses for tax and automatic data processing division employees.

f. Improvement of management techniques including design and installation of an improved reporting system to provide current information on progress made in the two divisions and in the field offices, design and installation of evaluation systems, and development of a system for delegation of authority.

g. Advising on administrative aspects of the new tax proposals prepared by the Government of Colombia during the year and will continue development of plans for administration of a current payment system of taxes.

h, Continued advice on the effective collection of the new sales tax instituted by the GOC in January 1965, and development of administrative and procedural systems for implementation of other newly adopted taxes.

3. Progress to Date

Progress in implementing improved tax administration procedures has been severely limited by the continuing financial and foreign exchange crisis of the GOC. Although this crisis has been caused in part by ineffective tax administration, the acute nature of the problems facing the Colombian economy has forced the successive Ministers of Finance and their chief assistants to pay almost exclusive attention to critical problems of immediate importance and have precluded them from giving the necessary time and thought to the basic tax administration improvements included in this project. Nevertheless, considerable progress has been made in some fields.

a. Electronic Data Processing equipment was installed in the new Automatic Data Processing Division of the Ministry of Finance in May, 1965 and is now being used to process tax returns for some areas. Serious problems and delays have been encountered, but progress has been continuous and the program of installing automatic processing is over 50% completed.

b. A program for analysis of current accounts was started in the Bogotá area and a correspondence collection procedure was devised and implemented. From the start of this system in August 1964 until June 30, 1965, over 2.4 million pesos were collected and accounts for another 2.4 million pesos were closed when it was found they had been paid previously. The total direct and indirect salary cost of this pilot program was less than 120,000 pesos, which means that 20 pesos of overdue taxes were collected and another 20 pesos of accounts were identified and closed for each peso of salary spent.

c. Identification of non-filers of tax returns has not been of high priority previously, but investigations in other aspects of tax administration have indicated that obtaining tax declarations from persons currently not filing returns should be emphasized.

d. The effectiveness of the present program of analysis and investigation of tax declarations and other records was evaluated and unproductive investigations personnel eliminated or transferred to other functions. Additional investigators have been employed and methods developed to train them for effective investigation. During the calendar year 1964, the GOC audit operation recommended additional income tax collections of approximately 26.5 million pesos, an increase of 63% over the previous year. The advisory team found that there was not satisfactory compliance in the regional administrations with the directives of the national office and that no adequate management reporting system to indicate status and results of the work existed. Corrective recommendations were made.

e. Training and observation programs were provided in the U.S. for the Chief and for technicians of the Automatic Data Processing Division and for four officials in the National Tax Division. Two training courses were held for supervisors and progress was made in developing a permanent training program. Deficient personnel policies at times prevented effective utilization of training provided and recommendations for corrections were made.

f. A committee was established by resolution of the Minister of Finance on March 30, 1965 to establish a system of procedures manuals throughout the Ministry. Progress in this field, however, has not been rapid.

g. Recommendations were made for effective implementation of a current payment system of taxes and of the new sales tax. While these programs were not effectively utilized during the Fiscal Year, they are serving as a base for continued efforts in this direction.

h. Initial administration and enforcement of the sales tax installed in January 1965, suffered from political uncertainties. Through Tax Team recommendations for improved administration and visits to field offices to advise on their implementation, considerable improvements have now been made and tax collections have been fair, with further improvements expected.

4. Funding Requirements

A. Personnel Services	FY 1966	FY 1967
(IRS) One Supervisor	31,500	36,600
Two ADP Programming Technicians	36,500	37,900
One Audit Advisor	36,000	28,300
Two Collection Advisors	64,200	49,300
One O.M. & Manuals Advisor	26,300	27,100
One Training Advisor	25,200	25,400
One General Administration Advisor (6 months in FY-66)	17,000	24,000
One Investigation Advisor (6 months in FY-66)	17,000	24,000
Two Consultants (3 to 6 months)	24,300	24,300
Two Interpreters (local)	8,000	8,800
One Bilingual Secretary (local)	3,000	3,300
PASA Overhead Charge	46,000	46,000
	335,000	335,000

	FY 1966	FY 1967
B. Training		
11 Participants, each year	23,000	23,000
C. Other Costs		
Travel, some administrative support and local supplies	2,000	2,000
TOTAL	360,000	360,000

The GOC made available the resources necessary for installation and operation of computer equipment, but did not make available all the resources needed for the Tax Division programs (Activity Targets (b) to (g), with the exception of Training, Activity (e). In the Pro-Ag executed in June, 1965, the GOC pledged 4,000,000 pesos in 1965 and 1966 for costs of Tax Improvement Projects.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: SEPTEMBER 1, 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-11-750-115

4. TITLE: CUSTOMS ADMINISTRATION

5.

	BEGIN FY	END FY
U.S. FUNDING:	1965	1967
PHYSICAL WORK:	1965	1969

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 (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AG	G	138	138			138								
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	138	138			138								
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	AG	G	3	3			3								
	EXPENDITURES (ACTUAL YEAR)	AG	G	3	3			3								
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	135	135			135								
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	-	-	-	-	-	-	--	-	-	-	-		
	B. EXPENDITURES	AG	G	75	75	-	-	75	-	-	-	-	-	-		7
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	60	60	-	-	60	-	-	-	-	-	-		
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	192	187	-	-	175	-	12	-	-	-	5		
	B. EXPENDITURES	AG	G	127	122	-	-	115	-	7	-	-	-	5		16
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	125	125	-	-	120	-	5	-	-	-	-		
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/															6
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															6
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	330	325	-	-	313	-	12	-	-	-	5		35

REMARKS:

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

2/ Show estimated expenditures in column I.

SECURITY CLASSIFICATION UNCLASSIFIED

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
SEPTEMBER 1/65	COLOMBIA	Funding	1965	1967	514-11-750-115	CUSTOMS ADMINISTRATION
		Phys. Work	1965	1969		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/				–								
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY 65	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/				–								
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		7		105			105			
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY 67	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		16		240			165			75
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY 68	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		6		80			80			
	(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		6		80			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		35		505			430			75
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												

REMARKS:

1/ Exchange Rate: $1 = 15 pesos

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.	BEG. FY	END FY	4. PROJECT NO.
SEPTEMBER 1/65	COLOMBIA	PERSONNEL SERVICES	1965	1969	514-11-750-115
		PARTICIPANT TRAINING	1967	1968	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS		a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS U.S.									2			3			3						8
	A. MAN YEARS Non U.S.																					
	B. ON 1/ BOARD U.S.									3			4			3						
	B. ON 1/ BOARD Non U.S.																					
II. PARTICIPANTS PROGRAMMED	A. U.S.												4			4						8
	B. THIRD CTRY.																					

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION: UNCLASSIFIED

1. The Activity Target

The Directorate General of Customs is a key agency of the Government of Colombia not only in the collection of government revenue from import duties, but also in the export (and export exchange) control field. In a period of economic difficulties culminating particularly in the import and export sectors, causing restrictions which make smuggling both of imports and exports more than ordinarily remunerative, reinforced by systems of differential exchange rates, the efficiency of the administration of Customs controls is being severely tested. This efficiency is further diminished by weaknesses common to most areas of public administration in the less developed countries, such as low salaries of government employees, inefficient procedures and work flow and proliferation of an non-standard paperwork, much of it probably unnecessary, plus some problems peculiar to the Customs service. Among these are non-uniformity of Customs valuations, lack of standard procedures to detect misdeclarations of merchandise, under and over-invoicing of merchandise imported or exported from the country, excessive centralization of operations, inadequate controls of customs personnel which seriously weaken customs collections and the effectiveness of the export control policies of the Colombian Government.

The Government, therefore, has requested U.S. technical assistance for a general program of improving the operations of the Customs Directorate. Following a brief reconnaissance survey during FY 1965, an initial project has been agreed upon, with the following three-fold target:

a. Improvement of administrative procedures and methods of the General Directorate of Customs, with the elimination of unnecessary paperwork and provision for more rapid and efficient administration of all Customs activities.

b. Improvement of procedures and practices in examination, classification and appraisal of imports and exports, to provide more rapid and efficient service and increase customs revenues.

c. Improvement of customs investigations and enforcement activities, leading to a sharp reduction in contraband imports and exports.

2. Course of Action

Specialists advisors will be provided to the General Directorate of Customs in the areas of general administration and appraisal, and through a short-term consultant, in the organization and staffing of newly established Investigations Division. At the same time, more complete surveys of other aspects of customs administration will be undertaken.

The course of action during Fiscal Year 1966 will be as follows:

a. An Organization and Methods Advisor, on a one year assignment, funded in FY 1965 will assist in improving internal customs procedures and methods. He will give priority to the requirements for documents and their design, the processing and flow of documents at the various organizational levels and between levels, and the review process, reporting and record keeping. He will assist and advise on an effective system of directives and rulings, delegation of authority, instructional manuals, training programs and the continuing program of administrative improvements.

b. An Appraiser, on a two year assignment funded in FY 1965, will advise on improving the examination, appraisal and classification of merchandise, imported and exported. A review and revision of existing procedures and practices will be made, and a system based on value and classification records, periodic reporting, and post-audit of valuations made will be established. Specific attention will be given to criteria for ordering customs examinations; uniform standards and requirements for merchandise invoices used by appraisers for customs purposes; criteria for verification of declared values from records of prior importations and independent source of price information; recording and filing of classification actions and decisions; establishment of a central appraisal and classification board for periodic review and control of appraisals; post-audits of completed transactions; and instruction and training of personnel.

c. An Investigations Expert funded in FY 1965 will advise the Director General of Customs personally regarding the initial organization, staffing, operating methods, and training programs of the new Special Investigations Division established by Decree 3297 of 1963. This division will conduct investigations designed to prevent, curb and punish crimes involving contraband and fraud with respect to the customs laws. In addition, it will conduct investigations to prevent, curb and punish fraudulent acts of customs personnel to establish a high-level of integrity in the organization.

Arrangements will be made for up to four high level members of the staff of the Directorate General of Customs to observe customs administration and methods in the United States or to secure special training.

For FY 1967, present plans call for addition of a Customs generalist who will also concern himself with Customs tariff development, a Training Advisor and a Laboratory expert, the former on a two year assignment, the latter two for one year each.

3. Progress to Date

An initial reconnaissance 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 procedures. This was done in response to a GOC request.

The Minister of Finance and USAID, in consultation with the Director General of Customs, concluded that the survey report provided an adequate base for initiating a technical assistance project, on a limited basis and a Project Agreement was concluded to this effect.

4. Funding Requirements

No funding is required for FY 1966, since FY 1965 funds were obligated late in the fiscal year to provide advisory assistance through FY 1966 and continuing into early FY 1967. However, if these services were to be provided through a PASA, other funding arrangements would be necessary, i.e., deobligation - reobligation procedure or new FY 1966 funding.

The following table indicates the requirements as now contemplated.

Contract Services	FY 1966	FY 1967
1 - Organization and Methods Advisor (1 yr.) Funded in FY 1965	--	--
1 - Appraiser (2 yr.) Funded in FY 1965	--	--
1 - Investigations Expert (3 mos.) Funded in FY 1965	--	--
1 - Senior Customs Advisor (2 yr.)	--	60,000
1 - Training Advisor (1 yr.)	--	24,000
1 - Laboratory Expert (1 yr.)	--	24,000
1 - Consultant (6 mos.)	--	17,000
Contract Participants	--	30,000
Overhead on contract	--	32,000
Total Contract Services	--	$187,000
Other Costs		
Local travel, invitational travel, etc.	--	5,000
Total funding	--	$192,000

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 September 1965

2. COOPERATING COUNTRY: COLOMBIA

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

4. TITLE: PROPERTY TAX & LAND VALUATION

5.

	BEGIN FY	END FY
U.S. FUNDING:	1965	1970
PHYSICAL WORK:	1965	1971

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 (1) U.S. AGENCIES: AID	e. (1) U.S. AGENCIES: PASA	e. (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65 — A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AG	G	33	33			33								
GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	33	33			33								
B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR															
EXPENDITURES (ACTUAL YEAR)															
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	33	33			33								
II. OPERATIONAL YEAR (EST.) FY 66 — A. GROSS OBLIGATIONS	AL	L	4,000	4,000			900		120		2,930		50		
B. EXPENDITURES	AG	G	33	33			33								
	AL	L	130	130			90		10		-		30		39
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	-	-			-								
	AL	L	3,870	3,870			810		110		2,930		20		
III. BUDGET YEAR (EST.) FY 67 — A. GROSS OBLIGATIONS															
B. EXPENDITURES	AL	L	1,100	1,100			180		50		860		10		28
C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	2,770	2,770			630		60		2,070		10		
IV. PLANNING YR. (EST.) FY 68 — GROSS OBLIGATIONS 2/															28
V. ALL SUBSEQUENT YEARS (EST.) — GROSS OBLIGATIONS 2/															34
VI. CUMULATIVE TOTAL ALL YEARS (EST.) — GROSS OBLIGATIONS 2/	AL	L	4,000	4,000			900		120		2,930		50		129
	AG	G	33	33			33								

REMARKS:

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

2/ Show estimated expenditures in column i.

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
1 September/65	COLOMBIA	Funding	1965	1970	514-11-750-084	PROPERTY TAX & LAND VALUATION
		Phys. Work	1965	1971		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED		a. FUNDS (1) TYPE	a. (2) SOURCE	a. (3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
TOTAL ACTUAL FY 65	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				39		585			135			450
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
III BUDGET YEAR (EST.) FY 67	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				28		420			270			150
		(ii) TRUST FUND												
		(iii) OTHER LC			1,000	800	15,000	1,200	1,500	200			13,500	1,000
	B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 68	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				28		420			270			150
		(ii) TRUST FUND												
		(iii) OTHER LC			2,000	1,600	30,000	23,000	3,000	2,300			27,000	20,700
	B. P.L. 480 LC													
V ALL SUBSEQUENT FYs (EST.)	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				34		510			290			220
		(ii) TRUST FUND												
		(iii) OTHER LC			4,000	4,600	60,000	80,800	6,000	8,080			54,000	72,720
	B. P.L. 480 LC													
VI TOTAL ALL YEARS (EST.)	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				129		1,935			965			970
		(ii) TRUST FUND												
		(iii) OTHER LC			7,000	7,000	105,000	105,000	10,500	10,580			94,500	94,420
	B. P.L. 480 LC													

REMARKS:

1/ Exchange Rate: $1 = 15

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.	BEG. FY	END FY	4. PROJECT NO.
1 September 1965	COLOMBIA	PERSONNEL SERVICES	1965	1970	514-11-750-084
		PARTICIPANT TRAINING	1965	1971	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.						1			XX			XX			XX			XX			XXX
		Non U.S.																					
	B. ON 1/ BOARD	U.S.									XX			XX			XX						
		Non U.S.																					
II. PARTICIPANTS PROGRAMMED	A. U.S.										X			X			X			X			XX
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

Personnel required still too uncertain to include for FY 66 and later.

SECURITY CLASSIFICATION: UNCLASSIFIED

1. The Activity Target

The objective of this project is to increase tax revenues on both the local and national levels through accelerating the valuation of urban and rural real property and developing more effective property tax collections in the municipalities.

The responsibility for cadastral surveys and real property valuation in Colombia, with the exception of Bogotá and the Department of Antioquia, rests with the Instituto Geográfico Agustin Codazzi (IGAC), a decentralized agency of the GOC. One of the two main targets of this project is to enable IGAC rapidly to provide satisfactory quality apppraisals of property values for all the area under its jurisdiction, and to keep them up-to-date with modern reappraisal and indexing methods.

IGAC currently does not have the capacity to achieve property valuations of adequate quantity and quality. Only about 10% of properties are valued each year, and IGAC has not been able to carry out its program of complete property valuation on a municipality by municipality basis, using modern and accurate appraisal techniques, on a large scale. Its output is further reduced by use in some cases of excessively refined methods, resulting in more precise land valuations than are needed for equitable mass appraisal purposes. Because of inflation in Colombia in recent years, property valuations become out-dated quickly, and reappraisals of properties on a municipality wide basis often result in valuation increases of over 300%, and in some cases of over 500%. Currently, no method of adjusting property valuations to inflationary situations through modern indexing and spot appraisal methods is used.

The other main activity target of this project is to improve the methods, data processing, and other property tax collection activities of the over 800 municipalities.

Improved land and property valuations will be of immediate use to the national government in increasing patrimony tax collections, to the land reform agency, INCORA, in carrying out its land acquisition responsibility, and to the autonomous regional agencies in their activities, but municipal property tax collections in many municipalities will not increase greatly without improvement of their billing, collection, and enforcement activities for the property tax. The property tax is a major source of revenue for the municipalities of Colombia, but delinquencies in collections, even with the present small tax base, are high, often running over 30%.

The great number of municipalities, the significance of municipal responsibility for collection of property taxes in the historic relationship between central and local governments in Colombia, and the non-involvement of the central government in property tax collection, all make difficult an all-out attempt to improve property tax collections. Yet without success in this effort, large scale investment in expansion of IGAC valuation activities would have limited effects on local revenues, and would be of doubtful justification.

Achievement of the targets of this project will strengthen the great number of currently weak local municipalities by providing them much greater financial resources that will permit them to undertake badly needed improvements, such as school construction and maintenance, roads and bridges, and other public services. Greater local tax collections will also ease the strain on the finances of the national government, since currently transfers to local governments are over 10% of national expenditures.

In the cities moreover, improved property valuations and will increase the property tax base both for the property tax as such for the numerous special assessments. In the rural areas, improved property tax valuations and colletion will help in the equitable application of land reform measures and in the implementation of proposals, or actual legislation, for special taxes to encourage economic use of idle or under-utilized agricultural land.

2. Course of Action

The specific courses of action and operating procedures for this project will be determined following study of a consultants' report just completed. The consultant survey covered the following aspects of the project:

a. IGAC appraisal techniques and procedures with recommendations for necessary changes in techniques, procedures and administration to carry out the project.

b. A time table of production targets with the detailed work plan including personnel needs, training requirements, administration procedures and personnel costs.

c. Detailed schedule of materials and equipment required for the project and their cost.

d. A financial plan with a disbursement schedule for the loan and estimates of the size of GOC contribution.

e. A series of phased performance marks to be met by IGAC and other entities as conditions precedent for succeeding loan disbursements.

f. Study of a proposed municipal property tax center with recommendations on its functions, authority and organization, methods to be used and a financial plan for the center.

g. Study of municipal-departmental-national financial relationships with recommendation of changes in current grant and tax administration

responsibilities. This includes a description and evaluation of present municipal property tax collection activities.

h. Analysis and recommendations of methods for adjusting property evaluations in inflationary general price increase situations.

i. Recommendations on the role of autonomous regional organizations in property tax administration.

j. Study and recommend possible matching grants from National Government or departmental Governments tied to municipal tax collection performance.

k. Study and recommend on the possibility of providing computing, and billing of tax assessments and other services on the national level for transmission to municipalities to achieve acceptable tax collection standards.

Following study of the Consultants' report, a loan agreement will be negotiated with the GOC. Agreement will be reached on the scope and speed of implementation of the project for both the land valuation work at the IGAC (including the scope of data processing services and, if warranted, installations, and the requirements for technical assistance, imported equipment and peso budget) and for the property tax collection improvement phase of the project (including possible need for legislative changes and revisions in national and departmental transfer payments criteria and procedures).

Agreement will also be reached on the respective US and GOC contribution to the project and the phasing and targets for disbursement of the loan. It is expected that the loan agreement will be signed and implementation will begin during FY 1966.

3. Progress to Date

Previous proposals for this project based on earlier studies proved inadequate largely because they did not provide satisfactory proposals for the tax administration aspects of the project and did not achieve agreement with IGAC management on the technical aspects of the system of accelerated property evaluations.

A team of land valuation and property tax consultants was in Colombia during FY 1965 to prepare a revised project proposal. A report has just been submitted.

4. Funding Requirements

While the exact scope and cost of the program cannot be determined until negotiation of a loan proposal following receipt and study of the consultant's report, the following costs have been estimated.

US$4 million for the foreign exchange cost of the project or $11 million if it is decided that the loan project is to include also the dollar amount needed to finance the estimated peso cost for the first two years of the proposed project period of four years, or a portion of the peso cost for four years.

5. Contributions from other Source

The Basic Resources Survey Grant has already provided US$750,000 in grant funds for equipment and vehicle purchases 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 activities of the Basic Resources Survey Grant to the IGAC. The Officer in Charge of the Inter-American Geodetic Survey, which is administering this grant, will also assist with the IGAC portion of the Land Tax program, in order to assure that the program is properly meshed with the IAGS program, facilitate coordination between Mapping and Soils surveys, and in general avoid duplication and cross purpose efforts on the part of the U.S.

Aside from social unrest threatening from the long simmering economic crisis and the widespread lack of confidence in the Government's ability to cope with either political or economic problems, social and political stability in Colombia are particularly threatened by rural and urban violence. Rural violence, in particular, arising from both political and social causes, has been a serious problem and a major obstacle to economic development in Colombia for many years. The influx of rural people into the large urban centers has created serious social stresses which must be relieved if stability and internal security are to be maintained. The security situation is described more fully in Section I.2e of this submission.

Colombia's military and police forces have continued to achieve excellent results in combatting violence and maintaining public order in both countryside and cities. However, the problem remains a serious one which undermines public confidence in government authorities. It is essential that both central and local governments proceed as rapidly as possible with programs which will alleviate social and economic problems confronting large sectors of the populace, strengthen free institutions and expand direct public participation in the affairs of a government, looked upon as oligarchic in character and not truly concerned with the general interest, and instill in the public mind a more positive political and social sense, which is an indispensable condition of rapid economic growth.

The entire AID program will have its effect towards the achievement of this goal in one way or another; the activities listed below are those directed specifically to this goal.

a. Public Safety.

This activity provides technical assistance and commodity grants to the two police agencies of Colombia, 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 counteracting communist subversion and maintaining law and order, up to that level where military action would become necessary. The program includes the provision of communications equipment for a widespread network of police posts in all departments especially threatened by subversive groups. The rural radio-telephone project carried out by the Armed Forces under the Civic Action program supplements the Police Communications in particularly endangered areas.

It is also anticipated that a weapons modernization program may have to be financed. An expert survey has recently been completed and is now being analyzed. It is expected to serve as basis for the modernization program, a considerable portion of which it is hoped can be met by GOC resources, but which may require supplementary U.S. aid not yet programmed in the current submission.

b. Housing.

Among the most pressing urban problems is that of housing for the lower income classes. A vigorous low cost housing program relieves potentially dangerous stresses by actually providing housing for some of those who otherwise would suffer greatly from its lack, and beyond this direct impact, by instilling a feeling of hope and anticipation among the many who do not benefit directly right away. The U.S. program aims to utilize both financial and technical assistance in housing so as to establish and improve effective institutions and mechanisms in the low and lower middle income housing field. Specific construction projects emphasize low cost housing in areas where serious social stresses threaten from sub-standard living conditions. Lower middle class housing projects in the program are specifically for members of democratic labor unions and housing cooperatives. Technical assistance in both of these areas as well as to the Government's low cost housing agency, the ICT, is proposed for both FY 1966 and FY 1967, including a new project to introduce modern social self-help and community organization methods in the operation of the ICT. Efforts will continue to attract private capital to lower middle income housing through short term consultant assistance in the establishment of savings and loan systems. No loan funds are anticipated for FY 1966/67 since both pesos and dollars are still available from prior project loans and pesos generated under Program Loans.

c. Labor.

The purpose of this activity is to strengthen the democratic labor movement in Colombia, in order that it can contribute more effectively to social, economic and political development and serve as a bulwark against undemocratic control and subversive infiltration in Colombian labor. The activity is carried out primarily through the American Institute of Free Labor Development (AIFLD). It includes two principal projects:

1) Training of Colombian Trade and Farmers Unionists for enlightened, responsible and effective union leadership and operation.

2) Development and execution of Labor Union Cooperative Housing projects to improve the social conditions of members of democratic labor unions. This project is supported through Program Loan peso allocations.

Technical assistance is proposed to both of these projects for FY 1966 and FY 1967. As indicated, technical assistance will be provided primarily through contracts with the AIFLD. In addition, the "Plan T" Labor Housing project of the ICT is supported through Program Loan peso allocation.

d. Civic Action

This activity has as its overall target the active contribution of the Armed Forces of Colombia in the initial improvement of social and economic conditions in the wake of suppression of organized banditry in rural areas. Such use of the Armed Forces serves two purposes: It aims at improving the image and prestige of the Armed Forces and those of the national government as a whole and at the same time it helps pacify the affected areas completely. Several of the activities, including the construction of the so-called Tolima Highway, will moreover make a significant contribution to the country's long range economic development. In addition to the Tolima Highway, the Civic Action activity includes road improvement and maintenance, well drilling, a telephone network for civil defense and rural communications, and field dispensaries (small health centers) all with both dollar and peso grants, and rural school construction and youth activities, requiring pesos only. All these sub-activities are carried out primarily in rural areas where violence is frequent or potentially serious and aim at improving social and economic conditions in these areas. The project is under supervision of the U.S. MilGroup and is supported by MAP in addition to AID. Dollar grants for equipment and supplies will continue to be supplemented by release of Program Loan peso proceeds on a priority basis. Should no additional Program Loan proceeds become available, the funding of the peso costs of Civic Action programs will have to be re-examined.

e. Public Health.

The problem created by the high rate of population growth in Colombia has been dealt with in Section F2h2 above. The USAID program includes selected activities aiming at the amelioration of major health problems, among them the expansion of potable water and sewerage systems in urban centers.

Existing dollar loans for Bogotá, Cali and Medellín sewerage system expansion cover in the case of Bogotá and Medellín only the engineering cost of such loans, with construction costs expected to be met in part by Program Loan peso proceeds. New dollar loans totalling $1 million for 1966 and $2 million for 1967 are being proposed to help finance expansion of waterworks and distribution systems for several middle size towns for which feasibility studies are being financed under the Feasibility Study Loan of 1964. The rural well drilling project carried out by the Armed Forces under Civic Action serves the same basic objective.

A major contribution is being made by the aid program to the nutrition of large numbers of school children, expectant mothers, institutionalized indigents and underprivileged families under Food for Peace Title III programs reaching over 2.5 million Colombians. These programs are operated with the help of the CARE and CARITAS institutions.

Additional activities in the general area of health services include the Civic Action project for rural health centers and the proposed financing with Program Loan proceeds of completion of several hospitals now standing unfinished.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 September 1965
2. COOPERATING COUNTRY: COLOMBIA
3. PROJECT NO.: 514-11-710-066
4. TITLE: PUBLIC SAFETY
5. BEGIN FY / END FY
   - U.S. FUNDING: 1963 / 1968
   - PHYSICAL WORK: 1963 / 1969
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 (1) U.S. AGENCIES: AID	e. (1) U.S. AGENCIES: PASA	e. (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	SA	G	145							145					
		AB	G	171							171					
		AG	G	1,578	11	244		11	259		1,046		18			
	GROSS OBLIGATIONS (ACTUAL YEAR)	AB	G	171							171					
		AG	G	647	10	110		10	190		320		17			
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	SA	G	145							145					
		AB	G	-0-							-0-					
		AG	G	960	4	224		4	154		567		11		60	3
	EXPENDITURES (ACTUAL YEAR)	AG	G	199	2	99		2	92		1		5		30	3
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AB	G	171							171					
		AG	G	618	7	20		7	105		479		7			
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	1,043	5	162	–	5	203	–	660	–	13	–		
	B. EXPENDITURES	AB	G	171							171					
		AG	G	1,105	10	170		10	210		700		15		45	10
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	556	2	12		2	98		439		5			
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	562	5	147	–	5	210	–	185	–	15	–		
	B. EXPENDITURES	AG	G	849	5	145		5	185		500		14		44	5
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	269	2	14		2	123		124		6			
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	350	5	75		5	100		162		8		28	5
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	SA	G	145							145					
		AB	G	171							171					
		AG	G	3,533	26	628		26	772		2,053		54		177	23

REMARKS:

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

2/ Show estimated expenditures in column i.

SECURITY CLASSIFICATION: UNCLASSIFIED

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
9/1/65	COLOMBIA	Funding	1963	1968	514-11-710-066	PUBLIC SAFETY
		Phys. Work	1963	1969		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		63		795		45	375	145		230
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY 65	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		33		495		45	195	45		210
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		55		825		45	450	150		180
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY 67	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		49		735		45	360	75		255
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY 68	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		33		495		40	230	75		150
	(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										
	(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		200		2,850		175	1,415	445		815
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												

REMARKS:

1/ Exchange Rate: $1 = 10 pesos prior years – 15 pesos operational year and later.

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.	BEG. FY	END FY	4. PROJECT NO.
9/1/65	Colombia	PERSONNEL SERVICES	1963	1969	514-11-710-066
		PARTICIPANT TRAINING	1963	1969	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	10		3	5			7			8			6						31		
		Non U.S.	3		1	1		1	1		1	1		1	1			1			7		3
	B. ON 1/ BOARD	U.S.				6			8			7											
		Non U.S.						1			1			1									
II. PARTICIPANTS PROGRAMMED	A. U.S.		215			109			101			98			50						464		
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION: UNCLASSIFIED

1. The 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.

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 extremist subversion and maintaining law and order up to a level where military action may become necessary. This requires the following targets:

a. Strengthening of the National Police sufficiently so that

1) they can suppress externally directed insurgency movements while still in the conspiratory state, or in early stages of development;

2) 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 Army, repressing incipient new violence and thus maintaining a climate favorable to orderly and rapid resettlement of these lands by productive social elements;

3) 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 distrubances, and deal effectively with other unlawful acts which threaten 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 resources will be devoted primarily and effectively toward collecting, evaluating, assembling, and disseminating to authorized elements information on extreme leftist or rightist groups, movements, and plans directed at undermining and/or overthrowing the constitutional Government of Colombia through violent means;

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 the internal security, are: the newly developing rural insurgency movements which appear to have a degree of external direction and the objective of bringing about the eventual collapse of the legally constituted Government of Colombia; the brutal violence and banditry which have torn some of the most potentially productive rural areas of Colombia over the past seventeen years, terrorizing the population and discouraging development of these lands and denying their benefit to the country; politically motivated terrorism, principally confined to the urban areas and consisting mainly of bombings and arson committed by extremist groups of both the left and the 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 (hijackings), armed robbery of business establishments and financial institutions, burglaries, theft, 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, and the intensity of their operations tends to conform to seasonal peaks of economic activity. Thus any increase in economic activity can result in a higher crime rate if not energetically suppressed. However, DAS cannot conceivably handle adequately the criminal investigative jurisdiction heretofore assigned. With Decree 1726 going into effect July 1, 1965, and giving the National Police a criminal investigative function, a long step forward in law enforcement is gradually becoming possible. The success of the transfer of this responsibility will depend largely on how orderly the division of investigative functions can be made. The courses of action as related to the defined objectives follows:

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a. Training

1) The National Police

Over a two year period, the curriculum of the six 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 U.S. technicians will assist National Police officer graduates of the International Police Academy or other U.S. approved courses. The National Police training School at Espinal will extend rural police type training to all graduates of the regular police recruit courses at Espinal and Manizales, which are in the violence area, and to all police personnel transferring to the violence area from other locations. At the Academy for Officers and Cadets in Bogotá, increased emphasis will be continued on courses in civil police management and administration, criminal investigation, and public relations. Training films on riot control, police patrol tactics, firearms training, and criminal investigation will be made, supplemented by film strips and color slides on these and other suitable police subjects. Training bulletins will be introduced, to provide close supervision and control of the training program by the General Directorate, assure uniformity of training, meet new training needs, and provide a manual for continued training of police personnel.

In addition 75 members of the National Police will receive training at the International Police Academy in Washington or will receive other specialized training in the U.S.

2) Administrative Department of Security (DAS)

Work on the DAS training center will continue. This center expects to train 200 men annually in a basic three month course for recruits. Advanced in-service training courses will also be given and 27 members of DAS will receive training at the International Police Academy or will receive other technical and advanced training in the U.S.

It is anticipated that U.S. financed training programs for both organizations can be phased out by the end of FY 1967.

b. Administrative and Operational Changes

1) The National Police

Inspections of all police stations in Bogotá and other principal cities of Colombia will continue to identify and eliminate unnessary 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 15%. This should be accomplished by the end of FY 1966. The coverage of the radio patrol fleet in Bogotá will be expanded with a maximum possible number of vehicles in operation at all times. When this project started, only 25% of the patrol fleet was in service at any one time. The target is 70%.

AID recommended assignment to the National Police of the responsibility for investigating the majority of common crimes. Decree No. 1726 gave the National Police equal responsibility with DAS and the lower courts, thus creating the necessity for development of a criminal investigative capability within the National Police. Planning for an initial division of the investigative function between the two police agencies, which has already begun, and for a gradual shift from DAS to the National Police, will be completed. Over three years, 2,800 officers and men will be trained in criminal investigation. To carry out the new criminal investigative function the National Police, general units will be established in Bogotá, along with a demonstration records and criminal identification unit and a basic crime laboratory. Establishment of three more such laboratories through self-help efforts in other parts of the country will be encouraged. Twenty persons will be trained in laboratory procedures. A mobile unit for gathering and transporting physical evidence will be placed in service in Bogotá on a demonstration basis, and equipment for similar units will be distributed to other commands in the country.

To integrate the innovations and improvements mentioned above into a meaningful demonstration of a well coordinated police unit in a given community, the headquarters of the Bogotá Command, Station 100, will become a Model Police Station incorporating modern concepts of police management and administration, and organization of modern police services including patrol unit, criminal investigation unit, protection of minors and non-criminal indigents. Steps will be taken to obtain countrywide adoption of the organizational methods and operations demonstrated.

In the rural areas, and especially in the violence areas, efforts will be made to redistribute personnel on actual need, deploying available personnel for as intensive and constant patrol coverage as possible. This will be coordinated with the special tactical communications project undertaken in FY-1965-1966.

2) DAS

Some courses of action for DAS can be implemented through internal action, others require legislative or organic changes. The first group includes training, security practices, and investigative procedures. DAS will concentrate increasingly on internal security

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matters and crimes of national interest with a more complete centralized laboratory and bureau of identification available to all law enforcement agencies. The second category includes relieving DAS of such functions as the "Certificate of Conduct", bodyguard services, and common criminal investigative jurisdiction. The second category is the more difficult to implement and at the same time extremely important to the program. If the current legislative log-jam persists, other remedies must be sought.

c. Mobility and Communications

1) The National Police

Improved use and maintenance of police vehicles and acquisition of 250 new automobiles over a period of 3 years aims at a goal of 300 serviceable vehicles in Bogotá, and 600 in the rest of Colombia. Of the 250 new vehicles, 150 will be provided by AID and 100 by local governments and communities on self-help basis. The National Police will undertake a five year plan for improved maintenance, standardization and operation of its automotive equipment based on a USAID motor vehicle survey now nearing completion.

The first step in establishing reliable 24 hour police communications with all parts of Colombia is the completion of the single-sideband Common Users Network of the Ministry of Government with the Bogotá center to be completed in FY 1966. Major National Police Posts will be provided in FY 1966 with supplementary teletype and multiplexing equipment to assure more and rapid transmission of written messages and a permanent record. Expansion of the system will continue into FY-1967.

Tactical communications net systems will be provided to nine Departments where rural violence and insurgency are a major threat. Surveys, purchase, and installation of the transceivers are expected to be completed by the end of FY-1966 or early in FY-1967.

Four mobile patrol systems for cities other than Bogotá will be completed during FY 1966 with additional cities scheduled for FY 1967. During the same two year period, eight repair and maintenance centers for police radio equipment will be established and put into operation.

2) DAS

Twenty radio equipped vehicles will be provided to extend DAS operations to major areas now served and where adequate security intelligence is now lacking. Future vehicles and specialized communications equipment will be earmarked for specific needs of DAS in areas of mutual interest not now covered.

The DAS communications system will be integrated into that of the National Police through the Ministry of Government.

3) General

Approximately fifty technicians of the National Police, DAS, and the Ministry of Government will be trained in installation and maintenance of communications equipment. Apart from some training in the U.S.A., the bulk will be done by the National Institute of Apprenticeship (SENA) at minimal cost to AID.

d. Firearms

The GOC will be encouraged to implement to the extent possible from its own resources the recommendations of the Small Arms Survey completed at the end of FY-1965. Where GOC resources are inadequate, an attempt will be made to supplement them from U.S. excess stocks. AID will support a comprehensive firearms training program.

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. Police in all Departments will receive additional AID public relations training. A twenty-hour course will be integrated within the year into the curriculum of training centers as a permanent part of the instruction.

2) DAS

This program will be directed at an educational campaign in the law schools to attract qualified career applicants, a public relations course in both DAS training schools, and establishment of a DAS public relations office and speakers bureau.

3. Progress to Date

During the fall of 1962, an AID Public Safety Survey Team completed preliminary surveys at the request of the GOC to determine the feasibility of a program of technical assistance in this field. A Public Safety Staff was assigned to Colombia beginning January 1963, 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.

a. Training

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1) The National Police

Forty National Police officers have completed the Inter-American Course at the International Police Academy and eight more are in training. Two officers received two weeks training in bomb disposal and one, three months of intensive training in criminalistics (police laboratory techniques). The Director General of National Police and a Department commander received a two week observation tour in the U.S. visiting outstanding Federal and local law enforcement agencies. A National Police officer with extensive U.S. training was appointed as Assistant Director of the School for Officers and Cadets where he has been a powerful force in modernizing the curriculum. Less progress was made on the revision of the curriculum in the schools for non-commissioned officers and agents. Reduction of the number of National Police training schools from nine to six has improved economy and training efficiency. In-service training in four basic police subjects is well underway in police stations throughout the country. A U.S. technician on TDY trained police instructors in use of the wooden baton and riot control tactics. These instructors in turn trained 18,000 National Police personnel. The training is being kept up-to-date and 25,000 manuals each on "Use of the Baton" and "Police Patrol Methods" have been printed and distributed. Another U.S. technician gave a two-week course to twenty four National Police in use of audio-visual aids in police training. Other AID supported training includes: use of audio-visual training aids; criminal investigation courses, patrol methods, twenty hour practical revolver courses, counterbandit operations, public relations, and communications technicians training.

2) DAS

The DAS training program has made notable progress both internally and abroad. To date 12 personnel of DAS have graduated from the International Police Academy and 27 are currently attending. The Chief of DAS has toured the United States under a State Department leader grant. Within Colombia DAS has established the two training centers recommended by USAID with a present annual training capacity of almost 500 students. A group of 21 instructors for the practical revolver course have been trained and are instituting this course in DAS throughout the country. Three men have graduated from the National Institute for Apprenticeship (SENA) in Medellín in a course for installation and maintenance of communications equipment. Despite a large overall personnel turnover in DAS, only three of the personnel who received U.S. training have been lost through dismissal or resignation.

b. Operational and Administrative Changes

1) The National Police

A pilot study of the use of National Police manpower was completed, implementation of its recommendations has resulted in 20% more personnel being available for active duty. A more detailed study was started late in FY-1965. A foot and radio patrol system 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 when National Police have been allowed to exercise their proper role. In line with USAID recommendations, a decree has assigned the National Police a responsibility in criminal investigation, although not as decisively as has been recommended. The USAID has provided investigative equipment and materials as the capacity of personnel to use them has developed. USAID recommendations for establishment of a Modern Police Station as a model for other parts of the country have been accepted; this includes a model criminal investigation unit and basic crime laboratory. The Director General of the National Police has designated as the model the BOGOTA Headquarters, a large part of which is being devoted to investigation, records and identification functions. The photographic laboratory, for which AID provided equipment and materials, is now operational and the communications center is being modernized to expedite response to calls from the public, improve control over patrol cars, and expand their coverage.

2) DAS

DAS survey recommendations so far implemented include the training program previously described, physical and personnel security measures, methods of foreigner control, and technical improvements. The elimination of undersirable functions including much of the present investigative jurisdiction, will be a continuing task, but some progress has been made. Decree 1726 which took effect on July 1, 1965 recognizes the investigative functions of the National Police as well as of DAS. The quality of DAS investigation 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.

d. Mobility and Communications

1) The Nacional 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

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fleet. More than 125 police vehicles have been purchased by municipal and departmental governments, supported by public contributions, with more on deposit or being raised. One hundred ten vehicles contributed by AID (FY-1963-1964 funding) have arrived and placed in service according to a plan mutually agreed upon by GOC and USAID. Twenty six additional sedans, plainly marked as patrol vehicles, are being procured from FY-1965 funds for Bogotá. The motor vehicle maintenance, fleet management and standardization is nearing completion. It shows that of 901 police vehicles, 206 are "deadlined" as the result of accidents.

2) DAS

The 26 vehicles delivered to DAS (FY-1963) have been placed in service and have alleviated immediate needs. Of these, 8 are panel trucks equipped as mobile investigative laboratories, 14 are jeep type vehicles for rural areas, and 4 are personnel carriers.

3) Communications

The Common Users (Ministry of Government) Telecommunications net financed by AID under the Civic Action program is almost complete with all installed stations now in communication with Bogotá. National Police and DAS have access to the net via teletype and multiplex speech equipment being provided by AID. The Special District of Bogotá and three Departments, have been surveyed for installation of mobile nets, partially financed by local self-help.

The Department of Santander 5 net tactical communications system compatible with the Common Users' net is being installed. This communications system will enable National Police to patrol actively, warn and be warned of impending attacks, relay information on bandit and subversive movements, and respond to calls for reinforcement. The Departments of Northern Santander, Magdalena, and Antioquia have been surveyed for the same system and equipment taken ordered for the first two Departments. National Police personnel have been provided training in installation and maintenance of the equipment, and a training program for operational procedure has been developed.

The Common Users (Ministry of Government) net communications center on Monserrate overlooking Bogotá has been constructed and the equipment has been installed. Initiation of operation awaits stringing of telephone lines from Bogotá.

e. 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. National Police successes against organized banditry have also raised public esteem for the police. Press, 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. The higher salary scale which took effect 1 June 1965 has almost doubled the number of applicants and recruits. The new Public Relations Office of DAS established early in 1965 has already improved press relations affecting the public image of DAS.

4. Funding Breakdown

The total estimated U.S. cost over a period of five years ending FY-1967 is US$ 4,404,000. A staff of 8 U.S. technicians, 1 local contract assistant, assisted from time to time by specialists on TDY, is required. About 60% of the U.S. cost will be for commodities, principally communications equipment, and small arms under a standardization program based on the recently completed survey.

Personnel		Grade	FY-1966	FY-1967
Chief Public Safety Advisor	12 months	FSR-2	1	1
Public Safety Advisor Investig.	12 months	FSR-4	1	1
Public Safety Advisor Rural	12 months	FSR-5	1	1
Public Safety Advisor Rural	9 months	FSR-6	1	1
Public Safety Advisor Municipal	12 months	FSR-5	1	1
Public Safety Advisor Training	12 months	FSR-5	1	1
Public Safety Advisor Telecom	12 months	FSR-4	1	1
Public Safety Advisor Telecom	9 months	FSR-5	1	1
Records and Identification Consultant	3 months		1	
Local Secretary	12 months		1	1

Total Cost Personnel	FY-1966	FY-1967
	162,000	147,000

Contract Services (Local)		
Communications Assistant	5,000	5,000

Commodity Requirements
FY-1966 National Police

Communications Equipment	$600.000	$140,000
Laboratory and		

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Investigative equipment	15,000			
Training equipment	10,000		10,000	
		$625,000#		$150,000#
DAS				
Automotive Equipment	10,000		10,000	
Communications Equipment	11,000		11,000	
Laboratory Equipment	13,000		4,000	
Training Equipment	1,000		1,000	
Small Arms	9,000	35,000	9,000	35,000
Total Commodities		660,000		185,000
Training Requirements				
National Police				
74 participants to IPA-IA General Courses and other specialized training	148,000			
75 Participants to IPA-IA General Courses and other specialized training				160,000
DAS				
27 Participants to IPA-IA General Courses and other specialized training	55,000			
23 Participants to IPA-IA General Courses and other specialized training				50,000
Total Training	203,000			210,000
Other Costs				
Local travel technicians, translating, reproduction costs training materials, etc.	11,000			13,000
National Police				
DAS	2,000			2,000
	$1,043,000			$562,000

Does not include cost of small arms replacements.

Host country contributions will come from national revenues and from budgets of participating police agencies. GOC contributions, in peso equivalents, are estimated as follows: offices, vehicles, and personnel provided U.S. technicians US$20,000, maintenance of U.S. contributed equipment, $175,000 annually, salaries, transportation, and allowances of trainees $200,000, total $295,000.

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 budgetary outlay for the National Police and DAS over the five year period will total US$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.

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AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 9/1/65
2. COOPERATING COUNTRY: COLOMBIA
3. PROJECT NO.: 514-15-830-058
4. TITLE: HOUSING a/
5. BEGIN FY / END FY
   - U.S. FUNDING: 1961 / 1968
   - PHYSICAL WORK: 1961 / 1969
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 (1) U.S. AGENCIES: AID	e. (1) U.S. AGENCIES: PASA	e. (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	SA	G	500									500			
		DG	G	18		16							2			
		AB	G	90		84			4				2			
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	324	207	79	18	207	18				2			
		AG	G	208	128	42	18	128	18				2			
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	SA		500									500			
		DG		18		16							2		8	
		AB		90		84			4				2		14	
	EXPENDITURES (ACTUAL YEAR)	AG		112		70	3	31	7				1		15	
		AG		42		30	3	1	7				1		9	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
		AG		212	176	9	15	176	11				1			
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	176	100	31	10	100	24	-	5	-	6	-		
	B. EXPENDITURES	AG	G	291	196	36	19	196	30	-	5	-	5	-	8	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	97	80	4	6	80	5	-	-	-	2	-		
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	146	80	31	-	80	24	-	5	-	6	-		
	B. EXPENDITURES	AG	G	157	120	30	6	90	20	-	5	-	6	-	12	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	86	40	5	-	70	9	-	-	-	2	-		
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	74	-	27	30	-	15	-	-	-	2	-	8	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	SA	G	500									500			
		DG	G	18		16							2		8	
		AB	G	90		84			4				2		14	
		AG	G	720	387	168	58	387	81	-	10	-	16	-	43	

REMARKS:

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

2/ Show estimated expenditures in column I.

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

SECURITY CLASSIFICATION: UNCLASSIFIED

BEST AVAILABLE

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 9/1/65

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-15-830-104 a/; 514-15-830-107 b/

4. TITLE: HOUSING a/ b/

5. BEGIN FY / END FY — U.S. FUNDING: 1962 / 1963; PHYSICAL WORK: 1962 / 1967

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 (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	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	11,672												
		026	L	2,657												
	EXPENDITURES (ACTUAL YEAR)	207	L	882												
		026	L	599												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	207	L	328												
		026	L	4,843												
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	207	L	328												
		026	L	3,343												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	207	L	--												
		026	L	1,500												
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	026	L	1,500												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	026	L	--												
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	207	L	12,000												
		026	L	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.

Note: Both loans utilized for local expenditures.

SECURITY CLASSIFICATION UNCLASSIFIED

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
9/1/65	COLOMBIA	Funding	1961	68	514-15-830-058	HOUSING
		Phys. Work	1961	69		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/				37		415			210	165		40
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY 65	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/				9		135			60	75		—
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/				8		120			45	45		30
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY 67	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/				12		180			45	45		90
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY 68	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/				8		120			45	45		30
	(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/												
	(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/				65		835			345	300		190
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												

REMARKS:

1/ Exchange Rate: $1 = 10 pesos prior years – $15 pesos operational year and later

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.	BEG. FY	END FY	4. PROJECT NO.
9/1/65	COLOMBIA	PERSONNEL SERVICES	1961	1968	514-15-830-058
		PARTICIPANT TRAINING	1963	1968	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	8			1			1	1	2	1	1	2	1		1				11	2	5
		Non U.S.	8	1	1	1	1	1	1		1	1		1	1						11	2	1
	B. ON 1/ BOARD	U.S.				1		1	1		2	1		2	1		1						
		Non U.S.				1			1			1			1								
II. PARTICIPANTS PROGRAMMED	A. U.S.		2						2			2				2					8		
	B. THIRD CTRY.		14			14			10			10				10					44		

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION: UNCLASSIFIED

1. The Activity Target

This activity aims at the following targets:

a. To maintain in FY 1966 and increase in FY 1967 the rate of construction of low and lower middle class housing through the Colombian Government housing agency, the Instituto de Crédito Territorial (ICT) as a significant contribution to the alleviation of serious social stresses in areas of extreme shortage of housing.

b. To continue ICT's slum clearance and rehabilitation activities.

c. To improve the administration, practices and operations of the ICT, including the coordination with other GOC departmental and municipal agencies to assure adequate public utility services in ICT projects and speedier and more adequate provision of schools, health centers and other facilities; the selection and orientation of recipients of housing; the organization of voluntary community services and programs to prevent deterioration of existing and new low-cost housing projects; and the enforcement of ICT rules and regulations; and develop an FHA-type program of establishment of minimum property standards, sound underwriting and appraisal techniques, and inspection procedures.

d. To develop and improve housing cooperatives, including those sponsored by democratic labor unions.

e. To develop a sound savings and loan system and other institutions and mechanisms to attract housing capital on reasonable terms, including development of secondary and tertiary capital markets to serve the construction industries.

Among the most pressing urban problems in Colombia is that of housing for the lower income classes. A vigorous low cost housing program relieves potentially dangerous stresses by providing housing for some of those who otherwise would suffer greatly from its lack, and beyond this direct impact, by instilling a feeling of hope and anticipation among the many who do not benefit directly right away. The U.S. program aims to utilize both financial and technical assistance in housing so as to establish and improve effective institutions and mechanisms in the low and lower middle income housing field.

2. Course of Action

a. Financial assistance to ICT housing project will be provided in FY 1966 through allocation of 41 million pesos from existing Program Loan Proceeds to the Plan T labor housing program in which ICT cooperates with industrial firms and their unions; allocation of 15 million pesos from the same source to a cooperative labor union housing program of the Alianza Democrática Sindical para Vivienda, sponsored by the AIFLD; the allocation of another 15 million pesos from the same source to a housing program of the Federation of Colombian Housing Cooperatives (FEDECOOP).

b. Financial assistance from program loan proceeds may also be furnished the ICT's well established slum housing rehabilitation program.

c. Technical assistance, to be provided to the ICT through direct hire housing and social service experts and short term specialists and FHA consultants, will concentrate on the task of helping ICT become a more effective organization, especially in the implementation of its low-cost housing program.

d. Technical assistance to the two major cooperative housing projects, to be provided through contracts with the AIFLD, for the Alianza Sindical project, and with the Foundation for Cooperative Housing (FCHCo.) for the FEDECOOP project, will emphasize the planning and implementation of cooperative housing projects, organization and operation of housing cooperatives and community services.

e. Technical assistance through a short term consultant is expected to be supplied to the newly created Housing Bank which it is hoped will develop a savings and loan system to mobilize private savings and channel them into the home building industry.

3. Progress to Date

External financial assistance to ICT in prior years has been as follows:

FY 1962 - $500,000 special assistant grant
FY 1962 - $12.2 million DLF loan
FY 1962 - $15½ million IDB loan (SPTF)
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 assistance ICT has constructed 57,488 units, up to June 30, 1965.

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 of 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.

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 Democratica Sindical para Vivienda 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 a 1,400 unit cooperative housing project in Ciudad Kennedy, Bogotá, for its members.

A task order with the Foundation of Cooperative Housing (FCH Co.) assisted FEDECOOP to reorganize, and to prepare applications for cooperative housing projects for implementation in FY 1966 and 1967.

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.

A project to guarantee approximately $9,000,000 investment for a U.S. investor to finance the construction of 1,400 houses for sale in Bogotá has reached the contract drawing stage. It is expected that this project will be completed in FY 1967.

A third project to guarantee the investment of approximately $10,000,000 by a U.S. investor to finance houses in Bogotá and Medellín has been tentatively committed and is under study.

4. Funding Requirements

Financial assistance is being provided from program loan peso proceeds. No dollar loans are proposed.

For FYs 1966 and 1967, the following TC funding is proposed.

	FY 1966	FY 1967
Personnel Services		
a. One Housing Advisor	25,000	25,000
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. (Prior year funding FY 1966)	-	55,000
c. One social service advisor by contract 2 years	50,000	-
d. Three short-term FHA consultants, 1-3 months each.	13,000	10,000
e. One loan consultant short term in FY 1966, two years	5,000	3,000
f. Three short term FCH Co. consultants	15,000	15,000
g. One FCH cooperative housing technician 1 year	30,000	-
h. One local secretary for direct hire technician	3,000	3,000
Participants		
12 participants 1-4 months each	24,000	24,000
Commodities	5,000	5,000
Other Costs		
In-country travel and some administrative services for direct hire technicians	6,000	6,000
TOTAL	176,000	146,000

Other Contributions

Inter-American Development Bank - SPTF

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

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

Colombian Country Contribution

The GOC is expected to provide peso budgetary support to the ICT equivalent to $10 million dollars annually in order to enable ICT to continue its program and to finance the augmented social assistance staff necessary to implement the social program as described above.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 9/1/65
2. COOPERATING COUNTRY: COLOMBIA
3. PROJECT NO.: 514-13-410-015
4. TITLE: LABOR
5. BEGIN FY / END FY
   - U.S. FUNDING: 1953 / 1969
   - PHYSICAL WORK: 1953 / 1969
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 (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	DG	G	256					256							
		AB	G	170					170							
		AG	G	365	276			276	56		19		14			
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	150	126			126	11				13			
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	DG	G	256					256						12	
		AB	G	169					169						18	
		AG	G	220	146			146	45		15		14		10	7
	EXPENDITURES (ACTUAL YEAR)	AG	G	11				2	1				8		10	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	DG	G													
		AB	G	1					1							
		AG	G	145	130			130	11		4					
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	215	170			170	30				15			
	B. EXPENDITURES	AB	G	1					1							
		AG	G	190	155			155	23		4		8		8	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AB	G													
		AG	G	166	141			141	18				7			
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	216	170			170	30				16			
	B. EXPENDITURES	AG	G	195	160			160	25				10		10	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	187	151			151	23				13			
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	220	180			180	30				10		10	-
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	185	160			160	20				5		5	-
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	DG	G	256					256							
		AB	G	170					170						83	
		AG	G	1,201	956			956	166		19		60			7

REMARKS:

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

2/ Show estimated expenditures in column I.

AID 1020-8 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
9/1/65	COLOMBIA	Funding	1953	1969	514-13-410-015	LABOR
		Phys. Work	1953	1969		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		47		520 2/				60		460
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY 65	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		10		150				60		90
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		8		120						120
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY 67	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		10		150						150
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY 68	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		10		150						150
	(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		5		75						75
	(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		80		1,015				60		955
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												

REMARKS:

1/ Exchange Rate: $1 = 10 pesos prior years – 15 pesos operational yr. and later.

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.	BEG. FY	END FY	4. PROJECT NO.
9/1/65	Colombia	PERSONNEL SERVICES	1963	1969	514-13-410-015
		PARTICIPANT TRAINING	1954	1969	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.			4			2			2			2			2			2			12
		Non U.S.			59			27			33			33			33			33			218
	B. ON 1/ BOARD	U.S.						2			2			2			2						
		Non U.S.						27			34			34			34						
II. PARTICIPANTS PROGRAMMED	A. U.S.		239			8			15			15			15			10			294		
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION

1. The 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 serve as 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 and campesino union leaders 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 members 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 the 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 in general.

2. Course of Action

a. Workers' Education

Trade unionists will be trained in the following ways:

1) Under a contract with the American Institute for Free Labor Development (AIFLD) a program of workers' education courses will be continued in FY 1966 and 1967. The program will consist of seminars and training courses of varying duration to meet the specific needs of the following groups:

a) Rank and file union members: two week basic seminars and four week basic and middle-level courses,

b) Union leadership: 8-10 week high-level courses on general trade union subjects,

c) Instructors: 8-week courses in techniques of labor education,

d) Specialists: 1-week courses designed to give high-level union leaders additional special skills as negotiators, administrators, and participants in the planning and execution of socio-economic programs.

e) Campesino union leaders: Courses and seminars designed to strengthen democratic rural workers' organizations through leadership training.

The Specialist courses and Campesino leader courses represent an expansion of AIFLD labor training activities from previous years. Specialist courses will provide intensive training in such fields as budget and statistics, office management, wages and productivity, and human relation in industry. Campesino leader courses will cover agrarian reform, union organization, cooperative theory and practice, social and political philosophy, public speaking, parliamentary procedure, community development and related subject. The curriculum of basic, middle, and high level general courses will continue to stress union organization and administration, collective bargaining, grievance procedure, trade union history, labor law, parliamentary procedure, public speaking, labor journalism and Communist strategy and tactics in the labor movement.

The AIFLD employs Colombian instructors for its courses, backstopped by long-term U.S. professional and Colombian staff which plans and guides instruction and administration of courses. The program is divided into two operational sectors which reflect the division of the Colombian organized labor movement between the two national democratic labor confederations, the Union of Colombian Workers (UTC) and the Confederation of Colombian Workers (CTC). Other independent democratic labor organizations are not excluded, however, as a matter of policy.

AIFLD/Colombia carries out some courses (e.g., Specialists courses) at its headquarters in Bogotá. The majority of courses, however, are carried out by travelling teams of trained instructors, many of which are graduates of previous AIFLD courses. In addition, recognized experts, both Colombian and U.S., are frequent instructors in the courses. Courses are held in all major industrial cities.

The students for the courses are selected by the CTC and the UTC. Most of the students are on leave of absence paid by their employers. From 25 to 30 students attend each course. It is expected that more than 2,500 trade unionists will be trained in each of FY 1966 and 1967,

in some 60 courses each year in 30 cities. In addition, between 500 and 750 campesinos will receive training as described above. Some 50 campesino leaders will be trained in two 8-week courses to prepare them as instructors. These instructors will then be used to give additional shorter courses and seminars.

2) Training in the U.S. and/or Puerto Rico of labor unionists and Ministry of Labor Officials. Such training will include specialized courses in such fields as labor education, cooperative, labor journalism, labor statistics and manpower. From 10 to 15 participants will receive training under this program in each of FY 1966 and 1967.

3) Special UTC and CTC workers' education programs. Continuing assistance will be provided to the CTC and UTC, in the amount of $6,500 in FY 1966 to each organization, for the conduct of their own training courses and $5,500 each in FY 1967. It is contemplated that this assistance will be phased out over the next three years.

4) Special seminars and conferences. The amount of $2,000 in FY 1966 and $5,000 in FY 1967 is programmed for international travel and per diem costs of selected GOC and trade union officials attending special AID, U.S. Department of Labor and ORIT seminars, conference and courses in the U.S. or Latin American countries.

b. Social Projects

Pursuant to the before mentioned AIFLD contract, the Mission will continue to support AIFLD programs in worker cooperative housing and related social projects. Construction of a union cooperative housing project to be financed from program loan proceedsis expected to begin during the second half of FY 1966. This project is described more fully under the Housing Activity. In addition, the allocation of program loan pesos for the construction of a Campesino Service Center, as a pilot project, in FY 1966 is under consideration. It is intended that this project will be coordinated with the AIFLD labor education activity.

During FY 1967, it is expected that the Social Projects emphasis will be on the proper utilization of workers' cooperative housing, i.e., home care, social services instruction, community services organization, continued development of union housing cooperatives and labor union community centers located in housing developments.

The Social Projects department of AIFLD hopes to get under way also in FY 1966 a housing project in Bogotá to be financed by BID loan to the Democratic Trade Union Alliance described below.

3. Progress to Date

a. Workers' Education

A total of 239 trade unionists have been trained in the U.S. and Puerto Rico under the USAID participant training program since its inception in FY 1954. It is estimated that more than 40% of the democratic union leaders of Colombia have received this type of training, as well as a significant number of Ministry of Labor officials. The AIFLD workers education program, since it began operating under contract in 1962, has trained over 5,900 workers in the country's industrial centers.

Benefits of both programs can be seen in the improving quality of trade union leadership and the generally favorable labor management climate in Colombia. It appears that USAID labor programs have contributed significantly toward building a basically democratic labor movement which supports the objectives of the Alliance for Progress. It is probable that US support of democratic labor organizations has been a determining factor in the failure of the Communists to date to gain control of the mainstream of organized labor in Colombia.

It is expected that continued US support of the democratic labor movement will enable Colombian trade unions to play an ever more positive and beneficial role in economic and social development, thus contributing to political stability and the achievement of the goals of the Alliance for Progress.

AID financing has further made possible Colombian participation in seminars and conferences in Mexico, Santiago, Lima and San Jose, Costa Rica, all directed towards the achievement of Alliance objectives.

b. Social Projects

Due to a numer of problems which have been encountered by the Social Projects Department, and which are inherent to the complex nature of the projects undertaken, the Social Projects program has been slow in getting under way in Colombia. Nevertheless, the creation in 1963 of the joint CTC-UTC Democratic Trade Union Alliance ("Alianza Sindical") provides a mechanism and framework through which the various important programs of AIFLD in worker housing, cooperatives and community development may be accomplished.

c. Other

RTAC materials and commodity funding provided through FY 1965 for books, pamphlets and other instructional materials distributed

to trade unionists have provided an important impact on the education and democratic orientation of union members and leaders.

4. Funding Requirements

AID funding for this activity began in FY 1953 and is expected to continue through FY 1969. AID funding, all grant, is as follows:

a. Workers Education	FY 1966	FY 1967
AIFLD-Contract (Workers Education) Salaries, administrative support, travel and per diem, educational equipment and materials, and scholarships:	100,000	98,000
UTC Leadership training program Support for costs of UTC leadership training program for their workers ("Other Costs" funding):	6,500	5,500
CTC leadership training program Support for costs of CTC leadership training program for their workers ("Other Costs" funding):	6,500	5,500
USAID participant training 15 participants each year, 6-12 week courses in U.S. and/or Puerto Rico:	30,000	30,000
Other Costs Travel and per diem to Labor conferences, special courses, etc.	2,000	5,000
b. AIFLD Contract - Social Projects Salaries, administrative support, travel and per diem:	70,000	72,000
TOTAL	$215,000	$216,000

c. Cooperating Country Contribution

Colombia's support of the AID labor activity by the GOC, CTC, and UTC is in the form of technical and clerical services, space for holding training courses, etc. It is not possible to estimate acurately the value of these contributions in monetary terms.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF:

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-11-820-099

4. TITLE: CIVIC ACTION

5.		BEGIN FY	END FY
U.S. FUNDING:	1963	1969
PHYSICAL WORK:	1963	1970

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 (1) U.S. AGENCIES: AID	PASA	(2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	(2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	(2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	(2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AB	G	200							200					
		AG	G	1,352							237		1,115			
	GROSS OBLIGATIONS (ACTUAL YEAR)	AB	G	200							200					
		AG	G	117							117					
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	AG	G	1,180							110		1,070		1,066	
	EXPENDITURES (ACTUAL YEAR)	AB	G	--							--					
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AB	G	200							200					
		AG	G	172							127		45			
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	319							312		7			
	B. EXPENDITURES	AB	G	200							200					
		AG	G	422							370		52		7	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	69							69					
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	290							288		2			
	B. EXPENDITURES	AG	G	280							278		2		2	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	79							79					
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	275							275				2	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	275							275				2	
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AB	G	200							200					
		AG	G	2,511							1,387		1,124		1,079	

REMARKS:

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

2/ Show estimated expenditures in column i.

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
	COLOMBIA	Funding	1963	1969	514-11-820-099	CIVIC ACTION
		Phys. Work	1963	1970		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		1,066		12,075						12,075
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY 65	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(ii) TRUST FUND												
	(iii) OTHER LC					4,500,000						4,500,000	3,600,000
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		7		105						105
	(ii) TRUST FUND												
	(iii) OTHER LC					6,500,000						6,500,000	7,400,000
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY 67	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		2		30						30
	(ii) TRUST FUND												
	(iii) OTHER LC					12,875,000						12,875,000	10,300,000
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY 68	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		2		30						30
	(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		2		30						30
	(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/				1,079		12,270						12,270
	(ii) TRUST FUND												
	(iii) OTHER LC					23,875,000						23,875,000	23,875,000
	B. P.L. 480 LC												

REMARKS:

1/ Exchange Rate: $1 = 10 pesos prior years - 15 pesos operational year and later.

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.	BEG. FY	END FY	4. PROJECT NO.
		PERSONNEL SERVICES			
		PARTICIPANT TRAINING			

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY____ Direct	PASA	Contract	c. OPERATIONAL FY____ Direct	PASA	Contract	d. BUDGET FY____ Direct	PASA	Contract	e. PLANNING FY____ Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.																					
		Non U.S.																					
	B. ON 1/ BOARD	U.S.							Not applicable														
		Non U.S.																					
II. PARTICIPANTS PROGRAMMED	A. U.S.																						
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION UNCLASSIFIED

1. Activity Target

The overall target of Civic Action is the initial improvement of conditions in rural areas which have been recently cleared of organized banditry by using the Armed Forces of Colombia in projects beneficial to the people of these areas and thereby improving conditions while at the same time elevating the image of the Armed Forces and the National Government. The projects undertaken should contribute to a permanent pacification of the violence areas and are intended to gain the active support of the affected people.

The objectives of the seven sub-projects programmed for FY-1966 and FY-1967 are as follows:

a. Tolima Highway: Construction of about 160 kilometers of all-weather, gravel-surfaced roadway linking Palmira, Valle, with Ataco, Tolima, and construction of about 120 kilometers of connecting roadnet at the East (Tolima) end of the main roadway. The main road bisects an area of about 11,000 square kilometers which has continuously been one of the major centers of violence in Colombia. The interconnecting roadnet further subdivides the area, facilitating entry by military and police units maintaining public order and movement of goods to and from markets. Further, the main road provides an alternate roadway between Cali, Valle and Bogotá, which will be about 120 kilometers shorter than the existing main road. This road system is essential to the pacification and economic development of the Tolima-Huila area, and will contribute to the development of the nation as a whole. The current estimated date of completion is October 1967.

b. Road Improvement and Maintenance: Rehabilitation and/or reconstruction of badly deteriorated rural roads which the Ministry of Public Works was forced to abandon a number of years ago because of violence conditions. The initial work in this activity is located in the Departments of Santander, Caldas, Valle, and Boyaca. This is a long-range program; the initial survey indicated that about 1,145 kilometers of roads in violence areas were in dire need of repair. Pacification of some of these areas has already made it practical for Public Works to accomplish a small part of this work, and a study is currently underway to determine which of the roads will be rehabilitated by Public Works. Work done under this sub-activity facilitates entry of military and police units into the areas, to reestablish public order. It also contributes to renewal of the economic development which has suffered from violence, by facilitating movement of goods to centers of commerce.

c. Well Drilling and Water Supply: Construction of water wells and potable water systems in small towns and villages in violence areas, and isolated areas, as a means of improving health and living conditions and demonstrating the interest of the GOC in the populace of these areas.

d. Field Dispensaries: To supply rural health centers in violence areas with drugs and medicines, thereby raising the health standards of the people in the area and demonstrating the government's concern for them. The Ministry of Health or departmental health authorities will be expected to assume full responsibility for the operation of these field dispensaries during the next 3 years.

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

f. Radiotelephone Net: To establish a communication radio network in several 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 communication with the national telephone circuits. In this way isolated farms and settlements can communicate with police and/or military posts 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 Activities: Designed to improve and strengthen the ties between the armed forces and youth and youth workers from violence areas. This sub-project is to include 3-week youth camps for 30 boys each, seminars for youth workers, and a sanitation and preventive medicine program aimed at youth in areas of violence.

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 and staff assistance, imported equipment and spare parts from Military Assistance Programs, a minimum of needed imported supplies such as tires, batteries and spare parts, and allocation of pesos generated by program loans.

a. Tolima Highway: Elements of three engineer battalions are currently engaged in the construction of sections of the total of 280 kilometers of road which make up this complex. Current plans are to add an additional company to this workforce during the period August-September 1965, and another company (for a total of seven companies) is scheduled to join the workforce during the first part of 1966. Engineer equipment for

these units is being provided under the MAP; USAID is providing dollar funds for procurement of consumable supplies which are not readily obtainable on the local market. Current plans call for all other costs to be borne by the GOC, from pesos generated by U.S. Program Loans or internal budget resources. This is a priority project, and it may be necessary to modify these plans at some future date in the event that GOC financing proves inadequate.

b. Road Maintenance and Improvement: The MAP equipped engineer battalion currently assigned to this sub-activity will continue to work on it during FY-1966 and FY-1967. The funding plan will be the same as for Tolima Highway.

c. Well Drilling and Water Supply: Three well drilling squads have been equipped and trained under MAP, and during FY-66 and FY-67 will be operating at a gradually increasing pace, drilling wells and constructing water systems in priority locations jointly agreed to by the Ministry of War and the Ministry of Health. USAID will provide funds for purchase of some pumps, and purification equipment and tubing not readily available on the local market; the GOC will provide funds for purchase of other consumables and operating expenses. It is anticipated that about 160 wells and/or water systems will be constructed under this sub-activity during FY-1966 and FY-1967.

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 is coordinated with the Ministry of Health. In locations where the civilian entities 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 obtained. MAP has provided medical equipment, generators, and jeep ambulances; and furnishes spare parts. AID assists through program loan pesos. This sub-project requires small dollar funds for JUSA/AT's which will advise in the turnover of the posts to civilian control.

e. Rural School Construction: Under this sub-project rural schools will be constructed in remote and violence areas with the Colombian Military Forces furnishing technical assistance and some construction material, 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 architectural plans and specifications furnished by the Federation of Coffee Growers and usually consist of two classrooms, living quarters for the instructor, and latrine. Upon completion of the schools the local community assumes responsibility for operating costs and administration. No dollar funding is programmed.

f. Radiotelephone Net: Control and repeater stations which are beyond the capability of the subscribers to support will be installed in nets which are now in operation or being installed in FY-66. This work will be carried out with the assistance of a one-officer JUSA/AT for 3 months during the latter half of FY-66. Dollar funding is necessary for this JUSA/AT and communications equipment which must be bought from U.S. suppliers.

g. Youth Activities: The success of the DOD financed youth camp program in CY-64 and 65 has led to a decision to continue and expand the program to add other methods of influencing the youth of the nation. The Colombian Armed Forces will continue to conduct youth camps as before. In addition they will conduct seminars for youth workers from violence or potential violence areas. These seminars are to last two weeks for about 25 youth workers each. They will also conduct a sanitation and preventive medicine program aimed at youth in violence and potential violence areas where military patrols operate and civilian agencies are lacking. This will complement and supplement the field dispensary program.

3. Progress to Date

a. Tolima Highway: Approximately 122 kilometers of roadway have been completed by engineer units engaged on this project. Initial route selection and survey have been completed for the entire trace and the results are under study. Progress during late 1964 and the first half of 1965 was negligible because the GOC did not provide pesos for operating expenses. Some peso funds have since been made available, and work has been resumed at a very satisfactory rate. Although this project is less than 50% completed, its impact is already being felt. The economy of the sector is stronger, and the standard of living of the people has improved. Factors contributing to violence have been alleviated and security forces have better access to the area. This effort has enhanced the public image of the GOC and its agencies, contributing to an atmosphere of mutual trust and cooperation, which is essential to permanent pacification of an area.

b. Road Maintenance and Improvement: Approximately 95 kilometers of roadway have been completed under this sub-activity. This work has contributed in large part to the pacification of the coffee-rich Quindio area (Northern Valle and Southern Caldas). Violence was rife throughout the area, seriously jeopardizing the coffee crop which is so important to the economy. The attitude of the people in the areas adjacent to the road traces has changed from apathy and hostility to an attitude of active cooperation. Public order has been restored and violence has been practically eliminated. Significant increases have been made in the economic development of the sectors served by the roads.

c. Well Drilling and Water Supply: The three squads working on this sub-activity have completed 26 wells and/or water systems to date. Progress has been slower than anticipated, primarily because of lack of experience on the part of personnel and problems in coordinating the program between the two Ministeries involved. These problems have, in most part, been resolved,

and work is proceeding with improved results. The limited number of systems which have been installed have proved very successful, providing pure water for the first time for many and serving as an impetus to community pride and development.

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 one fixed and one 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, and permanent nurses and first aid men. The field dispensaries treat about 650,000 patients annually.

e. Rural School Construction: During the past 3 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 1,800 students receive better education. The communities have assisted in these programs and in most cases have provided the teachers.

f. Radiotelephone Net: There are now 11 nets operating and more are 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 Activities: Some 20 youth camps held in CY-64, and 34 already held or scheduled for CY-65 have greatly enhanced the image and friendly relations of the Armed Forces with the people, particularly the youth. Camps in CY-64 were for 50 boys each, those in CY-65 for 30. Camps last 3 weeks during which boys between the ages of 12 and 16 selected from needy families in violence areas receive instruction in civics, history, geography, personal hygiene, sanitation, group activities, and sports. The boys receive clothing, toilet articles, and school supplies.

4. Funding

The funds requested for Civic Action activities during FY-67 are as follows:

(Costs in 1,000's)

	FY-1966		FY-1967	
ACTIVITY	DOLLARS	PESOS	DOLLARS	PESOS
Tolima Highway	100	6,000	100	6,500
Road Construction and Maintenance	80	3,120	80	3,250
Well Drilling and Water Supply	60	1,750	60	1,950
Field Dispensaries	5	1,550	2	1,300
Radio Telephone Net	74	360	48	25
Rural School Construction	---	1,000	---	700
Youth Activities	---	810	---	700
TOTALS	319	14,590	290	14,425

Cooperating Country contributions are shown in peso columns above. These do not include direct costs of engineer batallions, etc., which are included in the regular GOC military budget.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 SEPTEMBER 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-22-520-118

4. TITLE: URBAN WATER AND SEWERAGE SYSTEMS a/

5.

	BEGIN FY	END FY
U.S. FUNDING:	1964	1968
PHYSICAL WORK:	1965	1968

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 (1) U.S. AGENCIES: AID	e. (1) U.S. AGENCIES: PASA	e. (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AL	L	4,400				930				270		3,200		
	GROSS OBLIGATIONS (ACTUAL YEAR)	AL	L	450				180				270				
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	AL	L	211				211								
	EXPENDITURES (ACTUAL YEAR)															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	4,189				719				270		3,200		
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	AL	L	1,425				350				75		1,000		
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	2,764				369				195		2,200		
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	AL	L	2,539				264				75		2,200		
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	225				105				120				
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AL	L	4,400				930				270		3,200		

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; $3,700 - August 1963; 30 years, with five years grace period; 3½% interest. Medellin 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 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
1 SEPT., 1965	COLOMBIA	Funding			514-22-520-118	URBAN WATER & SEWERAGE SYSTEMS
		Phys. Work				6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED		a. FUNDS (1) TYPE	a. FUNDS (2) SOURCE	a. FUNDS (3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
TOTAL ACTUAL FY 65	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC			1,555	--	14,000	--					14,000	--
	B. P.L. 480 LC													
III BUDGET YEAR (EST.) FY 67	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC			--	1,111	--	10,000					--	10,000
	B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 68	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC			--	444	--	4,000					--	4,444
	B. P.L. 480 LC													
V ALL SUBSEQUENT FYs (EST.)	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(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/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													

REMARKS:

1/ Exchange Rate: $1 =

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.	BEG. FY	END FY	4. PROJECT NO.
		PERSONNEL SERVICES			
		PARTICIPANT TRAINING			

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY____ Direct	PASA	Contract	c. OPERATIONAL FY____ Direct	PASA	Contract	d. BUDGET FY____ Direct	PASA	Contract	e. PLANNING FY____ Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.																						
		Non U.S.																						
	B. ON 1/ BOARD	U.S.																						
		Non U.S.								Not Applicable														
II. PARTICIPANTS PROGRAMMED	A. U.S.																							
	B. THIRD CTRY.																							

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION UNCLASSIFIED

1. The Activity Target

The objective of this activity is the improvement and expansion of water supply and sanitary and storm sewerage systems in important 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. The population increase is caused not only by the natural rate of growth but by the heavy influx of migrants from the rural areas, especially since the outbreak of organized rural violence in Colombia. 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, for examples has grown from 785,000 in 1951 to 1.7 million in 1965, that of Cali from 328,000 in 1951 to 815,000 in 1964, and that of Medellin from 417,000 in 1951 to 777,000 in 1964. Many smaller cities have also experienced rapid growth.

In this situation, improvement and expansion of urban water and 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.

The specific projects in this activity are the following:

Cali

A loan agreement was signed in 1963 to help finance both the engineering and the construction costs of 15,540 meters of interceptor and collector mains, a pumping station, twenty separation structures and 24 kilometers of concrete-lined canals. Construction is estimated to be completed in February 1968.

Bogotá

A loan agreement was signed in 1964 to finance U.S. consulting engineering services and U.S. manufactured maintenance equipment for the first stage (estimated to cost $16 million) 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, will include construction of about 19.2 kilometers of canals and 36.3 kilometers of intercepting sewers.

Medellin

A loan agreement was signed in 1964 to finance U.S. consulting engineering services required to complete plans, specifications and contract documents, assist in selection of contractors and supervise construction of 6,676 meters of interceptos sewers, 20 kilometers of trunk sewers, 17 kilometers of branch sewers and 54 kilometers 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. A peso allocation from AID program loan proceeds has been agreed upon.

Barranquilla

A peso allocation from AID program loan proceeds has been agreed upon to support a dollar loan approved by the Export Import Bank conditioned on availability of local cost financing for the expansion of the filtration plant (constructed in 1952), installation of new pump units, construction of an elevated storage tank of 200,000 gallons capacity and lesser storage tanks, new 36" water supply line and expansion and improvements to the water distribution system.

Barranquilla is the fourth largest city in Colombia and an important industrial center. As a result of rapid growth and influx of new residents, a large sector of the city is without water service.

Tulua, Pereira, Palmira, Armenia

Under the AID Loan for Feasibility Studies, feasibility studies were approved for the rapidly-growing middle sized cities of Tuluá, Pereira, Palmira and Armenia in the Departments of Valle and Caldas. The study reports, expected by early and mid-1966, will produce Master Plans for long range investment in the expansion of water and sewerage systems in these cities and will provide first stage investment projects of high priority to overcome water shortages and deficiencies in sanitary waste disposal. If the study results are favorable, AID would consider loans to finance the dollar costs of several of the projects.

INSFOPAL - Water and Sewerage

A peso allocation from existing AID Program Loan proceeds has been agreed upon to support a dollar loan from the Interamerican Development Bank made to the National Municipal Development Institute of Colombia (INSFOPAL) for the expansion or new construction of water and sewerage systems in smaller towns. INSFOPAL was founded in 1950 to finance water and sewerage projects in smaller towns and rural municipalities which do not have the financial resources to undertake such investments and are unable to attract capital from international financial agencies.

Ministry of Health

While not precisely in the water and sewerage field, it should be

noted that another significant activity in health improvement which will receive financial assistance through AID is the hospital construction program of the Ministry of Health. An allocation of pesos from program loan proceeds has been agreed upon in order to complete a number of unfinished hospitals.

2. Course of Action

The Cali Sewerage System - The AID loan agreement for $3.7 million was signed in 1963. In August 1965 the cost estimates made originally in 1963 for the Loan Paper were revised. A preliminary report indicates that certain cost estimates have increased by 75%. After receipt of the revised cost estimates in October the need and possible sources of additional financing will be studied.

Bogotá Sewerage System - The AID loan agreement for $450,000, signed in 1964, as already stated, only provides for U.S. consulting engineering services and maintenance equipment. USAID is continuing its efforts to help the City of Bogotá find adequate sources for financing 55.8 million pesos of local costs presently lacking to finance the first stage of the Master Plan.

Medellin Sewerage System - The AID loan agreement for $250,000, signed in 1964, as already stated above, only provides for U.S. consulting engineering services. A 14 million peso allocation from existing AID Program Loan proceeds has been agreed upon in September 1965.

Barranquilla Water System - Dollar financing is provided by the Export-Import Bank. A 21 million peso allocation from existing AID Program Loan proceeds has been agreed upon in September 1965 to cover part of the local costs, the remainder being financed from the Water Company's own resources and local bank.

Tulua, Pereira, Palmira and Armenia Water and Sewerage - In anticipation of completion of favorable Feasibility Studies, potential loans up to a total of $1 million to finance the dollar costs of projects for expansion of the Tulua and Pereira Water and Sewerage systems have been programmed for FY 1966; for FY 1967 loans totalling $2 million are tentatively programmed for similar water and sewerage expansion projects in additional middle size cities, for which feasibility studies already have been or are expected to be approved.

INSFOPAL Water and Sewerage - Because of IDB's prior loan for the Investment Plan of INSFOPAL, the Mission will reply upon the IDB staff for implementation and monitoring of the project. No AID dollar financing is involved. A 15 million peso allocation from existing AID program loan proceeds was agreed upon in September 1965.

3. Progress to Date

Cali Sewerage System - The AID loan agreement was signed on September 30, 1963 with Empresas Municipales (EMCALI). All Condition Precedent under the AID Loan were fulfilled in May 1965. The U.S. Engineering firm of Buck, Seifert and Jost in association with Hernando Gonzáles Hurtado of Cali has been retained by EMCALI to review and redesign previous work, prepare new designs, specifications, contract documents and supervise construction. The consultants began work in March 1964. Plans, specifications and contract documents have been completed for the concrete pipe fabrication on which work is expected to begin in October 1965. Design work on Groups I to IV of the sewerage expansion project is about 75% complete overall. EMCALI received approval for required service rate increases in January 1965.

Bogotá Sewerage System - The AID loan agreement was signed on July 18, 1964 with the Empresa de Acueducto y Alcantarillado de Bogotá, D.E.. The U.S. firm of Camp, Dresser & MacKee has been retained by the Empresa to review detailed design work of seven Colombian engineering firms to prepare specification and contract documents, analyze bids and supervise construction. Overall design is approximately 60% complete. Contract documents for certain construction groups are completed and ready for submittal to qualified construction contractors.

Bogotá received approval of its application for service rate increases in July 1965.

Medellin Sewerage System - The AID loan agreement was signed on July 18, 1964 with the Empresas Públicas de Medellin. The U.S. Engineering firm of Greeley and Hansen of Chicago in association with Asesorías e Interventorías Limitada de Medellin has been retained by the Empresas Públicas de Medellin for the design and supervision of the project. All loan conditions precedent were satisfied by September 1965. Greely and Hansen are expected to begin design work in October. Medellin has received approval for required rate increases in December 1964.

Barranquilla Water System - In 1959 the Empresas Públicas de Barranquilla undertook a long-range expansion plan for the water supply system. A feasibility study was prepared in 1963 by a Colombian consulting engineer. Overall consultation for the master plan has been provided by Greely and Hansen of Chicago. In 1964 the Company obtained an Export-Import Bank loan of $2.6 million to cover foreign exchange costs, such as filtration equipment, valves, pumps, etc. Plans and specifications for the expansion project have been

completed. The major part of filtration plant equipment, pumps and other machinery and piping have been purchased and are in storage ready for installation. The company is considering proposals from engineering firms for design review and supervision of construction. The Company has petitioned for approval of service rate increases.

Tulua, Pereira, Palmira and Armenia Water and Sewerage - Scopes of work for the feasibility studies have been approved by USAID. Contracts with Colombian or U.S. firms are under preparation. The studies are expected to begin in October and early 1966.

INSFOPAL Water and Sewerage - The Revised Investment Plan agreed to by IDB got underway in February 1965 and is to end in August 1966, an 18-month investment period. The progress of the work plan is behind schedule because of the problem of financing the 42% of total costs INSFOPAL has undertaken to provide.

4. Funding Requirements

The only new AID dollar financing proposed for this activity are loans totalling $1 million during FY 1966 and $2 million for FY 1967 for expansion of water and sewerage systems of middle sized cities such as Tulua, Pereira, Palmira, Armenia and others.

The objective of this goal is the promotion of increased and more diversified agricultural production to help the balance of payments through increased exports and substitution for imports, to combat the rise in the cost of living through increased food and fiber supplies for internal consumption, and to raise the social and economic status of the masses of campesino farmers and thereby stimulate the economy as a whole.

Despite a considerable degree of industrial development, Colombia's economy remains heavily dependent on agriculture.

The rural population, including that of the small country towns, is estimated at 60% of the total population. No less than 83% of Colombia's 1964 exports were of agricultural origin.

No area of Colombia's economy is as widely discussed and disputed, with opinions ranging from great pessimism to pointing with pride at great progress being made. The overall agricultural production index for 1963 (see Table C-2) stood at only 108.6 compared to a 1958 base of 100, an increase of less than 9% in 5 years as against an estimated population growth rate of 3% per year. However, overall production is estimated to have grown during 1964 by 5% and this growth is estimated to continue through 1965.

The picture regarding individual major crops (other than coffee) is contradictory; for every crop showing good progress, another is stagnant or retrogressing, both trends changing almost from year to year for some individual crops. Sharp output and price variations seem to follow not so much, or not only, from the vagaries of the weather, but from that of government price support, promotion campaigns, preferential credit direction and, therefore, land use from year to year. The switch from cotton imports to substantial exports and back all within the space of very few years, is symptomatic of this problem.

While commercial, large scale production, much of it mechanized and using all the knowledge and resources of modern science, appears to expand slowly but steadily, little if any progress is being made on the tiny mountainside farms of the small campesinos who with inadequate methods and tools scrape a meager subsistence at most out of exhausted, unsuited land. The Land Reform agency has found not only strong political opposition to large scale land redistribution but in addition, has found Colombia's land reform law faulty in important respects. The development of agricultural production and marketing cooperatives for the benefit of the campesinos on the mountainsides has barely started and is far behind the credit and consumers cooperatives in towns and cities.

Probably in no field of Colombia's economy have so many studies been made as in agriculture, so many experts been consulted and so many agencies and institutions been set up to deal with the vast array of problems. There are government agencies, independent or semi-independent, for land redistribution, land development and rural road construction, for food imports and price support, for agricultural credit, both supervised and unsupervised, general and specialized; for education and research; and there are numerous agencies for the promotion and/or marketing of individual crops, with their own specialized extension services, etc. All these and others plan and invest in the rural economy, and despite the Minister of Agriculture's nominal control, in actuality no one coordinates them or tries to fit their activities into an overall pattern of agricultural policy.

What agricultural planning is done, is on a piecemeal, uncoordinated basis and outside the Agriculture Ministry. Price support programs on crops are scattered about in at least one other ministry and numerous agencies. The Ministry of Agriculture becomes more or less a political voice for agriculture, with virtually neither operating nor planning functions. There are other bigger and more powerful organizations such as INA, IFA, the Coffee Federation, the Agrarian Reform Institute, and the Caja Agraria. Therefore, the operations of programs of agriculture are planned and run by individual groups, and overall national planning has little to do with any one of them. This explains why there have been many changes over the years in relationship between crops in cultivation, yet little change in the overall acreage.

This indicates a competitive situation which may have little or nothing to do with the national needs. The basic need is for one organization to plan and coordinate in the field of national problems of agriculture in Colombia.

The National Planning Department can guide and stimulate, and integrate agricultural planning into overall national planning, but it cannot fill the coordination gap in price and promotion policies in the agricultural sector; it cannot substitute for an efficient Ministry of Agriculture and neither can foreign advisors or agencies.

The failure to adequately staff the Planning Office of the Ministry of Agriculture has, in effect, deprived the Ministry of a group of specialists needed to establish overall policy in this sector. The frequent change of Ministers of Agriculture, combined with the lack of a policy and planning staff, adds to the lack of continuity in overall policy. The unfortunate consequences are, (1) a political rather than technical orientation; (2) frequent change in direction; (3) lack of concentration on basic issues; (4) low staff morale and (5) the frustration of efforts of foreign advisors.

Although the tasks of formulating and executing an integrated national agricultural and agrarian development policy thus are awaiting more favorable conditions at the top, there are many clearly identified needs which offer opportunities for effective actions now. The A.I.D. assistance program during FY-1966 and 1967 will concentrate on the following specific activities.

a. National Agricultural Planning

To provide essential facts, data and mapping of Colombia's basic agricultural resources of soil, water and forests, indispensable for important aspects of the agricultural planning process, the Basic Resources Study Project of the Colombian Geographic Institute, initiated with FY-1962 funds, will be continued. The progress and prospects of this project, which is carried out with the assistance of a PASA team of the Inter-American Geodetic Survey, is presently being evaluated and the specific requirements for its extension through Fiscal Year 1967 are being planned.

It is intended to increase the competence and capability of the Institute to provide other Colombian agencies with the basic data necessary for sound planning, particularly in the fields of land use, land settlement and land development.

Several other activities constituting important groundwork for the planning of agricultural policy and investment will take place during FY-1966 and/or FY-1967 without requiring new funding. Some of these are pre-feasibility studies such as those in the Upper Cauca Valley and the Suarez River Basin (north of Bogotá). Several research projects will continue or enter the stage of field work, all financed from AID Regional or World Wide Research programs. These include land tenure studies under guidance of the Wisconsin University Group, soil fertility and fertilization studies (North Carolina University), a study of the effectiveness of agricultural credit systems (Ohio State University) and research into the basic factors of agricultural productivity (USDA).

Technical assistance to the Planning Section of the Ministry of Agriculture, programmed for FY-1965, could not be carried out for the reasons apparent from the above general description of the agricultural planning situation. The prospect for significant improvement during the current fiscal year is uncertain, but for FY-1967, when a new Administration will take office in Colombia, the conditions should be more favorable for an all out effort in the Ministry of Agriculture. For this reason, FY-1967 funding is programmed for technical assistance, primarily in the organization, methods and training for agricultural planning and coordination.

b. Agriculture Education

This major new activity proposes to assist the recently organized Colombian Agricultural Institute (ICA) which brings agriculture research, education and extension training under one organization. ICA has prepared a long-range expansion project which has been reviewed and discussed extensively by an informal group composed of AID, IBRD, IDB and the Rockefeller, Ford and Kellogg Foundations, all of which are expected to underwrite various portions of the overall plan.

The assistance which AID proposes to provide will consist of 10 U.S. university professors beginning in FY-1966 and an additional 20 professors beginning in FY-1967, all of whom will teach intermediate and advanced agriculture and agriculture specialties at the three Colombian faculties of agriculture within the Nacional University included in the ICA project.

c. Agricultural Diversification

This activity is divided into four sub-projects as follows:
Diversification - Exports

1. Crop [redacted]

This sub-project has three objectives: to develop in GOC institutions a capacity to promote export market development for agricultural products; expansion of present production or new production of agricultural products (other than coffee) both for export and for import substitution; and development of industries which process or utilize agricultural products for export or domestic consumption or both. Only technical assistance funding is proposed for this sub-project.

2. Livestock Development

The objective of this sub-project is to assure Colombia's rapidly increasing population an adequate supply of meat at reasonable prices and to increase production for exports, primarily through investment and technical guidance in modern, intensive range and animal husbandry practices, thereby greatly increasing the production from Colombia's traditional, extensive cattle farming. Success in this effort has been notable recently with beef or live cattle exports to Europe within the past several months for a value of over $10.0 million. A small amount of technical assistance is proposed for both FY-1966 and FY-1967 which consists primarily of monitoring an FY-1964 loan of $4.0 million to the Livestock Bank. In view of progress in utilization of the loan by the Bank in its new program of supervised credit, which loan is expected to be fully disbursed by end December

1965, a further loan of $5.0 million is contemplated for execution during FY-1966, with an additional loan of $6.0 million dollars in FY-1967, both to be financed through program loan peso proceeds if possible. However, should such pesos not be available, dollar lending will be proposed in view of the importance of completing the buildup and technical training of the operations of the Livestock Bank in this field in which Colombia has good prospects of realizing an important development potential. Action on these loans will be coordinated with a possible IBRD program in the same sector.

3. Supervised Agricultural Credit

The objective of this sub-project is to develop an effective Colombian system of agricultural production credit specifically designed to raise the productivity and diversify the production of a significant portion of Colombia's small farmers and thereby to increase their income, investment, level of living and social welfare and status. The project operates through the provision of low cost loans to carefully selected farmers based on farm plans developed with the help of specially trained personnel who subsequently follow the execution of such plans and supervise the utilization of the loans.

The project is carried out by the Colombian Agrarian Reform Institute (INCORA) and is coordinated by it with its programs of land redistribution and support of spontaneous settlement, the success of both of which is dependent on availability of production credit.

There have been two U.S. loans in this area of activity. The first loan to the Caja Agraria for $8.0 million executed in August 1961 has been fully utilized. The second loan to INCORA for $10.0 million executed in June 1963 is more than half utilized and the tempo of lending activity is increasing as INCORA is gaining experience and completes the training of loan supervisory personnel. The operation is aided with technical assistance provided by USAID and PASA personnel from the U.S. Department of Agriculture.

Considering the success of this project and increased tempo of loan utilization, USAID proposes further loans of $10.0 million each for FY-1966 and FY-1967, to be financed from program loan proceeds. Should pesos not be available from this source, dollar loans are contemplated in view of the importance of the institution building and social improvement aspects of this project.

These loans are expected to be the last major U.S. supported-financed inputs into this program which during FY-1967 and 1968 is expected to achieve such momentum and success that the demand for its continuation should assure priority financing from Colombia's own resources.

4. Agricultural Cooperatives ~~Development~~

The target of this sub-project is to improve the organization and management of cooperatives in Colombia. The activity provides technical and gradually phasing-out budgetary assistance to the Association of Colombian Cooperatives and during FY-1966 also helps finance a training program of SENA, Colombia's vocational training agency, for cooperative technicians and managers. Heretofore, the project has assisted all types of cooperatives in Colombia. In the future, it will emphasize development of agricultural processing and marketing cooperatives which are relatively few and far less developed in Colombia than consumer cooperatives and credit unions.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 SEPTEMBER 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-11-190-097

4. TITLE: NATIONAL AGRICULTURAL PLANNING

5. BEGIN FY / END FY
U.S. FUNDING: 1961 / 1968
PHYSICAL WORK: 1961 / 1969

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 (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	SA	G	60		37					22		1			
		AB	G	1,707	150	273	313	150	79		891		1			
		AG	G	551		228			67		241		15			
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	124		72			38		1		13			
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	SA	G	60		37					22		1			
		AB	G	1,288	88	273	118	88	75		733		1		29	
		AG	G	442		213			42		181		6		15	
	EXPENDITURES (ACTUAL YEAR)	AG	G	78		61			15				2		6	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AB	G	419	62		195	62	4		158					
		AG	G	109		15			25		60		9			
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	168		111			49				8			
	B. EXPENDITURES	AB	G	349	62		125	62	4		158					
		AG	G	234		110			50		60		14		19	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AB	G	70			70									
		AG	G	43		16			24				3			
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	412	164	124	84	140	30	24			10			
	B. EXPENDITURES	AB	G	70			70									
		AG	G	327	94	125	60	80	40	14			8		24	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	128	70	15	24	60	14	10			5			
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	138		110			25				3		14	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	SA	G	60		37					22		1			
		AB	G	1,707	150	273	313	150	79		891		1		29	
		AG	G	1,269	164	573	84	140	171	24	241		36		72	

REMARKS:

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

2/ Show estimated expenditures in column i.

SECURITY CLASSIFICATION UNCLASSIFIED

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
1 SEPT, 1965	COLOMBIA	Funding	1961	1968	514-11-190-097	NATIONAL AGRICULTURAL PLANNING
		Phys. Work	1961	1969		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED

	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		44		475			375	75		25
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY 65	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		6		90			75	15		
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		19		285			150	45		90
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY 67	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		24		360			180	60		120
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY 68	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		14		210			120	45		45
	(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/												
	(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/				101		1,330			825	225		280
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												

REMARKS:

1/ Exchange Rate: $1 = 10 pesos prior years- $1 = 15 pesos operational year and later.

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.	BEG. FY	END FY	4. PROJECT NO.
1 SEPT., 1965	COLOMBIA	PERSONNEL SERVICES	1961	1969	514-11-190-097
		PARTICIPANT TRAINING	1961	1969	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	22	4		3	4		3	5		4	4	3	3		2				32	13	5
		Non U.S.	5			2			3			4			3						15		
	B. ON 1/ BOARD	U.S.				3	5		4			4		2	2		2						
		Non U.S.				3			4			4			2								
II. PARTICIPANTS PROGRAMMED	A. U.S.		109			30			31			23			12						175		
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION UNCLASSIFIED

1. The Activity Target

The general purpose of this project is improved and coordinated forward planning of rural development in Colombia, including Colombian agriculture in all of its branches, and the development of basic land and water resource data needed for agricultural development planning.

The most important specific objective of this project 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 of Agriculture 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 the making of a plan or several plans: this is a task for Colombian policy makers, not for U.S. assistance.

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 1964 made up 83% of Colombia's export earnings, the problem of increasing production of food and fiber for the country's growing population, a target involving problems of agricultural marketing, price supports and development of agricultural cooperatives; modernization of agriculture and industrialization of 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 extensive cattle economy. These and other choices and alternatives for utilization of existing resources of domestic and foreign credit, research, training, extension, technical assistance, and others, illustrate the country's urgent need for short and long term planning and for determination of national policies and priorities in Colombia's rural economy.

The Ministry of Agriculture was reorganized during 1963 and was meant to evolve into an executive agency responsible for budgeting and disbursement for agricultural programs, to act as planner, coordinator and mediator of national agricultural policy, to plan development campaigns, and to serve as the GOC's voice in internal and external agricultural affairs.

The same reorganization continued 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. Today the Minister of Agriculture participates in, or presides over, the Boards of Directors of about 35 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 and policy making has not so far tackled in earnest the task of guiding or even coordinating of sub-sector and agency planning and of establishing national agricultural policy and priorities. Hopes that such a development would take place last have proven illusory. Although a Planning Office was established in the Ministry, as in all other Ministries, it has not been adequately staffed or effectively utilized.

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

The specific objective of the Basic Resources Survey sub-project is development of facts and data on basic agricultural resources of soil, water and forests and improvement of the capacity of the Colombian Geographic Institute (IGAC) to develop, maintain and furnish such data. Without evaluation and mapping of the physical resources of the country sound planning for increasing agricultural production, reform of agrarian tenure structures, and project development for optimum utilization and conservation of natural resources are impossible.

2. The Course of Action

a. Agricultural Ministry Planning

During FY 66 existing conditions are believed to provide an opportunity only for participant training. Two participants will be sent abroad to study agricultural planning; they would return during FY 67 and participate in an expanded agricultural planning program.

For FY 67 a contract for technical assistance in agricultural planning is contemplated, involving two experts for two years each. The first phase of their activities will involve a general analysis of existing organizations, methods, and status of planning for agricultural and rural development in the multitude of public and semi-public agencies active in this field. This survey and analysis will result in recommendations for the type of organizations, programs and procedures which the Ministry of Agriculture might best employ, initially to coordinate, and as soon as possible, to guide such decentralized planning.

Research underpinning of future planning and decision making is also being performed by the University of Wisconsin Team (Land Tenure Center) and the Faculty of Sociology of the National University financed under an AID/W regional contract. Two other regional programs are being initiated in Colombia during FY 66 which will be of considerable assistance in this area both financed through AID/W.

One of these projects is the analysis of agricultural credit activities in the country and the other is an analysis of those factors which have been effective, as well as those which have failed, in making significant contributions to agricultural productivity. USAID is strengthening its staff to assist in agricultural planning through the addition of an agricultural economist who is now under recruitment.

b. Basic Resources Survey

During FY 66, through a PASA with Inter American Geodetic Survey (IAGS), a five man team will continue to train staff of the Geographic Institute Agustin Codazzi in field work, utilization of field data for economic resource inventory and mapping, and in the Institutes laboratories and workrooms. The team consists of advisors on soils surveys, irrigation and drainage, hydrology-metereology, forest inventory, and economic geography. The cartographic portion of the program is supervised by IAGS Department of Army civilian technicians.

In FY 67 emphasis will be on determining and coordinating national mapping and natural resource requirements and increasing the training in the sectors where the Geographic Institute is not yet meeting national requirement needs.

The activities of the IAGS PASA staff were proposed to extend over a period of approximately 30 months beginning at the start of 1964. Funds are now programmed to extend a portion of the staff through FY 67.

3. Progress to Date

a. Agricultural Ministry Planning

As indicated above, agricultural Ministry planning project made little progress during FY 65 and thus far into FY 66.

b. Basic Resources Survey

Although the project was initiated in 1962, late arrival of equipment and technicians retarded the real start of the activity to 1 January, 1964. During FY 65 85% of the initial equipment order was delivered and five technicians arrived.

In April 1965, PL 480 pesos proceeds in the amount of Peso 2,700,000 financed a contract for an additional 4 story building, construction of which should be completed by January 1966. During 1964 the AID aircraft carried out 40,035 Km^2 of 1:20,000 scale photography. During the same year, 129,760 Ha of 1:1,000 scale, 56,634 Km^2 of 1:25,000 scale and 6,005 Km of 1:10,000 scale maps produced and supplied to Colombian government agencies for use for such developmental purposes as highway design, irrigation project studies, dam site location, and cadastral surveys.

Based on the need of these development agencies, IGAC emphasis has been shifted from scientific type of soils studies to land use and capability type of work. During 1964 general soils studies covering 4.3 million Ha, detailed soils surveys covering 625,000 Ha and land classification study for irrigation suitability for 80,000 Ha were in progress for which most of the field work has now been completed. In addition 15 new metereological stations were installed, 485 stations were supervised and data from 832 metereological stations tabulated. IGAC foresters were trained in photo interpretation work, and elaboration of forestry studies in 4 sectors of the country. Due to budgetary problems, IGAC, however, has not been able to increase staff as quickly as required.

4. Funding Requirements

a. National Agricultural Planning

FY 1966 (thousands of US$)

Personnel Services

	Position Title	Pos. Grade	No. months	No. Persons	Cost
Direct U.S.	Rural Dev. Off.	FSR-2	12	1	32
Direct U.S.	Asst. Rural Dev. Off.	FSR-3	12	1	27
Direct U.S.	Agr. Economist	FSR-3	6	1	14
Direct U.S.	Agr. Advisor	FSR-3	12	1	27
Direct Local	Sec. Bilingual		12	3	9
Direct Local	Sec. Bilingual		6	1	2
					111

Participants

Agricultural Planning	12	2	12

Contract

The advisability of proceeding in the Agricultural Planning Contract area is to be kept under active consideration.

Other Costs

U.S. Agencies	8
TOTAL	131

FY 67 (thousands of US$)

Personnel Services

	Position Title	Pos. Grade	No. Months	No. Persons	Cost
Direct U.S.	Rural Dev. Off.	FSR-2	12	1	28
Direct U.S.	Asst. Rural Dev. Off.	FSR-3	12	1	30
Direct U.S.	Agr. Economist	FSR-3	12	1	27
Direct U.S.	Agr. Advisor	FSR-3	12	1	27
Direct Local	Sec. Bilingual			4	12
					124

Contract

Agricultural Ministry Planning (2 contract consultants, 2 yrs. each at $60,000 = $120,000 4 short term consultants each at $5,000 = $ 20,000 4 participants for 1 yr. each at $6,000 = $ 24,000)	164

Other Costs

U.S. Agencies	10
TOTAL	298

b. Basic Resources Survey

FY 66 (thousands of US$)

Participants	No. Months	No. Persons	Cost
Cartographic School - Panama	2	20	8
Supplementary Mapping Control - Panama	4	4	3
Univ. Level - Photogrammetry - Panama	10	2	8
Univ. Level - United States	12	3	18
TOTAL			37

FY 67 (thousands of US$)

	No. Months	No. Persons	Cost
(PASA Extension 3 advisors - techniques to be determined)	12	3	84
Participants			
Cartographic Mapping School - Panama	2	18	7
Supplementary Mapping Control - Panama	4	4	3
Univ. Level Photogrammetry - Panama	10	2	8
Univ. Level - United States	12	2	12
		TOTAL	114

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 SEPTEMBER 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-15-130-098

4. TITLE: AGRICULTURAL DIVERSIFICATION a/

5. BEGIN FY / END FY:
- U.S. FUNDING: 1960 / 1969
- PHYSICAL WORK: 1960 / 1969

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 (1) U.S. AGENCIES: AID	e. (1) U.S. AGENCIES: PASA	e. (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	DG	G	108		101			2				5			
		AB	G	369	30	315		30	15		3		6			
		AG	G	504	92	258	5	92	35		45		69			
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	266	42	108		42	19		33		64			
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	DG	G	108		101			2				5		18	
		AB	G	369	30	315		30	15		3		6		63	
		AG	G	372	67	251	5	67	16		7		26		81	7
	EXPENDITURES (ACTUAL YEAR)	AG	G	149	18	116		18					15		47	7
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	132	25	7		25	19		38		43			
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	371	136	139		136	39		10		47			
	B. EXPENDITURES	AG	G	399	111	140		111	43		45		60		90	6
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	104	50	6		50	15		3		30			
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	235	6	135		6	39		10		45			
	B. EXPENDITURES	AG	G	285	36	136		36	43		10		60		95	6
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	54	20	5		20	11		3		15			
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	309	106	150		106	25		3		25		75	6
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	194	6	150		6	25		1		12		40	6
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	DG	G	108		101			2				5		18	
		AB	G	369	30	315		30	15		3		6		63	
		AG	G	1,613	346	832	5	346	163		69		198		381	31

REMARKS:

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

2/ Show estimated expenditures in column i.

a/ For lack of space, lonas are shown on succeeding E-1a Table.

SECURITY CLASSIFICATION: UNCLASSIFIED

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 SEPTEMBER 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO. 514-22-140-015, 514-22-140-108 a/, 514-22-130-111

4. TITLE: AGRICULTURAL DIVERSIFICATION a/ b/ c/ d/

5. BEGIN FY / END FY

	BEGIN FY	END FY
U.S. FUNDING:	1960	1969
PHYSICAL WORK:	1960	1969

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 (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	DL	L	8,000												
		AL	L	14,000												
	GROSS OBLIGATIONS (ACTUAL YEAR)															
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	DL	L	8,000												
		AL	L	7,147												
	EXPENDITURES (ACTUAL YEAR)	AL	L	5,036												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	6,853												
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AL	L	15,000 e/												
	B. EXPENDITURES	AL	L	12,853												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	9,000												
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AL	L	16,000 e/												
	B. EXPENDITURES	AL	L	14,000												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	11,000												
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	DL	L	8,000												
		AL	L	45,000												

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.

d/ All loans are to provide for purely local currency sub-lending.

e/ Dollar loans unless pesos available from program loans: Supervised credit $10.0 million each for FY 66 and 67; livestock development $5.0 & $6.0 millions respectively

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
9/1/65	COLOMBIA	Funding	1960	1969	514-15-130-098	AGRICULTURAL DIVERSIFICATION
		Phys. Work	1960	1969		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED		a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				169		1,690			800	610		280
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
TOTAL ACTUAL FY 65	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				54		540			120	210		210
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				96		1,440			250	360		830
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
III BUDGET YEAR (EST.) FY 67	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				101		1,515			280	360		875
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 68	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				81		1,215			280	360		575
		(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/				46		690			250	300		140
		(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/				493		6,550			1,860	1,990		2,700
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													

REMARKS:

1/ Exchange Rate: $1 = 10 pesos prior years – $1 = 15 pesos operational year and later

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.	BEG. FY	END FY	4. PROJECT NO.
9/1/65	Colombia	PERSONNEL SERVICES	1960	1969	514-15-130-098
		PARTICIPANT TRAINING	1960	1969	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	20	2	3	4	2	1	4	2	2	4	2	2	4	2	2	3		1	35	8	10
		Non U.S.	28		1	4		1	8		1	8		1	8		1	6		1	58		15
	B. ON 1/ BOARD	U.S.				3	2	1	4	2	3	4	2	2	4	2	2						
		Non U.S.				7		1	8		1	8		1	8		1						
II. PARTICIPANTS PROGRAMMED	A. U.S.		38			26			26			26			12			12			114		
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION: UNCLASSIFIED

1. The Activity Target

The objective of this sub-activity is to develop in GOC institutions a capacity systematically and effectively to promote (a) export market development for agricultural products that Colombia can export competitively, (b) development of industries which process or utilize agricultural products for both export and domestic consumption, and (c) new or expanded production of agricultural products both for export and for import substitution. This will help reduce dependence on coffee as the major crop and it will increase the farmer's productivity, income, investment capacity and standard of living.

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 by USAID personnel have already demonstrated the real potential of developing new markets for old and new products, and of attracting foreign capital and management as well. However, Colombian agencies so far are not engaging in this activity which can make a significant contribution to the alleviation of Colombian balance of payments problems. The major task ahead, therefore, is of developing capacity and programs in appropriate Colombian agencies to move from pilot demonstration promotion by USAID personnel to larger scale, effective, continuing Colombian programs of agricultural diversification aimed primarily at earning or saving foreing exchange.

2. Course of Action

The principal course of action will continue to be the effort to identify the most suitable GOC agencies and units within which to develop an agricultural export and diversification promotion function. On the basis of past successes and continuing promotional efforts, a team composed of a U.S. direct hire technician and a contract specialist in market promotion, will demonstrate the potential of export promotion work in order 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 agricultural export diversification promotion programs and techniques.

Secondarily, the U.S. technicians will continue to seek out and encourage Colombian farmers to produce crops now imported or which have a demand in the major world markets. 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. 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 joint ventures or other contractual or business relationships for production, processing and/or export marketing of old and new agricultural specialty products. In line with the objective of making this promotional effort a Colombian rather than a U.S. activity, the U.S. technicians will in each instance, endeavor to interest a Colombian organization to take on the specific assignment. Insofar as practicable the effort will be tied in with the Supervised Credit program.

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 the promotional work of this project.

a. During the past year, Committees for the Promotion of Production and Exports have been established in important Colombian institutions (INCORA, Caja Agraria, Planeación, Banco Cafetero) to take over the initial market promotion work. Although these Committees have not yet become effective, their formation represents a major step toward achievement of the activity target.

b. 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.

c. Export of tropical flowers, guava jam, tamarind pulp, and pineapple pulp, etc. have increase as predicted to U.S., West Germany, Panama and Curacao and are expected to expand rapidly as production increases and processing quality is stabilized.

d. The Conservas California Company, backed by W. R. Grace Company, and other food processors, are expanding production of marmalade, jelly, and canned fruits both for domestic market and export, and have completed new plants for processing tropical fruit and tomatoes in Barranquilla.

e. USAID/Colombia has completed the delivery of food processing machinery at a cost of US$139,000 for the pilot plant of the Technological Research Institute (IIT), which will process fruits, vegetables and meat experimentally to improve various phases of food processing in Colombia.

f. The Private Investment Fund (PIF) lent more than 170,000,000 pesos during the last two years to assist in increasing production of oil palm, sugar cane, vegetable oil crops and bananas for export or import substitution.

g. The Colombian Agrarian Reform Institute (INCORA), through the help of a Trust Fund Agreement for import of planting materials, has purchased over $20,000 worth of forestry seeds, rubber, cacao, and citrus seedling and budwood materials for planting within its projects during the past year.

h. Great strides have been made in establishing experimental trial plots on private farms and on government experiment stations throughout Colombia on such products as cardamom, ginger, turmeric, Hawaian passion fruit, black pepper, paprika, red chile powder, mung beans, guar, lulo, curuba, strawberries, and garlic. As these trials demonstrate their potential, Colombian groups are ready to commercialize these crops on a large scale for export.

4. Funding Requirements

a. Technical Cooperation

FY 66 (thousands of US$)

Position Title	Position Grade	No. Mos.	No. Persons	Cost
PERSONNEL SERVICES				
Direct - U.S. Agron. Adv.	FSR-3	12	1	
Direct - Local Sec. Biling.		12	1	
Direct - Local Agronomist		12	1	
Contract U.S.		12	1	
		TOTAL		74
OTHER COSTS				
U.S. Agencies Local Travel Seed & Planting Materials Reference Material				5
		GRAND TOTAL		79

FY 67 (thousands of US$)

Position Title	Position Grade	No. Mos.	No. Persons	Cost
PERSONNEL SERVICES				
Direct - U.S. Agron. Adv.	FSR-3	12	1	
Direct - Local Sec. Biling.		12	1	
Direct - Local Agronomist		12	1	
		TOTAL		40
OTHER COSTS				
U.S. Agencies Local Travel Seed and Planting Materials Reference Material				3
		GRAND TOTAL		43

b. Development Loans

No dollar loans are planned.

c. Colombian Contribution

The contributions of Colombia to the activities of this subproject 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, Kellog 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 investment and technical assistance supplied by England, Netherlands, Germany, Japan and other countries.

1. Activity Target

The Activity Target is to help 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 providing significant 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 annually. Exports of up to 40,000 metric tons are a real possibility by that year. This requires an increase in cattle population and high extraction rates, to the achievement of which this loan project contributes availability of directed production credit tied to supervised ranch plans and improved animal husbandry practices.

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 Association, Veterinary Colleges, meat packing companies and thousands of livestock producers and distributors of livestock products working in every part of Colombia.

Because the program of the Livestock Bank aims at combining capital assistance and technical assistance, with the cooperation of government and private enterprise, United States assistance can play a particularly suitable role in the building of an efficient and effective Colombian institution.

2. Course of Action

During FY-1966 USAID will continue to provide technical assistance in the implementation of the FY 1964 development loan of US$4,000,000 (514-L-038) providing an expanded Directed Production Credit portfolio and augmented and improved technical assistance and investment control services, not only in connection with the subloans financed from the U.S. loan, but for the Bank's 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 cattlemen 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.

USAID personnel assist the Livestock Bank to improve both the quantity and quality of the technical services provided under this Program. The Livestock Advisor monitors the development loan and advises and assists in the enlargement and training of the technical section of the Bank. He also assists the other agencies referred to above to work toward achievement of the activity target. In addition, he advises and assists on private investment in livestock enterprises on production, marketing, processing, and export.

The initial US$4 million is expected to be completely disbursed by December, 1965. It is planned that Program Loan proceeds will be made available equivalent to US$5,000,000 in FY1966 and equivalent to US$6,000,000 in FY 1967 in line with the growing capacity of the Livestock Bank to assist in the development of ranch production plans and to supervise them. Such financing will be coordinated with possible IBRD lending in the same sector. In view of the institution-building value of this project, additional dollar loans will be considered should program loan proceeds not be available in adequate amounts. Re-lending of loan funds as the initial loans are amortized, will further extend the impact of the project.

3. Progress to Date

The Livestock Bank has grown steadily since its establishment in 1956 in deposits and capital, reflecting sound management and increasing confidence in the Bank by the public.

An AID development loan amounting to US$4 million at 2% interest for 20 years was authorized and negotiated in FY 1964.

Disbursement of sub-loans started in the second semester of FY 1965 and reached 125 producers and US$1 million by end of FY 1965. Previous program activities have led to maintenance of domestic meat supplies and first semester 1965 exports of beef and cattle to earn foreign exchange are estimated at not less than US$4 million. It is expected that the impact of the loan will be considerable in the next year or so.

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.

4. Funding Requirements

a. Technical Cooperation.

F. Y. 1966 (Thousands of US$)

PERSONNEL SERVICES	Position Title	Position Grade	No. Mos.	No. Persons	Cost
Direct U.S.	LIV ADV GEN	FSR-3	12	1	
Direct-Local	Liv. Spec.		12	1	
Direct-Local	Sec'y		12	1	
	TOTAL COST				32
COMMODITIES					
Direct Training and Demonstration Materials				NONE	
OTHER COSTS					
Direct Local Travel Costs					3
		TOTAL			35

F. Y. 1967 (Thousands of US$)

PERSONNEL SERVICES	Position Title	Position Grade	No. Mos.	No. Persons	Cost
Direct - U.S.	LIV ADV GEN	FSR-3	12	1	
Direct - Local	Liv. Spec.		12	1	
Direct - Local	Sec'y		12	1	
	TOTAL COST				32
COMMODITIES					
Direct Training and Demonstration Materials				NONE	
OTHER COSTS					
Direct Local Travel Costs					3
		TOTAL			$35

b. Development Loans.

Dollar loans are contemplated only should program loan peso proceeds equivalent to US$5 million for FY 1966 and US$6 million for FY 1967 not become available.

c. Colombian Contributions.

(1) As of December 31, 1964, the Livestock Bank contributed resources totalling Pesos 370,804,930, compared to December 31, 1962 figure of Pesos 247,896,653. The major portion of these resources are devoted to programs of Directed Production Credit implemented through branches in all major livestock production areas.

(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 Association 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 Pan American Sanitary Bureau provides advice and assistance in control of foot and mouth disease.

1. The Activity Target

The objective of this project is to raise agricultural 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 technical assistance in the form of Supervised Agricultural Credit. Specifically, the target is to help the Colombian Agrarian Reform Institute (INCORA) operate an efficient National Agricultural Supervised Credit Program which will initially provide Supervised Loans to approximately 30,000 farm families 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 future program of Supervised Credit within the framework of the total agricultural credit system of Colombia.

Of about 1.2 million farm families in the country only about 50% qualify for bank credit, including loans from the GOC's Caja de Credito Agrario. Obviously, supplying Supervised Loans to only 30,000 families will not fill this gap, but it constitutes a good beginning in training small farmers in the efficient use of credit and commercializing their operations. After five years, at least 50% 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) from agricultural cooperatives or from other credit institutions in the country, thereby releasing Supervised Credit capital, including repayments, and Supervised Credit field workers to be redirected to as many other qualified farmers each year. The initial, U.S.-financed program is expected to establish Supervised Agricultural Credit for small farmers as an effective instrument of agricultural development and social betterment, thereby stimulating the use of domestic financial resources for the program as U.S. financing phases out.

Supervised Loans are destined for farm families owning or having available sufficient land and manpower to operate an economic farm unit. 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. In part the Program supports INCORA's twin programs of land reform through settlement of landless (or almost so) farmers on subdivided large properties or on virgin lands.

The heart of the Supervised Agricultural Credit Program is the quality of planning and supervision to assure efficient use of each loan. The Program provides for a network of area, zone and field supervisors. Release of funds requires supervisor signature. Field supervisors receive three to six months of specialized training. They are back-stopped by subject matter specialists who provide guidance regarding crop diversification and farming methods. The Program as a whole, including policy planning, organization, farm plan development principles and all training phases, are aided by U.S. advisors including a PASA team of two U.S. Dept. of Agriculture farm credit experts.

2. Course of Action

During the first half of FY 1966, additional 4,000 supervised loans will be made which will utilize the remainder of the existing US$10 million loan. It is expected that the repayments of principal made by farmer borrowers to INCORA will provide sufficient funds to cover the supplemental loans needed by many farmers who have received initial loans.

The training program will continue both in Colombia and, for a small number of key personnel, in the U.S. Establishment of agricultural purchasing and marketing cooperatives to serve Supervised Credit borrowers is an additional major target of the Program. Policy planning and evaluation at INCORA headquarters will be strengthened.

The success of the supervised credit loan program is so evident as indicated under "Progress to Date" that USAID proposes it be expanded and the lending tempo further increased through additional $10.0 million equivalent of peso financing each for FY 1966 and FY 1967, to be funded from program loan proceeds. Should pesos from program loans not be available, the important institution-building impact of the activity and its effect on both the social and economic advance of the campesino is believed to justify dollar loans to preserve and intensify the momentum and success of the activity until it is firmly established.

This additional financing is expected to be the last major U.S. contribution for the supervised agricultural credit program. It is expected that the total loan funds disbursed plus re-lending of loan repayments will have demonstrated widespread farm improvements to the extent that the demand for the continuation of such a lending program will assure its priority in competing for financing from Colombia's own resources by 1969.

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 $100,000 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 June 30, 1965 a total of 48,104,198 pesos have been drawn by INCORA and 5,000 farmers in 65 Zones located in 16 Departments have obtained Supervised Loans. So far 19 supply and marketing cooperatives have been organized in conjuction with the Supervised Credit Program.

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 300 field technicians have been trained under this arrangement, assisted by INCORA specialists and USAID advisors.

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

A recently completed study of those farms in three Departments which had been in the Program for one year or more, gave a very satisfactory picture of progress through Supervised Credit. The farms increased in area cropped by more than 10%, fertilizer use increased from 15% to 83%, and crop production increased 30%, while livestock production showed an even larger increase. Net farm income of the farmers studied averaged Peso 8,520 or an increase of approximately Peso 4,000 while net worth increase during the first year averaged 6.5%.

4. Funding Requirements

a. U.S. contribution

Development Grants

FY 1966 (thousands of US$)

	Position Title	Position Grade	No. Mos.	No. Persons	Cost
PERSONNEL SERVICES					
Direct U.S.	Agr. Cred. Adv.	FSR-3	12	1	26
Direct Local	Col. Assist.	FSL-1	12	1	8
Direct Local	Sec. Biling.		12	1	3
(PASA	Cred. Trng. Adv. Paid from Loan Funds	GS-13	24	2	--)
PARTICIPANTS					
U.S. Agencies	Sup. Credit Trng.		10	10	15
Contract	None				
OTHER COSTS					
U.S. Agencies	Local Travel Costs				8
		TOTAL			60

FY 1967 (thousands of US$)

	Position Title	Position Grade	No. Mos.	No. Persons	Cost
PERSONNEL SERVICES					
Direct U.S.	Agr.Cred.Adv.	FSR-3	12	1	26
Direct Local	Col. Assist.	FSL-1	12	1	8
Direct Local	Sec. Biling.		12	1	3
(PASA	Cred.Trng.Adv. Paid from Loan Funds	GS-13	24	2	--)
PARTICIPANTS					
U.S. Agencies	Sup.Cred.Trng.		10	10	15
Contract	None				
OTHER COSTS					
U.S. Agencies	Local Travel Costs				8
		TOTAL			60

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 15 million pesos actually.

c. Contributions from other sources.

None.

1. Activity Target.

The target of this activity is the substantial strengthening, expansion and development of Colombian agricultural processing and marketing cooperatives for the purpose of more efficient marketing of the market production of small agricultural producers. The underlying objective of the activity is to obtain a greater share for the small agricultural producer of the price of his product in the ultimate market place; at the same time, reduction of waste in production, harvesting, marketing and processing, and the incentive of a greater financial return to the small producer, will provide a more reliable, adequate supply of agricultural products for domestic consumers, including industry, and an increased flow of produce for export, or for further processing for export.

Up to the present time, agricultural processing and marketing cooperatives are playing only a very small role in Colombia, in striking contrast to the much better developed credit, consumers and even housing cooperatives. Agricultural cooperatives are at last making a beginning, however, and the time appears ripe for a major effort in this area which could make a major contribution towards both the economic and social advance of an important segment of Colombia's depressed small farmers.

An additional target of this activity is the further development of ASCOOP, the Association of Colombian Cooperatives, as an effective organization to promote cooperatives of various types, with special emphasis on agricultural cooperatives, represent and advance their interests, train their leaders and management personnel and educate their membership in the requirements of sound cooperative operation.

2. Course of Action.

a) Technical assistance will be continued to the Asociación Colombiana de Cooperativas (ASCOOP) and its program for the development of agricultural product marketing cooperatives. ASCOOP works closely with the GOC agencies concerned with the promotion of cooperatives, i.e. the Superintendencia Nacional de Cooperativas and the Cooperative Divisions of the Ministry of Agriculture, INCORA (the Land Reform Agency) and INA (the GOC's agricultural supply and price stabilization agency). ASCOOP also works closely with Departmental and Municipal groups promoting cooperatives and with the many other voluntary associations, local and regional, working toward cooperative development, including the National Credit Union (UCONAL); the Coffee Growers Federation (which is promoting various types of cooperatives in agricultural marketing, not merely coffee cooperatives); the Agrarian Federation (FANAL); and others.

ASCOOP's program has been re-oriented, with special emphasis on the field of agricultural processing and marketing cooperatives, to include the following:

1. Assistance in the formation of new cooperatives.

2. Technical assistance to agricultural processing and marketing cooperatives to improve quality of product, establishment of improvement of processing, and improvement of marketing facilities and techniques.

3. An educational program, in part utilizing SENA (the GOC's vocational training agency) to train cooperative managers and technicians in cooperative management, operation and principles.

4. Technical assistance to Colombian agencies concerned with agricultural cooperatives and planning for necessary organizational and institutional changes.

5. Advising existing agencies concerned with agricultural cooperatives or agricultural credit on the provision of financial support to agricultural cooperatives.

6. Participation in promotion of a Cooperative Financing Institution. In addition to technical assistance, ASCOOP will receive from AID FY-1966 grant funds final peso contributions equivalent to a total of $12,000. During FY-1967, ASCOOP will assume full responsibility for its operating budget.

b) Working directly with the several GOC agencies concerned with promotion of agricultural cooperatives, in particular with the Ministry of Agriculture, INCORA and INA, USAID, Cooperatives Advisor, with the help of two additional contract technicians, will undertake an intensive program of:

1. Selecting the most promising fields of small farmer production and developing programs for establishment of processing and marketing cooperatives or the improvement of those that exist and of the needed institutional arrangements for Colombian programs in these fields.

2. Promotion of establishment of effective, second level associations of existing and new agricultural cooperatives.

3. Technical assistance in carrying out the programs under 1 and 2. In addition to technical assistance, the FY-1967 program provides for a peso contribution equivalent to $12,000 for the initial operating budget of an organization for the promotion of agricultural cooperatives.

c) In view of the termination of regional AID assistance to UCONAL, the National Association of Credit Unions, USAID has included in its dollar grant program for FY-1966 and 1967 $15,000 and 8,000 respectively to finance a small amount of peso assistance to permit gradual phasing out of U.S. assistance.

3. Progress to Date.

ASCOOP is staffed fairly well at the present time and has an aggressive program of agricultural marketing cooperatives promotion, which already has a few cooperative starts to its credit. There are several milk marketing co-ops in operation. There are several Coffee Grower Federation-sponsored agricultural marketing cooperatives in operation, particularly in the marketing of poultry and eggs. INCORA has established some ten agricultural product marketing cooperatives, which are in very limited operation, but are a start.

The training programs of ASCOOP and SENA have provided technical training in management and accounting to some one hundred and fifty local personnel.

The GOC continues to express verbal approval of cooperatives, and has given the cooperative movement excellent legislation, but very little financial support.

4. Funding Requirements.

a. Development Grants.

F. Y. 1966 (Thousands of U.S.$)

PERSONNEL SERVICES	Position Title.	Position Grade.	No. Mos.	No. Persons	Cost
Direct - U.S.	Co-ops Adv.	FSR-3	12	1	$29
Direct - Local	Bil. Sec.		12	1	3
Contract - U.S.	Ag. Prod. & Mktng.		24	2	94
Contract - Local	Bil. Asst.		12	1	6
Participants (U.S. or Local Training)			3	16	24
Commodities, Training & Demonstration Materials					10

F. Y. 1966 (Thousands of U.S.$)

PERSONNEL SERVICES	Position Title	Position Grade	No. Mos.	No. Persons	Cost
OTHER COSTS					
U.S. and Colombian personnel travel -- local					4
Grant to ASCOOP					12
Grant to UCONAL					15
TOTAL					$197

F. Y. 1967 (Thousands of U.S.$)

PERSONNEL SERVICES	Position Title	Position Grade	No. Mos.	No. Persons	Cost
Direct - U.S.	Co-ops Adv.	FSR-3	12	1	$29
Direct - Local	Bil. Sec.		12	1	3
Participants (U.S. or Local Training))			3	16	24
Commodities, Training & Demonstration Materials					10
OTHER COSTS					
U.S. and Colombian personnel travel -- Local					5
Grant to UCONAL					8
Local Hire - Bil. Ass't.			12	1	6
Grant to Agricultural Co-op Promotion Organization					12
TOTAL					$97

Colombian Contribution

ASCOOP will be increasingly financed by the dues of its cooperatives members. The contribution is estimated as $13,200 for FY-66 and $20,000 for FY-67.

UCONAL will be financed to a large extent by the dues of its member credit cooperatives, with Mission grants in FY-66 (reduced from the Regional Grant of FY-65) and further reduced grants in FY 1967 to be completely phased out in that year.

The GOC's Superintendencia Nacional de Cooperativas and the cooperative divisions of the Ministry of Agriculture, INCORA, and have small budgets for promotion of cooperatives. Other organizations such as the Coffee Growers Federation, FANAL, and the Catholic Church have personnel working in cooperative promotion and development. A conservative estimate would place the budget of these various organizations for cooperative promotion at more than a million pesos annually.

b. Other Source Contributions.

The U.S. Government has a contingent of thirty-eight Peace Corps Volunteers working in cooperative development in Colombia at the present time.

Other governments and organizations having programs of assistance to the cooperative movement of Colombia are West Germany, Sweden, Israel, England, the United Nations and the Organization of American States. Their assistance and the USAID project are closely coordinated and are mutually complementary.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 SEPTEMBER 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-15-110-120

4. TITLE: AGRICULTURE EDUCATION (ICA)

5. BEGIN FY / END FY

U.S. FUNDING: 1966 / 1970

PHYSICAL WORK: 1966 / 1971

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 (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	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 66	A. GROSS OBLIGATIONS	AG	G	600	600			600								
	B. EXPENDITURES	AG	G	200	200			200								
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	400	400			400								
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	1,200	1,200			1,200								
	B. EXPENDITURES	AG	G	800	800			800								
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	800	800			800								
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	1,200	1,200			1,200								
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	1,800	1,800			1,800								
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	4,800	4,800			4,800								

REMARKS:

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

2/ Show estimated expenditures in column i.

SECURITY CLASSIFICATION UNCLASSIFIED

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
1 SEPT./65	COLOMBIA	Funding	1966	1970	514-15-110-120	AGRICULTURE EDUCATION (ICA)
		Phys. Work	1966	1971		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED		a. FUNDS (1) TYPE	a. FUNDS (2) SOURCE	a. FUNDS (3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
TOTAL ACTUAL FY 65	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
III BUDGET YEAR (EST.) FY 67	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 68	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(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/												
		(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/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													

This table not applicable unless contract should designate USAID as fiscal agent to provide local currency for allowances, etc.

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.	BEG. FY	END FY	4. PROJECT NO.
1 SEPT./65	COLOMBIA	PERSONNEL SERVICES	1966	1971	514-15-110-120
		PARTICIPANT TRAINING			

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.									5			20			35			100			160
		Non U.S.																					
	B. ON 1/ BOARD	U.S.									10			30			40						
		Non U.S.																					
II. PARTICIPANTS PROGRAMMED	A. U.S.																						
	B. THIRD CTRY.																						

Impossible to estimate at this time

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION UNCLASSIFIED

1. Activity Target

To assist in the upgrading and expansion of agricultural higher education at the three agricultural faculties of National University of Colombia. This target is part of a joint Colombian-International effort to develop the Colombian Institute of Agriculture and Livestock (ICA), an institution which will combine agricultural research, teaching and extension.

One of the problems of rural and agricultural development of Colombia are insufficient numbers of well-trained personnel. Several agronomy faculties exist, but the number of graduates is inadequate for the needs of the Government, the numerous specialized agencies, and modern commercialized farm management. Much of present training is oriented too much towards the theoretical. Failure thus far to combine into one institution a diversified curriculum of agricultural teaching, research and extension, along the pattern of the Land Grant universities in the United States, has contributed to the weakness of all those types of endeavor and the lack of coordination of efforts.

The Rockefeller, Ford and Kellogg Foundations were influential in the establishment by Government decree of the Colombian Institute of Agriculture and Livestock (ICA) in 1962. The Institute subsequently developed a comprehensive long-range improvement and expansion project involving a total expenditure of approximately US$48,000,000 during the first five year period. Approximately US$35,000,000 of this is to come from Colombian sources and U.S. $13,000,000 is requested from foreign sources.

2. Course of Action

AID will initiate during FY-1966, by means of a contract with one or several suitable U.S. universities, a project to supply American faculty to the three Colombian agricultural faculties of Palmira, Medellín and Bogotá. The American professors will cooperate with the existing Colombian faculties in the modernization of existing curriculum and teaching methods and will initially supplement existing Colombian faculty in teaching important specialties. The project will start in FY-1966 with 10 American professors, and in FY-1967 is to be enlarged to 30 American professors, by addition of a second group of 20. ICA has expressed its preference for the University of Nebraska to be the contractor for AID college contract assistance. AID expects to contract with a consortium of universities because of the probable lack of capacity of any one university to supply the human resources involved.

The first step will be to bring an advance party to Colombia for the purpose of working out a detailed scope of work. Following negotiations and conclusion of the contract, it is hoped that the first professorial selections can be made before the end of the current U.S. academic year.

3. Progress to Date

The need for a coordinated program of agriculture research, extension and teaching in Colombia has been evident since the Rockefeller Foundation began its program in 1950. After much study, and a number of efforts which failed, Decree No. 1562 of June 15, 1962 created the "Instituto Colombiano Agropecuario" (ICA). This was followed by several months of intensive activity in laying the plans for ICA. However, upon the change of administration, interest waned until the signing of an agreement on November 23, 1963, by the Ministers of Agriculture and Education and the Rector of the National University which laid the foundation for the actual integration of the facilities of the National University with those of the then existing "Departamento de Investigaciones Agropecuarias" (DIA) of the Ministry of Agriculture. Following DIA's official transfer to ICA, ICA officially began to function in January 1964. By early 1965, the details of a long-range development plan for ICA and the material and human resources requirements were formulated. At a meeting in New York in May, 1965, representatives of AID, IBRD and IDB and the Rockefeller, Ford and Kellogg Foundations identified areas of interest in giving assistance to ICA. Farthest advanced so far is the United Nations Special Fund project of assistance to Veterinary and Animal Husbandry of the National University at Bogotá.

4. Funding Requirements

	1966 (Thousands of U.S.$)		
PERSONNEL SERVICES	No. Mos.	No. Persons	Cost
Contract - U. S.	24	10	$600,000

	1967 (Thousands of U.S.$)		
PERSONNEL SERVICES	No. Mos.	No. Persons [a]	Cost
Contract U.S.	24	20	$1,200,000

The high priority of this goal is based on the central importance of high quality human capital in the development process, and on the influence of the youth of the present on the path of the future. There are few institutions which have as broad and as deep an effect in shaping a society as the universities which to a great extent provide the knowledge, attitudes and values of future professionals and leaders. Unsatisfactory progress in social, political and economic development in many parts of Latin America can to a degree be related to the limitations of its education systems and particularly to the archaic nature of its universities.

One of the most promising recent developments in Colombia has been the growing recognition by the universities of the need to reform and reorganize in order to develop a closer relationship with the country's problems and needs. As regards student unrest and agitation, the university authorities now generally understand that these cannot be eliminated by disciplinary measures alone, but that root causes must be attacked, such as poor student living conditions, inadequate student orientation, lack of cultural and other extra-curricular activities, inaccesible part-time faculty, poor academic standards and administration. Moreover, greater orientation of university teaching to the problems and goals of development would not only prepare leaders better able to deal with national problems, but also would take account of the desire for social and economic change, a desire too long identified in Colombia with extremist thought and action.

The university authorities' growing interest in reform also has a good institutional base. The twenty-four officially recognized universities are represented by the Association of Colombian Universities and 13 other institutions are associated in a separate organization. Establishment of accreditation standards and procedures (which will be one of the objectives of the Higher Education Project described below) should halt the tendency towards proliferation, but the present broad regional distribution is decidedly a favorable factor.

Until recently, there has not been the same progress towards critical self-evaluation and reforms in primary and secondary public education. Reform at these levels must stem from the Ministry of Education. The National Education Planning Project (for which AID provided four advisors and UNESCO two advisors to assist the Ministry Planning Office) aimed at development of planning capacity in the Ministry and preparation of a national integrated plan for primary and secondary education. Such a plan should help reduce the present great waste of human and physical resources, determine funding needs and resources, establish priorities for investment, and in general help establish a coherent and progressive public education system. Inadequate staffing of the Ministry Planning Office means that the first-mentioned objective has not yet been fully achieved. The plan itself cannot be judged until its publication, probably in December. If reforms are soundly conceived, AID contemplates assistance to secondary education, a chief bottleneck in achieving the objective of enabling the universities to educate the democratic leadership and professionals the country needs. Improvement in curriculum and teaching methods at the secondary level are a necessary condition of improved academic standards at the universities. Expansion of public secondary education is needed to match the projected university enrollment expansion and to make secondary education less dependent on ability to pay.

Decisions regarding secondary vocational education must also await the national plan and will require close coordination with ICA in the case of agricultural education and with SENA in the case of industry and commercial education to avoid additional duplications.

Improvement of primary education will greatly benefit from better preparation of teachers in the normal schools which are at the secondary level. Primary school construction, on the other hand, which appears to be one of the principal objective of Colombian authorities, absorbs a very large portion of scarce funds available for investment; yet, many existing schools are inadequately utilized and budgets are often insufficient to pay teachers, operate and maintain schools, and buy even a minimum of teaching and study materials. Continued large-scale construction of new schools therefore would be highly wasteful and ineffective, without sufficient numbers of satisfactorily prepared teachers, without the necessary budget to pay and support them, and without, moreover, the opportunity for an adequate number of students to continue on into secondary school.

The provision of universal schooling of even minimum standards for a fast growing population will, in general, depend heavily on the growth of the country's national income and government revenue, i.e. on the successful process of economic development. While the latter in turn needs a literate and progressive populace, the fastest road to the indispensable national effort in the near and medium term will be in the better preparation and more democratic composition of the national leadership.

Great improvement has taken place in the school construction abilities of the Ministry of Education. In the course of building over 4,000 primary classrooms partly financed by AID, OAPEC, a semi-autonomous entity under Ministry direction, has proven to be an efficient administrative instrument. In its six regional centers over 20,000 supervisors, elementary school teachers and principals, normal school professors and principals have received training in teaching techniques, supervision, administration, audio-visual aids, curriculum, etc. OAPEC also has been instrumental in causing the

Ministry to reform normal school education and, as a result the number of normal schools has been reduced from 318 to 199. A new program of studies for primary school was developed and, for the first time in Colombia, teachers were given training in the teaching of these courses. The National Plan is expected to include recommendations concerning the means of continuing and integrating OAPEC and for the necessary reform of the Ministry itself.

The specific activities programmed for AID assistance during FY's 1966 and 1967, to help achieve the education goal are as follows:

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 improvement of educational standards and substantial increases in enrollments and in the number of well qualified graduates; (2) to help carefully selected Colombian universities raise the standards of certain professions essential to economic development and effective, responsible democratic leadership. The first purpose is the aim of an AID financed two-year contract for assistance by the University of California to the Association of Colombian Universities in the preparation and implementation of a national plan for higher education. The second purpose is served by the continuation of the existing project of the School of Business Administration and Finance in Medellín with the help of a contract team from Syracuse University scheduled for termination at the end of December 1966 and the completion of a project to develop a model program of graduate study in economics and economic research at Los Andes University, Bogotá, assisted by a contract team from Minnesota University, expected to phase out during FY 1966.

National University

The same basic purpose is the aim of a new project of different character, viz., a project to finance a portion of the long range investment program of the National University which has about one fourth of the Colombian student body. National University has developed an impressive reform program built around four main objectives which are: orientation to the nation's social and economic development; a high quality full-time faculty; a modern student welfare program; and consolidation of various School; development of integrated overall university policy and establishment of standard administrative procedures. National University is looking to IDB for the bulk of financing of the capital needs of a four-year program. AID expects to provide assistance from existing program loan peso proceeds and proposes for FY 1966 an additional contribution of new Program Loan proceeds, if IDB does not finance the entire program. Should Program Loan ~~program~~ proceeds not be adequate, a dollar loan may be proposed in view of the outstanding institution building opportunity which the National University program offers.

The important new project proposed in the field of agricultural higher education (ICA) has been described under Goal 3.

Secondary Education

Financing of some construction needed for expansion, as well as technical assistance and participant training, will be provided to the public secondary education sector. The national plan now nearing completion with the help of the joint AID-UNESCO assisted National Education Planning study, will contain a program for organizational and academic reform.

USAID proposes to assist and encourage the implementation of this program through technical assistance and participant training as well as financing of carefully selected secondary school construction projects by means of U.S.$5 million worth of program loan proceeds if a proposed IBRD loan for secondary education does not materialize. At the moment, prospects for such a loan appear to be good, and USAID is encouraging the Ministry and the IBRD to proceed. Should this funding source not be available, the important reform objectives in this vital field, with their anticipated far-reaching effect on the quality and composition of future leadership will not be achieved unless either peso proceeds or other dollar funding is obtained.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 September 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-15-660-101

4. TITLE: HIGHER EDUCATION

5. BEGIN FY / END FY
- U.S. FUNDING: 1962 / 1970
- PHYSICAL WORK: 1964 / 1970

6. PRIOR REFERENCES: a/

7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES ($000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	DG	G	247	230	0		230	17							
		AB	G	288	281	0		281	7							
		AG	G	1,013	954	19		954	32		6		2			
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	472	413	19		413	32		6		2			
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	DG	G	247	230	0		230	17							
		AB	G	108	102	0		102	6							
		AG	G	110	87	19		87	3				1		3	
	EXPENDITURES (ACTUAL YEAR)	AG	G	23		19		87	3				1		3	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	DG	G	0	0	0		0	0							
		AB	G	180	179	0		179	1							
		AG	G	903	867	0		867	29		6		1			
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	301	190	77	–	166	30	24	–	–	4	–		
	B. EXPENDITURES	AB	G	179	179			179								
		AG	G	525	445	55		433	18	12	3		4			
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	680	612	22		600	42	12	3		1			
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	116	–	80	–	–	30	–	–	–	6	–		
	B. EXPENDITURES	AG	G	537	412	70		400	48	12	3		4			
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	259	200	32		200	24	–	–		3			
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	504	360	80		300	60	60	–	–	4		6	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	167		160		–	–	–	–		7		12	
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	DG	G	247	230			230	17							
		AB	G	288	281			281	7							
		AG	G	2,101	1,504	416		1,420	152	84	6		23		21	

REMARKS:

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

2/ Show estimated expenditures in column i.

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

SECURITY CLASSIFICATION: UNCLASSIFIED

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
1 September/65	COLOMBIA	Funding	1962	1970	514-15-660-101	HIGHER EDUCATION
		Phys. Work	1962	1970		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED		a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				3		45			30	15		
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
TOTAL ACTUAL FY 65	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				3		45			30	15		
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				26		390			30	15		345
		(ii) TRUST FUND												
		(iii) OTHER LC			3,000		45,000	16,000	40,000	15,000			5,000	1,000
	B. P.L. 480 LC													
III BUDGET YEAR (EST.) FY 67	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				14		210			30	15		165
		(ii) TRUST FUND												
		(iii) OTHER LC			2,000		30,000	29,000	25,000	25,000			5,000	4,000
	B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 68	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				14		210			30	15		165
		(ii) TRUST FUND												
		(iii) OTHER LC			2,000		30,000	59,000	25,000	55,000			5,000	4,000
	B. P.L. 480 LC													
V ALL SUBSEQUENT FYs (EST.)	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				21		315			45	20		250
		(ii) TRUST FUND												
		(iii) OTHER LC			4,000		60,000	61,000	50,000	45,000			10,000	16,000
	B. P.L. 480 LC													
VI TOTAL ALL YEARS (EST.)	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				78		1,170			165	80		925
		(ii) TRUST FUND												
		(iii) OTHER LC			11,000		165,000	165,000	140,000	140,000			25,000	25,000
	B. P.L. 480 LC													

REMARKS:

1/ Exchange Rate: $1 = 15

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.	BEG. FY	END FY	4. PROJECT NO.
1 September 1965	COLOMBIA	PERSONNEL SERVICES	1962	1970	
		PARTICIPANT TRAINING	1964	1970	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	1		16	1		~~7~~ 9	3		17	3		12	3		10	6		–	16		62
		Non U.S.	1			1			1			2			2			4		–	10		
	B. ON 1/ BOARD	U.S.				~~2~~ 3		~~8~~ 10	3		10	3		6	3		8						
		Non U.S.				1			1			2			2								
II. PARTICIPANTS PROGRAMMED	A. U.S.		2		9			7	5		20	5		6	6		6	6		6	24		47
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION: UNCLASSIFIED

1. The Activity Target

The two purposes of this activity are: 1) to assist the Colombian University system in developing a program of institutional, academic, administrative and financial reform aimed at both substantial increases in graduation and improvement of educational standards; and 2) to help carefully selected Colombian universities raise the standards of education for certain professions essential to economic development and effective, responsible democratic leadership.

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

2. Course of Action

a. Higher Education Survey

A contract team of the University of California will assist the Association of Colombian Universities (University Fund) to undertake a survey of Colombian higher education for the purposes of development and early implementation of recommendations for orderly expansion, reduction of duplication and waste, and optimum use of human and financial resources. The Survey will also develop the capacity for continuing self-study and planning on the part of the Association and its personnel.

The first phase of the Survey will be devoted to a comprehensive description and statistical compilation of the present situation in post-secondary education. The second phase will include the analysis of the situation and development of conclusions and recommendations, including specific proposals for implementation of recommendations. Major areas considered in each of the phases include: the institutions of higher education, their history and recent development; the student population; faculty and administrative staff; curriculum and instruction; their structure and organization; institutional organization and administration; a national system for higher education. By means of the Survey, the Association of Colombian Universities (University Fund) will develop a National Plan which will orient Colombian higher education to the requirements of national development.

b. Business Administration - Medellin

AID assistance to the School of Business Administration and Finance, through a contract with Syracuse University, will be continued to increase the output of the School to 120-140 graduates annually; 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 the Business Research Center and programs of adult education.

The contract has been extended through December 1966, financed in FY 1965. Such extension will serve to facilitate development of fifth year course of study, library and visual aids materials, accelerate participant training programs, and give greater emphasis to the development of the Business Research Center. The contract will terminate December 31, 1966. No further funding is contemplated.

c. Economics - University of Los Andes

The University of Minnesota 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 Master's 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. No further funding is contemplated.

d. National University

The National University four-year reform plan is built around four basic objectives: orientation of the university to the nation's social and economic development; a high-quality, full-time faculty; a student welfare program; consolidation of numerous schools, development of integrated overall university policy and establishment of standard administrative procedures.

A contribution of Peso 15 million from existing program loan peso proceeds has been agreed upon by the GOC and AID as the first phase of the National University long-range Ps. 163 millions reform program. An application for financing of the main portion of the program has been submitted to the IDB. USAID is considering for FY 1966 an additional contribution up to US$9 million worth of pesos of new Program Loan proceeds, if IDB does not finance the program. Should Program Loan proceeds not be adequate for such USAID contribution, a dollar loan is contemplated in view of the outstanding institution-building opportunity which the National University program offers.

A basic feature of the National University plan for reform is a greater percentage of full-time faculty members. This will demand a substantial increase in GOC appropriations. External assistance will be contingent upon governmental appropriations to cover these increased operating costs.

e. Program Loan Peso Proceeds Support to High Priority Sectors of the University System

The Higher Education Survey is expected to reveal areas of high priority for support of expansion or improvement of facilities of selected universities. Such support will be used to reinforce the university reform programs and train urgently needed professionals. The important new project proposed in the field of agricultural higher education (ICA) has been described under Goal 3.

3. Progress to Date

a. Higher Education Survey

The Association of Colombian Universities decided in 1962 to conduct a study of higher education in Colombia for the purpose of developing a National Plan. It requested technical and financial assistance from AID. Since that time the Association has established and staffed a permanent Planning Division to carry out the study and follow-up action; it has helped establish planning offices in many of the major universities; and colletion of data, analysis and initial planning have been embodied in 44 published volumes. The provision of AID technical assistance, however, has been delayed. Extended negotiations with one major U.S. university were unsuccessful and it required lengthy efforts to find a suitable and ready substitute. However, the specific scope and procedure for the Survey have been fully agreed between the Association, AID and the University of California, and the contract between AID and the University of California is about to be concluded.

b. School of Business Administration and Finance - Medellin

This private college was established in 1960 and reorganized in 1964. It has been successful in raising funds, largely through donations from industrial concerns, and the physical plant has been enlarged. The dormitory will be completed in January 1966. The AID financed contract with Syracuse University was signed in 1962 and U.S. professors began arriving in that year. Enrollment increased from 125 in 1960 to 640 in 1965. The first class will be graduated in December 1965. The majority of these graduates are assured jobs in major industries.

c. A contract with University of Minnesota was entered into in July 1963. The U.S. team members have developed a graduate curriculum and have taught courses and worked with counterparts on teaching methods. However, the students participating in the program have been few in number and Los Andes University has had difficulty employing and keeping competent professors. USAID will reevaluate the contract accomplishments in the fall of 1965, and expects to terminate the contract latest upon its final date of May 1966. No additional funds are programmed for FY 1967.

d. National University

Accomplishments realized to date under the four-year development plan include an increase of full-time faculty from 36% to 51%; adoption of standard regulations for the professional career; favoring full time faculty and making provisions for sabbatial license; initiation of studies investigating the relationship between university admission policy and academic efficiency; inclusion of general science or preparatory courses in the School of Medicine reducing the dropout rate during the first two years from 70% to 16% (a similar policy will be adopted for other Schools); the change from a scholarhip system to a system of loans for needy deserving students; the decision to utilize the present administration building as a temporary student center while a new building for this purpose is being constructed; consolidation of ten schools in the fields of Science, Arts and Engineering into three schools, and plans for consolidation in other fields - leading to a final reduction from 26 to 8; reorganization of the university into academic, technical and administrative branches and adoption of standard administrative and budgeting procedures; central rescheduling of previously under-utilized classroom space permitting an enrollment increase during the past year of 30%; administrative decentralization of the University's branches in Palmira and Medellin; establishment of an Institute of Development Sciences. Both the plan and the actions taken under it demonstrate constructive and courageous action in a university which enrolls nearly one fourth of all the university students in Colombia.

4. Funding Requirements

a. Regular Program

Direct Hire Personnel	FY 1966	FY 1967
Chief, Human Resources Division	$28,000	$26,000
Deputy Chief, Human Resources Division	21,000	26,000
Higher Education Advisor	25,000	22,000
Local Secretary (1 in '66 - 2 in '67)	3,000	6,000
	$77,000	$80,000

Contract Services	FY 1966	FY 1967
Extension of Minn. contract (1 year)	$190,000	
Participants		
5 at $6,000 each	30,000	30,000
Other Costs		
In-country travel and support costs for three technicians	4,000	6,000
TOTAL	$ 301,000	$ 116,000

b. Higher Education Survey

Contract Services		
Funded in prior years for a total of $320,000	--	--
Cooperating Country Contribution		
Professional personnel	80,000	100,000
Secretarial & translation services, office facilities, supplies, equipment, in-country travel, and other logistic support to U.S. contract personnel.	50,000	60,000
TOTAL	$130,000	$160,000

Other Contributors		
U.S. Foundations	$100,000	$100,000
International Organizations	50,000	50,000
	$150,000	$150,000

c. Business Administration - Medellin

The project has been extended in prior years through December 31, 1966 for the amount of $268,166 bringing total AID funding to $572,000.

d. National University

Pesos 15 million from funds generated by FY 64 Program Loan have been earmarked for the National University and will be employed in the construction of a library and a student center. Additional peso or dollar financing of up to US$9 million (or equivalent) maybe provided for the University's four year capital investment program of Peso 163 million. Seventeen separate and distinct construction projects make up this Program.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 September 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-22-650-119

4. TITLE: SECONDARY EDUCATION

5. BEGIN FY / END FY

U.S. FUNDING: FY 1966 / FY 1970

PHYSICAL WORK: 1966 / 1970

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 (1) U.S. AGENCIES: AID	e. (1) U.S. AGENCIES: PASA	e. (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	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 66	A. GROSS OBLIGATIONS	AG	G	77	–	40	–	–	34	–	–	–	3	–		
	B. EXPENDITURES			48	–	30	–	–	15	–	–	–	3		8	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR			29	–	10	–	–	19	–	–	–	0			
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	114	–	50	–	–	60	–	–	–	4	–		
	B. EXPENDITURES			119	–	50	–	–	65	–	–	–	4		11	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR			34	–	10	–	–	14	–	–	–	0			
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	84	–	50	–	–	30	–	–	–	4		92	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	97		70	–	–	18	–	–	–	9		113	
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	372	–	210	–	–	142	–	–	–	20		372	

REMARKS:

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

2/ Show estimated expenditures in column 1.

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
1 September 1965	COLOMBIA	Funding	1966	1970	514-22-650-119	SECONDARY EDUCATION
		Phys. Work	1966	1970		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED		a. FUNDS (1) TYPE	a. FUNDS (2) SOURCE	a. FUNDS (3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
TOTAL ACTUAL FY 65	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/						–		–	–	–		
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				8		120		–	80	–		40
		(ii) TRUST FUND												
		(iii) OTHER LC			5,000	1,000	75,000	15,000	75,000	15,000	–	–	–	–
	B. P.L. 480 LC													
III BUDGET YEAR (EST.) FY 67	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				11		165		–	110			55
		(ii) TRUST FUND												
		(iii) OTHER LC			–	3,000	–	45,000	–	45,000	–	–	–	–
	B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 68	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC			3,000	3,000	45,000	45,000	45,000	45,000	–	–	–	–
	B. P.L. 480 LC													
V ALL SUBSEQUENT FYs (EST.)	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC			2,000	3,000	30,000	45,000	30,000	45,000	–	–	–	–
	B. P.L. 480 LC													
VI TOTAL ALL YEARS (EST.)	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													

REMARKS:

1/ Exchange Rate: $1 =

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.	BEG. FY	END FY	4. PROJECT NO.
1 September 1965	COLOMBIA	PERSONNEL SERVICES	1966	1970	514-22-650-119
		PARTICIPANT TRAINING	1966	1970	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY ____ Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.							2	–	–	2			2			3	–	–	9		
		Non U.S.							–	–	–	–											
	B. ON 1/ BOARD	U.S.							2	–	–	2			2								
		Non U.S.							–	–	–	–											
II. PARTICIPANTS PROGRAMMED	A. U.S.								2	–	–	11			6			4			23		
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION _____

1. Activity Target.

The Ministry of Education's National Education Planning study, assisted by AID and UNESCO, is approaching completion. It will contain a program and priorities for organizational and academic reform in the field of secondary public education.

USAID proposes to encourage and assist the implementation of this program through technical assistance and participant training as well as through financial assistance to carefully selected secondary school construction projects.

Secondary public education in Colombia suffers from fragmentation. In general, there is an excessive number of institutions with a small student body and a comparatively large teaching staff. As a result, the number of students to teachers is too small and the unit cost of education is high. Vocational and college preparatory training have been somewhat rigidly separated in terms of autonomous or semi- autonomous units. Finally, bachillerato or college preparatory education has been characterized by an excessive number of subjects and hours spent in the classroom.

2. Course of Action.

Technical assistance will be provided to the Ministry of Education in developing specific implementation actions to carry out reforms, plans and priorities recommended by the National Education Planning Study.

In addition, it is anticipated that U.S. financial and technical support will be given the further development and implementation of reforms currently under way in the normal school sector and to the establishment of new comprehensive high schools in selected urban centers.

For this purpose, the use of $5 million of program loan proceeds is contemplated. Should this funding not be available, the important reform objectives in this area are believed to justify consideration of dollar funding.

Assistance to construction will be made contingent on carefully worked out plans for maximum utilization of existing plant and administrative and teaching resources. Technical assistance will concentrate, in addition to helping in making such plans, on the development of a secondary school curriculum which provides the maximum flexibility and ease of transfer for students from vocational to college preparatory training and vice versa, vocational orientation, administrative and financial reorganization, in-service and pre-service teacher training provided in part through the OAPEC regional centers and involving the participation of the schools of education of the corresponding universities. Emphasis will be given to the collection of statistics and standard reporting by each school so that national planning at the secondary level can proceed on a firmer basis.

3. Progress to Date.

The National Education Planning Study, initiated in 1963, will provide by December 1965, a general plan for secondary education reform with priorities for action programs. Several sectorial reports have been completed i.e., Agricultural Education, Industrial Education, Statistics of Education, Teacher Education, and these are currently being used for planning. The participation of the Ministry of Education's Planning Office in the Study has increased its capability for future planning in education.

Departmental and municipal investment in secondary education has increased. The Ministry of Education has supported constructive reform measures. Presidential decrees have been issued to this effect, including the restructuring of the normal school system.

Improved instruction programs in biology, physics, and mathematics are being initiated by the Minister of Education, with assistance by the Peace Corps and selected Colombian universities.

4. Funding Requirements.

Basic funding requirements of this activity are as follows:

	FY-66	FY-67
a) Direct-hire technicians 1/	$40,000	$50,000
b) Pariticipant training	34,000	60,000
c) Other costs 2/	3,000	4,000
TOTALS	$77,000	$114,000

1/ Secondary Education Advisor; Manpower Advisor

2/ In-country travel and related costs two direct-hire technicians.

d) Cooperating Country 1/	130,000	210,000

1/ Professional Staff, Administrative services.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 September 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-11-650-083

4. TITLE: NATIONAL EDUCATION PLANNING

5.		BEGIN FY	END FY
U.S. FUNDING:	1964	1966
PHYSICAL WORK:	1964	1966

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 (1) U.S. AGENCIES: AID	e. (1) U.S. AGENCIES: PASA	e. (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AG	G	236	202	22		202	2		10					
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	66	32	22		32	2		10					
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	AG	G	127	103	22		103	2		-0-				1	7
	EXPENDITURES (ACTUAL YEAR)	AG		35	11	22		11	2						1	7
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	109	99	-0-		99	-0-		10					
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS			-												
	B. EXPENDITURES	AG	G	109	99	-		99	-		10					7
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	-	-	-		-	-		-					
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS															
	B. EXPENDITURES															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	236	202	22		202	2		10				2	21

REMARKS:

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

2/ Show estimated expenditures in column I.

This is a terminating project. FY-66 expenditures cover final costs of four contract technicians and commodities. Publication of national plan for primary and secondary education is expected in December, 1965.

SECURITY CLASSIFICATION: UNCLASSIFIED

AID 1020-S (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
9/1/65	COLOMBIA	Funding	1964	1966	514-11-650-083	NATIONAL EDUCATION PLANNING
		Phys. Work	1964	1966		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR — A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/					8		120		15				105
(ii) TRUST FUND													
(iii) OTHER LC													
B. P.L. 480 LC													
TOTAL ACTUAL FY 65 — A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/					8		120		15				105
(ii) TRUST FUND													
(iii) OTHER LC													
B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.) FY 66 — A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/					7		105		15				90
(ii) TRUST FUND													
(iii) OTHER LC													
B. P.L. 480 LC													
III BUDGET YEAR (EST.) FY 67 — A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/													
(ii) TRUST FUND													
(iii) OTHER LC													
B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 68 — A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/													
(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/													
(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/					23		345		45				300
(ii) TRUST FUND													
(iii) OTHER LC													
B. P.L. 480 LC													

REMARKS:

1/ Exchange Rate: $1 = 15 pesos current year

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.	BEG. FY	END FY	4. PROJECT NO.
1 Sept. 1965	COLOMBIA	PERSONNEL SERVICES	1964	1966	514-11-650-083
		PARTICIPANT TRAINING	1965	1965	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.			5			4			1												6
		Non U.S.																					
	B. ON 1/ BOARD	U.S.						4			–												
		Non U.S.																					
II. PARTICIPANTS PROGRAMMED	A. U.S.					1															1		
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION _____

Better planning, project preparation and implementation are widely recognized as a basic need for Colombia's economic and social development, and as a major deficiency in governmental operations. Little progress has been made in this field since the submission of the last USAID program a year ago. The principal focal point here is the Administrative Department of Planning (Planeación). Despite the appointment of new head for this Agency in October, 1964, the agency's weakness has become increasingly apparent. At the present time its director has resigned and appointment of a successor has just been announced. The agency suffers from the lack of an adequate budget, and for that reason a lack in continuity of high quality personnel; apart from the need for experienced leadership, the agency needs redefinition of its relations to the rest of the government and to the private sector; it needs internal reorganization. Above all, although the head of Planeación has cabinet status, the weakness of the planning agency reflects lack of interest in the planning function at the highest levels of the Government.

A new four-year public investment plan is reported to be in the final stages of preparation, but information about it so far indicates that, like the previous four-year public investment plan which was the major component of Colombia's ten year plan, it consists primarily of the investment plans submitted by the various ministries and other government agencies, with a minimun of application of overall national priorities. Moreover, since the capacity of the many agencies for development of projects and their evaluation varies considerably, the new four-year public sector investment plan, it is feared, probably will again be severely unbalanced. Evaluation of the new plan will, of course, have to await its completion and availability.

Heavy reliance on the various ministries and numerous other operating agencies in the absence of adequate technical capacity or stature and influence on the part of the National Planning Department, means that the weaknesses of some of the most important ministries and independent or semi-indipendent agencies in the field of project development and sector planning continues to be doubly felt. Under government reorganization legislation of 1961, each ministry was provided with a planning section, but in most of the ministries these sections have not become effective either for lack of adequate staffing or because decision making on the part of the respective minister proceeded without staff use.

Under existing conditions, technical assistance provided to Planeación by the small team of the Harvard Advisory Group (financed by the Ford Foundation) has not been nearly as effective as had been hoped, and two technicians programmed by AID for some time to assist Planeación with the development of specific projects in agriculture and industry have not been recruited. With the anticipated reorganization of the Planning Department, the entire question of technical assistance for the Planning Department and its financing is expected to undergo early and comprehensive re-examination in which USAID hopes to assist.

Two existing activities under loan funding from prior years aim at helping achieve the objectives of this goal.

Feasibility Studies

A $4.0 million Feasibility Study Loan was executed in June 1963, which subsequently was amended to permit sector studies and feasibility studies for private account. After a very slow start, the present prospect is for full allocation of the loan funds by the end of FY1966 or early FY 1967. No additional loan funds are proposed for FY 1966. However, for FY 1967 a loan of $2.0 million is anticipated under Alternative 1, or $5.0 million under Alternative 2, the difference being due to the fact that peso costs would be funded from proceeds of the Program Loan which may be made under Alternative 1.

Mineral Resources Survey

A $2.0 million loan for this activity was exucuted in September 1963 with objective of enlarging the knowledge of Colombia's mineral resources as a precondition of their exploitation for the further industrialization of the country and the additional development of export capacity and import substitution.

The project provides for geological mapping, exploration, and economic analysis of the metalic and non-metalic mineral resources (excluding coal and oil) of four important regions of the country, embracing a total of 70,000 square kilometers. The locations were selected with the view to stimulating the further development of mineral-based industries in the existing industrial centers of the country. The activity will inventory natural resources essential for economic development planning, will encourage the production of basic materials now largely or partially imported, and will increase employment opportunities. Exploration of individual deposits will be limited to supplying sufficient information to encourage private enterprise to continue exploration, development and eventual production. No additional funding is planned or proposed for FY 1966/67.

In addition to these two loan projects, the AID program for Colombia includes several important planning activities directly related to other program goals. The most important of these are the Basic Resources Survey grant (under Goal 3) and the two educational planning projects (under Goal 4), one for primary and secondary education, the other for higher education.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 SEPTEMBER 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-22-990-106

4. TITLE: FEASIBILITY STUDIES

5. BEGIN FY / END FY
U.S. FUNDING:
PHYSICAL WORK:

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 (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	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	AL	L	93	93			93								
	EXPENDITURES (ACTUAL YEAR)															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	3,907	3,907			3,907								
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	AL	L	586	586			586								
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	3,321	3,321			3,321								
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AL	L	2,000	2,000			2,000								
	B. EXPENDITURES	AL	L	2,500	2,500			2,500								
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	2,821	2,821			2,821								
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AL	L	6,000	6,000			6,000								

REMARKS:

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

2/ Show estimated expenditures in column i.

1. The Activity Target

The objective of this AID loan project is the acceleration of Colombian economic development through reducing the great shortage of well selected, conceived and prepared specific investment projects, particularly in the public sector, suitable for foreign financial assistance.

To help achieve this objective, this project has the specific target of financing economic and engineering feasibility, sector and prefeasibility studies aiming, in the case of feasibility studies, at the preparation of investment and loan proposals for consideration of foreign financing agencies and, in the case of sector and pre-feasibility studies aiming at the subsequent preparation of feasibility studies leading to loan projects.

As in many other developing countries, in the case of Colombia, too, the pace of development, particularly in the public sector, is slowed down by the Government's limited capacity to submit to foreign financing sources well prepared financing proposals. The Consultative Group very soon became aware of the urgent need for Colombia to make a greater effort to develop such proposals. It is widely recognized that the IBRD, IDB, EXIMBANK, AID and other members of the Consultative Group for Colombia have been both willing and able to finance more projects than have been submitted in adequate form to the Consultative Group.

To help establish this essential precondition, AID approved in June 1963 a $4 million loan for project feasibility studies, including the development of economic, financial and preliminary engineering data and plans adequate to support applications for projects financing to private or public investment or lending sources.

It soon became apparent, however, that the problem was lying deeper still, since even the preparation of proposals for specific feasibility studies requires prior broader examination of entire economic sectors to help identify potential projects, or preliminary study of alternative possibilities, or pre-feasibility studies in the case of specific potential projects. The loan agreement, therefore, was amended to permit use of $1 million of the total $4 million, for such sector or pre feasibility studies, and also to clarify that private sector studies were eligible for financing from the Loan, in addition to public sector studies, under arrangements modeled after AID's own Private Investment Surveys.

A second important target of this activity is the enlargement of the GOC's own capacity to select, plan and develop sound surveys, including project feasibility studies.

The loan agreement identified the fields for the studies as electric power, transport, agriculture including irrigation, water supply and sewerage, and other fields agreed upon by the GOC and the AID. The principal objective is the preparation of loan proposals for infrastructure and other major development projects in the public sector which has been lagging in many essential fields.

The Administrative Department of Planning (Planeación) is the GOC organization responsible for the development of proposals for studies to be financed by the loan or for the review of study proposals submitted to it by other national or local government agencies, or the private sector. The Bank of the Republic serves as contracting and disbursing agent for the study contracts which are expected to be made by U.S. consultants, or joint U.S.-Colombian ventures. However, purely Colombian contractors are not excluded, although contracts not involving foreign consultants can also be financed from a newly agreed peso fund to be established from Program Loan proceeds.

2. Course of Action

The need to amend the loan agreement, as already described, and a variety of problems affecting both Colombian and foreign advisor personnel of Planeación have slowed down utilization of the loan, under which so far only one specific study has been implemented (see below). However, additional study proposals are being considered, six of which have been processed and approved and are approaching the contract negotiating stage. It is therefore anticipated that the existing loan will be fully committed shortly after the end of FY 1966.

For this reason, a new $2-5 million dollar loan is proposed for this project for FY 1967, the larger amount being contemplated in case the loan would be designed to cover both dollar and local costs. In addition, a 1.2 million peso allocation from existing proceeds of AID program loans has been agreed upon which is intended for regional, urban and sector studies and will likewise be administered by Planeación. This funds will employ only Colombian contractors or experts. If it is utilized rapidly, increased peso allocations from new program loan proceeds will be considered.

3. Progress to Date

In October 1961, the Interamerican Development Bank loaned $500,000 for feasibility studies.

In June 1963 AID Loan No. 514-L-025 for $4.0 million was signed with the GOC. The first feasibility study under the Loan was approved in June 1964 and financed a nation-wide crop storage study which was carried out by the U.S. firm of Weitz-Hettelsatter of Kansas City, Mo. The final report of this study was submitted to Planeación in August 1965.

In August 1964, the Loan Agreement was amended as already described herein.

A summary of the study projects contracted, approved, or proposed follows:

PROJECT	AMOUNT OF CONTRACT OR ESTIMATE US$	EST. DATE BEGINNING STUDY	EST. DATE COMPLETION STUDY
Contract Signed			
Crop Storage (Weitz-Hettelsatter)	92,500	June 1964	August 1965
Approved			
Tulua Water and Sewerage (Dept. of Valle)	55,500	Nov. 1965	April 1965
Land Reclamation, Upper Cauca Valley (INCORA)	500,000	Nov. 1965	July 1967
Suarez River Basin Development (CAR)	230,000	Nov. 1965	Nov. 1966
Pereira Water and Sewerage (Dept. of Caldas)	100,000	Jan. 1966	July 1966
Palmira Water and Sewerage (Dept. of Valle)	80,000	Feb. 1966	July 1966
Armenia Water and Sewerage (Dept. of Caldas)	85,000	March 1966	Aug. 1966
PROPOSED			
Barranquilla Storm Drain System Expansion.			
Water Resources Survey.			
Plastics Industry Survey.			

4. Funding Requirements

It is not expected that this project will require additional dollar financing before FY 1967 when an additional loan of $2 to 5 million is contemplated, the smaller figure contingent on the availability of adequate funds, from Program Loan proceeds or other sources, to cover local costs of surveys.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 September 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-22-210-099

4. TITLE: MINERAL RESOURCES SURVEY

5. BEGIN FY / END FY
- U.S. FUNDING: 1964 / 1967
- PHYSICAL WORK: 1964 / 1969

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 (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AL	L	2,000 a/												
	GROSS OBLIGATIONS (ACTUAL YEAR)															
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	AL	L	116			116									
	EXPENDITURES (ACTUAL YEAR)	AL	L	116			116									
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	1,884												
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	AL	L	543			237	167	26		113					
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	1,341												
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	AL	L	562			262	118	30		152					
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	779												
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AL	L	2,000												

REMARKS:

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

2/ Show estimated expenditures in column I.

a/ Present disbursement schedule totals $1,764, including $543 in FY 1968. (Contract Personnel, $403; PASA personnel $889; Participants $70; Commodities, $402.) The disposition of the $236 balance of the $2,000 loan obligation will be determined before the end of FY 1966.

SECURITY CLASSIFICATION: UNCLASSIFIED

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
1 September 1965	COLOMBIA	Funding	1964	1967	514-22-210-109	MINERAL RESOURCES SURVEY
		Phys. Work	1964	1968		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY ____	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY ____	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY ____	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY ____	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(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/												
	(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/												
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												

REMARKS:

1/ Exchange Rate: $1 =

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.	BEG. FY	END FY	4. PROJECT NO.
1 September 1965	COLOMBIA	PERSONNEL SERVICES	1964	1968	514-22-210-109
		PARTICIPANT TRAINING	1966	1968	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.		X 5			4			7	2		8	5		8	5					29	
		Non U.S.									2			10			10						22
	B. ON 1/ BOARD	U.S.					5			7	2		8	5		1							
		Non U.S.									2			10									
II. PARTICIPANTS PROGRAMMED	A. U.S.									4			6			5						15	
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION: UNCLASSIFIED

1. Activity Target

The objective of this Loan project 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, 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 additional exploration of individual deposits 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 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 USGS geologists; (3) improvement of facilities of the chemical laboratories of the Ministry of Mines and Petroleum in Bogotá, and Medellín, including equipment and technical assistance for chemical analyses, special laboratory studies in minerology (including X-ray), petrography, paleontology, and laboratory studies for radioactivity and absolute age determinations; (4) training of at least ten Colombian counterpart personnel in the U.S. as well as training in Colombia of Colombian geologists; (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, with the French Government for photogeological studies, and with the Japanese Government for other technical assistance in areas not covered by the U.S. project. The Japanese government supplied 4 technicians in January-March 1965 and the German government two technicians in July-August, to undertake feasibility studies of their respective programs. These programs are somewhat smaller and when and if 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 geologists 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 No. 514-L-030 was executed September 18, 1963. In March 1964 the Conditions Precedent of the loan agreement were met and disbursement was authorized.

From July-December 1963, a U.S. Advisor was assigned to Colombia to plan and develop the project in detail. Bids for the photogeological interpretive mapping activities were opened in March 1964 and negotiations intiated in April with the first preferred firm. However, then developed an impasse regarding the treatment of Colombian taxes, and in July 1964 negotiations were suspended. It was not until the close of FY 1965 therefore that a contract for the photogeological work could be concluded after resolution of the tax problem.

A PASA agreement between the USGS and AID/W was executed September 11, 1964 providing initially for USGS geologists in FY 1965 to be augmented to 7 geologists in FY 1966 and in other categories (cartographers, lab. specialists, geophysicists and geochemists) as the project developed.

The Ministry of Mines and Petroleum in the meantime has developed the necessary organization and purchased all equipment essential for initial operations of the project. Field operations started in June 1964, when 21 Colombian geologists were deployed into the field, viz: 6 with 1 USGS gelogist in the Santa Marta area; 10 with 2 USGS geologists in the Antioquia area; and five with 1 USGS geologist in the Bogotá region. Work in the Santander departments is scheduled for late 1965 with the deployment of 10 additional Colombian geologists and 2 additional USGS geologists. Besides these, other U.S. specialists will be brought in for short term assignments.

Excellent progress was made in the organization of field operations and geological mapping of Zones I, II, and IV. In Zone I, although previously reported deposits of iron and copper upon investigation resulted negatively, large deposits of cement grade limestone, well-situated economically, and deposits of silica, feldspar, and industrial clays were mapped and sampled. In Zone II, deposits of iron and nickel, wollastonite and andalusite (ceramic materials), talc, and asbestos were located and studied. Two american firms are interested in developing the last two. In Zone IV, the salt deposits of Zipaquirá and Nemocón were studied carefully for the possibility of associated potash, gypsum, and sulphur. A bi-product of this regional study was the discovery of phosphates and iron ores at the same stratigraphic level, which could have great significance to the region and country.

Because of the delay in the negotiations of the photogeological mapping contract the Ministry of Mines and Petroleum was granted certain revisions of the project, namely: 1) reduction of the areas (from 70,000 to 37,000 Kms^2) to be studied photogeologically under contract with a private firm, and 2) a substantial expansion and intensification of field and laboratory operations.

4. Funding Requirements

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

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 were 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	28,300,125

The presently planned disbursement schedule is as follows:

ACTIVITY	1st Year	2nd Year	3rd Year	4th Year	Total
1) Photogeological Map Interpretation					
PESOS	-	-	-	-	-
US$	-	105,000	-	-	105,000
2) Geological Investigations					
a) Field Mapping					
PESOS	6,000,000	5,450,000	4,450,000	3,850,000	19,750,000
US$	116,000	211,700	245,050	266,000	838,750
b) Geophysics Geochemistry Drilling					
PESOS	-	1,239,750	775,200	635,200	2,650,150
US$	-	125,000	237,500	237,500	600,000
3) Laboratory Improvement and Operations					
PESOS	600,000	600,000	600,000	600,000	2,400,000
US$	-	75,000	50,000	25,000	150,000
4) Participant Training					
PESOS	-	-	-	-	-
US$	-	26,375	29,500	14,100	69,975
5) Publication of Reports and Maps					
PESOS	-	50,000	550,000	550,000	1,150,000
US$	-	-	-	-	-
TOTALS					
PESOS	6,600,000	7,339,750	6,375,200	5,635,200	25,950,150
US$	116,000	543,075	562,050	542,600	1,763,725

The GOC appropriated 3.66 million pesos for the project in 1963, ten million pesos for 1964; seven million for 1965, and budgeted 7 million pesos for 1966.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 SEPTEMBER 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-11-750-075

4. TITLE: PLANNING ASSISTANCE

5. U.S. FUNDING: BEGIN FY 1963 — END FY 1967

PHYSICAL WORK: BEGIN FY 1963 — END FY 1967

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 (1) U.S. AGENCIES: AID	e. PASA	e. (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	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 66	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	AG	G	a/												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS															
	B. EXPENDITURES															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/															

REMARKS:

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

2/ Show estimated expenditures in column I.

a/ Established May 2, 1963 this activity provided for two U.S. technicians to assist Colombia's Administrative Department of Planning in preparation of loan applications for development projects. Implementation has not been effected partly because of the difficulty in finding qualified technicians and partly because the Department of Planning has not been organized to effectively utilize such assistance. The USAID had planned to de-obligate the funds for this activity but a recent change at the top level of the Department of Planning has encouraged continuation of the activity. ~~Implementation is expected to be effected during mid-FY 1966~~

SECURITY CLASSIFICATION: UNCLASSIFIED

Activities under this goal are aimed at the field of private enterprise, especially industry, in order to increase its contribution to the development of the domestic market and particularly Colombia's export earnings.

Some sectors of Colombia's relatively well developed and diversified manufacturing and processing industry are quite efficient, but many industries are not well managed and exist with high costs, high profits and the resulting high prices. Many of them have been born out of indiscriminate application of various stimuli and subsidies under import substitution policies which have provided the not only tariff protection, but in most cases absolute protection through complete banning of competitive imports. The relatively small domestic markets further reinforce the tendency toward monopoly and oligopoly.

The double policy of exclusion of unessential imports and promotion of investment for import substitution results in preferential establishment and expansion of domestic production, often no more than assembling or packaging, of non-essentials.

High prices and low quality of many domestic industrial products, including intermediate products, make it attractive for new investment to emphasize foreign rather than domestic materials, making the economy more dependent on continuing imports and more sensitive to fluctuations in availability of foreign exchange to maintain the flow of imported materials.

The low peso cost of imported machinery, which was due to the overvaluation of the peso, and the relatively high cost of unionized manufacturing labor (including a well developed system of social charges and services), provided an incentive towards introduction of the most modern and preferably automated machinery. This reduces the direct employment effect of new industries, maximizes imports of machinery and the use of scarce exchange earnings to pay for it, or borrowing abroad which in turn mortgages future exchange earnings.

High domestic price levels under excessive protection and monopolistic pricing policies penalize domestic consumers and producers, agricultural and industrial alike, forced to use such domestically produced materials, and make domestic production, even by the more efficient producers, less competitive abroad.

These, therefore, are fundamental inhibitions which need to be overcome if private industry, which in Colombia has reached a relatively high level of sophistication, is to continue its past vigorous development and expansion, and in particular, is to realize its potential contribution to the indispensable fast growth of non-agricultural exports. On the other hand, the existing surplus capacity in some of the more efficient industries, such as cotton textiles, offer opportunities for early expansion of industrial exports.

The AID program aiming at Goal 6 hopes to promote the essential reexamination and rationalization of Colombian industrial protectionism. Apart from this basic approach, AID is emphasizing the following specific activities.

Industrial Development

The target of this activity is to make private industrial organizations increasingly effective tools of efficient, competitive industrial development, particularly for export. In this field, the new and well supported Private Development Committee, established with AID technical assistance and backed financially by the most important industrial and banking organizations of the country, has made a promising beginning. It has organized, likewise with AID technical assistance, a network of regional committees and is increasingly equipping itself to provide directly or through these regional committees, a strong stimulus in the direction of new industrial investment, Colombian or joint US-Colombian, increased productivity, expansion of production for export and export market promotion. AID experts provide assistance in development and investment promotion techniques and will furnish such guidance to new export development department about to be established by several principal manufacturers associations.

Similar advice is expected to be furnished during FY 1966 and 1967 in the reorganization and the expanded activities of the Government's own so far barely staffed and ineffective export development organization in the Superintendency of Foreign Commerce.

The previously started work on the development of uniform minimum standards of quality for important industries, essential for development and expansion of export markets, will be continued. This activity takes the form of AID support of technical assistance by the U.S. National Bureau of Standards to Colombia's private non-profit Institute for Technical Standards (ICONTEC).

Cooperative Handicraft Production & Marketing

Formerly funded regionally in conjuction with similar programs in Ecuador, Peru and Bolivia, USAID proposed to continue this activity with technical assistance during FY 1966 and FY 1967. The purpose of this activity is to promote quality production and large scale exports of native handicrafts as a direct approach to the crucial social and economic problems of depressed rural areas. Technical assistance will be continued in improved designing, development of producer cooperatives, domestic purchasing and financing, and promotion of foreign marketing.

The Private Investment Fund

The Private Investment Fund will continue to be a principal

vehicle for foreign financial assistance to Colombian private enterprise both in industry and agriculture. Started with pesos from AID program loans, it has since received a US$10 million loan from AID and in addition assistance from the IDB and other foreign governments and international organizations. The PIF is an effective device for private sector investment directed towards alleviating the balance of payments problem through new or expanded export production, import substitution and elimination of specific production bottlenecks.

In the important field of assistance to private enterprise, the AID program, in addition to the above project activities, includes major instruments of assisting at the same time U.S. business and Colombia's development, viz. Cooley Loans financed from the proceeds of Food for Peace sales, Investment Guarantees and Investment Surveys.

Programs developed under the Partners of the Alliance concept in Colombia so far are those between the City of Cali and Oakland County, Michigan; the Department of Antioquia and the State of Massachusetts; and the North Coast region of Colombia with the State of Florida.

The foreign exchange made available to Colombia to finance imports through program loans, is, of course, of very great benefit to the country's private sector, including importers and manufacturers. This type of loan is programmed under Goal 1.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 SEPTEMBER 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-13-290-117 a/

4. TITLE: INDUSTRIAL DEVELOPMENT a/

5.		BEGIN FY	END FY
U.S. FUNDING:	1960	1968
PHYSICAL WORK:	1960	1969

6. PRIOR REFERENCES: a/

7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES ($000)		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	SA	G	156	156			156								
		AB	G	65	65			65								
		AG	G	675	406	212	7	406	27		11		12			
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	279	155	85	7	155	11		11		10			
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	SA	G	156	156			156								
		AB	G	65	65			65								
		AG	G	411	183	198		183	20		4		6		44	
	EXPENDITURES (ACTUAL YEAR)	AG	G	86		80			6						12	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	264	223	14	7	223	7		7		6			
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	304	135	95		135	43		18		13			
	B. EXPENDITURES	AG	G	379	208	99	7	208	30		20		15		32	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	189	150	10		150	20		5		4			
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	243	85	95		85	45		9		9			
	B. EXPENDITURES	AG	G	355	185	100		185	49		10		11		32	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	77	50	5		50	16		4		2			
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	168	50	70		50	40		3		5		25	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	SA	G	156	156			156								
		AB	G	65	65			65								
		AG	G	1,390	676	472	7	676	155		41		39		133	

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 includes the former project "Industrial Management" No. 514-13-270-044.

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
SEPT. 1, 1965	COLOMBIA	Funding	1960	1968	514-13-290-117	INDUSTRIAL DEVELOPMENT
		Phys. Work	1960	1969		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/				44		500			270	135		95
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY 65	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/				12		180			90	15		75
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/				32		480			120	135		225
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY 67	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/				32		480			180	135		165
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY 68	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/				25		375			180	120		75
	(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/												
	(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/				133		1,835			750	525		560
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												

REMARKS:

1/ Exchange Rate: $1 = 10 pesos prior years - 15 pesos operational year and later.

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.	BEG. FY	END FY	4. PROJECT NO.
Sept. 1, 1965	COLOMBIA	PERSONNEL SERVICES	1960	1968	514-13-290-117
		PARTICIPANT TRAINING	1960	1968	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	14		14	3		2	3		3	3		3	2		2				22		22
		Non U.S.	8			2			3			3			2						16		
	B. ON 1/ BOARD	U.S.				2		2	3		4	3		4	1		2						
		Non U.S.				2			3			3			1								
II. PARTICIPANTS PROGRAMMED	A. U.S.		67			8			27			28			25						146		
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION UNCLASSIFIED

1. The Activity Target

AID expects to help bring about during FY 1966 the essential reexamination and rationalization of Colombian industrial protectionism which is widely blamed for existing apparent lack of interest of large portions of Colombian industry in expanding domestic markets and improving their competitive position in world markets by means of increased productivity and cost reduction.

Apart from the basic objective of review and revision of industrialization policy, USAID's Industrial Development project is aimed at increasing the contribution of the private sector, especially industry, to Colombia's economic and social development and has the following specific targets:

a. Evolution of the Private Development Committee and its affiliated regional Committees into efficient institutions for providing leadership in export product development, investment promotion, industrial rationalization and coordination of private industry effort with GOC.

b. Creation of institutionalized private sector programs for encouragement and guidance to producers of exports, both industrial and agricultural, and specialized assistance to businesses or organizations whose main function is to develop exports, acting either as independent export intermediaries, export associations, export companies, or export executives within private companies.

c. Conversion of scattered GOC activities in export development assistance and promotion into effective, well coordinated action programs, including the simplification of export controls and reduction of export restrictions.

d. Establishment and enforcement of domestic and export standards of quality and quantity for selected industrial and agricultural products to establish confidence between buyer and seller and particularly to promote increased acceptance of Colombian products abroad.

e. Increased U.S. investment in the expansion and modernization of industrial production in Colombia.

Previous AID efforts have led to establishment of the Private Development Committee (PDC) as a private sector non-profit institution backed by major industrial associations, the Corporaciones Financieras, and the Bank of the Republic, and operating through its own affiliated regional committees throughout the country. Its purpose is to develop industrial opportunities; provide investment contacts, expert advice and representation; assist in export development; serve as a channel for technical assistance, and advise the GOC in its industrial and export development and promotion programs.

In addition, USAID has laid the groundwork for a more active role of major industrial associations not only in concerted and sustained efforts at making their members more export-minded, but in providing them with practical advice and assistance in initiating or expanding export operations. Export intermediaries and export agents represent another opportunity for diversification and expansion of Colombia exports; still operating on a small scale, these firms can become an important factor in Colombia export development effort.

During 1964, the GOC consolidated several existing agencies in the import and export control field in the new Superintendency of Foreign Commerce. Given the country's traditional concern with imports and the problem of rationing limited foreign exchange available for imports, the Export Division of the Superintendency has so far not become effective. It has not received an adequate budget and has only a skeleton staff concerning itself largely with approval of export permits and international trade agreements. Much remains to be done to convert this agency into an effective export development institution.

The lack of uniform standards of quality and quantity, and poor contract performance is handicapping some Colombian export products in international markets. The work of the Colombian Technical Standards Institute recognized by the GOC but supported entirely by the private sector, is directed at removing these obstacles.

2. The Course of Action

This project continues to assist private industry and the GOC through direct hire staff, contract technicians, consultants, participant training and commodities.

a. Continued guidance and technical assistance will be provided to the Private Development Committee through USAID direct hire staff, contract technicians and short-term consultants in order to strengthen the PDC's position as the representative of the private industrial sector and make it increasingly effective, including in its assistance to regional development committees dedicated to industry development with emphasis on utilization of domestic raw materials and development and promotion of exports and more efficient substitution of essential imports. PDC will establish an Export Division will be assisted with short term consultants to undertake specific studies and evaluation in various technological or managerial fields. This assistance to PDC and its regional committees will include promotion and guidance on contacts with the U.S. business community and banks, both in the U.S. and during visits to Colombia, utilizing also the U.S. AID program "Aids to Businessmen" program.

b. Technical assistance in establishment of export development offices in ANDI, FENALCO and other manufacturers associations for the purpose of encouraging, guiding and assisting producers of exportable products and export intermediaries (independent export agents, export associations, export companies, or industrial and agricultural export executives). Short term specialist consultants will be provided in specific production fields, such as metal products, chemicals, food products, etc. identified by the 1964 Arthur D. Little study on export prospects for specific industries.

c. Technical assistance through USAID direct hire and contract technicians is to be extended to GOC institutions, particularly the Export Division of the Foreign Commerce Superintendency (SUPERCOMEX). Such technical assistance will aim at developing GOC capabilities for programming and implementation of coordinated programs of export development, including simplification of export regulations, reduction of export restrictions, improved coordination of government policies with the private sector, improvement of the present preferential system of licensing of imports destined for production for export (so-called first Vallejo Plan) and development of a program for the use of existing credit controls so as to increase the availability of working capital for export production purposes. It is also hoped to develop in the Export Division of SUPERCOMEX a program of research and analysis as a basis of more rational export policies and regulations; as well as an information program on imports, exports, tariff changes, quotas, export regulations and export opportunities. Finally, a program seeking greater acceptance abroad for Colombian products, by promoting voluntary enforcement of Government approved standards of weights measures, quality control and contract performance. Since this is a new and pioneering activity for the GOC, technical assistance may be required for several years.

d. Continuing the program initiated in FY 1965, the U.S. National Bureau of Standards will send short-term specialists in several industrial fields to conduct two-week seminars designed to establish national standarts compatible with Inter-American and international export standards, under the auspices of the Colombian Technical Standards Institute (ICONTEC). In addition, two ICONTEC engineers will be trained at USNBS and ICONTEC will receive a small grant for materials testing equipment.

e. USAID, primarily through its Urban and Industrial Development Division, will continue to assist and advise U.S. private industry through the broad range of AID programs designed to help U.S. private industry contribute to the objectives of the Alianza para el Progreso. These programs include Investment Guaranties, Cooley Loans, Investment Surveys, Investment Opportunities, etc. U.S. private investment in Colombia is estimated at $500 million, representing over 100 American firms.

3. Progress to Date

Private Development Committee

The activation of the Private Development Committee (PDC) in March 1964 achieved the goal set for the Amerconsult contract (AID-la-82). It has proved itself increasingly capable of representing the private sector and is receiving growing private financial support so that it is able to engage gradually a small but highly qualified staff. PDC has likewise been increasingly recognized by the GOC as representing the private sector in the areas of export promotion, as advisor to the Planning Department on the feasibility study program for the private sector, and in the coordination of plans for border development programs for Ecuador, Panama and Venezuela.

Export Development

Implementation of GOC objectives in the field of export development and promotion has been slow. As a result, USAID's export promotion efforts were delayed while organizational arrangements within the GOC were progressing, and legislative and procedural hindrances to the increase of 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 them creating the Superintendency of Foreign Commerce (SUPERCOMEX) with two divisions to be in charge of, respectively, export assistance and export promotion. However, so far, this aspect of the SUPERCOMEX has not been adequately activated. In mid 1964, the Bank of the Republic contracted with the Arthur D. Little Co. for a survey of Colombia's export potentials of six specified commodities. The Arthur D. Little report has become the starting point of further efforts by the GOC in identification of the potential markets and improvement of the export climate. Export Prospects for Colombia's so-called "minor exports" (exports other than coffee and petroleum) brightened considerably when the export exchange rate was "unpegged" in October 1964 from its 10 pesos to the dollar rate. The GOC, moreover, has made some progress in rationalizing and streamlining cumbersome export procedures and regulations.

Industrial Standards

During 1964 a U.S. National Bureau of Standards official helped develop a two-year plan for assisting Colombia's Standards Institute reach the technical level necessary to carry out its responsibilities as the national standards issuing body. The FY 1965 program provided ICONTEC a Standards library and equipment for issuance of standards material to private industry in Colombia and, in addition, helped financed a series of two-week seminars and round-tables work-group sessions in Bogotá and Medellin, conducted by eight USNBS specialists in the fields of textiles, plastics, fertilizers, pesticides, cement, modular construction, leather and food products. The specialists also prepared recommendations for further action.

AID donated a set of standard weights and measures specially designed for Latin America which was set up in the new Meteorology

laboratory of the Colombian Meteorology Council (COMET) at the National University and inaugurated in July 1965. A first training course, including participants from Venezuela and Ecuador was held from the same month.

AID Private US Enterprise Program. Assistance to U.S. industry included the following:

U.S. Specific Risk Guarantees issued to 26 companies	$150,000,000
U.S. Extended Risk Guarantee issued to 1 company	$ 850,000
Cooley loans to 20 U.S. Companies	Ps. 60,000,000
Investment Survey participation with 12 companies	$ 120,000

USAID direct hire employees devote a considerable portion of their time to render services to U.S. and Colombian private industry, counselling on conditions, contacts, information on loan programs, assistance in preparation and review of Cooley applications, etc.

In addition, USAID has assisted in negotiations and implementation under Partners of the Alliance programs including Oakland (Michigan) -- Cali, Florida--Dept. of Atlántico and Massachusetts--Dept, of Antioquia. (See Special Development Activities Project included in Technical Support chapter).

Industrial Participants

In early 1965, over 20 Colombian participants including heads of PDC Committees, CVC, Planeación, etc. attended the Conway seminar in Caracas on Industrial Area Development Organizations. Training was provided during FY 1965 for 8 Colombian in various programs including industrial standards, production management, marketing, etc. in U.S. Mexico and Peru.

4. Funding Requirements

	FY 1966	FY 1967
Direct Hire Personnel		
Urban and Ind. Dev. Officer		
Industrial Development Officer		
Industry Advisor		
Local Secretaries (3)		
	$ 95	$ 95
Contract Services		
Investment Promotion Advisor (2 yr.)		
Regional Dev. Advisor (prior yr. funds)		
Export Promotion Adv. (2 yr.)		
Handicraft & Export Prom. Adv. (prior yr. funds)		
Short-term consultants (8), includes Export Promotion, Ind. Investment Adv., & PDC consultants		
	$ 135	$ 85
Participants	(27) 43	(28) 45
Commodities	18	9
Other Costs		
Local travel, supplies, etc. and includes travel and per diem for U.S. Bureau Standards personnel	13	9
TOTAL	$ 304	$ 243
Cooperating Country Contribution		
Private enterprise support to PDC	50,000	50,000
PDC Export Division, local staff & costs	6,000	6,000
ICONTEC budget	30,000	-
INCOLDA seminar support costs	8,000	-
TOTAL	$ 94,000	$ 56,000

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF:

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-13-990-114

4. TITLE: COOP. HANDICRAFT PROD. & MKTG.

5. BEGIN FY / END FY
- U.S. FUNDING: 1963 a/ — 1968 c/
- PHYSICAL WORK: 1964 — 1969

6. PRIOR REFERENCES: (SEE REMARKS) a/

7. AID DOLLAR FINANCING — OBLIGATIONS AND EXPENDITURES ($000)

		a. APPROPRIATION TITLE	b. LOAN OR GRANT	c. TOTAL	d. CONTRACT 1/	e. PERSONNEL SERVICES (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	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 66	A. GROSS OBLIGATIONS	AG	G	50	50			50								
	B. EXPENDITURES															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	100	100			100								
	B. EXPENDITURES															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR															
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	c/		c/												
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/															

REMARKS:

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

2/ Show estimated expenditures in column 1.

a/ Country project funded in FY 63 and 64 under 514-13-910-053 Financial Development. Shifted to regional activity and funding in FY 65. Country funding again in FY 66 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.

c/ This activity is presently undergoing extensive review concerning future scope. For this reason estimates beyond FY 1966 would be unrealistic and would lack validity. FY 1967 figures are probably inaccurate.

AID 1020-S (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
	COLOMBIA	Funding	1963	1968	514-13-990-114	COOP. HANDICRAFT PROD. & MKTG.
		Phys. Work	1964	1969		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(ii) TRUST FUND			See footnotes on E-1a table									
	(iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY 65	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY 67	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY 68	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(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/												
	(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/												
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												

REMARKS:

1/ Exchange Rate: $1 =

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.	BEG. FY	END FY	4. PROJECT NO.
9/1/65	Colombia	PERSONNEL SERVICES	1964	1969	514-13-990-114
		PARTICIPANT TRAINING			

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY____ Direct	PASA	Contract	c. OPERATIONAL FY____ Direct	PASA	Contract	d. BUDGET FY____ Direct	PASA	Contract	e. PLANNING FY____ Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.							See footnotes on E-1a table														
		Non U.S.																					
	B. ON 1/ BOARD	U.S.																					
		Non U.S.																					
II. PARTICIPANTS PROGRAMMED	A. U.S.																						
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION UNCLASSIFIED

1. The Activity Target

The objective of this activity is the development of greatly expanded and diversified exports of Colombia handicraft products, thereby contributing to the improvement of the economic and social condition of rural and small town population and, secondarily, contributing also to the alleviation of Colombia's balance of payments problem. Part of a regional AID handicrafts development project addressed to the backward rural Andean people of Colombia, Ecuador, Bolivia and Peru, the project is designed to seek out and develop the traditional ability of the indigenous artisans of the region, raise and improve their production, provide a reliable market for it and thereby increase their incomes and at the same time produce significant new export earnings.

The activity operates through autonomous central purchasing organizations in each of the four countries which, with U.S. technical assistance and the active cooperation of the Peace Corps, provide production information and technical assistance, design development and guidance, product purchasing, financing, warehousing and shipping and other services. Abroad the activity is assisted by a U.S. promotion and selling organization.

2. Course of Action

Plans for FYs 66 and 67 call for continuation of technical assistance in Colombia to the "Artesanias de Colombia" central organization by a U.S. advisory team provided through contract with the Cooperative League of the U.S.A. (CLUSA) and by specially-trained Peace Corps Volunteers now working in the field and in the U.S.A. of stateside design and marketing services provided by Scher-McDermott, as CLUSA sub-contractor, with New York City sales offices and showrooms.

Development of the Colombian central organization will be carried forward by having each member of the U.S. advisory team assigned to and working alongside of a Colombian counterpart. The assignment to Colombia of short-term technical advisors in specific fields of handicraft, working with the technical advisors and the Peace Corps Volunteers is starting in FY 1966.

The Colombian producers will, in the preliminary stages, be organized into "producer clubs" under the guidance of the U.S. cooperative advisors. When a satisfactory level of membership, organizational experience and financial stability has been attained, they will become legal cooperatives.

The Peace Corps Volunteers will continue with their role of helping local artisan groups in design and productive techniques; they handle orders, inspection of production and transportation and organize the artisans into cooperatives whenever possible.

The U.S. sales organization is being expanded through additional salesmen in major U.S. regional markets, and through the appointment of commission sales agents working through wholesale distributor organizations in major population centers.

Plans for FY 67 are based on a decrease in the number of U.S. advisors, as their Colombian counterparts become adequately experienced to take over sole responsibility. However, more emphasis and progress in the development of producer-cooperatives is anticipated at this stage of the program. USAID cooperation with Colombia has been estimated advisable for an additional three years.

3. Progress to Date

The plan for this project arose out of the success of a private pilot project in Ecuador, that restored the 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 an 18-man months effort in production and design of handicrafts in Colombia and sales and promotion centered in New York.

Artesanias 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 secured orders of $26,074 which Artesanias shipped to the U.S. by December 1964.

In October 1964, the project was taken over by CLUSA under a regional AID contract, with the recruitment of the U.S. advisory team, training of Peace Corps Volunteers, and a sub-contract with a U.S. design and selling organization, Scher-McDermott, Inc.

By mid 1965, a 5-man U.S. country team was operating in Colombia, including a Country Project Manager, Production Advisor, Design Expert and two Co-op Organizers.

An overseas sales office, located in the Empire State Building in New York City, was opened by Scher-McDermott in February 1965. Samples of new or redesigned products from Colombia have been sent to New York periodically. However, orders received during May, June, July 1965 indicated a decreasing level of sales and full reexamination of the project is now underway to be followed by energetic action to reorganize it.

Artesanias de Colombia has been reorganized and expanded to meet the capital and staff requirements of the project. An increase to $1,100,000 pesos for working capital, fixed assets and initial operational losses was obtained from the Instituto de Fomento Industrial and Ecopetrol.

Artesanias recently opened a retail shop in Bogotá, for the exhibition, market testing and retailing of handicraft items. Operations have been profitable from the start.

Export orders received during 1965 totalled US$59,000 of which $36,776 had been shipped through June 1965. Operating losses from January thru April were estimated at 45,000 pesos. With the depreciation of the free market dollar rate, the first six months of 1965 may have resulted in a breakeven operation, but the new export rate of exchange of 13.50 pesos to the U.S. dollar for exports will curtail further windfalls.

4. Funding Requirements

CLUSA Task Order, dated June 23, 1964, obligated $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 U.S.A. and the in-country technician requirements including vehicles (probably too few for adequate field activities) through FY 1965. No country program funds were 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.

Based on the start-up timing and rate of expenditure, regional funding will now cover all phases through February 1966. Mission funding of in-country expenses will begin March 1, 1966. The Mission expenditure for FY 1966 is hereby revised to cover the 4-month period, March 1 to June 30, 1966, as follows:

Two U.S. Cooperative Experts (4 mos.)		$ 10,000
One Design Expert	"	6,000
One Production Expert	"	6,000
One Country Project Manager	"	8,000
Short-Term Specialists	"	10,000
CLUSA overhead and Misc.	"	10,000
	TOTAL	$ 50,000

The budget for FY 1967 requiring Mission funding is as follows:

Resident In-Country Persons (Res.Mgr.& 3 Coop Adv.)	
In-Country Salaries	$ 60,000
Short-Term Specialists	20,000
	20,000
TOTAL	$100,000

5. Cooperating Country Contributions

In May 1966, a schedule of operating budgets and working capital requirements were recommended to Artesanias by CLUSA and Goldberg Associates. Totals were as follows:

For Calendar Years:	1965	1966	1967
Sales Estimates	$115,000	$165,000	$265,000
Capital Funds (cumulative)	50,000	70,300	110,400
Estimated Operating Loss	5,700	6,000	7,100

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 September 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO. 514-26-920-116

4. TITLE: PRIVATE INVESTMENT FUND

5.

	BEGIN FY	END FY
U.S. FUNDING:	1963	1967
PHYSICAL WORK:	1963	1967

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 (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AL	L	10,000												
	GROSS OBLIGATIONS (ACTUAL YEAR)															
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	AL	L	-0-												
	EXPENDITURES (ACTUAL YEAR)															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	10,000												
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	-	-	-												
	B. EXPENDITURES	AL	L	7,000												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	3,000												
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AL	L	10,000												
	B. EXPENDITURES	AL	L	9,000												
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	4,000												
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/															

REMARKS:

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

2/ Show estimated expenditures in column i.

SECURITY CLASSIFICATION: UNCLASSIFIED

AID 1020-8 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
1 September/65	COLOMBIA	Funding	1963	1967	514-26-290-116	PRIVATE INVESTMENT FUND
		Phys. Work	1963	1967		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED		a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC			23,333	23,333	210,000	210,000	210,000	210,000				
	B. P.L. 480 LC													
TOTAL ACTUAL FY 65	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC			14,666		130,000	70,000	130,00	70,000				
	B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC					200,000 a/	180,000	215,000	275,000				
	B. P.L. 480 LC													
III BUDGET YEAR (EST.) FY 67	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC					250,000							
	B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 68	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC					250,000							
	B. P.L. 480 LC													
V ALL SUBSEQUENT FYs (EST.)	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(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/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													

REMARKS:

1/ Exchange Rate: $1 = 9 pesos up to FY-65, FY-66 at 13.5

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

a/ 80,000 released Oct. 65 + estimated 120,000 proceeds of $10 million Prior Notice Tranche of '64 Program Loan.

E – 1c

PROJECT DATA SUMMARY – PERSONNEL AND PARTICIPANTS

1. DATA CURRENT AS OF:	2. COOPERATING CTRY.	3.	BEG. FY	END FY	4. PROJECT NO.
		PERSONNEL SERVICES			
		PARTICIPANT TRAINING			

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY____ Direct	PASA	Contract	c. OPERATIONAL FY____ Direct	PASA	Contract	d. BUDGET FY____ Direct	PASA	Contract	e. PLANNING FY____ Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.																					
		Non U.S.																					
	B. ON 1/ BOARD	U.S.																					
		Non U.S.																					
II. PARTICIPANTS PROGRAMMED	A. U.S.																						
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION: UNCLASSIFIED

1. Activity Target

The objective of the Private Investment Fund (PIF) is to provide a source exclusively devoted to the long-term financing of projects, in both industry and agriculture, for the expansion of productive capacity for the diversification and development of exports and import substitution, as well as the elimination of critical development bottlenecks, particularly likewise related to export production.

This specialized source of credit on reasonable terms is needed because of limitations of credit necessary in Colombia, which create severe competition for credit for new investment projects. Even with improved general availability of credit to the private sector, as the result of a new stabilization and development program, credit is bound to remain short as compared to a demand stimulated by greater imports and the resulting increasing economic activity. Opportunities and profits in import and domestic investment will continue to make most investment for export production an unequal, weaker, contestant for capital. PIF thus is an inducement to Colombian entrepreneurs to venture beyond their profitable and protected domestic markets, and seek international markets instead.

Operations and lending policies of the Private Investment Fund are governed by Resolution No. 11 of February 1963 of the Board of Directors of the Bank of the Republic. The Fund is administered by the Bank of the Republic with the help of a small staff of economists and engineers and operates through the Colombian banking system, including commercial banks and "Financieras". These act as intermediate credit institutions (ICI's) receiving requests for financing of projects falling within the three aforementioned purposes. The ICI's are required to evaluate the technical, economic and financial aspects of the projects, guarantee repayment of the PIF loans, and make field checks on the execution of the project to ensure utilization of funds as agreed upon in each case. The loan applications evaluated by the ICI's are then submitted to the PIF for final analysis and review, including evaluation of benefits to the economy. Final approval of loans rests with the Bank of the Republic's Board of Directors.

Loan projects above $500,000 proposed for financing from the AID $10 million dollar loan of 1964 may only be approved if the Export- Import Bank of Washington decides not to make such a loan directly. PIF's lending operations are also coordinated with the Cooley Loan Program.

2. Course of Action

As the $10 million loan (AID No. 514-L-040) contracted in December 1964 may be used only to cover the foreign exchange requirement of eligible projects, its utilization is dependent on financing of the peso costs of such projects from applicants' own resources and peso loans available to them. Peso lending capital previously made available to PIF from Program Loan proceeds and a $1.2 million loan by the Netherlands Government (available to meet either foreign exchange or local costs) were fully expended some time ago. As a result, utilization of the AID dollar loan has been delayed. However, 160 million pesos from already existing proceeds of the 1964 AID program loan and up to 135 million peso proceeds from the $10 million forward procurement portion of that loan are being provided to PIF during FY 1966 and it is therefore expected that the AID dollar loan will be fully or largely committed for specific re-lending projects either during the remainder of FY 1966 or early in FY 1967. A new $10 million AID loan to PIF is therefore proposed for FY 1967.

There are also pending negotiations between the GOC and the IBRD for additional loan capital for PIF. A $3 million loan was made to PIF by the IDB some time ago, and has been partially utilized. Other foreign financing is under consideration. USAID and the GOC have agreed to plan jointly ways and means of placing the financing of PIF, particularly for local costs, on a more permanent basis, so as to make PIF less dependent on foreign assistance.

3. Progress to Date

As a result of recommendations of the IBRD, the Panel of Nine of the Alianza and AID, the Colombian Government established in February 1963 the Private Investment Fund. The resources of PIF were originally established by an allocation of the equivalent of $30 million (270 million pesos) from the proceeds of the $60 million Program Loan of December 1962. Of this amount, 210 million pesos were made available in 1963. An additional 50 million pesos were allocated to PIF from Program Loan proceeds in early 1965, bringing the total to 260 million. In June 1965, further 80 million pesos were provided PIF from the proceeds of the 1964 Program Loan and a second assignment of 80 million pesos from the same source is in the process of final approval. PIF also obtained loans from the Netherlands Government and the IDB of $1.2 million and $3 million respectively. The IDB loan which has more narrowly defined criteria, has not yet been utilized. Several projects for partial financing from the AID $10 million loan are under consideration by the Banco de la Republica.

Since the beginning of operations on June 20, 1963, PIF has received applications amounting to 1,039 million pesos. Of the applications, 96 applications amounting to 476 million pesos were approved as of August 31, 1965 as follows:

Year	Applications Approved	Amount Approved (Million pesos)	Disbursements (Million pesos)
1963	50	240	65
1964	43	198	204
1965	3	38	47.9
	96	476	316.9

Actual peso availabilities to August 31, 1965 total 352 million pesos (plus minor sub-loan repayments so far) composed of Program Loan proceeds totalling 340 million and the proceeds of the Netherlands dollar loan. Agreement has been reached on allocation to PIF of an additional 80 million pesos from already available program loan proceeds as well as of all proceeds accruing from the $10 million forward procurement portion of the 1964 Program Loan (which will yield between 90 and 135 million pesos sales proceeds depending on the commodities actually procured). With these allocations, total peso availabilities for PIF will reach 522 to 567 million prior to any allocation of pesos from the proceeds of new program loans.

Although, as evidenced by the above PIF has made loan commitments in advance of actual availabilities, these are now assured, including funds for additional projects. Moreover, one of the sub-loans already approved will be eligible for financing from AID $10 million loan. The slowdown in PIF operations since the latter part of 1964, which is closely related to the lingering crisis of 1964/1965 now being resolved by the GOC through the Vallejo program, should thus soon be replaced by a return to full PIF activity.

It is too early to come to firm conclusions as to the impact of the PIF lending program upon Colombia's balance of payments and export diversification problems. Although Colombia's minor exports have shown some improvement from a total of $66.4 million in 1963 to 73.1 million in 1964, with a much greater rise in 1965, after the free exchange rate was unpegged, it is not possible to correlate any part of this expansion to PIF's lending program because few PIF projects have been in operation long enough to affect this situation.

Notable details of PIF lending operations are as follows:

Economic Justification: Approved project loans were for the following purposes, in accord with objectives of the PIF programs.

Export	35%
Import Substitution	44%
Export and Import Substitution	11%
Export and Bottleneck Resolution	10%

Sector Activity: PIF is not limited to industry. Over one-third of all approved projects (both by number and by value) were in the field of agriculture (including sugar mills).

Type of Production: Of the project loans approved, 62% involved four product lines as follows: Sugar (21%), African Palm (11%), Chemicals (20%) and Paper (10%). Of eight loans for sugar projects, five totalling 82.6 million pesos were made in 1963; two loans in 1964 were for 9.7 million pesos; and the last one in January 1965 for 30 million pesos. PIF has additional sugar applications amounting to about 100 million pesos, but after consultation with USAID, has stopped approving such projects until the export potential of sugar has been re-evaluated.

PIF participation in financing the various projects ranged from 10% to the stipulated maximum of 70%.

Departmental Distribution: Twelve of the eighteen Colombian Departments were represented among approved loans. As might be expected the most heavily developed areas received the bulk of the PIF credit. Almost 70% went to the three Departments of Valle del Cauca (36% - the largest sugar cane and sugar refining area), Antioquia (22%) and Cundinamarca (11%).

Loan Terms and Rates of Interest: Loan terms were up to five years for loans for agriculture and the cattle industry, and up to ten years for industrial loans.

The Intermediate Credit Institutions are authorized to charge the following annual rates of interest;

Activity	Up to 3 Years	3 to 5 Years	Over 5 Years
Industrial	8%	9%	10%
Agriculture & Cattle	8%	9%	-

The BOR charges a rate of 4% to the ICI's for peso funds. Under the AID dollar loan, 4% is charged by BOR for export projects and 6% for others.

4. Funding Requirements

In consideration of past and present performance of the PIF, the USAID proposes another $10.0 million loan during FY 1967.

Foreign assistance in development of transportation networks and expansion of power facilities has traditionally come mainly from the IBRD and it is expected to continue to come primarily, although not exclusively, from non-U.S. sources. AID is providing a relatively small amount of grant assistance in highway construction and road maintenance and improvement through the Civic Action program under Goal 2. Also, a loan of $1.3 million was executed in May 1964 for three pilot projects in Rural Electric Cooperatives. No further funding for this activity is contemplated until the pilot projects have proved successful.

USAID is proposing another power project assistance one-shot operation. This is the Calima I Hydro-Electric Plant for which the IBRD has provided substantial loans, but not enough to complete it. USAID has proposed funding remaining dollar costs ($1,000,000) during FY 1966 under certain circumstances spelled out in an Intensive Review Request recently forwarded to AID/W.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 September 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-22-220-110

4. TITLE: ELECTRIC POWER DEVELOPMENT (RURAL ELECTRIC COOPERATIVES) a/

5. U.S. FUNDING: BEGIN FY 1964 — END FY 1966

PHYSICAL WORK: 1965 — 1968

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 (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AL	L	1,300			69					600		640		
	GROSS OBLIGATIONS (ACTUAL YEAR)															
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	AL	L	-0-												
	EXPENDITURES (ACTUAL YEAR)															
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	1,300			60					600		640		
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	AL	L	620			20					200		400		
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	680			40					400		240		
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS											-				
	B. EXPENDITURES	AL	L	680			40					400		240		
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AL	L	-			-					-		-		
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/															
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/															
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AL	L	1,300			60					600		640		

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.-

SECURITY CLASSIFICATION: UNCLASSIFIED

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
1 September/65	COLOMBIA	Funding	1964	1966	514-22-220-110	ELECTRIC POWER DEVELOPMENT (RURAL ELECTRIC COOPERATIVES)
		Phys. Work	1965	1968		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED		a. FUNDS (1) TYPE	a. FUNDS (2) SOURCE	a. FUNDS (3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
TOTAL ACTUAL FY 65	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				400		6,000						6,000
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
III BUDGET YEAR (EST.) FY 67	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/				240		3,100						3,100
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 68	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/												
		(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/												
		(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/												
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													

REMARKS:

1/ Exchange Rate: $1 = 15 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.	BEG. FY	END FY	4. PROJECT NO.
		PERSONNEL SERVICES			
		PARTICIPANT TRAINING			

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY____ Direct	PASA	Contract	c. OPERATIONAL FY____ Direct	PASA	Contract	d. BUDGET FY____ Direct	PASA	Contract	e. PLANNING FY____ Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.																					
		Non U.S.																					
	B. ON 1/ BOARD	U.S.						–	NOT	APPLICABLE		–											
		Non U.S.																					
II. PARTICIPANTS PROGRAMMED	A. U.S.																						
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION: UNCLASSIFIED

1. The Activity Target

a) Calima I - Hydroelectric Project (CVC)

A $1.0 million loan to the Cauca Valley Corporation is proposed to permit early completion of the gravel and slate dam structure and the 120,000 KW hydroelectric generation plant on the Calima River (Cauca) (underground power house, generating units, water and access tunnels, and substation). This project was initiated under IBRD financing which has proved insufficient to complete the project. The proposed loan is being coordinated with the IBRD.

The Calima I power project is urgently required to supplement the CVC power system which is deficient in capacity and overloaded. New power output is primarily needed for the Cali industrial area where load growth has exceeded 21% in some years. Cali's rapid industrial growth would be seriously hampered if there are further delays in putting the Calima plant into service.

b) Rio Nare Hydroelectric Project

This hydroelectric project of the Empresas Públicas de Medellin, started under an IBRD loan, will receive 15 million pesos from proceeds of the 1964 program loan, in close coordination with the IBRD. The project is located on the Rio Nare 40 kilometers east of Medellin and is designed for an eventual total generating capacity of 264,000 KW, one half of which (two 66,000 KW units) will be installed under this project, to be in service in mid 1968. The Rio Nare plant is required to meet the growing power requirements of Medellin and its satellite communities, one of the fast growing industrial centers in Colombia. Medellin's urban population has been growing at the rate of 6.2% and the system loads at 9.0% yearly. The Rio Nare project is also important as the main point of integration of the projected interconnected electric networks of Bogotá, Cali and Medellin.

c) ELECTROAGUAS Power Plants

On the request of the Colombian Government, USAID has agreed to an allocation of 20 million pesos from proceeds of the 1964 program loan, to assist in the construction of electric power projects of Colombia's natinnal power agency ELECTROAGUAS (Instituto de Aprovechamiento de Aguas y Fomento Eléctrico). Five projects have been identified, four of which obtained external financing of foreign exchange costs or are currently negotiating such financing in the total amount of $10.3 million.

The projects are as follows:

Location - Type	New or Added Capacity	Total Cost Millions Dollars	Local Cost	Foreign Exchange Source
Cartagena, Thermal	12.5 MW	1.8	0.3	1.5 Ex-Im
Chinú, Thermal (2)	10.0 MW	3.4	0.7	2.7 Ex-Im
Tibú, Thermal	24.0 MW	7.7	4.6	3.2 IDB
Rio Mayo, Hydro Plant	21,0 MW	7.3	4.4	1.6 Ex-Im 1.3 SYBETRA (Belgium)
Bucaramanga, 115 KV Line	11.3 MW	1.64	0.95	
TOTAL		21.84	10.95	

d) Rural Electric Cooperatives

The AID loan of up to $1.3 million signed in May 1964 covers three rural electrification projects specifically designed to demonstrate the economic and social effects of the supply of electricity to rural families and to test the cooperative medium for the distribution of electricity. This loan finances the construction of electric power transmission and distribution facilities, technical assistance, tools and equipment and working capital for development of the cooperatives, as well as credit to members of the cooperatives for installation of home wiring and purchase of certain electrical equipment.

Of the three projects, one is located in the Sevilla-Caicedonia area, Department of Valle, where economic development is lagging and considerable social unrest prevails, but light manufacturing is practical. The other two projects are located in the vicinity of Cúcuta, North Santander. One of these will serve over 1500 households and small commercial establishments in the Durania-Bochalema-Diamante and Chinacota area where small agricultural holdings predominate. The other project will serve 645 households in the Tibú area and will make possible a variety of economic activities, including small-scale industry.

The projects will be managed by the Cauca Valley Corporation and the Norte Santander Central Power Company, respectively. The loan-financed 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.

e) Village Power Pack Project (Peace Corps)

This experimental rural electrification project is destined

for 15 small villages in various carefully selected locations which do not have prospects of obtaining regular power service within the next five years. A main purpose of the project is to permit study of the impact of a power source upon the social and economic development of the village involved. The research phase is carried out through a contract with the American Institute for Research of Washington, D. C.

Site selections in 8 Departments were made by the USAID in consultation with the Colombian electric power agency ELECTROAGUAS, Acción Comunal and the U.S. Peace Corps. In each village selected, a Peace Corps Volunteer was assigned to prepare and organize the community and to arrange Project Agreements with Departmental ELECTROAGUAS offices which assume responsibility for installation of the 5 to 20 KW gasoline or diesel generators, distribution lines, maintanance and operational service. Village suscribers pay for the power at prevailing rates in the area.

2. Course of Action

During FY-1966/1967, the following financing is proposed for the aforementioned five projects:

a) Calima I Hydroelectric Project - $1.0 million. Also 30 million pesos from proceeds of 1964 Program Loan.

b) Rio Nare Hydroelectric Project - 15,000,000 pesos from 1964 Program Loan proceeds - No dollar financing by AID proposed.

c) ELECTROAGUAS - power plants - 20,000,000 pesos from 1964 Program Loan proceeds. No dollar financing by AID proposed.

d) Rural Electric Cooperatives - AID Loan No. 514-L-035, $1.3 million. No few financing proposed.

e) Village Power Pack Project (Peace Corps). Financed by prior year Regional Grant of $2,545 for 15 motor-generator units.

3. Progress to Date

a) Calima Hydroelectric Project

The project is more than 95% complete. Engineering design and construction supervision have been provided by TAMS and Gibbs & Hill of New York and INGETEC of Bogotá. Construction is being accomplished by Perini Corp. of Massachusetts under contract of 1961. Impounding of the dam reservoir began in early 1965 and power production is expected late this year or early 1966. Two IBRD loans of $19.56 millions have left approx. $900,000 remaining costs to completion. USAID has submitted Intensive Review Request (IRR) for financing of this amount if IBRD does not provide a third loan. IBRD has recently indicated it will not make a third loan for this project.

b) Rio Nare Hydroelectric Project

The project is in the preliminary work stage. The work camp and most of the access roads have been built. Although a number of bid proposals have been received, the major contracts for construction and for procurement of generating equipment have yet to be let. Overall the project is on schedule and completion is expected by mid 1968.

c) ELECTROAGUAS Power Plants

The larger Rio Mayo and Tibú projects were begun during 1963 and completion is expected in 3 and 5 years, respectively. The Bucaramanga, Cartagena and Chinú power projects were initiated during 1964 and completion is expected in approximately two years.

Technical specifications, contract documents, engineering and construction design for the only hydroelectric project in this group, Rio Mayo, have been prepared by SYNDIBEL of Belgium. The first two generating units, substation and control equipment are being procured through SYBETRA of Brussels under medium term financing from the manufacturers. Procurement of the third generating unit, for Rio Mayo the Pasto-Popayán 115 KV transmission line, and associated substations will be made under EXIMBANK financing.

d) Rural Electric Cooperatives

Although the Loan Agreement with ELECTROAGUAS, CVC and Norte de Santander Power Company (the last two entities are the actual executing agencies) was signed in May 1964, the Conditions Precedent to initiation of disbursement have not yet been completely fulfilled. A contract for a Rural Electrification Specialist to supervise the project and service contracts between the two power companies LES and the respective cooperatives remains to be finalized. The three cooperative groups have been organized and managers elected and approved. Plans and specifications are practically completed and disbursement is expected to begin before the end of the year.

e) Village Power Packs

The first power pack of 10 KW capacity was installed by ELECTROAGUAS with the collaboration of Acción Comunal and the Peace Corps in March 1964 in the pueblo of Pescado (Department of Huila). A total of 15 power packs have now been installed in different villages throughout Colombia. The final unit is expected to be installed shortly in Nariño (Department of (Córdoba).

A preliminary survey revealed that a considerable number of units are inoperative for lack of spare parts and maintenance service by the Departmental power company office. A more complete survey now underway in collaboration with the Peace Corps will determine the nature of problems and corrective measures required. If necessary, power packs will be transferred to new sites where conditions for proper operation and maintenance are more favorable.

AIR (American Institute for Research) began the field research in April 1965 under AID Contract No. AID/csd-755. The first report is expected in early 1967. The research project includes the events before and after installation of the electrical plants, the physical appearance of the towns, brief discussion of their history, imigration and emigration, assessment of the morale of the towns, of cohesive and divisive factors, informal and formal leaders and specialists, social stratification, relationships with nearby towns, descriptions of typical families and living conditions, communications and transportation facilities, beliefs, attitudes and value systems, the economics of the towns, and present and intended uses of the electrical generators.

4. Funding Requirements

a) Calima Hydroelectric Project

As of March 31, 1965, two IBRD loans had provided $19.56 million of the total estimated foreign exchange required for the project. Of the $2.12 million of project costs remaining, $1.24 million are to be covered by the balance in IBRD loans leaving a balance of $880,000. The conditionally proposed $1 million AID loan is intended to cover this requirement as well as interest payments to AID during construction and an amount for contingencies.

Current peso estimates for construction of the project amount to 122 million pesos, plus CVC administrative costs and interest during construction, or a total of 146 million pesos. Financing is provided by CVC from its own income, loans from local banks and Financieras, advances from Perini, the construction contractor, budget allocations and an allocation of 30 million pesos of AID program loan proceeds.

b) Rio Nare Hydroelectric Project

The foreign exchange requirements of STAGE I of the Rio Nare project will be met by a $47 million loan from IBRD granted in February 1964 (60% of the total investment).

AID has agreed to allocate 15 million pesos from Program Loan proceeds to cover the deficit in the early part of the first stage of construction. The current estimate of peso requirements for completion of the first stage of construction (5 years duration) is about 275 million pesos. AID has previously provided 4.2 million pesos in the form of a 104(g) loan from PL-480 funds through the Caja Agraria. The balance of peso needs will be provided by the Empresas Públicas of Medellin from its own sources.

c) ELECTROAGUAS Power Plants

Allocation of 20 million pesos from Program Loan proceeds, was agreed to in September 1965 to assist in financing part of the peso requirements for the five plants. The major part of the pesos required will be provided by ELECTROAGUAS. External financing has been indicated under 1. above.

d) Rural Electric Cooperatives

No new dollar or peso funding is contemplated for this project.

e) Village Power Packs

AID provided complete grants for procurement of the fifteen power packs including the costs of ocean shipment. No further funding is contemplated.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 SEPTEMBER 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-11-370-029

4. TITLE: CIVIL AVIATION

5. BEGIN FY / END FY
- U.S. FUNDING: 1965 / 1965
- PHYSICAL WORK: 1955 / 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 (1) U.S. AGENCIES: AID	e. (1) U.S. AGENCIES: PASA	e. (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	DG	G	476		79	243		113		31		10			
		AB	G	150							150					
		AG	G	170		18	99		28		19		6			
	GROSS OBLIGATIONS (ACTUAL YEAR)															
		AG	G	12			11		1							
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	DG	G	476		79	243		113		31		10		27	
		AB	G	15							15					
		AG	G	161		18	91		27		19		6		11	
	EXPENDITURES (ACTUAL YEAR)															
		AG	G	12			12									
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AB	G	135 a/							135					
		AG	G	9 b/			8		1							
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS															
	B. EXPENDITURES	AB	G	135 a/							135					
		AG	G	9 b/			8		1							
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	-			-		-		-					
		AG	G	-			-		-		-					
III. BUDGET YEAR (EST.) FY ____	A. GROSS OBLIGATIONS															
	B. EXPENDITURES															
	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/	DG	G	476		79	243		113		31		10			
		AB	G	150							150				38	
		AG	G	170		18	99		28		19		6			

REMARKS:

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

2/ Show estimated expenditures in column i.

a/ Pipeline due to delays in commodity procurement for SATENA portion of the activity.

b/ Terminal costs for discontinuing PASA with FAA.

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
1 SEPTEMBER/65	COLOMBIA	Funding	1955	1965	514-11-370-029	CIVIL AVIATION
		Phys. Work	1955	1965		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/		G		38		380			220	100		60
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
TOTAL ACTUAL FY 65	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
III BUDGET YEAR (EST.) FY	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												
IV PLANNING YEAR (EST.) FY	A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/												
	(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/												
	(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		38		380			220	100		60
	(ii) TRUST FUND												
	(iii) OTHER LC												
	B. P.L. 480 LC												

REMARKS:

1/ Exchange Rate: $1 = 10 pesos prior year - $1.00 = 15 current year.

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.	BEG. FY	END FY	4. PROJECT NO.
1 SEPTEMBER 1965	COLOMBIA	PERSONNEL SERVICES	1955	1965	514-11-370-029
		PARTICIPANT TRAINING	1956	1966	

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.		20																		20	
		Non U.S.		20																		20	
	B. ON 1/ BOARD	U.S.																					
		Non U.S.																					
II. PARTICIPANTS PROGRAMMED	A. U.S.		60			5															60		
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION: UNCLASSIFIED

Only two projects fall under this heading:

a) Special Development Activities

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. To the extent possible these funds will also be used to encourage and support deserving Colombian private efforts in population control.

It is intended to approve requests of such entities as village or town councils, schools, cooperatives, health institutions, voluntary agencies and similar organizations, 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.

Typical examples of the types of projects under this activity are:

A grant of 10,000 pesos to an association for assistance to widows and orphans of victims of violence in the Department of Tolima. The association had provided dwellings and built a school through community efforts. On land provided by the City of Ibague the violence victims are producing marketable products. The project grant will assist in the construction of a small public market through which they can sell their produce.

A grant of 2,000 pesos to provide roofing material for a night school built by community effort in a poor barrio of Bogotá.

A grant of 1,681 pesos to provide flooring for a community-action built school in a rural community in Cundinamarca Department.

A grant of 4,541 pesos to provide chairs for a community center.

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 1966 and 1967.

b) Technical Support

The objective of this activity is provision of general support services and administrative management for all program activities, and funding the partners of the Alliance projects which are general in nature and cannot be properly allocated to particular goals. Technical assistance funding will be required for both FY 1966 and FY 1967.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 SEPTEMBER 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-15-990-092

4. TITLE: SPECIAL DEVELOPMENT ACTIVITIES

5.		BEGIN FY	END FY
U.S. FUNDING:	1964	1970
PHYSICAL WORK:	1964	1970

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 (1) U.S. AGENCIES: AID	e. PERSONNEL SERVICES (1) U.S. AGENCIES: PASA	e. PERSONNEL SERVICES (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. PARTICIPANTS (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. COMMODITIES (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. OTHER COSTS (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	AG	G	100							42		58			
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	50									50			
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	AG	G	30							6		24		21	
	EXPENDITURES (ACTUAL YEAR)	AG	G	7									7		7	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	70							36		34			
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	50							20		30			
	B. EXPENDITURES	AG	G	90							40		50		50	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	30							16		14			
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	50							20		30			
	B. EXPENDITURES	AG	G	60							20		40		40	
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	20							16		4			
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	50							20		30		30	
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	100							40		60		60	
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	350							142		208		201	

REMARKS:

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

2/ Show estimated expenditures in column i.

Note: High percentage of "Other Costs" is used for local procurement of supplies, materials, equipment, etc., to complete community action projects.

AID 1020-3 (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
SEPTEMBER 1/65	COLOMBIA	Funding	1965	1970	514-15-990-092	SPECIAL DEVELOPMENT ACTIVITIES
		Phys. Work	1965	1970		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED		a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/		G		21		270		65				205
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
TOTAL ACTUAL FY 65	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/		G		7		105		15				90
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.) FY 66	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/		G		50		750		600				150
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
III BUDGET YEAR (EST.) FY 67	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/		G		40		600		500				100
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 68	A. FA ACT	(i) LC COSTS CHGD TO $ ACCTS. 2/		G		30		450		350				100
		(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		60		900		700				200
		(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		201		2,970		2,215				755
		(ii) TRUST FUND												
		(iii) OTHER LC												
	B. P.L. 480 LC													

REMARKS:

1/ Exchange Rate: $1 = 10 pesos prior years - 15 pesos operational year and later. Note.: See under "Remarks" on E-1a table.

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.	BEG. FY	END FY	4. PROJECT NO.
		PERSONNEL SERVICES			
		PARTICIPANT TRAINING			

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY____ Direct	PASA	Contract	c. OPERATIONAL FY____ Direct	PASA	Contract	d. BUDGET FY____ Direct	PASA	Contract	e. PLANNING FY____ Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.																					
		Non U.S.																					
	B. ON 1/ BOARD	U.S.							Not applicable														
		Non U.S.																					
II. PARTICIPANTS PROGRAMMED	A. U.S.																						
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION: UNCLASSIFIED

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 1966 and 1967.

2. 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 villages or town councils, schools, cooperatives, health institutions, voluntary agencies and similar organizations with small amount 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

The experience of the USAID is that most of the funds have gone to community organizations which have been working on a project on their own but, because of a shortage in funds, require special assistance to bring the project to completion. These projects generally involve the purchase of building materials to assist in the completion of schools, health centers, rural aqueducts, or community centers or supplies and equipment for these types of community institutions.

The USAID feels sure that the impact of these projects within the communities assisted has been very good. The assistance generally is granted at critical moments of the project and, as a consequence, the impact is generally magnified beyond the monetary value of the assistance. The effect of the assistance in terms of lasting institutional benefits within communities assisted is hard to gauge given the shortness in time that the projects have been operating. It would appear reasonable, however, to expect that the physical accomplishment of these community efforts would be sustained by the community. The fact that they succeed, in large part on their own, should give the community a sense of the possible in cooperative action and a confidence in their own capacities to achieve community improvements. In some instances, the assistance may have been the difference between the desintegration of community action groups and their continued existence. Through their successes, neigboring communities have been stimulated to undertake like projects.

About 85 to 115 community type organizations have received assistance to date from this project. The range reflects the fact that certain purchases made through this project are circulated on a loan basis from community to community and the number of communities assisted have not been tabulated. Secondly, certain commodities purchased from excess property in one action by the Special Projects Review Committee have subsequently been distributed to a number of

communities not tabulated separately in this listing of actions taken.

The community actions projects assisted break into the following fields:

Field	No.	Field	No.
Education	26	Const. Equip. (reused)	10 - 20
Health	7	Excess Property	20 - 40
Community Center	8	Cooperatives	2
Playgrounds	3	Rural Electrification	1 *
Social Services	5	Aqueducts	1 *
Nutrition	1		
Public Markets	1		
			85 to 115 projects

* Excess property has contained generators and water pumps. The number of projects stated in these fields are therefore understated.

AID 1020-2 (8-64)

E-1a

PROJECT DATA SUMMARY — AID DOLLAR COSTS

SECURITY CLASSIFICATION: UNCLASSIFIED

1. DATA CURRENT AS OF: 1 SEPTEMBER 1965

2. COOPERATING COUNTRY: COLOMBIA

3. PROJECT NO.: 514-15-990-000

4. TITLE: TECHNICAL SUPPORT

5.

	BEGIN FY	END FY
U.S. FUNDING:	1954	1970
PHYSICAL WORK:	1954	1971

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 (1) U.S. AGENCIES: AID	e. (1) U.S. AGENCIES: PASA	e. (2) CONTRACT	f. PARTICIPANTS (1) U.S. AGENCIES	f. (2) CONTRACT	g. COMMODITIES (1) DIRECT AND U.S. AGENCIES	g. (2) CONTRACT	h. OTHER COSTS (1) DIRECT AND U.S. AGENCIES	h. (2) CONTRACT	i. 1/ LOCAL CURRENCY COSTS CHARGED TO DOLLAR ACCOUNTS (1) DIRECT AND U.S. AGENCIES	i. (2) CONTRACT
I. THRU ACTUAL YEAR FY 65	A. CUMULATIVE NET OBLIGATIONS THRU ACTUAL YEAR	DG	G	347		205			8		12		122			
		AG	G	2,100	177	1,482		71			137	81	304	25		
	GROSS OBLIGATIONS (ACTUAL YEAR)	AG	G	795	120	532		52			102	43	41	25		
	B. CUMULATIVE EXPENDITURES THRU ACTUAL YEAR	DG	G	347		205			8		12		122		208	
		AG	G	1,964	129	1,426		46			113	61	296	22	961	129
	EXPENDITURES (ACTUAL YEAR)	AG	G	671	62	494		19			77	21	38	22	269	93
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	136	48	56		25			24	20	8	3		
II. OPERATIONAL YEAR (EST.) FY 66	A. GROSS OBLIGATIONS	AG	G	860	90	622		25			90	40	58	25		
	B. EXPENDITURES	AG	G	849	89	620		20			85	45	55	24	334	89
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	147	49	58		30			29	15	11	4		
III. BUDGET YEAR (EST.) FY 67	A. GROSS OBLIGATIONS	AG	G	891	86	642		28			100	30	63	28		
	B. EXPENDITURES	AG	G	909	91	660		25			97	40	61	26	350	91
	C. UNLIQUIDATED OBLIGATIONS END OF YEAR	AG	G	129	44	40		33			32	5	13	6		
IV. PLANNING YR. (EST.) FY 68	GROSS OBLIGATIONS 2/	AG	G	925	85	670		30			110	25	60	30	365	100
V. ALL SUBSEQUENT YEARS (EST.)	GROSS OBLIGATIONS 2/	AG	G	2,310	210	1,675		75			275	60	150	75	860	210
VI. CUMULATIVE TOTAL ALL YEARS (EST.)	GROSS OBLIGATIONS 2/	DG	G	347		205			8		12		122		208	
		AG	G	7,086	648	5,091		229			712	236	635	183	2,870	619

REMARKS:

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

2/ Show estimated expenditures in column 1.

AID 1020-B (7-64)

E – 1b

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.	BEG. FY	END FY	4. PROJECT NO.	5. TITLE
SEPT. 1, 1965	COLOMBIA	Funding	1954	1970	514-15-990-000	TECHNICAL SUPPORT
		Phys. Work	1954	1971		6. PRIOR REFERENCES:

7. OBLIGATED AND DISBURSED	a. FUNDS (1) TYPE	(2) SOURCE	(3) LOAN OR GRANT	b. TOTALS (1) DOLLAR EQUIVALENTS (000) 1/ (a) OBLIGATED	(b) DISBURSED	(2) LOCAL CURRENCY UNITS (000) (a) OBLIGATED	(b) DISBURSED	c. PHYSICAL FACILITIES AND EQUIPMENT LOCAL CURRENCY UNITS (000) (1) OBLIGATED	(2) DISBURSED	d. OPERATIONAL SUPPORT LOCAL CURRENCY UNITS (000) (1) U.S. ADMINISTERED PERSONNEL, DISBURSED (a) U.S. PERS.	(b) NON-U.S. PERS.	(2) OTHER (a) OBLIGATED	(b) DISBURSED
I CUMULATIVE THRU ACTUAL YEAR — A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/			G		1,298		14,790		795	3,370	5,250		5,375
(ii) TRUST FUND													
(iii) OTHER LC													
B. P.L. 480 LC													
TOTAL ACTUAL FY 65 — A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/					362		5,430		645	960	1,830		1,995
(ii) TRUST FUND													
(iii) OTHER LC													
B. P.L. 480 LC													
II OPERATIONAL YEAR (EST.) FY 66 — A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/					423		6,345		875	1,080	2,305		2,085
(ii) TRUST FUND													
(iii) OTHER LC													
B. P.L. 480 LC													
III BUDGET YEAR (EST.) FY 67 — A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/					441		6,615		995	1,190	2,315		2,115
(ii) TRUST FUND													
(iii) OTHER LC													
B. P.L. 480 LC													
IV PLANNING YEAR (EST.) FY 68 — A. FA ACT (i) LC COSTS CHGD TO $ ACCTS. 2/					465		6,975		1,160	1,300	2,350		2,165
(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/					1,070		16,050		1,570	3,250	5,800		5,430
(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/					3,697		50,775		5,395	10,190	18,020		17,170
(ii) TRUST FUND													
(iii) OTHER LC													
B. P.L. 480 LC													

REMARKS:

1/ Exchange Rate: $1 = 10 pesos prior years - 15 pesos operational year and later.

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.	BEG. FY	END FY	4. PROJECT NO.
SEPT. 1, 1965	COLOMBIA	PERSONNEL SERVICES		1971	514-15-990-000
		PARTICIPANT TRAINING			

5. NUMBERS OF PERSONS-PROJECT PERSONNEL AND PARTICIPANTS			a. CUM. THRU ACTUAL FY Direct	PASA	Contract	b. ACTUAL FY 65 Direct	PASA	Contract	c. OPERATIONAL FY 66 Direct	PASA	Contract	d. BUDGET FY 67 Direct	PASA	Contract	e. PLANNING FY 68 Direct	PASA	Contract	f. ALL SUBSEQUENT FYs Direct	PASA	Contract	g. TOTAL ALL YEARS Direct	PASA	Contract
I PROJECT PERSONNEL	A. MAN YEARS	U.S.	84			19			21			25			25			65			279		
		Non U.S.	245			56			65			65			65			160			600		
	B. ON 1/ BOARD	U.S.				20			25			25			25								
		Non U.S.				60			68			68			68								
II. PARTICIPANTS PROGRAMMED	A. U.S.																						
	B. THIRD CTRY.																						

REMARKS:

1/ End of Fiscal Year

SECURITY CLASSIFICATION: UNCLASSIFIED

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 or administrative personnel, i.e., Assistant Program Officers, Training Officer, Supply Advisor, Field Support Officer, 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 local-hire employees.

Technical support services also are required to fund a pro rata share of overhead and 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 support "Partners of the Alliance" activities with certain costs of international travel and local per diem, amounting to approximately $10,000 annually.

3. Funding Requirements

TC funds required for this activity are as follows:

a. Staff Requirements - U.S. Technicians

Position Title	POS. #	GRADE	FY 1966	FY 1967
1 - Supply Advisor	160	FSR-4		
2 - General Services Officer	271	FSR-4		
3 - Asst. Dir. Dev. Planning	223	FSR-2		
4 - Special Asst. Prog. Coord.	227	FSR-3		
5 - Program Documents Clerk	186	FSS-11		
6 - Secretary	178	FSS-8		
7 - Prog. Economist-Public Finance	270	FSR-3		
8 - Asst. Program Officer	179	FSR-3		
9 - Asst. Program Off. Oper.	185	FSR-4		
10 - Asst. Program Off. Oper.	187	FSR-4		
11 - Program Analyst Oper.	228	FSR-6		
12 - Secretary	226	FSS-9		
13 - Secretary	202	FSS-9		
14 - Secretary	255	FSS-9		
15 - Secretary	256	FSS-9		
16 - Food for Peace Officer	206	FSR-4		
17 - Training Officer	211	FSR-4		
18 - Program Economist	243	FSR-3		
19 - Mission Engineer	174	FSR-2		
20 - Deputy Mission Engineer	254	FSR-3		
21 - Capital Dev. Officer	234	FSR-3		
22 - Asst. Capital Dev. Offr.	215	FSR-5		
23 - Jr. Officer (Dev. Loan)	257	FSR-6		
24 - Dev. Loan Asst. (Trainee)	242	FSR-7		
25 - Asst. Prog. Off. - Implementation (FY 1967)			437,000	457,000

b. Staff Requirements - Local Hire

68 local hire personnel — 210,000 | 213,000

c. Commodities

Household Furniture; Office Equipment and Supplies; Vehicle Replacement, etc. — 130,000 | 130,000

d. Other Costs

Repairs; Maintenance; Storage; General Services; Operations and repair of program vehicles, pro rata share of rents, communications, utilities, miscellaneous expenses and contract services. — 83,000 | 91,000

TOTAL — 860,000 | 891,000

AID 1020-9 (5-65)

E-2

PROGRAM ASSISTANCE – FOOD FOR PEACE (In Thousands)

SECURITY CLASSIFICATION UNCLASSIFIED

E-2

1. DATA CURRENT AS OF: 1 September 1965

2. P.L. 480 (Check all applicable boxes) ☒ TITLE I TITLE II: ☐ SEC. 201 ☒ SEC. 202 ☒ TITLE III ☒ TITLE IV

3. COOPERATING COUNTRY COLOMBIA

4. TITLE AND COMMODITY ★	A. PROGRAMMED YEARLY AVERAGE DURING BASE PER. FY 58 THRU FY 62 (a) QUAN. & UNIT ★	(b) $ VALUE ★	B. UNDELIVERED END OF PRIOR YR 6/30/ (a) QUAN. & UNIT	(b) $ VALUE	C. ACTUAL YEAR FY 1965 (1) PROGRAMMED (a) QUAN. & UNIT	(b) $ VALUE	(2) DELIVERED (a) QUAN. & UNIT	(b) $ VALUE	(3) UNDELIVERED (a) QUAN. & UNIT	(b) $ VALUE	D. OPERATIONAL YEAR (Est.) FY 1966 (1) PROGRAMMED (a) QUAN. & UNIT	(b) $ VALUE	(2) DELIVERED (a) QUAN. & UNIT	(b) $ VALUE	(3) UNDELIVERED (a) QUAN. & UNIT	(b) $ VALUE	E. BUDGET YEAR (Est.) FY 1967 (1) PROGRAMMED (a) QUAN. & UNIT	(b) $ VALUE	(2) DELIVERED (a) QUAN. & UNIT	(b) $ VALUE	(3) UNDELIVERED (a) QUAN. & UNIT	(b) $ VALUE
Title I																						
Wheat, Wheat Flour	118.0	8.3	-o-	-o-	70.0 1/	5.10	36.6	2.72	33.40	2.38	13.8	1.0	-	-	-	-	199.0	15.8	-	-	-	-
Oils (VEG.)	4.2	1.4	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	6.0	2.0	-	-	-	-	9.4	3.0	-	-	-	-
Tallow	-o-	-o-	-o-	-o-	4.0 1/	.70	2.9	.70	-o-	-o-	108.0	2.0	-	-	-	-	15.0	3.0	-	-	-	-
Tobacco	2	.4	-o-	-o-	0.08 1/	.10	-o-	-o-	0.08	.19	.3	.6	-	-	-	-	.4	.7	-	-	-	-
Feed grains	N.A.	2.2	-o-	-o-	8.0 1/	.50	-o-	-o-	8.0	.50	23.0	1.6	-	-	-	-	25.5	1.8	-	-	-	-
Lentils, Beans, etc.	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	10.0	1.5	-	-	-	-	10.5	1.7	-	-	-	-
TOTALS	122.4	12.3	-o-	-o-	82.08	6.49	39.5	3.42	42.48	3.07	187.3	18.7 2/	-	-	-	-	257.8	26.1 2/	-	-	-	-
Title IV(1963 only)																						
Wheat	29.6	1.90	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-
Inedible Tallow	2.1	.34	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-
C. seed Soy Oil	10.0	2.70	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-
Cigarettes	.12	.26	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-
	41.82	5.20	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-
3/ Title III																						
All donated food commodities	60.0	12.2	-o-	-o-	43.0	11.5	21.5	5.7	21.5	5.8	43.0	11.5	-o-	-o-	43.0	11.5	43.0	11.5	-o-	-o-	43.0	11.5
Title II																						
4/ W.F.P. Section 202 Supplementary																						
Child Feeding	0.72	.137	-o-	-o-	0.72	.137	.036	.068	0.36	.68	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-	-o-
GRAND TOTAL					125.9	18.1	61.0	9.2	63.0	9.0	125.0	19.2	-o-	-o-	125.0	19.1	125.0	19.1	-o-	-o-	125.0	19.1

★ (a) Quantity in 1,000 metric tons.
★ (b) $ values are in millions.
1/ 1/3 of three year 6th Agreement.
2/ See paragraph 2a. "Course of Action" in text E-1.
3/ Includes: milk, bulgur, cornmeal, fats, oils, flour rolled wheat (beans, & cheese when available in varying amount depending on availability.
4/ Milk & edible oils only.

SECURITY CLASSIFICATION

1. 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, either payable in pesos (Title I) or on very favorable loan terms (Title IV), or without payment altogether (Titles II and III), relieves Colombia's balance of payments problem (Goal 1). The high rate of population growth of per capita consumption of foods such as of wheat and the relatively slow growth of domestic production of foodstuffs and fibers, the latter highlighted by sharp fluctuations in cotton production, all contribute to the importance of Food for Peace agricultural commodities to Colombia. Without the availability of this program, Colombia would be faced with the difficult choice of either diverting a much larger portion of its already inadequate earnings of foreign exchange to pay for food and, at times, fiber imports, which are now supplied through Food for Peace, or to accept a reduction in supply which could not fail to have a serious impact on the none-too-high level of nutrition, the cost of living, and general economic and social stability. Food for Peace imports are making a significant contribution to the maintenance of price stability, not only with respect to the specific commodities so imported, but with respect to the general price level, in view of the importance of food and clothing in the nation's market basket.

The peso payments for PL-480 Title I sales of agricultural commodities, to the extent not reserved for "U.S. uses", are divided among economic development loan projects (Sec. 104g) jointly selected with the Colombian Government, and Cooley Loans (Sec. 104e). The latter, as required by law, finance Colombian investment projects of U.S. business firms, their affiliates or subsidiaries; or new processing facilities using U.S. agricultural commodities, in both cases providing employment and otherwise benefitting the Colombian economy. Pesos generated by Title IV sales are used for social and economic development loans and grants, jointly selected by the GOC and USAID.

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 settlement and supervised agricultural credit programs (Goals 2 and 3).

Title III Commodity grants distributed through Voluntary Agencies relieve causes of social unrest and improve the health and nutrition of children and expectant mothers, among others (Goal 2). The program is one of the major impact activities of the U.S. assistance program in Colombia; it reaches over two and one half million people, most of whom would go without the additional food if it were not provided through this means. This program, therefore, makes a very important contribution to the health of a large portion of the Colombian people. It is of the greatest value among pre-school and school children, where malnutrition, both for economic reasons and ingrained food customs, is widely prevalent. At the same time, the program is of considerable value in creating a favorable image of the United States.

In general, the importance of the Food for Peace program and all its components is magnified in Colombia by the problems impeding a fast and consistant increase in agricultural production that have been described in the statement of the agricultural goal (3).

In addition to its impact on the Colombian economy and people in general, Food for Peace is providing local currency for "U.S. uses" enabling the U.S. Government to meet local currency costs of Embassy, USIS, Treasury, Defense and other agencies 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. The amount generated under the 1964 Sales Agreement depends on the exchange rate applicable to each deposit, and a large portion of it depends on the solution to the exchange rate problems referred to below.

2. Course of Action

Title I

a. Sales of U.S. agricultural commodities under the provision of Title I, PL-480:

The latest Title I sales agreement, the sixth of such agreements with Colombia, was signed October 8, 1964, for agricultural imports totalling $22.8 million. Commodities, principally wheat, are to be imported over a three year or lesser preiod. First actual importations under the new Sales Agreement began January 19, 1965. To date, $3.62 million of commodities have been called forward under the agreement of 36,637 tons of wheat (value incl. freight $2,878,000) and 2,234 tons of tallow (value incl. freight $744,000).

However, since the sharp depreciation in the value of the peso in the free exchange market, the GOC has discontinued the purchase of Food for Peace commodities under the sixth Title I Sales Agreement,

because it has been reluctant to pay the U.S. at the free market exchange rate. Payment of such rate would require the GOC either to subsidize the resale of the commodities so imported in the internal economy or to raise existing prices to the consumer, thereby feeding inflationary pressures and attempts at widespread wage increases.

As a result, discussions are being carried on between the GOC and U.S. representatives concerning the possible substitution of a Title IV Sales Agreement for that part of the 1964 Title I Sales Agreement not yet carried out through commodity deliveries. If this problem is solved, the possibility exists that such substitute sales agreement will provide for additional quantities and added commodities, with actual deliveries thereafter accelerated and enlarged, compared to those originally anticipated under the 1964 Sales Agreement.

For FY 1966 the maximum total value of farm commodity imports will approximate $32 million; and will include the following: wheat, $19 million; inedible tallow, $6 million; edible oils, $4 million; lentils, beans, and other $3 million. The "normal marketing" requirements value for these commodities will approximate $12.5 million which should leave about 19 million dollars for PL-480 purchases.

b. Local Currency Proceeds

(1) Utilization of Section 104(g) funds will be programmed jointly with Planeación.

(2) Cooley Loans: Pending applications as of August 12, 1965.

See table No. 4

Title II

Since September 1964, W.F.P. (World Food Program) has initiated a Title II Section 202 supplementary feeding programs of needy groups in rural Caldas, including 7,500 children from one to six years of age, 13,000 children from seven to fourteen years of age attending school, and 9,500 expectant mothers. The food is being distributed through 35 health centers and 83 schools in 15 municipalities, supervised by 21 physicians, 22 medical assistants and 20 social service assistants. W.FP. will provide 630 metric tons of dry skim milk, 97 metric tons of better oil, and 310 metric tons of dried fish. The USG will supply the milk and butter oil component under its pledge to W.F.P. with a commodity grant to up to $520,000, CCC cost including U.S. transportation and handling costs plus $45,000 for ocean freight.

A Title II Food for Work project proposal is now under review with CARE.

Additional possibilities for Food for Work projects will be carefully examined during FY 1966 and 1967.

Title III

Title III represents the largest single U.S. grant program for Colombia. This program is administered by two voluntary agencies, CARE and Catholic Relief Services under the supervision of USAID. Fy 1966 program requirements for both agencies total 119,850,000 pounds of agricultural commodities valued at $14.2 million not including the cost of transportation to the ports of Colombia valued at approx. $2.15 million. The proposed distribution during FY 1966 is as follows:

Category	CARE Recipients	C.R.S. Recipients
School Lunch	1,085,217	325,000
Institutions	54,234	150,000
Family	240,000	150,000
Mother-Child	262,000	40,000
Health Cases	-	40,000
Refugees	1,000	-
Feeding Centers	3,000	100,000
TOTAL	1,645,451	805,000

In FY 1967 these programs are expected to be continued by both agencies at about the same levels, thus commodity requirements and recipient numbers will remain more or less constant. Child feeding and school lunch programs have highest priority and will be further emphasized, followed by needy individuals and families.

Careful consideration is being given to the possibility of an early shift from free to paid school lunches, in accordance with U.S. policy. In view of the continuing economic stringency and general tensions, it was decided not to press for such a shift during FY 1966 but to explore its advantages and disadvantages with a view to possibly instituting the change beginning with the next Fiscal Year.

3. Progress to Date

Title I

a. Commodities.

Six sales agreements have been executed with the GOC under

provisions of Title I, P.L. 480, See Table No. 1 for a listing of Title I sales agreements showing commodities and total dollar values.

b. Local currency proceeds.

The first 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 agreements amounting to about 196.8 million pesos was set aside for 104(g) economic development loans channeled through the Caja de Crédito Agrario Industrial y Minero, a GOC bank. A reserve of 804,000 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, Department 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 list of Loan Agreements under Title I, 104(g). No Loan Agreement has been concluded so far relating to the 1964 Sales Agreement.

Over 70 million pesos have become available for section 104(e), Cooley Loans. A total of twenty-one Cooley Loans, amounting to 62.4 million pesos, covering a wide commercial segment of the Colombian economy, has been made as of June 30, 1965. See Table No. 3 for detailed Cooley Loan activity under Section 104(e). Table No. 4 shows pending Cooley loan applications.

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. 5 for details.

Title II

CARE is now developing a Title II program in conjunction with the Coffee Growers Federation in which food is planned to be used as partial payment of wages for various projects such as road building, improved irrigation systems, etc. These projects are to be tried in the Department of Huila and if this program is approved and is successful it is hoped that it can become a country wide program for all of the needy coffee growers of the Federation.

Title III

The first P.L. 480 Title III program in Colombia began in FY 1954 under the direction of CARE. This initial program utilized approx. one million pounds of commodities valued at $177,000 (C.C.C. value excluding transportation costs) and reached about 100,000 recipients. From this beginning until June 30, 1965, total donations of surplus agricultural commodities amounted to about 672.7 million pounds with a C.C.C. value of about $77.7 million excluding transportation. During the past twelve years, Title III programs have provided supplementary food to an average of 2.5 million recipients daily. See Table No. 6 for a breakdown of Title III activity since its inception in FY 1954.

Title IV

Sales of U.S. commodities under the provision of Title IV P.L. 480.

a. Commodities.

The first Title IV sales agreement was consummated on March 27, 1963. The agreement called for a total purchase of $6.8 million of agricultural commodities. However, there was a shortfall 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 from local sales of Title IV commodities are being used as mutually agreed upon by our two Governments in economic development projects in accordance with the Charter of Punta del Este and the Act of Bogotá. Pesos generated by the Title IV sales agreement were programmed for fourteen mutually approved grant or loan projects, ranging from a population census to construction of roads. See Table No. 8 for approved peso projects under Title IV, and disbursements.

Table No. 1

P.L. 480 Title I Sales Agreement

1st Sales Agreement (as amended) FY-55

	Million Dollars
Wheat	1.6
Cotton	1.6
Oils	1.0
NFDM & Butter	.7
Ocean Trans.	.4
	5.3

2nd Sales Agreement FY-56

Wheat	3.4
Cotton	6.0
Veg. Oil	1.5
Ocean Trans.	.7
	11.6

3rd Sales Agreement (11/17/57)

Wheat	8.62	
Wheat Products/Flour	2.61	
Cotton	1.83	
Oils	1.12	
Ocean Trans.	1.76	
	15.94	In addition 4.46 million dollars worth of commodities paid in dollars.

4th Sales Agreement 1958 (as amended)

Grains (corn, barley, sorgium, oats)	2.2
Veg. Oil	2.5
Cotton	2.8
Tobacco	.5
Dairy Products	.2
Ocean Trans.	.5
	8.7

Table No. 1 (Cont.'d)

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.	3.9
	31.6

6th Sales Agreement (October 8, 1964, 3 year agreement)

Commodity	Export Market Value Million Dollars
Wheat/Wheat Flour	15.3
Feed Grains	1.6
Inedible Tallow	2.0
Tobacco & Products	.5
Ocean Trans. (Estimate)	3.3
	22.7

Table No. 2

P.L. 480 Title I - 104 (g) June 30, 1965

Agreed use of Pesos:

Loan Agreement I - 6/27/57

Cacao	292,000
Secondary Roads	4,900,000
Livestock	1,700,000
Wells	223,500
Lime Kilns	430,000
Fertilizer	12,000,000
Irrigation	850,000
Small Industry	2,153,500
TOTAL	22,549,000

Table No. 2 (Cont.'d)

Loan Agreement II - 4/14/58

Coal	6,000,000
C.V.C.	33,590,000
Fertilizer	27,500,000
Lumber	1,000,000
African Palm	4,075,000
Staca Projects *	835,000
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	2,000,000	
TOTAL	20,000,000	

Note: 3.9 million still to be disbursed for new irrigation projects
1.7 million spent on surveys, studies
5.6

Loan Agreement IV (Revision to PRO/AG dated December 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	(incomplete)
Port Buenaventura	10,000,000	(incomplete)
Ponedera Irrigation	14,347,930	(incomplete)
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)	1,000,000	(incomplete)
TOTAL	94,149,860	

* This sum includes regeneration of pesos and amounts undisbursed from other Agreements (marked in asterisks).

Table No. 3

P.L. 480 Title I Cooley Loans - Section 104 (e)

Loans disbursed: As of June 30, 1965

Abbot Laboratories	7,700,000
Maizena (Corn Products)	5,900,000
Reynolds Aluminium	2,000,000
Carbo-química (Grace)	600,000
Carboard Industry (Cartón de Colombia)	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
Gillete of Colombia (Razor Blades)	4,000,000
Ownes Illinois Intd. (Glass Mfg.)	4,500,000
General Electric	5,000,000
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)	2,273,079
	62,369,079

Table No. 4

Pending Cooley Loan Applications as of Agust 12, 1965 - From Sales Agreement number Sixth, date October 8, 1964, Col. $52,872,135) as of June 30, 1965 - (25% Reserved for Cooley Loans).

1 - Don Pauly - Cheese manufacturer	2,500,000	May 1964
2 - Incubadora Interamericana - Chicken ranch	1,200,000	Oct.1964
3 - Huevos Oro - Egg production, Bogotá	700,000	
4 - Singer - Sewing machines, plant expansion	6,500,000	June 1964
5 - Avícola Colombiana - Chicken ranch	5,000,000	
TOTAL	15,900,000	

Other projects have been declined because of uncertainty of future funding.

Table No. 5

Title I - U.S. uses

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 Binational 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 No. 6

P.L. 480 Title III Programs

FY	Volagency	Commodity Lbs./Volagency (Excluding CARE Food Crusade Pkgs)	Dollar Value ($) Combined Total Pounds (C.C.C.) (Excluding Transportation Costs)	Total Recipients per Volagency
1954	CARE	1,015,000	177,000	101,436
	CARITAS	-	-	-
1955	CARE	2,927,000	946,000	108,289
	CARITAS	-	-	-
1956	CARE	-	-	-
	CARITAS	7,554,411	3,164,000	893,370
1957	CARE	335,364	2,872,000	14,704
	CARITAS	14,351,934		833,986
1958	CARE	16,321,041	7,378,000	453,372
	CARITAS	19,008,924		600,000
1959	CARE	23,956,131	4,180,000	744,524
	CARITAS	17,613,395		670,000
1960	CARE	25,820,000	2,488,000	774,625
	CARITAS	16,554,934		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 (best estimate)	1,756,132
	CARITAS	79,837,000*		1,640,000
1965	CARE	48,419,000	11,510,000	1,688,601
	CARITAS	47,236,000		820,000
1966	CARE	57,020,000		1,645,521
	CARITAS	62,830,000		805,000

Table No. 7

P.L. 480 Title IV Sales Agreement

Date Signed: March 27, 1963 Amended: October 25, 1963

Agreement called for:

Commodity	Approximate - Maximum Quantity (metric tons)	Maximum Export Market Value	Estimated CCC 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	7,450,000

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

Table No. 8

Peso Uses P.L. 480 Title IV Agreement March 27, 1963

Program Goal		Programmed	Disbursed as of March, 1965
		(Million pesos)	
1	Instituto Agustín Codazzi - national property valuation (grant)	3.8	-o-
1	To Agustín Codazzi for construction of buildings	2.7	2.7
2	Slum eradication - Instituto de Crédito Territorial (grant)	20.0	1.5
2	Community Development (grant)	2.0	2.0
2	Shaio Foundation -(loan)	1.2	1.2
2	Ministry of Justice for programs for protection of minors (grant)	0.9	0.9
3	Silos Construction - INA (loan)	15.0	-
4	University of Antioquia	5.2	4.5
4	Dormitories for School of Public Administration of Medellín (grant)	1.0	1.0
4	Laboratory of Zootechnical Investigations, National University (grant)	3.2	3.2
4	Corporation of Residencias. Dormitories for Universitarias (loan)	2.0	2.0
5	Population Census (grant)	28.0	26.0
6	Institute of Technological investigations	1.0	1.0
7	Secondary Roads - Cauca (loan)	4.0	4.0
-	Not programmed: Purchase of Putumayo Farm	-	2.0
	TOTAL	90.0	52.0

Total peso generation from this Title IV Sales Agreement was 67.2 million pesos. The balance of 15.2 million proceeds generated, but not yet disbursed will be allocated among uses programmed but not yet met.