

UNCLASSIFIED

**AGENCY FOR
INTERNATIONAL
DEVELOPMENT**



**FIELD BUDGET SUBMISSION
FY 1976**

GUATEMALA

**DEPARTMENT
OF
STATE**

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FY 1976

FIELD PROGRAM AND BUDGET SUBMISSION

G U A T E M A L A

GUATEMALA

FY 1975 FIELD PROGRAM AND BUDGET SUBMISSION

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PART I

FIELD BUDGET SUBMISSION

A. MAJOR DEVELOPMENTS SINCE THE PART I DAP SUBMISSION

Since mid-1973 when the Part I DAP was prepared, general elections have been held and the country has felt the impact of the energy crisis. These major developments are covered in summary form in the following sections and more in-depth analysis is available in the references cited.

The Elections and the New Government

While the elections of March 1974 were bitterly contested, the Government candidate, General Kjell Laugerud, was elected by Congress and took office on July 1.

President Laugerud has summed up his policy on a number of occasions, including his inaugural address, as creating well-being for those who lack it without taking from those that have it. In the same inaugural address Laugerud also strongly urged the "haves" to cooperate with his program to reduce the great economic disequilibriums and social frustrations which he said the country faces.

To accomplish his stated goals, which include curbing inflation, raising wages, stabilizing basic grain prices, improving health and educational services, increasing agricultural production, developing

natural resources, reducing wasteful government expenditures, reducing crime and violence, and furthering the Central American integration movement, the President has chosen a Cabinet made up largely of respected, nonpolitical, well-qualified individuals. The majority of his sub-Cabinet and Agency Head choices have also been men who are technically well qualified.

At the office director level, he has confirmed a number of people in their present positions. President Laugerud's interest in regional integration was demonstrated by his appointment of a very talented former Minister of Economics as the Guatemalan member of the Central American High Level Committee.

Laugerud's economic team, which has been charged with coming up with a specific action program, has a partially completed Second Five-Year Plan to use as a starting base and the expertise to come up with solid recommendations. However, they will be taxed in finding solutions to the serious economic problems the country faces. (For analysis and prospects, see Guatemala's 3829.)

The Economic Situation

During the latter part of the third quarter of 1973 and on into the fourth quarter economic prospects for Guatemala appeared

bright. There were problems to be sure, but they seemed controllable and the horizon appeared clear of major obstructions. The commodity boom had sustained itself and Guatemalan products were still commanding excellent prices in the world markets (see A-093 for summary of Guatemalan world trade). This boom had introduced record levels of liquidity into the Guatemalan economy and it was slowly being channeled into real estate and construction. As a result, growth was accelerating, (see A-111 for full year 1973 National Accounts), demand was expanding and there were signs of a revival of industrial investment.

Unfortunately, the commodities boom also proved to be one source of the Guatemalan economy's major problem during 1973. The record levels of liquidity which stimulated the booming construction market also formed a considerable monetary "overhang" in the Guatemalan banking sector. The money supply expanded at a rapid pace as a result and inflationary pressures mounted. Exacerbating these pressures were high Government spending levels, largely deficit financed, and continuing basic grains shortages. To give the reader some appreciation for the magnitudes involved, the money supply grew by 23% during 1973 and Government capital spending increased by 36% over 1972 (discounting the Empresa Eléctrica purchase). The 1973 harvests proved inadequate to both rebuild

stocks depleted because of the 1972 drought and meet the growing demand for food. As a result of these three major factors, 1973's inflation rate, as measured by the wholesale price index, reached 21.5%.

Notwithstanding these inflationary pressures industry was active, there was increasing discussion within the GOG of tax reform measures, the world market for key exports was holding up and Guatemala's historically conservative banking sector was considering ways to sterilize the sizeable monetary overhang; therefore there was a basis for some optimism.

Unfortunately, the situation changed radically with the oil crisis, severe worldwide shortages of key industrial and agricultural raw materials, the adjustment of commodity markets and a frustrated attempt at fiscal reform during the late 1973 and the first half of 1974.

The first jolt to the Guatemalan economy was the oil crisis beginning in October 1973. In depth analysis of GOG responses to this crisis and the short-term outlook for the economy as a result of it can be found in A-025, TOAID A-21, A-063, and A-091. Briefly, the oil import bill is expected to rise by \$55 million in 1974. Since Guatemala is 100% dependent upon imports for its

oil supply, there are few if any short run solutions to the problem. Although encouraging oil finds have been made in the Petén region (GUATEMALA 3447), they are years away from commercial production.

Continuing shortages and price increases for other key imports such as steel, chemicals and machinery have compounded the difficulties caused by the oil crisis with regard to both the balance of payments and the inflation rate. As an indication of their combined influence, by June 30 inflation was already running at a 32% annual rate and accelerating.

Some shortage of basic grains seems likely to occur in 1974 and 1975 since considerable land has been diverted into production of export crops, the 1973 harvests didn't prove sufficient to replenish depleted stocks, demand is growing constantly, and there is a severe shortage of fertilizers. The upward pressure on the prices of basic food products is, therefore, likely to continue into the foreseeable future.

In the fiscal area, despite administrative improvements in revenue collection in 1973, the tax take was still inelastic. In an effort to raise new taxes, in May of 1974 the GOG presented to

Congress a proposal for taxing the export of sugar, cotton, coffee and meat. The Government bid was largely unsuccessful, however, since the bill that was finally passed by Congress had been amended to such a degree that it is questionable whether any significant new revenue will actually be produced if commodity prices drop (A-118). Because of the revenue situation and the increase in both current and capital expenditures due to inflation, the GOG is now projecting a 1974 deficit of \$133.6 million. Internal and external credits at planned levels will cover only \$90.8 million of this deficit and additional credits of \$42.8 will have to be sought during the year. Such deficits, of course, will add still more strength to inflationary pressures.

The above factors also have balance of payments implications. As mentioned above, increased costs for petroleum and higher prices for key imports are combining to greatly increase the 1974 Guatemalan import bill. Oil consumption has not been as high as last year, however, because INDE has been able to utilize relatively more hydrogeneration than they did in 1973. In addition, it now appears that the cycle for some of Guatemala's key commodities exports may have peaked after exceptionally long upward trends. Coffee prices have begun to decline recently and exporters here say they are expecting further drops. Cotton

prices have decreased from last year's high levels of nearly 80 cents a pound, and meat prices have gone down considerably. All this points to the possibility of lower Guatemalan export earnings for 1974 and 1975. On the basis of the above, local authorities are projecting a 1974 deficit of approximately \$35 million. Guatemala does have, of course, sufficient international resources to cover such a deficit (which is not the case with all Central American countries). However a continuation of these trends could put serious pressures on reserves.

The entire picture is not dark, however. The momentum of the 1973 boom is still influencing the Guatemalan economy. A mid-year survey of 90 Guatemalan firms indicated that the expected slowdown had not yet occurred and that business was still fairly good. Secondly, the institutional improvements accomplished over the last several years, especially in the all important agricultural sector, have not been lost and the level of expertise among key personnel in the new Administration is high. The manpower and the framework thus exist; therefore the challenge for the Laugerud Administration is to take advantage of these strengths as it confronts its immediate inflationary and longer-term balance of payments problems, and attempts to make progress toward the economic and social goals it has set for itself.

B. PROGRESS TO DATE IN PLANNING AND CARRYING OUT
SECTOR ASSESSMENTS

AGRICULTURE

The \$23 million agriculture development loan authorized by AID in FY 1971, was based on a comprehensive sector assessment carried out by Iowa State University under contract to AID. An in-depth evaluation of the loan and GOG progress in meeting program objectives was carried out in 1973 by contract and AID/W direct-hire personnel as part of a comparative analysis of agriculture sector loans in Colombia, Costa Rica, and Guatemala.

Concurrent with this evaluation effort, a joint GOG National Planning Council/AID study was initiated to measure the impact of production credit provided through the GOG's agriculture bank under the AID agriculture development loan on small farmer income and productivity. A detailed questionnaire was prepared and 800 small farmers were randomly selected from eight operational regions. Four hundred farmers who had received credit, as well as 400 farmers who had not, were interviewed. The raw data was coded and is now being processed in AID/W. Preliminary information on the impact of credit on small farmer income (and hence on their standard of living) should be ready by September 1974.

A similar study will be carried out during the last half of

CY 1974 to evaluate the efficiency of cooperative organizations in reaching very small farmers with production credit. A questionnaire is presently under preparation and will be based to the maximum extent possible on the general small farmer questionnaire discussed above. Small farmers who have received credit through agricultural cooperatives, credit unions, and the Penny Foundation (a private development foundation), will be interviewed as will non-members with similar land holdings and farming practices. This study will not only develop information with respect to the impact of these organizations on small farmer income, but will also provide base-line data for future evaluations of AID's recently signed agricultural cooperative loan.

A key consideration in the structuring of the Mission's proposed FY 1976 agriculture sector loan will be the Government's 1975-1979 National Development Plan which is scheduled for completion in November, 1974. The "Strategy for Development" section, which has already been completed, lays out the basic parameters of the Plan's objectives and development strategy for each sector. Inputs for the agriculture sector portion of the Plan basically consist of a number of in-house GOG studies beginning with a review of progress in meeting sector objectives

under the 1971-1975 Plan. AID feasibility study loan financing is being utilized for a detailed natural resources study which is scheduled for completion in August 1974. In addition, grant funds have financed contractors who have helped provide studies of specific problems in the agriculture sector which have filled in gaps in and updated prior analyses.

Once the complete plan is published, the Mission, with AID/W assistance, will review the agriculture sector portion, along with its underlying studies, to determine whether additional analyses will be required to support the proposed FY 1976 loan. It is anticipated that specialized studies might be required for certain elements of the proposed loan.

Independently of the above, AID, in conjunction with the Interamerican Development Bank and the World Bank is undertaking a Tripartite Agriculture Sector Analysis in the five Central American countries. The Guatemalan study is scheduled to begin in September 1974. This study will form the basis for determining other donor interest over the next few years in financing portions of the GOG's agriculture development plan.

HEALTH

The Government of Guatemala, through its 1971-1975 Development Plan, adopted a Rural Health Plan designed to significantly improve the availability of modern medical care in rural areas. To assist the GOG in this effort, AID conducted a Health Sector Analysis in May 1971 prior to authorization in FY's 1972 and 1973 of two loans designed to support the GOG in implementing their rural health plan.

This loan-supported project is predicated on certain assumptions: (a) that the most common rural causes of morbidity and mortality can be treated on an out-patient basis at health centers, thereby reducing the need for costly hospital services; (b) that the health needs of a large and disbursed rural population can be efficiently satisfied through (1) a network of rural health posts, and (2) referral programs by which patients who cannot be treated at health posts can be referred to a health center or then to a regional hospital or, if necessary, to a specialized hospital in the capital city; and (c) that the shortage of medical manpower can be more efficiently solved through the use of paramedical personnel.

The USAID is now proposing to finance a six-year evaluation program designed to evaluate the Guatemalan Health Service in

general, and specifically the effectiveness of the new Rural Health Program, especially in terms of its impact on the health of selected communities. In addition, the study will carry out a cost effectiveness analysis of the RHR project supported by the AID loans.

Planning for this study and the scope of work has been completed, and the USAID is preparing a PROP for early FY 1975 submission which will provide financing for the study. For additional details, see the grant project description proposed for FY 1975.

EDUCATION

USAID has conducted continuing and detailed data gathering and analysis of Guatemala's rural education over the past six years to provide a description of the system, identify problem areas, monitor change, provide the bases for program planning, and evaluate program effectiveness. This has been accomplished as follows:

(1) The most recent computer processed data (1972-73) covers enrollment, attendance, promotion by grade, number of grades offered, number of teachers per school, pupil-teacher and pupil-classroom ratios, teacher salary levels. Data is also on hand covering school age population and attendance. The data is available for any given community, cultural or geographic area. Analysis has been made of growth trends over six years, promotion, drop-out, classroom and teacher requirements and correlations between class size, number of grades taught and retention: for Indian-Ladino and regions according to development priority.

(2) Over 5,000 schools comprising the education system have been located on detailed 1/50,000 maps of the entire country. The maps also show population distribution, communication systems, rural development, health, credit and agricultural services. Used in conjunction with data described above, the maps, which

cover over 350 square feet, provide an overview of the education infrastructure and the logistics of growth and development.

(3) An on-going computerized analysis and evaluation of AID-sponsored curriculum development and improved teaching methods in experimental rural schools is being conducted. The program being studied calls for a total system change in the behavioral ecology of learning and involves a complex evaluation. Evaluation covers development of baseline data for pilot, control, and regional schools and includes teacher selection processes, basic student demographic data, test development and administration, cost effectiveness, absences, retention and promotion.

(4) A controlled experiment (Basic Village Education) has been initiated in the use of radio and mixes of audio visual media to improve agricultural practices among illiterate subsistence farmers who comprise the majority of Guatemala's population. The project covers two distinct language-culture areas and involves development of detailed baseline data covering agricultural practices and attitudes and demographic data, followed by time sampling and final evaluation. Evaluation will cover cost-effectiveness of various media mixes, program effectiveness and requirements for extension of the program on a national basis. The primary

contractor for the project is the Academy for Education Development. Research and evaluation are conducted by the University of South Florida. Feasibility studies covering specific cultural areas have been carried out by Suny, Albany. In addition, separate research and evaluation is being conducted on the use of radio in primary education.

Data compiled through the above studies is being utilized by the Ministry of Education and the National Economic Planning Council in formulating the GOG's education development strategy which will be set forth in the 1975-1979 Development Plan. The USAID anticipates that this strategy will expand on the concepts introduced through AID's present rural education loan although increased emphasis will be given to utilizing non-formal education techniques in rural areas.

C. NEW ACTIVITIESIntroduction: The Target Group

The previous Guatemalan Government adopted an ambitious development plan (1971-1975) which represented a considerable departure from earlier developmental efforts where infrastructure received primary emphasis. The new plan, while not neglecting needed improvements in transportation, communications and energy, for the first time devoted large amounts of money to rural development. Important programs were initiated in small-scale agriculture, rural education, and rural health. This represented a large step forward in the form of an explicit commitment to directly intercede on behalf of the disadvantaged rural majority.

The target group in the rural area was and continues to be the rural poor producing traditional crops with traditional technology. Whereas national per capita income averages \$318, the target group averages \$70 per year. Land holdings are small (87% of all farms are less than 7 hectares in size, and these account for only 19% of all farmland), and the trend is toward a continued decline in farm size, especially in the highlands, as the population increases.

The level of health in this segment of Guatemala's population is very poor, as it is for the general population. Of the country's 1,200 physicians, 80% reside in the capital city where only 20% of the population is located. Nationally, life expectancy is 47 years and infant mortality is 89 per 1,000 live births. Over 40% of the rural population have no access to modern health care of any type, and statistics show that the principal causes of death are all amenable to medical care.

The situation with respect to rural education parallels that of many other developing countries. Despite rapid progress over the past 25 years, the percentage of rural school-age children in school is only 23%, and the percentage who complete six years is only 2%. High drop-out rates are clearly related to (1) teaching that has little meaning or importance to a subsistence agricultural population, (2) opportunity for little more than three grades of rote learning, and (3) no opportunity for secondary or higher education. The result is a highly inefficient system which provides an education which has little relevance to development.

With a development plan which gave priority attention to the rural sector, and the Guatemalan Government's willingness

to allocate adequate counterpart to support innovative programs aimed at the target group, AID authorized loans which provided financial and technical assistance for new GOG initiatives in agriculture and health. Prior to compilation of the 1971-1975 Development Plan, AID had also authorized an education loan which set up a new program within the Ministry of Education for introducing new curriculum, teaching methodology, and in-service teacher training programs for rural schools.

The GOG's Planning Office is now in the final stages of completing a National Development Plan for 1975-1979. The first section, "Strategy for Development", was completed in late June 1974, and the entire Plan is scheduled for completion in November 1974. The program proposed herein is consistent with this strategy and is designed to build on the advances achieved under the first Plan and the AID loans which have institutionalized significant changes in the structure, quality, and quantity of GOG services being provided to the target group in the rural sector.

III. NEW ACTIVITIES

	<u>FY 75</u>	<u>FY 75</u> <u>C.P.</u>	<u>IRR/PROP</u> <u>SUBMISSION</u>
	<u>FOOD PRODUCTION & NUTRITION</u>		
1. Grant	Nutritional Improvement (232)	No	Oct 74
	<u>POPULATION PLANNING & HEALTH</u>		
2. Grant	Rural Health Care Delivery Evaluation (230)	No	Sept 74
3. Grant	Village Water & Sanitation (231)	No	Dec 74
	<u>EDUCATION & HUMAN RESOURCES</u>		
4. Loan	Basic Rural Education *	No *	Sept 74
5. Grant	Basic Rural Education (228)	Yes	Feb 75
	<u>FY 76</u>		
	<u>FOOD PRODUCTION & NUTRITION</u>		
6. Loan	Small Farmer Improvement	Yes	Jan 75
7. Grant	Small Farmer Improvement (233)	No	Aug 75
	<u>EDUCATION & HUMAN RESOURCES</u>		
8. Loan	Non-Formal Rural Education	No	Nov 75

* This project was in FY 1974 C.P.

~~Small Farmer~~ Small Farmer Improvement Loan and Grant (233)

The Small Farmer Improvement Loan is directed toward assisting the Government of Guatemala in achieving the broad overall goal of economic and social development of its lower-income rural people by strengthening their economic base and improving their quality of life. While progress toward this goal has been made over the past few years, there is still need to strengthen initiatives oriented toward improving the standard of living of the small farmers. The purpose of this project is to provide small farmers with alternatives and opportunities to increase their income and thereby their standard of living.

Opportunities for self-improvement and economic advancement have not been universally available to the small farmer. Typically and traditionally he has lived on a small plot of depleted soil, planting corn and beans of low-yield and nutritional content; his family has been undernourished, lacking even minimal medical services or educational opportunities; he has restricted access to markets, and enjoys neither potable water, sanitary facilities, electricity nor other amenities.

In FY 1970, AID authorized a \$23 million loan for agricultural development which provided financing for a number of activities:

small farmer credit, grain storage facilities, agriculture research, expansion of ag extension services, crop diversification, cooperative development and credit, and artesian credit. As conditions to the loan, certain key administrative reforms were required, the principal being consolidation of credit activities in one institution instead of three, the creation of the research institute (ICTA) and the reorganization of the extension service. A recent evaluation of this loan indicated that the administrative reforms were generally well conceived and have high promise for achieving the necessary degree of coordination and integration of program planning and execution. On the other hand, loan objectives seemed to fluctuate between production considerations and need to increase small farmer income.

In view of the advances made under this loan, and the continuing need to focus agriculture sector programs clearly on the small farmer, the USAID intends to approach the proposed loan within the framework of exploring new approaches to reaching the small farmer as well as continuing support for those activities under the existing loan which have proved to have been effective. Thus the USAID does not view the proposed loan as simply a follow-on to Loan 018.

Precise determination of loan structure will flow from the

GOG's 1975-1979 Development Plan which is scheduled for publication in November, 1974 and the results of the tripartite (IDB-IBRD-AID) agriculture sector analysis scheduled to begin in November 1974. The Mission believes that the Plan will continue GOG emphasis on providing assistance to the marginal farmer which was initiated with the prior Government's 1971 Development Plan.

Programs which will be considered for inclusion under the proposal are:

(1) Land Resettlement: With average farm size in the highlands already small, future parcelization to meet the needs of the area's population growth is unrealistic. An alternative is development of land resettlement schemes especially those associated with facilitating spontaneous colonization of unused lands. Associated with such a program would be construction of penetration roads, land sale guarantees, technical assistance and credit.

(2) Small-Scale Livestock Production: The introduction of livestock suitable for small farm production will be considered. Normally, small farms can, without large investments or abnormal feed requirements, sustain the production of poultry, swine,

rabbits, or sheep. In many cases, even a milk cow can be assimilated into the operation. This program would increase farm income as well as serve as an important tool for diet improvement.

(3) Feeder Road Construction, Betterment and Maintenance:

A program in this area not only serves to improve access to markets, but properly conducted through the use of labor intensive techniques, creates alternative sources of employment which have a direct and immediate impact on rural income. Continuing road maintenance which de-emphasizes the use of machinery, can increase long-term employment prospects.

(4) Agriculture Research and Extension: Support for practical, on-farm research and technical assistance for small farmers to extend the results of such research will be continued. This program will be carried out by the Institute of Agricultural Science and Technology and is directed toward developing technological packages adapted to the small farm. Related to this effort is the special program to assist the Institute in developing high lysine corn and sorghum which is the subject of a PROP proposed for FY 1975 submission. Loan funds could be used to set up a seed fund for multiplication of selected seed varieties.

After purchase, the seeds would be cleaned and then sold, thereby creating a revolving fund. Through this mechanism, both yields and specific nutrient content of basic grains can be increased rapidly.

(5) Rural Electrification: Under consideration is a program whereby specific cooperatives or farmer groups will be selected for pilot-type electrification projects. Although distribution lines are available to large areas of the country, the cost of extending lines to individual users is high. The loan would finance these costs for farmer groups or villages in the form of long-term, low interest sub-loans, perhaps in conjunction with installation of small, value-added or minimal processing projects at the village level. For example, a broom-making machine could be financed for a group of farmers growing broom corn, as could a plastic bagging machine for bean farmers, so that their crops could be marketed in a pre-bagged form.

The loan may also set aside funds for participant training for Ministry of Agriculture employees as well as creation of a system within the Ministry for collection of accurate agriculture statistics and information.

Other donors have been and will continue to be active in

Guatemala's agriculture sector. Areas of future interest for these (and thus for AID) will depend largely on the results of the tripartite (IDB, IBRD, and AID) agriculture sector study. Obviously, the Mission will structure the proposed loan to complement other donor activities, and will coordinate the identification of loan sub-projects with these institutions.

The loan is budgeted at \$15 million to be disbursed over a 3-year period. Major inputs will include commodities, technical assistance, credit funds, and participant training funds. The grant element is estimated at \$1,925,000 over a three-year period, principally to finance specialized foreign technical assistance.

A number of studies are either underway or about to be initiated. Paramount here, however, is complementation of the GOG's 1975-1979 Development Plan. This will be reviewed to determine what further studies will be required to support a loan for priority activities.

PROJECT BUDGET TABLE
(\$ thousands)

TABLE V

Project Title Small Farmer Improvement

Financing Dates (FY)

<u>Begin</u>	<u>End</u>
--------------	------------

Project Number 520-11-190-235

Obligations
Expenditures

Appropriation _____

Estimated Total Costs: A. Per Latest PROP \$ N.A. B. Per Current Estimate \$ 1,925,000

Project Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.	Local/TCN							
	\$	MM	\$	MM	\$	MM	\$	\$	
<u>FY 1974 Oblig.-Total</u>									
Direct									
PASA									
Contract									
<u>FY 1974 Expend.-Total</u>									
Direct									
PASA									
Contract									
<u>6/30/74 Unliq.-Total</u>									
Direct									
PASA									
Contract									
<u>FY 1975 Oblig.-Total</u>									-0-
Direct									
PASA									
Contract									
<u>FY 1975 Expend.-Total</u>									
Direct									
PASA									
Contract									
<u>6/30/75 Unliq.-Total</u>									
Direct									
PASA									
Contract									
<u>FY 1976 Oblig.-Total</u>	450	108			80	100	40	55	625
Direct					80	100	40	55	175
PASA									
Contract	450	108							450
<u>FY 1976 Expend.-Total</u>	225	54			64	80	30	40	359
Direct					64	80	30	40	134
PASA									
Contract	225	54							225

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-11-13C-233 - Small Farmer Improvement

PASA/Contract Name undesignated

Funding Periods

Contract No. From (mo/yr) To (mo/yr)	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
			Dec. 76

Budget & Expenditures	Personnel				Commod- Participants			Other	Total
	U.S.		Local/TCN		Fees			Costs	
	\$	MM	\$	MM	\$	MM	C	\$	
FY 1974 Obligations									
FY 1974 Expenditures									
6/30/74 Unliquidated									
FY 1975 Obligations									
FY 1975 Expenditures									
6/30/75 Unliquidated									
FY 1976 Obligations	450		103						450
FY 1976 Expenditures	225		51						225

TABLE VII

Project Number 520-11-190-233 - Small Farmer Improvement

PROJECT PASA/CONTRACT/GRANT PERSONNEL TABLE
(\$ thousands)

27

	FY 1975 Obligations		FY 1976 Obligations	
	No.	MMS \$000	No.	MMS \$000
U.S. Contract Technicians				
Long-term			9	108
Short-term				450

Personnel (PASA/Contract/Grant implementing agent, and position title)	Actual FY 1974			Estimated FY 1975			Projected FY 1976			Projected FY 1977		
	On- board 6/30/ 74	MMS	Ex- pendi- tures (\$000)	On- board 6/30/ 75	MMS	Ex- pendi- tures (\$000)	On- board 6/30/ 76	MMS	Ex- pendi- tures (\$000)	On- board 6/30/ 77	MMS	Ex- pendi- tures (\$000)
<u>TOTAL</u>							9	54	225	9	108	450
Rural Development Specialists							9	54	162	9	108	324
Home Office Overhead									32			63
Overseas Overhead									18			36
Travel & Direct Other Costs									13			27

(for contract
personnel only)

Project Number 520-11-190-233 - Small Farmer Improvement

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

\$40 vehicles, support items for T.A.

Other Cost Budget
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

\$55 including \$5 for travel; \$20 for overseas contract operating expenses; \$10 for host country training and seminars; and \$20 for local support costs for pilot project type activities

■ Non-Formal Rural Education

The dynamic growth in rural school enrollment (49% since 1967) requires the consideration of alternative educational delivery systems if the GOG is to have any realistic chance of offering educational opportunities to the majority of its rural school-age population. Presently, less than one-half of the students enrolled in the first grade are promoted; however, if all students now enrolled in the first grade were to continue in school, 80% of the school-age population would be enrolled with a commensurate need for an estimated 50% increase in the number of teachers and classrooms. The GOG's 1975-79 Development Plan recognizes this problem and places great stress on developing non-formal education delivery systems.

Obviously, a great deal of thought, experimentation and planning must go into this effort. A promising experiment, on which a long-range strategy for rural education might be built, calls for the utilization of existing rural schools and teachers to provide a minimum of three grades of formal education and to insure a higher rate of retention through the third grade. Education beyond the third grade, now unavailable to over 75% of the rural population, and rural adult education, would be provided via radio and low-cost supplementary instructional

materials. This program would build on the nation-wide education infrastructure developed under the two AID primary education loans which will provide the requisite infrastructure, supervision, localized materials distribution and monitoring required of a non-formal delivery system.

The proposed loan will build on the on-going BVE experimental use of radio directed to adults and the proposed FY 1975 grant funding of the development of radio and the technical competencies required for radical change in a traditional education system. A start on this program has been made through the use of the BVE transmitter during off hours to broadcast experimental education programs to nearby rural satellite schools under PEMEP auspices.

Given this strategy, a request for a loan of up to \$5 million in FY 1976 is anticipated to extend these programs nationally. Approximately 80% of the loan would be employed for training, technical assistance and procurement of non-formal educational materials. Analytic inputs for the loan will be the results of the on-going research feedback and evaluation of the BVE program and the proposed grant-funded experimental project.

D. SUMMARY TABLES

GUATEMALA

TABLE I

Summary of Commitments by Appropriation Category
 (Loan Authorization/Grant Obligations/PL 480 Shipments/HIG Authorizations)
 (\$ thousands)

	<u>FY 1974</u> <u>Actual</u>	<u>FY 1975</u> <u>Estimate</u>	<u>FY 1976</u> <u>Request</u>	<u>FY 1977</u> <u>Projection</u>	<u>FY 1978</u> <u>Projection</u>
I. <u>Functional Development</u>					
<u>Appropriations</u>	2,527	12,757	22,624	16,700	17,705
<u>Grants</u>	2,527	2,757	2,624	2,700	2,705
New	(---)	(835)	(1,675)	(2,030)	(2,135)
Ongoing	(2,527)	(1,922)	(949)	(670)	(570)
<u>Loans</u>	---	10,000	20,000	14,000	15,000
A. <u>Food Production and</u>					
<u>Nutrition</u>	985	1,321	16,224	1,320	11,320
<u>Grants</u>	985	1,321	1,224	1,320	1,320
New	(---)	(250)	(1,075)	(1,250)	(1,250)
Ongoing	(985)	(1,071)	(149)	(70)	(70)
<u>Loans</u>	---	---	15,000	---	10,000
B. <u>Population Planning and</u>					
<u>Health</u>	669	845	810	9,790	745
<u>Grants (Title X)</u>	(669)	(600)	(600)	(500)	(400)
<u>Grants (non-Title X)</u>	(---)	(245)	(210)	(290)	(345)
New	(---)	(235)	(200)	(280)	(335)
Ongoing	(---)	(10)	(10)	(10)	(10)
<u>Loans</u>	---	---	---	9,000	---
C. <u>Education and Human Resources</u>					
<u>Grants</u>	823	10,541	5,540	540	5,590
New	(---)	(350)	(400)	(500)	(550)
Ongoing (Including FY-74 phase-outs)	(823)	(191)	(140)	(40)	(40)
<u>Loans</u>	---	10,000	5,000	---	5,000
D. <u>Selected Development Problems</u>					
<u>Grants</u>	50	50	50	5,050	50
New	(---)	(---)	(---)	(---)	(---)
Ongoing	(50)	(50)	(50)	(50)	(50)
<u>Loans</u>	---	---	---	5,000	---
II. <u>Other Appropriations</u>	---	---	---	---	---
II. <u>Other Commitments</u>	1,008	17,111	4,135	4,416	4,659
HIG's	---	13,200	---	---	---
PL 480 Title II Shipments	1,008	3,911	4,135	4,416	4,659
<u>TOTAL COMMITMENTS</u>	3,535	29,868	26,759	21,116	22,364

Summary of Commitments by Area of Concentration
(\$ thousands)

Area of Concentration: FOOD PRODUCTION AND NUTRITION

	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Request</u>	<u>FY 1977 Projection</u>	<u>FY 1978 Projection</u>
<u>Development Loans</u>	---	---	15,000	---	10,000
Small Farmer Improvement New Initiatives	---	---	15,000	---	---
	---	---	---	---	10,000
<u>Development Grants</u>	985	1,321	1,224	1,320	1,320
197 Agricultural De- velopment (Produc- tion)	514	575	---	---	---
200.1 Cooperative Devel- opment (Savings & Credit)	76	40	---	---	---
200.2 Cooperative Devel- opment (Agriculture)	382	286	79	---	---
232 Nutritional Improve- ment	---	250	450	450	450
233 Small Farmer Im- provement	---	---	625	650	650
000.1 Technical Support (FP&N)	13	170	70	70	70
New Initiatives	---	---	---	150	150
<u>PL 480 Title II Shipments</u>	1,008*	3,911	4,135	4,416	4,659
1. Maternal & Child Feeding	582	2,528	2,714	2,981	3,207
2. School Feeding	386	1,269	1,269	1,269	1,269
3. Food for Work	40	114	152	166	183
TOTAL COMMITMENTS	<u>1,993</u>	<u>5,232</u>	<u>20,359</u>	<u>5,736</u>	<u>15,979</u>

* Relatively low level of FY-74 programs in relation to FY-75 and FY-76 due to abnormally high inventory levels at start of FY-74, as well as delayed shipment arrivals during FY-74. FY-75 and FY-76 levels shown, therefore, do not represent substantially increased programs.

TABLE II

GUATEMALA

Summary of Commitments by Area of Concentration
(\$ thousands)

Area of Concentration	<u>POPULATION PLANNING & HEALTH</u>				
	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Request</u>	<u>FY 1977 Projection</u>	<u>FY 1978 Projection</u>
<u>Development Loans</u>	-	-	-	9,000	-
Rural Sanitation and Health				9,000	
<u>Development Grants</u>	669	845	810	790	745
189 Population & Rural Health (Title X)	669	600	600	500	400
230 Rural Health Care Delivery Eval. (non- Title X)	-	135	100	80	85
231 Village Water & Sanitation (non-Title X)	-	100	100	100	100
000.2 Technical Support (PP&H)	-	10	10	10	10
New Initiatives	-	-	-	100	150
<u>Total Commitments</u>	<u>669</u>	<u>845</u>	<u>810</u>	<u>9,790</u>	<u>745</u>

Summary of Commitments by Area of Concentration
(\$ thousands)

Area of Concentration: EDUCATION AND HUMAN RESOURCES

	<u>FY 1974</u> <u>Actual</u>	<u>FY 1975</u> <u>Estimate</u>	<u>FY 1976</u> <u>Request</u>	<u>FY 1977</u> <u>Projection</u>	<u>FY 1978</u> <u>Projection</u>
<u>Development Loans</u>	---	10,000	5,000	---	5,000
Primary Education (PEMEP)	---	10,000	---	---	---
Non-Formal Rural Educa- tion	---	---	5,000	---	---
New Initiatives	---	---	---	---	5,000
<u>Development Grants</u>	823	541	540	540	590
077 Public Safety	253	(90)	(80)	(90)	(90)
176.2 Public Administra- tion (Municipal)	84	52	50	---	---
185 Development Plan- ning and Invest- ment	145	---	---	---	---
198.1 Education Develop- ment (Primary)	121	---	---	---	---
199 Tax Administration	220	49	---	---	---
228 Basic Rural Educa- tion	---	350	400	400	400
000.3 Technical Support (E&HR)	---	90	90	40	40
New Initiatives	---	---	---	100	150
<u>TOTAL COMMITMENTS</u>	<u>823</u>	<u>10,541</u>	<u>5,540</u>	<u>540</u>	<u>5,590</u>

TABLE II

GUATEMALA

Summary of Commitments by Area of Concentration
(\$ thousands)

Area of Concentration	<u>SELECTED DEVELOPMENT PROBLEMS</u>				
	<u>FY 1974 Actual</u>	<u>FY 1975 Estimate</u>	<u>FY 1976 Request</u>	<u>FY 1977 Projection</u>	<u>FY 1978 Projection</u>
<u>Development Loans</u>	-	-	-	5,000	-
New Initiatives				5,000	
<u>Development Grants</u>	50	50	50	50	50
145 Special Develop- ment Activities	50	50	50	50	50
HIG's	-	13,200	-	-	-
<u>TOTAL COMMITMENTS</u>	<u>50</u>	<u>13,250</u>	<u>50</u>	<u>5,050</u>	<u>50</u>

GUATEMALA

TABLE IV

PL 480 Title II Activities
(thousands)*

	FY 1974 Actual			FY 1975 Estimate			FY 1976 Request		
	\$	lbs.	No. of Recip.	\$	lbs.	No. of Recip.	\$	lbs.	No. of Recip.
I. <u>Child Feeding</u>	968	10219	374	3797	32399	576	3983	33544	587
A. <u>Maternal & child feeding</u>	572	5040	140	2524	17329	175	2710	18474	186
1. Govt-to-govt	-	-	-	-	-	-	-	-	-
2. Voluntary agency	572	5040	140	2524	17329	175	2710	18474	186
a. CARE	(124)	(1622)	(75)	(1864)	(11449)	(105)	(2050)	(12594)	(116)
b. CRS	(448)	(3418)	(65)	(660)	(5880)	(70)	(660)	(5880)	(70)
B. <u>School feeding</u>	386	5068	230	1269	15029	400	1269	15029	400
1. Govt-to-govt	-	-	-	-	-	-	-	-	-
2. Voluntary agency	386	5068	230	1269	15029	400	1269	15029	400
a. CARE	(386)	(5068)	(230)	(1269)	(15029)	(400)	(1269)	(15029)	(400)
C. <u>Other child feeding</u>	10	111	4	4	41	1	4	41	1
1. Govt-to-govt	-	-	-	-	-	-	-	-	-
2. Voluntary agency	10	111	4	4	41	1	4	41	1
a. CARE	(5)	(68)	(3)	-	-	-	-	-	-
b. CRS	(5)	(43)	(1)	(4)	(41)	(1)	(4)	(41)	(1)
II. <u>Food for Work</u>	40	406	8	114	1242	11	152	1685	12
A. Govt-to-govt	-	-	-	-	-	-	-	-	-
B. Voluntary agency	40	406	8	114	1242	11	152	1685	12
1. CARE	-	-	-	(19)	(222)	(1)	(57)	(665)	(2)
2. CRS	(40)	(406)	(8)	(95)	(1020)	(10)	(95)	(1020)	(10)
III. <u>Other</u> - N/A	-	-	-	-	-	-	-	-	-
<u>Total</u>	1008	10625	382	3911	33641	587	4135	35229	599
A. Govt-to-govt	-	-	-	-	-	-	-	-	-
B. Voluntary agency	1008*	10625	382	3911	33641	587	4135	35229	599
1. CARE	(515)	(6758)	(308)	(3152)	(26700)	(506)	(3376)	(28288)	(518)
2. CRS	(493)	(3867)	(74)	(759)	(6941)	(81)	(759)	(6941)	(81)

*Relatively low level of FY 74 program in relation to FY 75 & 76 due to abnormally high inventory levels at start FY 74, as well as delayed shipment arrivals during FY 74. FY 75 & 76 levels shown, therefore, do not represent substantially increased programs.

38.

PART II

D. ONGOING ACTIVITIES

1. Goals, purposes and outputs and progress toward the accomplishment of these targets are indicated in the respective PAR for each of the following ongoing projects:

<u>Food Production and Nutrition</u>	<u>PAR</u>	<u>Date Submitted</u>
197 Agricultural Development	74-5	05-15-74
200.1 Coop Dev (Savings & Credit)	74-1	10-02-73
200.2 Coop Dev (Agriculture)	74-10	06-19-74
 <u>Population Planning & Health</u>		
189 Population and Rural Health	74-7	06-19-74
 <u>Education & Human Resources</u>		
176.2 Pub Admin (Municipal)	74-11	06-19-74
185 Dev Planning & Investment	74-3	03-04-74
198.1 Ed Dev (Primary)	74-8	06-19-74
199 Tax Administration	74-4	04-30-74

2. Public Safety Participants FY 75-76

Training is projected for selected participants at the International Police Academy in order to build a cadre of qualified instructors for the Guatemalan National School for Police, which is nearing completion with funding previously provided under a USAID/C grant; and to train selected key officials concerned with narcotics control, prevention of sabotage, skyjacking, kidnapping and violence against dignitaries, etc.

3. Tax Administration

In general, this project will be phased out by December 31, 1974, with the following exceptions:

- The ADP Specialist will remain in Guatemala through June 1975, six-months beyond the other team members, in order to provide machine-oriented technical assistance for the installation and start-up operations of the large computer which the Ministry of Finance is in the process of acquiring.

- Two man-months of unspecified TDY will be authorized in order to provide program flexibility for project phase-out.

USAID/G will meet its commitment to support the anticipated Planning and Middle Management Seminars scheduled for 4th Quarter CY 74.

Inasmuch as a Basic Supervisory Course is being given locally to 25 supervisors of the Tax Office, and three individuals are being trained to conduct the course in the future; USAID/G will not fund the four participants previously anticipated for the Supervisory Development INTAX Seminar scheduled for January 1975.

42.

A. FOOD AND NUTRITION

TABLE IX

Project Number 520-11-999-000.1 - Technical Support (FP&N)

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

Other Cost Budget
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

\$170 including \$79 for budget support grant to National Planning Council for sectoral studies; \$91 for local cost contracts

FY 1976 Obligations (type and amount)

\$70 Budget support grant to National Planning Council for sectoral studies

PROJECT BUDGET TABLE
(\$ thousands)

TABLE V

Project Title Agricultural Development
(Production)

Financing Dates (FY)

Project Number 520-11-190-197

Obligations

<u>Begin</u>	<u>End</u>
--------------	------------

Appropriation _____

Expenditures

71	76
----	----

71	77
----	----

Estimated Total Costs: A. Per Latest PROP \$2,718,000. Per Current Estimate \$2,584,000

Project Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.	Local/TCN							
	\$	MM	\$	MM	\$	MM	\$	\$	\$
<u>FY 1974 Oblig.-Total</u>	488	127			9	12		17	514
Direct					9	12		17	26
PASA									
Contract	488	127							488
<u>FY 1974 Expend.-Total</u>	324	47	51	51	5	6		37	417
Direct			-3		5	6		37	39
PASA									
Contract	324*	47	54**	54					378
<u>6/30/74 Unliq.-Total</u>	346	80	25	25	4	6	1	33	409
Direct	1	1			4	6	1	33	39
PASA									
Contract	345	79	25	25					370
<u>FY 1975 Oblig.-Total</u>	565	148			10	12			575
Direct					10	12			10
PASA									
Contract	565	148							565
<u>FY 1975 Expend.-Total</u>	595	155	25	25	9	12	1	33	663
Direct	1				9	12	1	33	44
PASA									
Contract	594	155	25	25					619
<u>6/30/75 Unliq.-Total</u>	316	72			5	6			321
Direct					5	6			5
PASA									
Contract	316	72							316
<u>FY 1976 Oblig.-Total</u>									-0-
Direct									
PASA									
Contract									
<u>FY 1976 Expend.-Total</u>	316	72			5	6			321
Direct					5	6			5
PASA									
Contract	316	72							316

* Includes \$138 prior year funds not included on Tables VI & VII

** Prior year funds not included on Tables VI & VII



TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 52G-11-190-197 - Agricultural Development

PASA/Contract Name Mississippi State University

Funding Periods

Contract No.
From (mo/yr)
To (mo/yr)

Current-FY 1974	Proposed-FY 1975	Proposed-FY 1976
Oct 73	Sep 74	
Aug 74	Dec 75	

Budget & Expenditures	Personnel				Participants		Grants	Other Costs	Total
	U.S.		Local/TCN		\$	MM	\$	\$	\$
	\$	MM	\$	MM					
FY 1974 Obligations	37	11						11	48
FY 1974 Expenditures	33	10						9	42
6/30/74 Unliquidated	4	1						2	6
FY 1975 Obligations	54	16						16	70
FY 1975 Expenditures	39	11						12	50
6/30/75 Unliquidated	20	6						6	26
FY 1976 Obligations									
FY 1976 Expenditures	20	6						6	26

TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-11-190-197 - Agricultural Development

PASA/Contract Name Texas A&M University

Contract No. From (mo/yr) To (mo/yr)	Funding Periods		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
	Oct 73	Jan 75	
	Dec 74	Dec 75	

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/TCN		\$	MM			
	\$	MM	\$	MM			\$	\$	\$
FY 1974 Obligations	44	14						9	53
FY 1974 Expenditures	25	8						4	29
6/30/74 Unliquidated	19	6						5	24
FY 1975 Obligations	45	12						10	55
FY 1975 Expenditures	42	12						10	52
6/30/75 Unliquidated	22	6						5	27
FY 1976 Obligations									
FY 1976 Expenditures	22	6						5	27

TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-11-190-197 - Agricultural Development

PASA/Contract Name California State Polytechnic College

Contract No. From (mo/yr) To (mo/yr)	Funding Periods		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
	Jan 74	Jan 75	
	Dec 74	Dec 75	

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/TCN		\$	MM			
	\$	MM	\$	MM					
FY 1974 Obligations	76	29					35	111	
FY 1974 Expenditures	34	13					16	50	
6/30/74 Unliquidated	42	16					19	61	
FY 1975 Obligations	90	36					40	130	
FY 1975 Expenditures	87	34					39	126	
6/30/75 Unliquidated	45	18					20	65	
FY 1976 Obligations									
FY 1976 Expenditures	45	18					20	65	

TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-11-190-197 - Agricultural Development

PASA/Contract Name Servicios Técnicos del Caribe

Contract No. From (mo/yr) To (mo/yr)	Funding Periods		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
	Jan 74	Jan 75	
	Dec 74	Dec 75	

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/TCN		\$	MM			
	\$	MM	\$	MM			\$	\$	\$
FY 1974 Obligations	155	65					100	255	
FY 1974 Expenditures	37	14					23	60	
6/30/74 Unliquidated	118	51					77	195	
FY 1975 Obligations	120	48					80	200	
FY 1975 Expenditures	178	75					117	295	
6/30/75 Unliquidated	60	24					40	100	
FY 1976 Obligations									
FY 1976 Expenditures	60	24					40	100	

TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 52C-11-190-197 - Agricultural Development

PASA/Contract Name Personal Services Contracts

Contract No. From (mo/yr) To (mo/yr)	Funding Periods		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
	Apr 74	Jan 75	
	Dec 74	Dec 75	

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/TCN		\$	MM	\$	\$	\$
	\$	MM	\$	MM					
FY 1974 Obligations	21	8							21
FY 1974 Expenditures	5	2							5
6/30/74 Unliquidated	16	6							16
FY 1975 Obligations	110	36							110
FY 1975 Expenditures	71	24							71
6/30/75 Unliquidated	55	18							55
FY 1976 Obligations									
FY 1976 Expenditures	55	18							55

Project Number 520-11-190-197 - Agricultural Development

PROJECT PASA/CONTRACT/GRANT PERSONNEL TABLE
(\$ thousands)

U.S. Contract Technicians	FY 1975 Obligations		FY 1976 Obligations	
	No.	MMs	No.	MMs
Long-term	12	148		
Short-term		565		

56

Personnel (PASA/Contract/Grant implementing agent, and position title)	Actual FY 1974			Estimated FY 1975			Projected FY 1976			Projected FY 1977		
	On- board 6/30/ 74	MMs	Ex- pendi- tures (\$000)	On- board 6/30/ 75	MMs	Ex- pendi- tures (\$000)	On- board 6/30/ 76	MMs	Ex- pendi- tures (\$000)	On- board 6/30/ 77	MMs	Ex- pendi- tures (\$000)
Mississippi State Univ. Crop Specialist (1) Overseas Overhead Trans. & Other Direct Costs	1	11	42	1	10	50		6	26			
Texas A&M Univ. Crop Specialist (1) Overseas Overhead Trans. & Other Direct Costs	1	8	29	1	12	52		6	27			
California State Poly- technic College Crop Specialist (1) Communications Spec. (1)	3	13	50	3	34	126		18	65			
ST TDY Home Office Overhead Overseas Overhead Home Office Salaries Trans. & Other Direct Costs	1	6	14	1	12	28		6	14			
	1	6	18	1	12	36		6	19			
	1	1	2	1	10	23		6	12			
			2			5			3			
			5			12			6			
			4			10			5			
			5			12			6			
			324									

(for contract
personnel only)

TABLE VII (continued)

Project Number 520-11-190-197 - Agricultural Development

PROJECT PASA/CONTRACT/GRANT PERSONNEL TABLE
(\$ thousands)

Personnel (PASA/Contract/Grant implementing agent, and position title)	Actual FY 1974			Estimated FY 1975			Projected FY 1976			Projected FY 1977		
	On- board 6/30/ 74	Mms	Ex- pendi- tures (\$000)	On- board 6/30/ 75	Mms	Ex- pendi- tures (\$000)	On- board 6/30/ 76	Mms	Ex- pendi- tures (\$000)	On- board 6/30/ 77	Mms	Ex- pendi- tures (\$000)
Servicios Técnicos del Caribe	3	14	60	4	75	295		24	100			
Ag Credit Specialists (2)	2	12	31	4	75	178		24	60			
ST TDY	1	2	6			5			2			
Home Office Overhead			1			46			15			
Overseas Overhead			9			26			8			
Home Office Salaries			5									
Trans. & Other Direct Costs			8			40			15			
PSC	1	2	5	3	24	71		18	55			

(for contract
personnel only)

TABLE IX

Project Number 520-11-190-197 - Agricultural Development

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

\$1 materials and supplies

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

Other Cost Budget

6/30/74 Unliquidated (type and amount)

\$33 including \$7 for overseas contract operating expenses; and
\$26 for budget support grant to counterpart implementing agency.

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-15-150-200.1 - Cooperative Development (Savings & Credit)

PASA/Contract Name Budget Support Grant to FENACOAC

Contract No. From (mo/yr) To (mo/yr)	Funding Periods		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
	Jan 74	Jan 75	
Dec 74	Dec 75		

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/TCN		\$	MM	\$	\$	\$
	\$	MM	\$	MM					
FY 1974 Obligations			41	78				32	73
FY 1974 Expenditures			20	39				63	83
6/30/74 Unliquidated			21	39				31	52
FY 1975 Obligations			18	37				10	28
FY 1975 Expenditures			30	59				36	66
6/30/75 Unliquidated			9	17				5	14
FY 1976 Obligations									
FY 1976 Expenditures			9	17				5	14

TABLE VIII

Project No. 520-15-150-200.1 - Cooperative Development (Savings & Credit)

PROJECT PARTICIPANT TRAINING TABLE
(\$ thousands)

	DIRECT AID									CONTRACT		
	U.S. Academic			U.S. Non-Academic			3rd Country					
	No.	MMs	\$	No.	MMs	\$	No.	MMs	\$	No.	MMs	\$
<u>FY 1974 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term							2	3	3			
<u>FY 1974 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term							2	3	3*			
<u>Unliquidated Oblig. - 6/30/74</u>												
Long-term - new												
Long-term - continuing												
Short-term												
<u>FY 1975 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term							8	12	12			
<u>FY 1975 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term							8	12	12			
<u>Unliquidated Oblig. - 6/30/75</u>												
Long-term - new												
Long-term - continuing												
Short-term												
<u>FY 1976 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term												
<u>FY 1976 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term												

* Does not coincide with Table V which includes expenditures prior year funds.

TABLE IX

Project Number 520-15-150-200.1 - Cooperative Development (Savings & Credit)

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

Other Cost Budget
6/30/74 Unliquidated (type and amount)

\$52 Budget Support Grant to FENACOAC

FY 1975 Obligations (type and amount)

\$28 Budget Support Grant to FENACOAC

FY 1976 Obligations (type and amount)

PROJECT BUDGET TABLE
(in thousands)

TABLE V

Project Title Cooperative Development
(Agriculture)

Project Number 520-15-150-200.2

Appropriation _____

Estimated Total Costs: A. Per Letter PPOB \$450,000 B. Per Current Estimate \$1,508,000

Financing Dates (FY)	
Begin	End
71	76
71	77

Obligations _____

Expenditures _____

Project Budget & Expenditures	Personnel				Participates		Commodities	Other Costs	Total
	U.S.		Local/TON						
	\$	MM	\$	MM	\$	MM	\$	\$	\$
FY 1974 Oblig.-Total	45	24	25*	24	3	3	80	229	382
Direct					3	3	80	229	312
PASA									
Contract	45	24	25*	24					70
FY 1974 Expend.-Total	76**				3	3	78	135	293**
Direct					3	3	76	132	211
PASA									
Contract	76**		1				2	3	82**
6/30/74 Unliq.-Total	***33	18	***19	18	2	2	70	285	409
Direct					2	2	68	282	352
PASA									
Contract	***33	18	***19	18			2	3	57
FY 1975 Oblig.-Total	41	15	23	20	16	16	32	177	286
Direct					15	15	32	168	216
PASA									
Contract	41	15	23	20				6	70
FY 1975 Expend.-Total	51	24	19	26	10	10	86	344	510
Direct					10	10	84	339	433
PASA									
Contract	51	24	19	26			2	5	84
6/30/75 Unliq.-Total	23	9	23	12	8	9	16	115	185
Direct					8	9	16	111	135
PASA									
Contract	23	9	23	12				4	50
FY 1976 Oblig.-Total	15	9			12	12		52	79
Direct					12	12		52	64
PASA									
Contract	15	9							15
FY 1976 Expend.-Total	38	18	23	12	20	20	16	74	171
Direct					20	20	16	70	106
PASA									
Contract	38	18	23	12				4	65

*U203 erroneously includes what \$25 under U.S. personnel
 **Includes \$67 erroneously not shown in U203
 ***Adjusted to above changes

TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-15-150-200.2 - Cooperative Development (Agriculture)

PASA/Contract Name Agricultural Cooperative Development International

Contract No. From (mo/yr) To (mo/yr)	Funding Periods		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
	Apr 74	Apr 75	Apr 76
	Mar 75	Mar 76	Mar 77

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/TCN		\$	MM	\$	\$	\$
	\$	MM	\$	MM					
FY 1974 Obligations	45	24	25	24					70
FY 1974 Expenditures	48	26	25	24			2	3	78
6/30/74 Unliquidated	33	18	19	18			2	3	57
FY 1975 Obligations	41	15	23	20				5	69
FY 1975 Expenditures	51	24	19	26				5	75
6/30/75 Unliquidated	23	9	23	12				3	51
FY 1976 Obligations	15	9							15
FY 1976 Expenditures	38	18	23	12					61

TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(in thousands)

Project Number 520-15-150-200.2 - Cooperative Development (Agriculture)

PASA/Contract Name Budget support grant to FECOAR

Contract No. From (mo/yr) To (mo/yr)	Funding Periods		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
	Jan 74	Jan 75	Jan 76
Dec 74	Dec 75	Dec 76	

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/FCN		\$	MM	\$	\$	\$
	\$	MM	\$	MM					
FY 1974 Obligations			124	300				37	161
FY 1974 Expenditures			62	150				15	77
6/30/74 Unliquidated			62	150				72	134
FY 1975 Obligations			89	216				24	113
FY 1975 Expenditures			107	258				84	193
6/30/75 Unliquidated			44	108				12	56
FY 1976 Obligations			52	112					52
FY 1976 Expenditures			70	164					70

TABLE VIII

Project No. 520-15-150-200.2 - Cooperative Development (Agriculture)

PROJECT PARTICIPANT TRAINING TABLE
(\$ thousands)

	DIRECT AID									CONTRACT		
	U.S. Academic			U.S. Non-Academic			3rd Country			No.	MMs	\$
	No.	MMs	\$	No.	MMs	\$	No.	MMs	\$			
FY 1974 Obligations												
Long-term - new												
Long-term - continuing												
Short-term							1	3	3			
FY 1974 Expenditures												
Long-term - new												
Long-term - continuing												
Short-term							1	2	1*			
Unliquidated Oblig. - 6/30/74												
Long-term - new												
Long-term - continuing												
Short-term							1	1	2			
FY 1975 Obligations												
Long-term - new												
Long-term - continuing												
Short-term							8	16	16			
FY 1975 Expenditures												
Long-term - new												
Long-term - continuing												
Short-term							6	10	10			
Unliquidated Oblig. - 6/30/75												
Long-term - new												
Long-term - continuing												
Short-term							4	7	8			
FY 1976 Obligations												
Long-term - new												
Long-term - continuing												
Short-term							6	12	12			
FY 1976 Expenditures												
Long-term - new												
Long-term - continuing												
Short-term							10	19	20			

*Does not coincide with Table V which includes expenditures prior year funds.

TABLE IX

Project Number 520-15-150-200.2 - Cooperative Development (Agriculture)

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)

6/30/74 Unliquidated (type and amount)

\$68 farm equipment, implements, accounting machines

FY 1975 Obligations (type and amount)

\$32 farm equipment

FY 1976 Obligations (type and amount)

Other Cost Budget

6/30/74 Unliquidated (type and amount)

\$282 including \$134 for budgetary support grant to FECOAR; and
\$138 for construction costs of regional coop building

FY 1975 Obligations (type and amount)

\$168 including \$113 for budgetary support grant to FECOAR; and
\$55 for construction costs of regional coop building

FY 1976 Obligations (type and amount)

\$52 for budgetary support grant to FECOAR

1. Nutritional Improvement (232) (Grant)

This project directly supports those present and proposed AID-financed activities in the agriculture sector which seek to direct GOG research efforts toward developing improved basic grain varieties. With support from Loan 018, the GOG created the Institute of Agriculture Science and Technology (ICTA) to carry out applied and adaptive research programs in basic grains and vegetable horticulture oriented toward obtaining improved yields. The objective of this project is to increase the nutrient value of those crops which form the basic diet of Guatemala's rural poor. A major factor affecting the physical well-being and productivity of this segment of the population is the low-protein content of their basic diet. At their low level of income, the possibility of diversifying the diet is nil. It is possible, however, through the improvement of protein quality to increase the nutrient value of these basic foods in order to raise general health levels.

This project proposes to increase traditional diet nutrient values through the introduction of selected corn and sorghum lines of known high lysine content. In addition, research will be carried on to develop improved varieties of beans which form

a key element of the daily diet. The high lysine in the grain will provide a protein of much improved quality improving, in turn, the protein carbohydrate balance in the human diet. It is also contemplated that improvement of sorghum grains will enhance livestock production and permit diversification of small farmer food production activities with the result that traditional diet will improve and potential income will increase through the successful production of family poultry flocks and small swine enterprises.

The project will be carried out by ICTA. ICTA will receive assistance in the form of germ plasma, technical training and short-term specialists from CIMMYT, CIAT and the Rockefeller Foundation. It is also contemplated that laboratory analysis of lysine content of grains produced, as well as nutritional feeding trials, will be conducted by INCAP. INCAP will also carry out nutritive value studies both at the village level with humans and in pen trials of poultry and swine.

Although oriented to the low-income rural dweller, this project will have far-reaching effects upon the entire population. Guatemala has one of the highest levels of per capita corn consumption in the world. Corn is Guatemala's basic dietary component, especially among its poorer population. It is expected that as

high lysine corn replaces currently consumed varieties, the entire country will benefit. It is further expected that high lysine sorghum will not only be a boon to livestock production, especially the poultry and swine industries, but it will also reduce existing competition for corn as a feed grain.

High lysine varieties now exist which can be introduced immediately in the lower altitudes however new strains will have to be developed for the highland areas. A high lysine corn adapted to highlands conditions would also have significance for comparable areas in the Andean countries.

It is estimated that a four-year period will be required to implement this project at a total cost of \$1.6 million. Major inputs contemplated consist of technical agriculture expertise, commodities in the form of vehicles and necessary equipment and other costs which will include training and minimal international travel.

PROJECT BUDGET TABLE
(\$ thousands)

TABLE V

Project Title Nutritional Improvement

Financing Dates (FY)

Project Number 520-11-130-232
Appropriation _____

Obligations
Expenditures

<u>Begin</u>	<u>End</u>
--------------	------------

Estimated Total Costs: A. Per Latest PROP \$ N.A. B. Per Current Estimate \$ 1.6 million

Project Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.	Local/TCN							
	\$	MM	\$			MM			
FY 1974 Oblig.-Total									
Direct									
PASA									
Contract									
FY 1974 Expend.-Total									
Direct									
PASA									
Contract									
6/30/74 Unliq.-Total									
Direct									
PASA									
Contract									
FY 1975 Oblig.-Total	200	48				45	5	250	
Direct						45	5	50	
PASA									
Contract	200	48						200	
FY 1975 Expend.-Total	100	24				30	3	133	
Direct						30	3	33	
PASA									
Contract	100	24						100	
6/30/75 Unliq.-Total	100	24				15	2	117	
Direct						15	2	17	
PASA									
Contract	100	24						100	
FY 1976 Oblig.-Total	400	96					50	450	
Direct							50	50	
PASA									
Contract	400	96						400	
FY 1976 Expend.-Total	300	72					40	340	
Direct							40	40	
PASA									
Contract	300	72						300	

TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-11-130-232 - Nutritional Improvement

PASA/Contract Name _____

		Funding Periods		
		Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
Contract No.				
From (mo/yr)		Jan 75	Jan 76	
To (mo/yr)		Dec 75	Dec 76	

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/TCN		\$	MM			
	\$	MM	\$	MM					
FY 1974 Obligations									
FY 1974 Expenditures									
6/30/74 Unliquidated									
FY 1975 Obligations	200	48						200	
FY 1975 Expenditures	100	24						100	
6/30/75 Unliquidated	100	24						100	
FY 1976 Obligations	400	96						400	
FY 1976 Expenditures	300	72						300	

TABLE VII

Project Number 520-11-130-232 - Nutritional Improvement

PROJECT FIDA/CONTRACT/GRANT PROGRAMS: TABLE
(\$ thousands)

U.S. Contract Obligations	FY 1975 Obligations		FY 1976 Obligations	
	1975	1976	1975	1976
4	100	210	95	210
				210

Project Description	FY 1975 Obligations		FY 1976 Obligations		Total FY 1975-1976 Obligations	Total FY 1975-1976 Obligations (in millions)
	1975	1976	1975	1976		
As Specialists	4	24	133	8	137	137
Home Office Overhead			72	72	144	144
Overseas Overhead	4	24	72	72	100	100
Travel & Direct Other Costs			6	18	24	24
Total	8	48	281	158	439	439

Project Number 520-11-130-232 - Nutritional Improvement

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

\$45 vehicles, ag equipment, seed

FY 1976 Obligations (type and amount)

Other Cost Budget
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

\$5 overseas contract operating expenses

FY 1976 Obligations (type and amount)

\$50 including \$10 overseas contract operating expenses;
\$20 host country training and seminars; \$20 pilot project
type activities.

E. PL 480, TITLE II1. CAREa) GENERAL

The basic socio-economic and nutritional data submitted for the FY 1975 field program budget in response to AIDTO CIRCULAR A-312 remain valid generally with few significant new developments. Up-dated data for some of the listed inputs has been mentioned in the FY 1975 CARE Guatemala Annual Program Plan. It should be stressed, however, that due to both internal and international factors generally beyond the control of the GOG, the general economic situation in Guatemala has deteriorated. The most disadvantaged section of the population who are most severely affected by a worsening economic situation constitute the same category of beneficiaries who benefit from CARE's supplemental PL 480 Title II feeding programs, and for this reason the justification for continuing these programs remain valid and are self-evident.

b) PROPOSED EXPANSIONS

CARE has proposed an expansion of the two programs

dealing with priority categories of beneficiaries, MCH and FFW, while maintaining the SCH program at the FY 1975 level.

According to a 1973 INCAP (Institute of Nutrition of Central America and Panama) study of Guatemalan children under 5 years of age, 49% of these pre-school children suffer from first-degree malnutrition (between 76-90% of normal body growth), 26.5% suffer from second-degree malnutrition (between 61-75% of normal body growth), and 5.9% suffer from third-degree malnutrition (below 60% normal body growth). At the current FY 75 approved level of 105,000 beneficiaries, CARE's PL 480 Title II MCH program will reach only 12% of those pre-school children under 5 years of age at nutritional risk. Taking into consideration that approximately 47% of the children in Guatemala die before reaching their fifth birthday, the projected 10% increase in the MCH program for FY 1976 is modest.

As for CARE's new FFW program, it is generally accepted that the altiplano region of western Guatemala is one of the most important agricultural and coniferous forest regions in the entire country and, yet, according

to the GOG's Technical Center of Forest Evaluation (CETEFOR), its productive capacity is being threatened by the destructive process of soil erosion. This process in many of its forms is removing, or has removed, the surface soil and subsoil materials from many cropped and grazed areas. So severe is the problem that unless this erosion is brought under control in a relatively short time by a resources management and conservation program (such as that supported by the CARE FFW program), the destruction of the soil, plant and water resources of the region will, in time, render them non-productive. The importance that the GOG and other international agencies attach to this program is evidenced by the fact that, in addition to the CARE PL 480 Title II program, OXFAM, the American Peace Corps, the GOG National Forestry Institute, and the Christian Children Fund are providing complementary non-food aid in the form of technical assistance, supervision, and cooking and training facilities. The projected FY 1976 beneficiary increase from 800 to 2,400 will be the catalytic agent for an

anticipated expansion of this vital GOG program

c) MATERNAL CHILD HEALTH

For the first time in FY 1975, the GOG, INCAP, and CARE have initiated a new MCH program whereby CARE will import whole bagged corn for conversion into Incaparina (a vegetable-protein mixture developed by INCAP and commercially produced for approximately the last 10 years in Guatemala by Alimentos, S.A.) for use in CARE MCH programs. This new MCH program, made possible by a 42% financial increase from the GOG should enable CARE to increase the number of beneficiaries effectively reached in this top priority category. However, as stated in CARE-Guatemala's FY 1975 Annual Program Plan (section IV C, pg. 15), CARE urgently requests AID/W funds to evaluate this program (with INCAP professional personnel) which is designed to combine low-cost delivery of health, nutrition, and family planning services. It is CARE's intention to increase, progressively, the GOG contribution to the Incaparina program as their financial resources permit.

d) FOOD FOR WORK

As stated previously in paragraph #2, CARE plans to

increase, progressively, the coverage of this vitally-needed FFW program in an effort to support the desire of the GOG to reverse the destructive process of soil erosion.

It is anticipated that by FY 1976, CARE will be in a position to propose a project to support an acceleration of the non-food aspects of this agricultural program with appropriate funding.

e) SCHOOL LUNCH

W.H.O., in its statement on "Supplementary Feeding Programmes for Mothers and Young Children", stresses the importance of the school-feeding programs in these words: "School age is of great importance, not because of major risks of malnutrition (as in the case of Guatemala where by 5 years of age, 47% of the Guatemalan children have already died), but because it is the period when the promotion of good habits may be established, which in turn may influence family patterns." School children and mothers with young children are, therefore, priorities as regards education." In addition to a 44-member American Peace Corps Volunteer/CARE school and family

garden program which attempts to develop the base for a self-sustaining school feeding program, CARE has also initiated a new SCH program whereby CARE will import whole bagged corn for conversion into Incaparina as described in paragraph #3 above. However, as requested in CARE-Guatemala's FY 1975 Annual Program Plan (section IV. C., pg. 15), CARE has urgently requested AID/W funding to evaluate this program with INCAP professional personnel. Among other things, this evaluation will measure the effect of the PL 480 Title II commodity program on learning efficiency and school performance, school attendance/enrollment and the drop-out rate; as well as support the production and distribution of nutrition education materials for the SCH program. CARE has requested maintenance of FY 1975 feeding levels for FY 1976 in view of the above. It should be pointed out, however, that CARE-Guatemala has already officially contacted the newly-inaugurated Guatemalan Government to comply with USAID/W's request in paragraphs 4 and 5 of State cable #133104 dated 6/21/74 to develop a specific time schedule for SOG acceptance of full responsibility for commodity and financial inputs for the school feeding program.

2. CRSa) GENERAL

General background material presented for FY 1975 submission will also be applicable for FY 1976.

However, negotiations with the Nutrition Department of the Ministry of Public Health have been initiated to study the possibility of including GOG subsidized Incaparina in the CRS distribution activities, especially the MCH category. Basically a contract between GOG-CRS-Alimentos S.A. is contemplated as follows:

- A) CRS would make available PL 480 whole grain corn to Alimentos S.A. for a return of a similar amount of Incaparina.
- B) Incaparina produced with CRS whole corn will be made available to program recipients at cost through Public Health facilities.
- C) GOG will subsidize the difference in production and packaging costs for specified amounts of Incaparina.
- D) Programming will be coordinated between CRS and GOG.

b) PROPOSED EXPANSION

There is no proposed expansion of PL 480 food inputs or

recipient levels contemplated for FY 1976 program activities. However, programs in the fields of nutrition education, health, agriculture and supervised credit will be expanded as explained below in (c). Possible expansion of MCH may be projected for FY 1977 and FY 1978 based on the results of evaluation of Nutrition Education activities.

c) MATERNAL CHILD HEALTH

In keeping with the AID/W Nutrition Strategy Paper and past experience of CRS/G, an expanded nutrition education program will be initiated in FY 1976. Focus will be placed on recipients of MCH distribution centers. Aside from basic nutrition education there will be added components of health education, agricultural technical assistance and supervised credit. The program will be confined to the poorest majority of the specific rural areas for impact and evaluation purposes. A team consisting of a nutritionist and agronomist will coordinate at the national level with three institutions (Caritas-CAPS-CRS) and other agencies i.e. INCAP, Public Health, Peace Corps, CETEFOR, etc., all project

activities. On the regional level, the national team will supervise two agronomists, two extensionists and two nutrition coordinators who in turn will work with fifty local Social Promoters as agents of change to assure the multiplier effect. Supervised credit will be managed through the Caritas Altiplano Loan Committee who already has five years experience in agricultural loans based on proven guidelines.

All personnel required for implementation are available in Guatemala with the exception of the Nutritionist. This problem may be overcome as graduates emerge from INCAP or by use of foreign personnel. The program is projected for a three-year period at an approximate cost of \$100,000 per annum covering some 15,000 beneficiaries at a cost of \$6.66 per recipient yearly.

d) FOOD FOR WORK

GOG and AID Mission rural development priorities are complemented by CRS FFW activities in farm to market roads, agricultural training, latrine construction, potable water facilities and educational projects. Many of these projects are directly with the Extension

Division of the Ministry of Agriculture who is also represented on the Caritas Altiplano Loan Committee. The Altiplano Loan Committee manages loans for graduates of the Mobile Schools under Ministry of Agriculture supervision. Increased activities in specific areas could possible accelerate mission supported objectives.

e) SCHOOL LUNCH

CRS does not manage school lunch activities in Guatemala.

87.

B. POPULATION PLANNING AND HEALTH

TABLE IX

Project Number 520-11-999-000.2 - Technical Support (PP&H)

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

Other Cost Budget
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)
\$10 budget support grant to National Planning Council

FY 1976 Obligations (type and amount)
\$10, same as FY 75

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-15-580-189 - Population & Rural Health

PASA/Contract Name Budget Support Grant to Del Valle University

Contract No. From (mo/yr) To (mo/yr)	Funding Periods		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
	Jan 74	Jan 75	Jan 76
	Dec 74	Dec 75	Dec 76

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/TCN						
	\$	MM	\$	MM					
FY 1974 Obligations			98	228				67	165
FY 1974 Expenditures			50	115				33	83
6/30/74 Unliquidated			48	113				34	82
FY 1975 Obligations			70	165				30	100
FY 1975 Expenditures			83	195				49	132
6/30/75 Unliquidated			35	83				15	50
FY 1976 Obligations			70	165				30	100
FY 1976 Expenditures			70	165				30	100

TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-15-580-189 - Population & Rural Health

PASA/Contract Name Budget Support Grant to APROFAM

Contract No. From (mo/yr) To (mo/yr)	Funding Periods		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
	Jan 74	Jan 75	Jan 76
	Dec 74	Dec 75	Dec 76

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/TCN		\$	MM	\$	\$	\$
	\$	MM	\$	MM					
FY 1974 Obligations			153	891			26	268	447
FY 1974 Expenditures			76	445				134	210
6/30/74 Unliquidated			77	446			26	134	237
FY 1975 Obligations			75	400			15	110	200
FY 1975 Expenditures			114	600			33	190	337
6/30/75 Unliquidated			38	200			8	54	100
FY 1976 Obligations			75	400			15	110	200
FY 1976 Expenditures			75	400			15	110	200

TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-15-580-189 - Population & Rural Health

PASA/Contract Name Budget Support Grant to Ministry of Health

Contract No. From (mo/yr) To (mo/yr)	Funding Periods		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
		Jan 75	Jan 76
		Dec 75	Dec 76

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/TCN						
	\$	MM	\$	MM					
FY 1974 Obligations									
FY 1974 Expenditures									
6/30/74 Unliquidated									
FY 1975 Obligations			150	850				20	170
FY 1975 Expenditures			75	425				10	85
6/30/75 Unliquidated			75	425				10	85
FY 1976 Obligations			150	850				20	170
FY 1976 Expenditures			150	850				20	170

Project No. 520-15-580-189 - Population & Rural Health

PROJECT PARTICIPANT TRAINING TABLE
(\$ thousands)

	DIRECT AID									CONTRACT		
	U.S. Academic			U.S. Non-Academic			3rd Country			No.	MMs	\$
	No.	MMs	\$	No.	MMs	\$	No.	MMs	\$			
<u>FY 1974 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term				2	4	6						
<u>FY 1974 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term				2	4	6*						
<u>Unliquidated Oblig. - 6/30/74</u>												
Long-term - new												
Long-term - continuing												
Short-term				1	1	1						
<u>FY 1975 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term				4	14	20						
<u>FY 1975 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term				4	14	21						
<u>Unliquidated Oblig. - 6/30/75</u>												
Long-term - new												
Long-term - continuing												
Short-term												
<u>FY 1976 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term				4	14	20						
<u>FY 1976 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term				4	14	20						

*Does not coincide with Table V which includes expenditures prior year funds.

TABLE IX

Project Number 520-15-580-189 - Population & Rural Health

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

\$45 audio-visual, medical and office equipment, vehicles

FY 1975 Obligations (type and amount)

\$30 audio-visual and education training materials, medical and office equipment.

FY 1976 Obligations (type and amount)

\$30 same as FY 75

Other Cost Budget

6/30/74 Unliquidated (type and amount)

\$378 including \$10 for travel; \$49 for host country training and seminars; and \$319 for budget support grants to host country implementing agencies.

FY 1975 Obligations (type and amount)

\$550 including \$20 for travel; \$60 for host country training and seminars; and \$470 for budget support grants to host country implementing agencies.

FY 1976 Obligations (type and amount)

\$550 same as FY 75

TABLE IX A
(Continued)

Project Number 520-15-580-189 - Population & Rural Health

CENTRALLY FUNDED TITLE X CONTRACEPTIVES
FOR BILATERAL PROGRAMS

	Condoms		
	Quantity	Costs	Number
	Gross	\$ thousands	of condom users
1. Usage through FY 1975			
FY 1975 Usage	700	2,520	700
FY 1976 Usage			
FY 1977 Usage			
2. 6/30/74 Unused			XXX
Central Warehouse			XXX
Public Sector Distribution System			XXX
On order and confirmed by AID/ Washington	700	2,520	XXX
3. FY 1975 Obligations			XXX
4. FY 1978 Usage			
5. FY 1976 Obligations			XXX

TABLE IX B

Project Number 520-15-580-189 - Population & Rural HealthContraceptives Provided by Other Donors,
Organizations, and Host Country Government

	FY 1974 Obligations		FY 1975 Planned Obligations		FY 1976 Proposed Obligations	
	Quantity (MC/GRS)	Costs (\$000)	Quantity (MC/GRS)	Costs (\$000)	Quantity (MC/GRS)	Costs (\$000)
I. Orals-TOTAL	660,000	110.8*	1,200,000	201.6*	1,200,000	201.6*
a. <u>Other Bilateral Donors</u>						
b. <u>Private Organizations</u>						
IPPF	660,000	110.8*	1,200,000	201.6*	1,200,000	201.6*
c. <u>UN</u>						
d. <u>Host Country Government</u>						
II. Condoms-TOTAL	1,000	3.6	2,000	7.2	3,000	10.8
a. <u>Other Bilateral Donors</u>						
b. <u>Private Organizations</u>						
IPPF	1,000	3.6	2,000	7.2	3,000	10.8
c. <u>UN</u>						
d. <u>Host Country Government</u>						

*Note: Cost calculated on 14¢ per cycle plus 20% transportation.

■ Rural Health Care Delivery Evaluation (230) (Grant)

Public rural health services in Guatemala are provided through a hierarchy of institutions, including, in order of diminishing size, Hospitals, Health Centers, and Health Posts. All suffer from lack of trained staff, medical equipment and supplies and supervision. As part of its Five-Year Plan the GOG assigns high priority to strengthening this basic health system. Emphasis is being placed on improving Health Post facilities as these units are the most directly responsive to the needs of the poorer rural areas of the country.

This project is an important and logical follow-up to the two USAID/Guatemala rural health loans underway. An important objective under these loans has been the recruitment and training of medical auxiliaries to implement a rural health care delivery system through activities leading to the improvement of the sanitary environment, family planning, nutrition education, increased food production, immunization against preventable infectious diseases and simplified curative medicine.

The project proposed for grant funding is a longitudinal study to evaluate the rural health care delivery

system and to measure its impact on selected health parameters in control and test communities, with controls designed to evaluate the impact of other (non-medical) community influences (e.g. improved roads, education, rural electrification, etc.). The Academy of Medical, Physical and Natural Sciences of Guatemala will undertake the study in collaboration with the Ministry of Public Health and Social Assistance.

An important activity under AID Loan 520-L-021 is the formation of a Health Planning Unit within the National Economic Planning Council. This unit, with a professional staff of four and with additional technical assistance has completed the health section of the National Development Plan, 1975-1979. It has recently recruited a qualified professional to develop programs for improved health data collection and processing. This unit will work closely with the Office of Planning of the Ministry of Health and with the Planning Office of the Guatemalan Social Security Institute in order to develop an effective and useful data base as an instrument for policy and decision making. The Academy of Medical, Physical and Natural Sciences of Guatemala will collaborate with these planning offices in coordinating data collection and upgrading the evaluative function of these units.

We explored possible funding with the Kellogg Foundation but they were unable to support the project.

No other donors are known to be interested in this project which is planned in two phases:

(1) The design of the evaluation activity itself, with construction and pre-testing of data-gathering instruments and other methodologies.

(2) The conduct of various studies over a period of six years during which time data on control and test communities on a "before" and "after" basis can be collected.

It is estimated that the project will be of six years duration at a total cost of \$500,000. The budget for the first year is estimated to be \$135,000. Major inputs include technical assistance for the design of the studies and test instruments, commodities, and supplies, including the purchase and equipment of a vehicle and trailer to serve as living quarters for field staff and as a clinic for undertaking the necessary physical studies on representative members of the communities.

PROJECT BUDGET TABLE
(in thousands)

TABLE V

Project Title	Rural Health Care Delivery	Financing Dates (FY)	
Evaluation		Start	End
Project Number	520-15-500-250	Obligations Expenditures	
Appropriation			
Estimated Total Costs	A. Per latest PROPOS. N.A. B. Per current Estimate	\$500,000	

Project Budget & Expenditures	Federal		Local/TFE		Participating States		Other Costs	Total
	U.S. \$	MM	\$	MM	\$	MM		
FY 1974 Oblig.-Total								
Direct								
PASA								
Contract								
FY 1974 Expend.-Total								
Direct								
PASA								
Contract								
6/30/74 Unliq.-Total								
Direct								
PASA								
Contract								
FY 1975 Oblig.-Total	90	24			25		10	135
Direct					25		10	45
PASA								
Contract	90	24						90
FY 1975 Expend.-Total	45	12			20		5	70
Direct					20		5	25
PASA								
Contract	45	12						45
6/30/75 Unliq.-Total	45	12			15		5	65
Direct					15		5	20
PASA								
Contract	45	12						45
FY 1976 Oblig.-Total	90	24					10	100
Direct							10	10
PASA								
Contract	90	24						90
FY 1976 Expend.-Total	90	24					10	100
Direct							10	10
PASA								
Contract	90	24						90

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-15-590-230 - Rural Health Care Delivery Evaluation

PASA/Contract Name Undesignated P.A. contract

Contract No. From (mo/yr) To (mo/yr)	Funding Period		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
		Jan. 75	Jan. 76
		Dec. 75	Dec. 76

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/ICR		\$	MO	\$	\$	\$
	\$	MO	\$	MO					
FY 1974 Obligations									
FY 1974 Expenditures									
6/30/74 Unliquidated									
FY 1975 Obligations	90	24							90
FY 1975 Expenditures	45	12							45
6/30/75 Unliquidated	45	12							45
FY 1976 Obligations	90	24							90
FY 1976 Expenditures	90	24							90

Project Number 520-15-590-230 - Rural Health Care Delivery Evaluation

PROJECT PASA/CONTRACT/GRANT PERSONNEL TABLE
(\$ thousands)

U.S. Contract Technicians	FY 1975 Obligations		FY 1976 Obligations	
	No.	\$000	No.	\$000
Long-term	2	90	2	90
Short-term				

Personnel	Actual FY 1974		Estimated FY 1975		Estimated FY 1976		Contract Period	Ex-Gratia
	No.	\$000	No.	\$000	No.	\$000		
Contract Technicians	2	90	2	90	2	90	6/30/75	24
Contract Personnel							6/30/76	24
Contract Personnel							6/30/77	24
TOTAL	2	90	2	90	2	90		24

(for contract personnel only)

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TABLE IX

Project Number 520-15-590-230 - Rural Health Care Delivery
Evaluation

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

\$35 vehicle & trailer, mobile clinic with medical equipment
and supplies.

FY 1976 Obligations (type and amount)

Other Cost Budget
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

\$ 10 overseas contract operating expenses

FY 1976 Obligations (type and amount)

\$ 10 same as FY 75

3. Village Water and Sanitation (231) (Grant)

With the support of two AID loans, the GOC initiated a rural health program which, at the lowest level, is based on a system of health posts located in small villages. These health posts are staffed by rural health technicians (TSR's) who receive training in basic curative medicine and preventative health measures. TSR's are backed by a referral system using, in ascending order, health centers, regional hospitals, and specialized medical facilities in the capital.

An important function of the TSR is the analysis of community health needs followed by mobilization of community resources in order to correct poor sanitary or other conditions which endanger health.

The purpose of this project is to attempt to develop, on a pilot basis in conjunction with a Private Voluntary Organization (PVO), a system for assisting small communities in obtaining potable systems and sanitary facilities. Project sites would be selected with the collaboration of the TSR's working in each locality and the Ministry of Public Health. The PVO would be responsible at this stage for ensuring that adequate community organizations exist to generate required local contributions

(AID, the Ministry of Health, and local communities will each finance one third of every project and, subsequently, to ensure continuing maintenance. Employees of the UFF's early-on will provide a continuing source of managerial expertise at the project and at the same time serve to strengthen their credibility within the community.

Since 1967, USAID has been administering a similar project in collaboration with the Asociación de Agricultores organization. Some \$50,000 in annual private donations from the U.S., matched by equivalent counterpart donations by the Government of Guatemala and by recipient communities (the latter contributing labor and materials), have been channeled through USAID which has assisted in project administration. At least 20-25 projects per year have been completed with technical specifications and plans undertaken by PMDC and on-site inspection by USAID officials. No other donors provide assistance for services at this level. Studies needed to implement the project include:

(a) The development of plans for low-cost potable water systems, including, possibly, an newly developed plant transpiration system.

(b) The development of plans for latrine construction, taking into account local customs and conditions.

(c) Determination of the location of population groups to receive water systems and sanitary facilities. This would be undertaken by the Ministry of Health in conjunction with local communities, nominated by medical auxiliaries assigned to that area.

It is estimated that the project will be continued for three years at a total cost of \$400,000. Major inputs will be equipment, technical assistance, and construction materials. If successful, the Mission proposes to continue financing for the program through a health loan in FY 1977.

TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-18-520-931 - Village Water and Sanitation

PASA/Contract Name Budget Support Grant to Volag

Contract No. From (mo/yr) To (mo/yr)	Funding Periods		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
		Jan 75 Dec 75	Jan 76 Jan 76

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/ICM		\$	MM	\$	\$	\$
	\$	MM	\$	MM					
FY 1974 Obligations									
FY 1974 Expenditures									
6/30/74 Unliquidated									
FY 1975 Obligations							70	30	100
FY 1975 Expenditures							35	15	50
6/30/75 Unliquidated							35	15	50
FY 1976 Obligations							70	30	100
FY 1976 Expenditures							70	30	100

Project Number 520-15-520-231 - Village Water and Sanitation

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

Other Cost Budget
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

\$100 budget support grant to Volag

FY 1976 Obligations (type and amount)

\$100 same as FY 75

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C. EDUCATION AND HUMAN RESOURCES DEVELOPMENT

PROJECT BUDGET TABLE
(\$ thousands)

TABLE V

Project Title Technical Support (Ed. & H.R.)

Financing Dates: (FY)

Project Number 520-11-999-000.3

Obligations:

Appropriation

Expenditures:

Estimated Total Costs: A. Per Latest PROP & N.A. B. Per Current Estimate \$ Continuing

Project Budget & Expenditures	Personnel		Participants	Commodities	Other Costs	Total
	U.S.	Local/TEN				
	\$ MM	\$ MM	\$ MM	\$	\$	\$
<u>FY 1974 Oblig.-Total</u>						
Direct						
PASA						
Contract						
<u>FY 1974 Expend.-Total</u>						
Direct						
PASA						
Contract						
<u>6/30/74 Unliq.-Total</u>						
Direct						
PASA						
Contract						
<u>FY 1975 Oblig.-Total</u>					90	90
Direct					90	90
PASA						
Contract						
<u>FY 1975 Expend.-Total</u>					70	70
Direct					70	70
PASA						
Contract						
<u>6/30/75 Unliq.-Total</u>					20	20
Direct					20	20
PASA						
Contract						
<u>FY 1976 Oblig.-Total</u>					90	90
Direct					90	90
PASA						
Contract						
<u>FY 1976 Expend.-Total</u>					100	100
Direct					100	100
PASA						
Contract						

Project Number 520-11-999-000.3 - Technical Support (Ed. & H.R.)

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

Other Cost Budget
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

\$90 budget support grant to National Planning Council for sectoral studies

FY 1976 Obligations (type and amount)

\$90 same as FY 75

PROJECT BUDGET TABLE
(\$ thousands)

TABLE V

Project Title Public Safety

Financing Dates (FY)

Project Number 520-11-710-077

Obligations

Begin	End
57	75

Appropriation

Expenditures

58	75
----	----

Estimated Total Costs: A. Per Latest PROP \$ N.A. B. Per Current Estimate \$ N.A.

Project Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/TCN		\$	MM			
	\$	MM	\$	MM					
FY 1974 Oblig.-Total	150	36	13	12	79	85	-6	2	238
Direct	150	36	13	12	79	85	-6	2	238
PASA									
Contract									
FY 1974 Expend.-Total	154	36	13	12	77	80	19	301	564
Direct	154*	36	13	12	77	80	19	301	564*
PASA									
Contract									
6/30/74 Unliq.-Total					18	18	273	88	379
Direct	*				18	18	273	88	379*
PASA									
Contract									
FY 1975 Oblig.-Total					20	20			20
Direct					20	20			20
PASA									
Contract									
FY 1975 Expend.-Total					20	20	273	88	381
Direct					20	20	273	88	381
PASA									
Contract									
6/30/75 Unliq.-Total									
Direct									
PASA									
Contract									
FY 1976 Oblig.-Total					20	20			20
Direct					20	20			20
PASA									
Contract									
FY 1976 Expend.-Total					20	20			20
Direct					20	20			20
PASA									
Contract									

* at variance with U203 which erroneously show \$67 unliquidated at 6/30/74

TABLE VIII

Project No. 520-11-710-077 - Public Safety

PROJECT PARTICIPANT TRAINING TABLE
(\$ thousands)

	DIRECT AID									CONTRACT		
	U.S. Academic			U.S. Non-Academic			3rd Country			No.	MMs	\$
	No.	MMs	\$	No.	MMs	\$	No.	MMs	\$			
<u>FY 1974 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term				25	89	84*						
<u>FY 1974 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term				25	71	66*						
<u>Unliquidated Oblig. - 6/30/74</u>												
Long-term - new												
Long-term - continuing												
Short-term				7	18	18						
<u>FY 1975 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term				8	20	20						
<u>FY 1975 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term				8	20	20						
<u>Unliquidated Oblig. - 6/30/75</u>												
Long-term - new												
Long-term - continuing												
Short-term				7	18	18						
<u>FY 1976 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term				8	20	20						
<u>FY 1976 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term				8	20	20						

* Does not coincide with Table V which includes de-obs and expenditures prior year funds.

Project Number 520-11-710-077 - Public Safety

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

\$273 equipment to National Police School, radio equipment,
vehicle

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

Other Cost Budget
6/30/74 Unliquidated (type and amount)

\$88 local construction costs for National Police Academy

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

PROJECT BUDGET TABLE
(\$ thousands)

TABLE V

Project Title Public Administration (Municipal)

Financing Dates (FY)

Project Number 520-11-790-176.2

Obligations

Begin	End
71	77
71	78

Appropriation _____

Expenditures

Estimated Total Costs: A. Per Latest PROP \$447,000 B. Per Current Estimate \$528,000

Project Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total	
	U.S.		Local/TCN		\$	MM				\$
	\$	MM	\$	MM						
FY 1974 Oblig.-Total	36	12			18	23		30	84	
Direct					18	23		30	43	
PASA										
Contract	36	12							36	
FY 1974 Expend.-Total	1	1			19	24		18	38	
Direct					19	24		18	37	
PASA										
Contract	1	1							1	
6/30/74 Unliq.-Total	77	24			1	2		72	150	
Direct					1	2		72	73	
PASA										
Contract	77	24							77	
FY 1975 Oblig.-Total	42	12			10	14			52	
Direct					10	14			14	
PASA										
Contract	42	12							42	
FY 1975 Expend.-Total	77	24			11	16		72	150	
Direct					11	16		72	83	
PASA										
Contract	77	24							77	
6/30/75 Unliq.-Total	42	12							42	
Direct										
PASA										
Contract	42	12							42	
FY 1976 Oblig.-Total	21	6			29	40			50	
Direct					29	40			29	
PASA										
Contract	21	6							21	
FY 1976 Expend.-Total	42	12			20	26			62	
Direct					20	26			20	
PASA										
Contract	42	12							42	

Project No. 520-11-790-176.2 - Public Administration (Municipal)

PROJECT PARTICIPANT TRAINING TABLE
(\$ thousands)

	DIRECT AID									CONTRACT		
	U.S. Academic			U.S. Non-Academic			3rd Country					
	No.	MMs	\$	No.	MMs	\$	No.	MMs	\$	No.	MMs	\$
<u>FY 1974 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term							5	23	18			
<u>FY 1974 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term							5	23	17*			
<u>Unliquidated Oblig. - 6/30/74</u>												
Long-term - new												
Long-term - continuing												
Short-term							1	2	1			
<u>FY 1975 Obligations</u>							3	14	10			
Long-term - new								--	--			
Long-term - continuing								--	--			
Short-term							3	14	10			
<u>FY 1975 Expenditures</u>							4	16	11			
Long-term - new												
Long-term - continuing												
Short-term							4	16	11			
<u>Unliquidated Oblig. - 6/30/75</u>												
Long-term - new												
Long-term - continuing												
Short-term												
<u>FY 1976 Obligations</u>							8	40	29			
long-term - new								--	--			
Long-term - continuing								--	--			
Short-term							8	40	29			
<u>FY 1976 Expenditures</u>							5	26	20			
Long-term - new												
long-term - continuing												
Short-term							5	26	20			

* Does not coincide with Table V which includes expenditures prior year funds.

TABLE IX

Project Number 520-11-790-176.2 - Public Administration (Municipal)

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

Other Cost Budget
6/30/74 Unliquidated (type and amount)

\$72 budget support grant to INAD

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

PROJECT BUDGET TABLE
(\$ thousands)

TABLE V

Project Title Tax Administration

Financing Dates (FY)

Project Number 520-11-790-199
Appropriation _____

Obligations
Expenditures

Begin	End
71	75
71	75

Estimated Total Costs: A. Per Latest PROP \$ 998,700P. Per Current Estimate \$ 794,000

Project Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		Local/TON		\$	M'			
	\$	M'	\$	M'					
FY 1974 Oblig.-Total	199	36			13	8		8	223
Direct					13	8		8	21
PASA	199*	36							199
Contract									
FY 1974 Expend.-Total	194	36			15	10			199
Direct					15	10			18
PASA	184**	36							184
Contract									
6/30/74 Unlig.-Total	112	18			7	4	1	17	137
Direct					7	4	1	17	25
PASA	***112	18							112
Contract									
FY 1975 Oblig.-Total	40	8			9	4			49
Direct					9	4			9
PASA	40	8							49
Contract									
FY 1975 Expend.-Total	152	26			12	6	1	17	182
Direct					12	6	1	17	32
PASA	152	26							152
Contract									
6/30/75 Unlig.-Total					4	2			4
Direct					4	2			4
PASA									
Contract									
FY 1976 Oblig.-Total									-0-
Direct									
PASA									
Contract									
FY 1976 Expend.-Total					4	2			4
Direct					4	2			4
PASA									
Contract									

*erroneously listed on U203 as contract element.

**shown erroneously on U203 as \$83; \$101 erroneously shown as contract element.

***adjusted to notes shown above.

Project No. 520-11-790-199 - Tax Administration

PROJECT PARTICIPANT TRAINING TABLE
(\$ thousands)

	DIRECT AID									CONTRACT		
	U.S. Academic			U.S. Non-Academic			3rd Country			No.	MMs	\$
	No.	MMs	\$	No.	MMs	\$	No.	MMs	\$			
<u>FY 1974 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term				6	8	13						
<u>FY 1974 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term				3	4	6*						
<u>Unliquidated Oblig. - 6/30/74</u>												
Long-term - new												
Long-term - continuing												
Short-term				3	4	7						
<u>FY 1975 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term				3	4	9						
<u>FY 1975 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term				3	6	12						
<u>Unliquidated Oblig. - 6/30/75</u>												
Long-term - new												
Long-term - continuing												
Short-term				3	2	4						
<u>FY 1976 Obligations</u>												
Long-term - new												
Long-term - continuing												
Short-term												
<u>FY 1976 Expenditures</u>												
Long-term - new												
Long-term - continuing												
Short-term				3	2	4						

* Does not coincide with Table V which includes expenditures prior year funds.

Project Number 520-11-790-199 - Tax Administration

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

\$1 Office Equipment

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

Other Cost Budget
6/30/74 Unliquidated (type and amount)

\$17 including \$4 travel; \$4 overseas PASA operating expenses; and
\$9 local cost contracts reimbursable to Ministry
of Finance.

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

4. & 5. Basic Rural Education Loan and Grant (228)

This project is directed toward the economic and social improvement of rural, largely subsistence, Indian and Ladino populations through coordinated programs in education, agriculture and health. The project will build upon and multiply the effectiveness of two innovative on-going AID loan and grant-sponsored programs: 1) PEMEP: a system of rural regional schools and teacher training centers employing newly developed teaching methods, curriculum and community development programs, and 2) BVE: an experimental non-formal education program utilizing radio and audio-visual media in collaborative effort by the ministries of education and agriculture.

Both of these on-going programs are fully supported by the new government, the Minister of Education and the National Planning Council and represent a basic strategy for offering education to the rural population, 72% of which is illiterate and the balance with opportunity for little more than 1-3 grades of rote learning. Over the past 6 years the PEMEP program has developed and tested in pilot schools a functional rural curriculum, teaching methods, teacher selection and training procedures which are now being introduced in 28 loan funded regional schools and their satellites. BVE, a controlled experimental program is measuring

the effectiveness and cost of agricultural messages directed to the illiterate, subsistence adult, rural population in two distinct cultural and geographic areas. Both programs provide a background of experience in program development, training in new technologies, administration and evaluation.

The proposed loan will complete the regional school plan (28 were financed under the existing loan out of a planned 50) and the needed feeder system for those 50 schools. Also, construction of facilities will be financed in population centers where addition of minimal facilities (such as additional classrooms, home economic shops, etc.) will permit bringing existing educational plants within the regional concept. The balance of the loan (approximately 60% of total loan funds) will be utilized for technical assistance, teacher training, equipment, educational materials and supplies, textbooks, and a small component for vehicles.

The objective of the loan is to establish a nation-wide education infrastructure based upon the developed PEMEP pilot and regional schools employing teachers trained in the new methodology at AID-financed normal schools. This infrastructure will also include a system of regional supervision, materials distribution,

and administration needed in any future use of educational radio and other non-formal delivery systems.

To test the further application of a promising non-formal rural education delivery system, grant funds are being requested to finance the pilot development and evaluation of educational radio programs building upon the BVE experiment. This involves an investigation of the function and content of rural education employing radio and other non-traditional delivery systems. Technical assistance, training and required commodities and materials for pilot operations in two distinct language culture areas will be financed over a three-year period. A total of \$950,000 is being requested for this purpose.

On-going AID-supported experimental activities and analyses of the educational system provide the requisite research bases for these projects.

No other external donors are active in the primary education sub-sector in Guatemala.

IRR #520-22-640-229 was approved on November 7, 1973 for the proposed loan in an amount of \$10,000,000.

PROJECT BUDGET TABLE
(\$ thousands)

TABLE V

Project Title Basic Rural Education

Financing Dates (FY)

Project Number 520-11-690-228

Obligations
Expenditures

Begin	End
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Appropriation _____

Estimated Total Costs: A. Per Latest PROP \$ N.A. B. Per Current Estimate \$ 950,000

Project Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S. \$	MM	Local/TCN \$	MM	\$	MM	\$	\$	\$
<u>FY 1974 Oblig.-Total</u>									
Direct									
PASA									
Contract									
<u>FY 1974 Expend.-Total</u>									
Direct									
PASA									
Contract									
<u>6/30/74 Unliq.-Total</u>									
Direct									
PASA									
Contract									
<u>FY 1975 Oblig.-Total</u>	150	36			40		50	110	350
Direct					40		50	110	200
PASA									
Contract	150	36							150
<u>FY 1975 Expend.-Total</u>	75	18			30		30	60	195
Direct					30		30	60	120
PASA									
Contract	75	18							75
<u>6/30/75 Unliq.-Total</u>	75	18			10		20	50	155
Direct					10		20	50	80
PASA									
Contract	75	18							75
<u>FY 1976 Oblig.-Total</u>	150	36			40		20	190	400
Direct					40		20	190	250
PASA									
Contract	150	36							150
<u>FY 1976 Expend.-Total</u>	150	36			40		30	145	365
Direct					40		30	145	215
PASA									
Contract	150	36							150

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(3 thousands)

Project Number 520-11-690-229 - Basic Rural Education

PASA/Contract Name Budget Support Grant to BIMEP

Contract No. From (mo/yr) To (mo/yr)	Funding Periods		
	Current-FY 1974	Proposed-FY 1975	Projected-FY 1976
		Jan 75	Jan 76
		Apr 75	Dec 75

Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.		LOCAL		\$	MO	\$	\$	\$
	\$	MO	\$	MO					
FY 1974 Obligations									
FY 1974 Expenditures									
6/30/74 Unliquidated									
FY 1975 Obligations			70	210			20	20	110
FY 1975 Expenditures			35	105			10	10	55
6/30/75 Unliquidated			35	105			10	10	55
FY 1976 Obligations			110	330			40	40	190
FY 1976 Expenditures			100	300			30	30	160

TABLE VI

PROJECT PASA/CONTRACT/GRANT BACK-UP BUDGET TABLE
(\$ thousands)

Project Number 520-11-690-228 - Basic Rural Education

PASA/Contract Name Undesignated T.A. Contract

Contract No. From (mo/yr) To (mo/yr)	Funding Periods	
	Current-FY 1974	Proposed-FY 1975
	Jan 75	Jan 76
	Dec 75	Dec 76

Budget & Expenditures	Personnel				Participants		Commod-	Other	Total
	U.S.		Local/TCN				ities	Costs	
	\$	MM	\$	MM					
FY 1974 Obligations									
FY 1974 Expenditures									
6/30/74 Unliquidated									
FY 1975 Obligations	150	36						150	
FY 1975 Expenditures	75	18						75	
6/30/75 Unliquidated	75	18						75	
FY 1976 Obligations	150	36						150	
FY 1976 Expenditures	150	36						150	

TABLE VIII

Project No. 520-11-690-228 - Basic Rural EducationPROJECT PARTICIPANT TRAINING TABLE
(\$ thousands)

	DIRECT AID									CONTRACT		
	U.S. Academic			U.S. Non-Academic			3rd Country			No.	MMs	\$
	No.	MMs	\$	No.	MMs	\$	No.	MMs	\$			
FY 1974 Obligations												
Long-term - new												
Long-term - continuing												
Short-term												
FY 1974 Expenditures												
Long-term - new												
Long-term - continuing												
Short-term												
Unliquidated Oblig. - 6/30/74												
Long-term - new												
Long-term - continuing												
Short-term												
FY 1975 Obligations				10	40	40						
Long-term - new					-	-						
Long-term - continuing					-	-						
Short-term				10	40	40						
FY 1975 Expenditures				10	30	30						
Long-term - new					-	-						
Long-term - continuing					-	-						
Short-term				10	30	30						
Unliquidated Oblig. - 6/30/75				10	10	10						
Long-term - new					-	-						
Long-term - continuing					-	-						
Short-term				10	10	10						
FY 1976 Obligations				10	40	40						
Long-term - new					-	-						
Long-term - continuing					-	-						
Short-term				10	40	40						
FY 1976 Expenditures				10	40	40						
Long-term - new					-	-						
Long-term - continuing					-	-						
Short-term				10	40	40						

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TABLE IX

Project Number 520-11-690-228 - Basic Rural Education

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

\$50 radio-transmitting equipment, audio-visual equipment, vehicles

FY 1976 Obligations (type and amount)

\$20 same as FY 75

Other Cost Budget

6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

\$110 budget support grant to host country implementing agency

FY 1976 Obligations (type and amount)

\$190 same as FY 75

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D. SELECTED DEVELOPMENT PROBLEMS

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ONGOING

PROJECT BUDGET TABLE
(\$ thousands)

TABLE V

Project Title Special Development
Activities

Financing Dates (FY)

Project Number 520-15-998-145

Obligations

Begin End

Appropriation

Expenditures

Estimated Total Costs: A. Per Latest PROP \$ N.A. B. Per Current Estimate \$ continuing

Project Budget & Expenditures	Personnel				Participants		Commodities	Other Costs	Total
	U.S.	Local/TEN							
	\$	MM	\$	MM	\$	MM	\$	\$	\$
FY 1974 Oblig.-Total								50	50
Direct								50	50
PASA									
Contract									
FY 1974 Expend.-Total								48	48*
Direct								48	48
PASA									
Contract									
6/30/74 Unliq.-Total								-0-	-0-
Direct								-0-	-0-
PASA									
Contract									
FY 1975 Oblig.-Total								50	50
Direct								50	50
PASA									
Contract									
FY 1975 Expend.-Total								50	50
Direct								50	50
PASA									
Contract									
6/30/75 Unliq.-Total									
Direct									
PASA									
Contract									
FY 1976 Oblig.-Total								50	50
Direct								50	50
PASA									
Contract									
FY 1976 Expend.-Total								50	50
Direct								50	50
PASA									
Contract									

* FY 74 funds completely expended; \$48 reflects \$2 deob. of prior year funds.

TABLE IX

Project Number 520-15-998-145 - Special Development Activities

COMMODITY AND OTHER COST BUDGET TABLE
(\$ thousands)

Commodity Budget (excludes centrally funded contraceptives)
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

FY 1976 Obligations (type and amount)

Other Cost Budget
6/30/74 Unliquidated (type and amount)

FY 1975 Obligations (type and amount)

\$50 grants for community development type projects

FY 1976 Obligations (type and amount)

\$50 same as FY 75

HOUSING INVESTMENT GUARANTY

Proposed for FY 1975 is a \$13.2 million Housing Investment Guaranty which would finance approximately 4,681 low-cost housing units in secondary cities. Homes would be built through housing cooperatives and ownership would be held on a cooperative basis. Following is a breakdown of number and sales prices of houses proposed for financing:

<u>Number of Units</u>	<u>Sales Prices</u>
50	\$ 1500
2347	2000
25	2500
1956	3500
303	5000

The implementing agency would be the National Housing Bank of Guatemala (BANVI) which will expand its cooperative department to provide assistance to the cooperatives in all aspects of their projects. No capital or interest subsidies will be provided to the cooperative owners.

In June 1974, AID/W approved the undertaking of a Shelter Sector Analysis and a feasibility study for the project itself. These are now in the final stages of completion. Loan authorization is planned for the end of October 1974. Final disbursement is estimated for the end of CY 1977.