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RJ 12-6-85

PD-ACC-107

COUNTRY PROGRAM BOOK

GUATEMALA

BUDGET PROPOSAL FY 1961

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February 11, 1963

GUATEMALA STRATEGY STATEMENT

A. Background

Guatemala has experienced very little economic and social progress during the Ydigoras regime, in part as the result of the drop in world coffee prices and governmental revenues derived therefrom, and in part because of the general political and administrative ineffectiveness of government. Indicative of this stagnation are: (1) a low and static per capita GNP (currently about $180); (2) a low level of investment (11.5% of CY 1962 GNP); and (3) political instability marked by recurring coup attempts and violence.

Guatemala also has low literacy rates (30%), inequitable income distribution, over-dependence on a few crops, and chronic budget deficits which for several years were concealed by U. S. aid. A rapid increase in the flight of capital led the government recently to impose exchange controls. While these are problems which cannot be readily nor wholly solved by governmental action, the Ydigoras Government has not been notably energetic or effective in tackling them. Indicative of this are: (1) a low--and descending--ratio of governmental revenues to GNP (12.2% in 1962); (2) widespread inefficiency and waste in government; (3) the absence of any substantial progress in development planning or budgetary discipline.

There is also the possibility that the December 1963 election might open the door for strong communist influences in Guatemala. Therefore, the approach set forth in this paper is designed to cope with a dangerously unstable political situation which, at this moment, offers no alternative courses of action. The situation is dangerous because of Guatemala's strategic role in the isthmus, its recent history of communist infection, the inadequacy of the curatives applied to date, and the absence of any apparent restorative political element among the Guatemalans themselves.

Our short-term strategy accordingly is aimed at holding off a general collapse and retrogression to sheer military dictatorship, which would invite a resurgence of communist power

B. Strategy

The U. S. strategy envisages (1) direct involvement in the key management and administrative development process, and (2) short-range efforts aimed at influencing political developments. It assumes, for its long-range elements (Goals 1, 2, and 3), the existence of a government with which the U. S. can work. The strategy involves the following elements:

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1. A.I.D. will provide substantial technical assistance grants and loans to improve key GOG institutions, including fiscal branches of government and institutions of secondary and higher education.

2. A.I.D. will provide selective assistance to the private sector to maintain balanced development and to offset shortcomings in the governmental sector.

3. A.I.D. will seek a common approach by lending agencies, such as IBRD/IDA, IDB, the Ex-Im Bank, to secure and assure effective measures by the GOG to support development, and to encourage these institutions to focus on priority development needs.

4. In order to attain our short-range policy objectives, enhance the prospect for the succession of a democratically oriented government in the 1963 election, and to help consolidate a successor government, A.I.D. will undertake selected projects specifically aimed at the problems of political and social unrest particularly as they might affect the 1963 election.

C. Total Funding FY 1964

In support of the strategy $4.5 million in grants and $8 million in loans are proposed for FY 64.

D. Goals

1. Improved government policies, planning, and administration to permit (a) an increase of governmental revenues from 12.2% to 15% of GNP by 1965, (b) a doubling of the agriculture component of the GOG budget by 1967, (c) the development of effective education policies and priorities by 1965, and (d) completion of a long-range plan coordinated with regional development plans by 1965. Grants for improved planning, better administration, and improvement of finance, agriculture, and education organizations are proposed as well as a $2 million loan to strengthen government institutions to meet the goals.

2. Sustained private sector investment, at least at current levels, in industry, agriculture, commerce, and services. Included in the FY 64 proposed program are grant and loan activities for credit, improved marketing, and greater participation of the private sector to influence GOG planning.

3. Development of skills and future leadership through substantial grant and loan assistance to San Carlos University and to the GOG for construction of two model secondary schools. With respect to the University, specific targets include the activation of a general studies program in

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conjunction with the Central American University improvement program, an Institute of Administrative Sciences, a central library, and other new features by the end of 1965.

4. Improved internal stability to maintain the continuity of democratic government in Guatemala and to facilitate free elections in the December 1963 elections as well as a post-election environment conducive to development. Grants are proposed for a civic action literacy program in which the Guatemalan Army is heavily involved, a Title III food program and an expanded public safety program.

The balance of activities are non-goal or terminating, and include a loan for the construction of a fishing port on the Pacific Coast, improvement of communications, malaria eradication, and technical support.

This statement may be used, until further notice, as the basis for preparing the Congressional Presentation. Further revisions may be necessary before the issuance as Agency guidance.

D E Bell
Administrator

February 23, 1963
Date

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AID LEVEL SECTION	3. COOPERATING COUNTRY Guatemala	FORM ICA 10-89 G-9 (5-58)	NON-MILITARY COUNTRY PROGRAM	2. DATE PREPARED	3. COOPERATING COUNTRY Guatemala	AID LEVEL SECTION
G-9	ASSUMPTIONS REGARDING NON-MSP ACTIVITIES		1. SECURITY CLASSIFICATION UNCLASSIFIED	6/30/58	ASSUMPTIONS REGARDING NON-MSP ACTIVITIES	G-9

A. ASSUMED AGENCY	B. DESCRIPTION OF ACTIVITY (Include amount of financing or technical assistance and timing thereof) AND REASONS FOR ASSUMPTION REGARDING AGENCY.	C. PROBLEM REFERENCE #	Title	Sheet
IAGS	The Inter-American Geodetic Survey program in Guatemala is a joint effort by the Government of Guatemala and the U.S. Army Map Service to complete a mapping program for Guatemala. There are 18 U.S. Army personnel, and 174 Guatemalan personnel working on the project. This project has assisted in routing of roads and locating of bridge sites, providing data for the proposed micro wave communications system and for a hydrographic survey of Lake Guija, and in planning Rural Development projects. The current annual budget is about $850,000 financed equally by U.S. and Government of Guatemala sources.	P-4	Poor Environment for Economic Develop. Cond.b: Inadequate Road System for a Developing Economy	6
USBPR	The USBPR has two primary responsibilities in Guatemala: ensuring construction of the Guatemalan link in the Inter-American Highway as soon as practicable, and, acting as consulting and supervising road engineers to the ICA. The USBPR has ten staff members in Guatemala. Funds in sight, and expected to be expended in the coming year, should provide an asphalt surface treatment on remaining uncompleted sections.	P-4	Poor Environment for Economic Develop. Cond.b: Inadequate Road System for a Developing Economy	6
K & S	Klein & Saks, Economic Consultants to the Government, are providing some economic and public administration advice on problems referred by the President and other high officials. Their present contract runs to December 31, 1958 and will cost the Government about $200,000. Mission assumes that their contract will be extended and that the nature of their work will be about the same. They have five professional staff members on duty in Guatemala.	P-2	Deficiencies in Gvt. Policy Formulation, Planning & Adm. Cond.a: No Long Range Economic Develop. Plan	4
			Cond.b: Poor Use of Statistical Services	7
			Cond.d: Serious Overlapping of Govt. Organizations and Duplication of Functions	8
		P-3	Lack of Job Opportunities & Low Consumption and Purchasing Power. Cond.1: Reasonable Financing for Residential Construction Not Available	24
TAMS-GH	Tippetts-Abbett-McCarthy-Stratton of Panama - Gibbs & Hill, are Engineering Consultants brought to Guatemala under the original financing of the IBRD loan in 1955. Their primary purpose as consulting engineers to the Government on the Atlantic and Pacific Slope Highways, and, on highway maintenance is nearing completion. The GOG provided funds to keep a small staff on through FY 1959 to assist in developing new road plans.	P-4	Poor Environment for Economic Develop. Cond.b: Inadequate Road System for a Developing Economy	6

FORM ICA 10-102 (6-59)	DATE PREPARED October 15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION CONFIDENTIAL **COUNTRY ECONOMIC PROGRAM**	COOPERATING COUNTRY GUATEMALA	PROGRAM COMPOSITION SUBMISSION

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AUTHORIZED FOR SUBMISSION

Keith Himebaugh
Acting DIRECTOR USOM
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SHEET 1 OF 1 SHEETS TO THIS TABLE

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1. U. S. Interests

Strategically and economically, Guatemala is important to the interests of the United States.

Located astride the Central America isthmus, with ports on both the Pacific and the Caribbean connected by a railroad and a paved highway, Guatemala would provide the means of limited trans-shipment on an emergency basis in case of interruption of Panama Canal service by war or other causes. The Inter-American Highway, now nearing completion provides an overland route to the United States. Mexico and El Salvador are building highways to connect with the Guatemala Pacific Coast Highway partly financed by the U.S. and this will provide another link with the U. S. Guatemala has obtained a loan with which to modernize Guatemala City airport to accommodate jet airplanes. The geographic location of Guatemala makes it important to Hemisphere defense. The United States has a military assistance agreement with Guatemala and maintains small army and air force missions in the country.

Strategic importance emphasizes the significance of economic relations and political changes during the last five years.

Guatemala became the first country to overthrow an entrenched Communist-dominated regime when, in 1954, Col. Castillo Armas led a successful revolt against the government of President Arbenz and established a government friendly to the United States.

From the time of the assasination of Castillo Armas in 1957 to the election of General Miguel Ydigoras Fuentes as President in February 1958 there was a chaotic period of political instability when Communist exiles took advantage of the opportunity to return to the country and join with leftist forces that had remained quiescent during the Castillo Armas regime.

Guatemala continues to maintain its traditional close economic ties with the United States. However, the unique immediate post-war trade pattern has changed to the more normal one in which the United States takes approximately two-thirds of the value of Guatemalan exports and furnishes about three-fifths of its imports with the United Kingdom and Western European countries representing most of the other export markets and sources of supply.

The rate of improvement in conditions in Guatemala has declined since the assasination of Castillo Armas due to decline in the value of exports, decline in Government resources, diversion of Government resources to unprofitable enterprises, and lack of good Government planning and management.

The Ydigoras Government has been faced with a continuous budgetary crisis. Government expenditures have continued at a rate higher than Government revenues with resulting delays in contributions to cooperative projects and delays in meeting Government payrolls and other financial obligations. The deficit for fiscal year 1960 may be as great as for fiscal year 1959, which was Q 15.7 million.

Greater emphasis has been given to the maintenance of political advantage and control than to the development of plans and programs that could estimulate growth economically and improvement in living conditions. The Administration does not have majority support in the Congress.

Lack of Government concern at the highest levels has permitted

continued return of Communist leaders and sympathizers and growth of Communist influence in the country.

2. U. S. Objectives

Based on the interests of the United States on the economic and political future of Guatemala, the following objectives have been developed by the USOM in cooperation with the Country Team;

a. Help to contain and reduce Communist influence

Guatemala is the only Latin American country whose government has been dominated by international Communism. Although the 1954 Liberation, led by Lt. Col. Carlos Castillo Armas, eliminated domination by international Communism, it did not eliminate international Communism as a force inhibiting Guatemala's political, economic and social development.

Leading Guatemalan Communists were exiled following the Liberation. New leaders emerged in the Communist underground. Until the assasination of President Castillo Armas on July 26, 1957, the underground had a relatively small but well-organized following prepared to take advantage of any opportunity that presented itself. The Communist exiles began to take advantage of the uncertain situation after July 26, 1957 and have continued to return with and without Government approval since the inauguration of Miguel Ydigoras Fuentes as President on March 2, 1958. They have gained increased influence.

To contain and reduce Communist influence is essential to achieving U.S. objectives in Guatemala. Reestablishment of international Communist domination of Guatemalan political institutions would have repercussions throughout the Hemisphere detrimental to U.S. interests and prestige.

b. Help to improve Government policy formulation, planning and administration

Better Government is necessary if Guatemala is to be stable and less dependant on external aid, assistance and advice.

The Government experienced rapid growth between the 1944 Revolution and the 1954 Liberation. Responsibilities and functions expanded rapidly with an increasing number of organizational units and public employees. Trained public administrators, following the 1944 Revolution, were non-existent. Many new officials were selected from the leftist intellectuals of the middle class. They wished to use the Government to achieve rapid and in some instances radical social reforms. Economic programs were utilized in attempts to achieve these social reforms without regard to the ultimate economic effect on Guatemala. The trend was increasingly to the left and resulted in Communist domination during the presidency of Col. Jacobo Arbenz Guzman, 1950-1954. With the 1954 Liberation Guatemala was again faced with a dearth of trained public administrators.

The present Government has not formulated policies in most fields of government activity. Functions and responsibilities of public agencies duplicate and overlap each other. Staff management services, in the U.S. sense, do not exist. Most public employees are untrained. There are few and limited training services. Economic planning is at a low level.

b. Help to improve the level of living of the Guatemalan people

Most Guatemalans are living at a subsistence level. The cost of food is high. Guatemala has some of the worst Health conditions in the Hemisphere. Life expectancy is estimated at 37 years. Restricted educational opportunities are limited to less than 50% of eligibles. Illiteracy stands at more than 70% of the population 7 years of age or over. Rural homes provide little more than crude shelter. Much of the urban housing is of the same character. Few urban families can afford to own their own homes. Urban rents are high - sometimes extortionate. Even limited capabilities of the Government to provide better opportunities are not utilized. There is a tendency by some groups, whose imagination has been stimulated by Communist propaganda, to turn to alien and opportunist philosophies that make attractive promises for better living. A higher level of living is essential to a stable, democratic form of government.

d. Help to broaden and strengthen the base for Guatemala's economic progress and development

Guatemala's present narrow economic base limits its capacity for economic growth. About three-quarters of the people derive their living directly from the soil. Most are subsistence farmers. Volume and productivity are low, reflecting primitive methods and equipment. Overwhelming dependence on coffee leaves the economy vulnerable to fluctuations in coffee prices. Industrial production probably does not exceed 10% of the GNP. Selfish, nationalistic attitudes have inhibited investment of foreign capital and industrial expansion.

With limited facilities and lack of confidence in stability of Government, savings and capital formation is slow. Some savings are lost to the economy through banking and investment abroad. Much of the private investment is short term and speculative, with high probable returns and is frequently non-productive. Since 1944 increasing percentages of the national budget have gone into public investments and to finance social programs. Many of these have been ill-conceived, poorly planned and badly executed. Some millions have been spent on projects of low priority in relation to Guatemala's economic development needs. Much of the investment since 1944 has not added significantly to the GNP. The increase in the GNP has continued to benefit the few rather than the many. The middle class sustained a rapid growth since 1944, but still represents a small percentage of the population. A large part of the increase in numbers of the middle class were employed in government and commerce rather than in industry and commercial agriculture.

The U.S. aid program since 1954 has stimulated economic development, but not to the extent that it might have done if the Government had taken the appropriate corollary measures.

Greater diversification of agriculture, together with industrial expansion are needed to stabilize and increase future earnings and provide a better base for economic progress and development.

e. Help to broaden and strengthen the base for Guatemala's social and political progress and development

U.S. INTERESTS AND OBJECTIVES

Guatemala is a country in cultural and political transition. It is a complex mixture of backwardness and modernism. In many respects its customs, traditions and attitudes are as important as economic factors in retarding its growth and development. More than one-half of the peoples are pure Indians. They are engaged largely in subsistence agriculture and maintain their old customs and traditions. Their principal contact with the non-Indian world is as low wage farm laborers. They cling to their own customs and traditions, and this has been a stabilizing influence. No effective measures have been taken to improve their lot. The rural population has little access to health and educational services or facilities.

Guatemala has a long history of exploitation of the uneducated masses by a few, large land-owners. As late as 1936 extensive serfdom through creditor-debtor arrangements was practiced. The large number of migrant, seasonal farm laborers, many of these without strong cultural ties and loyalties, contribute to social instability. The post-1944 leaders who sought to establish a new pattern of social change in Guatemala organized many of these people as well as the uneducated, poorly-paid resident worker families on large farms for political support.

The demand for social change in Guatemala has been greatly accelerated with the improvement in transportation and communications. The Government has done little to respond to this demand. This leaves fertile ground for the "left". Meanwhile, the gap in the economic status of the masses and the influential wealthy few continues to widen.

Better education and training, more job opportunities, and development of better leadership among cultural and political groups will be needed to provide a better base for social and political progress.

1. Recent Political Trends

General Miguel Ydigoras Fuentes has been President of Guatemala for about 18 months and during that time his administration has been marked by temporizing, erratic actions, and weakness. He has shown no evidence of a sound course of political action to gain popular support, no evidence of being able to devise or implement a program to alleviate the plight of the illiterate, impoverished majority of Guatemalan population, nor any indication of developing either consistent policies, rational attitudes, or disposition to deal with active communist elements.

In recent months, political scheming has increased as candidates from the strongest opposition party, the moderately left-oriented Partido Revolucionario, have won elections including that of the Mayoralty of Guatemala City. Attempts to consolidate non-communist parties have not been successful. Elections for one-half of the National Congress will be held in December 1959 and observers believe that a majority of the seats at stake will go to the PR and other, more extreme leftist parties recently formed.

The military forces are important, but their role is not clear since most signs indicate that they are not unified in support nor in opposition to the President. Labor is poorly led and without independent political strength. The Church is a political force of limited potential.

As one domestic political crisis after another has arisen, marked currently by nuisance bombing, the President has maintained himself in power by political maneuvering and manipulation. Although lacking popular support and control of Congress, he has managed to keep the opposition groups from achieving enough power and support to force him out.

Since the start of his administration, President Ydigoras has attempted to divert the attention of the people by foreign incursions. He has vigorously asserted claims of the Guatemalan Government to sovereignty over British Honduras. The slogan "Belice es nuestro" has become a hallmark of the Ydigoras administration. A diplomatic crisis with Mexico developed after the attack, by Guatemalan airforce planes, on Mexican shrimp fishermen near the Guatemalan coast. Relations were broken and have only recently been resumed.

Whether by design or weakness, the President has permitted almost complete freedom of action by political parties. Elections have thus far been free from overt interference. Newspapers denounce, criticize and complain. Pro-communists enjoy these freedoms.

U. S. aid and assistance programs are significant factors in Guatemalan politics. The President has considered the United States economic aid and assistance projects as an integral part of the program of his predecessor, President Castillo Armas. He has, therefore, not given the same kind of personal and governmental support, politically or financially, to the ICA program, as his predecessor. Admittedly the weakened fiscal situation of his Government would have hampered his cooperation in meeting promptly financial commitments, even were he more disposed to do so. A review of the entire program was conducted with him and principal

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Government officials by the USOM and a high official from ICA/W in July 1959 in an endeavor to identify President Ydigoras with our program and our program with him. This review came after repeated assaults were made on the U.S.-Guatemala Agricultural Servicio by the Minister of Agriculture, who used his own newspapers as his main outlets.

Following this review, the cooperative agricultural projects were removed from within the Ministry of Agriculture and organized within the President's office and the Directorate General of Agrarian Affairs. These steps were taken in accordance with a presidential order.

It is too soon to judge conclusively whether the USOM activities now will receive greater support from the government.

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2. Current Stability and Strength

The economy continues on a descending scale of activity with falling per capita Gross National Product, declining exports, deficit in balance of payments, and an increasing government deficit on current operations. The economic decline is expected to continue but at a slower rate in 1960 than in 1959. By virtue of good coffee and corn crops the economy can probably maintain nearly the present reduced level of activity through FY 1960 provided coffee prices do not fall further or that the Government does not undertake ill-advised economic projects. Further reduction in world coffee prices and poor management could bring serious consequences in FY 1961.

Internally the economy is marked by mildly fluctuating monetary circulation rates; stable price indexes; slowing rising industrial production output; and a slowly increasing agricultural production index. Increasing unemployment and increasing population more than offset these favorable factors.

The country has the capacity to absorb some additional capital from domestic and foreign borrowing.

Undeveloped fertile soil, favorable climate with adequate rainfall, sufficient supply of labor, deep water ports on Atlantic and Pacific coasts, and an improved network of highways are factors favoring Guatemalan economic progress. With just laws, fairly administered by capable officials, Guatemala could achieve real long-run economic advance, with benefits broadly spread through the population.

3. Recent Economic Trends

a. Forces at work

Guatemala's economy depends principally upon agriculture. The preponderance of its exports continues to be cofee with a small amount of bananas and cotton. Corn is the main domestic crop. Small manufacturing and industry are slowly expanding. A few more small industries, some with private foreign capital, have been established in FY 1959. Revenues from tourism should increase gradually as the newly opened Inter-American Highway link to Mexico is improved.

Oil is being sought by several U.S. firms. Expansion of one of the large U.S. investments - Empresa Electrica - is pending favorable resolution of a proposed contract for additional electrical power installations.

The major highway construction and improvement has been accomplished with U.S. aid. With U.S. assistance, a start toward improving health, education, housing, and agriculture has been made. Guatemalan coffee - a high quality flavor variety - receives a premium price, although lower than in previous years following the general downward trend in coffee prices. The Development Loan Fund has made $5 million available for rubber production. However, no substantial rubber exports are expected before 1966. A $5 million loan from the Export-Import Bank for imports of machinery in support of industrial development may soon be authorized.

b. Factors leading to present economic situation

The depressed price of coffee is the greatest single factor contributing to the weakened economic situation in Guatemala. Coffee usually forms 75% of the value of exports. One of the main sources of government revenues is the duties levied on exports and imports.

Expenditures of U.S. foreign aid are being made at a declining rate. From a high of some $21 million in 1957, aid expenditures dropped to $9 million in fiscal year 1959. Of the more than $45 million aid funds appropriated by the U. S. Congress about $12 million remain to be expended.

The Guatemalan Government continues to operate at a deficit, expenditures having exceeded revenues by Q15.7 million in FY 1959.

The purchase of two ocean-going vessels to form a merchant fleet and a frigate for Guatemala's first naval service provides the outstanding example of an unproductive substantial expenditure of Government funds.

International monetary reserves have dropped drastically within the past 12 months. These reserves stood at a record high in 1958 as a result of high coffee prices and production, and large injections of U.S. public funds totalling some $80 million since 1954. (ICA obligations plus $24 million for Inter-American Highway.)

c. Sector analysis

Quantitative and qualitative analysis of sectors of the economy as set forth under the section entitled "Economic Forecast", is necessarily based extensively on estimates because of the absence of reliable official statistics.

4. Obstacles Impeding Desired Economic Changes

Obstacles similar to those reported in the FY 1960 Master Program Book pose about the same blocks to desired changes.

Stated briefly these obstacles are:

a. Continued distressed conditions of majority of people for decades which makes them susceptible to communist influence and promises; (illiteracy at 72%; life expectancy at 37 years; and a majority of farmers at subsistence levels.)

b. Most of the fertile coastal and valley lands held by a few wealthy families;

c. Mass of the agricultural labor working for poor wages;

d. Few and small industries;

e. Scarce opportunities for work outside agriculture;

f. Inexperienced Ministers and public officials, rapid turnover of key functionaries, inadequate planning, poor coordination and poorer administration.

1. Forecast

The economy of Guatemala is based, historically, on coffee production and exportation. The basic point of departure, in an economic forecast for Guatemala is an analysis of the situation with regard to coffee.

Coffee not only provides the major source of foreign exchange for the economy but, through export duties, it also provides one of the principal sources of income for the central government. Favorable coffee prices during the decade from 1948 to 1957, plus substantial grants of U. S. aid, have sustained a sizeable expansion in governmental expenditures. It is clear that these favorable conditions no longer exist for the government. Coffee prices have fallen precipitously during the past three years. (See Chart I). With worldwide bumper crops on the horizon for the crop season beginning in October 1959 plus significant expansion in the African production the outlook is for further price declines which will only be partially offset by increases in the volume of trading.

Data for the past fifteen years are included in Table 1 which further illustrate the results, in terms of export earnings, of the wide variation in coffee prices.

Chart I
Average Monthly Price of Coffee FOB Port in Guatemala
(Quetzales per quintal, café oro)

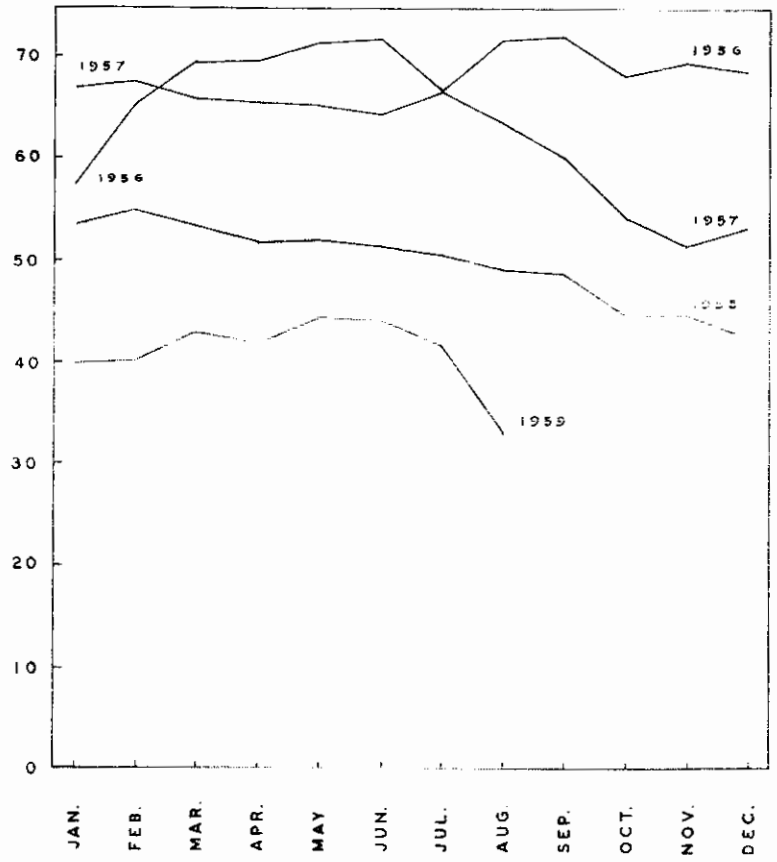

Table I
Guatemalan Coffee Exports
1945 - 1959

Year	Export Volume (Thousands of quintales)	Export Value (Millions of Quetzales)	Average Price per Quintal FOB Port
1945	1,166.6	17.7	15.19
1946	1,081.5	20.4	18.87
1947	1,200.5	31.8	26.50
1948	1,055.0	30.7	29.65
1949	1,191.7	37.4	35.79
1950	1,193.3	52.7	52.39
1951	1,088.2	58.5	54.45
1952	1,325.8	71.6	54.43
1953	1,231.0	68.2	55.69
1954	1,154.0	75.5	71.92
1955	1,281.2	75.2	58.79
1956	1,339.2	89.3	68.41
1957	1,382.4	84.0	62.07
1958	1,771.6	78.3	44.19
1959) (est.)	1,400.0	61.0	43.60

Source: Central Coffee Office
Note: The estimates for 1959 are based on data for the first eight months of the year; Q45,870,142 for shipments of 1,102,112 quintales.

Based on the recently announced quotas for coffee exports agreed upon by the principal producing countries, Guatemala's future earnings will apparently continue to decline. Assuming that the increased volume of world production which will be marketed during the next crop year, despite the restrictions imposed by the quotas, will drive prices down to a level of Q38.00 per quintal (FOB Port in Guatemala), the projected income for 1960 will be in the neighborhood of Q54 million. This also assumes that Guatemala will not exceed her quota of 1,412,400 quintales. Since Guatemalan production is not sufficiently significant to affect world prices, it would be to her advantage to cheat a little on the quota.

The income picture would not be so dismal if there were sufficient reserves to tide Guatemala over the next few bad years until either prices improve or other crops can be developed to supplement coffee income. The gold and foreign exchange reserves of the Bank of Guatemala and the deposit money banks of the country have, however, also fallen drastically from the high levels reached in 1957. As reported in the IFS, Total Official and Bank reserves reached Q76 million by the end of 1957. By the end of 1958 these reserves had fallen to Q50 million. Current estimates indicate a further decline to Q40 million by the end of 1959 and a continued decline to Q34 million by the end of 1960.

Gross national product is expected to show an absolute decline in 1959 by about Q5 million. Given the rate of population increase, the per capita decline will be proportionally greater. Data on sectors are not available for analysis. (The same techniques for estimating national product were employed as were described in last year's Master Program Book.) However, a partial sector analysis has been made for the agricultural sector based on a series of assumptions which are admitedly subject to considerable error. If agriculture contributes approximately 46% of the gross national product, as stated in the Regional Data Book, then certain deductions can be drawn:

Gross National Product for 1958	660.4 million
Agriculture (46%)	303.8 "

Assuming that the entire production of the principal export crops was exported we can account for 103.5 million of this total as follows:

Coffee	78.3 million
Bananas	8.6 "
Cotton	5.4 "
Essential Oils	1.3 "
Chicle	0.9 "
Lumber	0.4 "
Other agricultural exports	8.6 "
	103.5 million

The remainder of 200.3 million must, therefore, consist of domestic commercial production and subsistence agriculture.

Subsistence agriculture must at least increase in its imputed value as rapidly as the population increase. Since data are not available to indicate a differential between rural and urban population increases (even though the rate of urban increase is probably somewhat greater than the rural), the subsistence element in the 200.3 million is assumed to increase at the rate of 3.1% per year. Based on the analysis presented in the MPB last year, rural subsistence agriculture will approximate three fourths of the total of domestic commercial subsistence agriculture, or say about 150 million. This leaves a residual of about 50 million for domestic commercial agriculture. This has been assumed to increase at the rate of 5% per year.

Based on the production data available for the export crops and estimates of their future values and the assumptions outlined above, the following table has been constructed to show the projected value of agriculture.

	1958	1959	1960	1961
Coffee	78.3	61.0	54.0	54.0
Bananas	8.6	9.0	9.5	9.5
Cotton	5.4	6.0	6.0	6.0
Essential Oils	1.3	1.4	1.5	1.6
Chicle	0.9	1.0	1.0	1.0
Lumber	0.4	0.4	0.4	0.4
Other Exports	8.6	8.7	8.8	8.9
Domestic commercial production	50.3	52.8	55.4	58.2
Subsistence agriculture	150.0	154.6	159.4	164.4
Total agriculture	303.8	294.9	296.0	304.0

The most interesting part of this analysis is that it tends to confirm the fact that coffee is the mainstay of the agricultural economy and that with the drop in coffee prices that it will take until 1961 to return to the 1958 level of activity. The precise magnitude of any one element is not so significant as their relationship to one another. With the exception of coffee, the export crops are relatively insignificant and even dramatic increases in the value of their output would have little effect on the overall total.

Consumption levels will increase relatively over the next two years. Personal consumption is expected to increase absolutely while governmental consumption will decline after 1960, unless the reductions in governmental revenues are ignored and large scale deficit financing is continued.

In January 1959 import duties were increased substantially on luxury goods in an attempt to prevent a further drain on the economy's rapidly dwindling foreign exchange balance. Data are not yet available to indicate the extent to which this measure has been effective. It is probable, however, that regardless of penalty rates the dollar volume of imports from the United States will not decline significantly in the near future.

Active exploration of potential petroleum resources, particularly in the northern department of El Petén, by several large U. S. firms continues at the present time. Some test wells have found petroleum in small amounts but it is not yet known whether reserves exist in commercial quantities.

2. Implications of Forecast in Terms of Long Range U. S. Interests

It is probably unfortunate for Guatemala that the reduction in large U. S. expenditures of Special Assistance funds is occurring at the same time as the rapid decline in coffee prices. As far as United States interests in the country are concerned, however, the absolute decline in resources available to the government for expenditure may have some extremely beneficial results. It is possible that in its search for additional revenues, the government will be forced to enact revised tax legislation. Declining economic activity will undoubtedly have political repercussions with the probable result that the leftist elements will be able to take propaganda advantage of the worsening conditions of the workers, especially in the capital.

While it is expected that the government will continue to make its contributions to the cooperative programs, it is probable that there will be increasing lags in meeting agreed contribution dates and that the amounts contributed will be small and frequent rather than in large lump sums.

Since 1954 when the government of Castillo Armas came into power, substantial sums of U. S. economic aid have been made available to Guatemala. This aid has consisted of Defense Support ($24 million obligated to July 31, 1959), Special Assistance (including Section 402 proceeds - $20.0 million obligated to July 31, 1959), Technical Cooperation ($10.9 million obligated to July 31, 1959, and ICA Administrative Funds. This aid has been used in a manner designed to demonstrate to the people of Guatemala that a better life is possible within the framework of a democratic form of government than with the communist dominated alternative with which they have had such a recent experience. Some progress has been made but the problems yet to be solved will continue to require the joint efforts of the two governments. A limiting factor on the speed with which future progress can be made is the decreasing resources from the Guatemalan government which can be devoted to the task.

Economic reforms are needed in the government. While considerable advice on the nature of the reforms required has been requested by the government both from ICA and from Klein and Saks, little of the advice has ever been implemented. Perhaps the current conditions and the immediate prospects will help force the beginning of some desirable changes by the government.

The Guatemalan Government has supported efforts at economic integration of Central America. It has ratified the Multilateral Treaty of Free Commerce and Central American Economic Integration. However, no significant effects on the Guatemalan economy as a result of these efforts are expected to occur in the operational and the budget years.

C-1	FORM ICA 10-103 (6-59)	DATE PREPARED October 5, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	SETTING FOR U.S. PROGRAMS	C-1
				COUNTRY ECONOMIC PROGRAM	GROSS NATIONAL PRODUCT		

1

ALL FIGURES IN $1,000,000
EXCHANGE RATE $1= 1 Quetzal

	(A) CURRENT PRICES			(B) CONSTANT PRICES (Based On Price Level Of Year In Column 2)								
	Actual		Estimated	Actual		Estimated	Projected		Additional Projections			
	(1) CY 1957	(2) CY 1958 2/	(3) CY 1959	(1) CY 1957	(2) CY 1958	(3) CY 1959	(4) CY 1960	(5) CY 1961	(6) CY	(7) CY	(8) CY	(9) CY
A. GROSS NATIONAL PRODUCT 1/ (at market prices)	652.3	660.4	655.3	652.3	660.4	655.3	663	654				
Per Capita GNP ($)	187	189	182	187	189	182	174	168				
B. NET FOREIGN BALANCE Inflow (+), Outflow (-)	+40.5	+51.2	+35.4	+40.5	+51.2	+35.4	+31	+26				
TOTAL AVAILABLE RESOURCES	692.8	711.6	690.7	692.8	711.6	690.7	692	680				
C. TOTAL CONSUMPTION	595.3	619	630.0	595.3	619	630.0	637	630				
1. Private	513.6	526	516	513.6	526	516	517	520				
2. General Government All Levels	81.7	93	114	81.7	93	114	120	110				
D. TOTAL GROSS INVESTMENT	97.5	91	60.7	97.5	91	60.7	55	50				
1. Private (Incl. Government Enterprises)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.				
2. General Government -- All Levels (excl. Defense)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.				

2

GNP TRENDS IN CONSTANT PRICES	(A) INDEX COLUMN (2) = 100									(B) PERCENT OF GNP								
	(1) '57	(2) '58	(3) '59	(4) '60	(5) '61	(6) '62	(7) '63	(8) '64	(9) '65	(1) '57	(2) '58	(3) '59	(4) '60	(5) '61	(6) '62	(7) '63	(8) '64	(9) '65
A. GROSS NATIONAL PRODUCT	98.7	100	99.2	100.4	99.0													
1. Per Capita GNP	98.4	100	96.3	92.1	88.9													
B. TOTAL CONSUMPTION	96.1	100	101.7	102.9	101.8					91.2	93.7	96.1	96.1	96.3				
1. Private	97.6	100	98.1	98.3	98.8					78.7	79.6	78.7	78.0	79.5				
2. Genl. Govt. -- All Levels	87.8	100	122.6	129.0	118.3					12.5	14.1	17.4	18.1	16.8				
C. TOTAL GROSS INVESTMENT	107.1	100	66.7	60.4	54.9					14.9	13.8	9.4	8.3	7.6				
1. Priv. (Incl. Govt. Enterprises)	N.A.	100	N.A.	N.A.	N.A.					N.A.	N.A.	N.A.	N.A.	N.A.				
2. General Government -- All Levels (excl. Defense)	N.A.	100	N.A.	N.A.	N.A.					N.A.	N.A.	N.A.	N.A.	N.A.				

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS TABLE

Notes on Continuation Sheet

1. The benchmark figures supplied by M/S & R do not reflect the major revisions which have been made in the national accounts by the Bank of Guatemala in recent months. The revisions are reflected in the United Nations Yearbook of National Accounts Statistics 1958 and have also been introduced into the International Financial Statistics series. Since these revisions represent a major improvement in the national accounts, USOM/Guatemala has included the revised figures in Table C-1. Also included below are the revised figures from 1951 to provide a series for historial purposes.

Year	Gross National Product at Market Prices (Millions of Quetzales)
1951	424.6
1952	442.8
1953	464.4
1954	485.3
1955	535.6
1956	612.9
1957	652.3

The estimates of GNP for 1958 and 1959 were provided by the Bank of Guatemala.

2. Preliminary

3. Projections have been based on the following assumptions:

   a. Price of coffee during crop years '60 and future will be no higher than Q38.00 per quintal (FOB Port)

   b. Prices of imports will increase slightly each year (approximately 2.5 to 3.0 per cent per annum)

   c. Volume of imports will not change significantly but there will be a shift from luxury to non-luxury imports.

   d. There will be no significant income from rubber prior to 1966.

   e. There will be no commercial production or exploitation of petroleum. Exploration activities will taper off substantially during the next three years.

   f. Banana production will increase slightly to 3.7 million cwt. during CY '61 and will remain at that level.

   g. Export prices of bananas will remain unchanged.

C-2	FORM ICA 10-104 (6-59)	DATE PREPARED October 5, 1959	☒ ORIGINAL ☐ REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	SETTING FOR U.S. PROGRAMS	C-2
				COUNTRY ECONOMIC PROGRAM	**POPULATION, PRODUCTION PRICES AND RESERVES**		

1 ITEMS				ACTUAL (A) CY 1957	ACTUAL (B) CY 1958	ESTIMATED (C) CY 1959	PROJECTED (D) CY 1960	PROJECTED (E) CY 1961	ADDITIONAL PROJECTIONS (F) CY	(G) CY	(H) CY	(I) CY
A. POPULATION (Mid-Year 000) (Average Annual Growth 3.1 %)				3,451	3,558	3,669 1/	3,783	3,900				
B. PRICES	1. Wholesale Price Index 1953 = 100 City Guatemala City			100	102	103	103	103				
	2. Cost of Living Index 1953 = 100 1/ City Guatemala City			104	105	105	105	105				
C. GOLD AND FOREIGN EXCHANGE HOLDINGS ($ millions) (At end of year)				75.7	50.0	40.0	34.0	24.4				
D. PRODUCTION	INDUSTRY and MINING	Production Index: General 1953 = 100 2/		128	140	146	153	165				
		Major Commodities: Cement	Unit 1953 = 100	147	190	171	180	185				
		Textiles	"	128	148	120	122	125				
		Foodstuffs	"	116	114	135	150	165				
		Electricity	Mill. KWH	125	143	155	168	180				
				Crop Years								
	AGRICULTURAL			1956/57	1957/58	1958/59	1959/60	1960/61				
		Production Index: 1953-55 = 100		113	116	116	117	117				
		Major Crops: Coffee	Mill. Unit CWT	1.7	1.9	1.8	1.95	2.0				
		Corn	"	9.5	10.1	10.0	10.5	10.6				
		Bananas	"	2.8	2.5	3.3	3.6	3.7				
		Sugar	"	1.4	1.5	1.5	1.55	1.6				

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS TABLE

Notes on Continuation Sheet

1. Estimate received from Guatemalan Statistical Office

2. While it appears that changes in industrial production are in conflict with estimated decreases in gross national product, the contribution of the industrial sector to the national product is so slight that these data are consistent with the other projected trends.

C-3	FORM ICA 10-105 (6-59)	DATE PREPARED October 5, 1959	[x] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	SETTING FOR U.S. PROGRAMS	C-3

COUNTRY ECONOMIC PROGRAM

CENTRAL GOVERNMENT FINANCES

1 ALL FIGURES IN $1,000,000 EXCHANGE RATE $1 = 1 Quetzal

	ITEMS	Form 10-74 Line No.	By Country's FY ending June 30 (A) 1958 1/	(B) 1959 2/	(C) 1960 3/	(D) 1961 4/	(E)
A. REVENUES	1. Total Revenue From Domestic Sources	A-1	91.4	89.9	103.1 5/	100.0	
	2. Total Revenue Originating From Counterpart and Foreign Grants Including U.S.	A-2	13.4	10.2	10.8	6.0	
	(a) Total Counterpart and U.S. Grants (Non-Additive)	A-2-a	(13.4)	(10.2)	(10.8)	(6.0)	
	TOTAL	A	104.8	100.1	113.9	106.0	
B. EXPENDITURES	1. Total National Defense	B-1	9.6	10.0	10.0	10.0	
	(a) From Counterpart, U.S. Grants and Loans (Non-Additive)	B-1-b	(--)	(--)	(--)	(--)	
	2. All Other Current	B-2-6	65.5	76.9	84.0	78.0	
	3. Total Capital Outlay, Civil Government	B-7	47.1	28.9	20.9	18.0	
	(a) From Counterpart, U.S. Grants and Loans (Non-Additive)	B7 b (2)	(15.4)	(9.3)	(6.0)	(8.0)	
	TOTAL	B	122.2	115.8	114.9	106.0	
C. DEFICIT (–) OR SURPLUS	1. Before Counterpart And Foreign Grants Including U.S.	C1	-30.8	-25.9	-11.8	-6.0	
	2. After Non-U.S. Foreign Grants	C2	-30.8	-25.9	-11.8	-6.0	
	3. After Counterpart And Foreign Grants Including U.S.	C3	-17.4	-15.7	-1.0	0.0	
D. FINANCING THE DEFICIT OR DISPOSAL OF SURPLUS (–) AFTER FOREIGN GRANTS	1. Total Domestic Borrowing (Net)	D1	5.3	-4.9	-4.6	-4.0	
	2. Total Foreign Borrowing (Net) Including U.S.	D2	6.0	1.1	-1.2	4.0	
	(a) U.S. Loans (Net) (Non-Additive)	D-2-a	(--)	(--)	(--)	(--)	
	3. Net Change in Cash Balances and Other Reserves	D3	+6.1	+19.5	6.8	0.0	
	TOTAL (Must Equal C-3 above)		+17.4	15.7	1.0	0.0	

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS TABLE

Explanation of 1/, 2/, 3/ and 4/ on continuation sheet.

1/ Actual transactions.

2/ Revised budget estimate.

3/ Original budget estimate approved by Congress.

4/ USOM projection.

5/ Estimated government revenues for fiscal year 1960 shown as 103.1 are probably unreasonably high. It is the opinion of the USOM that revenues will actually be more nearly in the neighborhood of 95.0 million. This decrease is predicated on (a) the current outlook for continued depressed coffee prices and (b) the fact that some blowdowns have already occurred in the banana plantations.

C-4	FORM ICA 10-106 (6-59)	DATE PREPARED October 5, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	SETTING FOR U.S. PROGRAMS	C-4

COUNTRY ECONOMIC PROGRAM

BALANCE OF PAYMENTS

ALL FIGURES $1,000,000 CONVERTED AT 1 Quetzal PER $1 U.S.

	ITEMS	Line No.	(A) CY 1957	(B) CY 1958	(C) CY 1959	(D) CY 1960	(E) CY 1961
			CALENDAR YEARS: Actual		Estimated	Projected	
1 Goods and Services	A. Foreign Trade: Exports (FOB)	1	114.2	107.4	103.0	105.0	100.0
	Imports (-)	2	-136.6	-134.4	-125.0	-120.0	-110.0
	Trade Balance	3	-22.4	-27.0	-22.0	-15.0	-10.0
	B. Services: Non-Monetary Gold Movements	4					
	Foreign Travel	5	2.4	2.9	3.0	3.2	3.4
	Transportation and Insurance	6	-18.4	-19.2	-19.7	-20.1	-20.0
	Investment Income	7	-2.1	-8.7	-1.0	-1.0	-1.5
	Gov't., not included elsewhere	8	0.7	1.7	2.0	1.9	1.8
	Other Services and Remittances	9	-2.2	-0.9			
	Total Services	10	-19.6 1/	-24.2	-12.7 1/	16.0	-16.3
	Balance on Goods and Services	11	-42.0	51.2	-37.7	-31.0	-26.3
2 Private Capital	A. Direct Investment	12	14.7	6.9	8.0	5.5	4.0
	B. Portfolio Investment	13	1.3	6.2	7.5	7.5	7.5
	C. Other Long Term	14					
	D. Short Term	15	-0.9	-1.0	0.8	1.0	1.2
	Total Private Capital	16	15.1	12.1	16.3	14.0	12.7
3 Official Long Term Capital and Grants	A. Reparations	17					
	B. Grants, Total	18	21.3	12.1	10.0	10.0	4.0
	From U.S.: MSP	19	21.1	12.0	10.0	10.0	4.0
	PL 480 – Title I	20					
	PL 480 – Title II & III	21	0.2	0.1			
	Total		21.3	12.1	10.0	10.0	4.0
	From Others (Specify): All Other						
Cont'd.	Total, Other Grants	22					

	ITEMS	Line No.	(A) 1957	(B) 1958	(C) 1959	(D) 1960	(E) 1961
3 Cont'd. Official Long Term Capital and Grants	C. Loans Received, Net	23	5.8	3.8	1.4	1.0	0.0
	Loans Received – Drawings, Total	24	6.4	4.3	2.4	3.0	2.0
	Drawings: MSP Conventional	25					
	MSP-Dev. Loan Fund	26				0.5	0.5
	PL 480 – Title 1	27					
	Ex-Im Bank	28	0.6	0.3		1.5	1.5
	IBRD	29	5.8	4.0	1.4		
	All Other	30				1.0	
	Repayments, Total	31	0.6	0.5	1.0	2.0	2.0
	Repayments: MSP Conventional	32					
	MSP-Dev. Loan Fund	33					
	PL 480 – Title 1	34					
	Ex-Im Bank	35	0.5	0.5			
	IBRD	36			1.0	2.0	2.0
	All Other	37	0.1				
	D. Loans Made	38					
	E. Other Capital (Itemize): All Other						
	Other Capital, Total	39					
	Total Official Long Term Capital and Grants	40	27.1	15.9	11.4	11.0	4.0
4	Total of All Above (1, 2, & 3)		0.2	-23.2	-10.0	-6.0	-9.6
5	Net Errors and Ommissions		1.6	-1.8			
6 Changes in Official and Banking Gold and Short-Term Capital (4 & 5)	A. Gold & For. Exchange Holdings (Inc. +)	41	2.8	-25.7	-10.0	-6.0	-9.6 2/
	B. Short-Term Liabilities (Increase –)	42	1.0	0.7			
	L/C Deposits for U.S. Account	43					
	Other Changes	44					
	TOTAL	45	1.8	-25.0	-10.0	-6.0	-9.6

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS TABLE

1/ and 2/ on continuation sheet

1/ Although this does not agree with the estimates (shown on Table C-1) made by the Bank of Guatemala, USOM/Guatemala believes that the Bank's estimates contain an undue amount of optimism.

2/ It is recognized that this projected continued decline in gold and foreign exchange holdings would reduce reserves below what Guatemala considers to be a minimum safe level. However, if coffee prices continue at their present depressed levels and if stabilization or other emergency standy arrangements are not made, it is the opinion of the USOM that these declines accurately depict the future position of Guatemala based on current anticipations.

The available Guatemalan resources, physical and human, alone are not sufficient to promote economic growth or to maintain economic stability in Guatemala. The country has a small industrial base, no petroleum, and is dependent upon imports for machinery, equipment, petroleum, automotive products and even some foodstuffs. Managerial skills, technical and a skilled labor force are in short supply so that many enterprises depend upon either foreigners or foreign trained Guatemalans to fill key positions. Guatemalan capital has been unable or unwilling to engage extensively in long term non-agricultural investment and has made only limited long-term investment in agriculture. Domestic capital has been insufficient for decades for the development and production of electricity, the management and operation of the railroad, and the opening of lands for plantation agriculture (bananas) all of which have been in the hands of foreigners.

The main source of foreign exchange with which to make imports is coffee. Since mid-1956 the price of coffee has been declining and has reduced the revenues Guatemala derives from those exports. The effect of reduced coffee revenues has been softened by the authorization since 1954 of $54 million of aid and assistance expenditures from the United States and some increase in existing foreign investment. Total foreign investment is estimated at $200 million, of which the major U. S. private investments are estimated to be $70 million in the International Railways of Central America (IRCA); $65 million by the United Fruit Company; $18 million by the Empresa Eléctrica, subsidiary of American & Foreign Power. The U. S. oil companies exploring in the country expended about $12 million in FY 1959. Expenditures of U. S. aid declined in FY 1959 to $9 million and will continue to decline as the Special Assistance authorizations are liquidated. The nation's dependence on external assistance to maintain reasonably modest levels of economic activity have been made more apparent within the past 24 months as coffee receipts and the rate of U. S. aid expenditures fell. International monetary reserves have been drawn down from a high of $76 million in December 1957 to the current level of about $43 million. This drawdown has been used to help cover the negative goods and services items in the balance of payments. Deficits in central government finances (Q15.7 in FY 1959) have led to delays in payment of salaries to government employees and slowness in meeting commitments for contributions to U. S. -Guatemalan cooperative projects.

Good corn and coffee crops are expected in FY 1960. Although coffee prices are expected to decline to about Q38.00 per quintal FOB Puerto Barrios, the economy should be able to continue during FY 1960 at its present low point of activity without further excessive losses in international monetary reserves. Whether this will be true in FY 1961 is doubtful in the face of increases in population, unemployment, repayment of foreign loans and remittances from private foreign investment.

Foreign loans will help offset somewhat the strain on foreign exchange reserves in FY 1960. The Development Loan Fund has signed an agreement with the Banco de Guatemala for $5 million to foster the production of rubber on the Pacific Slope. Although no substantial exports of rubber are expected before 1966 the granting of the loan should stimulate agricultural activities. Significant amounts for repayment of the loan will not be required until 1969. The Development Loan Fund has made $400,000 available to a private firm for the production of kenaf and the establishment of a factory to make bags out of that fiber. The Export-Import Bank is expected to authorize $5 million to provide for the importation of machinery and

equipment from the United States for industrial development.

Guatemala has stand-by authorization from the International Monetary Fund to institute temporary emergency exchange controls if there is persistent non-seasonal drain of disastrous proportions on the international monetary reserves, which meets a prescribed formula.

Private banking concerns in the United States have not been tapped to any great extent. A bank in Miami has authorized $900,000 for the extension of the existing Guatemala City airport so that it can accommodate jet aircraft.

Guatemalan capital does not re-invest in the country and generally seeks short-term, high return, safe activities. The construction of expensive homes is one outlet for funds. The dollar holding in the U. S. of private Guatemalan individuals is considered to be a significant amount.

Many American business, industrial, and financial groups visit Guatemala. The results of these visits, as indicated by new capital investments are small. The country has not adopted internal measures to facilitate the inflow of private capital nor has it embarked on an aggressive campaign to attract foreign private capital.

Guatemalan Government officials, whether from conviction or political purposes, indicate that they believe that a request was made to the United States for $95 million worth of financing at the time of Dr. Milton Eisenhower's visit in 1958. Reference has been made in the local press to the alleged loan requests and to the failure of the United States Government to take action on them.

There is no Soviet Bloc investment in Guatemala as far as is known. There is no government financing from third countries. There is a limited amount of third country private investment.

International agencies such as WHO, UNESCO, UNICEF, FAO, ILO, are represented here. Private charitable agencies such as CARE and Catholic Relief Services (NCWC) have started programs. The financial contribution of all these programs to Guatemala probably does not exceed $250,000.

Two Central American organizations, INCAP and ICAITI have their headquarters in Guatemala. Guatemala pays a share of the expenses of both and may receive benefits in return equal to its contribution.

Capital shortage is not the key limiting factor to long run growth. The USOM believes that with the adoption of orthodox internal fiscal and monetary policies and the adoption of reasonable measures for dealing with foreign investment, Guatemala could attract investment capital. A more serious problem is the disinterest of the ruling and wealthy classes in real per capita economic growth. Another obstacle is the lack of trained personnel, but this would not be an overwhelming problem if foreign capital were invited through reasonable legislation.

The Banco de Guatemala estimates that the country can and should absorb $50 million of external financing based on a mechanical judgment of capacity to repay. A more realistic analysis on the basis of ability to plan and carry projects with foreign capital would sharply reduce the Banco's estimate of absorptive capacity. Guatemala should consider itself fortunate if it obtains in FY 1960 and 1961 further foreign loans for develop-

ment purposes from U. S. Government or International lending agencies since it has tapped most of these agencies at least once in recent years. However, if its repayment (i.e. credit) record is good and if it is deemed politically propitious, Guatemala probably can obtain furthering public financing in the years to come.

The role of ICA Special Assistance and technical assistance is treated fully in the sections entitled "ICA Administered Program". With the reduction in the pipeline of special assistance funds, the program is shifting from large capital outlays for roads and rural development to a technical assistance program. The technical assistance phase will address itself to the demonstration of improved methods in agriculture, health, and education. In addition it is hoped that the negative attitudes of the wealth, ruling classes or social progress and economic growth will change or be induced to change.

D-1	FORM ICA 10-107 (6-59)	DATE PREPARED October 13, 1959	[x] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	SETTING FOR U.S. PROGRAMS	D-1
				COUNTRY ECONOMIC PROGRAM	SUMMARY OF ASSUMPTIONS REGARDING EXTERNAL ASSISTANCE		

(A) SOURCE	(B) DESCRIPTION OF ACTIVITY	(C) OBLIGATIONS (In $1000s) Actual Year	Operational Year	Budget Year
ICA	The Special Assistance and Technical Assistance Programs of the International Cooperation Administration are treated fully in the section headed "ICA Administered Program".			
DLF	The U. S. Development Loan Fund has authorized $5 million fur rubber production and $400,000 for kenaf production and bag factory. The USOM anticipates that further loans will be solicited from the DLF in FY 1960 and FY 1961.			
EX-IM BANK	Guatemala believes that it has a commitment for $5 million for imports of machinery and equipment from the Export-Import Bank for industrial development. This is the second financing from the Export-Import Bank and it is not anticipated that further applications will be made in FY 1960 or FY 1961.			
IBRD	Guatemalawill soon commence repayment of the $18.2 million World Bank loan for the foreign exchange costs of the Atlantic Highway and road maintenance. It is expected that Guatemala will present further applications to the World Bank, particularly for further road construction.			
OTHER	Although it is not anticipated that Inter-American Bank will be in operation until FY 1961 at the earliest, the Banco de Guatemala has wasted no time in alerting the business community to the need for early preparation of sound projects for inclusion within the Bank's lending operations. As soon as the Bank is open for business, Guatemala will have applications ready for presentation. It can be expected that Guatemala will also present loan applications to the World Bank's proposed International Development Agency. The International Finance Corporation has invested $200,000 in the wheat flour mill in Guatemala City.			

SECURITY CLASSIFICATION UNCLASSIFIED

D-1	FORM ICA 10-107 (6-59)	DATE PREPARED October 13, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	SETTING FOR U.S. PROGRAMS	D-1
				COUNTRY ECONOMIC PROGRAM	**SUMMARY OF ASSUMPTIONS REGARDING EXTERNAL ASSISTANCE**		

(A) SOURCE	(B) DESCRIPTION OF ACTIVITY	(C) OBLIGATIONS (in $1000s) Actual Year	Operational Year	Budget Year
FOR PRIVATE INVESTMENT	The International Railways of Central America (IRCA) is not expected to increase its investment. It is beset by labor and in financial troubles. It will be hard put to compete with truck traffic on the recently completed highway to the Atlantic seaports, Puerto Barrios and Matías de Gálvez.			
	The United Fruit Company is not expected to greatly expand its investment in view of continual blow-downs on the Pacific Coast and the decline in production from diseased areas on the Atlantic Coast.			
	The Empresa Electrica would like to increase its investment and has a contract pending in Congress to undertake additional electrical expansion.			
	The oil companies have made considerable investment and continue to make sizeable expenditures in exploration activities mostly in or near the Peten area of Guatemala. Results to date repoertedly do not give great evidence of commercial reserves.			
	Small amounts of capital are being invested by American companies, such as that of Glidden Paint in the Pincasas Paint Factory; General Tire in the Ginsa Tire factory; and General Mills in the flour mill which received the IFC investment.			
K & S	Klein & Saks, Economic Consultants to the Government, are providing economic, fiscal and public administration advice on problems referred by the President and other high officials. The present contract costs about $200,000 per annum and runs to December 31, 1959. There are four professional staff members on duty in Guatemala. Funds are provided in the FY 1960 to cover costs of the contract, if extended, at least to June 30, 1960.			
TAMS-GH	Tippetts-Abbett-McCarthy-Stratton of Panama - Gibbs & Hill, engineering consultants for the Government on the World Bank loan, terminated their activities in FY 1959.			

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COUNTRY ECONOMIC PROGRAM

SUMMARY OF ASSUMPTIONS REGARDING EXTERNAL ASSISTANCE

(A) SOURCE	(B) DESCRIPTION OF ACTIVITY	(C) OBLIGATIONS (In $1000s) Actual Year	Operational Year	Budget Year
CARE	It has not been possible to obtain estimates from CARE as to its obligations or expenditures. The CARE program started in Guatemala in FY 1959 and has consisted of supplying paper and ink for the USOM Education Division's book publishing work; furnishing bits of agricultural tools for a school-garden program also to use in cooperation with the Education Division, and the importing of U. S. surplus dry non-fat milk for distribution to 21,600 students in Guatemala City in 4 school districts by the Ministry of Education. CARE programmed milk importation for FY '60 at 433,000 lbs. CARE imported 200,000 lbs. of Canadian dry milk for its first half FY 1960 feeding program. No expansion in CARE activities for FY 61 is foreseen at this time. There are two American employees of CARE resident in Guatemala.			
CATHOLIC RELIEF SERVICES	The activities of Catholic Relief Services -NCWC in Guatemala has just now begun with the approval of a surplus food distribution program for Fiscal Year '60 amounting to 4,286,000 lbs. of foodstuffs; 400,000 lbs. powdered milk; 1,538,000 lbs. corn; 1,174,000 lbs. cornmeal and 1,174,000 lbs. flour. Shipments will begin with the second quarter of FY '60 in October 1959. Distribution will take place around the City of Guatemala as well as in the Departments of Izabal, Zacapa and Chiquimula. Approximately 20,000 persons are expected to be served by this program. During FY '61 the program may increase so it can reach other needy areas in the country. At the same time, Catholic Relief Services - NCWC expects to have a full-time representative in Guatemala to over-see details of distribution, presently the duty of a part-time representative. To complement the food program, CARITAS of Guatemala is planning the establishment of a Social Service Training school as well as an auxiliary of social service workers for the purpose of not only seeing that the food is used correctly, but in		Estimated CCC value of Foodstuffs to be imported in FY '60 * $355,900	

SECURITY CLASSIFICATION: UNCLASSIFIED

*ICATO Circular XA-172

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(A) SOURCE	(B) DESCRIPTION OF ACTIVITY	(C) OBLIGATIONS (in $1000s) Actual Year	Operational Year	Budget Year
	order to teach better nutrition and provide counseling services to families as well as limited amounts of medical care.			
UNICEF	The UNICEF activities have consisted of surplus U. S. dry milk importations of about 1.4 million lbs. for reconstituting for some 73,000 recipients; the financing of a dry milk plant; the rupporting of a school-garden program; and the distribution of nutrition education material. There are 3 UNICEF officials resident in Guatemala, but the Chief of the Mission has jurisdiction over UNICEF activities in other countries.			
FAO	The Food and Agriculture Organization of the United Nations plans to have three full time technicians in irrigation, milk production, and horticulture and four part-time specialists in fishing and fisheries, cotton and agricultural statistics in FY 1960.	51,290	59,670	
ILO	The International Labor Organization will provide two short term technicians in FY 1960 to advise the Social Security Organization on industrial security and in training.	20,125	13,800	
ICAO	The International Civil Aviation Organization will maintain two technicians in Guatemala; one a radio communications expert and the other an airport engineer. Three full year scholarships will be offered in aeronautical communications, air transit control and aeronautical mechanics.	33,000	28,800	
UNESCO	The United Nations Education and Social Organization will have two full time specialists in Guatemala in FY'60 and one short-term technician. Assistance will be offered in audio-visual methods, student guidance, and school supervision.	47,500	35,400	
UNTAA	The United Nations Technical Assistance program plans to furnish a chemical	31,200	25,200	

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	engineer for FY 1960; a textile advisor for 6 months, a bank accountant for 3 months' consultation.			
WHO	In its budget for FY 1960 World Health Organization has planned to have a full-time medical officer to help with anti-tuberculosis activity, a full-time nurse training expert, and WHO/PASB Malaria Eradication technicians.		31,947	
	N.B.: The total budget for FAO, ILO, UNESCO, UNTAA, ICAO and WHO for FY 1960 will be $194,500. There are plans for training within this program in the event that economies are realized or if local government funds become available. In addition there is a supplementary budget of $99,000 amplifying these programs if additional funds from the international agencies are made available.			
IAGS	The stated objectives of the Inter-American Geodetic Survey - Guatemala Project, are:			
	1. Assist the Guatemalan Direccion General de Cartografía obtain geodetic data and aerial photography for production of maps and charts. 2. Assist Dirección General de Cartografía become self-sufficient in geodetics, cartographic and reproduction programs. 3. Foster standardization of mapping methods, specifications and equipment based on U. S. standards. 4. Arrange for on-the-job training of personnel, Dirección General de Cartografía. 5. Collect photographs, maps, charts and allied data of Guatemala. 6. Provide major items of field equipment 7. Foster goodwill between Guatemala and the United States. 8. Assist in obtaining strong geodetic connection between Guatemala and neighboring countries.			

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	The IAGS budget has increased steadily from $150,000 to its present budget of $510,500. The Dirección General de Cartografía budget has increased from $15,000 in 1945 to $92,000 in 1954 to its present budget of $445,127. The total appropriations to July 1959 has been $6,750,000; 64% by IAGS, 36% by Dirección General de Cartografía. About 60 Guatemalans have received topographic training from support furnished by the U. S. Government.			
	There have been 414 triangulation stations established and 4,777 kilometers of leveling accomplished. Mapping control has been established for 1/50,000 and 1/250,000 maps in all the area South of 15° North Latitude and 70% of the area between 15° North Latitude and Peten. Five 1/250,000 sheets have been compiled and one reproduced. Twenty 1/50,000 sheets have been compiled. There are 117 1/50,000 controlled photo maps of Peten available. There are 128,000 square kilometers (97% of the country) covered by aerial mapping photography.			
	IAGS has 22 persons, 40 vehicles, four aircraft and complete field equipment. Dirección General de Cartografía has 174 persons, 11 vehicles, two aircraft and about 40 major items of topographic equipment.			
	The FY 1960 Operational Plan calls for completion of supplemental control and field classification in the area South of Peten, continuation of first order levels in Peten and initiation of first order levels in British Honduras.			
ICAITI	The Central American Research Institute for Industry, located in Guatemala City was founded in 1956 by the five Central American republics and with UNTAA sponsorship. It is a joint undertaking of the Central American countries and represents the first result of the Central American integration programs. Each of the five Central American republics contributed this year $47,000 while the U.N. contribution amounted to approximately $90,000 to cover a total budget of about			

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	$325,000. The Instituto Centroamericano de Investigación y Tecnología Industrial (ICAITI) which is the Spanish name of the Institute, also received some $160,000 from private firms for projects completed and in progress. It has a staff and research facilities for conducting economic surveys, market studies, raw material surveys, industrial planning and pre-investment studies as well as projects for establishing various kinds of industrial plants. Amongst the projects already completed or under study are: Fruit and Vegetable canning plants, corn flour factories, fertilizer mixing plants, chemical plants, sugar plants, meat processing plants, etc. ICAITI has 9 U.N. technicians and 5 third-country technicians on its staff. It plans to increase their staff considerably during this year and during 1960. The U. N. Special Fund has made $900,000 available to ICAITI. This will be used mostly for the purchase of test equipment and the establishment of a standard laboratory.			
INCAP	The Institute of Nutrition of Central America and Panama was established to conduct research in nutrition, to train professional and auxiliary workers in nutrition and to develop a Nutrition Program for the five Central American countries and Panama. INCAP has a staff of 70 people headed by 3 U. S. nationals. It operates on a budget of $350,000 per year, of which $105,000 is contributed by the six countries. The balance of the funds are received from grants from WHO/PASB, the Kellog Foundation, United Fruit Company and many companies in the U. S. and Central America.			
BPR	The USBPR has two primary responsibilities in Guatemala: ensuring construction of the Guatemalan-link in the Inter-American Highway as soon as practicable, and, acting as consulting and supervising engineers to the ICA. The USBPR has ten staff members in Guatemala. Funds in sight, and expected to be expended in the coming year, should provide an asphalt surface treatment on approximately one half of the remaining uncompleted sections of the Inter-American Highway.			

ROLE OF THE ICA PROGRAM

The ICA program in Guatemala contributes substantially to the achievement of all United States objectives. The ICA program has been designed to support three aims of the United States: prevention of another communist take-over in Guatemala, strengthening of hemispheric defense, and the development of closer economic ties with the United States.

The ICA program presents to the Guatemalans the possibility of achieving a better life under free institutions, private enterprise system, and a non-totalitarian government rather than under a communist system including inter alia public ownership of property and centralized government planning. The Guatemalan-U.S. cooperative program of rural development makes land available to landless workers, who obtain a stake in the economy and will be more likely to oppose and frustrate communist overtures. The cooperative housing program provides modest homes at lower costs to middle and low income workers, giving them an opportunity to live better and to divert a greater portion of their small incomes to improving their lot in life and making them less subject to Communist overtures. By raising the educational levels of the people the cooperative Education Servicio equips individuals for advancement with greater knowledge, skill and ability to earn a better living. The Cooperative program in agriculture has introduced better methods, better livestock, and more versified and better crop varieties, thus improving opportunities for better living standards in rural areas. The contribution of the public health program conducted by the two government leads to better health and increased productivity, principally through better sanitation and malaria eradication. The contributions to better living standards made by these programs should help to remove much of the appeal of Communist propaganda.

Guatemala is dependent upon the United States for about 75 percent of its imports and as a market for about the same percentage of its exports. For the United States, Guatemala is an important source of flavor coffee and bananas, for which it is dependent on foreign sources. When Guatemalan-produced rubber enters into export trade much of it probably will be consumed by the U.S. If oil is located in commercial quantities as a result of current private U.S. explorations, the U.S. will undoubtedly provide some of the market. Guatemala purchases $70-80 million of manufactured commodities from the U.S. which is not of tremendous importance in total world trade, but is a significant amount within the Central American area. The size and components of the trade with the U.S. makes it desirable for the U.S. to keep the Guatemalan market open to American trade. The ICA program contributes to that goal by aiding directly the improvement and diversification of agricultural production and productivity and by stimulating local demand for American exports as a result of demonstration of U.S. methods, techniques, equipment and machinery.

Magnitude of Aid and Factors Determining Aid Levels

The USOM proposes a level of $2.3 million in Technical Assistance for FY 1961. No new Special Assistance funds are requested.

This proposed reduction in the level of Technical Assistance is in keeping with the reduced financial ability of Guatemala to support cooperative programs. It is a result of changes in the agriculture program involving reductions in technician costs, in joint fund contributions, and in contract services.

The reduced staff is at the minimum level required to meet technical cooperation requirements and provide guidance for proper expenditure of the remaining approximately 12.5 million of Special Assistance funds.

1. Problem Analysis

a. Problem 1. Communist Influence

The government's inconsistent attempts to retain popular support among all political groups have been unsuccessful. It has been unwilling to take a strong position against communists and both party members and sympathizers have gained influence in the leftist political groups.

Communist agitators and sympathizers work more and more openly to gain support from the ignorant poor labor groups, militant nationalists, and students. They have unquestionably been successful in exerting influence in the government by various means.

The government does not have a policy of strong opposition to these individuals nor does it make full use of available information concerning their activities.

Poverty of the people, apathy and selfishness on the part of the monied classes, and ineffectiveness of the government in dealing with the agitators, create conditions favorable to communist purposes. Their work is made easier because of their past and current propaganda activities and because the present government has failed to formulate plans or to make effective use of even the limited potential to eliminate the miserable conditions of the people.

b. Problem 2. Deficiencies in Government Policy Formulation Planning and Administration

Guatemala's machinery of government consists of a number of parts put together over the years without plan.

Most phases of its public administration reveal inadequacies detrimental to its broad productive and development programs.

Irrational distribution and duplication of functions confuses lines of authority and responsibility. The machinery for economic planning is ineffectual.

Too many organizational units report directly to the President. The Presidential Secretariat is a scattering of uncoordinated offices incapable of effective staff work. This situation aids and abets the traditional government-wide practice of forcing all matters, including minor details, in to the President for personal decision.

The overall organization of the Executive Branch is unwieldy with far too many independent agencies performing functions properly assignable to regular ministreis of state. Internal ministry and agency organizations are ineffective.

Essential governmental institutions for effective public management are either totally lacking or hopelessly enmeshed in a net of restrictive and cumbersome laws, rules, regulations and practices. Public funds are not used to the best advantage. There is no civil service, or merit system governing the selection and utilization of public employees. There are no management planning offices. There is only an inadequate centralized budget and accounting system. Governmental supply services are inadequate to serve the needs of the ministries.

There is no pre-service education or preparation of citizens for administrative and executive roles in the Government. Training within government is just beginning.

Salaries of most government employees are low. They are established without systematic reference to job requirements, leading to gross inequities in pay in all branches of government.

All of these conditions make for instability in government, ineffectiveness in operations, low employee morale, and general public dissatisfaction.

c. Problem 3. Lack of Job Opportunities and Low Consumption and Purchasing Power

Most of the people of Guatemala (estimated by the USOM Program Office to include at least two thirds of the labor force) have incomes so low that they cannot satisfy their basic human needs. They are not productive because they do not have the required skills nor the opportunity to work in efficient enterprises. Wage levels are determined more by the oversupply of workers than by the demand for their services.

There are more people on the land than are needed to produce the agricultural commodities required for domestic consumption and for export. Yet prices continue high in relation to consumer purchasing power because of inefficient production and marketing methods.

Maldistribution of land limits opportunity for individual enterprises in agriculture. In 1954, 90 percent of Guatemala's farms were less than 17 acres in size; the greatest number less than 8 acres. Yet this 90 percent represented less than one quarter of the country's farm lands. Most of the productive, accessable land is held by a few owners in large tracts. Low income from wages on these large farms or from subsistence agriculture provides only meager purchasing power and consumption of consumer goods for the mass of people of rural areas.

The principal factors in the low standard of living are high costs of food and shelter and low income. Increased efficiency in production and marketing are needed to lower prices to consumers.

Communists find converts among people who cannot satisfy their needs for food, clothing and shelter and who have no roots in property ownership. Increases in the number of home owners and landowners, with more adequate credit, and guidance and training in better production methods should reduce susceptibility to alien philosophies.

d. Problem 4. Poor Environment for Economic Development

Prolonged political instability has retarded the development of progressive attitudes on part of businessmen who should normally deal effectively with economic development needs. Political instability also has resulted in lack of clear government policies, with uncertainty about the future investments.

The rate of new capital formation is slow. Expenditure of public funds has lacked purposeful economical direction. Private capital is reluctant to engage in risk ventures, prefers investments promising high immediate returns. Credit institutions fail to meet the need for medium and long term credits.

Lack of managerial ability is evident in planning, organization and a reluctance to delegate authority. The majority of workers are unskilled and lack opportunities for self improvement. Although cash wages are very low, finished local products have a high labor cost content.

Local markets are limited by low purchasing power of the majority of the population.

Insufficient knowledge exists about the extent of natural resources. Their utilization is handicapped through limited transportation facilities.

Inadequate port and inefficient rail facilities and services burden imports and exports with high transportation costs. Insufficient, high-cost electric power impedes industrial development; inadequate communications slow down business transactions.

Rapid population growth is not matched by corresponding increases in production of food supplies and consumer goods.

e. Problem 5. Deficiencies in Education and Health

Guatemala has neither the trained leaders nor the physical facilities to provide for the health and education needs of the people. The government has never given these needs the priority deserved in plans and budgets.

The people of wealth and influence, instead of supporting development of an adequate public school system, have financed private facilities for the children of the upper classes. In both private and public schools there has been little attention to the sciences or to subjects of practical application. The system of learning by rote has not stimulated or provided opportunity for creative thinking. Teachers have neither the qualifications nor the incentive to stimulate real learning. Only recently, interest has been shown in practical training for the economic and social development of the country.

The government does not yet have people who are able to plan, organize and execute the activities necessary to progress. This is also true with respect to agriculture, industry, and commerce.

The great majority of the population has had no effective exposure to education and they continue to live as their ancestors did, beset with ignorance and fears, in a fashion inappropriate for human beings in the 20th Century.

Diseases, resulting from ignorance and neglect, drain off energy and reduce the capacity of the workers to produce and earn a decent living.

Medical services and facilities, like educational opportunities, are restricted to a small percent of the population. In some areas none exist and in others their cost is prohibitive to all but the few with large incomes.

Long range improvement in the well-being of the people of Guatemala, development of its resources and institutions will be difficult if not impossible without more energetic and fruitful efforts to combat ignorance and debilitating diseases.

Health

More than 70% of all the doctors in Guatemala serve not more than 10% of the population. The remaining 30% of the doctors likewise serve a relatively small proportion of the people. The great majority have no access to medical service or facilities.

Seven thousand communities of less than 5000 population each are without sanitary water supply. Less than 20% of the people live in communities with safe water.

In 1958, for the first time, a beginning was being made to start a program of health education. The whole population is in need of the benefits of this program.

Guatemala now needs 10,000 nurses and auxiliaries for institutional care and an additional 700 for public health services. Presently available for both purposes are about 1,000.

There are no trained personnel for management of even the country's inadequate hospital facilities. Fifteen trained hospital administrators and some 200 trained supervisory personnel are urgently needed.

Guatemala has nine doctors adequately trained in public health. Seventy are needed.

Training is needed for 150 sanitarians.

Legislation to require young doctors, educated at public expense, to practice for a time in communities with no doctor has been recommended.

Education

Seventy-two percent of the total population is illiterate. Sixty-seven percent of school age children do not attend school.

There is immediate need for doubling school classrooms. Some 11,500 new rooms are needed.

There are no facilities for effective vocational training. Such training is needed for some 8,000 industrial workers.

Two thousand and seven hunderd of the country's 8,000 public school teachers are uncertified and untrained. The training received by the others has been sub-standard.

Only a few hundred of the more than 35,000 public employees have had any specialized training to prepare them for their work. Facilities for in-service training are only in the development stage, with their full impact still several years away.

2. ICA Program Goals

The ICA program in Guatemala is directed at the achievement of the following goals in order to reduce or eliminate the problems which were indentified in the preceding section. Since the gathering, collation and reporting of statistical data is one of Guatemala's underdeveloped skills, the goals will not be set in statistical terms. The activity targets of individual projects are stated in more detail.

a. Program Goal 1. Increase Property Owners in Rural Farm Areas and Urban Residential Sections

It has been estimated that one-half of Guatemala's farm land is owned in large tracts by approximately 1,100 families. The remaining half is divided among large government owned tracts and small subsistence units. Absentee ownership characterizes most of the large farms. Farm laborers usually must supplement their income by working their own plot of corn. Credit for agricultural purposes is difficult to obtain and then only at excessive interest rates and for short periods.

The inadequacy of housing in the rural areas and the movement of landless farm laborers toward urban areas has accentuated the

need for more and better rural and urban housing. There is no private building industry concerned with low-cost housing. Credit for housing construction is offered at high rates and on short terms. Capital invested in housing is made in high class residential homes for occupancy by owners or rental at high rates.

The Rural Development Program by providing land, and credit and housing for resettled farmers and the Housing Program by providing housing in urban and rural urban areas both focus on the goal of increasing property owners. In so doing they contribute to the reduction of communist influence and contribute to the improvement of the levels of living.

b. Program Goal 2. Improve Food Supply

Guatemalan agriculture is characterized by inadequate production of crops and livestock for domestic consumption; antiquated methods and techniques; inadequate credit facilities; inadequate marketing and storage facilities; inadequate rural roads; and high unit costs of farm production due to poor management of capital and labor resources.

The quantity and the quality of Guatemala's food supply must be improved if economic progress is to be achieved. With population increasing at 3.1% per annum, the amount of corn, the most important staple, must be increased by an equal amount if only to maintain the bulk of the people at existing subsistence levels. This increase can take place by more efficient and intensive farming or by the opening of new lands and use of the large tracts held by the large landowners. The nutritional intake of the rural population is deficient. Better foods, available at reasonable prices, would lead to a healthier and more productive farm population.

The great need within the agricultural sector is the development of more job opportunities and the increase in the purchasing power to create larger markets.

The Rural Development Program, the demonstration activities of the agriculture, health and education programs in the rural areas, all bear on this condition within the Guatemalan economy. These activities aid in the objectives of frustrating a communist take over and improving the levels of living.

c. Program Goal 3. Improve Health

Most people in Guatemala are not healthy. There is a shortage of trained personnel for organizing and staffing health services. An inadequate legal base and poor administration inhibit the development of national health services.

High morbidity due to transmissible diseases reflects poor public health preventive measures in the environmental sanitation and immunization fields. The high mortality relative to the incidence of disease reflects the poor general health of the people and the lack of medical and hospital care. The high incidence of disease and the result and loss of time on the job and lack of energy contributes directly to lowered productivity.

Over 7,000 communities are lacking a potable water supply. Areas which could be brought under agricultural cultivation are infested by malaria. Sewage disposal in Guatemala is inadequate or non-existent.

Education and training in proper health and sanitation and planning on a national health program are required. The eradication of

malaria is being undertaken by cooperative US-Guatemalan-International agency efforts. It may be accomplished within 3 years. The supplying of potable water to villages is being undertaken but many years and large financial investments will be required to provide all the areas now needing water. The digging of latrines should proceed apace with the rate at which the public becomes indoctrinated in their use.

Demonstrations, advice and guidance, and organized training by the Health and Sanitation Division are contributing to the joint Guatemala-U.S.-International agency fight against disease and poor sanitation. U. S. Mutual Security funds are being employed for the malaria campaign and for the construction of water supply systems.

Achievement of significant progress in the health field will aid substantially in the reduction of the influence of communism and in the lifting of the levels of living of the people.

d. Program Goal 4. Improve Education

Education in Guatemala is marked by inadequate training of teachers; a high rate of illiteracy; inadequate curriculum, books and teaching materials; shortage of school buildings and equipment; and lack of adequate adult education for army conscripts.

Lack of adequate education is an obstacle to advancement and improvement in almost every field of endeavor in Guatemala. The labor force is untrained. Government workers are poorly equipped by education and training for both routine and managerial positions. Business and industrial establishments suffer from a dearth of well-trained secretarial and clerical personnel. Planning both in the government and in private enterprise is frustrated by a shortage of well-trained economists. Implementation of adequate plans is hampered by poorly trained administrators and by unsympathetic political leaders.

Students wishing to be teachers must receive better training. Teachers already on the rolls, many without certification, must be improved. An estimated 11,500 new classrooms are urgently needed. The basic curriculum in the public education system must be reoriented to meet the needs of the people. There is an immediate need for an estimated 500,000 beginning reading books. A long range school building program with reasonable expectations of financing is a requirement. Annually the Guatemalan Army recruits soldiers resulting in the uprooting of many Indian boys from their families. After their tour of service, and exposure to better food and shelter they are returned, untrained to earn more than a subsistence living but in most instances unwilling to readopt the ways of their ancestors. They should be taught to read and write at least.

The Education Division has the formal responsibility for US cooperative efforts in education. However, education is an integral part of most USOM cooperative programs since they transfer skills and knowledge, awaken and stimulate people to improve their lot through their own creative efforts. USOM activities conducted with special assistance monies also have an educational character even though they may be concerned with building houses, roads, bridges, schools, water supplies or latrines.

US cooperative projects in education serve to reduce the threat of communism by demonstrating the opportunities for personal improvement in a freely operating society; directly contribute to the improvement of government policy formulation, planning and administration; improve the living levels of the people; and help broaden

and strengthen the base for economic, social, and political progress.

e. Program Goal 5. Improve Public Administration and the Governmental Environment for Development and Enhance Political Stability

Guatemala needs continuity of government under a democratic orientation. The government as presently constituted suffers from a serious overlapping of government organizations and duplication of functions. There is a need for a civil service based on the merit system. Long range planning for social progress, and sound tax program, an aggressive government program to attract foreign investment, a rational expansion of its industrial base, and a legislative program supporting these goals, are urgently needed if the country is to make economic progress. Much of this requires changing the attitudes of government leaders and the wealthy classes. In addition the attitude of the public must change so that they will appreciate, benefit, expect and even demand enlightened and progressive government policies and administration. Attention must be given the Indians to assist them to rise from their ill-clad, ill-fed, ill-housed condition without losing their family ties and group traditions.

The USOM Public Administration Division has the formal responsibility of working with the government's public employees to give them in-service training in office management and administration. USOM public administration technicians are called on for advice by the government on measures which may lead to gradual adoption of merit system principles and practices. The Guatemalan government employs under contract the Klein & Saks Mission which is providing technical assistance to the economic planning office, budget offices, and administrative units. The Industry Division endeavors to create in business, commercial, government, and industrial sector an improved atmosphere for economic development by working towards a favorable climate for private investment and broadening of the industrial base. The housing, health, education and agriculture cooperative US-Guatemalan activities have corollary benefits in teaching people to look upon government as an instrumentality which serves the people rather than the reverse. The Rural Development program in expanding agricultural credit and advice; and building access roads, houses, schools and water supplies; promotes stability in government, and demonstrates the advantages of an enlightened government.

Under the Ydígoras Government some projects have received good support and made good progress, while others have not progressed satisfactorily.

Expenditure of funds allocated to construction of major highways was completed during the last fiscal year. Because costs increased above estimates, funds originally designated for the Atlantic and Pacific Highways were insufficient, but Guatemala still is supplying funds and continuing the work to complete these highways in accordance with previous agreements.

The housing program has progressed at an accelerated rate during the last year, with two projects completed and more than 500 homes now occupied. Constributions of land valued at $150,000 above the requirements of the 1956 project agreement have contributed greatly to the success of this project which has attracted widespread attention and approval. Two new projects have been started in smaller cities outside the capital.

Education projects have received increased support, with larger servicio contributions and substantial additional contributions for the new project in vocational training.

In-service teacher training has made good progress and about 400 have received diplomas qualifying them for salary increases and 250 student teachers are being supervised under the professionalization program. The army literacy training project has had good support, vocational training courses have been started in temporary quarters pending construction of new buildings. The Home Life School, now recognized by ODECA as a regional home economics training center, has been transferred to the Ministry. Other minor projects also have been completed and transferred to the Ministry.

Agriculture development in Guatemala suffered a set back as a result of intemperate attacks by the Minister of Agriculture and the advisability of canceling the agricultural servicio agreement. By Presidential decree, Agricultural Extension Service and the mechanization service were transferred to the Agrarian Affairs Agency, while agricultural research was transferred to the Guatemala Coordinator of Technical Cooperation. Guatemala took full responsibility for technical direction and financing of agricultural research, with the exception of the work on rubber, cacao, and kenaf. Transfer of responsibility for research work could have been accomplished more satisfactorily on the previously planned schedule for July 1, 1960.

The coffee production training center buildings were completed and more coffee finca administrators applied for admission to short courses than could be accepted. Use of fertilizer and insecticides increased greatly as a result of extension demostrations, and the use of better varieties, particularly of corn and potatoes, began to show outstanding results. By the use of better seed, fertilizer and insecticides, potato producers were increasing yields more than threefold and there is prospect of more reasonable prices to consumers.

Since 1956, when Guatemala still had a deficit in corn production, better methods and the establishment of new farmers in the Rural Development Program brought improvement in the situation to the point where it was possible to export a small amount of corn last year to the neighbor country, El Salvador. The significance of this development is highlighted by the fact that corn provides 80 percent of the food of the poor people. After years of importing a

large part of the cattle consumed in the country, imports of better breeding stock, better pastures, and better feeding during the dry season have resulted in greatly increased quantities of beef. Export of cattle in commercial quantities occurred for the first time last year, although imports continued, but at a reduced rate.

Better progress was made during the last year in the Environmental Sanitation Program. Eight water supply systems were completed. Work is underway on twelve more, and engineering studies were completed for an additional fifteen projects. The malaria eradication program received the additional financial support needed to match the increased funds supplied by the United States. When it became necessary to change from dieldrin to DDT and spray twice a year instead of once, it became evident that the $200,000 contributions pledged by Guatemala and the $200,000 contributions by the United States would be insufficient. The Minister of Health went before the Congress and obtained almost $300,000 in additional funds. The malaria eradication project, now in its third year, began to show satisfactory results for the first time when it became a servicio administered project in May 1958.

A small industry project has achieved good progress through the use of consultants in productivity efforts. However, extreme nationalistic attitudes have made unproductive the efforts to encourage greater foreign capital investment in needed Guatemala industrial expansion.

Two Government agencies have requested assistance from the small public administration project in efforts to reorganize and make more efficient their operation and administration. Two servicios have been given assistance with organization and management problems. Additional support was given during the last year to broaden the scope of the project, which has been outstandingly successful in providing in-service training of government clerical workers.

In the Public Safety Program, good progress has been made in police training and in the establishment for the first time of an efficient crime records system. Some progress has been made with the problem of traffic congestion. Better communications have been established with police units in outlying areas. Outstanding improvement has occurred in the operations of the border patrol.

Efforts to assist in improvements of police organization and operations have been retarded by rapid turnover of officials in responsible positions, and by low pay, poor working conditions, and rapid turnover of employees in the lower ranks.

The most serious problems and delays during the last year have occurred in the Rural Development Program. The present government has not supported effectively either the rural resettlement project, or the supervised credit project which is so necessary to successfully establish new farm operators on land of their own. Only one new tract of land for resettlement has been provided by the Ydígoras Government, and this was a tract promised by a succession of previous government dating back to the administration of Castillo Armas. One tract, already assigned to the resettlement program, was withdrawn by the Ydígoras government. Training of Guatemalan field agents has progressed well in the supervised credit program, but the program as a whole has been handicapped by inexperience and lack of interest on the part of agricultural credit bank officials, the tendency to make loans more on the basis of political influence than economic need, and delays in making necessary loan capital available. Now, hoever, after the Guatemalan funding required by the contribution agreement has become more than a year delinquent, the Government finally has approved the contribution and sufficient

funds are expected to put the program in operation again.

As a result of the lack of interest in the Rural Development Program and the attacks on the agriculture program, a review of the USOM efforts in Guatemala took place in July. The President and his Cabinet, the U. S. Ambassador, the USOM Director, and the Regional Director of the Office of Latin American Operations participated. Five million dollars of special assistance funds previously allocated to Rural Development are being re-programmed and more of the remaining special assistance funds will now be spent on environmental sanitation, school construction, education, access roads, and bridge construction.

1. Program Content

USOM Guatemala is proposing a $2,300,000 Technical Cooperation, $485,000 Section 420, and a $56,000 Special Assistance program for FY 1961. The nature of the program emphasis will have undergone a considerable change by that time as the Special Assistance and Defense Support pipelines from prior fiscal years are further reduced. While several of the Technical Cooperation activities still are primarily directed at providing direction and technical support for the expenditure of the pipeline funds, there will be a further shift through FY 1961 toward a purely TC program.

a. Agriculture - ($544,000)

The composition, size and organization of U. S. cooperative efforts in agriculture underwent a basic change in the first quarter of FY 1960. The Servicio Cooperativo Interamericano de Agricultura (SCIDA) was terminated on August 31, 1959. The Agricultural Extension Service and the Mechanization Service were placed in the Directorate General of Agrarian Affairs, under Guatemalan operation but with joint financing of the Extension Service with two U. S. technicians as advisors.

Agricultural research activities were placed in the President's Office of Technical Cooperation, with three U. S. technicians as advisors. The rubber experiment station and research work in rubber also were placed within the President's Office of Technical Cooperation with U. S. financial assistance and three technicians. These projects will probably continue in this fashion in the operational and budget years.

b. Rural Development - ($50,000)

The Technical Assistance program has covered the costs of the contract with the International Development Services, Inc. for providing guidance and advice to the Rural Development Program. It will be necessary to retain in the budget year the IDS staff in Guatemala at about its same numerical strength to guide expenditures of re-programmed special assistance funds for roads and bridges and to continue advice to the Rural Development projects.

c. Industry - ($60,000)

The Industry Program will continue through both the operational and budget years at about the same level. If Guatemalan support of the activities of this division were to increase, there could be additional requirements in future years.

d. Transportation - ($15,000)

In the past the USOM has provided short-term training for fairly large numbers of cartographers of the General Directorate of Cartography. The proposed program for both the operational and budget years represents a shift in emphasis to longer term training for fewer persons to provide the technical knowledge of a broad type which will permit this organization to continue its functions in the future without further U. S. assistance.

e. Health and Sanitation - ($458,000 TC plus $485,000 Section 420 for Malaria Eradication)

The Health and Sanitation Division will be giving increasing attention to environmental sanitation as re-programmed prior

year's Special Assistance and Section 402 funds are used for the provision of potable water supplies in the smaller villages and communities of Guatemala. The malaria eradication program will continue at the present level through FY 1962. The provision of technical advice in hospital administration will be at a substantially reduced level in FY 1961 unless the GOG is able more adequately to finance this activity.

f. Education - ($859,000)

USOM education activities have expanded with greater Guatemalan cooperation and the addition of the Vocational Industrial School project and reprogramming of Special Assistance and Section 402 funds $1.5 million for rural and urban school building construction.

g. Public Administration - ($120,000 TC and $56,000 SA)

(1) Public Safety ($56,000)

The Public Safety Division is nearing the stage in its work with the principal police units of the country in which some activities gradually can be phased out.

(2) Public Administration ($120,000)

The Public Administration Program will be enlarged to meet government demands for increased in-service training for government employees. It will expand its training center and will offer opportunities for training abroad.

h. Housing - ($90,000)

The technical assistance program provides funds for the technician costs for the Aided Self-Help Program which is using Special Assistance funds. The need for U. S. technical assistance will continue at the present level with the addition of new projects in outlying areas.

i. General and Miscellaneous - ($104,000)

The Technical Support project functions will continue through FY 1961 at about the present level. When the Special Assistance pipeline has been reduced substantially and the audit work is completed, this project can be reduced in size.

2. Participation of Cooperating Country in Program Planning

The US-Guatemalan cooperative program was fully reviewed by the Ambassador, the Mission Director and Latin American Regional Director from ICA/Washington with President Ydígoras and his cabinet in a general meeting in July, 1959. This meeting was followed by sessions with key USOM officers and senior Guatemalan officials. These discussions provided a timely opportunity to establish plans for each cooperative activity with the responsible Guatemalan officials. As a result of these discussions the following re-programming of Special Assistance and Section 402 funds occurred.

Reprogramming of Special Assistance and Section 402 Funds

Project Number	Source of Funds	
072	Land Clearing	$ 1,102,000
074	Irrigation	734,000

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PROJECT NUMBER	ACTIVITY – PROJECT TITLE	PAGE NO.
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20-19-906	Administration SCIDA	68
20-11-900	Agricultural Extension Service	71
20-11-102	Agricultural Research	76
20-11-105	Agricultural Mechanization	80
20-11-106	University of Kentucky Contract	83
20-12-072	Clearing, Land Preparation and Jeep Trails (Rural Development Program)	85
20-12-074	Irrigation Works (Rural Development Program)	91
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INDUSTRY AND MINING		
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TRANSPORTATION		
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COUNTRY ECONOMIC PROGRAM

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PROJECT NUMBER	ACTIVITY – PROJECT TITLE	PAGE NO.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 5, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-10-900	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Agriculture Cooperative Service		

1 PROJECT BEGINS FY 55 ENDS FY 60

	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) (1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract U.S.	(2) Participants: Non-Contract 3rd Country	(2) Participants: Contract
		Dollar Obligations ($1,000)							L/C Commitments or Obligations						Numbers of People				
A. All Prior Years	TC	1,436 a/						1,436					1,537	162					
B. Net Deob.-Reob.																			
Current Funds	TC	500						500						147					
Total Actual Year FY 59	TC	500						500					707						
C. Operational Year FY 60	TC	-						(206)					(135)	14					
D. Budget Year FY 61	TC	-																	
E. All Subsequent Years		-																	
F. Total All Years	TC	1,936											2,109	323					

2

	FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	TC	1,136 a/		300	-	-	-	-	300	300	-		-	-	-
	Actual Year FY 59	TC				500	500	500	-	500	350	150		150	150 b/	-
	Operational Year FY 60												-	-	-	-
	TOTAL	TC	1,136		300	500	500	500	-	800	650	150	-	150	150 b/	-

Problems Addressed:

a/ 56,000 transferred to project 20-11-106 (See ICATO 31, August 5, 1959) of which $12,000 had been obligated but not liquidated on books of USOM with the remaining $44,000 obligated and disbursed to SCIDA for purposes of the University of Kentucky contract. The amount of $44,000 had not not been spent by SCIDA, and was accordingly refunded to the USOM.

b/ To be deobligated.

See continuation sheet.

Problems Addressed:

Lack of job opportunities and low consumption and purchasing powers.

1. General Description of the Project:

The Servicio Cooperativo Interamericano de Agricultura (SCIDA), was initiated January 20, 1955. At that time it was planned that SCIDA be turned over to the Government of Guatemala on July 1, 1960. However, it was terminated on August 31, 1959, after the U. S. served notice of its intention to terminate further participation in SCIDA.

SCIDA was initiated to provide agricultural services which heretofore had been lacking.

2. Specific Activity Targets or End Results of the Project:

To establish adequate services in research, extension, agricultural engineering, forestry education and an experimental station system. All activities were to have been turned over to the GOG on July 1, 1960, with the exception of extension. Support for extension was to continue until 1965. The phase-out was to be accomplished as the properly balanced level between facilities, personnel and local financing was reached.

3. Progress toward Achievement of Activity Targets:

A. Work Accomplished to date:

Adequate facilities in the nature of central offices, laboratories, warehouses, garage, forestry school and eight experimental stations have been built or improved and equipped. A total of 57 new buildings were constructed and 5 were repaired. 29 extensión offices were established and equipped.

Regarding personnel, 75 people have received short training courses (less than 1 year duration) and 25 have received or are receiving training at the university level for periods of 1 year or more. The majority of the training has been provided by ICA, but private individuals and institutions have also contributed to the training program.

The GOG contributed Q300,000.oo to SCIDA in 1956, which was increased to Q500,000 for 1959. Upon the close out of SCIDA the GOG has approved Q700,000 in its budget for continuing these activities.

B. Work Remaining to be Done:

SCIDA was terminated as of August 31, 1959.

C. Progress Toward Achievement of Activity Targets:

It is estimated that the activities originally contemplated for SCIDA were about 65% completed at the time of its termination. Most of the SCIDA activities are continuing under new projects and will be fully completed before U.S. participation is completely withdrawn.

4. Nature of the U.S. Contribution:

A. Previous Fiscal Years:

From January 1955 to August 1959 the U.S. has contributed with grants to the joint fund of the SCIDA, technicians to operate SCIDA and funds for local participants. In addition economic aid was provided through Project No. 20-19-084 - Agricultural Development, under the Development Assistance Agreement in the amount of approxi-

mately $2,000,000.oo.

B. Budget Year:

No new funds are being requested for this project. $150,000.oo of FY 1959 funds are being held pending final liquidation of SCIDA accounts.

C. Future Fiscal Years:

There will be no future fiscal year contribution to the project.

5. Nature of Cooperating Country:

Contribution:

The GOG contributed to the joint funds of SCIDA on a 1-1 basis, and in several instances made contributions over the agreement. The GOG also provided the land and some buildings for the central offices, forestry school and eight experimental stations.

GOG will make no further contributions to SCIDA.

6. Contribution from Other Sources and Relationship to other Projects:

A. Contributions from other sources - None.

B. Relationship to Other Projects - This project was the source of funding for all the SCIDA joint fund projects; ie, 20-11-907, 20-11-908, 20-11-914, 20-11-915, 20-17-916, and 20-19-906.

7. Financial Considerations:

The U.S. contribution of $150,000.oo is being held pending the final liquidation of SCIDA accounts. GOG will make no further contributions to SCIDA.

8. GOG - USOM Coordination:

Plans formulated were jointly prepared, specifically by the Director of SCIDA (U.S.) and by the Minister of Agriculture's Delegate to SCIDA. Implementing documents were signed by the USOM Mission Director, the Director of SCIDA, the Minister of Agriculture and the President's Official for Technical Cooperation Affairs.

E-2	FORM ICA 10-110 (6-59)	DATE PREPARED September 15, 1959	☒ ORIGINAL ☐ REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-10-900	E-2
				COUNTRY ECONOMIC PROGRAM	**STATUS OF COOPERATIVE SERVICE FUNDS**		

1 PROJECT DETAIL BY CS-FY

Project Number	Project Title	Obligations 59 ($1000 Equivalent)	Obligations 60	Obligations 61	Expenditures 59 ($1000 Equivalent)	Expenditures 60	Expenditures 61
19-906	Administration	197	a/ 57	-	193	69	-
11-907	Agric. Extension	(33)	35		64	43	
11-908	Agric. Investigation	704	109		697	162	
11-914	Experimental Stations	172	21		168	26	
11-915	Mechanization	274	33		262	45	
11-916	General Forestry	2	-		2	-	
11-917	University of Kentucky Contract	80	(44)		30	5	
All Other Projects (Detail on Continuation Sheet)							
TOTAL (Must correspond with (3B.) and (3E.)		1396	211		1416	350	

2 TITLE OF COOPERATIVE SERVICE: Agriculture Cooperative Service

CS-FY 1959 BEGINS: July 1, 1958 ENDS: June 30, 1959 b/

3 SUMMARY OF STATUS

(All Figures $1,000 Equivalent) U.S. $1.00 = Q.1.00 Exchange Rate by Year

			CS-FY	CS-FY 59	CS-FY 60	CS-FY 61
A. AVAILABLE FOR OBLIGATION DURING CS-FY	1. Unobligated Balance End Prior CS-FY			582	540	
	2. Agreed Contributions for CS-FY	U.S. Host Government		707	(135)	
		U.S. Corresponding U.S.-FY		500	(206)	
		U.S. Succeeding U.S.-FY		-	-	
		Other		147	14	
		TOTAL		1,354	(327)	
	TOTAL			1,936	213	
B. PLANNED OBLIGATIONS DURING CS-FY	1. Supplies and Equipment			403	61	
	2. Personnel and Training			857	142	
	3. All Other			136	8	
	TOTAL			1,396	211	
C. UNLIQUIDATED OBLIGATIONS BEGINNING OF CS-FY				159	139	
D. TOTAL OBLIGATIONS AVAILABLE FOR LIQUIDATION (Block B. plus C.)				1,555	350	
E. EXPENDITURE DURING CS-FY	1. Supplies and Equipment			420	106	
	2. Personnel and Training			870	212	
	3. All Other			126	32	
	TOTAL			1,416	350	
F. UNLIQUIDATED OBLIGATIONS CLOSE OF CS-FY (Block D. minus E.)				139	-	
G. UNOBLIGATED BALANCE CLOSE OF CS-FY (Block A. minus B.)	1. Reserves			-	-	
	2. Unreserved Balance			-	-	
	TOTAL			540	2	

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a/ Reflects transfer of certain obligations to project 20-11-914. b/ ICA-7-100 report as of 6/30/59 for SCIDA was prepared on a calendar year basis. However, since the corresponding reports for the other Guatemalan Servicios were prepared on a fiscal year basis, and in view of SCIDA's termination as of 8/31/59, the amounts in this table are also presented on a fiscal year basis.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 5, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-11-907	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Agricultural Extension Service		

1

PROJECT BEGINS FY 55 ENDS FY 60	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) From ~~[illegible]~~ Joint Fund	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized Non-Contract	(1) Technicians Authorized Contract	(2) Participants Non-Contract U.S.	(2) Participants Non-Contract 3rd Country	(2) Participants Contract
A. All Prior Years	TC	609	425	133			51				884								
B. Net Deob.-Reob.	TC	(19)	(4)	(16)			1												
Current Funds	TC	83	65	14			4												
Total Actual Year FY 59	TC	64	61	(2)			5				(33)				4 a/		4	5	
C. Operational Year FY 60	TC	24	24								35								
D. Budget Year FY 61	-	-									-								
E. All Subsequent Years	-	-																	
F. Total All Years	TC	697																	

2

FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure: All Prior Years	TC	500	-	109	(19)	-	-	-	90	63	27		27	27	-
Actual Year FY 59	TC				83	83	83	-	83	64	19		19	19	-
Operational Year FY 60	TC											24	24	24	-
TOTAL	TC	500	-	109	64	83	83	-	173	127	46	24	70	70	-

Problems Addressed:

a/ Project discontinued during FY 60. Three technicians transferred to other USOMS, and one technician transferred to Project 20-11-900.

See continuation sheet.

Problems Addressed:

Lack of job opportunities and low consumption and purchasing power.

1. General Description of the Project

This is a continuation of the Extension project from FY 1959 and was terminated along with all other SCIDA projects on August 31, 1959.

The project constitutes an avenue of information between the Ministry of Agriculture and the farmers. The extension system informs the farmers on improved methods, materials of production, seed of improved varieties, better breeding stock, agricultural engineering, rural home economics, and develops 4-S Clubs. On the other hand the system provides a means of bringing back to the Ministry the problems of the farmer.

The project is organized into a headquarters staff, an audio visual office, an office of extension specialists and the extension field agents.

The program is carried forward by personal visits of agents, field days, demonstrations, publications, visual aids, conferences, and meetings.

2. Specific Activity Targets or End Results of the Project

a. To provide a demonstration of the value of an extension service and create the public demand for same, 60 extension offices were planned.
b. To provide an adequate system, with the necessary facilities, personnel and local financing to be incorporated within the Ministry of Agriculture.

3. Progress toward achievement of Activity Targets

a. Work Accomplished to date

29 agencies were established between 1955 and 1959. Centralized administrative and service facilities have been constructed and equipped. Personnel has been trained. About 60% of the work has been completed. The planned target date for phase out was 1965.

b. Work remaining to be done

SCIDA closed as of 8/31/59. The activities of the project after this date are being carried out under project 20-11-900.

4. Nature of the U. S. Contribution

a. Previous Fiscal Years

The U. S. has contributed on a continuing basis from 1955 to 1959 funds for participants, U. S. technicians and other costs. Commodities for demonstration purposes have been provided by Project 20-19-084, Agriculture Development under the Development Assistance Project.

b. Budget Year

$24,000.00 is programmed to cover the costs of U. S. technicians through the liquidation process of this project.

c. Future Fiscal Years

There will be no further contributions to this project, SCIDA closed 8/31/59.

5. Nature of Cooperating Country Contribution

The GOG has provided the land and some buildings for the central offices. SCIDA closed 8/31/59. No further contributions will be made to this project.

6. Contributions from Other Sources and Relationship to Other Projects

a. Other sources. None.

b. Relationships.
SCIDA extension service cooperates with SCISP on rural environmental sanitation, with SCIDE (Socio Educativo Rural) on overall planning of the rural education program, with FAO and UNICEF on development of the Asuncion Mita milkshed, with FAO and Turrialba (both contract and Project 39) on training, with ICAITI (UN) on vegetable production for a projected canning plant, with INCAP on animal nutrition.

7. Financial Considerations.

SCIDA closed on 8/31/59 so no further contributions will be made, except for the $24,000 needed to cover U. S. technicians through the liquidation period.

8. GOG - USOM Coordination

Plans for this project have always been drawn up by the Director of SCIDA (US) and the Minister of Agriculture's Delegate to SCIDA, for approval by the D/USOM, the Minister of Agriculture and the Official of the President for Technical Cooperation Affairs of the GOG.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 5, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-11-908	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Agricultural Research and Development		

1

PROJECT BEGINS FY 56
ENDS FY 60

	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) From ~~MSP Counterpart~~ Joint Fund	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized Non-Contract	(1) Contract	(2) Participants Non-Contract U.S.	(2) Non-Contract 3rd Country	(2) Contract
A. All Prior Years	TC	463	314	119			30				1,368								
B. Net Deob.-Reob.	TC	(22)	(6)	(15)			(1)												
Current Funds	TC	190	170	13			7												
Total Actual Year FY 59	TC	168	164	(2)			6				704				10 a/		3		
C. Operational Year FY 60	TC	54	54								109								
D. Budget Year FY 61	-	-																	
E. All Subsequent Years	-																		
F. Total All Years	TC	685																	

2

Dollar Obligation and Expenditure

FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	TC	372	-	91	(21)	-	-	-	70	43	27		27	27	-
Actual Year FY 59	TC				190	190	190	-	190	169	21		21	21	-
Operational Year FY 60	TC											54	54	54	
TOTAL	TC	372	-	91	169	190	190	-	260	212	48	54	102	102	-

Problems Addressed:

a/ Project discontinued in FY 1960. Three technicians transferred to project 20-13-900; one technician transferred to project 20-11-900; and two technicians transferred to project 20-11-902. Remaining technicians to be transferred to other USOMS.

See continuation sheet.

Problems Addressed:

Poor environment for Economic Development.

1. General Description of the Project

U. S. technical participation in this activity dates from 1942 when the USDA Bureau of Plant Industry began work on rubber development in Guatemala. The Instituto Agropecuario Nacional (IAN), under the Ministry of Agriculture, carried it on from 1945 with the technical assistance of USDA OFAR (now FAS).

This project began in 1955 when IAN was absorbed by SCIDA. At the time SCIDA took over the project the target date for turnover to the GOG was July 1, 1960.

The project operated the research service of the Ministry until 8/31/59 when SCIDA was terminated, and the activities will be carried on without further direct U. S. cash contributions on by IAN, which has been reactivated.

Operations cover all agricultural research activities carried on in Guatemala with the exception of cotton, essential oils, discorea and bananas, which are financed by private business.

2. Specific Activity Targets or End Results of the Project

a. To demonstrate a well integrated and balanced research service, with action priorities applied to the problems in accordance with their economic significance.

b. To assist in establishing a research service with the necessary public support so that adequate future financing is made available by the GOG.

3. Progress toward Achievement of Activity Targets

a. Work Accomplished to Date

Until August 31, 1959, when SCIDA was terminated, the research facilities were improved through the construction of buildings and the equipping of laboratories. Fifty four Guatemalans received training under this project. Seven were still in training in October 1959.

A master plan for the research division and master plans for each department and section were developed. A uniform study plan was established and a research committee passed on the proposals to insure proper coordination.

The orientation of the research program was changed from basic research, for which the facilities, personnel and money were not available, to applied research for immediate use.

Emphasis was placed on Guatemala's major agricultural problems. Rubber, cacao and kenaf research was intensified to diversify the one crop (coffee) economy. Basic food crops were being given intensive study at the termination of SCIDA to provide the nation's needs.

b. Work remaining to be done

SCIDA was terminated on 8/31/59. IAN has been reactivated to carry on the research work of SCIDA and will be financed by the GOG. Continued, though reduced, U. S. support is being given the research activity through Project 20-11-102 which was initiated upon the termination of SCIDA. An exception to this is the rubber research, which will be continued under a joint fund project (see project 20-13-900).

E-1	FORM ICA 10-120 (6-59) Continuation Sheet	DATE PREPARED 10/9/59	☒ ORIGINAL ☐ REVISION NO	SECURI E

4. Nature of the U. S. Contribution

a. Previous Fiscal Years

During the life of this project the U. S. contributed fur for U. S. technicians, participants and other costs. Funds for c modities to equip the facilities were provided through Project 20-19-084, Agriculture Development.

b. Budget Year

$54,000.00 from FY 1959 is being contributed by the U. S cover the costs of technicians during the liquidation of SCIDA.

c. Future Fiscal Years

There will be no future fiscal year contributions to the project.

5. Nature of Cooperating Country Contribution

The GOG has provided land and buildings to the project. It made contributions of ₡200,000.00 during FY 1958 over the agreem for work in coffee.

6. Contributions from Other Sources and Relationship to Other Projects

a. Contributions from Other Sources. None.

b. This project has cooperated and coordinated its work w other agencies interested in agricultural research, such as the Central American and Panamanian Institute of Nutrition (INCAP), General Direction of Agriculture (DGA) and the Agriculture Asso ation of Guatemala (AGA).

7. Financial considerations

SECURITY CLASSIFIC

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 5, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-11-914	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Experiment Station System		

1 PROJECT BEGINS FY 59 ENDS FY 59

	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) From MSP ~~Counterpart~~ Joint Fund	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized Non-Contract	(1) Contract	(2) Participants Non-Contract U.S.	(2) Non-Contract 3rd Country	(2) Contract
A. All Prior Years		-									-								
B. Net Deob.-Reob.		-																	
Current Funds	TC	5	5																
Total Actual Year FY 59	TC	5	5								172						1		
C. Operational Year FY 60	-										21								
D. Budget Year FY 61	-										-								
E. All Subsequent Years	-																		
F. Total All Years	TC	5																	

2

Dollar Obligation and Expenditure — FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years		-	-	-	-	-	-	-	-	-	-		-	-	-
Actual Year FY 59	TC				5	5	5	-	5	-	5		5	5	-
Operational Year FY	TC														
TOTAL	TC	-	-	-	5	5	5	-	5	-	5		5	5	-

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

EXPERIMENTAL STATION SYSTEM

Problems Addressed:

Poor environment for Economic Development.

B. General Description of the Project:

This project was undertaken to organize, develop and operate a demonstration agricultural experiment station system as adopted from the principles used in the Land-Grant College station plan. It was planned that with time all agricultural field stations operated by the GOG would be incorporated into the system.

The beginning of a national field experiment station system was made in 1945, when two field stations were established by the Instituto Agropecuario Nacional (IAN) under the Ministry of Agriculture in cooperation with the USDA.

A. In 1955 SCIDA absorved the activities of the IAN and the experimental station system was made a part of Project 20-11-908 (Agriculture Research and Development). In 1959 the experimental station operations were placed into a separate project, the one described in this E-1, where it continued until the termination of SCIDA on August 31, 1959. The description of activities which follows related to the experiment station system since it's incorporation into SCIDA without distinguishing the rather aritificial separation into a period prior to its separate identification as a project.

Since 1955 the number of stations has been increased from two to seven. Upon the termination of SCIDA this project was returned to IAN for operation.

2. Specific Activity Targets or End Results of the Project:

a. To provide a demonstration station system to service all research and development activities of the Ministry of Agriculture.

b. To provide trained station personnel.

c. To coordinate field research studies with station facilities.

d. To provide field stations in representative zones.

3. Progress Towards Achievement of the Activity Targets:

a. Work accomplished to date:

The number of stations was increased from two to seven and they are representative of the principal altitudes and crops of Guatemala.

Stations, which previously were ofganizaed to work on a specific commodity, were integrated into the total research program and are available to service all research departments. For example, the Bananera station which previously worked only on corn research is nowcarrying more than 50 studies for six different departments. Coordination between the research departments and the field stations is effected through a research committee.

b. Work Remaining to be Done:

SCIDA closed as of 8/31/59 and the work is to be carried on by IAN.

4. Nature of the U. S. Contribution:

The U. S. has provided training funds for participants. Commodities to equip the stations have been financed by Project 20-11-084-Agriculture Development, funded under the Development Assistance Project.

No further finance is provised and there will be no future fiscal year contributions to the project.

5. Nature of Cooperating Country: Contribution

The GOG has contributed the land and some buildings on the stations. No further GOG contributions will be made to this project. SCIDA terminated its activities as of 8/31/59 and the station system was returned to the GOG, which will continue to operate it.

6. Contributions from Other Sources and Relationship to Other Projects

a. Contributions from Other Sources. None

b. Relationship to Other Projects

As the project furnishing research services it has been closely associated and coordinated with other institutions carrying on research programs; i.e. Instituto de Fomento de Producción (INFOP), Servicio de Fomento de la Economía Indígena (SFEI), Asociación Guatemalteca de Agricultores (AGA), Dirección General de Agricultura (DGA), Dirección General de Ganadería (DGG) and the Instituto de Nutrición de Centro América y Panamá (INCAP). This project also cooperated with the Extension Service Project (20-11-907) in providing facilities for field days and demonstrations.

7. Financial Considerations

SCIDA terminated on 8/31/59 and neither government will make future contributions.

8. GOG - USOM Coordination

This project was jointly planned by the Director of the SCIDA (U. S.) and the permanent delegate to SCIDA for the Minister of Agriculture and approved by the D/USOM, the Minister of Agriculture and the Official of the GOG for Technical Cooperation Affairs, who represents the President of GOG.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 5, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-11-915	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Agricultural Engineering		

1

PROJECT BEGINS FY ENDS FY	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) (1) U.S. Owned MSP	(2) PL 480 and Other	(3) From ~~MSP Counterpart~~ Joint Fund	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) (1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract U.S.	(2) Participants: Non-Contract 3rd Country	(2) Participants: Contract
A. All Prior Years	TC	-	-	-	-	-	-	-			-								
B. Net Deob.-Reob.	TC	-	-	-	-	-	-	-											
Current Funds	TC	36	28	7	-	-	1	-											
Total Actual Year FY 59	TC	36	28	7	-	-	1	-			274				2 a/		1	2	
C. Operational Year FY 60	TC	13	13								33								
D. Budget Year FY 61	-																		
E. All Subsequent Years	-																		
F. Total All Years	TC	49																	

2

Dollar Obligation and Expenditure: FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	TC	-	-	-	-	-	-	-	-	-	-		-	-	-
Actual Year FY 59	TC				36	-	36	-	36	30	6		6	6	-
Operational Year FY 60	TC											13	13	13	-
TOTAL	TC	-	-	-	36	-	36	-	36	30	6	13	19	19	-

Problems Addressed:

a/ Project discontinued in FY 1960 . One technician transferred to project 20-11-105, other technician to be transferred to other USOM.

See continuation sheet.

Problems Addressed:

Poor environment for economic development.

1. General Description of the Project.

This activity was started in 1955 as part of Project 20-11-908 Agricultural Research and Development. In 1958 it was made a separate project. SCIDA was terminated on 8/31/59 and these activities were turned over to the Dirección General de Asuntos Agrarios of the GOG, which will finance the continuation out of national revenues.

This project involves the engineering aspects of farm structures, grain storage, drainage, irrigation, operation of agricultural experiment stations and demonstration mechanization centers.

2. Specific Activity Targets or End Results of the Project.

a. To demonstrate the use of mechanized agricultural equipment as being more economical.

b. To provide a demonstration of properly engineered farm facilities and structures.

c. To support the Rural Development Program of the GOG.

3. Progress Towards Achievement of the Specific End Results.

a. Work Accomplished to Date

1. Farm facilities and structures have been provided at seven experimental field stations, where thousands of farmers have taken the opportunity to observe them.

2. Two demonstration mechanization centers are operating. They serve the farmers of their respective areas in custom land preparation. Hundreds of farmers have received this service and it has stimulated the commercial sale of mechanized equipment as attested to by the following excerpt from a recent (May 1959) letter from one of the leading distributors of farm machinery:

"...Our sales have risen from 0% in 1954 to 27% in 1958 of the total Guatemalan tractor market. A good deal of our success has been due to your use of our equipments in your demonstration mechanization centers..."

"...It is interesting for you to note that tractor imports have more than tripled since 1955, In fact, although we are at the beginning of 1959, over 100 tractors have been imported this year by various distributors. This is a larger number than the entire 1955 importation.

"Not only have we benefitted from your demonstration of mechanized farm equipment, even our competitors have increased their sales. As a potential tractor market, according to factory information, Guatemala has increased from 200 to 500 machines annually. Therefore, we, as well as our competitors, have had to more than double our annual sales in order to even maintain our market percentage..."

"...all private businessmen in the field of agricultural equipment owe you a vote of appreciation. You have helped more than any other single factor, in developing a growing market for mechanized farming,..."

3. Courses in tractor operation and maintenance have been held to train farmers. This was in connection with the Agricultural bank which participates in the nomination of candidates to the course by selecting those who are good credit risks. When they successfully complete the course the bank then finances the purchase of equipment.

b. Work Remaining to be Done

SCIDA activities were terminated on 8/31/59. These activities will be carried forward under the GOG, financed out of national revenues.

4. Nature of the U. S. Contribution

a. Previous Fiscal Years

The U. S. has supplied two technicians, some funds for participants and a little for other costs. Commodities were provided through Project 20-18-084 Agriculture Development.

b. Budget Year

$13,000 has been budgeted for FY60 to cover costs for technicians during the liquidation period of the SCIDA. It is from FY59 funds.

c. Future Fiscal Years

There will be no future fiscal year contributions to the project.

5. Nature of Cooperating Country Contribution

The GOG provided land and buildings for central headquarters offices and mechanization centers in the field.

6. Contribution from Other Sources and Relationship to Other Projects

a. Other Sources. None

b. Relationships to Other Projects

This project has been closely related to the Rural Development Program of the GOG.

7. Financial Considerations

Since SCIDA terminated on 8/31/59 no further contributions will be made by either government. The activities will be carried on by the GOG and financed from national revenues.

8. GOG-USOM Coordination

The project plans were jointly developed by the Director of SCIDA (U.S.) and the Minister of Agriculture's permanent Delegate to SCIDA and approved by D/USOM, the Minister of Agriculture and the Official of the GOG for Technical Cooperation Affairs.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 5, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-17-916	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Forestry School		

1 PROJECT BEGINS FY 59 ENDS FY 59

	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) (1) U.S. Owned MSP	(2) PL 480 and Other Title II	(3) From ~~MSP~~ ~~Counter-part~~ Joint Fund	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract: U.S.	Non-Contract: 3rd Country	Contract
A. All Prior Years	None	-	-	-	-	-	-												
B. Net Deob.-Reob.	-	-	-	-	-	-	-												
Current Funds	TC	21	20	-	-	-	1			39									
Total Actual Year FY 59	TC	21	20	-	-	-	1			39	2		48		1 a/				
C. Operational Year FY 60	TC	3	3								-								
D. Budget Year FY 61											-								
E. All Subsequent Years																			
F. Total All Years	TC	24										-	48						

2

	FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	-	-	-	-	-	-	-	-	-	-	-		-	-	-
	Actual Year FY 59	TC				21	21	21	-	21	19	2		2	2	-
	Operational Year FY 60	TC											3	3	3	-
	TOTAL	TC	-	-	-	21	21	21	-	21	19	2	3	5	5	-

Problems Addressed:

a/ Project discontinued at end FY 59. Technician transferred to other USOM.

See continuation sheet.

SECURITY CLASSIFICATION: UNCLASSIFIED

Problems Addressed:

Poor environment for Economic Development.

1. General Description of the Project:

Guatemala is 60% forest land. Prior to the initiation of this project there were no professionally trained foresters in Guatemala and and very few men with any training in forestry. Guatemala's forests are a resource that can make an immediate contribution to the economy and earn sorely needed foreign exchange.

This project was undertaken to provide the trained men necessary to the GOG Forest Service. The school is the first of its type in Latin America, and as such is serving for third country training. It is also a good model for other Latin American countries to follow.

The school was opened in July 1958. After it had been built, equipped and staffed, it was turned over to the GOG in June, 1959.

2. Specific Activity Targets or End Results of the Project:

a. To provide a Forestry School to the GOG.

3. Progress Toward Achievement of Activity Targets:

a. Work accomplished to Date:

The project is 100% completed and phased out. The GOG now finances it entirely out of national resources.

4. Nature of the U. S. Contribution:

The U. S. provided funds for one U. S. technician and other costs. Commodities were provided through Project 20-19-084-Agriculture Development (U. S. Funds), for equipping the school.

The $3,000 provided herein is to cover the final costs of the technician. No future contributions are to be made.

5. Nature of Cooperating Country:

Contribution:

The GOG provided the land for the school and a demonstration forest reserve for practical study and work. It also provided $114,000.00 for the school's first year's operating expenses. GOG will contunue to finance the school from its national revenues.

6. Contributions from Other Sources and Relationships to Other Projects:

a. Other Sources - None.

b. Relationships to Other Projects:

The activities of this project were planned and coordinated with the National Forest Service of the GOG. Representatives of private industry participated in the project by demonstrating the use and operation of a sawmill provided from U. S. funds. In addition fence posts and railroad ties were treated for cattlemen and for the railroad.

7. Financial Considerations:

No further contributions will be made to this project. The activity was assumed by the GOG and will be financed out of national revenues.

8. GOG - USOM Coordination:

This project was jointly planned by the Director of the SCIDA (U. S.) and the Minister of Agriculture's permanent delegate to SCIDA and approved by the D/USOM, the Minister of Agriculture and the Official of the GOG for technical Cooperation Affairs, who represents the President.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED Sept.15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-19-906	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Administration - SCIDA		

1 PROJECT BEGINS FY 56 ENDS FY 60

	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) From ~~MSP~~ ~~Counter-part~~ Title II Joint Fund	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized Non-Contract	Contract	(2) Participants Non-Contract U.S.	Non-Contract 3rd Country	Contract
A. All Prior Years	TC	171	132	9	--	--	30			100	336								
B. Net Deob.-Reob.	TC	(1)	(1)																
Current Funds	TC	96	85	--	--	--	11			13									
Total Actual Year FY 59	TC	95	84	--	--	--	11			13	197				6a/				
C. Operational Year FY 60	TC	48									57								
D. Budget Year FY 61	--	--									--								
E. All Subsequent Years --	--	--																	
F. Total All Years	TC	314																	

2

FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure: All Prior Years	TC	162	--	9	(1)	--	--	--	8	7	1		1	1	--
Actual Year FY 59	TC				96	96	96	--	96	94	2		2	2	--
Operational Year FY 60	TC											48	48	48	--
TOTAL	TC	162	--	9	95	96	96	--	104	101	3	48	51	51	--

Problems Addressed:

a/ Project discontinued in FY 1960. One technician transferred to Project 20-11-102. Other technicians to be transferred to other USOMs. See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 3 SHEETS TO THIS PROJECT

Problems Addressed:

Lack of job opportunities and low consumption and purchasing power.

1. General description of Project

This is a continuation of the FY 1959 administrative project, which provided administrative support for the SCIDA technical projects until 8/31/59 when SCIDA was liquidated. It provided management services of planning, organizing, staffing, directing, controlling, reporting, budgeting and coordinating of all SCIDA projects. The technical library, training activities and economic planning are also covered by this project in support of the overall program. The above is provided for the SCIDA and the ANR Division.

2. Specific Activity Targets or End Results of the Project

To provide continuing direction and services to the SCIDA organization.

3. Progress toward Achievement of Activity Targets

a. Work Accomplished to date

The administrative support of the agriculture program was provided from January 1955 to August 31, 1959, at which time the SCIDA was closed.

b. Work Remaining to be Done

Final liquidation of SCIDA accounts which it is estimated will be accomplished by 11/30/59.

4. Nature of the U. S. Contribution

a. Previous Fiscal Years.

The U. S. has contributed funds to the project for participants, U. S. technicians and other costs.

b. Budget Year

For FY 1960 $48,000.00 has been provided for technicians to cover costs during the liquidation period.

c. Future Fiscal Years

There will be no future fiscal year contributions to the project.

5. Nature of Cooperating Country Contribution

GOG provided the office space necessary for the operation of this project. No further contributions will be made by GOG.

6. Contribution from Other Sources and Relationship to Other Projects

a. Other Sources. None

b. Relationship. See 1 and 2 above.

7. Financial Considerations

U. S. and GOG contributions terminate with U. S. contribution of $48,000 to cover technician costs during liquidation.

8. GOG - USOM Coordination

Work carried out under this project was jointly planned and approved. Plans were drawn up by the Director of SCIDA and the Ministers Delegate to SCIDA, and approved by the Director of USOM, the Minister of Agriculture and the Official of the Government for Technical Cooperation Affairs.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 15, 1959	☐ ORIGINAL ☒ REVISION NO. 1	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-11-900	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Agricultural Extension Service		

1 PROJECT BEGINS FY 60 ENDS FY 64

	(A) Function of Funds	Dollar Obligations ($1,000) (1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract U.S.	Non-Contract 3rd Country	Contract
A. All Prior Years																			
B. Net Deob.-Reob. Current Funds																			
Total Actual Year FY 59																			
C. Operational Year FY 60 a/	TC	195	27	26			2	140					140		2		7	3	
D. Budget Year FY 61	TC	223	30	26			2	165					165		2		7	3	
E. All Subsequent Years	TC	500											690						
F. Total All Years	TC	918											995						

2

	FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	—														
	Actual Year FY 59	—														
	Operational Year FY 60	TC											195	195	167	28
	TOTAL	TC	—	—	—	—	—	—	—	—	—	—	195	195	167	28

Problems Addressed:

a/ 10 months only.

See continuation sheet.

SECURITY CLASSIFICATION: UNCLASSIFIED

Problems Addressed:

Lack of job opportunities and low consumption and purchasing power. This project continues the activities previously described in the MPB under Project 20-11-907. The only difference is that it continued after August 31, 1959 as a non-service project.

A. General Description of the Project:

This new project has been established to provide advisory services and financial support to the Agricultural Extension Service of the Dirección General de Asuntos Agrarios (DGAA). The extension service becomes a part of the DGAA upon the termination of SCIDA on August 31, 1959. In order to make the transition as smooth as possible and to conserve the investments made in creating the service, two U. S. technicians will be provided as advisors for the purpose of helping the service operate within the DGAA.

The extension service will continue with the same objectives of operating a nationwide system of agricultural extension offices; developing an information and visual aids service; training agricultural extension agents, rural youth agents, home demonstration agents and information workers; and establishing an effective working relationship with the farmers of Guatemala.

B. Specific Activity Target or End Results of the Project:

The specific goal of this project is to assist the DGAA in assuming the full operational responsibility for the extension service by July 1, 1964. The U. S. technicians are being provided to make continuing technical assistance available during the difficult period of transition. In such a case as this, it is not possible to state quantitative targets. As the staff of the service becomes increasingly familiar with the operations of the agency, presumably less or fewer problems will be brought to the technicians for their advice. The end result will be an agricultural extension service operating without additional outside guidance and advice.

C. Progress Toward Achievement of Project Activity Targets:

The predecessor to this project (Project 20-11-907) was initiated on January 28, 1955. The first four rural offices were established in May 1955. Five extension agent training schools with a total enrollment of 118 (including observers from the Servicio de Fomento de la Economía Indígena (SFEI), the Agricultural Bank, the Institute for Agricultural Development, Ministry of Education, etc.) have been held; instructors were drawn from SCIDA, ICA, Turrialba and UN FAO. Twenty-nine rural extension offices have been established. These are staffed with an agent and a secretary and, in many cases, a new agent who receives in-service training experience before assuming the responsibility of heading up a new office, or of replacing an agent in an established one.

It is contemplated that the number of rural offices will be increased to a total of 35, and that the program will be expanded to include home economics work in future years. While it is estimated that 72 rural offices would be required to provide adequate service to the entire agricultural population, this is not within either the technical or the financial capabilities of GOG at present.

The principal effort for the next five years will be to consolidate the gains of the extension service organization and to improve the quality of its staff and its services. It will be necessary to schedule annual courses in extension methods and philosophy in order to provide personnel replacements. The local personnel available for extension service work have no more than the equivalent of a high school education, so additional training is necessary in order to upgrade the technicians. Of the 74 employees of the extension service as presently constituted, not one has the equivalent of a B.S. degree in agriculture.

D. Nature of the U. S. Contribution

In the next five years (only 10 months of FY 1960), $918,000 is programmed for this project, of which $156,000 is for participants, $147,000 of U. S. technicians, $10,000 is for other costs and $605,000 is for contributions to a Joint Fund. Components of the project operation costs for which joint funds will be used include salaries of local technicians, operation and maintenance of vehicles, and demonstration and educational materials. The participant cost is relatively high, but this item is necessary if the technical level of local extension employees is to be raised to the point where GOG can carry on the work without U. S. assistance.

1. Two participants will receive one year's training in extension methods in the U. S. Four will receive six month's training and observation in the U. S. (including Puerto Rico). One will receive three month's training in home economics in Puerto Rico. Three will receive training of three month's duration in Costa Rica at dates to be scheduled by Turrialba. Total cost for FY 1961, $26,000.

2. The U. S. will provide two technicians for FY 1961. Titles: Extension Advisor and Area Extension Advisor. Codes: 1040600 and 1040601. Grades: One FSR-4 and one FSR-5. Both are already at post.

3. Contractual services. None.

4. Commodities - None.

5. Joint Funds are a $165,000 contribution for FY 1961 for operation of the project by GOG. There are no direct hire local technicians.

6. Servicio operation not involved.

7. U. S. owned local currency not involved.

E. Nature of Cooperating Country Contribution:

The contribution of GOG for the operation of this project for FY 1961 will be $165,000, and, for the five years of the project, a total of $995,000. In addition, GOG will provide office space for the two U. S. technicians and for the headquarters and information and visual aids staff of the project, together with vehicles and equipment. The GOG funds are appropriated for this purpose from the national revenue.

F. Contribution from Other Sources and Relationship to Other Projects:

Technicians and specialists of the Turrialba contract, Turrialba Project 39 and of UN FAO will participate in the formal extension training courses as instructors.

There is no other contribution to this project.

This project is related to 20-19-072, Rural Development, in support of the rural development program; to 20-13-104, Rubber and complementary Crops Development, for cooperation in rubber and complementary crops demonstration work and as a source of plant material; to 20-11-105, Agricultural Mechanization, for cooperation in securing custom mechanization services for small farmers; and to 20-11-102, Agricultural Research, as a source of information on new practices and for plant material (coffee and fruit trees). It will also cooperate with 20-11-102 in bringing problems of farmers to the attention of the research workers.

G. Financial Considerations:

It is contemplated that this new project will continue through FY 1964 and that financing will be required throughout that period. It is anticipated that the services of two U. S. technicians will be required for the entire period. Training costs will reach a peak of $40,000 in FY 1962, $39,000 in FY 1963 and will decline to $25,000 in FY 1964.

The contribution to the joint fund for the project will be $165,000 in FY 1961 and then decline to $150,000 in FY 1962, $100,000 in FY 1963, and $50,000 in FY 1964; meanwhile the GOG contribution will increase from $140,000 for the 10 months of FY 1960 to $165,000 in FY 1961, $180,000 in FY 1962, $230,000 in FY 1963 and $280,000 in FY 1964.

It is anticipated that by the time the project is phased out at the end of FY 1964 GOG will have adequate technical resources to carry out the work. It is also anticipated that the work of the extension service will result in increased productivity of agricultural products to the extent that national revenues will be able to absorb the full financial support of the project.

Reduced availability of funds would require a cutback in the operations of the project. Since closing down of a number of rural offices would result in a strong reaction on the part of the communities affected, it is probable that GOG would prefer to continue the work of the rural offices and would ask that the cut be made in training funds. This in turn would defer the date on which GOG would have technical competence to carry on the project without U.S. assistance.

There are no pipeline considerations for this new project.

H. Cooperating Country - USOM Coordination:

The President of the Republic of Guatemala has requested assistance in the project and has designated the Dirección General de Asuntos Agrarios to carry it out. The DGAA reports directly to the President.

In discussions with GOG officials, including those of DGAA, the Office of the Coordinator for Technical Assistance, and of the Bank of Guatemala, strong support for the project developed. This was unexpected, and probably would not have materialized a month ago. At the time the decision of the U. S. to terminate the agricultural servicio on August 31, 1959 was announced, USOM hoped at best that GOG, through Asuntos Agrarios, would carry on the work of seven of the 29 rural extension offices. The Coordinator for Technical Assistance, however, in a letter dated July 23 and addressed to D/USOM, expressed the intention of the President of Guatemala to take over and continue the extension service organization "in its entirety".

This development came about through the strong support of the small farmers in the areas served by the extension service for the continuation of the program. Many of the agricultural committees formed by the agents have written to the press and directly to the President protesting the planned termination of the extension service. Delegations also waited upon the President. This support came not only from the committees, but from many individuals and from the municipal governments. Two municipalities (Quetzaltenango and Zacapa) offered to provide financial support to the local offices.

In view of this strong expression of support (unexpected because the first rural extension office was opened in May of 1955, and some had been in operation only a short time), GOG seems firmly committed to the new project.

E-2	FORM ICA 10-110 (6-59)	DATE PREPARED September 15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-11-900	E-2

COUNTRY ECONOMIC PROGRAM

STATUS OF COOPERATIVE SERVICE FUNDS

1 PROJECT DETAIL BY CS-FY

Project Number	Project Title	Obligations ($1000 Equivalent) 1960			1961	Expenditures ($1000 Equivalent) 1960			1961
11-900	Agricultural Extension Service	--	--	250	320	--		220	280
All Other Projects (Detail on Continuation Sheet)									
TOTAL (Must correspond with (3B.) and (3E.)				250	320			220	280

2 TITLE OF COOPERATIVE SERVICE: Agricultural Extension Service

CS-FY 19 60 BEGINS: Sept. 1, 1959 ENDS: June 30, 1960

3 SUMMARY OF STATUS

(All Figures $1,000 Equivalent) U.S. $1.00 = Q 1.00 Exchange Rate by Year

			CS-FY	~~CS~~-FY	~~CS~~-FY	~~CS~~-FY
					1960	1961
A. AVAILABLE FOR OBLIGATION DURING CS-FY	1. Unobligated Balance End Prior ~~CS~~-FY		--	--	--	30
	2. Agreed Contributions for CS-FY	Host Government			140	165
		U.S. Corresponding ~~U.S.~~-FY			140	165
		U.S. Succeeding U.S.-FY				
		U.S. Other			--	--
		TOTAL			280	330
	TOTAL				280	360
B. PLANNED OBLIGATIONS DURING CS-FY	1. Supplies and Equipment				25	35
	2. Personnel and Training				150	185
	3. All Other				75	100
	TOTAL				250	320
C. UNLIQUIDATED OBLIGATIONS BEGINNING OF ~~CS~~-FY					--	30
D. TOTAL OBLIGATIONS AVAILABLE FOR LIQUIDATION (Block B. plus C.)					250	350
E. EXPENDITURE DURING CS-FY	1. Supplies and Equipment				15	25
	2. Personnel and Training				140	175
	3. All Other				65	80
	TOTAL				220	280
F. UNLIQUIDATED OBLIGATIONS CLOSE OF ~~CS~~-FY (Block D. minus E.)					30	70
G. UNOBLIGATED BALANCE CLOSE OF CS-FY (Block A. minus D.)	1. Reserves				30	40
	2. Unreserved Balance				--	--
	TOTAL				30	40

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 1 SHEETS TO THIS TABLE

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 15, 1959	[ ] ORIGINAL [X] REVISION NO. 1	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-11-102	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Agricultural Research		

1 PROJECT BEGINS FY 60 ENDS FY 64

	(A) Dollar Obligations ($1,000)								(B) L/C Commitments or Obligations					(C)	(D) Numbers of People				
	Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	Other External Financing	(1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract U.S.	(2) Participants: Non-Contract 3rd Country	(2) Participants: Contract
A. All Prior Years																			
B. Net Deob.-Reob.																			
Current Funds																			
Total Actual Year FY																			
C. Operational Year FY 60 a/	TC	113	46	63			4						350	50	3		7	10	
D. Budget Year FY 61	TC	96	51	43			4						180	50	3		4	10	
E. All Subsequent Years	TC	250											540	150					
F. Total All Years	TC	459											1070	250					

2

	FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years															
	Actual Year FY 59															
	Operational Year FY 60	TC											113	113	68	45
	TOTAL	TC	-	-	-	-	-	-	-	-	-	-	113	113	68	45

Problems Addressed:

a/ 10 Months only.

See Continuation sheet.

SECURITY CLASSIFICATION: UNCLASSIFIED

Problems Addressed

Lack of job opportunities and low consumption and purchasing power. This project continues the research activities (except rubber and complementary crops) previously described in the MPB under Project 20-11-908. The only difference is that it continued after August 31, 1959 as a non-servicio project.

A. General Description of the Project:

This new project has been established to provide advisory services and training support to the Agricultural Research organization, which will be administered by the Office of the Coordinator for Technical Cooperation, which reports directly to the President of Guatemala. In order to insure that the transition from operation by the agricultural servicio is made smoothly and to project the investments made in agricultural research in Guatemala, three U. S. technicians will be provided as advisors.

Continuing research is necessary if Guatemalan agriculture is to compete with the world market with its export crops and is to provide adequate food and at reasonable prices for its expanding population.

The project will consist of departments or division dealing with commodities such as coffee, basic food crops and livestock and poultry; of divisions dealing with technical fields such as plant pathology, agricultural chemistry, agricultural engineering, entomology and soils; and of service divisions such as administration, technical library and biometrics. The project will operate five field experiment stations on which field trials will be carried out. The results of this research and its practical application will be brought to farmers through the agricultural extension (20-11-103).

B. Specific Activity Targets or End Results of the Project:

The specific goal of this project is to assist the GOG in assuming the full technical responsibility for agricultural research by July 1, 1964. The three U. S. technicians requested by GOG at this time are to serve as advisors. Since few local technicians are available with advanced training in research techniques, the participant component of U. S. assistance is relatively heavy. A specific goal is to provide sufficient advanced training in the five year period so that the research departments will be two and three men deep in the key positions. These participants will come in the main from the College of Agriculture of the University of San Carlos graduates and from technicians who have had undergraduate training in the U. S. or third countries. In addition, short term (three to six months) training is to be provided for selected technicians. These will range from practical training in such fields as experiment station management and plant propagation for technicians of the lower educational levels to refresher courses and observation tours of investigation for the more highly trained research department heads. Naturally there will be some duplication among the participant positions, since a department head might well take two refresher courses in the five year period.

C. Progress Towards Achievement of Project Activity Targets:

Although this is a new project, the activity was begun in 1944 as a cooperative agency of GOG and USDA OFAR (now FAS), known as the Instituto Agropecuario Nacional (IAN). On January 28, 1955, the IAN, together with its program, facilities, budget, equipment and personnel was absorbed by the agricultural servicio. With the termination of the servicio on August 31, 1959, the research sub-project of the servicio reverts to IAN or a successor agency under the administration of the Office of the Coordinator for Technical Cooperation of GOG.

D. Nature of U. S. Contributions:

In the next five years (only 10 months of FY 1960), $459,000 of U. S. funds is programmed for this new project, of which $199,000 is for training, $250,000 for U. S. technicians and $20,000 for other costs. GOG will assume the full financial support for the operation of the project.

Thus training is a significant contribution of the U. S. to the project. Advanced training is necessary for a large number of local technicians if the U. S. is not to continue to supply U.S. advisors indefinitely, and if the research to be carried out by the IAN is to make a worthwhile impact upon the economy of the country.

A weakness of the research training program in Guatemala has been narrow base of technicians available for training, as there are relatively few Guatemalans with the equivalent of a B. S. degree in agriculture. The tendency has therefore been to continue the training of the man with the B. S. towards the Ph. D. degree. The proposal is to widen this base by providing relatively long term training in undergraduate work, and at the same time to provide advanced training for a few especially well qualified technicians.

The program for the research project is an ambitious one and will stress the resources of the country. However, some 80 students are now enrolled in the local College of Agriculture and most of these do part-time work with the IAN. In addition, enough training was carried out under the servicio research sub-project to provide that the work of the departments will be carried out fairly effectively in spite of the relatively large number of IAN employees who will be in training.

1. In FY 1961, two participants will depart for two year training periods in the U. S. (plant genetics and horticulture) and Mexico. One participant will receive one year training in the U.S. (agronomy-forages, plant physiology, soils and horticulture). Three participants are programmed for six months periods in the U.S. (farm management and animal husbandry). Eight participants will receive three months third country training (three in coffee in Costa Rica at a date to be scheduled by Turrialba and five in Colombia on research coordination and planning). Total cost for FY 1961, $41,000.

2. The U. S. will provide three technicians in FY 1961. 1) Chief Food and Agricultural Division (who will also advise on forage research) FSR-3, Code 1045000; 2) Plant Pathologist, FSR-3, Code 1043400; and 3) Horticulturalist (Tropical), FSR-5, Code 1043701. All are at post.

3. Contractual Services. None.

4. Commodities - None.

5. Other costs are $4,000 for support of the U. S. technicians.

6. Servicio operation not involved.

7. U. S. owned local currency not involved.

E. Nature of Cooperating Country Contribution:

The contribution of GOG for the operation of this project for 10 months of FY 1960 is $350,000, and for the five years of the project, a total of $1,070,000. These funds are for salaries of technicians and laborers, operation of tractors, trucks and vehicles, chemicals for laboratories, utilities, etc. Construction of laborers houses is planned for one experimental station. In addition, GOG will provide the central offices for the project and the lands of five experiment stations, together with their installations, vehicles and equipment. The GOG funds for this purpose are appropriated from national revenue.

F. Contribution from Other Sources and Relationship to Other Projects:

There are no additional contributions.

This project is related to 20-11-103, Agricultural Extension Service, in that plant material is provided through it to farmers. The two projects will cooperate in providing information on new practices and the Agricultural Extension Service will bring farmers' problems to Agricultural Research for solution.

G. Financial Considerations:

It is contemplated that this new project will continue through FY 1964 and that financing will be required for that period in the form of provision of U. S. technicians and training funds.

It is anticipated that if the training program is carried out at the proposed level, GOG will have adequate technical resources to carry on the work at the time the project is terminated June 30, 1964. GOG will already be providing full financial support for the operation of the research program and should be able to continue to do so.

Reduced availability of funds would require a cutback in the training program and would thus prolong the period during which U.S. technicians would be required.

There are no pipeline considerations in this new project.

H. Cooperating Country - USOM Coordination:

Plans have been studied jointly with GOG since March 1958 for the termination of servicio operation of research on June 30, 1960 and these plans have been adapted to the present situation.

The powerful AGA (national farmers' association) has always supported the research program strongly and if only one phase of the agricultural servicio's work could be continued, AGA would want it to be this project.

The President of Guatemala has requested assistance in the project and has indicated that the IAN will be reactivated under the administration of the Office of the Coordinator for Technical Cooperation, which reports directly to him. Funds which were appropriated for the joint contribution to the servicio research sub-project will be diverted to this project.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 15, 1959	☐ ORIGINAL ☒ REVISION NO. 1	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-11-105	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Agricultural Mechanization		

1 PROJECT BEGINS FY 60 ENDS FY 60

	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized Non-Contract	(1) Contract	(2) Participants Non-Contract U.S.	(2) Non-Contract 3rd Country	(2) Contract
A. All Prior Years	--																		
B. Net Deob.-Reob. / Current Funds																			
Total Actual Year FY 59	--																		
C. Operational Year FY 60	TC a/	25	15	10									95		1		2	--	
D. Budget Year FY 61	TC	17	17	--									--		1		--	--	
E. All Subsequent Years	TC	--											--						
F. Total All Years	TC	42											95						

2 Dollar Obligation and Expenditure

FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years															
Actual Year FY 59															
Operational Year FY 60	TC											25	25	20	5
TOTAL	TC	--	--	--	--	--	--	--	--	--	--	25	25	20	5

Problems Addressed:

See continuation sheet.

a/ Ten months only.

Problems Addressed:

Lack of job opportunities and low consumption and purchasing power. This project continues the activities previously described in the MPB under Project 20-11-915. The only difference is that it continues after August 31, 1959 as a non-servicio project.

A. General Description of the Project:

This project has been established to provide advisory services and some training facilities to the new Agricultural Mechanization Project of the Dirección General de Asuntos Agrarios (DGAA), the GOG agency which is charged with overall responsibility for land settlement and colonization. The land clearing contract and demonstration custom farm mechanization phases of the Rural Development Project (20-19-072) have been carried on through the agricultural servicio (SCIDA) and became a direct function of DGAA with the termination of SCIDA on August 31, 1959.

Under the Rural Development program GOG is obligated to clear five acres of land out of a total of 50 acres allocated to each settler in certain of the resettlement zones. The Nueva Concepción area is the largest single tract of land provided by GOG for settlement. This tract is for the most part covered by heavy jungle growth. The new settler has only a machete, sometimes an axe, and seldom a saw to clear the land. Under these conditions it takes him a year to clear enough land to provide the bare subsistence needs of himself and his family. The original planners of the overall rural development program have stated that the probabilities of a colonist succeeding in his new venture were increased by 60 percent if a rough cleared area could be provided on which he could immediately plant a crop while he started to clear the remainder with his primitive methods.

DGAA's first attempt to fulfill GOG obligations at Nueva Concepción was to employ a private contractor. Although the rate was $200 per hectare, he failed to fulfill the contract, or even to clear a substantial number of tracts.

The SCIDA then took over the work on a cost reimbursable basis, using DGAA tractors supplemented by some SCIDA equipment. The land clearing has been going ahead at twice the former rate, and at half the cost. Detailed records of costs, including provisions for amortization, insurance, interest, etc., show that the land is being cleared at less than $100 per hectare.

At the same time SCIDA had been carrying on custom farm mechanization work in the rural development areas on a demonstration basis.

These activities, together with the mechanization equipment of and the personnel trained by the SCIDA, were transferred to DGAA on September 1, 1959.

B. Specific Activity Targets or End Results on the Project:

(a) To demonstrate benefits of mechanization to 2,000 small farmers in principal rural development zones.

(b) To form a land clearing unit for future area development programs.

C. Progress Towards Achievement of Project Activity Goals:

This is a new project to be initiated September 1, 1959.

D. Nature of U. S. Contribution:

1. This is a short-term project to which the U.S. will contribute $25,000 in FY 60 of which $15,000 is for the services of a U.S. technician and $10,000 is for training. In the budget year fonds are

provided only for one U. S. technician. Title: Farm Mechanization Advisor. Code: 1089002. Grade: FSR-4. Technician is at post.

2. Contractual services - None.

3. Commodities - None.

4. Servicio operation is not involved.

5. U. S. owned local currency not involved.

E. Nature of Cooperating Country Contribution:

The contribution of GOG to this project for FY 60 will be $95,000. In addition, the GOG will provide the site of the mechanization center, together with its installations, vehicles, and equipment. The GOG funds involved are from national revenue. The GOG funds will be used for operation, maintenance and repair of the equipment, salaries of operators, mechanics and local technicians, and operation of supporting vehicles.

F. Contribution from Other Sources and Relationship to Other Projects:

This project is related to and in support of 20-19-072, a Rural Development. There are no contributions from other sources.

G. Financial Considerations:

It is contemplated that this new project will continue through FY 1961 with no further U. S. financing after that year. DGAA will continue the activities thereafter as a normal part of its operations.

There are no pipeline considerations for this new project.

The President of the Republic of Guatemala has requested assistance in this project and has assigned responsibility for executing it to DGAA, which reports directly to him. Details of the project have been discussed in meetings between DGAA, IDS, USOM and SCIDA, officials, and substantial agreement has been reached on its objectives. When the present program is completed, the equipment of the project can be readily converted to access road and road maintenance work, and it is anticipated that the activities of the project will have continuing utility after the formal termination date.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 15, 1959	☐ ORIGINAL ☒ REVISION NO. 1	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-11-106	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: University of Kentucky Contract		

1

PROJECT BEGINS FY ENDS FY	(A) Dollar Obligations ($1,000): Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations: (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People: (1) Technicians Authorized: Non-Contract	(1) Contract	(2) Participants: Non-Contract: U.S.	(2) Non-Contract: 3rd Country	(2) Contract
A. All Prior Years	TC	56 a/			56														
B. Net Deob.-Reob.																			
Current Funds																			
Total Actual Year FY 59	TC	-											3						
C. Operational Year FY 60	TC	-											1			3			6
D. Budget Year FY 61	TC	-																	
E. All Subsequent Years	TC																		
F. Total All Years	TC	56											4						

2

Dollar Obligation and Expenditure: FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	TC	-	-	56	-	-	-	-	-	-	56		56	56	-
Actual Year FY 59	TC														
Operational Year FY 60	TC											-			
TOTAL	TC	-	-	56	-	-	-	-	-	-	56	-	56	56	-

Problems Addressed:

a/ See Project 20-10-900. $44,000 received in FY 1960 as refund from SCIDA. $12,000 transferred from prior year unliquidated obligations of Project 20-10-900.

See continuation sheet.

Problems Addressed:

Deficiencies in Education and Health

A contract dated September 11, 1957, entered into between the Servicio Cooperativo Interamericano de Agricultura and the University of Kentucky provides for services, until March 11, 1960 by the University, in assisting the College of Agriculture of the University of San Carlos. This contract was funded by ICA, by means of grants of FY 1955 and FY 1956 funds totalling $80,000, which were disbursed to SCIDA. An additional amount of $12,000 in FY 1957 TC funds has also been obligated as a grant to SCIDA for the contract. Expenditures authorized by the contract total $90,000, of which, as of August 31, 1959, $45,000 had been disbursed. In view of the termination of SCIDA's existence as of August 31, 1959, the contract will after that date be funded directly by ICA. This E-1 records the obligation by the USOM for the unexpected funds committed to this contract. The termination date of the contract is to be extended to June 30, 1960. While thus far only one technician has served in Guatemala under this contract, it is anticipated that during the ensuing ten months two additional technicians will be made available.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 1, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: Guatemala	PROJECT NO. 20-12-072	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Clearing Land Preparation		

1 PROJECT BEGINS FY 56 ENDS FY 62

	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) (1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract: U.S.	(2) Participants: Non-Contract: 3rd Country	(2) Participants: Contract
		Dollar Obligations ($1,000)							L/C Commitments or Obligations						Numbers of People				
A. All Prior Years	SA	2,933				767	2,166		940			940	9,244						
B. Net Deob.-Reob.	SA	-				-	-												
Current Funds	SA	-				-	-												
Total Actual Year FY 59	SA	-																	
C. Operational Year FY 60	SA	(893)					(893)		(91)			(91)	(5,100)						
D. Budget Year FY 61	—																		
E. All Subsequent Years	—																		
F. Total All Years	SA	2,040										849	4,144						

2

	FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	SA	1,224	1,673	1,709	-	1,673	697	976	1,709	543	1,166		1,166	200	966
	Actual Year FY 59	-				-	-	-	-	-	-	-		-	-	-
	Operational Year FY 60	SA											(893)	(893)		(893)
	TOTAL	SA	1,224	1,673	1,709	-	1,673	697	976	1,709	543	1,166	(893)	273	200	73

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION: UNCLASSIFIED

Problems Addressed:

Lack of Job Opportunities and Low Consumption and Purchasing Power

A. General Description of the Project

This project is involved with the rural family resettlement aspect of the Rural Development Program for Guatemala. It continues and completes the preparation and subdivision of land and the construction of roads within the Program's resettlement areas for the resettlement of 4,000 families on economic-size farm units.

The principal long term goals of the Rural Development Program, which are shared by this project, are described in Project 20-14-005. The six major aspects of rural development which the Program embraces are being carried out by 11 separate projects (see project 20-14-005), of which this project is one. Three U. S. contract technicians provide by Project 20-14-005 are rending technical advice and guidance in the planning and operation of the Project.

For the purpose of resettling a portion of its subsistence farmers and landless farm laborers on economic-size-farms, the Guatemala government contributed in calendar years 1956 and 1957 a total of 3,0,400 acres of land to the Rural Development Program. This land, located in 16 individual sites referred to as settlement areas, was contributed from public land holdings on the Pacific Coast slope and from land in that same region turned back to the government by the United Fruit Company.

The condition of the land when turned over to the Program varied from virgin jungle to land overgrown with brush and low timber and land in pasture or under partial cultivation. This project is undertaking the preparation and subdivision of this land for family resettlement on economic-size farms and the construction of roads to provide access to the individual farm tracts.

The specific work aspects of the project include:

a. Land use classification of 16 settlement areas (308,400 acres), i.e. classification into cultivable lands, forest reserves, stream bank protection areas, timber belts for wind breaks and wood lots, and pasture lands.

b. Establishment and marking of boundaries for 4,000 individual farm tracts. Surveying of 466 miles of rights of way for roads within settlement areas.

c. Construction of 468 miles of roads within settlement areas to provide access to the individual farm units.

d. Where necessary, the clearing of an average of 5 acres of land on individual farm units located in timbered and jungle areas (approximately 9,760 acres).

e. Land drainage in four settlement areas relieving serious inundation problems on approximately 6,250 acres.

This is a continuing project, initiated in November 1955.

B. Specific Activity Targets or End Results of the Project

a. To classify, subdivide, clear, and drain land and to construct roads for the resettlement of 4,000 rural families

on economic-size farm units by July, 1961.

C. Progress Toward Achievement of Activity Targets

a. Work Accomplished to Date

1. Land use classification has been completed on all 16 settlement areas (308,400 acres).

2. Boundaries have been established and marked for 3,845 farm units (95% of planned total).

3. 322 miles of rights of way for roads within settlement areas have been surveyed. (70% of planned total).

4. 276 miles of roads within settlement areas have been constructed (59% of planned total).

5. 8,000 acres of land have been cleared on individual farm units, averaging 5 acres per farm (82% of planned total).

6. Land drainage has been completed relieving 5,000 acres (80% of planned total).

b. Work Remaining to be Done

1. Establishment and marking of boundaries for 200 farm units (5% of planned total).

2. Surveying of 146 miles of rights of way for roads within settlement areas (30% of planned total).

3. Construction of 192 miles of roads within settlement areas (41% of planned total).

4. The clearing of 1760 acres of land on individual farm units, averaging 5 acres per unit (18% of planned total).

5. Land drainage to relieve 1250 acres of land from inundation problems (20% of planned total).

c. Progress Toward Achievement of Progress Targets

2910 rural families have been resettled and have received authorized titles to their farms.

D. Nature of U. S. Contribution

a. Previous Fiscal Years

In FY 1956, 1957 and 1958, the U. S. contributed Special Assistance funds to this project. In FY 1957 and 1958 it also contributed U. S. owned Section 402 local currency funds.

These contributions have provided for:

1. The purchase of vehicles and construction equipment, e.g. 30 jeeps, sedans, and pickups; 13 tractors, 3 front end loaders; 6 road graders; 12 dump trucks; 1 elevating grader; and miscellaneous tools and equipment.

2. The financing in part of contract and force account construction of roads, land clearing, and land drainage.

3. The payment in part of salaries of administrative, supervisory and technical personnel of the General Directorate of Agrarian Affairs involved the planning and operation of the project.

b. Budget Year

In FY 1961, the USOM will not contribute new funds to the project. Special Assistance and U. S. owned Section 402 local currency funds contributed in previous fiscal years will provide in part for the completion of the project and will be used to continue the financing of (1) the contract and force account construction of roads, land clearing and land drainage, and (2) the salaries of administrative, supervising and technical personnel fo the General Directorate of Agrarian Affairs.

c. Future Fiscal Years

There will be no future fiscal year contributions to the project.

E. Nature of Cooperating Country Contribution

The government of Guatemala has made cash and in-kind contributions to the project from national revenue. Cash contributions actually turned over to the project have consisted of Q560,500 to cover in part (1) the financing of contract and force account construction or roads, land clearing and land drainage, (2) administration, supervision, engineering and technical personnel, purchase of vehicles and construction equipment, operation and maintenance of vehicles and equipment, and office and other miscellaneous operating expenses involved in the development of the project.

In-kind contributions have totalled Q3,752,000, consisting of (1) 308,000 acres of land for family resettlement; (2) rights of way for roads and drainage systems; (3) office space and equipment, translating and interpreting services, secretarial assistance, supplies and materials; and (4) the use of public facilities such as telephones, telegraph, etc.

For FY 1960 the government of Guatemala has budgeted from national revenue Q1,401,000 as a cash contribution for the continuation of this project. It provides for:

a. Administrative, supervisory, engineering and technical personnel; operation and maintenance of vehicles and office and other operating expenses (Q800,000).

b. Purchase of vehicles and construction equipment (Q120,000).

c. Contract and force account construction of roads, road maintenance and land drainage (Q356,000).

d. Maintenance of construction equipment (Q75,000).

e. Field personnel to complete surveying work (Q50,000).

In-kind contributions will continue to provide office space and equipment, translating and interpreting services, secretarial assistance, supplies, materials, and the use of public facilities.

Contribution of the government of Guatemala for FY 1961 is tentative. It will probably consist of Q600,000 in cash from national revenue to provide for:

a. Administration, supervisory, engineering and technical personnel; operation and maintenance of vehicles; and office and other operating expenses (Q400,000).

b. Additional road construction and land drainage (Q200,000).

The target date for the completion of work planned under this project is July, 1961.

F. Contribution from other Sources and Relationship to Other Projects

No contributions have been made, and none are anticipated, from other sources.

G. Financial Consideration

U. S. contributions were made to this project in FY 1956, 1957 and 1958 to ensure that the Rural Development Program would continue at an adequate rate of progress toward its objective of resettling 10,000 rural families on economic-size farms.

The inactivity of the series of interim governments following the death of President Castillo Armas and the slowness of the present government in resuming program activities and its failure to provide additional lands for the continuation of family resettlement on economic-size farms has resulted in a slow-down of Program operations, creating pipeline problems for this project.

Recent reprogramming of the Rural Development Program has resulted in scaling down the goal of family resettlement on economic-size farms from 10,000 to 4,000, the number of families that actually can be settled on the land presently available to the Program.

Part of the U. S. funds contributed to several existing projects, including this one, are to be deobligated to provide for the programming of new rural development projects.

As result of the programming, the revised U. S. contribution to this project will be $2,933,000 Special Assistance funds and Q858,000 in U. S. owned Section 402 local currency funds, representing a reduction of $893,000 and Q209,000 respectively. Revised U. S. contribution to the project will provide in part for the completion of the resettlement of 4,000 families and terminates U. S. contribution to the project.

The deobligation of funds will relieve existing pipeline problems. No pipeline is expected at the end of FY 1961.

To provide in part for the completion of the resettlement of 4,000 families the Government of Guatemala is contributing Q1,401,000 from national revenue in FY 1960. This contribution is included in the FY 1960 budget of the General Directorate of Agrarian Affairs and is part of the FY 1960 Q4,500,000 appropriation by the Central Government to that agency.

Project operation will continue through June 1961. A FY 1961 contribution of Q600,000 from the Government of Guatemala is anticipated to provide necessary administration, supervisory, engineering and technical personnel, operation and maintenance of vehicles, and office and other operating expenses for the completion of project operations, and additional road construction and land drainage.

Possible future fiscal year contribution by the Government of Guatemala will provide for further expanding of road construction

beyond what is planned under the project. Annual recurring costs of road and land drainage maintenance will have to be met by the Government of Guatemala.

H. Cooperating Country - USOM Coordination

The plans embodies in this E-1 have been prepared by the General Directorate of Agrarian Affairs with the assistance of IDS contract personnel. The plans were reviewed and approved by the Director General of Agrarian Affairs and by IDS contract personnel representing the USOM. The Government of Guatemala financing proposed was approved by the Office of the Official of the Government for Technical Cooperation Affairs and the Office of the President.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO.: 20-12-074	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Irrigation Works		

1

PROJECT BEGINS FY 56 ENDS FY 60	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) (1) U.S. Owned MSP	(2) PL 480 and Other Title II	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract U.S.	3rd Country	Contract
		Dollar Obligations ($1,000)							L/C Commitments or Obligations						Numbers of People				
A. All Prior Years	SA	744	-	-	-	156	588		300			300	1,524						
B. Net Deob.-Reob.	SA	-	-	-	-	-	-			60									
Current Funds	SA	-	-	-	-	-	-												
Total Actual Year FY 59	SA	-	-	-	-	-	-			60									
C. Operational Year FY 60	SA	(390)				(50)	(340)		(234)			(234)	(1,100)						
D. Budget Year FY																			
E. All Subsequent Years																			
F. Total All Years	SA	354										66	424						

2

Dollar Obligation and Expenditure: FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	SA	157	487	587	-	487	95	392	587	124	463		463	73	390
Actual Year FY 59	SA				-	-	-	-	-	-	-		-	-	-
Operational Year FY 60	SA											(390)	(390)	-	(390)
TOTAL	SA	157	487	587	-	487	95	392	587	124	463	(390)	73	73	-

Problems Addressed:

SECURITY CLASSIFICATION: UNCLASSIFIED

1. General Description of the Project

This is an exploratory project within the framework of the Rural Development Program to demonstrate the feasibility and utility of agricultural irrigation on a large scale in Guatemala's arid Oriente region.

Specifically, it is designed to place 1,250 acres of farm land in the La Fragua area of the Motagua Valley under deep well pumping irrigation to permit the study of the hydrological characteristics of the region and the cost and cultural factors of irrigation as related to the development and expansion of the region's commercial farming.

The project carries out the irrigation study aspect of the Rural Development Program. The principal long term goals of the Rural Development Program, and this project, are described in Project 20-14-005. Three U.S. contract technicians provided by Project 20-14-005 are rendering technical advise and guidance to the Ministry of Agriculture in the planning and operation of this project.

The Oriente region is located in the southeastern part of Guatemala and represents 17% of the country's farm land. Annual average rainfall throughout the region varies from 15 to 30 inches. Rainfall occurs between May and October and is irregular. Farming consists almost exclusively of subsistence operations. The region has good road access to the country'S main urban centers.

The basic crops grown are corn, beans and maise. These may be considered subsistence crops since they are consumed primarily by the farm families. They are non-irrigated. Per acre productivity is low. Many crops are lost from drought, with the result that in some areas only two or three crops can be harvested in every five years.

Scattered, small scale commercial farming of tomatoes, tobacco and sugar is conducted with crude make-shift irrigation systems. Livestock and poultry production is prevalent but limited.

The project was integrated as an original part of the Rural Development Program to demonstrate the feasibility and utility of irrigation on a large scale as a step toward increasing agricultural production of the Oriente region and the income of its farm families.

The major aspects of the project include:

1. The development of six irrigation wells and the construction of six distribution systems to place 1200 acres of farm land under deep well pumping irrigation in the La Fragua area.

2. The study of the hydrological characteristics of the La Fragua area.

3. The study of the cost and cultural factors of irrigation as related to the commercial farming potential of the above area.

This is a continuing project, initiated in March, 1956.

B. Specific Activity Targets or End Results of the Project

To place 1250 acres of farm land in the La Fragua area of the Motagua Valley under deep well pumping irrigation to demonstrate by June, 1961, the feasibility and utility of irrigation on a large scale in the Oriente region as a step toward increasing agricultural productivity, particularly commercial farming.

C. Progress Toward Achievement of Activity Targets

1. Work Accomplished to-Date

a. Drilling and development of the six wells is complete and all wells are producing. Construction of the six distribution systems is 50% completed.

b. Hydrological studies are 20% completed. Preliminary work has been done in a) determining the characteristics of ground water reservoirs in the La Fragua area, b) taking water table measurements of the La Fragua area, c) determining specific capacities and water fluctuations of the six irrigation wells, and d) preparing a water table map of the La Fragua area.

c. Study of cost and cultural factors is 20% complete. Preliminary work has been done in a) gathering crop and production records, b) determining water needs of various crops, c) determining influence of water on soil, d) experimentation with fertilizers in relation to irrigation, e) experimentation with new crops and new strains of existing crops with relation to irrigation, and f) introducing irrigation practices to local farmers.

2. Work to be Done

a. Complete construction of six distribution systems;

b. Complete hydrological studies as outlined part 1. of this section;

c. Complete study of cultural factors as outlined in part 1. of this section, and initiate and complete extensive study of costs factors to determine the economic feasibility of deep well irrigation in the La Fragua area.

3. Progress Toward Achievement of Progress Targets

a. 950 acres of farm land, involving 58 privately owned farms, have been placed under deep well pumping irrigation in the La Fragua area.

b. Crop production of corn, beans and maise on irrigated lands show 500% increase over non-irrigated lands. IRrigated lands produce two or three harvests a year.

c. Commercial production of new crops as a result of irrigation has benn demonstrated. These include sweet potatoes, egg plant, melons, cucumbers, yucca and rice.

d. Production of better strains of corn and beans as a result of irrigation has been demonstrated.

e. The susceptibility and adaptability of local farmers to irrigation practices has been demonstrated.

f. Annual incomes of farmers whose lands were placed under irrigation show significant increases.

D. Nature of the U.S. Contribution

1. Previous Fiscal Years

In FY 1956, 1957 and 1958 the U.S. contributed to the project Special Assistance Funds and U.S. owned Section 402 and PL 480, Title II, local currency.

e Guatemalan Government cash contribution has provided for
ies in part of administrative and technical personnel and their
tation and travelling expenses, and b) purchase of engineering
ce equipment and supplies.

e in-kind contribution has provided office space, office
t and supplies, and administration, technical and clerical
ce within the central offices of the Ministry of Agriculture,
use of public services and utilities.

e FY 1956, 1957 and 1958 contribution completes the Government
mala cash contribution to the project. In-kind contribution,
ibed, will be made in FY 1960 and 1961.

ntribution From Other Sources and Relationship to Other Projects

ere have been no contributions to the Project, and none are
ted, from other sources.

nancial Considerations

e U. S. 1956, 1957 and 1958 contribution was made within the
of the project's original goal to establish 10 wells and
on systems in the La Fragua area and to conduct additional
on works on the Pacific Coast Slope.

cent reprogramming of the Rural Development Program has resulted
ing this project to the La Fragua area and reducing the number
and distributionssystems from ten to six.

nsistent with the revised scope of the project, the U.S. 1956,

and 1958 contribution will be reduced by $390,000 Special Assistance funds and Q344,000 U.S. owned Section 402 and PL 480, Title 2, local currency. The revised FY 1956, 1957 and 1958 U.S. contribution will be $420,000 and terminates the U.S. contribution to the project.

The Government of Guatemala FY 1956, 1957 and 1958 U.S. contribution terminates the Guatemalan Government's cash contribution to the project. In-kind contribution will be made in FY 1960 and 1961 to provide services and utilities until the completion of the project in June, 1961.

After June, 1961, the project will be self-supporting and operation and maintenance costs of the wells and distribution systems will be assumed by the benefitted farmers in the La Fragua area.

H. Cooperating Country - USOM Coordination

The plans embodied in this E-1 have been prepared by the Ministry of Agriculture, with the assistance of IDS contact personnel. Specifically, the plans were prepared by the Department of Water Resources within the Ministry of Agriculture with the assistance of three IDS contract personnel. The plans were reviewed and approved by the Minister of Agriculture and the USOM, represented by IDS contract personnel. The proposed Government of Guatemala financing was authorized by the Office of the Official of the Government for Technical Cooperation Affairs and the Office of the President.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-13-097	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Rubber Plant Production		

1 — PROJECT BEGINS FY 59, ENDS FY 60

	(A) Dollar Obligations ($1,000)								(B) L/C Commitments or Obligations					(C)	(D) Numbers of People				
	Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	Other External Financing	(1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract: U.S.	(2) Participants: Non-Contract: 3rd Country	(2) Participants: Contract
A. All Prior Years	SA	-	-	-	-	-	-	-											
B. Net Deob.-Reob.	SA	-	-	-	-	-	-	-											
Current Funds	SA																		
Total Actual Year FY 59	SA								50			50							
C. Operational Year FY 60																			
D. Budget Year FY 61																			
E. All Subsequent Years																			
F. Total All Years	SA	-										50	-						

2 — Dollar Obligation and Expenditure

FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years															
Actual Year FY 59															
Operational Year FY 60															
TOTAL	SA	-	-	-	-	-	-	-	-	-	-	-		-	-

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS PROJECT

Problems Addressed:

Lack of Job Opportunities and Low Consumption and Purchasing Power

A. General Description of the Project:

The purpose of this project is to finance the production of 333,000 rubber trees which will be distributed to about 200 new settlers on three farm tracts near the Caribbean Coast. This project is an adjunct to the Rural Development Program.

B. Specific Activity Targets or End Results of the Project:

This project is designed to furnish a future source of income to newly settled farmers in rural resettlement areas on the Atlantic Coast of Guatemala. Rubber produced on this project, together with rubber production from plantings on the Pacific Coast, will increase the country's exports and will provide rubber for Guatemala's small industries.

C. Progress Toward Achievement:

Approximately 100,000 plants have been distributed. The project is almost 50% completed. It is expected that by June 1960 all the plants will have been distributed.

D. Nature of US Contribution:

The United States contribution is 50,000 Guatemalan quetzales derived from Section 402 sales. These funds will cover the costs of purchasing grafts, supplies, labor, and transportation. US advisors to the Rubber and Complimentary Crops Development Program render technical advice on this project.

E. Nature of Cooperating Country Contribution:

The Guatemalan Government will not make a financial contribution to this project. However, the Directorate General of Agrarian Affairs will take delivery of the trees from the Agriculture Division and will arrange for the planting by the settlers.

F. Contribution from Other Sources:

None.

G. Financial Considerations:

No further funds will be required and those funds available will be expended in FY 1960.

H. Cooperating Country-USOM Coordination:

This project was established to meet a request from the Guatemalan Government. At the written request of the Guatemalan Government, this project has been continued after the termination of the Cooperative Agriculture Servicio (SCIDA) on August 31, 1959. Responsibility for the project after September 1, 1959, has been placed in the Office of the Official of the Government for Technical Cooperation Affairs.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 15, 1959	☐ ORIGINAL ☒ REVISION NO. 1	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-13-900	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Rubber and Complementary Crops Development		

1 PROJECT BEGINS FY 60 ENDS FY 64

	(A) Dollar Obligations ($1,000)								(B) L/C Commitments or Obligations					(C)	(D) Numbers of People				
	Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	Other External Financing	(1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract: U.S.	(2) Participants: Non-Contract: 3rd Country	(2) Participants: Contract
A. All Prior Years																			
B. Net Deob.-Reob.																			
Current Funds																			
Total Actual Year FY 59																			
C. Operational Year FY 60 a/	TC	158	39	6			3	110					110	60	3			4	
D. Budget Year FY 61	TC	208	47	23			3	135					135	60	3		2	8	
E. All Subsequent Years	TC	450											535	180					
F. Total All Years	TC	816											780	400					

2 Dollar Obligation and Expenditure

FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	TC												-		
Actual Year FY 59	TC												-		
Operational Year FY 60	TC											158	158	143	15
TOTAL	TC	-	-	-	-	-	-	-	-	-	-	158	158	143	15

Problems Addressed:

a/ 10 months only.

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 5 SHEETS TO THIS PROJECT

PROBLEM ADDRESSED

Lack of job opportunities and low consumption and purchasing power.

This project continues the activities related to rubber and complementary crops previously described in the MPB under Project 20-11-908. The only difference is that it continued after August 31, 1959 as a non-servicic project.

A. General Description of the Project:

This new project has been established to provide advisory services and financial support to the Rubber and Complementary Crops Development Project of the Office of the Coordinator for Technical Cooperation Affairs of the GOG. The rubber and complementary crops program becames a part of the Office of the Coordinatoron the termination of the SCIDA on August 31, 1959. The project will provide technical services in support of the DLF rubber loan. In order to smooth the transition and to conserve prior investments in the program, three U. S. technicians will be provided. This is especially vital since Guatemala has no trained professional workers in this specialty. The project includes breeding and selection work to develop new, high yielding rubber clones resistant to the South American Leaf Blight; testing of these clones and release of superior clones for commercial planting; operation of demonstration nurseries; testing of complementary crops such as cacao and diescorea; technical support for the DLF rubber loan; and advisory services in rubber production surveys in virgin areas.

B. Specific Activity Targets or End Results of the Project:

Guatemala is on a one-crop export (coffee) basis, from which it derives some 75% of its foreign exchange and a large part of government revenue. The objectives of the project are:

(a) To provide support to the GOG program which calls for the planting of 80,000 additional acres on the Pacific Coast to high yielding Eastern clones within the next eight years. When the trees reach tapping age, they will provide a gross income of $30 million per year, or more than half of the present gross returns from coffee. This acreage will provide full time work for 16,000 laborers.

(b) To breed, select and test new high yielding resistant clones which can be grown in areas outside the Pacific Coast and which will provide high returns from vast regions which are not now being put to productive use. This in turn will open up considerable areas for settlement and development.

(c) To test complementary crops which can be interplanted with rubber and which will provide additional income during the years before the rubber trees reach tapping age, thus making rubber a much more attractive crop to the small farmers.

(d) To maintain rubber and cacao nurseries as demonstrations for private individuals who will establish nurseries both for their own plantings and for sales to others, and for use as training areas for propagators. Budded trees from these nurseries will be distri-

buted to small farmers at cost. Approximately 300,000 rubber and 75,000 cacao trees will be produced in the 1959-60 crop season. A total of 300 propagators will be trained.

(e) To provide basic training in tropical horticulture, plant genetics and plant physiology for six Guatemalan technicians, so that GOG may continue to carry on the work after termination of the project. Technical skills available in Guatemala as related to rubber and cacao are still inadequate. In addition, short term training in the U. S. and third countries will be provided in practical phases of rubber and complementary crops production.

C. Progress Towards Achievement of Project Activity Targets:

Work with rubber in Guatemala dates from 1942, when it was iniated by USDA. The work was carried on by the agricultural servicio from January 28, 1955 to August 31, 1959. Commercial rubber plantings, all from seeds or clones distributed by the project, totaled 3,000 acres for the years 1942-1957. In 1958 an additonal 3,000 acres were planted and in 1959, it is estimated that 8,000 acres will be added.

In 1958, 41 propagators were trained for private plantation owners who were putting in nurseries and some 200 propagators have been trained in 1959 to date. A hand pollination program was begun in 1956 and each year thousands of hand pollination are made. The resulting progeny are tested for disease resitance. In 1958, 1,700 new Guatemalan clones were planted in the field for future yield tests, each in eight replications. Since these new clones are of proven resistance and owe 7/8 of their parentage to high yielding Eastern clones, it is almost certain that a number of superior clones will be found.

D. Nature of U. S. Contribution:

In the next five years (only 10 months of FY 1960),$816,000 of U. S. funds is programmed for this new project, of which $53,000 is for participants, $228,000 for U. S. technicians, $15,000 is for other costs and $520,000 is for contributions to the Joint Fund. The total for other costs includes the U. S. contribution to the operation of the project. Components of the costs includes such items as sañaroes pf ñpcañ technicians and laborers, operation of trucks, tractors, spray rigs, etc. Hand labor accounts for the major part of the costs.

1. Four participants will receive third country training in FY 1961 in rubber and cacao production in Costa Rica at three months courses, with dates to be announced by Turrialba. Two participants will receive training in Brazil, Costa Rica, and Trinidad. The training will be for three month periods. These participants will observe cacao production and disease control methods. Training for two participants for six months periods in third countries and the U. S. is also programmed in plant physiology, plant chemistry horticulture agronomy biometry and related subjects. Finally, long term programs have been included for two participants for advanced study in the U. S. in the above subjects which will lead to the adquisition of advanced academic degrees for these participants.

2. The U. S. will provide three technicians during FY 1961. Titles: Horticulturalist (Tropical). All three are coded: 1043701. Two are graded FSR-5 and the third FSR-4. All are presently at post. Estimated cost for FY 1961, $47,000.

3. Contractual services - None.

4. Commodities - None.

5. The $135,000 contribution for the Joint Fund for FY 1961 is for operation of the project by GOG. There are no direct hire local technicians.

6. Servicio operation not involved.

7. U. S. owned local currency not involved.

E. Nature of Cooperating Country Contribution:

The contribution of GOG for operation of this project for 10 months of FY 1960 will be $110,000, and for the five years of the project, a total of $700,000. In addition, GOG will provide the lands of the two stations where the project is to be centered, together with their installations, vehicles, and equipment. The GOG funds involved are appropriated for this purpose from the national revenue.

F. Contribution from Other Sources and Relationship to Other Projects:

This project is also related to Project 20-13-097, Rubber Plant Production, which is carried out through the Dirección General de Asuntos Agrarios (DGAA). The two projects are complementary in that the Rubber Plant Production project was created to provide rubber plants to DGAA for their use in the resettlement areas.

The project will support the DLF loan of $5 million made to the Bank of Guatemala through the provision of plant material, training propagators, and technical advice.

This project is related to 20-11-072, Rural Development, in that plant material and technical assistance is provided through it to small farmers of the resettlement areas; and to 20-11-103, Agricultural Extensión Service, in that the two projects will cooperate in bringing information and plant material to the extension service demonstrators.

G. Financial Considerations:

It is contemplated that this new project will continue through FY 1964 and that financing will be required throughout that period. It is anticipated that the services of the three U. S. technicians will be required for the entire period. The Joint Fund contribution will decline as GOG assumes a progressively larger part of the operating cost, increasing from $110,000 in FY 1960 to $220,000 in FY 1964.

It is anticipated that when the project is phased out at the end of FY 1964 GOG will have adequate technical resources to carry on the work and that by that time total rubber production will have increased to the point where it will be making a sufficient contribution to national income to allow GOG to assume all the financial support of the project.

Reduced availability of funds would require a cutback in the operations of the project. The immediate result would be that the goal of 80,000 acres of rubber would not be reached on schedule. The long time result would be to delay the development of the rubber industry in the area where resistant varieties are necessary. This in turn would retard the development of the national economy.

There are no pipeline problems for this new project.

H. Cooperating Country - USOM Coordination:

The project has been discussed in detail with GOG officials, as well as with officials of the Bank of Guatemala, which will administer the DLF loan. Substantial agreement has been reached on the desirability of this project and on the contributions to implement it.

The President of the Republic of Guatemala has requested assistance in the project and has indicated that it will be administered by the Office of the Coordinator for Technical Cooperation affairs which reports directly to him.

GOG officials, as well as those of the Bank of Guatemala and of the National Economic Planning Council, are fully convinced of the importance of the project as a means of lessening dependence upon coffee as the principal export crop and of stabilizing the economy.

E-2	FORM ICA 10-110 (6-59)	DATE PREPARED September 15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-13-900	E-2

COUNTRY ECONOMIC PROGRAM

STATUS OF COOPERATIVE SERVICE FUNDS

1 PROJECT DETAIL BY CS-FY

Project Number	Project Title	Obligations ($1000 Equivalent) 60	Obligations 61	Expenditures ($1000 Equivalent) 60	Expenditures 61
13-900	Rubber and Complementary Crops Development	240	300	200	300
All Other Projects (Detail on Continuation Sheet)					
TOTAL (Must correspond with (3B.) and (3E.)		240	300	200	300

2 TITLE OF COOPERATIVE SERVICE: Rubber and Complementary Crops Development

CS-FY 19 60 BEGINS: September 1, 1959 ENDS: June 30, 1960

3 SUMMARY OF STATUS

				CS-FY	CS-FY	CS-FY	CS-FY
(All Figures $1,000 Equivalent)	U.S. $1.00 = Q.1.00 Exchange Rate by Year					60	61
A. AVAILABLE FOR OBLIGATION DURING CS-FY	1. Unobligated Balance End Prior CS-FY						40
	2. Agreed Contributions for CS-FY	U.S.	Host Government			110	135
			Corresponding U.S.-FY			110	135
			Succeeding U.S.-FY				
			Other			60	60
			TOTAL			280	330
	TOTAL					280	370
B. PLANNED OBLIGATIONS DURING CS-FY	1. Supplies and Equipment					50	60
	2. Personnel and Training					90	130
	3. All Other					100	110
	TOTAL					240	300
C. UNLIQUIDATED OBLIGATIONS BEGINNING OF CS-FY						-	40
D. TOTAL OBLIGATIONS AVAILABLE FOR LIQUIDATION (Block B. plus C.)						240	340
E. EXPENDITURE DURING CS-FY	1. Supplies and Equipment					40	60
	2. Personnel and Training					80	130
	3. All Other					80	110
	TOTAL					200	300
F. UNLIQUIDATED OBLIGATIONS CLOSE OF CS-FY (Block D. minus E.)						40	40
G. UNOBLIGATED BALANCE CLOSE OF CS-FY (Block A. minus B.)	1. Reserves					40	70
	2. Unreserved Balance					-	-
	TOTAL					40	70

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 1 SHEETS TO THIS TABLE

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 15, 1959	[X] ORIGINAL / [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-14-005	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Rural Development		

1 PROJECT BEGINS FY ~~56~~ 64 ENDS FY

	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations: (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People: (1) Technicians Authorized: Non-Contract	(1) Con-tract	(2) Participants: Non-Contract: U.S.	(2) Non-Contract: 3rd Country	(2) Con-tract
A. All Prior Years	TC	1,323	-	-	1,323	-	-	-											
B. Net Deob.-Reob.	TC	-	-	-	-	-	-	-											
Current Funds	TC	600	-	-	600	-	-	-											
Total Actual Year FY 59	TC	600	-	-	600	-	-	-								19			
C. Operational Year FY 60	-	50														19			
D. Budget Year FY 61	-	50														15			
E. All Subsequent Years	-	-																	
F. Total All Years	-	2,023										-	-						

2

FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure: All Prior Years	TC	785	-	538	-	-	-	-	538	393	145		145	145	-
Actual Year FY 59	TC				600	600	600	-	600	-	600		600	255	345
Operational Year FY 60	TC											50	50	-	50
TOTAL	TC	785	-	538	600	600	600	-	1,138	393	745	50	195	400	395

Problems Addressed:

See continuation sheet

Problems Addressed:

Communist Influence

A. General Description of the Project

This is a continuing project and one of several comprising the Rural Development Program for Guatemala. It finances the contract services of the International Development Services, Inc. through which the U.S. is providing the Government of Guatemala with technical assistance with which to provide the backstopping of the various aspects of the Rural Development Program which is financed from prior years' Special Assistance funds.

The Rural Development Program has three major long term purposes: (1) to increase appreciably agricultural production, (2) to improve the economic and social conditions of a significant proportion of the rural population, and (3) to create a nucleus of an agricultural middle class which will contribute to political, social and economic stability.

About 75% of Guatemala's population derives its living directly from the soil. Approximately nine out of every ten rural families engage in subsistence farming, working small patches of land. Subsistence farming is characterized by primitive farming methods, low productivity, and a low level of living for the farm family.

In 1954, 90% of Guatemala's farms were less than 17 acres in size - the greatest number less than 8 acres. Yet, this 90% in numbers represented less than one quarter of the country's total farm lands. A considerable portion of the rural population owned no land and worked as farm laborers on large plantations at low wages. Most subsistence farmers who own small pieces of land are forced to work seasonally on large plantations to supplement their farm production in order to meet the immediate needs of their families.

Although predominantly agricultural, Guatemala's agriculture has remained undeveloped and inadequate to meet domestic consumption. Importation of many basic agricultural commodities has been necessary, putting additional strain on the country's financial reserves.

An overwhelming percentage of Guatemala's rural population lives at the subsistence level. The life expectancy is about 40 years. Illiteracy probably exceeds 70% of the population. Malnutrition is prevalent. In most cases housing consists of nothing more than a crude, dirt floor shelter. Between 1944 and 1954 Guatemala was ruled by communist-oriented governments which gained considerable support from the country's non-indian rural population.

In 1954, Guatemala's new Liberation Government requested financial and technical assistance from the U.S. in order to carry out a program of rural development. Started in FY 1955, this project has been providing technical assistance to various agencies of the Guatemalan Government, through the IDS contract, in conducting rural development activities under that Program.

The Rural Development Program includes six major aspects and in addition to this project involves ten separate projects;

1. Resettlement of Rural Families

The program aims to resettle approximately 4,000 rural families on economic-size farm tracts and approximately 1,000 rural families on farm tracts less than economic-size.

Project 20-12-072 - Clearing, Land Preparation, Jeep Trails

This project involves the following phases of family

resettlement on economic-size farm tracts: Land use classification of settlement areas; establishment and marking of boundaries for individual farm tracts; construction of roads and jeep trails within settlement areas; land clearing on small portions of individual farm tracts where necessary; land drainage within settlement areas.

Project 20-99-111 - Rural Community Services and Development

In part, this project carries out the same phases of family settlement as outlined under Project 20-12-072, but for settlements on farm tracts smaller than economic-size. It also carries out other aspects of rural development as indicated below.

2. Supervised Agricultural Credit Facilities

Project 20-14-073 - Supervised Agricultural Credit

The purpose of this project is to establish and develop a supervised agricultural credit program within the National Agrarian Bank. This involves the establishment of policies and procedures; on the job training of key administrative and technical personnel; establishment of 32 field offices and the training of a field staff of 80. The project provides loan and operating funds.

3. Administration, Health and Education Facilities & Services

The program aims to provide administration, health and clinical facilities to serve the 5,000 families to be settled under the Rural Development Program, and for an additional 4,000 subsistence farmers in other localities and farm families located adjacent to the program's settlement areas.

Project 20-99-075 - Administration Facilities

Within the programs family settlement areas, this project provides community center administration facilities. This involves the construction of administration office buildings; nuclear and satellite health clinic buildings; nuclear and satellite school buildings; housing for administrative and service personnel; and nuclear and satellite sanitary water, sewerage and electrical systems for these community centers.

Project 20-99-111 - Rural Community Services and Development

In part, this project provides for the construction of administration, health and education facilities in the Program's resettlement areas where resettlement is on farm tracts less than economic-size. It also provides for the construction of health and education facilities to serve about 4,000 subsistence farm families already settled.

Project 20-99-079 - School Services

This project provides school services within the Program's settlement areas for families settled on economic-size tracts and for families adjacent to these settlement areas. It provides for the training of teaching personnel and partial salaries for teaching personnel during training. In addition, salaries for teaching personnel, essential school equipment and supplies and the maintenance and

repairs of equipment are provided for the first year of operation.

Project 20-99-082 - Health Services

This project provides medical services within the Program's settlement areas for families settled on economic-size units and families located adjacent to these settlement areas. It provides for the training of health personnel and partial salaries for health personnel during training. Also included are salaries for health personnel and essential basic medical equipment and supplies, and their maintenance, for the first year of operation.

4. Construction of Roads and Bridges

The program aims to construct 166 miles of access roads, improve and widen 10 existing bridges, and to construct two bridges.

Project 20-99-083 - Project Access Roads

The purpose of this project is to construct farm-to-market access roads which connect the Program's settlement areas and other rural areas in the Pacific Coast region with the Pacific Highway, thereby providing these rural areas greater access to the country's main urban centers.

Project 20-31-107 - Bridge Construction

It is the purpose of this project to widen and improve 10 existing bridges on the Pacific Highway so as to provide the rural areas in the Pacific Coast region with better access to urban centers, and to construct two new bridges which will provide access to the country's main highway system for several remote rural areas located in the Alta Verapaz and Oriente regions, which at present do not have adequate access. One of these bridges will be built across the Motagua river at Guatalón in the Oriente; the other across the Chixoy river in Alta Verapaz.

5. Rural Housing and Potable Water

Project 20-99-091 - Housing and Water Supply

The purpose of this project is to assist families in the program's settlement areas, and families located in adjacent areas, in the self-help construction of houses and the development of safe water wells. It provides for the construction and operation of a saw mill; for the construction and operation of a plant for the prefabrication of housing sections; for the purchase of saw mill, logging and well drilling equipment; logging and well drilling operations; and transportation facilities to deliver housing materials to construction sites.

6. Irrigation

The program aims to construct six wells and six irrigation systems and to place 1,200 acres of land under irrigation for study and demonstration purposes.

Project 20-14-074 - Irrigation Works

For the purpose of testing and demonstrating the feasibility of irrigation in the La Fragua area of the Motagua Valley, the project provides for the development of six irrigation wells and the con-

struction of six irrigation systems; the study of the hydrological characteristics of the region; and the study of cost and cultural factors of irrigation as related to commercial farming in the region.

Through the contract with the International Development Services, Inc. this project is providing the services of 19 technicians. Under the general supervision of the Mission Director, this technical personnel is rendering advise and technical guidance to the various government agencies in discharging their responsibilities to the Rural Development Program. The government agencies participating in the Program are:

The Office of the Official of the Government for Technical Cooperation Affairs.

General Directorate of Agrarian Affairs

Ministry of Agriculture

Ministry of Education

Ministry of Health and Social Security

National Agrarian Bank

Ministry of Communications and Public Works

Concomitant with the advisory duties in the planning and execution of the project activities, the IDS personnel is charged with responsibilities of providing on-the-job training and orientation to key administrative and technical personnel of the participating government agencies in the various aspects of rural development so as to enable this personnel to better carry on rural development activities after U.S. technical assistance contributions are phased out. This training and orientation involves 70 key administrative and technical positions within the various government agencies. In addition, the on the job training of field operating staffs in carrying out the separate project activities involves approximately 300 Guatemalan personnel.

B. Specific Activity Targets or End Results of the Project

Since the purpose of this project is to provide technical assistance to the Government of Guatemala in the various aspects of the Rural Development Program, the specific activity targets of this project are those of the Program itself. These are:

1. Resettlement of Rural Families

   (a) To resettle 4000 rural families on economic-size farm units by July 1961.

   (b) To resettle approximately 1,000 rural families on farm units less than economic-size by January 1962.

2. Supervised Agricultural Credit Facilities

   (a) To establish within the National Agrarian Bank an effective and adequate supervised agricultural credit program to meet the needs of Guatemala's small and middle-class farmers, particularly those newly resettled under the Program, and to provide loan funds through July 1962.

3. Administration, Health and Education Facilities and Servicies

   (a) To provide the 5000 families to be

finally resettled under the Program with community center administration facilities, and health and education services by July 1961. These health and education services will also benefit families located adjacent to the programs settlement areas.

(b) To provide health and education services for an additional 4000 subsistence farmers in other localities by January 1962.

4. Construction of Roads and Bridges

(a) To extend and improve the farm-to-market access road facilities for rural areas located in the Pacific Coast, Alta Verapaz, and Oriente regions of the country by January 1962.

5. Rural Housing and Potable Water

(a) To establish within the General Directorate of Agrarian Affairs a housing and water-supply program to meet the needs of rural families for low cost housing and safe water, with particular attention to families newly resettled under the Program. Further, through the use of self-help construction, to train rural families in farm building construction.

6. Irrigation

(a) To test and demonstrate the feasibility and utility of irrigation for commercial farming in the Oriente region by July 1961.

An overall and equally important end result of this project, and the Rural Development Program in general, is to better enable key administrative and technical personnel of the government agencies, through on-the-job training and orientation, to carry out rural development activities.

C. Progress Toward Achievement of Activity Targets

The measurement of progress toward achievement of activity targets for this project is made in terms of the various aspects of the Rural Development Program.

1. Work accomplished to June 30, 1959 and Estimated Completion Dates.

(a) Resettlement of Rural Families

Project 20-12-072 - Clearing, Land Preparation, Jeep Trails.

It is expected that all work on the project will be completed by June 30, 1961.

(1) Land use classification is completed.

(2) **Establishment and marking of boundaries for individual farm tracts is 95% completed.**

(3) Surveying of rights of way for roads within settlement areas is 70% completed.

(4) Construction of roads within settlement areas is 59% completed.

(5) Land clearing on individual farm tracts is 82% completed.

(6) Land drainage within settlement areas is 80% completed.

Project 20-99-111-Rural Community Services and Development

It is expected that all work on this project will be completed by December 31, 1961.

(a) Land use classification is completed.

(b) Establishment and marking of boundaries for individual farm tracts is 60% completed.

(c) Surveying of rights of way for roads within settlement areas is 60% completed.

(d) Plans and specifications for the construction of roads within settlement areas are 50% completed.

(b) Supervised Agricultural Credit Facilities

Project 20-14-073 - Supervised Agricultural Credit

It is anticipated that the project work plan as outlined will be completed by June 30, 1961.

(1) Policies and procedures for the Supervised Credit Program within the National Agrarian Bank are 95% completed.

(2) 28 field offices are established and in operation. 32 offices are planned.

(3) 78% of the planned field force has been trained and placed in the field. A field force of 80 is planned.

(4) Key administrative and technical personnel within the central office of the National Agrarian Bank have received from 6 months to 3-1/2 years of on-the-job training and orientation in the principles, purposes and procedures of supervised agricultural credit. This involves approximately 25 positions.

(c) Administration, Health and Education Facilities and Services.

Project 20-99-075- Administrative Facilities

It is expected that all work on this project will be completed by June 30, 1961.

(1) Construction of administrative offices, nuclear school buildings and nuclear clinic buildings is 55% completed. Construction of satellite school and clinic buildings is 40% completed.

(2) Construction of housing for administration and service personnel is 65% completed.

(3) Construction of water systems for nuclear administrative centers is 50% completed; for satellite centers 11% completed.

(4) Construction of sewerage systems for nuclear administrative centers is 62% completed. Plans and specification for sewerage systems for satellite centers have been completed.

(5) The construction of electrical systems is 18% completed.

Project 20-99-111 - Rural Communities Services and Development.

It is anticipated that all work on this project will be completed by December 31, 1961.

(1) Programming of funds has been completed for the construction of school and clinic buildings, for the purchase of school and clinical supplies and equipment, and for the salaries of health and education personnel.

Project 20-99-079 - School Services

It is expected that all work on this project will be completed by June 30, 1961.

This project is administered by the Education Servicio.

Reports indicate that:

(1) 58% of the planned teaching personnel has been trained and assigned.

(2) 67% of planned school equipment and supplies have been purchased.

Project 20-99-082 - Health Services

It is anticipated that all work on this project will be completed by June 30, 1961.

This project is administered by the Health Servicio.

Reports indicate that:

(1) 74% of the planned health personnel has been trained and assigned.

(2) 40% of planned medical supplies and equipment has been purchased.

(d) - Construction of Roads and Bridges

It is expected that all work on these two projects will be completed by December 31, 1961.

Project 20-99-083 - Project Access Roads

(1) Construction of farm-to-market access roads is 34% completed.

Project 20-31-107 - Bridges Construction

(1) Plans and designs are completed for the widening and improvement of 10 bridges.

(2) Plans and designs are 80% completed for the construction of the Gualan Bridge.

(e) Rural Housing and Potable Water

Project 20-99-091 Housing and Water Supply

It is anticipated that the project work plan as outlined will be completed by June 30, 1961.

(1) Construction of a saw mill with a capacity of 20,000 board feet per day 95% completed.

(2) Purchase of saw mill, logging and well drilling equipment completed.

(3) Logging operation equipped and fully functioning.

(4) Construction and equiping of prefabrication plant completed and fully functioning.

(5) Personnel trained and operating to provide supervision and limited skilled labor to organize and assist the self-help teams to construct their houses.

(6) Transportation facilities to deliver prefab materials to construct sites completed and fully functioning.

(7) Staff trained and fully functioning to operate two well drilling machines for development of safe water wells.

(f) Irrigation

Project 20-14-074 - Irrigation Works.

It is expected that all work on this project will be completed by June 30, 1961.

(1) Drilling and development of six wells is completed and all wells are producing. Construction of six irrigations systems is 50% completed.

(2) Study of hydrological characteristics is 20% completed.

(3) Study of cost and cultural factors is 20% completed.

2. Progress toward Achievement of Progress Targets

(a) Resettlement of Rural Families

(1) 2862 rural families have been resettled on economic-size farm units and have received titles.

(2) 150 rural families have been resettled on farm units less than economic-size and have received titles.

350 rural families have been resettled on farm units less than economic-size, but as yet have not received titles. Issuance of titles is imminent.

(b) Supervised Agricultural Credit Facilities

As of June 1959, the Supervised Credit Program of the National Agrarian Bank had granted 4,732 loans, totalling Q 2,707,216. These loans were made for farm operation, capital investment, farm improvement, and farm purchase.

Approximately 3700 small and middle-size farmers have received supervised credit loans and the technical assistance of field agents in farm management and planning. Most of their families have been resettled under the Rural Development Program. Included are loans made for the purchase of materials for the self-help construction of houses and for the drilling of water wells and the purchase and installation of pumps and motors.

(c) Administration, Health and Education Facilities and Services

(1) Administrative personnel are assisting the 2862 resettled families with general settlement problems. The Administrative facilities also provide housing for credit agents and agricultural extension agents who are providing credit and extension services to these families.

(2) 2358 resettled families are receiving limited school services. Surveys indicate that 70% of school age children within settlement areas are attending schools. This compares to 30% outside settlement areas. 1785 resettled families have access to adult night classes for the purpose of reducing illiteracy.

(3) 2406 resettled families are receiving limited clinical services. In addition to the treatment of individual infirmities, clinic facilities have been used to conduct the following health campaigns:

Anti-malaria campaign reaching 1200 families.

Anti-Tuberculosis campaign reaching 1290 families.

Nutrition campaign reaching 2800 families.

(d) Construction of Roads and Bridges

The construction of farm-to-market roads has provided access to the country's main highway system for 2249 farm families resettled under Program in the Pacific Coast region. These roads are also serving private farms located adjacent to the settlement areas and between the settlement areas and the Pacific Coast Highway.

(e) Rural Housing and Potable Water

(1) 381 houses have been built by resettled families under the self-help housing program. 252 of these have separate kitchens, and 218 separate latrines.

(2) 435 domestic water wells have been completed

with pumps and motors installed.

(f) Irrigation

(1) 950 acres of farm lands, involving 58 privately owned farms, have been placed under deep well pumping irrigation.

(2) The irrigated lands show a 500% increase over non-irrigated lands in the production of corn, beans and sesame. Without irrigation, these crops are harvested only twice in every 5 years. With irrigation, it has been demonstrated that two crops a year can be harvested.

(3) The commercial production of new crops has been demonstrated as the result of irrigation. These include tomatoes, sweet potatoes, egg plant, melons, cucumbers, yucca and rice.

(4) It has been demonstrated that irrigation makes possible the cultivation of better strains of corn and beans.

(5) The farmers susceptibility and adaptability to irrigation has been demonstrated.

(6) The annual income of the farmers whose land was placed under irrigation showed significant increases.

D. Nature of the U.S. Contribution

1. Previous Fiscal Years

U.S. Contributions to this project have financed the contract with the International Development Services, Inc. from FY 1955 through the first half of FY 1961 for the services of contract personnel and short term consultants. The number of personnel provided by the contract has grown with the expansion of the Rural Development Program from 5 to 19. The services of six short term consultants has been provided by this project through the IDS contract. These were: A six month assignment of an Agricultural Economist to advise on the drafting of a national agrarian law; a two month assignment of a Land Economist to advise on problems of land selection; a one month assignment of a Farm Management Specialist to advise on problems of land subdivision; a two month assignment of an Agricultural Credit Specialist to advise on development of supervised credit program; a six month assignment of a Geologist to advise on problems of ground water irrigation; a four month assignment of an Agricultural Credit Specialist to advise on supervised agricultural credit development.

2. Budget Year

In addition to the $50,000 requested for FY. 1959, another $50,000 is being requested for the budget year to extend the IDS contract to June, 1961.

Contract Technicians on board as of October 1959

1 Director

1 Administrative Officer

1 Planning Engineer

1 Ground Water Specialist

1 Irrigation Engineer

1 Agricultural Economist

1 Colonization Specialist

1 Rural Housing Specialist

1 Inspection & Certification Control Officer

1 Inspection & Certification Field Control Officer

1 Farm Management Specialist

1 Audit and Fiscal Central Specialist

1 Supervised Credit Specialist

3 Field Supervised Credit Specialists

1 Rural Development Specialist

The position of one agricultural planning specialist is vacant at the moment.

3. Future Fiscal Years

The nature and extent of U.S. contributions in future fiscal years cannot be anticipated at this time. The plans of the Guatemalan Government with regard to expansion, reduction or revision of the Rural Development Program have not been made clear.

E. Nature of Cooperating Country Contribution

The Government of Guatemala has provided the U.S. contract personnel for the purpose of this project with office space and equipment, translating and interpreting services, secretarial assistance, supplies, materials and local transportation. It will continue to provide these services and facilities through FY 1961.

For the purposes of the Rural Development Program in general the Guatemalan Government has contributed the services of administrative, technical and other personnel necessary to carry out the various projects.

The nature and extent of the Guatemalan Government's specific contributions to the Rural Development Program is described in the E-1 sheets of the separate projects.

F. Contributions from Other Sources and Relationship to Other Projects.

There have been no contributions to this project, and none are anticipated, from other sources.

G. Financial Considerations

Contract financing for the calendar year 1960 has been

provided from prior year's TC funds. The additional $100,000 to be derived from FY 1959 and FY 1960 funds will be sufficient to extend the contract to June 30, 1961.

H. Cooperating Country - USOM Coordination

The Rural Development Program was originally formulated by the G.O.G., specifically the National Planning Council, the Official of the Government for Technical Cooperation Affairs, and the various Ministries, with the assistance of the International Development Services, Inc., and submitted to the USOM for consideration.

The initial request by the G.O.G. for technical assistance was for five technicians. Subsequently, requests have been made by the various participating ministries and agencies for expanded technical assistance. These requests have been reviewed and approved by the Office of the Official of the Government for Technical Cooperation Affairs and the USOM.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 1, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COUNTRY ECONOMIC PROGRAM	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-14-073	E-1
						PROJECT TITLE: Supervised Agricultural Credit		

1

PROJECT BEGINS FY 56 ENDS FY 60

	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) (1) Technicians Authorized: Non-Contract	(1) Contract	(2) Participants: Non-Contract U.S.	(2) Non-Contract 3rd Country	(2) Contract
		Dollar Obligations ($1,000)							L/C Commitments or Obligations						Numbers of People				
A. All Prior Years	SA	1,366				207	1,159						5,684						
B. Net Deob.-Reob.	SA	-				-	-												
Current Funds	SA	-				-	-												
Total Actual Year FY 59	SA	-				-	-												
C. Operational Year FY 60	-								270			270							
D. Budget Year FY 61	-																		
E. All Subsequent Years	-																		
F. Total All Years	SA	1,366										270	5,684						

2

Dollar Obligation and Expenditure: FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	SA	721	636	645	-	636	107	529	645	104	541		541	100	441
Actual Year FY 59	SA				-	-	-	-	-	-	-		-	-	-
Operational Year FY 60	SA											-	-	-	-
TOTAL	SA	721	636	645	-	636	107	529	645	104	541	-	541	100	441

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 6 SHEETS TO THIS PROJECT

Problems Addressed:

Poor Environment for Economic Development

A. General Description of the Project

The purpose of this project is to establish and develop within the National Agrarian Bank a supervised agricultural credit program to meet the agricultural credit needs of Guatemala's small and middle-class farm families, particularly farm families resettled under Guatemala's Rural Development Program.

The principal long term goals of this project are embodied in those of the Rural Development Program, which are described in Project 20-14-005. This project is one of eleven within the framework of that Program. Six of the U. S. contract technicians provided by Project 20-14-005 are assigned to the National Agrarian Bank to render technical advice and guidance in establishing and developing supervised agricultural credit facilities.

Agricultural credit in Guatemala has been grossly inadequate. Only a small fraction of what is needed is made available by regular banking institutions. Most of it goes to large commercial export operations. The small farmer, when he could get it, has been forced to turn to private lenders for short term, high cost loans.

This project aims to furnish small and middle class farmers with more credit facilities at a less cost under longer repayment periods. It supplements the family resettlement aspect of the Rural Development Program by providing adequate agricultural credit to the resettled families under terms and conditions they can meet.

The ability of farm families resettled under the Rural Development Program to develop their farms from raw land to fully productive operations depends to a large measure on the availability of adequate credit. Without it, the resettled families would be unable to develop the potential of their land and would be forced to conduct subsistence operations, regardless of the size of their farms.

To provide the needed source of credit, of the kind required by resettled families for the effective development of their farms, supervised agricultural credit was made an integral part of the Rural Development Program under this project, and introduced to Guatemala for the first time. It has since been expanded to serve small and middle class farmers outside of the Program's settlement areas.

Loans are made for annual farm operating expenses, long term farm development, long term capital investment, and farm purchase. Long term farm development loans are granted the resettled families for the purchase of materials in the self-help construction of houses and the drilling of safe water wells and the purchase and installation of pump and motors, as carried out under project 20-99-091.

In addition to loans, Supervised Agricultural Credit provides families resettled under the Program on economic-size farms with the technical assistance of trained field loan agents in farm planning and management. Most resettled families, previously subsistence farmers, have not had prior experience in the development and management of economic-size farms.

This project was initiated in FY 1956. It includes six major aspects:

a. The provision of loan and operating funds.

b. The revision of existing, and the establishment of new, loan policies and procedures within the National Agrarian Bank to fulfill the requirements and objectives of the Supervised Agricultural Credit Program.

c. The establishment of 32 field loan offices.

d. The technical training and assignment of a field staff of 80 field loan agents.

e. The revision and improvement of fiscal control system of the National Agrarian Bank to meet the operational needs of the Supervised Agricultural Credit Program, and the establishment of a continuous field audit system.

f. The on-the-job training and orientation of 25 key administrative and technical personnel of the National Agrarian Bank in the principles, objectives and procedures of supervised agricultural credit.

B. Specific Activity Targets or End Results of the Project

To establish within the National Agrarian Bank an effective and adequate supervised agricultural credit facilities to meet the needs of Guatemala's small and middle-class farmers, particularly those resettled under the Rural Development Program, and to provide loan and operating funds.

C. Progress Toward Achievement of Activity Targets

a. Work Accomplished to Date

1. The revision and establishment of loan policies and procedures has been 95% completed. This includes preparation of manuals; loan application, processing and closing forms; loan closing procedures; preparation of legal forms and loan security servicing and regulations;

2. 28 field loan offices have been established and are operating;

3. 60 field loan agents have been trained and assigned to field offices;

4. Revision and improvement of fiscal control systems of the National Agrarian Bank has been 80% completed, and the establishment of a continuous field audit system and training of audit personnel 60% completed;

5. 25 key administration and technical personnel of the National Agrarian Bank have received from 5 month to 3-1/2 years of training and orientation in the principles, objective and procedures of supervised credit.

b. Work Remaining to be Done

1. Complete revision and establishment of loan policies and procedures;

2. Establish 4 field loan offices;

3. Train and assign 20 field loan agents;

4. Complete revision and improvement of fiscal control

system, and complete establishment of continuous field audit system and training of audit personnel;

5. Continue on-the-job training and orientation of key administrative and technical personnel of the National Agrarian Bank.

c. Progress Toward Achievement of Progress Targets

As of June, 1959, approximately 3,700 small and middle-size farmers have received supervised credit loans and the technical assistance of field loan agents in farm planning and management. 4,732 loans have been granted, totalling Q2,707,216.00. The loans were made for farm operation, capital investment, farm development, and farm purchase. 78% of the families have been resettled under the Rural Development Program.

D. Nature of U. S. Contribution

a. The FY 1956, 1957 and 1958 U. S. contributions to the project total $1,636,220. Of this, $1,366,220 represents Special Assistance funds and Q270,000 U.S. owned Section 402 local currency funds. The latter was made as part of the FY 1958 pontribution.

The U. S. contribution has provided in part loan and operating funds, specifically:

1. Loan funds ($800,000);

2. The purchase of vehicles (46 jeeps and station wagons) and equipment and supplies for field loan offices;

3. salaries for administration and field personnel of the National Agrarian Bank involved in the Supervised Credit Program.

b. Budget Year

There will be no U.S. contribution to the project in FY 1961. Previous year contribution will provide in part loan and operating funds for the continuation of the project through December 1960.

c. Future Fiscal Year

There will be no future year contribution to the project.

E. Nature of Cooperating Country Contribution

Revised Government of Guatemala contribution for FY 1956, 1957 and 1958 consist of Q4,700,000 in cash (from national revenue) and Q984,000 in kind.

Of this, Q2,501,840 in cash and Q384,000 in kind has been turned over to the project.

The cash contribution has provided in part:

a. Loan funds (Q2,241,15[illegible]);

b. Operating expenses consisting of operation and maintenance of vehicles, salaries for administrative and field supervised

credit personnel, and the purchase of field loan office equipment (Q260,385);

In kind contribution has provided office space, clerical and administrative assistance in the central office and branhhes of the National Agrarian Bank, office equipment and supplies, and public services.

No cash contribution to the project has been planned or budgeted by the Government of Guatemala for FY 1960 or 1961. Previous year contribution will provide in part loan and operating funds for the continuation of the prpject through December, 1960.

The plans of the Government of Guatemala for the continuation, reduction or expansion of the Supervised Agricultural Credit Program beyond that date have not been stated. Future year contribution, therefore, cannot be anticipated at this time.

The continuation of the Supervised Credit Program through December, 1960 will require the Government of Guatemala to make in kind contribution for FY 1960 and 1961, consisting of office space and equipment, clerical and administrative assistance of the central office and branches of the National Agrarian Bank, and public utilities and services.

F. Contribution from Other Sources and Relationship to Other Projects

No contribution has been made to the project, and none are anticipated, from other sources.

G. Financial Considerations

The U. S. FY 1956, 1957 and 1958 contribution of $1,636,220 terminates the U. S. contribution to the project. This contribution will provide in part loan and operating funds for the continuation of the project through December, 1960.

A large pipeline has resulted from the fact that the USOM has withheld part of its funds in view of the failure of the Government of Guatemala to meet certain terms of the project agreements and to fulfill its cash contribution commitment for FY 1958.

The Government of Guatemala has failed to introduce certain changes, as agreed to in project agreements, in the Organic Law of the National Agrarian Bank and the Bank's Board of Directors has failed to take administrative measures which are essential to the full operation of the Supervised Credit Program. Such changes are necessary to reduce the period of loan closing and the cost of loan processing, and to make security requirements more consistent with the objectives of the project. Presnnt features of the Organic Law and the administrative policies of the National Agrarian Bank, particularly regarding security requirements, restrict the accessibility of supervised credit loan assistance to small farmers and lessees, and preclude the full adequacy of the Supervised Credit Program. Further, the Board of Directors has put in force certain policies governing loan approval security requirements which are contrary to the objectives of the project.

Because of lack of funds, the Government of Guatemala has failed to make its contribution of Q1,200,000 for FY 1958. At the date of this writing, statements made by the Office of the Official of the Government for Technical Cooperation Affairs indicate that this commitment will be met before the end of calendar year 1959.

Future year contribution to the project by the Government of

Guatemala cannot be anticipated because the Government has not stated its future plans for the project.

Previous U.S. and Government of Guatemala contributions provide loan and operating funds for the continuation of the Supervised Credit Program through December, 1960. Officials of the Guatemalan Government indicate desire for its permanent continuation.

H. Cooperating Country - USOM Coordination

The plans embodies in this E-1 have been prepared by the National Agrarian Bank with the assistance of IDS contract personnel. The plans were reviewed and approved by the Manager of the National Agrarian Bank and IDS contract personnel representing the USOM. The Government of Guatemala financing was approved by the Office of the Official of the Government for Technical Cooperation Affairs and the Office of the President.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 5, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COUNTRY ECONOMIC PROGRAM	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-29-010	E-1

PROJECT TITLE: Industrial Development

1

PROJECT BEGINS FY 55 ENDS FY 66	(A) Function of Funds	Dollar Obligations ($1,000) (1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract U.S.	3rd Country	Contract
A. All Prior Years	TC	169	55	60	23	2	29						7						
B. Net Deob.-Reob.	TC	(8)	--	(8)		--													
Current Funds	TC	61	28	6	15	--	12												
Total Actual Year FY 59	TC	53	28	(2)	15	--	12						22		1	4	4		
C. Operational Year FY 60	TC	60	19	7	22		12								1	8	4		
D. Budget Year FY 61	TC	60	21	7	20		12								1	5	4		
E. All Subsequent Years	TC	250																	
F. Total All Years	TC	592																	

2

Dollar Obligation and Expenditure: FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	TC	130	23	39	(8)	23	21	2	31	13	18		18	18	--
Actual Year FY 59	TC				61	61	44	17	61	36	25		25	25	--
Operational Year FY 60	TC											60	60	40	20
TOTAL	TC	130	23	39	53	84	65	19	92	49	43	60	103	83	20

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

Problems Addressed:

Poor Environment for Economic Development

1. General Description of the Project

This project aims at encouraging accelerated industrial development through technical assistance to the Guatemalan Industrial Development Center, an office of the Ministry of Economy. The establishment of new industries is encouraged through the analysis and identification of development opportunities and bringing them to the attention of potential investors. Increasing production and productivity is stimulated in existing industries through the introduction of improved management practices and technical processes.

Assistance is carried out through training programs on the broad aspects of business administration and assistance to industry groups. Both types of programs are carried out by bringing short term consultants to Guatemala and by sending study teams abroad for study.

2. Specific Activity Targets

Until such time as the Government of Guatemala demonstrates a more active and substantial support of the industry program of the USOM the specific activity targets of the project will remain quite limited in scope. Essentially the activity targets of the project as it is now operating are confined to improvement of management practices and technical productivity of existing industries and attempts to change attitudes.

a. This is reflected in attempts to provide Guatemala with a climate favorable to direct investment of both local and foreign capital through appropriate legislation, simplified regulations and sympathetic Government attitudes towards investors in extractive industries, manufacturing, transportation, trade and tourist facilities.

b. Encouragement is given to private management to demonstrate a greater willingness to invest in productive private enterprise; to change the emphasis from low-volume, high-markup policies to high-volume, low-markup policies; to improve labor-management relations to recognize the dignity of workers and their need for decent wages; and to stimulate technical improvements in equipment, processes, methods to increase productivity or plants and workers, and to improve the quality of finished products.

c. Changes in the attitudes of the administrators of credit institutions are encouraged which will make these agencies more responsive to the legitimate credit needs for industrialists, especially for medium and long term credit.

d. Discussions with groups directly interested in tourism should lead to the development of an important source of foreign exchange income through increased hotel, dining and recreational facilities.

3. Progress Toward Achievement of Project Activity Targets

Work Accomplished to Date

Since the establishment of the Guatemalan Center for Industrial Development the cooperative program concentrated largely on improvement of management and technical productivity. Following is a brief summary of activities:

COUNTRY ECONOMIC PROGRAM

a. Management Improvement

Activities in this field were concentrated initially on top management and distribution problems, with a total of 158 businessmen participating. A Top Management Seminar inaugurated management improvement activities attracting 80 participants; 10 participants were selected to make up a Management/Labor Relations Study Team to study practices in the U.S.; 30 participants attended a Sales Management Seminar (Selection and Training of Salesmen); 48 participants attended a Sales Management and Marketing Seminar. Activities cited stimulated interest which culminated in the establishment on July 25, 1959 of the Association of Managers of Guatemala (Asociación de Gerentes de Guatemala) with broad goals of improving management skills and expanding the pool of young managers. While still in the embryonic stage an aggressive, young management group is actively pushing a membership drive and a sound service program. Establishment of the management association was a major step forward and future management improvement activities will be channeled through this association.

b. Technical Productivity

Initial activities in this field were aimed at improvement of productivity in construction and allied industries and in consumer goods industries.

Construction and allied industries: -- Short term consultants worked in the following fields: Building Products (cement and clay products, including a preliminary evaluation of raw material availability); Ceramics (tile and vitreous ware including evaluation of raw material availability for sanitary ware production); Foundry and Machine Shop Practice; Saw Mill operations (including handling of timber from forest to mill and an analysis of problems caused by lack of grading and standards). These activities were complemented by Study Team visits to the U.S. to evaluate practices and possible Guatemalan adaptations in the following fields: Saw Mill/Furniture Team (7 participants); Construction Methods Study Team (12 participants).

Consumer goods -- Short term Consultants also provided advice and guidance in the following consumer goods fields: Textile Manufacturing (for the domestic market), Shoe manufacturing, garment industry.

In-country training -- Short term consultant services were also provided to evaluate industrial safety practices and Government inspection services and a short training course was given Government safety inspectors. ICA technical staff conducted a short training course covering Basic Industrial Engineering Principles and Applications for 24 representatives of 16 diverse industries.

Productivity activities were conducted in cooperation with the Chamber of Industries. Preliminary evaluations of specific results have been reported to ICA/W immediately following completion of the activity scheduled. Further evaluation of long term results are under study and will be reported as developments occur.

c. Work Remaining to be Done

Problems -- Progress has been largely

concentrated in activities leading to improvement of management and technical productivity of existing industries. Activities designed to stimulate new investment and aid in the development of new industries have been strictly limited. Reasons include: recognized weaknesses in objectives, organization and operations of the Center, and staff competence; existence of other Government activities having some part in shaping decisions affecting industrial development without coordination or collaboration; relatively low position of the Center within the organizational structure of the Ministry of Economy with inevitable reduced acceptance by the private sector; basic investment climate defects; lack of tenure of Ministers and other high officials with resultant lack of continuity of policy; with the result that programmed funds have been limited largely to management and productivity support.

To eliminate weaknesses cited a re-evaluation of the industry project's point of working support within the Government (the Center) is being conducted with the Minister of Economy and other high officials. There appears to be preliminary agreement of the need to coordinate the diverse activities and the desirability of placing the responsibility for coordinated action under one Agency. The National Economic Planning Council was tentatively suggested by the Minister of Economy as a possible center for such activities. It is too early to predict precise changes which may be made but evaluation of possible moves and legal problems involved are under study by the Minister of Economy.

Establishment of a new central point of contact within the Government of Guatemala will necessitate re-training an expanded organization with broader responsibilities. Future program projections and timing reflect these needs. It should be noted that presently programmed funds will provide for continuance of productivity projects but will not provide for full coverage of the total program outlined.

4. Nature of the U.S. Contribution

a. Previous Fiscal Years

The Industrial Development Project was established late in FY 1955. The U.S. contributed one Industry Officer to provide project direction and consultants and other services generally covered under "Progress toward the Achievement of Activity Targets".

b. Budget Year

In FY 1961 the USOM will continue to provide the services of an Industry Officer to direct the project. A total of $60,000 is programmed as follows: 20,000 for technicians; $6,000 for participants; $22,000 for contract services; and $12,000 for Other Costs. Breakdown follows:

Technician

Industry Officer (Chief Industry Division) Occupational Code 2115000, FSR-3 (Position number 69)		20,000

Participants

Clothing Productivity Study Team to U.S. (4 participants)	4,000	
Tanning Industry Study Team (Mexico) (3 participants)	2,000	6,000

Contract Services

Industrial Engineering Training Courses (6 months)	8,000	
Marketing Management and Research Seminar (3 weeks)	2,000	
Cost Accounting Courses (3 months)	4,000	
Preventive Maintenance Training (3 months)	4,000	
Feasibility Study (Integrated Forest Products Industry)	4,000	22,000

Other Costs

Assistant to Chief, Industry Division	6,300	
Bilingual Secretary	2,400	
Translations and publications costs	1,000	
Technical aids, equipment, transportation, miscellaneous	2,300	12,000

c. Future Fiscal Years

The level of project expenditures for future fiscal years will be determined on the basis of the level of support given the project by the GOG.

5. Nature of Cooperating Country Contribution

The GOG budget for the Center (salaries, including the Director, an engineering assistant, 3 administrative personnel and office expenses) have averaged $23,000. In addition the GOG has provided about $6,000 annually to pay for interpreters, per diem and other in country expenses in support of ICA consultants. Office space, includes a library and auditorium which has been used for seminars and conferences. The Ministry of Economy pays $4,000 annually for the space used. Total GOG contributions thus approximate $33,000.

6. Contribution from Other Sources and Relationship to Other Projects

a. Associations, individual firms, and/or individuals, through fees charged for seminars or courses or productivity improvement services, have made cash contributions which have been applied toward the payment of in-country expenses of projects, such as per diem of consultants and incidental expenses of specific projects. In FY 1959 such cash contributions from the private sector totalled approximately $4,000.

b. An additional project coordinated by the Industry Division of this Mission, "Advice on Development Agency", provides for a survey of the Institute for the Development of Production (INPRO). The project's aim is the transformation of INPRO into a more effective instrument for the realization of economic development goals. Survey findings and action taken on these findings will be taken into consideration in any final decision as to the location of an effective "center" for the cooperative industrial development project.

7. Financial Considerations

There are no financial considerations which require special comment. Pipeline has been small. At the end of FY 1959 funds carried over by specific ProAgs totalled $19,309.00.

8. Cooperating Country -- USOM Coordination

Total project plans, including continuance of productivity improvement activities and projected expansion to include more effective support of new industry development work have been discussed in several conferences with the Minister of Economy,

his second in command the Sub-Secretary of Economy, the Coordinator-Director of the Guatemalan Center for Industrial Development; and the Executive Secretary of the National Economic Planning Council; with general agreement reached to explore ways and means of implementing the project.

Sub-projects scheduled, covering management improvement support have been discussed with the program committee of the Association of Managers of Guatemala and technical cooperativity sub-projects with the President and program liaison representative of the Chamber of Industries as well as with the Government officials mentioned above. General approval has been granted sub-projects scheduled.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: Sept. 15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO.: 20-29-092	E-1

COUNTRY ECONOMIC PROGRAM

PROJECT TITLE: Advice to Government on Development Agency

1

PROJECT BEGINS FY 58 ENDS FY 60	(A) Function of Funds	Dollar Obligations ($1,000) (1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract U.S.	Non-Contract 3rd Country	Contract
A. All Prior Years	TC	40			40														
B. Net Deob.-Reob.	TC	--			--														
Current Funds	TC	--			--														
Total Actual Year FY 59	TC	--			--														
C. Operational Year FY 60	--	--														2			
D. Budget Year FY 61	--	--																	
E. All Subsequent Years	--	--																	
F. Total All Years	TC	40																	

2

Dollar Obligation and Expenditure: FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	TC	--	40	40	--	40	15	25	40	--	40		40	40	--
Actual Year FY	TC				--	--	--	--	--	--	--		--	--	--
Operational Year FY												--			
TOTAL	TC	--	40	40	--	40	15	25	40	--	40	--	40	40	--

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 3 SHEETS TO THIS PROJECT

COUNTRY ECONOMIC PROGRAM

ADVICE ON DEVELOPMENT AGENCY

Problem Addressed:

Poor Environment for Economic Development

1. General Description of the Project

The Institute for the Development of Production (INFOP) is an economic development institute and development bank, with extremely broad powers, whose operations had bogged down to the point where assistance in re-evaluation and re-organization was requested by the Government of Guatemala (GOG). This project provides consultant services to the GOG to analyze objectives, operations, and policies of INFOP with a view to making recommendations for transforming it into a more effective instrument for stimulating economic development through the private sector.

As planned the requested advice and assistance will necessitate a two phase survey. Phase (I) should develop an outline of desirable economic objectives, functions, organization and inter-relationship of INFOP with other government as well as private activities. It should also pinpoint more precisely desirable follow-up services necessary to achieve project goals. Phase (II) will depend upon the findings and recommendations of the first phase and implementation decisions taken by the GOG.

2. Specific Activity Target

Re-vitalization of INFOP to make it a more effective instrument for the realization of economic development goals.

3. Progress Toward Achievement of Activity Target

a. Work Accomplished to October 1959

First Phase analysis has been completed but findings have not yet been received.

b. Work Remaining to be Done

Further action is dependent upon reaction to first phase survey findings and decision as to implementation of recommendations to be made.

4. Nature of the U.S. Contribution

a. Previous Fiscal Years

A contract was signed with the Continental Allied Co., Inc. to carry out the first phase of the survey. A maximum of $14,000 has been committed under the contract cited above to cover the first phase, with $26,000 programmed for follow-up implementation. A total of $40,000 has been programmed under the terms of a Project Agreement which committed FY 1959 funds.

b. Budget Year

No further contributions are programmed.

5. Nature of the Cooperating Country Contributions

Office space, secretarial service and in-country transportation is provided.

6. Relationship to other Projects

Survey findings and action taken on these findings will be taken into consideration in any final decision as to the location of an effective "center" for the cooperative industrial development project.

7. Financial Considerations

No further U.S. contributions are planned. However, a revitalized INFOP undoubtedly will require substantial re-financing. The question of amount is so dependent upon action taken on the current survey that no realistic estimate can be made until the survey is completed and GOG implementation action is known.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 6, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-31-057	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Atlantic Highway		

1

PROJECT BEGINS FY 56 ENDS FY 59	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract: U.S.	3rd Country	Contract
A. All Prior Years	SA	11,248	-	-	-	-	11,248		1,457			1,457	14,204						
B. Net Deob.-Reob.																			
Current Funds																			
Total Actual Year FY 59	-	-							800			800							
C. Operational Year FY 60	-	-																	
D. Budget Year FY 61	-	-																	
E. All Subsequent Years	SA	11,248																	
F. Total All Years												2,257							

2

Dollar Obligation and Expenditure: FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	SA	11,248													
Actual Year FY 59	SA														
Operational Year FY															
TOTAL	SA	11,248	-	-	-	-	-	-	-	-	-	-	-	-	-

Dollars (Thousands)

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS PROJECT

Problems Addressed:

Poor Environment for Economic Development

A. General Description of the Project

The purpose of this project was to help the Government of Guatemala finance the construction of an all weather paved highway connecting the Capital with the Atlantic Ports of Gálvez (formerly Santo Tomás) and Puerto Barrios.

B. Specific Activity Targets or End Results of the Project

The total length of this road is approximately 185 miles. The road consists of three principal sections:

Guatemala City to Trapichito	14 miles
Trapichito to El Rancho	35 miles
El Rancho to Gálvez and Puerto Barrios	136 miles

C. Progress Toward Achievement of Project Activity Targets

In FY 1959 this project was completed with the exception of a short stretch of approximately 4 miles just outside of Puerto Barrios. It is anticipated that this section will be completed during October 1959.

D. Nature of the U. S. Contribution

The total U. S. contribution to this project consisted of $11,248,000 in Special Assistance Funds, all of which had been spent by June 30, 1958. There is, therefore, no unobligated balance for future expenditure. In addition a total of $2,257,000 in U. S. owned MSP local currencies was allotted to this project in FY'59 and prior years.

E. Nature of the Cooperating Country Contributions

The Government of Guatemala has contributed the equivalent of $14,204,000 to this project. These funds were appropriated from national revenues.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 6, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-31-070	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Pacific Slope Highway		

1 PROJECT BEGINS FY 56 ENDS FY 59

	(A) Dollar Obligations ($1,000)								(B) L/C Commitments or Obligations					(C)	(D) Numbers of People				
	Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	Other External Financing	(1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract: U.S.	(2) Participants: Non-Contract: 3rd Country	(2) Participants: Contract
A. All Prior Years	SA	2,906					2,906		1,200			1,200	5,362						
B. Net Deob.-Reob.	SA																		
Current Funds	SA																		
Total Actual Year FY 59	SA	-					-		600			600							
C. Operational Year FY 60	-	-																	
D. Budget Year FY 61	-	-																	
E. All Subsequent Years	-	-																	
F. Total All Years	-	2906 -										1,800							

2

FY Source of Funds	Function of Funds	(A) Total All Prior 58: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY 60	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure: All Prior Years	SA	2,906													
Actual Year FY 59	SA														
Operational Year FY	SA														
TOTAL	SA	2,906	-	-	-	-	-	-	-	-	-	-	-	-	-

Problems Addressed:

See continuation sheet

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS PROJECT

Problems Addressed:

Poor Environment for Economic Development

A. General Description of the Project

The purpose of this project is to help the Government of Guatemala finance the construction of the Pacific Slope Highway (Ends), which with the central sections, will provide an international highway from the border of Mexico to the border of El Salvador.

B. Specific Activity Targets or End Results of the Project

The specific activity is to complete the remaining section of this highway by the end of 1960. The length of the West Section is about 45 miles and the East Section is about 42 miles long.

C. Progress Toward Achievement of Project Activity Targets

Paving of the East section is about 52% completed and of the West Section about 40% completed as of October 1, 1959. All work except paving has been completed.

D. Nature of the U. S. Contribution

The U. S. contribution to this project has consisted of $2,906,000 in Special Assistance funds and $1,800,000 in U. S. owned MSP local currency. All of the Special Assistance funds had been expended by the end of FY'58.

E. Nature of the Cooperating Country Contribution

The Government of Guatemala contributed the equivalent of $5,362,000 to this project. This includes a part of the proceeds from an IBRD loan of $18,000,000 for Guatemala's highway construction program granted in 1955 to cover the foreign exchange costs of the GOG highway program. This project was only one of several included in the IBRD financing.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 6, 1959	[x] ORIGINAL / [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-31-083	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Access Roads - Rural Development		

1

PROJECT BEGINS FY 56 ENDS FY 62

	(A) Dollar Obligations ($1,000)								(B) L/C Commitments or Obligations					(C)	(D) Numbers of People				
	Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	Other External Financing	(1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract: U.S.	(2) Participants: Non-Contract: 3rd Country	(2) Participants: Contract
A. All Prior Years	SA	1,375			639	82	654						2,400						
B. Net Deob.-Reob.	SA																		
Current Funds	SA																		
Total Actual Year FY 59	SA																		
C. Operational Year FY 60	-	-										325							
D. Budget Year FY 61	-	-																	
E. All Subsequent Years	-	-																	
F. Total All Years	SA	1,375										325	2,400						

2

	FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	SA	104	1,206	1,272	-	1,206	118	1,088	1,271	173	1,098		1,098	400	698
	Actual Year FY 59	SA				-	-	-	-	-	-	-		-	-	-
	Operational Year FY 60												-			
	TOTAL	SA	104	1,206	1,271	-	1,206	118	1,088	1,271	173	1,098	-	1,098	400	698

Problems Addressed:

Poor Environment for Economic Development

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 4 SHEETS TO THIS PROJECT

A. General Description of the Project

This is one of the Rural Development Program projects. The purpose of the project is to provide or improve the highway access from the primary highway system of the country to rural areas, particularly the resettlement areas being developed under the program. The success of the program in these areas is greatly dependent upon providing adequate year-round access to the commercial and cultural centers of the country. Previously most of these areas could be reached with motor vehicles only during the dry season over unimproved roads and most of the year heavy hauling was impossible. In addition to providing access to the resettlement areas the project also benefits a large number of large and small farmers whose land lies adjacent to the newly constructed roads.

This project shares the principal long term goals of the Rural Development Program, which are described in Project 20-14-005. Work began on the construction of access roads in 1956, though not under the present agreement and project number, and has progressed slowly since that time. Generally these access roads are being constructed on the Pacific Coast slope and provide access from the Pacific Highway to rural areas between the highway and the coast. This area is currently the fastest developing and most productive in Guatemala and these farm to market type roads fill and important need.

The type of roads being built are of a secondary standard with gravel surfacing, however, the grading and drainage is to a standard that would permit conversion to a primary paved highway at a later date. The project also includes the installation of Bailey bridges or other simple stringer bridges as needed.

To date the General Directorate of Highways, under the Ministry of Communications and Public Works, and the General Directorate of Agrarian Affairs has constructed approximately 100 kilometers of these roads. Initially this phase of the program was executed by the Directorate of Agrarian Affairs but currently the project is under the Directorate of Highways. Planning and construction are currently underway on an additional 150 kilometers and 6 medium sized bridges are to be constructed.

Technical assistance and guidance to DGC on the project is provided by one U.S. contract technician and two engineers from the U.S. Bureau of Public Roads.

B. Specific Activity Targets or End Results of the Project

To provide by July 1961 adequate farm to market year-round access roads for the 5000 or so families being resettled under the Rural Development Program and to many other rural families living adjacent to the resettlement projects and the new access roads.

C. Progress Toward Achievement of Activity Targets

1. Work Accomplished to Date

a. 100 Kms. of road have been completed;

b. Plans and specifications are nearing completion on 46 additional Kms. This work will be placed under contract in the near future;

c. One Bailey bridge has been installed and plans are being prepared for five more.

2. Work Remaining to be Done

a. Work remaining includes the field surveys, preparation of plans and letting of contracts on approximately 100 Kms.;

b. The construction of approximately 150 Kms.;

c. The installation of 5 Bailey bridges.

3. Progress Toward Achievement of Activity Targets

Approximately 2300 families in resettlement areas and many more in adjacent rural areas have been provided with adequate year-round access to the principal urban centers of the country.

D. Nature of the U.S. Contribution

1. Previous Fiscal Years

Special Assistance funds were contributed in FY 1957 and 1958 in the amount of $1,375,000 and Q325,000 of Section 402 junds were made available in FY 1958. These funds have been used to:

a. Finance the force account and contract construction of roads and bridges;

b. Purchase 5 Bailey bridges and 2 vehicles;

c. Pay salaries of technical and supervisory personnel assigned to the project operations.

2. Budget Year

Funds currently available from FY 1957 and 1958 contributions are sufficient to complete the project. It is contemplated these funds will be used during FY 1960 and 1961 and that the project will be completed by July 1961.

The continuing services of one contract technician and two from BPR will be made available until the project is completed.;

3. Future Fiscal Years

There will be no future fiscal year contributions to the project.

E. Nature of the Cooperating Country Contribution

The GOG has made a cash contribution of Q138,000 to the project to date. These funds have been used as follows:

1. To purchase rights of way where necessary;

2. To pay salaries and travel expenses of technical, supervisory and clerical personnel;

3. To finance force account construction of bridges;

4. To purchase construction materials, engineering materials and vehicles.

The contribution in kind which consists of rights of way and general office services has not been evaluated to date.

F. Contribution from Other Sources and Relationship to Other Projects

1. Other Sources

In several cases landowners with holdings along the new road locations have contributed the required rights of way at no cost. In some other instances negotiations are under way to arrange for the adjacent landowners to make direct cash contributions to assist with construction of the new road.

2. Relationship to Other Projects

This project is vital and necessary to the successful accomplishment of the resettlement goals of the Rural Development Program. In addition it makes possible the realization of the full benefits envisaged in construction of the Pacific Highway through creation of network of secondary roads which join the rural areas with this highway.

G. Financial Considerations

The U.S. contribution in FY 1957 and 1958 terminates the U.S. contribution to this project.

It is estimated that the GOG contribution in cash will be Q200,000 for FY 1960 and 1961. This will represent the GOG contribution for completion of the project. GOG will continue to make contributions in kind by providing rights of way and general services.

Annual recurring costs for maintenance of the roads and bridges will be paid by GOG.

H. Cooperating Country - USOM Coordination

The plans embodied in this E-1 have been jointly prepared by the General Directorate of Roads, IDS and BPR. The plans were reviewed and approved by the Ministry of Communications and Public Works and by the Office of the Official of the Government for Technical Cooperation.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-31-107	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Bridge Construction		

1

PROJECT BEGINS FY 60 ENDS FY 62	(A) Dollar Obligations ($1,000): Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations: (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People: (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract: U.S.	3rd Country	Contract
A. All Prior Years	-	-																	
B. Net Deob.-Reob.																			
Current Funds																			
Total Actual Year FY 59	-	-																	
C. Operational Year FY 60	SA	404					404		196			196	50						
D. Budget Year FY 61	-	-																	
E. All Subsequent Years	-	-																	
F. Total All Years	SA	404										196	50	-					

2

Dollar Obligation and Expenditure: FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	-												-		
Actual Year FY 59	-												-		
Operational Year FY 60	SA											404	404	200	204
TOTAL	SA	-	-	-	-	-	-	-	-	-	-	404	404	200	204

Problems [illegible]

See continuation sheet

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 4 SHEETS TO THIS PROJECT

Bridge Construction

Problems Addressed:

Poor Environment for Economic Development

A. General Description of the Project

This is a new project designed to supplement the Access Road Program under the Rural Development Program. The purpose of the project is to provide assistance with prior years' ICA Special Assistance funds and technical help to improve or construct certain bridges at strategic locations which will facilitate access to rural areas. In some cases the highways have been improved but old and inadequate bridges limit their usefulness, especially, for heavily loaded trucks. In other cases the construction of a bridge is the key factor in providing adequate year around access to an isolated area.

The plan for this project contemplated the following accomplishments.

1. To widen and strengthen 7 bridges on the Pacific Coast Highway.

2. To widen and strengthen 3 bridges on the Inter-Ocean Highway.

3. To construct a new bridge across the Motagua river at Gualán. At present there is no highway bridge across this river between Zacapa and Puerto Barrios, a distance of about 180 kms., and this new bridge will provide year around access from the Inter-Ocean Highway to a large area north and east of the river.

4. To construct a new bridge across the Chixoy river on the highway between Cobán and Sacapulas. This will be done by using the superstructure of a former bridge which has been replaced by a new one. This bridge will provide an important link in a highway which serves an isolated rural area in the north-central part of the country.

The improvements to the highway system of Guatemala to be accomplished by this project will directly benefit a large number of people and the productive potential of several rural area through better access from the rural areas to the market centers. Communications of every type will be facilitated.

B. Specific Activity Targets or End Results of the Project

1. To provide or improve access to rural areas such that greater benefit may be realized from the agricultural and commercial potential of these areas and to integrate these areas more closely with the nation.

C. Progress Toward Achievement of Activity Targets

1. Work Accomplished to Date

The designs and specifications for all work proposed under this project, except the Chixoy bridge, are completed or nearing completion. The necessary preparations are being made to contract for the construction upon final authorization of the project.

2. Work Remaining to be Done

Work remaining includes completion of designs and specifications and the construction work on the bridges. It is contemplated that the latter will be done by contract.

3. Progress Toward Achievement of Progress Targets

Construction or improvement of the bridges has not yet begun.

D. Nature of the U.S. Contribution

1. Previous Fiscal Years

No previous U.S. contribution has been made to the project.

2. Operational Year

In FY 1960 the USOM will make a contribution of $404,000 from Special Assistance funds and $196,000 from Section 402 funds for the construction of the bridges. These funds will be used only to pay construction costs and all overhead or administrative costs will be paid by GOG. It is contemplated that this project will require approximately two years, or until June 30, 1961, to complete and the FY 1960 USOM contribution will be a continuing committment until that date.

3. Future Fiscal Years

There will be no future fiscal year contributions to the project.

E. Nature of Cooperating Country Contribution

The GOG contribution to the project shall consist of the payment of the required costs for administrative, supervisory and technical personnel, general office services, the transportation of people and things and travel expenses. The GOG will also make available the superstructure of a used bridge or a Bailey bridge for installation at the Chixoy site.

The value of the GOG contribution is estimated at $504,000 and this will complete the GOG contribution for the construction work. In future years the bridges will be maintained as part of the overall country highway system.

F. Contribution from Other Sources and Relationship to Other Projects

1. Other Sources

There will be no contribution from other sources.

2. Relationship to Other Projects

In part this project completes or extends the assistance previously given the GOG by the USOM in construction of the Pacific and Inter-Ocean Highways.

G. Financial Considerations

The FY 1960 U.S. contribution terminates the U.S. contribution to the project. It is contemplated these funds will be used during FY 1960 and FY 1961.

The GOG contribution will also be available during FY 1960 and FY 1961 and will terminate the GOG contribution for construction.

Annual recurring costs for maintenance of the bridges will be paid by the GOG.

H. Cooperating Country - USOM Coordination

The plans embodied in this E-1 were prepared by the GOG. Specifically the plans were prepared by the General Directorate of Highways, a department of the Ministry of Communications and Public Works. The plans were reviewed and approved by the USOM, through IDS and BPR, and financing was approved by the

Ministry and ICA.

It is understood that the financial contributions proposed under this project by the USOM and the GOG are contingent upon the availability of U.S. and GOG funds and other factors as may arise.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED Sept.6, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-39-053	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Inter-American Geodetic Survey School		

1

PROJECT BEGINS FY 56
ENDS FY 64

	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized Non-Contract	Contract	(2) Participants Non-Contract U.S.	3rd Country	Contract
A. All Prior Years	TC	23		23															
B. Net Deob.-Reob.	TC	(1)		(1)															
Current Funds	TC	16		16															
Total Actual Year FY 59	TC	15		15														24	
C. Operational Year FY 60	TC	15		15													1	4	
D. Budget Year FY 61	TC	15		15													3	0	
E. All Subsequent Years	TC	45																	
F. Total All Years	TC	113																	

2

	FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	TC	9	--	14	(1)	--	--	--	13	7	6		6	6	--
	Actual Year FY 59	TC				16	16	16	--	16	--	16		16	16	--
	Operational Year FY 60	TC											15	15	5	10
	TOTAL	TC	9	--	14	15	16	16	--	29	7	22	15	37	27	10

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS PROJECT

Problems addressed: Poor Environment for Economic Development

A. General Description of the Project

This project provides training to employees of the Dirección General de Cartografía and the Guatemalan Army, the government agencies charged with all official mapping programs. Accurate and current cartographic information is essential in the economic development of Guatemala and will assist in better utilization of the nation's natural resources. Such information is indispensable in the fields of highway development, continental defense, hydro-electric planning, city and rural development, agricultural and industrial development.

Training of Guatemalan technicians will enable them to replace the U. S. Army IAGS advisors and will enable Guatemala to become self-sufficient in map production. No training of this nature is available in Guatemala; on-the-job training is generally impractical due to limited facilities and personnel.

B. Specific Activity Targets or End Results of the Project

It is planned to have Guatemalan personnel trained and skilled in all types of mapping and geodetic control by the end of calendar year 1963 when all U.S. personnel but one will have been withdrawn. It is provided that Guatemala will continue the mapping program beyond that date and will continue to supply data to the U. S. government.

C. Progress Toward Achievement of Project Activity Targets

Training of middle echelon technicians has been completed with minor exceptions. Training of approximately four supervisors will equip the agencies with the technical competence to continue the mapping program on its own.

D. Nature of the U. S. Contribution

The U. S. has provided equipment and consultant services of an average of 5 technicians through the U. S. Army IAGS. Training for Guatemalan technicians provided by ICA will enable them to replace the U. S. Consultants.

E. Nature of Cooperating Country Contribution

The Guatemalan Government has provided facilities and personnel to support the mapping program. From 1946 to the present its contribution has grown from $18,000 per year to $500,000 and from about 15 employees to 175.

F. Contribution from Other Sources and Relationship to Other Projects

None

G. Financial Considerations

None

H. Cooperating Country - USOM Coordination

All ICA assistance in the form of training has been carried out at the request of the Guatemalan agencies involved and with the approval and cooperation of the U. S. Army IAGS technicians.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 5, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-50-900	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Servicio Cooperativo Interamericano de Salud Publica		

1

PROJECT BEGINS FY 55
ENDS FY 66

		(A) Dollar Obligations ($1,000)								(B) L/C Commitments or Obligations					(C)	(D) Numbers of People				
		Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	Other External Financing	(1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract: U.S.	(2) Participants: Non-Contract: 3rd Country	(2) Participants: Contract
A. All Prior Years		SA	1,100																	
		TC	150						150					1,985						
B. Net Deob.-Reob.		TC	--						--											
Current Funds		TC	200						200											
Total Actual Year FY 59		TC	200						200					200						
C. Operational Year FY 60		TC	200						200					200						
D. Budget Year FY 61		TC	200						200					200						
E. All Subsequent Years		TC	800											800						
F. Total All Years		SA	1,100																	
		TC	1,550											3,385						

2

	FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	SA	1,100													
		TC	150	--	--	--	--	--	--	--	--	--		--	--	--
	Actual Year FY 59	TC				200	200	200	--	200	125	75		75	75	--
	Operational Year FY 60	TC											200	200	200	--
	TOTAL	SA	1,100													
		TC	150	--	--	200	200	200	--	200	125	75	200	275	275	--

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 1 SHEETS TO THIS PROJECT

Problem Addressed:

Deficiencies in Health and Education

A. General Description of the Project

The purpose of this project is to provide funding for the Cooperative Health and Sanitation Servicio (SCISP), an official semi-autonomous agency of the Ministry of Public Health and Social Assistance operating with joint funds to provide technical assistance to the Ministry thru advisory services, and to develop programs in the field of health.

The functions of this Servicio include technical advisory services in organization and operation of Public Health and Hospital activities, outpatient medical care thru dispensaries and hospitals, environmental sanitation, health education, malaria eradication and a local public health training program.

B. Specific Activity Targets or End Results of the Project

a. To provide in-service training in all the fields of health in which the Servicio is working or which may be agreed upon in the future between the two governments. At present activity is in the fields of administration, maternal child welfare and hospital administration, environmental sanitation (assistance in provision of water supplies, training of water plant operators, assistance in provisions of latrines etc.), health education. To obtain greater cooperation in and utilization of the facilities being made available by U. S. advisors and in the demonstration program for the national government.

b. To develop an effective health education and public information program within the Ministry which will operate at national and local levels.

c. To give financial and technical assistance and encourage local community participation in public centers, public water supplies and latrine programs.

d. Assist financially and with technical assistance with mass campaigns for control or eradication of endemic and epidemic diseases.

e. To strengthen the Ministry and its agencies by the integration of well trained personnel into its ranks, following in-service training and U. S. and third country training.

f. To provide technical assistance at the Ministry level for development of sound administrative practices that will lead to efficient operations.

g. To encourage and support evaluation programs, accurate statistical reporting and epidemiological surveys.

h. To increase the number of public health workers by supporting the training of such personnel as doctors, nurses, sanitarians and nurse auxiliaries in local training centers at institutions outside the country.

i. To foster a general public interest in Health and Sanitation for the benefit of the nation.

C. Progress toward Achievement of Activity Targets

a. Work accomplished to date

The SCISP was created in 1942 and for 6 years carried on a successful program which included training of 40 professional personnel, construction of 7 health centers, 5 public water supplies and sewage systems, campaigns for control of typhus and malaria, and the construction of the Roosevelt Hospital. From 1956 to 1959 twenty-six additional people have received training. The construction and equipping of the Roosevelt

Hospital and the National Nursing school were the only projects under way during the years 1948 to 1956.

Since 1956 the Servicio has been expanding the scope of its program so that at the present time it has the following active departments:

1. Administrative
2. Sanitary Engineering
3. Health Education
4. Malaria Eradication

In addition to the above, from 1957 to 1959 SCISP has financed the training locally of 15 doctors, 36 sanitarians, 7 health education candidates, 11 graduate nurses and 24 nurse auxiliaries in basic Public Health at the Amatitlán Training Center.

1. Administration

The Department of Administration has been responsible for the administration of the SCISP, a $1,900,000 program of environmental sanitation consisting principally of constructing water supplies for small communities financed in part with $500,000 defense support money and $500,000 special assistance funds. It is also responsible for the administrative operations of the malaria eradication program.

2. Sanitary Engineering

Since its reactivation in 1956 to June 1959 the Sanitary Engineering Department has explored the water resources for 4 communities, has drilled 7 wells, carried on a latrine program [illegible] latrines built, has trained and supervised operators [illegible] pipeline, and sanitation surveys were made of 15 existing public water supplies.

A water treatment plant for a city of 19,000 inhabitants was rehabilitated and placed in operation.

There is no obligation on the part of SCISP to operate or maintain water plants.

3. Health Education

The Department of Health Education established in 1957 has been active in the selection and professional training of 7 persons for health education work and also indoctrination and orientation of 529 public health workers.

Two health educators have had special training, one doctor has completed work at California University and obtained the Degree of Master of Public Health, majoring in Health Education, and one likewise obtained a Master of P. H. from the University of Puerto Rico, specializing in Health Education. (Two candidates started training outside the country, one in Minnesota and one at the University of Puerto Rico).

Country coverage in health education has been given in the field of malaria eradication.

The Department of Malaria eradication will be fully described in the narrative for the CPB in connection with the project under that title.

b. Work Remaining to be Done

All the departments of SCISP are working on continuing programs. There is no specific number of candidates to be trained locally. The water supplies are to be constructed and put into operation as the availability of funds from the Government of Guatemala and the participating communities permits. The study of water resources and well drilling will continue. Health Education will continue to train personnel locally at the rate of 25 per year.

In the field of Health Education there is a serious shortage of trained personnel. Approximately 15 positions as field health educators are needed to complete the Ministry of Health's educational program. This

training should be completed by F. Y. 1965. The following progress has been made in regards to graduate training for the national office and regional offices: Two technicians have completed graduate training in the United States. Two started one year training in September 1959 and 3 are at present receiving in-country training in preparation for specialized training. By September 1960 there will be four trained health educators available for service and by 1961 a total of 7, which should provide sufficient personnel for the National Health Education Section of the Ministry and three specialists for assignment to local or regional offices.

To reorganize and train the personnel of the audio visual program in the Ministry of Health.

c. Progress toward Achievement of Project Activity Targets.

Notable progress has been made in creating an interest in Public Health, communities are now demanding pure drinking water, doctors, nurses, engineers and sanitarians are requesting public health training. A few years ago it was difficult to interest doctors and others in training for public health work. At present SCISP and GOG resources do not permit the training of all the applicants nor is the absorption of all available candidates at present by the National Health Department a possibility.

Maximum utilization of the available funds is being made. However, the growing interest in public health and the expansion of activity on the part of the local government, with a bright outlook for the future, will require accelerated training of doctors, nurses, technicians and health educators if the needs are to be met.

D. Nature of the U. S. Contribution

a. Budget year - The U. S. Contribution of $200,000 to the joint fund is the only item for which funds are requested for this project for F. Y. 1961.

E. Nature of Cooperating Country Contributions

The GOG approved the sum of $200,000 for F. Y. 1960. In the development of subprojects related to this program where sanitary engineering activities, principally water supplies to communities is concerned, the municipalities contribute locally available materials such as sand and gravel as well as manual labor. The total of Guatemalan contributions to date, including third party contributions is $8,365,258.34.

In F. Y. 1961 the GOG will be requested to contribute $200,000 at least.

F. Contribution from Other Sources and Relationship to Other Projects.

For the Malaria Eradication Program, administered by SCISP, UNICEF provides insecticides valued at $552,000 for F. Y. 1960-61-62, also vehicles, spare parts, spray pumps, nozzles, pharmaceutical preparations etc.

The Panamerican Sanitary Bureau provides Technical Advisory Services, medicines and fellowships for the malaria program.

The project is fully described in the malaria eradication project #20-51-095.

G. Financial Considerations

The Cooperative Health Servicio is a continuing program. The U.S. contribution and the GOG contribution are determined on a yearly basis.

In past years GOG has been able to comply with commitments and it is anticipated that future commitments will be met.

E-2	FORM ICA 10-110 (6-59)	DATE PREPARED September 15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-50-900	E-2
				COUNTRY ECONOMIC PROGRAM	**STATUS OF COOPERATIVE SERVICE FUNDS**		

1 PROJECT DETAIL BY CS-FY

Project Number	Project Title	Obligations 59 ($1000 Equivalent)	Obligations 60	Obligations 61	Expenditures 59 ($1000 Equivalent)	Expenditures 60	Expenditures 61
50-906	Administration	129	130	130	123	125	125
52-909	Environmental Sanitation	154	250	250	149	200	240
55-908	Hospital Roosevelt	18	-	-	32	-	-
All Other Projects (Detail on Continuation Sheet)							
TOTAL (Must correspond with (3B.) and (3E.)		301	380	380	304	325	365

2 TITLE OF COOPERATIVE SERVICE Servicio Cooperativo Interamericano de Salud Publica.

CS-FY 1959 BEGINS: July 1, 1958 ENDS: June 30, 1959

3 SUMMARY OF STATUS

U.S. $1.00 = Q.1.00 Exchange Rate by Year

			CS-FY	CS-FY	CS-FY	CS-FY
(All Figures $1,000 Equivalent)				59	60	61
A. AVAILABLE FOR OBLIGATION DURING CS-FY	1. Unobligated Balance End Prior CS-FY			282	387	407
	2. Agreed Contributions for CS-FY	U.S. — Host Government		200	200	200
		U.S. — Corresponding U.S.-FY		200	200	200
		U.S. — Succeeding U.S.-FY				
		U.S. — Other		6	-	-
		TOTAL		406	400	400
	TOTAL			688	787	807
B. PLANNED OBLIGATIONS DURING CS-FY	1. Supplies and Equipment			51	65	65
	2. Personnel and Training			190	240	240
	3. All Other			60	75	75
	TOTAL			301	380	380
C. UNLIQUIDATED OBLIGATIONS BEGINNING OF CS-FY				24	21	76
D. TOTAL OBLIGATIONS AVAILABLE FOR LIQUIDATION (Block B. plus C.)				325	401	456
E. EXPENDITURE DURING CS-FY	1. Supplies and Equipment			52	55	60
	2. Personnel and Training			192	205	230
	3. All Other			60	65	75
	TOTAL			304	325	365
F. UNLIQUIDATED OBLIGATIONS CLOSE OF CS-FY (Block D. minus E.)				21	76	91
G. UNOBLIGATED BALANCE CLOSE OF CS-FY (Block A. minus B.)	1. Reserves			369	387	407
	2. Unreserved Balance			18	20	20
	TOTAL			387	407	427

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 1 SHEETS TO THIS TABLE

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: Sept. 1, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-50-906	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Administration - SCISP		

1 PROJECT BEGINS FY 57 ENDS FY 66

	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations: (1) U.S. Owned MSP	(2) PL 480 and Other	(3) From [redacted] Joint Fund	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People: (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract U.S.	Non-Contract 3rd Country	Contract
A. All Prior Years	TC	89	72	3			14				36								
B. Net Deob.-Reob.	TC	(2)	(2)																
Current Funds	TC	50	38	6			6												
Total Actual Year FY 59	TC	48	36	6			6				129				2		2		
C. Operational Year FY 60	TC	48	36	6	---	--	6				130				2		1		
D. Budget Year FY 61	TC	59	47	6	---	--	6				130				2		1		
E. All Subsequent Years	TC	250																	
F. Total All Years	TC	494																	

2 Dollar Obligation and Expenditure

FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	TC	78	--	11	(2)	--	--	--	9	8	1		1	1	--
Actual Year FY 59	TC				50	50	50	--	50	44	6		6	6	--
Operational Year FY 60	TC											48	48	45	3
TOTAL	TC	78	--	11	48	50	50	--	59	52	7	48	55	52	3

Problems Addressed:

See continuation sheet

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 3 SHEETS TO THIS PROJECT

E-1	FORM ICA 10-120 (6-59) Continuation Sheet	DATE PREPARED 10/9/59	[X] ORIGINAL [ ] REVISION NO	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	20-50-906	E-1
				COUNTRY ECONOMIC PROGRAM	ADMINISTRATION SCISP		

Problems Addressed:

Deficiencies in Health and Education

A. General Description of the Project

Administration is a continuing project which will be in operation as long as participation on the part of the United States in the Cooperative Service continues. In broad terms, it has as its purposes (1) supervision of U. S. and local personnel, (2) supervision and coordination of the activities of the various technical projects (planning, directing, budgeting, reporting etc.) for more effective operation, (3) servicing both the U. S. and local activities in such matters as accounting, personnel management, procurement, transportation, contracting and general public relations, (4) training of local personnel with a view to their eventual assumption of all activities without U. S. participation and (5) on a limited basis providing scholarships in the United States and other countries, as a part of the program to provide more competent assistance when the U. S. turns over complete administration.

B. Specific Activity Targets or End Results of the Project

It is planned to train personnel for the date of transfer to the local government so that abilities will be greater than at present. That the local government recognizes the value of the available supervision is indicated, in part, by the fact that in 1958 it asked that the Division and Servicio take over the national bureau known as the National Service for Eradication of Malaria. This was done.

C. Progress Toward Achievement of Project Activity Targets

While various technical projects have been closed, the activities of Administration formed only a part of the activities and was not a substantial part of them.

As existing projects expand or are terminated, or as new ones are added, Administration will make appropriate changes to service them. It has always adjusted itself to carry out its obligations in this respect in the past and the trained personnel now on hand will make future adjustments more easy.

The effect which observation of Cooperative Servicio administrative operations has had on a Ministry which has been in operation for many years and which is bound by local laws and regulations can not be determined. Upon withdrawal of the United States and transfer of the Servicio offices into buildings of the Ministry, where there will be a closer and uninterrupted personal contact, it is believed that the influence of the trained group upon others will be more obvious.

D. Nature of the U. S. Contribution

The contributions of the U. S. and the local government have fluctuated as the volume in the projects has fluctuated, with a slightly greater contribution on the part of the Government of Guatemala. It is expected that this will continue. Accent on training in the U. S. and other countries has been on the technical side, with Administration having, usually, only one participant. In fiscal year 1959 provision was made for two, one in general management and purchasing and the other in automobile repair (on the supervisory level) as the Servicio operates almost 100 vehicles and local facilities for repairs are costly and lack much in quality.

U. S. direct hire personnel in administration is confined to two persons, the chief of division (Chief Public Health Advisor, [illegible]-3, position code [illegible], position number [illegible]) and a business manager ([illegible]-4, position code [illegible], position number [illegible]). The cost for salaries and expenses (including other costs) in Administration is estimated at [illegible] in fiscal year 1961 (when changes in Chief of Division and Business Manager are expected to occur and extra transfer costs for the outgoing and incoming staff members will be incurred). In fiscal year 1962 it will drop to

$46,000. For fiscal year 1963 the cost is estimated at $49,000, the increase in this year being in scheduled home leave and international travel costs.

U. S. paid local personnel is at a minimum, consisting at present of one secretary for the Chief of Division and Business Manager and a chauffeur who serves both.

E. Nature of Cooperating Country Contribution

None

F. Contribution from other Sources and Relationship to other Projects

None

G. Financial Considerations

Future needs in Administration will be determined by expansion or reduction in the technical projects. Expenditures will be confined to those sums needed for demonstration and servicing of the technical projects.

As already indicated, there will be no phasing out of this project until all other projects are completed or delivered to the Government of Guatemala for continuance under 100% local supervision.

The impetus given by Servicio demonstration and counsel has generated greater interest on the part of the local government. Guatemala has problems of health which will require many years of diligent work. It has only recently become fully aware of the problems and the possibilities, due in great measure to the personal interest of various public officials. Strides of which no one dreamed a few years ago have been made. Guatemala is in the initial stages of a period which will prove to be of historical importance.

H. Cooperating Country-USIM Coordination

The Congress of Guatemala and the general public have been awakened to the needs in the field of public health and the possibilities. Financial considerations are yet a problem but, because of general public interest and cooperation, recognition by Congress and energetic activity on the part of far-sighted officials now in office, the future is bright. There are other problems in addition to those of local finances, of course, but these are being solved. As there are advancements in the construction of highways which make now isolated communities accessible, as the financial level of the population is raised by diversification and other advancements in agriculture, as educational levels increase through current activity, it will be possible to advance more rapidly in the field of health.

Planning is on a joint basis in order to take advantage of the knowledge and skills of all parties involved and with the intention of converting the various projects, including Administration, to 100% Guatemalan operation and financing as they reach the stages where that is feasible.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 1, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-52-909	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Enviromental Sanitation		

1

PROJECT BEGINS FY 57
ENDS FY 66

	(A) Dollar Obligations ($1,000)								(B) L/C Commitments or Obligations					(C)	(D) Numbers of People				
	Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(1) U.S. Owned MSP	(2) PL 480 and Other	(3) from ~~MSP Counterpart~~ Joint Fund	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	Other External Financing	(1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract U.S.	(2) Participants: Non-Contract 3rd Country	(2) Participants: Contract
A. All Prior Years	TC	82	49	26			7				74								
B. Net Deob.-Reob.	TC	(14)	(1)	(13)															
Current Funds	TC	89	64	24			1												
Total Actual Year FY 59	TC	75	63	11			1				154				4		4	1	
C. Operational Year FY 60	TC	101	73	21			7				250				5		4		
D. Budget Year FY 61	TC	112	84	21			7				250		115		5		4		
E. All Subsequent Years		500																	
F. Total All Years	TC	870																	

2

FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure: All Prior Years	TC	46	--	36	(14)	--	--	--	22	18	4		4	4	--
Actual Year FY 59	TC				89	89	89	--	89	54	35		35	35	--
Operational Year FY 60	TC											101	101	85	16
TOTAL	TC	46	--	36	75	89	89	--	111	72	39	101	140	124	16

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

Problems Addressed:

Deficiencies in Health and Education

A. General Description of the Project

The activities of this project are divided in two principal parts, Environmental Sanitation and Health Education.

With respect to Environmental Sanitation, drinking water in quality and quantity and proper excreta disposal are prerequisites to health and social and economic development of the country. These are fundamentals of the environmental sanitation program.

Water systems will be designed for and constructed in communities without such facilities, or improvements will be made to old inadequate systems, in selected areas of Guatemala, as demonstration projects. The Interamerican Cooperative Health and Sanitation Service (SCISP) is responsible for coordination of the project. Work has been done by SCISP in cooperation with the Ministries of Public Health and Public Works.

While progress has been made by the local government with its own limited funds and technical advice from SCISP, unlimited opportunities yet remain for the development of water supply systems in Guatemala. Effort is necessarily being made at present in the areas where the demand from a public health standpoint is most serious.

The Health Education aspect of this project has as its purpose the development of a long range plan for the Ministry to promote health education services and activities throughout the country, to expand and improve health education activities of the public health personnel who work directly with individual groups, and in cooperation with the Education division to assist in the development of health education as a basic component of the general public education program.

The successful implementation of the plan will depend to a large extent on the availability of a professionally qualified health education staff. One of the purposes of this activity is to assist the Ministry of Health to obtain and prepare the essential personnel and to plan assignments on the basis of health program needs. While first responsibility for the operation of the project will rest with SCISP, work will be done by it in cooperation with the Ministry of Public Health.

B. Specific Activity Targets

Environmental Sanitation plans for the current year include the establishment of adequate water supply systems in approximately twenty small communities, as demonstrations for the other villages surrounding the areas. Each of these communities has a population varying from 200 to 1500. The latrine program will be carried out in the same areas.

In addition this project will provide technical services by U.S. technicians to the Ministries of Public Health and Public Works in planning execution of their own projects. In this manner it hopes to also strengthen bureaus within the Ministries so that they can eventually take over 100% the activities in which the SCISP is now engaged, by F.Y. 1963. Training will also be given through scholarships to promising engineers, as mentioned below.

Health Education has the following principal activity targets:

1. To recruit two qualified health education candidates for U. S. training for FY 1960.

2. Assist in the establishment of the health education services

within the Ministry of Public Health and Social Welfare and under the Director General of the Division of Public Health.

3. Conduct Health Education in-service training for 25 public health workers per year.

4. Provide Health Education services to the Malaria Eradication program by visual aid and training malaria technicians and workers, and informing the public on the advantages gained by eradicating malaria.

5. Community organization and education in communities developing programs of environmental sanitation, particularly in water supply and sewage disposal.

C. Progress Toward Achievement of Project Activity Targets

In conjunction with sanitary engineers of the Ministry of Health, four village water systems were completed during the last fiscal year at a total cost of $16,700, of which the jointly-financed SCISP furnished $10,000 in the form of pipe and accessories, the villages $2,500 in labor and locally available materials, and the Ministry furnished $4,200 in the form of engineering services and construction supervision.

In the program for operation and maintenance of public water supplies, three towns have signed agreements for the proper operation of their productive water plants; at the present time this activity is connection in five other towns. In FY 1959, $40,000 was allotted for this project. $[illegible] of which was for the purchase of chlorinators, chlorine, chemicals and testing apparatus and $8,000 for transportation of materials, salaries of trainee plant operators, etc.

In the field of Health Education there is a serious shortage of trained personnel. Approximately 15 positions as field health educators are needed to complete the Ministry of Health's educational program. This training should be completed by FY 1965. The following progress has been made in regards to graduate training for the National office and regional offices: Two technicians have completed graduate training in the United States. Two started one year training in September 1959 and 3 are at present receiving in-country training in preparation for specialized training. By September 1960 there will be four trained health educators available for service and by 1961 a total of 7, which should provide sufficient personnel for the National Health Education Section of the Ministry and three specialists for assignment to local or regional offices.

A total of 720 class hours of in-service training have been given to 44 public health physicians, 69 nurses, 22 sanitarians and 394 malaria eradication campaign employees in methods and techniques of health education for 1957 through FY 1959. There have been organized throughout Guatemala 26 citizen committees for promoting community support for an understanding of and cooperation in the malaria eradication campaign. Starting in November 1958, 20 short courses were held in 20 Departments of the Republic in which 1018 school teachers who offered their services as voluntary colaborators for the malaria eradication program were trained. The program has also developed audio visual aids such as posters, pamphlets, flip-charts, flannel boards, in such programs as communicable disease control, malaria and nutrition.

Among the activities requiring special attention in the future are:

1. Continued emphasis on recruitment of local personnel, in-country training and specialized training in a recognized school of public health.

2. Furnish guidance to returned trainees in reference to their position in the National Health Education Division.

3. Establishment of a Health Education Department within the National Health Department (a division of the Ministry of Public Health and Social Welfare).

4. To reorganize and train the personnel of the audio visual program in the Ministry of Health.

5. Establishment of Health Education services in regional offices as of fiscal year 1961.

D. Nature of the U. S. Contribution

This project has been in operation since January 1957. The actual and proposed direct allocations of the United States for these and future years are:

In Thousands of Dollars

	1959	1960	1961
Technicians	63	73	94
Participants	11	21	21
Other Costs	1	7	7

The approved staffing pattern for positions in this project is:

Title	Grade	Position Code No.	Position No.
Sanitary Engineer	FSR-3	50819.00	52T
Sanitarian	FSR-5	51860.00	63T
Well Driller	FSR-5	51640.01	90T
Health Education Advisor	FSR-4	51710.21	60T
Public Health Physician (Epidemiologist)	FSR-3	50002.05	To be established

(The public Health Physician is expected to enter on duty about June 1, 1960).

In F. Y. 1961, four sanitary engineers will be trained in the United States. In both 1962 and 1963 the situation will be the same as in the budget year. The cost in each of the years will be $21,000.

Other Costs will be $7,000 in F.Y. 1961. The sum is almost entirely for local travel of technicians supervising the various field activities.

E. Nature of Cooperating Country Contribution

During the budget year the Ministry of Public Health and Social Welfare will contribute to this project the following:

1. Health Education:

Personnel, space and equipment, printing, supplies, travel, transportation, valued at approximately $25,000.

2. Sanitary Engineering:

a) Engineering services, construction supervision, space and equipment valued at approximately $75,000.

b) Local communities will contribute sand, lumber, gravel, and labor, valued at approximately $15,000.

F. Contribution from Other Sources and Relationship to Other Projects

No contributions will be made to this project by other public agencies, with the exception of the Ministries and the communities already mentioned.

G. Financial Considerations

The contributions of the United States and Guatemala are outlined

in No. 4 and 5. It is believed that the funds provided by the United States for its direct expenditures and for contribution to the Servicio will be adequate to meet the planned program.

It is surmised that these Servicio activities can be phased out at the close of F.Y. 1963. The actual time will depend upon developments in the next two years.

H. Cooperating Country - USOM Coordination

Activities of the United States and the Government of Guatemala are well coordinated through joint planning and cooperative action. A friendly, cooperative attitude, with full realization of needs, exists on the part of the local Government officials concerned with the project. The Ministries of Public Health, Public Works and Public Education, the U.S. Operations Mission and the Servicio are in close working contact and agreement in both the planning and executing phases.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 8, 1959	[X] ORIGINAL / [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-51-095	E-1

COUNTRY ECONOMIC PROGRAM

PROJECT TITLE: Malaria Eradication

1

PROJECT BEGINS FY 59
ENDS FY 63

	Function of Funds	(A) Dollar Obligations ($1,000) (1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other Title II	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract U.S.	3rd Country	Contract
A. All Prior Years	SA	-								50			505	192					
B. Net Deob.-Reob.	SA	-																	
Current Funds Sec. 420	SA	350																	
Total Actual Year FY 59	SA	350				60	290		100	23		100	480	339					
C. Operational Year FY 60 Sec. 420	SA	485				62	423						485	282					
D. Budget Year FY 61 Sec. 420	SA	485				88	397						485	280					
E. All Subsequent Years	SA	700											970	302					
F. Total All Years	SA	2,020										100	2,925	1,115					

2

	FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated In FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	SA	-	-	-	-	-	-	-	-	-	-		-	-	-
	Actual Year FY 59	SA				350	350	344	6	350	284	66		66	66	-
	Operational Year FY 60	SA											485	485	400	85
	TOTAL	SA	-	-	-	350	350	344	6	350	284	66	485	551	466	85

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 5 SHEETS TO THIS PROJECT

Problems Addressed:

Deficiencies in Health and Education

A. General Description of the Project

The purpose of the Malaria Eradication Project is to eradicate malaria from Guatemala. The Administration of the Project was taken over by the Cooperative Health and Sanitation Servicio (SCISP) on June 15, 1958. This eradication will be done by spraying every house in the endemic areas where inhabitants sleep, and by treating all suspected malarial cases with anti-malarial drugs. The number of houses is estimated to be about 350,000. All suspected malaria cases will have a blood slide made by the volunteer collaborator and at the time antimalaria drugs are given. This blood slide is then sent to one of the laboratories for checking and all positive cases have an epidemiological follow-up by one of the doctors as soon as possible.

The patient is also treated at the same time. There are a total of 32 reporting laboratories, 24 field laboratories, counting health center laboratories, and hospital laboratories. A final check is made by the laboratory of the central headquarters in Guatemala City, where all positive slides and 5% of negative slides are checked.

All malarious areas of the country are being covered. The houses are sprayed once every six months. The work is done by nationals.

The endemic area covers over 73% of the entire country. Much of the fertile land in the endemic areas is not being cultivated because [illegible] a large percentage of the population (43%) living in these areas is not able to carry out the daily activities and responsibilities because of the debilitating effects of the disease.

The problem can be solved only by eradicating malaria from Guatemala and its neighboring countries. Malaria no longer exists in a country after the transmission of the disease is interrupted as planned for the two years 1959 and 1960, followed by at least two years of total coverage and then the project will continue for a period of years as a surveillance program. How long can not be stated.

Because of changeover from Dieldrin, which was started in 1956, to DDT in October 1958, it can be considered that the present program constitutes a new program. The timetable for the eradication program is two years for interruption of the transmission of the parasite from the mosquito to man to mosquito to man ad infinitum, then at least two years of total coverage by continued spraying of all houses in the malarious areas. The period of total coverage is followed by a program of surveillance which may be indefinite. The spraying of all houses with DDT will continue until widespread resistance to the insecticide by the anopheline mosquito is demonstrated; then we know not what changes and procedures will be adopted for continuation of the eradication program. We have found marked resistance in two areas of the country now. One is in the Department of El Progreso, Municipality of Sanarate. The other in the Department of Escuintla, Municipality of La Democracia, locality El Naranjo.

The current funding of the present project activity is higher than in former years when Dieldrin was being used as a residual spray requiring only one spray job yearly. A resistance to this insecticide developed in the anopheline mosquitoes, and the project was changed over to DDT the 15 of October, 1958. With DDT there are two house sprayings per year. This necessitated employing more sprayman, purchasing more vehicles etc. In addition to the added expense of the changeover from Dieldrin to DDT, the entire project was made more efficient by employing the proper number of technicians and employees (654 August of 1959) to carry out adequately the required supervision and to complete the work on schedule. Two years for interruption, two years for total coverage, then surveillance.

Cooperation in the past has been: Pan American Sanitary Bureau, which furnishes technical assistance, some medicines, and training programs; UNICEF furnishes some vehicles, spare parts, spraying equipment and some insecticide. Financing will consist of contributions by the GG and the United States to be used for administration, evaluation and spraying operations. Additional vehicles, medicines as needed and insecticides in addition to what is furnished by UNICEF will be purchased with malaria eradication funds.

It is estimated that in 1959-60, 2[illegible],000 pounds of additional DDT will be needed, costing approximately 362,000. The project, as administered by SCIP, has a U. S. consultant working in close collaboration with the nationals and SCIP technical advisors.

3. Specific Activity Target

Having determined the malarial endemic areas and the number of affected individuals (see No. 3 below) as well as the estimate of the number of houses to be sprayed, the targets or end results are:

1. To continue the determination of morbidity and mortality rates for malaria in Guatemala,

2. To continue the entomological and epidemiological studies of the malaria problem,

3. To evaluate the completeness of the residual spraying operations and to determine the effectiveness of the insecticides which will safeguard the health and lives of over 1,600,000 inhabitants who live in the affected areas, dwelling in the more than 350,000 houses in these areas. There is a yearly increase of more than 3% in population and a proportionate increase in new houses.

4. To organize and administer this operation within the allotted budget.

5. To eradicate malaria which will result in better health, increased productivity and improved standard of living.

6. To fulfill the commitment as part of the world-wide malaria eradication program.

6. Considerable progress has been made toward reaching the targets. Project results are gauged by statistics available from the Evaluation Department of the project. While these statistical figures have not been available for any long period of time, they are sufficient to indicate that progress is being made. The method and procedures of reporting these statistical figures is fairly complete at this time and the project results will continue to be reported each month.
A typical summary report, for August 1959, is presented.

The monthly report for personnel indicates that the first of the month of August 1959 there were 639 people employed, 41 were added, and 23 were dropped during the month, leaving 654 at the end of the month.

For the spraying operations department -

Total of localities to be sprayed twice a year: 8,500
Houses sprayed: 58,463 during the month of August
Insecticide used: 32,379,641 grams for the month of August.
Average number of houses sprayed per man day: 7.46.
Average number of grams of DDT used per house: 554.
Number of people protected: 252,900 from April 15 to August 31, 1959.

For the Epidemiological Evaluation Department -

Malaria cases registered:	Positive for Falciparum
During 1st. year of spraying 7,061	2,000
During 2d. year of spraying 10,083	3,834

During 3d. year of spraying 11, 717 3,385
Number of blood slides prepared
for the month of August, 1959: 10,444
Positive slides: 574 for all types of parasites
Positive falciparum: 77
Positive falciparum and vivax: 3
Follow-ups on reported cases: 5

It was assumed that during 1959 transmission of the parasites causing the disease would be interrupted and there are indications that interruption has been accomplished in some sectors, and that 1960-1962 will complete the two years of total coverage. Sometime during the next two years of total coverage surveillance will begin. It cannot be assumed nor estimated with any degree of accuracy how many years past 1962 surveillance will be required. During July and August 1959 no cases of Falciparum malaria have been reported from 7 of the 16 sectors in which the country is divided.

The parasite, falciparum, is the one responsible for the critical form of the disease and it is transmitted like the other forms by the anopheline mosquito to man. This parasite is used as the index of the success of the eradication program.

D. Nature of U. S. Contributions

Budgeted for F. Y. 1960 is the sum of $485,000.
For F. Y. 1961 it is anticipated that the U.S. will contribute [illegible], for F. Y. 1962 the sum of $350,000, for F. Y. 1963 $350,000.

E. Nature of Cooperating Country Contribution

Guatemala, by congressional approval, is committed to contribute $485,000 to the project for F. Y. 1961. This $485,000 will be used to purchase supplies and materials for the project, to purchase technical DDT and kerosene, to help maintain a fleet of 72 vehicles, to pay rental of buildings and will, to some extent, be used to pay salaries and per-diem of the nationals employees. A small portion of the Guatemala contribution will also be used for local training.

In 1957 - 1958 fiscal year, Guatemala contributed $505,000 to the project. In fiscal year 1959, the contribution was $480,000. In fiscal year 1960, the contribution is to be Q485,000. The proposed future contribution of Guatemala to the project is: fiscal year 1961, $485,000; fiscal year 1962 $485,000. No estimate has been made beyond 1962, but it is expected that a $485,000 contribution will be made in 1963.

F. Contributions from other Sources

PASB/WHO (Pan American Sanitary Bureau - World Health Organization) has technical advisors assigned to the project. PASB/WHO will contribute approximately $67,000 during fiscal year 1960 to the project. The greater part of this money will be used to pay salaries and per diem of its own technicians. A small portion of the PASB/WHO contribution is used for scholarships of local employees in third countries.

The financing of the Malaria Project for F. Y. 1960 from UNICEF (United Nations Children's Fund) will be supplies and materials valued at approximately $215,000. UNICEF has supplied the project with water wettable insecticide, all spray pumps and pump parts used by the spraying operation, approximately 50% of the vehicles used by the project and most of the supplies and equipment used in the diagnostic laboratories. In the current fiscal year expenditures will be used for the same purposes.

G. No pipeline considerations.

H. General Financial Considerations - For Fiscal Year 1961 it is ex-

pected that the U. S. contribution will be $480,000 and Guatemala $480,000. In 1962, when it is assumed that the project will have a considerable part of the country under surveillance, there will be a decrease of funding required from the U. S. and participating organizations. The estimated contributions for the participating organizations cannot be calculated with any amount of accuracy at this time.

United States assistance can probably be phased out in 1964 or 1965.

I. Cooperating Country - USAID Coordination

Guatemala is in agreement with the United States that the Malaria project is of vital importance, both national and international.

Both countries are in agreement that this project must be given priority until it reaches its completion date in the future, a specific date which can not yet be established.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 6, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-52-085	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Environmental Sanitation		

1 PROJECT BEGINS FY 57 ENDS FY 61

	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized Non-Contract	(1) Contract	(2) Participants Non-Contract U.S.	(2) Non-Contract 3rd Country	(2) Contract
A. All Prior Years	SA	1,000			24	894	82						900						
B. Net Deob.-Reob.	SA																		
Current Funds	SA																		
Total Actual Year FY 59	SA																		
C. Operational Year FY 60	SA	700		10		600	90						400				3		
D. Budget Year FY 61	-																		
E. All Subsequent Years	-																		
F. Total All Years	SA	1,700											1,300						

2

	FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	SA	28	444	972	-	444	355	89	972	389	583		583	500	83
	Actual Year FY 59	SA				-	-	-	-	-	-	-		-	-	-
	Operational Year FY												700	700	-	700
	TOTAL	SA	28	444	972	-	444	355	89	972	389	583	700	1,283	500	783

Problems Addressed:

See continuation Sheet

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 4 SHEETS TO THIS PROJECT

Problems Addressed:

Deficiencies in Health and Education.

A. General Description of the Project

The purpose of this project is to reduce the number of cases of gastro intestinal diseases such as diarrhea and dysentery as well as typhoid fever, paratyphoid fever and hookworm, by providing potable water and proper excreta disposal facilities. Good water in quality and quantity, and proper excreta disposal are a prerequisite to health and social and economic development of the country and are fundamentals for an environmental sanitation program.

Water systems will be designed and constructed in communities without them, or improvements will be made in old systems. Their proper operation will be taught to the plant operators in their plants by sanitary engineers of SCISP and the Ministry of Public Health. New sources of public water supplies will be investigated and developed through methodical study of both gravity and ground water sources and through encouragement of extensive use of deep and shallow wells as sources. The water and latrine programs are continuing activities within this project. Some towns will be selected in December '59 or January '60 in which sewage treatment plants will be built to demonstrate the proper treatment of sewage.

All activities on this project will be carried out in selected areas of Guatemala excluding the departments of Guatemala, Sacatepequez and El Peten.

The Interamerican Cooperative Health and Sanitation Service (SCISP) is responsible for the operation of this project. Work will be done by SCISP or by it in cooperation with the Ministry of Communications and Public Works, other divisions of the Ministry of Public Health and the Municipalities.

B. Specific Activity Targets

The target of this project is the establishment of an adequate water supply system in approximately 25 communities, thus giving 60,000 people potable water. The population of these communities will vary from 500 to 10,000 but most of the work will be done in villages with a population of from 500 to 800.

In the latrine program considerable progress should be made in the next year as the school teachers are giving assistance by education of school children and assisting people to build their own latrines. Most of this work will be done in 20-25 villages which have a population of 80% or more of Indians.

C. Progress Toward Achievement of Project Activity Targets

There were delays in getting this project under way but as of now 13 water supply projects are from 10 to 95% completed and all should be completed by the end of calendar year 1959. In the new sources of public water supply 5 wells have been completed and two 70% completed.

Of these 7 wells drilled only one was found to be dry. As to filtration galleries, one has been completed and work continues on three others which are from 10 to 50% completed. All work on water supplies in the near future will make faster progress as materials are now arriving in Guatemala.

In the latrine or privy program, approximately 3500 have been built. This program was very slow in starting as educational work had to be done before any real progress could be made.

D. Nature of the U. S. Contribution

In the FY's 57 and 58, $1,000,000 in Special Assistance funds

was alloted by ICA to this project and the following shows obligations and balances (figures rounded to the closest $1000):

	Obligated	PIO/C	Balance
Commodities	$ 894,000	$ 875,000	$ 19,000
Other Costs	82,000	17,000	65,000
Contracts	24,000	23,000	1,000
	$1,000,000	$ 915,000	$ 85,000

1. Participants

Two sanitary engineers to U.S. for 3 to 4 months training each on advance water and sewage plant design $ 4,000

One laboratory trainee on sewage and water analysis - 12 months starting September 1960. School 9 months, field training 3 months. $ 6,000

2. Commodities

Commodity Code	Description	Estimated Landed Cost
640	Non Metalic Minerals and Products (cement - lime), concrete products	$ 50,000
[illegible]	Iron and Steel Mill Materials (reinforcing Steel - Pipe - well casing - Valves - Fittings)	443,000
730	Engines, Turbines (Drilling and pumping)	15,000
740	Construction and Well Drilling equipment and pumping equipment	$ 10,000
780	Industrial Machinery - Office Machines and Chlorination equipment	10,000
820	Motor Vehicles	20,000
880	Scientific & Professional Instrument App.	2,000
899	Misc. Project Items (not more than 10% of total)	50,000
	Total	$600,000

3. Other Costs

Requirements	Number People	Estimated Cost
Sanitary Engineers	5	$ 29,000
Draftsman and Surveyors	1	4,000
Secretary	1	3,000
Chauffeurs	3	4,000
Common and Skilled Labor	50	[illegible]
Travel (Per Diem)		4,000
Maintenance and Operating supplies		10,000
Transportation of materials		15,000
Total		$ 90,000
Grand Total		$700,000

F. Nature of Cooperating Country Contribution

The Government of Guatemala will contribute through the Ministry of Health, the Ministry of Public Works and the villages a total of approximately $400,000. The Ministries' contributions will be in the form of technical services, materials and warehouse space valued at approximately $100,000. The villages will contribute local materials, supplies and labor valued at approximately $300,000.

G. Financial Considerations

The following table shows all communities by population groups and their estimated needs for potable water supplies:

Population group	No.	Required Estimated funds
10,000 to 50,000	4	$ 6,000,000
2500 to 10,000	50	15,000,000
Under 2500	7200	50,000,000
Total		$ 71,000,000

Approximately 5000 of these communities are located in this project area. The project will not attempt to accomplish the above but every dollar spent will help to fulfill their needs in the potable water supply program. The Government of Guatemala is contributing from its national revenues approximately 1-1/2 million dollars per year by direct expenditures for its own account and by cooperative contributions.

If ICA reduces or eliminates this fund the progress on building water supplies would be slowed down considerably. ICA, through SCISP, is building up a demand from the communities for water supply systems and, if this project can continue for a few more years, it is believed that this program will make the demand from the rural communities so great that the Guatemalan Government will find it necessary to allot increased amounts each year for community water supplies, thereby permitting the U. S. to terminate its financial participation.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 6, 1959	☒ ORIGINAL ☐ REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-53-067	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Health Facilities, Tech. Advisory Services		

1 PROJECT BEGINS FY 55 ENDS FY 63

	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized Non-Contract	(1) Contract	(2) Participants Non-Contract U.S.	(2) Non-Contract 3rd Country	(2) Contract
A. All Prior Years	TC	340	208	114			18												
B. Net Deob.-Reob.	TC	(43)	1	(44)			-												
Current Funds	TC	77	52	18			7												
Total Actual Year FY 59	TC	34	53	(26)			7								5		2	3	
C. Operational Year FY 60	TC	83	44	32			7								3		6		
D. Budget Year FY 61	TC	87	43	37			7								3		7		
E. All Subsequent Years	TC	150																	
F. Total All Years	TC	694																	

2 Dollar Obligation and Expenditure

FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	TC	273	-	67	(43)	-	-	-	24	19	5		5	5	-
Actual Year FY 59	TC				77	77	77	-	77	59	18		18	18	-
Operational Year FY 60	TC											83	83	60	23
TOTAL	TC	273	-	67	34	77	77	-	101	78	23	83	106	83	23

Problems Addressed:

See continuation sheet.

 SECURITY CLASSIFICATION UNCLASSIFIED SHEET 1 OF 5 SHEETS TO THIS PROJECT

Problems Addressed:

Deficiencies in Health and Education

A. General Outline of the Project:

The purpose of this project is to provide health advisory services to the Ministry of Public Health and Social Assistance and its dependencies.

The project is financed solely by U. S. funds. Nurses and a hospital administrator act as advisors to the personnel of the government hospitals, primarily the Roosevelt Hospital, to assist in selecting proper personnel for heads of departments as well as those of other levels and to assist in the training and supervision of the activities of these people.

The two nurse advisors and hospital administration advisor will continue to serve as a team which will also function at a Ministerial level during 1960-1963 to:

1) Furnish nursing and hospital administration advisory services to the Ministry of Public Health and Social Assistance.

2) Improve nursing and administrative services in existing hospitals, institutions, and health centers, by advising and working as counterparts.

3) Promote improved School of Nursing programs and recruitment of students to study nursing, offering advice on preparation of the curriculum, as instructors and as the examples of the dignity of the nursing profession.

4) Help recruit and select personnel for training in the U.S. or third countries.

B. Specific goals or end products of this project:

1) Improved organization of the Ministry of Public Health and Social Assistance in accord with the plan suggested by the USOM through the Public Administration Division studies for reorganization. This plan is based upon a careful survey and would provide better coordination and administration of the services performed by the Ministry.

2) Efficient and satisfactory hospital administration through the supervisory services of the Ministry when a hospital division can be developed and with consultation services on management of hospitals throughout the country.

3) Assistance to the Ministry in establishment of a department of hospitals (1961-62) based upon the Ministerial reorganization plan. This Department will provide:

a. Specialized participant training for personnel staff positions - Nursing (1961); Dietetics (1961); Medical Records (1962); Pharmacy and Maintenance (1963) to assist the Ministry through advisory services to support personnel in these hospital services;

b. An effective personnel section by 1962 which will establish standardized personnel policies and practices throughout the hospital system;

c. Assistance in purchasing and procurement by 1960;

d. Improved budgetary planning and procedures and better utilization of the budget, in order to obtain the greatest benefit from funds allocated for hospital services by 1961;

e. Supply section that will service all hospitals by 1961;

f. Effective hospital inspection services to maintain stand-

ards of medical care and hospital services by 1963; and

g. Regulations for planning, constructing, equipping and operating of hospitals in accord with modern practices by 1963.

All of above will depend largely on available participants for training to occupy key positions.

4) Improvement of nursing and administrative services in existing hospitals, institutions, and health centers by:

a. Acting as consultants and resources persons (1960-1963) to the newly formed "National Council of Nurses", which will promote such things as:

A) Studies of nursing needs and nursing resources.
B) Categorization of nurses and definition of functions of nursing.
C) Establishment of improved standards in nursing services.
D) Legislation concerning nursing.
E) Establishment of improved standards in nursing services.
F) Registration and keeping of a registry.
G) Orientation of the public to nursing activities.
H) Protection, maintenance of discipline and professional ethics.
I) Collaboration in development of courses, seminars etc., as in-service training methods.
J) Consultation to Ministry of Public Health and Social Assistance in matters concerning nursing.

b. Trained national "counterparts" who will be able (1963) to direct and/or give consultation in nursing and administration programs in hospitals and public health services.

c. Providing better qualified nurses for positions in hospitals and health centers throughout the country by helping to establish in-country training programs in administration and supervision (1961), and maternity and pediatric nursing (1962), and by recruiting and helping to select personnel for out-country training (1960-1963).

d. Direct consultation (1960-1963) to nurse staffs in government hospitals, particularly in the areas of administration of nursing services, and the specialty obstetric-pediatric services.

e. Consultation to the School of Nursing (1960-1963) in promotion of improvement of public health and maternal-child health programs.

f. Direct consultation to nurse staffs in Sanitation (1960-1963) in the area of maternal-child health, and supervision and training of "comadronas empíricas" (practical nurse midwives).

C. Progress towards achievement of the specific end product:

1) 22 persons have received ICA grants, for U. S. training (and 3 in third country) for service at Hospital Roosevelt. Of this number 2 are in training at the present time and 15 are employed at Hospital Roosevelt. Most of the others are working in other hospital services in Guatemala. In addition there has been in-service training of consultant counterparts and supervisory personnel. As of June 1959, 292 auxiliary nurses had received pre-service training at Hospital Roosevelt.

2) Nurse consultants are already advisors to the newly formed "National Council of Nursing".

3) Nurse and hospital administration consultant services are being utilized in three governmental hospitals (Roosevelt, Zacapa and the new hospital for children with contagious diseases; the contagious disease hospital is still in the organization stage, not functioning as yet, in the other hospitals

services have improved; nurse consultation services are being utilized in the School of Nursing, in the National Training Center for Auxiliary Nurses in the obstetric-pediatric programs and, to a limited extent, in public maternal-child health programs.

4) Approval has been obtained for appointment of national nurse counterparts to work with the nurse consultants in the areas of maternal-child health and administration of hospital nursing services.

5) The suggested plan for reorganization of the Ministry is being gradually put into effect.

6) Consultant services at Hospital Roosevelt in construction, equipping and supplying will be terminated upon completion of the physical plant during 1959.

7) Modern methods of hospital departmental services and new management procedures have been introduced in the developing organization of Hospital Roosevelt during its first 3 1/2 years of operation.

8) The nursing and hospital administration consultants are giving advisory services toward establishing new standards of administrative practice in supplies, specifications, purchase, inventory and technical procedures to be followed in these government-related hospital facilities:

a. Liga Contra el Cáncer (Cancer League)
b. Asociación de Bienestar Infantil (Infant Welfare Association)
c. Asociación Sociedad Protectora del Niño (Child Protection Ass'n)
d. Asociacion de Auxilio Familiar (Family Aid Ass'n)

F. Nature of the U. S. Contribution:

To date U. S. financing has provided salaries of U.S. technical advisors, a secretary-translator, transportation, training and teaching materials etc.) and participant training in U. S. and third countries. The approved staffing pattern position for this project for F.Y. 1961 are:

Title	Grade	Occupational Code No.	Position No.
Hospital Administrator	FSR-4	50670.00	55T
Public Health Nurse (Maternal-Child)	FSR-5	50615.02	61T
Nurse Advisor (Hospital Nursing Service)	FSR-5	50610.04	103T

Technician costs decline from $42,000 in 1961 to $40,000 in 1963. The cost for participants in F. Y. 1961 will be $37,000. These estimates represent a minimum basic need one result from a reduction of original estimates. The plans for F. Y. 1961 are:

Number of Trainees	Title of Training	Duration	Country of Training
1	Hospital Administrator	1 year	United States
1	Nurse Instructor (School of Nursing)	1 year	United States
1	Nurse Supervisor, Maternity Nursing	1 year	United States
1	Nurse Supervisor, Outpatient Clinics, Public Health	1 year	Puerto Rico
2	Nurses, Administration and Supervision in Nursing Services	1 year	Puerto Rico

G. Nature of Cooperating Country Contribution

The Guatemalan Government will make no direct cash contributions

to this project. It will, however, provide materials and the nursing staff and hospital technicians who will work with and assist the U.S. technicians.

F. Contributions from Other Sources and Relationship to Other Projects

This project works independently, with a few exceptions, of others in the Division of Health and Sanitation, being concerned only with hospitals and health centers.

Except for furnishing of incidental materials, no third parties are involved. The various hospitals where activities are under way furnish necessary materials and supplies only. No international agency contributes.

G. Financial Considerations

No financing considerations.

Funds proposed for F. Y. 1960 will be adequate. No contribution by GOG. The project has been reduced as much as is at present advisable and further reduction would be prejudicial to the government operations.

H. Cooperating Country - USOM Coordination

The cooperating country and the U. S. Operations Mission are in complete accord in the planning for this project. The project provides services which are not available within the Ministry of Public Health at present. If it were possible, the local government would like a much larger program.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 5, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-60-900	E-1

COUNTRY ECONOMIC PROGRAM

PROJECT TITLE: Servicio Cooperativo Interamericano de Educación

1

PROJECT BEGINS FY 56
ENDS FY 66

	Function of Funds	(A) Dollar Obligations ($1,000) (1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract U.S.	3rd Country	Contract
A. All Prior Years	TC	508						508					508						
B. Net Deob.-Reob.	TC	--						--											
Current Funds	TC	250						250											
Total Actual Year FY 59	TC	250						250					270						
C. Operational Year FY 60	TC	350						350					394						
D. Budget Year FY 61	TC	400						400					500						
E. All Subsequent Years	TC	1,100											1,100						
F. Total All Years	TC	2,608											2,772						

2

	FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated In FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations In FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	TC	450	--	58	--	--	--	--	58	58	--		--	--	--
	Actual Year FY 59	TC				250	250	250	--	250	175	75		75	75	--
	Operational Year FY 60	TC											350	350	350	--
	TOTAL	TC	450	--	58	250	250	250	--	308	233	75	350	425	425	--

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 3 SHEETS TO THIS PROJECT

Problems Addressed:

Deficiencies in Education and Health

A. General Description of the Project

The Cooperative Education Service is a joint administrative organization within the Ministry of Education. It provides for the funding of selected educational activities of the Servicio.

B. Specific Activity Targets or End Results of the Servicio

1. To improve the planning and administration of the education programs of the Government of Guatemala.
2. To undertake specific activities in urban and rural education as referred to it by the Ministry of Education in agreement with the USOM.
3. To provide in-service training to Ministry of Education personnel on specific projects to increase their effectiveness once they return to their permanent jobs.
4. To demonstrate the effectiveness of such activities as workshops which are given to teachers and supervisors during the vacation months.
5. To carry out a special literacy program in the Guatemalan Army. The ICA contribution to this program is being financed from Special Assistance Funds.
6. To organize, administer, and supervise a vocational education program in cooperation with the Ministry of Education. The I.C.A. contribution to this program is being financed from Special Assistance Funds.

C. Progress Toward Achievement of the End Product

The Cooperative Service was established in February, 1955. It has been able to establish and carry out programs as detailed under education projects, particularly, because of the administrative and financial flexibility which the Cooperative Service mechanism provides. The activities which the Cooperative Service carry out do not duplicate programs carried out by the Ministry of Education.

In order to avoid this duplication, careful planning is done with the Consejo Técnico, the Advisory Board to the Ministry of Education. This group also acts as an operational unit in certain phases of the country's education system. Weekly meetings are held between the Consejo and SCIDE at which all proposals and all problems are discussed in detail before recommendations are presented to the Ministry of Education.

D. Nature of the United States Contribution

The United States contribution to this project for F.Y. 1961 is $400,000. Payment will be made in monthly installments by ICA upon receipt of evidence of payment by the Guatemalan Government of its contribution for that month.

E. Nature of Cooperating Country Contribution

The Guatemalan Government's contribution to this project for F.Y. 1961 is Q500,000. Payment will be made in monthly installments in accordance with local government policy. Of the above amount Q400,000 represents the contribution to the joint fund and Q100,000 represents an additional contribution to be utilized as follows:

Q80,000 - Urban Education
Q20,000 - Rural Education

This represents an increase in the amount contributed in previous years and it is planned that the Guatemalan Government's contribution will also increase in future years.

Joint Funds	Q400,000
Extra contribution	Q100,000
	Q500,000

F. Contribution From Other Sources

CARE is contributing as follows:

Publication of Textbooks	$25,000
Agricultural Equipment	$20,000
	$45,000

G. Financial Consideration

Project requirements will continue beyond the budget year. Succeeding years through FY 1963 will require increased contributions from the United States. Any reductions in the funding of this program as planned will seriously retard the realization of U. S. objectives.

There are no pipeline problems.

H. Cooperative Country-USOM Coordination

The cooperating country not only agrees in principle with all aspects of the project plan but actually assisted in its preparation.

E-2	FORM ICA 10-110 (6-59)	DATE PREPARED September 15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY Guatemala	PROJECT NO. 20-60-900	E-2

COUNTRY ECONOMIC PROGRAM

STATUS OF COOPERATIVE SERVICE FUNDS

1 PROJECT DETAIL BY CS-FY

Project Number	Project Title	Obligations 59 ($1000 Equivalent)	Obligations 60	Obligations 61	Expenditures 59 ($1000 Equivalent)	Expenditures 60	Expenditures 61
69-906	Administration	60	197	225	75	175	200
69-909	Rural Education	228	320	370	269	300	350
69-910	Urban Education	124	227	205	127	200	200
All Other Projects (Detail on Continuation Sheet)							
TOTAL (Must correspond with (3B.) and (3E.)		412	744	800	471	675	750

2 TITLE OF COOPERATIVE SERVICE: Servicio Cooperativo Interamericano de Educacion

CS-FY 1959 BEGINS: July 1, 1958 ENDS: June 30, 1959

3 SUMMARY OF STATUS

U.S. $1.00 = 1 Q Exchange Rate by Year

				CS-FY	~~CS~~-FY	~~CS~~-FY	CS-FY
(All Figures $1,000 Equivalent)					59	60	61
A. AVAILABLE FOR OBLIGATION DURING CS-FY	1. Unobligated Balance End Prior CS-FY				116	228	228
	2. Agreed Contributions for CS-FY	U.S.	Host Government		270	394	500
			Corresponding U.S.-FY		250	350	400
			Succeeding U.S.-FY				
			Other		4	--	--
			TOTAL		524	744	900
			TOTAL		640	972	1,128
B. PLANNED OBLIGATIONS DURING CS-FY	1. Supplies and Equipment				132	238	256
	2. Personnel and Training				191	342	368
	3. All Other				89	164	176
	TOTAL				412	744	800
C. UNLIQUIDATED OBLIGATIONS BEGINNING OF CS-FY					107	48	117
D. TOTAL OBLIGATIONS AVAILABLE FOR LIQUIDATION (Block B. plus C.)					519	792	917
E. EXPENDITURE DURING CS-FY	1. Supplies and Equipment				151	216	240
	2. Personnel and Training				201	284	315
	3. All Other				119	175	195
	TOTAL				471	675	750
F. UNLIQUIDATED OBLIGATIONS CLOSE OF CS-FY (Block D. minus E.)					48	117	167
G. UNOBLIGATED BALANCE CLOSE OF CS-FY (Block A. minus B.)	1. Reserves				228	228	328
	2. Unreserved Balance				--	--	--
	TOTAL				228	228	328

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 1 SHEETS TO THIS TABLE

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 5, 1959	[x] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COUNTRY: GUATEMALA	PROJECT NO. 20-69-906	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Administration SCIDE		

1 PROJECT BEGINS FY 55 ENDS FY 66

	(A) Function of Funds	Dollar Obligations ($1,000) (1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) From ~~MSP Counterparts~~ Joint Fund	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract U.S.	3rd Country	Contract
A. All Prior Years	TC	125	95	12	-	-	18				131								
B. Net Deob.-Reob.	TC	(1)		(1)	-														
Current Funds	TC	59	51	-	-	-	8												
Total Actual Year FY 59	TC	58	51	(1)	-	-	8				60				3				
C. Operational Year FY 60	TC	57	49	-	-	-	8				197				4				
D. Budget Year FY 61	TC	56	48				8				225				3				
E. All Subsequent Years	TC	250																	
F. Total All Years	TC	546																	

2

	FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available for Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	TC	116	-	9	(1)	-	-	-	8	7	1		1	1	-
	Actual Year FY 59	TC				59	59	59	-	59	55	4		4	4	-
	Operational Year FY 60	TC											57	57	55	2
	TOTAL	TC	116	-	9	58	59	59	-	67	62	5	57	62	60	2

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 3 SHEETS TO THIS PROJECT

Problems Addressed:

Deficiencies in Education and Health

A. General Description of the Project

The purpose of this project is to provide administrative services for and direction to the Education Division and the Servicio Cooperativo Interamericano de Educación. The Cooperative Service device has been found to be effective for the administration of the other servicio projects.

B. Specific Activity Targets or End Results of the Project

The specific goals of this project are to provide the following:

1. Proper administrative supervision of all of SCIDE's projects
2. Accurate bookeeping of all transactions
3. Adequate transportation
4. An efficient system of procurement of equipment and supplies
5. An effective personnel system
6. Materials Production Service to all the operating projects in SCIDE

C. Progress Toward Achievement of Project Activity Targets

1. All activities mentioned under item B above are carried on continuously. An administrative staff supervises SCIDE's projects. Personnel has been trained and maintains an efficient bookeeping department. A transportation officer and chauffeurs have been trained and are performing their duties with minimum advisory assistance. A trained staff of local personnel is assuming responsibility for procurement of equipment and supplies. An effective personnel system is operating under trained local direction.
2. The Materials Production Center operates in two types of activities:
   a. The Editorial section receives manuscripts, or other specifications of project needs for materials, and prepares them for the appropriate manufacturing processes.
   b. The production plant processes the materials ready for distribution and use. The plant is organized in three divisions:
      1) An art department is staffed with six artists and ample equipment
      2) A photographic laboratory is equipped to expose and develop film, process prints, enlarge or reduce copy, and prepare metal plates for lithography.
      3) The machine group consists of electronic stencil cutter, duplicators, and high speed offset presses.
3. Examples of accomplishments in materials production are as follows:
   a. Six week workshop, January-February, 1959, trained twelve Rural Education Supervisors in the techniques of writing instructional materials. A seven book series of basal primary readers was written and is now in the manufacturing process.
   b. Three regular publications are being produced, Mensajero Educativo, (teacher's journal), Vida Rural (newspaper), and Boletín Informativo (for school and community officials).
   c. There have been frequent runs of 4,000, 64-page booklets per day.
   d. 600 different titles were printed in one 6-month period.
   e. Scores of miscellaneous jobs of an emergency type have been completed.

D. Nature of the U. S. Contribution

The U. S. contribution to this project amounts to $56,000.00 of which $48,000.00 is for U. S. personnel costs and $8,000.00 for other costs.

Two bi-lingual secretaries	$5,100.00	
One chauffeur	1,400.00	
Local travel	1,500.00	$8,000.00

1. No participants
2. Staffing requirements consist of three U. S. technicians for the full period: Director, Business Manager and Assistant Business Manager

#37 - Director - 617100 FSR-3	21,000.00
#38 - Business Manager-603410 2-FSR-4	14,800.00
Assistant Business Manager-FSR-5	12,400.00

3. No contractual services
4. No commodities
5. Other costs include $8,000 which is used for local salaries, material purchases, travel, and property maintenance. Three direct hire local [illegible] included in this project: two secretaries and one chauffeur.

E. Nature of Cooperating Country Contribution
NONE

F. Contributions From Other Sources and Relationship to Other Projects
NONE

G. Financial Considerations
This is a continuing project. It will exist so long as the Servicio continues. Funding requirements increase as the program expands. Greater expenses are anticipated as the need for increased publications mount due to the extended efforts of SCIDE's Rural and Urban Education Projects.

There are no pipeline problems.

H. Cooperating Country-USOM Coordination
All planning and programming are done cooperatively with the host government. All expenditures shown in this project have the complete concurrence of the Ministry of Education.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 8, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-69-909	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Rural Education		

1

PROJECT BEGINS FY ENDS FY	(A) Dollar Obligations ($1,000): Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations: (1) U.S. Owned MSP	(2) PL 480 and Other	(3) From ~~MSP Counterpart~~ Joint Fund	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People: (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract: U.S.	3rd Country	Contract
A. All Prior Years	TC	207	146	54			7				536								
B. Net Deob.-Reob.	TC	(6)	(4)	(2)			-												
Current Funds	TC	119	87	26			6												
Total Actual Year FY 59	TC	113	83	26			6				228				7		7		
C. Operational Year FY 60	TC	127	89	32			6				320		24		7		6		
D. Budget Year FY 61	TC	105	59	42			4				370		20		4		8		
E. All Subsequent Years	TC	250											115						
F. Total All Years	TC	802											159						

2

FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure: All Prior Years	TC	163	-	44	(6)	-	-	-	38	33	5		5	5	-
Actual Year FY 60	TC				119	119	119	-	119	84	35		35	35	-
Op. Year FY 60												127	127	100	27
TOTAL	TC	163	-	44	113	119	119	-	157	117	40	127	167	140	27

Problems Addressed:

See continuation sheet.

Problems Addressed:

Deficiencies in Education and Health

A. General Description of the Project

This project consists of providing technical assistance to the Ministry of Education in the solution of Guatemala's rural educational problems. A fundamental part of the assistance is training local personnel to assume the responsibility for the education program in which SCIDE is participating. As soon as complete, transfer of the responsibility is possible. U. S. aid will then be withdrawn. Four U. S. technicians are scheduled for F.Y. 1961.

In 1950, the latest year for which data are available, Guatemala had one of the highest rates of illiteracy in Latin America, 72% or 2,342,500 of its 3,258,000 inhabitants could not read. Most of these illiterates live in rural areas. This condition, combined with low living levels, makes Guatemalans easy victims of leftist influence. Rapid reduction and ultimate eradication of illiteracy is of the utmost importance.

The following factors contribute to the problems of illiteracy:

1. There are not enough schools. 11,500 classrooms are needed immediately.
2. 75% of the elementary schools have no more than grades one and two. Sixth grade is offered in only 5% of the rural elementary schools.
3. Teaching and reading materials for rural elementary and adult education are totally lacking.
4. About 68% or 440,900 children, age seven to fourteen, do not attend school due to:
   a. Extreme poverty making it necessary for the children to work
   b. Indian custom and tradition which prevents girls from attending school
   c. Indifference to education on the part of some segments of the population
5. Twenty-two Indian languages and sixty-eight subsidiary dialects are spoken by the rural population.
6. Teachers refuse to accept positions in rural areas because living levels are poor and salaries of rural teachers are low.
7. 55% of the teachers have had no training in modern teaching methods.

The numerous institutions, government and private, concerned with community improvement have not been effective. Their uncoordinated efforts have involved duplication. They have over-extended their limited resources by undertaking too many activities. The major responsibility for community improvement in the past has been given to the rural teacher to the detriment of his teaching obligations.

B. Specific Activity Targets or End Results of the Project

1. In-service Teacher Training of Uncertified Teachers

The Ministry of Public Education, through the Servicio Cooperativo Interamericano de Educación and the Socio Educativo Rural, organized the In-service Teacher Training Program for Uncertified Teachers as an aid to the uncertified (empírico) teachers who wish to improve their teaching methods and techniques.

The program, to train the empíricos or replace them with normal school graduates, began in October, 1957. As of October, 1959, 745 teachers have participated or are now participating as students in the program.

It is estimated that the program will continue until 1966. Thirty five trained Guatemalans act as teacher trainers and supervisors. They, with the technical assistance of U. S. specialists, have developed an annual plan of work which is repeated each year. It consists of the following:

a. October - December of each year - intensive workshops
b. From January to October the following activities take place:
   1) Classroom supervision of the rural teachers who have taken the workshop courses

2) Preparation of Materials
3) Seminars among teachers to study curriculum revision, to discuss teaching methods and to demonstrate proper techniques in a laboratory situation.

The program's future activities are scheduled as follows:

	Estimated Completion Date
a) Eight week workshop will be held each year with an estimated average teacher attendance of 200	December, 1964
b) Follow-up supervisory activities with each student group which attended the workshop	October, 1965
c) Annual regional workshops for the rural teachers who are participating in the new program	October, 1965
d) Preparation and production of one textbook each year by the twelve local technicians who have been trained as textbook authors	June, 1966
e) Curriculum revision in fields of elementary reading, agriculture, rural industrial arts, health, home life education, community improvement, arithmetic and social studies	Continuous
f) Correspondence courses in the basic subjects directed to all teachers in the program, consisting of at least eight lessons annually	June, 1966

2. In-Service Teacher Training of Certified Teachers

The Socio-Educativo Rural (SER) has the responsibility for the in-service training of all certified rural teachers. There are thirty-four nucleo schools in eighteen geographical departments consisting of 872 communities. These individual schools, 1,011, are staffed by 1821 teachers to care for 60,100 children of elementary school age. SCIDE has assigned three U. S. technicians to assist in this program which is important because the great majority of these teachers are products of government supervised normal schools. These schools do not include courses in practice teaching or curriculum revision. Consequently the empirico teacher, who has been trained by SCIDE, often possesses greater teaching ability than the titled teachers.

The SER-SCIDE joint effort to up-grade the certified rural teacher has been in three areas: curriculum revision, teacher training, and central office administrative re-organization.

1961's program is scheduled as follows:

	Estimated Completion Date
a. Annual program planning with school directors, supervisors and special teachers (Duration of session: 3 weeks)	June, 1961
b. Personnel orientation to new program of studies which will be developed during 1960	Continuous
c. Annual school garden workshops (Duration of workshop: one month)	June, 1961
d. Annual methods workshops for rural teachers held in various parts of country (Duration of each workshop: three weeks)	June, 1961
e. Annual workshops for teachers on Pacific Slope (Duration of workshop: one month)	November, 1960
f. Organization of a P.T.A. in each of the 24 schools to be built during 1960 under the self-help construction program	June, 1961

	Estimated Completion Date
g. Supervision of schools on regularly scheduled basis	Continuous
h. Preparation of teaching materials	As needed
i. Semi-annual evaluation conferences in each zone with school directors and zone supervisors	June, 1961

3. Community Improvement

Living conditions must be improved in rural areas. Rural inhabitants need to learn better methods of agriculture. Citizenship Education must be provided through practical experiences. Special emphasis must be placed on home economics. The school is the logical unifying center, though not the source, for community improvement.

SCIDE's Rural Home Life Education Technician works directly with the Ministry of Education, having her office in the Ministry's Division of Community Improvement.

Specific aims include:

	Estimated Completion Date
a. Forty trained community leaders	June, 1961
b. Revision and implementation of the home economics course of study	Continuous as part of in service teacher training
c. Organization of school lunch programs in cooperation with SCIDE's teacher training and Ministry's agriculture education program	Throughout year
d. Completion of training of eight Guatemalans preparatory to their assuming complete responsibility for the program in rural home economics	June, 1961

4. School for Training Rural Social Workers

(Jointly sponsored by the Ministry of Education and San Carlos University)

SCIDE will continue to assist the school with the following specific aims:

	Estimated Completion Date
a. To train community workers who will work in Indian communities which are scenes of political unrest	Continuous
b. To establish good working relations with the University so that joint programs with SCIDE can be organized in such areas as the Training of Secondary School teachers and materials production	Continuous

C. Progress Toward Achievement of Project Activity Targets

1. Four activities of the Rural Education Division have been turned over to the Ministry of Education for administration and operation. The U. S. Technician previously assigned to each activity which SCIDE transferred to the Ministry, has terminated his tour of duty in Guatemala. No. replacement is being requested.

Consistent with SCIDE'S policy, U. S. technical advice will be available from other American personnel in the Mission if needed, and if requested by the Ministry of Education.

a. The Pre-Service Teacher Training Program at La Alameda Normal School. (Transferred to the Ministry of Education in July, 1959)

At meetings held during the past two years with the Consejo Técnico and the Ministry of Education, SCIDE gave assistance in the planning of a course of study for a school system of twelve grades. This program will extend the normal school training to six years divided into three years of pre-vocational schooling and three years of professional training, leading to graduation and the teacher's

certificate. The Ministry plans gradually to introduce the new program into the school system beginning in 1960.

Modern methods of teaching were adopted by the Ministry in social studies and reading. Laboratory experiences and student teaching were stressed as required subjects for teacher training. The curriculum of the Rural Normal School at La Alameda now contains all the courses suggested under the new curriculum revision plan adopted by the Ministry of Education. Professors at La Alameda have completed a curriculum guide prepared in cooperation with technicians from SCIDE.

Over-all planning for facility improvement at the Rural Normal School was based upon a self-help building program that has brought the normal school up to an operating capacity of 400 students.

Among the projects completed at La Alameda are the following:

1) A boy's dormitory of six large rooms with adequate toilet, lighting, and shower facilities replaces the former inadequate structure. Each room houses twelve boys and has adequate space for study tables.
2) Water is now provided from a spring one-half mile from the campus. Power for the pump is generated by a 25 kilowatt generator.
3) The construction of a new demonstration school building of six classrooms, a director's office, a store room, a multiple purpose auditorium, a kitchen, and adequate toilet and shower facilities have been completed. In the demonstration school at La Alameda 142 children were enrolled for the 1959 school year. There were 135 applications that could not be accepted because of limited space. In 1956 there were only 8 students. In 1958 there were 28.
4) Science supplies and equipment were purchased along with materials for the home life department. These departments are considered modern to the extent that a progressive program has been introduced in keeping with Guatemala's needs. The agriculture department received additional tools and a tractor which is now in service. The vegetable garden area was doubled in size, and an irrigation system installed. The garden areais completely fenced. The Industrial Arts Department has a limited number of power tools-but not at the expense of sacrificing the methods used in the rural areas where electricity is not available.
5) Five new houses for teachers, each with two bedrooms, kitchen, and living rooms have been completed.

b. Curriculum Development

(Transferred to the Ministry of Education in September, 1959)

Curriculum revision is a continuous activity. One U. S. specialist has worked in this field for the past two years, training local personnel in the methods of modern curriculum construction and adaptation. The responsibility of this activity has passed to the Consejo Técnico with a U. S. trained Guatemalan as the director of the program.

The following curriculum development activities, successfully initiated through studies of local needs, continue:

Correlating work in various areas
Studying needs, interests, and abilities of children
Educating teachers in the use of the reorganized curriculum
Selecting and organizing content material
Selecting and recommending materials for evaluating pupil growth
Suggesting teaching-learning procedures
Educating teachers in the use of units of work
Formulating general aims, objectives and expected outcomes
Investigating community resources
Selecting library materials for the curriculum library
Selecting procedures for developing materials
Consulting outside specialists for assistance
Collecting and analyzing curriculum materials

In September, 1958, the new secondary education curriculum, including pre-vocational, bachillerato, and normal school education was completed and presented to the President of the Republic. Only minor changes were made and these were in line with SCIDE's thinking.

The cultural center at SCIDE's office has served as a laboratory and conference room for curriculum planning and professional in-service activities. The center includes a curriculum library containing instructional materials, professional books, curriculum guides, courses of study, teaching units, pamphlets, charts, graphic aids, and other resource materials.

Groups discuss leadership training, conduct seminar courses and conferences, and view educational films.

Public school libraries, normal school teachers, principals of elementary schools, primary teachers, and other United States technicians visit the center to obtain professional assistance.

SCIDE'S curriculum laboratory is a member of the United States Book Exchange. It holds second place among 28 USBE Projects in the Latin American Countries.

c. Rural Arts and Crafts (Industrial Arts)
(Transferred to the Ministry of Education in January, 1959)
1) Guatemalans have been trained to assume complete responsibility for this activity.
2) A practical curriculum has been developed for rural elementary schools and the rural normal school.
3) Rural industrial arts continues to be an integral part of all rural teacher training.
4) The U. S. Technician terminated his work in this area in January, 1959. He was transferred to SCIDE's pre-vocational Industrial Arts Program as full time technician in that area.

d. Agriculture Education
(Transferred to the Ministry of Education in September, 1959)
1) Guatemalans have been trained to assume complete responsibility for this activity.
2) A practical curriculum has been developed for rural elementary schools and the rural normal schools.
3) The Ministry and CARE have provided agricultural equipment for all nucleo schools and the rural normal schools.
4) Agriculture activities have become part of the Ministry's community improvement plan in which SCIDE's Rural Home Economics program is playing a leading role. Personnel in these two activities work closely together.
5) The U. S. Technician departs from Guatemala at the end of CY 1959. He will not be replaced.

2. Current Rural Education activities continue with four U. S. technicians assigned to the project. Three of these people work directly with Ministry officials in government offices. The fourth has his headquarters in SCIDE. Specific accomplishments follow:

a. In-Service Teacher Training for Uncertified Teachers
1) Statistical data on Teaching Training program
a) 230 untrained teachers comprised the first training course in 1957. Of this number 159 were graduated in 1959. This is a loss of 71 teachers, or 31%, who failed to complete the course. Investigation showed the following reasons for withdrawal: ten left the teaching profession voluntarily, thirty were replaced by normal school graduates and left the profession, six were discharged, twenty-five had to leave course because of illness or inability to meet course standards
b) 288 entered the course which began in 1958. Of these, forty-two failed to register in 1959 - a loss of 15%. The reasons for the drop-out are unknown at present.

c) 230 have registered as beginning students in the 1959 workshop.

d) 745 uncertified teachers have participated to some degree in the empirico teacher training program.

e) Of the 2700 empiricos who were teaching in 1957 it is estimated that a total of 600 will be rejected during the course of the training period because of inability to qualify. 500 will leave the teaching profession between 1957 and 1966.

f) The 1100 empiricos noted above will be replaced by normal school graduates as follows:

Years 1957 and 1959	150 graduates
1960	100 "
1961	150 "
1962, 1963 and 1964	700 "

The increased number of graduates is possible by quadrupling the capacity of the Rural Normal School, additions to which were recently completed by SCIDE.

2) A six room elementary demonstration school was completed in 1959 at a cost of approximately $2.80 per sq. foot. It has become the model for all future school construction undertaken by the Guatemalan Government. This school will act as the center for all future in-service teacher training activities for undertified teachers.

3) Fifteen teacher trainers have received one year's U. S. training each.

4) Practical courses of study have been developed and are being revised constantly to meet the needs of the country.

5) Presidential decrees were issued for the creation of the In-Service Teacher Training Program (October, 1957) and for the authorization of salary increases for those teachers who successfully obtain certificates from the Ministry (May, 1959) after completion of the course.

6) Minimum standards have been established by the Ministry for teacher recruitment: A prospective teacher must, hereafter, either be a normal school graduate or have successfully completed SCIDE's In-Service Teacher Training Course.

7) Thirty-five Guatemalans have been given training as teacher trainers.

8) One U. S. Technician has been replaced by a Guatemalan.

9) A seven book reading series for Grades 1 - 3 has been scientifically written with controlled word count by a group of twelve Guatemalan teacher trainers.

b. In-Service Training of Certified Teachers

1) S.E.R. has been re-organized administratively. Success is expected to come slowly as the newly trained personnel place the new practices into effect.

2) All teachers in the thirty-four nucleos have participated in the teacher training programs, through regional workshops and scheduled supervisory activities by the Ministry's supervisors.

3) Teaching materials are being prepared and published continuously at a rapidly increasing rate. This begins to fill the vacuum which has existed in rural education.

4) The philosophy of a Guatemalan assuming leadership in a project with his U. S. associate gradually withdrawing has been firmly established in the Ministry-SCIDE work pattern.

c. Community Improvement

1) The Ministry has accepted the principle that a teacher cannot teach school and successfully administer all phases of Community improvement at the same time. Although the school can be the center of community activity, the teacher's primary responsibility is to the school.

2) The Guatemalan staff in Rural Home Life Education numbers eight. They are the leaders who are encouraging the parents to form Parents' Clubs, eighteen of which have been started since 1957.

3) Approximately thirty community leaders have been trained at the local level.
4) The U. S. Technician in Rural Home Economics continues to give assistance to SCIDE's teacher trainers so that they, during their supervisory visits to schools, can help local teachers understand and plan programs consistent with the SCIDE-SER policy of community improvement.
5) Increases in the use of vegetables have been recorded in thirty communities where evaluation studies have been made.
6) Ten communities have specifically requested aid from the Public Health Ministry in their campaign for better health which was initiated by the Community Improvement Program.
7) The increase in the quantity and quality of cottage industry products, introduced by the Community Improvement workers, has made profitable livelihoods possible for a number of families in several communities. The interest created in the sale of articles at one of the country fairs is spreading so that the Ministry is hiring extra personnel to assist in this program.

d. School for Training Rural Social Workers
1) A U. S. Technician has been recruited to furnish technical assistance for a two year period beginning January, 1960.
2) The school has been in operation for ten months with forty-eight students in attendance. It successfully carried on classes when the rest of the University was on strike for several weeks. Classes were held many times amid jeers from the strikers.
3) SCIDE has received requests for technical assistance from the University in other areas of work, including several from the faculty of Humanities (School of Education).
4) Assistance was given in the creation of a tentative course of study in Citizenship Education. This is the first time such a course has been contemplated in Guatemala at the University level.

D. Nature of the United States Contribution

The U. S. contribution to this project for F.Y. 1961 amounts to $59,000 for U. S. technicians; $42,000 for participants; and $4,000 for other costs.

Contributions during 1959 were $33,000 for U. S. Technicians; $26,000 for participants; and $6,000 for other costs. F.Y. 1960: $89,000 for U. S. Technicians; $32,000 for participants; and $6,000 for other costs.

In F.Y. 1962 estimated costs will be $64,000 for U. S. Technicians; $42,000 approximately for participants; and $10,000 for other costs. 1963's costs will be approximately the same as for 1962.

1. Participants
a. Two to study and obtain practical experience in demonstration teaching in the United States for 12 months at a cost of $10,500. Arrival date: September, 1960.
b. One to study and obtain practical experience in Primary School Administration in the United States for 12 months at a cost of $5,250. Arrival date: September, 1960.
c. Two to study and obtain practical experience in primary school supervision in the United States for 12 months at a cost of $10,500. Arrival date: September, 1960
d. One to study and obtain practical experience in curriculum development in the United States for 12 months at a cost of $5,250. Arrival date: September, 1960
e. Two to study and obtain practical experience in Community Development in Puerto Rico for 12 months at a cost of $10,500. Arrival date: August, 1960

2. Staffing Requirements
a. Position Number 43, Elem. Ed. Adv. Materials, Occ. Code

6171003, FSR-3, $19,000.

b. Position Number 46, Home Ec. Ed. Adv. Elem. Occ. Code 6171013, FSR-5, $11,000.

c. Position Number

d. Position Number 42, Elem. Ed. Adv. Rural, Occ. Code 6171003, $15,000.

3. No Contractual Services
4. No Commodities
5. Other costs include $4,000 which is used for material purchases, travel and property maintenance.

E. Nature of Cooperating Country's Contribution

Q20,000 toward the payment of the teacher trainers' salaries.

F. Contribution from Other Sources

CARE will contribute $15,000 for publication of textbooks and $20,000 for agriculture equipment.

G. Financial Considerations

Other than the slow receipt of advices of charge for participants there are no pipeline problems.

The funding proposed for the budget year does not complete the requirements of this project which is scheduled to terminate in 1966. Total funds will increase until 1963 after which the Guatemalan Government is expected to assume greater financial responsibility for the education program. A gradual decrease in the U. S. Assistance will then result.

Any reduction in funding than the one proposed would jeopardize the program to the point that U. S. objectives could not be realized as rapidly.

H. Cooperating Country- USOM Coordination

The program for rural education has been planned in cooperation with the Ministry of Education officials, local school authorities and the parents' groups in those communities where SCIDE is working.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 8, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-69-910	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Urban Education		

1

PROJECT BEGINS FY 57 ENDS FY 66	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations: (1) U.S. Owned MSP	(2) PL 480 and Other	(3) from MSP ~~Counterpart~~ Joint fund	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People: (1) Technicians Authorized: Non-Contract	(1) Contract	(2) Participants: Non-Contract U.S.	(2) 3rd Country	(2) Contract
A. All Prior Years	TC	183	115	62			6				208								
B. Net Deob.-Reob.	TC	(7)	(2)	(5)			-0												
Current Funds	TC	123	104	16			3												
Total Actual Year FY 59	TC	116	102	11			3				124				6		3		
C. Operational Year FY 60	TC	122	85	32			5				227		20		6		6		
D. Budget Year FY 61	TC	127	80	42			5				205		80		6		8		
E. All Subsequent Years	TC	375											235						
F. Total All Years	TC	923											339						

2

Dollar Obligation and Expenditure: FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available for Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	TC	122	--	61	(7)	--	--	--	54	40	14		14	14	--
Actual Year FY 59	TC				123	123	123	--	123	103	20		20	20	--
Operational Year FY 60												122	122	95	27
TOTAL	TC	122	--	61	116	123	123	--	177	143	34	122	156	129	27

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 6 SHEETS TO THIS PROJECT

Problems Addressed:

Deficiencies in Education and Health

A. General Description of the Project

This project consists of providing technical assistance to the Ministry of Education for solution of Guatemala's Urban Education Problems. Six U. S. Technicians will give technical assistance to a program which is considered of tremendous importance. Education, in the urban areas of Guatemala, has not made the progress that it has in the rural sections. This lag, combined with the poor economic conditions and the low social status of many of the people, could lead to a generally disordered situation. The aim of the Urban Education project is to train local personnel to eventually assume complete responsibility for the entire urban education program as soon as possible. The United States will withdraw when this has been accomplished.

Obstacles to be Overcome.

Guatemala's public school system is centralized with complete authority for the country's educational program resting in the Ministry of Education which has its headquarters in the Palace. Frequent teacher transfers are made by the Ministry, many during the school term, for personal and political reasons.

Poorly trained urban teachers, 900 of whom are uncertified, teach in ill equipped schools. Classrooms lack essential teaching materials, adequate furniture and basic educational equipment. The fact that 90% of the urban schools are located in rented homes adds a feeling of uncertainty and insecurity to the situation. Half day sessions are common. Many city schools have three sessions daily, with three different faculties.

Nineteen normal schools graduate approximately 800 potential teachers annually. About eleven percent of these graduates obtain teaching positions. Supervisors receive no special training. They usually obtain their positions through influence. This small corps make infrequent school visits, due, to a great degree, to lack of transportation facilities. When a supervisor does visit a class he uses an inspectorial approach which perpetuates the dictation-memorization method of teaching. Examinations, prepared in the Ministry, are given three times annually. An average grade of 51% is required for promotion.

These conditions, aggravated by the very low salaries, lead to teacher unrest, an unstable school system, a high percentage of pupil drop-out and a disinterested public.

The Urban Education Division will limit its activities during FY 1961 to Guatemala City and four selected Urban Centers. These centers are Retalhuleu, Mazatenango, Puerto Barrios and Jutiapa. The particular places were chosen by the Ministry of Education and SCIDE because they are considered key centers, economically and politically, in Guatemala's struggle to achieve a higher level of living.

The following specific activities of the Urban Education Division will be administered and supervised in FY 1961 jointly by the Ministry and SCIDE in order to accomplish the project's aims:

1. "Expanded Urban Education" in five selected urban centers
2. "Divulgación" School Program in eight urban elementary schools in Guatemala City as an extension of the Ministry's urban elementary laboratory school
3. Pilot Commercial Education Program in Guatemala City
4. Home Economics School in Guatemala City
5. Industrial Arts Program in twenty two urban secondary schools to be jointly operated by the SCIDE and the Ministry's Vocational Education Division
6. Adult Education Program in the Capital and the selected Urban Centers

B. Specific Activity Targets or End Results of the Project

1. Expanded Urban Education

a. Retalhuleu and Mazatenango

	Estimated Completion Date
1) Two 6 week workshops for elementary school teachers of both centers	December 20, 1959
2) Intensive in-service teacher training on elementary and secondary school levels through on-the-job supervision	December 20, 1960
3) Self-help elementary school construction, built cooperatively by Obras Públicas, the Ministry of Education, SCIDE, the Community, and the City	December, 1960 Retalhuleu, July, 1960 Mazatenango, March, 1961
4) Self-help secondary school built by Obras Públicas, the Ministry of Education, SCIDE, the Community, and the City	July, 1961
5) Curriculum revision on elementary and secondary school levels	Continuous
6) Citizen's committees implement community studies on cooperative basis with the Ministry, SCIDE and other national and international agencies	July, 1961 (Committees will continue to fuction as permanent action groups beyond this date without SCIDE participation.
7) Preparation and publication of teaching materials for all courses	As needed

b. Jutiapa and Puerto Barrios

	Estimated Completion Date
1) Organize Citizens' Committees	Jutiapa, Feb., 1960 Puerto Barrios, June, 1960
2) Committees make studies of education finance, school buildings, textbooks, and teaching materials, local school enrollments, school attendance, children of school age, training and numerical adequacy of educational staff, industrial areas, natural resource areas, health and sanitation, housing and living.	Jutiapa, April, 1960 Puerto Barrios, August, 1960
3) Two 6 week workshops for elementary teachers of both centers	December 20, 1960 December, 1961
4) Intensive in-service teacher training on elementary and secondary school levels through on-the-job supervision	December, 1961
5) Self-help elementary school construction, built cooperatively by Obras Públicas, the Ministry of Education, SCIDE, the Community, and the City	Jutiapa, July, 1961 Puerto Barrios, December, 1961
6) Curriculum revision on elementary and secondary school levels	Continuous
7) Citizens' committees implement community studies on cooperative basis with the Ministry, SCIDE, and other national and international agencies	July, 1961
8) Preparation and publication of teaching materials for all courses as needed	July, 1961

2. Divulgación School Program

Through this program, SCIDE is introducing in eight Divulgación Schools, the modern elementary school techniques developed at the SCIDE supervised elementary laboratory school in Guatemala City. The laboratory school is the training center where new teachers do their student teaching.

COUNTRY ECONOMIC PROGRAM

Urban Education

	Estimated Date of Completion
a. Completion of plans by SCIDE and Consejo Técnico (Advisory Board to the Ministry) for transfer of laboratory school to the Ministry	December, 1960
b. Completion of plans for introduction of modern methods in "Divulgación" schools.	December, 1, 1960
c. In-service training of all elementary teachers in the eight schools	July, 1961
d. Curriculum revision	Continuous
e. Formation of P.T.A.'s in all project schools	July, 1960
f. Preparation and publication of teaching materials	Continuous
g. Administration of a student teaching program for the prospective teachers	10 weeks in each school year
h. Introduction of this activity to other urban centers	January, 1963
3. Pilot Commercial Education Program	
a. Completion of plans for pilot school by SCIDE and Consejo Técnico	
b. Supervision of a four month's special training for three new teachers	January, 1960
c. Recruitment of one United States technician	February, 1960
d. Opening of laboratory school	
e. Use of school for in-service training of [illegible] teachers in commercial education	Continuous
f. Four week workshop for commercial school teachers	November, 1960
g. Physical placement of school in the secondary school system	January, 1962
h. Transfer of activity to Ministry of Education	December, 1963
4. Home Economics School	
a. Termination of financial aid to activity	January, 1961

	Estimated Completion Date
b. Technical assistance to activity by SCIDE's rural home life education specialist	As needed
5. Industrial Arts	
a. Six week workshop for 32 industrial arts teachers as orientation to new program	December, 1959
b. Curriculum revision to coordinate Secondary School Industrial Arts program with Vocational Education	Continuous
c. In-service teacher training through supervision, seminars, and conferences	June, 1962
d. Preparation and publication of teaching materials	June, 1962
e. Transfer of the activity to the Ministry	December, 1962
f. Nine indusirial arts teachers depart for Puerto Rico	June, 1960
6. Adult Education	
a. Continuation of night school classes in the capital's secondary schools	December, 1963
b. Technical assistance to adult classes in reading and writing to illiterates in the penitentiary	December, 1963

C. Progress Toward Achievement of Project Activity Targets

The following activities have been turned over to the Ministry of Education for its administration and supervision:

1) Secondary School [illegible] with no further financial aid
2) Scholarship Guidance Program (Tests and Measurements). [illegible] financial aid
3) Elementary Laboratory School; limited financial help during FY 1961
4) Home Economics School. Financial aid continuing on phase out basis until December, 1961

1. Expanded Urban Education Program
   a. Retalhuleu
      1) Citizen's committee has met regularly since November, 1958
      2) Studies were completed on all aspects of city improvement. May 1959.
      3) Six room self-help elementary school has been completed in poor section of city. June, 1959.
      4) One third of the cost of the school building was provided by local citizens.
      5) Local P.T.A. was formed in city, Februar,, 1959.
      6) Six-week workshop was held for elementary school teachers, June, 1959.
      7) Plans have been completed for larger (24 room) self-help elementary school in Retalhuleu. October, 1959.
      8) School census of city was completed by local citizens, March, 1959.
   b. Mazatenango
      1) Citizen's committee has met regularly since March, 1959.
      2) Studies were completed on all aspects of city improvement, June, 1959.
      3) Local P.T.A. was formed in Mazatenango, June, 1959.
      4) Six week workshop was held for elementary school teachers, June, 1959.
      5) Census of city was completed by local citizens, July, 1959.
      6) Plans were completed for self-help secondary school in Mazatenango.
      7) One third of the cost of the school building to be constructed has been provided by local citizens.
   c. Jutiapa and Puerto Barrios
      Program has not been started as yet.
2. "Divulgación" School Program
   a. Elementary laboratory school was turned over to Ministry for operation. October, 1959
   b. Plans were completed for administration of new program by Consejo Técnico beginning January 1, 1960.
3. Pilot Commercial Education Program
   a. Agreement was reached with Ministry of Education on operation of school whereby Guatemala will pay all operational costs. I.C.A. will furnish one U. S. technician for two year period. October, 1959.
   b. Three teachers were hired to receive special training by SCIDE, Oct. 1959.
4. Home Economics School
   a. School was formally turned over to Ministry of Education for operation in March, 1959.
   b. Two classes of thirty students each have been graduated. All have jobs as teachers, community workers, dieticians, etc.
   c. School recognized as an international institution since students come from all Central American countries.
5. Industrial Arts
   a. Workshops were held in 1957 and 1958. Thirty-two industrial arts teachers attended each training course.
6. Adult Education
   a. Program has just been started. No U.S. financial assistance is needed.

D. Nature of U. S. Contribution

The United States contribution to this project for FY 1961 amounts to $80,000 for U. S. technicians, $42,000 for participants and $5,000 for other costs.

Contributions during FY 1959 were: U. S. technicians, $104,000; Participants, $16,000; other costs, $3,000. F.Y. 1960: U.S. technicians $85,000; Participants, $32,000; other costs, $5,000. In FY 1962 estimated costs are: U.S. technicians, $98,000; Participants, $42,000; other costs, $5,000. For FY 1963 estimated costs are: U. S. technicians, $80.000; Participants $42,000; other costs $5,000.

1. Participants
   a. Three will study Home Economics in the U.S. for one year at a cost of $15,900. Arrival date in the U. S.-September, 1960
   b. Three will study School Administration and Supervision in the U.S. for one year at a cost of $15,900. Arrival date in the U.S.-September, 1960
   c. Two will study Commercial Education in Puerto Rico for one year at a cost of $10,200. Arrival date in Puerto Rico - August, 1960.

2. Staffing Requirements
   a. Position # 102-Educ. Admin. Adv. OCC Code 6171018, FSR-5, $13,000.
   b. Position #49, Trade Ind.Ed.Adv., OCC. Code 6171009, FSR-5, $3,000.
   c. Position #44, Trade Ind. Ed. Adv.Elementary, OCC,Code 6171010, FSR-5, $16,000.
   d. Position #50, Secondary Ed. Adv., OCC. Code 6171004, FSR-4, $18,000.
   e. Position #51, Elem. Ed.Adv., OCC. Code 6171002, FSR-4, $15,000.
   f. Commercial Ed. Adv., FSR-4, $15,000.
3. No Contractual Services.
4. No Commodities.
5. Other costs include $5,000 which is used for material purchases, travel and property maintenance.

E. Nature of Cooperating Country Contribution

Q30,000 to the support of the Home Economics School.
Q20,000 to the Commercial Education Program.
Q15,000 to the Guidance Program.
Q15,000 toward the payment of teacher trainers' salaries.

F. Contributions from other Sources and Relationship to other projects.

C.A.R.E. will contribute approximately $10,000 for the publication of reading textbooks.

G. Financial Considerations.

Other than the slow receipt of advices of charge for participants there are no pipeline problems.

The funding proposed for the budget year does not complete the requirements of this project which is scheduled to terminate in 1966. Total funds will increase until about 1963 after which the Guatemalan Government is expected to assume greater financial responsibility for the educational program. A gradual decrease in U. S. assistance will then result.

Any reduction in funding than the one proposed would jeopardize the program to the point that U. S. objectives could not be realized as rapidly.

H. Cooperating Country-USOM Coordination.

The program planning for Urban Education has been done in cooperation with the Ministry of Education officials, local school authorities and the Citizen's Committees of those communities in which SCIDE is working.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-67-110
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: Literacy in Guatemalan Army	

1 PROJECT BEGINS FY 60 ENDS FY 60

	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract U.S.	3rd Country
	Dollar Obligations ($1,000)								L/C Commitments or Obligations						Numbers of People			
A. All Prior Years	--	--																
B. Net Deob.-Reob. Current Funds																		
Total Actual Year FY 59	--	--																
C. Operational Year FY 60	SA	60		6		32	22						7				1	1
D. Budget Year FY 61	--	--																
E. All Subsequent Years	--	--																
F. Total All Years	SA	60										--	7	--				

2 Dollar Obligation and Expenditure

FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) U C
All Prior Years	--												--		
Actual Year FY 59	--												--		
Operational Year FY 60	SA											60	60	40	
TOTAL	SA	--	--	--	--	--	--	--	--	--	--	60	60	40	

Problems Addressed:

See continuation Sheet.

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 3 SHEETS TO THIS PROJECT

lems Addressed:

Deficiencies in Education and Health

General Description of the Project

Literacy is an essential aid in promoting group and individual welfare. An ctive literacy program is conducive to thoughtful reaction to written ideas fusion with previous experiences. Furthermore, a literacy program should vide good reading material for those who have recently learned to read to vent the deterioration of the skill.

The Ministry of Defense recognizes these facts and with the technical stance of ICA desires to initiate a pilot operation which can serve to improve literacy education program for the illiterate conscripts (about 75%) of the atemalan Army as the basis for future expansion of the program without fur- assistance from ICA. This project might also serve as a demonstration to er agencies of the Government of Guatemala of methods and materials which ld be adopted to a truly nationwide effort of attacking the problem of racy among the adult population of the country.

The Ministers of Defense and Education and the USOM agree that the Ser- io Cooperativo Interamericano de Educación (SCIDE) can aid in the planning execution of this project.

The center of activity will be Guatemala City, but the influence will ect the nationwide network of army installations (zone, base or port) through teacher training phase for the army supervisors of the literacy program. A rt intensive course will prepare the supervisors with teaching methods, teach- reading and writing, observation and practice teaching, visual aids and luation. One supervisor will be in charge of the teachers at each installation. aterials production center in the Army Literacy Training center in Guatemala y will produce the training guides for supervisors and teachers, teaching materials, and supplementary readers.

B. Specific Activity Targets

By November 1, 1960, the following will have been accomplished:

1. An intensive study of Guatemalan Army literacy education and recommendations made for appropriate instruction and curricula.
2. Train the literacy supervisors of each zone, base, and port.
3. Preparation of guides for supervisors and teachers.
4. Pilot classes to test revised curricula.
5. Determination of areas of student interest in order to write copy for producing supplementary readers.
6. Provide training in the use of small offset press, camera, and printer.
7. Follow-up work by Alfabetización and SCIDE technicians.
8. Termination of ICA assistance.

C. Progress toward achievement of Project Activity Targets

This is a new project. However, a preliminary observation has been made of the Army Literacy Education as a result of contacts established during an earlier period.

D. Nature of the U. S. Contribution

This project is of short duration with U. S. contribution of $60,000 from reallotted Special Assistance funds.

1. Participants will be trained in two areas of work: offset printing and the teaching of reading and writing to adults. Training costs are estimated to be as follows:

One participant for two-month (U.S.) (Offset printing, factory training)	$ 2,000.00
One participant for six month (Third country)	4,000.00

(Adult literacy work)

Total	6,000.00

2. Staffing requirements - No U. S. Technicians are charged to this project.

3. Commodities

591 Pulp, paper and paper products	4,000.00
592 Newsprint	1,000.00
680 Misc. iron and steel mfgr.	4,000.00
780 Industrial mach. N.E.C. including office machinery, appliances and parts	18,100.00
880 Scientific, professional instruments apparatus and supplies	2,000.00
890 Miscellaneous commodities	900.00
899 Miscellaneous project items	2,000.00
TOTAL	$ 32,000.00

4. Other Costs

Coordinator, teacher trainer $200/mo. 12 mo.	2,400.00
Teacher trainer-demonstration teacher $120/mo 12 mo.	1,440.00
Part-time supervisor trainer (contract)	560.00
Writers (by manuscript)	880.00
Artist, illustrator-trainer	700.00
Bi-lingual secretary $180/mo. 12 mo.	2,160.00
Photographer-trainer (contract)	500.00
Silk screen, trainer	80.00
Typist $150.00/mo. 6 mo.	900.00
Cleaning service $40/mo. 12 mo.	480.00
Offset pressman $110/mo. 10 mo.	1,110.00
Mimeograph operator $80/mo. 12 mo.	960.00
Travel	630.00
Transportation of things	5,500.00
Communication	100.00
Rents and Utilities	2,700.00
Printing and reproduction	200.00
Other contractual services	200.00
Supplies and materials	500.00
SUB-TOTAL	$ 22,000.00
TOTAL	$60,000.

E. Nature of Cooperating Country Contribution

The contribution will provide air transportation for all commodities from the United States ports of exit of Houston, Texas, New Orleans, Louisiana, or Miami, Florida. These air freight services are valued at approximately $7,000.00

F. Financial Contributions

This project is of short duration and is to be financed from Special Assistance Funds.

The Ministers of Defense and Education agree in principal and scope to all aspects of the project plan. There will be no further requirements for U. S. participation after November 1, 1960. It is expected that, as of that date, there will be no substantial unliquidated obligations. A reduction in fund availabilities would require the termination of this project since it has been programmed on a minimum demonstration basis.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 8, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-69-089	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Vocational Education		

1 PROJECT BEGINS FY 58 ENDS FY 62

	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract: U.S.	3rd Country	Contract
A. All Prior Years	SA	1,000	--	--	--	640	360						4[illegible]	1[illegible]					
B. Net Deob.-Reob.	SA	--																	
Current Funds	SA	--																	
Total Actual Year FY 1959	SA	--	--	--	--	--	--												
C. Operational Year FY 1960		--																	
D. Budget Year FY 1961		--																	
E. All Subsequent Years	--	--																	
F. Total All Years	SA	1,000											4[illegible]	1[illegible]					

2

FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure: All Prior Years	SA	--	1,000	1,000		1,000	31	969	1,000	--	1,000		1,000	500	500
Actual Year FY 59	SA									--			--	--	--
Operational Year FY 60												--	--	--	--
TOTAL	SA	--	1,000	1,000	--	1,000	31	969	1,000	--	1,000	--	1,000	500	500

Problems Addressed:

See continuation sheet.

 SECURITY CLASSIFICATION UNCLASSIFIED SHEET 1 OF 4 SHEETS TO THIS PROJECT

Problems Addressed:

Deficiencies in Education and Health

A. General Description of the Project.

This project provides for the construction of a new Vocational School building, complete with shop facilities, in Guatemala City. Complete equipment and local personnel needed to start the program are included in the project.

Industry, the trades, and the service enterprises are retarded because of the lack of skilled labor. The few skills which do exist have been acquired through work experience rather than through vocational training. The caliber of the limited vocational training has attracted only a few of the workers capable of learning. Many young people have not had sufficient education to be admitted to a vocational school. With few exceptions, employers have been indifferent to training needs. The experience of a few progressive firms has demonstrated that Guatemalan workers will take advantage of training opportunities.

Less than one-half of one percent of Guatemala's so called skilled labor receives any form of Vocational training. Management is aware that the group of so called "skilled workers" is increasing while the number of trained workers is not. Inferior work is produced by a group called skilled. Guatemalan government officials, educators, and industrialists, are aware of the situation. The result is the beginning of a combined effort to provide more adequate vocational training.

B. Specific Activity Targets or End Results.

	Estimated Completion Date
1. Complete the construction of the new building, including shops, as follows:	July, 1960
a. Building Trades and Carpentry	
b. Auto Diesel Mechanics	
c. Sheet Metal and Iron Work	
d. Electricity	
e. Plumbing	
f. Graphic Arts	
2. Complete the development of a curriculum with practical courses of study established for each area of instruction.	June, 1960
3. Employ teaching and building maintenance staff.	July, 1960
4. Establish administrative and supervisory policies.	January, 1960
5. Strengthen the night school program and extend facilities to meet ever increasing demands for this type of training.	Continuous
6. Continue the day school program in the present quarters until completion of the new school.	July, 1960
7. Examine the needs for a hotel training school.	January, 1960
8. Organize draft committees in each one of the trades being taught at the school.	March, 1960
9. Organize and conduct a training program for Vocational Counsellors.	October, 1960
10. Examine applications for enrollment and establish class sizes.	January, 1960
11. Organize and operate cafeteria service for students and teachers.	July, 1960
12. Continuously develop teaching materials and related aids for courses being offered.	Continuous
13. Select and appoint academic teachers in cooperation with the Ministry of Education.	January, 1960

C. Progress Toward Achievement of Progress Activity Targets

1. Supervision of the new program began on January 15, 1959 at the

Instituto Industrial Central.

2. Evening extension program is still being developed.
3. Nine Vocational Counsellors were hired June, 1959.
4. U. S. Industrial Arts Technician was assigned to assist in Vocational Education in April, 1959.
5. Building site was cleared in May, 1959.
6. Preliminary grading to construction level was completed in June, 1959.
7. Official ground-breaking Ceremony was held in June, 1959.
8. Preliminary building plans and specifications were approved in June, 1959.
9. Twelve participants for training were selected in July, 1959. At present time these participants are studying in Puerto Rico. They will complete their courses in December, 1959.
10. Sub-project agreement on procurement of equipment has been completed and signed, May, 1959.
11. Equipment lists were completed in May, 1959.
12. The program's four year budget was completed in June, 1959.
13. A U. S. technician was sent to U. S. in August, 1959 to purchase surplus property.

D. Nature of the U. S. Contribution.

1. Description of types and estimated costs of commodities:

Commodity Code	Description	Unity	Quantity	Proposed Source	Estimated Land Cost
680	Machinery and Equipment for sheet metal, welding and iron work shop.	lot	lot	99	61,500.00
770	Machinery and Equipment for radio, refrigeration and appliance shops.	lot	lot	99	7,600.00
780	Machinery and equipment for Graphic Arts shop.	lot	lot	99	55,000.00
750	Machinery and Equipment for Auto Mechanics and Diesel shop.	lot	lot	99	9,200.00
750	Machinery and Equipment for Carpentry, cabinet work and furniture shop.	lot	lot	99	7,500.00
750	Machinery and Equipment for masonry, bricklaying and plastering shop.	lot	lot	99	2,200.00
680	Machinery and Equipment for Plumbing shop	lot	lot	99	3,700.00
780	Equipment for Drafting Shop	lot	lot	99	1,800.00
780	Office Equipment	lot	lot	99	6,800.00
780	Miscellaneous Equipment	lot	lot	99	4,700.00
570	Furniture and School Supplies	lot	lot	99	400,000.00
780	Spare Parts for machinery and equipment.	lot	lot	99	80,000.00
					$ 640,000.00

2. Other costs to be financed with U, S. Currency will approximate $360,000.00 over a four year period for local labor, supplies, and materials.
3. This is a Special Assistance project.
4. There is no U. S. owned local currency involved.

E. Nature of Cooperating Country Contribution.

$400,000.00 cash plus land valued at approximately $900,000.00 is being contributed by the Guatemalan Government.

F. Contributions From other Sources.

Private enterprise is contributing $100,000.00.

G. Financial Considerations.

This project is projected over a four year period and is to be financed from Special Assistance Funds. It is believed that the need for United States funds will terminate on June 30, 1962.

H. Cooperating Country-USOM Coordination.

This project, supported and cooperatively directed by leading national Citizens, is intended to develop the industrial potential of Guatemala, thereby increasing its stature in world commerce.

Problems Addressed:

Deficiencies in Education and Health

A. General Description of the Project

This sub-project agreement provides for the establishment of a Vocational Guidance Program in the Ministry of Education. Although the Ministry of Education, through the Consejo Técnico, includes a generalized student guidance service in its organizational plans, the guidance section is not adequately staffed with trained personnel and does not include a specific Vocational Guidance Program. This project aims to strengthen the Ministry's facilities for properly selecting students who will enter the Vocational Program in future years.

B. Specific Activity Targets or End Results of the Project

	Estimated Completion Date
1. Nine vocational counselors will be added to the Ministry's staff of seven. These nine will serve fifteen schools which previously have had no guidance assistance.	January, 1960
2. Intensive training of nine new counselors.	July, 1960
3. Testing of applicants for enrollment in the Vocational School.	January of each year
4. Preparation and publication of instructional materials.	As needed
5. Institute a system of cumulative pupil records through cooperation with the elementary schools of Guatemala.	January, 1961
6. Improve the techniques to be used for selection of new students.	July, 1962
7. Extension of the Ministry's department of orientation to all of the twenty-two pre-vocational schools in Guatemala.	July, 1963

C. Progress Toward Achievement of Project Activity Targets

1. Four counselors have been employed by the Ministry and are working in six pre-vocational schools.
2. Four counselors have been trained by SCIDE personnel.
3. Five additional counselors have been selected for division's staff on the basis of their records in the training workshops conducted by SCIDE.
4. One thousand copies of Hamrin's "Guidance Talks to Teachers" have been produced by RTAC, Mexico for distribution in the pre-vocational schools, March, 1960.
5. Two-week workshops for 105 teachers and counselors in Guatemala City, June, 1959.
6. One-week workshop for 120 teachers and counselors in Quezaltenango, July, 1959.

D. Nature of the U. S. Contribution

From Special Assistance Funds of Project 20-69-089, 550,000.00 over a three-year period is assigned to this sub-project No. 1.

1. Two participants to be trained in Puerto Rico for seven months at a combined cost of $6,850.00.
2. No U. S. personnel is charged to this sub-project.
3. No contractual services are contemplated.
4. Commodities:
   None
5. Other costs are as follows:

Counselors	-	21,600.00
Bi-lingual Sec'y	-	1,600.00
Transportation	-	000.00
Gasoline	-	500.00
Printing	-	1,000.00
		$ 25,700.00

6. This is not a cooperative service.
7. No. U. S. owned local currency is involved.

E. Nature of Cooperating Country Contribution

Guatemala's contribution over a three-year period is as follows:

FY 1959	-	None
FY 1960	-	Q12,950.00
FY 1961	-	Q25,900.00
		Q38,850.00

F. Contribution from Other Sources

None

G. Financial Considerations

Guatemala will assume full responsibility on January 31, 1962 after gradually increasing contributions over a three year period. Date of Agreement, January, 31, 1959.

H. Cooperating Country - USOM Coordination

The Ministry of Education, the Consejo Técnico, and SCIDE planned this program cooperatively. The Ministry and SCIDE will administer and supervise all its activities.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 5, 1959	☒ ORIGINAL ☐ REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-69-096	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Vocational Education		

1 PROJECT BEGINS FY 59 ENDS FY 65

	(A) Dollar Obligations ($1,000)								(B) L/C Commitments or Obligations					(C)	(D) Numbers of People				
	Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	Other External Financing	(1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract: U.S.	(2) Participants: Non-Contract: 3rd Country	(2) Participants: Contract
A. All Prior Years	TC	-	-	-	-	-	-												
B. Net Deob.-Reob.	TC	-	-	-	-	-	-												
Current Funds	TC	73	33	40	-	-	-												
Total Actual Year FY 59	TC	73	33	40	-	-	-								8		12		
C. Operational Year FY 60	TC	170	114	51			5								8		11	4	
D. Budget Year FY 61	TC	171	126	40			5								8		12	-	
E. All Subsequent Years	TC	700																	
F. Total All Years	TC	1,114																	

2

	FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	TC	-	-	-	-	-	-	-	-	-	-		-	-	-
	Actual Year FY 59	TC				73	-	73	-	73	22	51		51	51	-
	Operational Year FY 60	TC											170	170	125	45
	TOTAL	TC	-	-	-	73	-	73	-	73	22	51	170	221	176	45

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 3 SHEETS TO THIS PROJECT

Vocational Education

Problems Addressed:

Deficiencies in Education and Health

A. General Description of the Project

The purpose of this project is to implement Special Assistance Project 20-69-089, Vocational Education, by providing two short term U. S. Consultants annually for four-years and eight full-time U. S. technicians over the same four-year period. Provision is also made for U. S. or third country training, for a period of six months each, for twelve Guatemalan Vocational Education teachers.

B. Specific Activity Targets or End Results of the Project

1. To provide the following U. S. personnel:
   a. A technical director for the school
   b. One teacher trainer
   c. One specialist in each of the following: Building Trades, Auto Mechanics, Plumbing, Machine Shop, Electricty, and Graphic Arts

   These technicians will train Guatemalan counterparts in the operation of Vocational School described in Project 20-69-089.
2. To provide two short-term consultants for periods of work as the needs arise

C. Progress Toward Achievement of Activity Targets

The Technical Director, the Teacher Trainer, the Auto Mechanics specialist, and the Machine Shop specialist have arrived and are now on duty.

The Building Trades specialist is due at post November 12, 1959.

Graphic Arts, Electricity, and Plumbing specialists have been recruited but are not on duty as of October 15, 1959. Arrival dates are unknown.

D. Nature of the U. S. Contribution

The United States is furnishing eight full-time and two short-term consultants at a total cost of $126,000.00 for FY 1961.

1. Twelve participants at a cost of $40,000.00. All of them will receive their training in Puerto Rico beginning August, 1960.
2. Staffing Requirements

   Eight full-time technicians:
   a. #83 - TR. Ind. Ed. Adv. - 6171009 - FSR-4 — 15,800.00
   b. #84 - TR. Ind. Ed. Adv. Auto Mech. 617 10 10 - FSR-5 — 14,600.00
   c. #86 - TR. Ind. Ed. Adv. Electronics 617 10 10 - FSR-5 — 13,000.00
   d. #96 - TR. Ind. Ed. Adv. Teacher Training - 617 10 10 - FSR-3 — 17,600.00
   e. #87 - TR. Ind. Ed. Adv. Plumbing - 617 10 10-FSR-5 — 13,000.00
   f. #88 - TR. Ind. Ed. Adv. Building Trades - 617 10 10 - FSR-5 — 13,000.00
   g. #101 - TR. Ind. Ed. Adv. Machine Shop - 617 10 10 - FSR-4 — 16,300.00
   h. #85 - TR. Ind. Ed. Adv. Graphic Arts - 617 10 10 - FSR-5 — 13,000.00

   One short-term consultant to work with the Accelerated Vocational Program. $5,000.00

   One short-term consultant to work with Diversified Occupations. $5,000.00
3. Contractual Services

   None
4. Description and Cost of Commodities

   None
5. Other Costs to be financed with U. S. dollars

   Local travel for technicians. $5,000.00
6. Cooperative Services

   None

ɔcal Currency Expenditure
None

re of Cooperating Country Contribution
ɔne

ibution from Other Sources
ɔne

cial Considerations
ject will terminate in FY 1965. Contribution for 1962 includes
)0 for technicians, $40,000.00 for participants, and $5,000.00
ɔsts. Contributions for 1963: $135,000.00 for technicians,
; for participants, and $5,000.00 for other costs.
nship to other projects: This project provides the technical
g for Project 20-69-89 (Vocational Education).

ɔting Country-USOM Coordination
ɔerating country concurs in plan.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED: September 15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION: UNCLASSIFIED	COOPERATING COUNTRY: GUATEMALA	PROJECT NO. 20-69-108	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE: School Construction		

1

PROJECT BEGINS FY 60 ENDS FY 61	(A) Function of Funds	Dollar Obligations ($1,000) (1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized: Non-Contract	Contract	(2) Participants: Non-Contract U.S.	3rd Country	Contract
A. All Prior Years	--	--																	
B. Net Deob.-Reob. Current Funds																			
Total Actual Year FY 59	--	--																	
C. Operational Year FY 60	SA	1,200				1,200			300			300	872						
D. Budget Year FY 61	--	--											850						
E. All Subsequent Years	--	--																	
F. Total All Years	SA	1,200										300	1,722	--					

2

Dollar Obligation and Expenditure: FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years													--		
Actual Year FY 59													--		
Operational Year FY 60	SA											1,200	1,200	800	400
TOTAL	SA	--	--	--	--	--	--	--	--	--	--	1,200	1,200	800	400

Problems Addressed:

See continuation sheet.

Problems Addressed:

Deficiencies in Education and Health

A. General Description of the Project

One of the reasons for Guatemala's high illiteracy rate (72% in 1950, the latest year for which data are available), is the lack of schools. The problem is acute. 68% or 440,900 children, age seven to fourteen do not attend school, primarily because there are no buildings. Recent studies by the Ministry and SCIDE reveal that 11,500 new rooms are needed immediately, Many of the existing schools are crowded. Many of the buildings now in use lack sufficient lighting, ventilation, classroom arrangement, playground areas and other necessary facilities.

Guatemala needs a long range plan to finance the building, equipping and staffing of schools in sufficient number to catch up with, and keep up with, the growing school population. The cost, including anticipated increases in the school population in the near future, has been estimated in a study made by the Ministry of Education in the early part of 1958, at $33,000,000.for construction alone.

Guatemalan resources are not sufficient to enable the government to embark on a large school building project. The money furnished by the government for school construction is not adequate to take care of the increasing demand for classrooms.

Expert advice on both the educational and architectural aspects of economical and functional school design is badly needed and would help to solve the problem. Assistance is needed in the study of location of new schools so that effects of fluctuating population will be minimized.

The School Construction project is designed to assist the Ministry of Education of Guatemala in the construction of primary school facilities.

This is to be a program of cooperative construction with the Ministry of Communications and Public Works directing the construction and with technical advice from SCIDE. The Ministry of Education has organized a "committee for construction of schools by cooperative effort in Guatemala" composed of three members from the Ministry of Education, three members from the Ministry of Communications and Public Works, one representative from Socio Educativo Rural, one representative from Consejo Técnico de Educación, and two advisors from Servicio Cooperativo Interamericano de Educación. The function of this committee is:

1. To select the location of construction projects
2. To organize the local community into a cooperative construction unit
3. To aid the local communities in their portion of the project in such matters as selecting and securing proper building sites, securing local building materials, and motivating local labor effort
4. To act as a general planning committee for SCIDE, the Ministry of Education, and the Ministry of Communications and Public Works
5. To approve all school building plans and specifications
6. To determine the total cost of each school building to be constructed.
   a. ICA will be responsible for one-third of the cost and the balance will be provided by the Guatemalan Government and the Municipality.

The steps in each cooperative construction project will be as follows:

1. The committee will organize the local community into a building committee composed of the parents, teachers, and officials of the Municipality.
2. A study of the building needs will be made by the local committee assisted by the national committee.
3. The Ministry of Communications and Public Works will provide architectural plans based on the above study.
4. A respresentative of SCIDE with the assistance of the Ministry of Communications and Public Works zone supervisor will direct the local committee in the collection and/or manufacture of local building materials and organize the donated labor.

5. The two persons mentioned in #4 above will supervise the actual construction work.

B. Specific Activity Targets or End Results of the Project

The goal of this project is to provide 2,250 classrooms, or their equivalent, in about 425 communities in Guatemala by the end of calendar year 1962. For the purpose of this project the word "classrooms" includes teacher housing to be constructed where deemed necessary by the Committee. This project will provide school facilities for approximately 100,000 children for whom no facilities exist at present.

All construction is to be completed by 31st of December, 1962. The schedule of completion of construction is as follows:

(In terms of classrooms or equivalent)

By the end of 1960	=	825
By the end of 1961	=	1,575
By the end of 1962	=	2,250

C. Progress Toward Achievement of Project Activity Targets

This is a completely new ICA Project.

D. Nature of U. S. Contribution

In F.Y. 1960 the USOM will provide $1,500,000 in Special Assistance Funds.

Technicians:

Part-time services of two U. S. technicians as consultants who will not, however, be charged to this project.

Commodities:

Code 570 Lumber and Sawmill Products	$ 279,000
Code 640 Non-Metalic Mineral Products	409,000
Code 660 Iron and Steel Products	686,000
Code 690 Misc. Iron and Steel Manufactures	126,000
	$ 1,500,000

Future Fiscal Years:

Although project activi
future fiscal year contr

E. Nature of Cooperating

The Government of
the following:

Construction material
Skilled labor
Construction equipment,
maintenance and operati

The communities wh
to take place will provide:

Unskilled labor
School building sites
Local building materials

F. Contribution from Other So

Other Sources:

C.A.R.E. has provide
at $1,500.

G. Financial Considerations

The U. S. contribution
the U. S. contribution to the pr

The Government of Gu
national revenue and Q1,50
schools are to be constructed. The
installments until the entire Q1,

The contributions from both governments will be put into special bank accounts and withdrawals will require the signature of both the assistant business manager of SCIDE, who has been assigned to this project, and a representative of the Government of Guatemala, Inasmuch as the contribution by the ICA will be in dollars and that of the Government of Guatemala in quetzales, it will be necessary to have two separate bank accounts.

At the beginning of the program, the Government of Guatemala will make an initial deposit in the special bank account of Q125,000 and the ICA will deposit in its special bank account a like amount. As these funds are obligated the deposit procedure will be repeated and this system will continue until all of the agreed contributions have been utilized. Since each deposit by the ICA will be made only after the deposit of the Government of Guatemala, the progress of the program will depend upon the availability of Government of Guatemala funds. The contribution of the ICA toward each school building will be a maximum of one-third of cost.

Procurement of building supplies and materials with dollar funds will be made from the U. S. except, in some instances, when it may be advantageous to procure some items locally, under authority of a certificate of necessity.

H. Cooperating Country-USOM Coordination

The Government of Guatemala has agreed in principle and scope to all aspects of this program. They have, in fact, for several years been conducting a similar program without financial assistance from the U. S. Government. With the entry of financial assistance from the U. S. Government, under this program, more communities can be stimulated to cooperative construction and more school children can be served.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED August 18, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COUNTRY ECONOMIC PROGRAM	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-71-077	E-1
						PROJECT TITLE Public Safety Division		

1 PROJECT BEGINS FY 56 ENDS FY 62

	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized Non-Contract	Contract	(2) Participants Non-Contract U.S.	3rd Country	Contract
A. All Prior Years	TC	49	43	6															
	SA	564	47	40	10	441	26						477						
B. Net Deob.-Reob.	TC	(1)	(1)																
	SA	(1)	(1)																
Current Funds	SA	70	53	13			4												
Total Actual Year FY 59	TC	(1)	(1)																
	SA	69	52	13			4						100		3		6		
C. Operational Year FY 60	SA	70	45	20			5						100		3		8		
D. Budget Year FY 61	SA	56	45	5			6						-		3		2		
E. All Subsequent Years	SA	16											-						
F. Total All Years	TC	48																	
	SA	775											677						

2

	FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	TC	48	-	1	(1)				-						
		SA	273	197	291	(1)	197	30	167	290	69	221		221	70	151
	Actual Year FY 59	SA				70	70	70	-	70	53	17		17	17	-
	Operational Year FY 60	SA											70	70	55	15
	TOTAL	TC	48	-	1	(1)				-						
		SA	273	197	291	69	267	100	167	360	122	238	70	308	142	166

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 5 SHEETS TO THIS PROJECT

Problems Addressed:

Communist Influence

A. General Description of the Project.

The Public Safety Program provides aid and assistance to the major police organizations of Guatemala, so as to help assure internal security and stability. The program involves all usual activities found in the police field. Specific phases of activity that need improvement and are included in the program consist of (1) Police Organization, Administration, and Operating Procedures; (2) Police Training; (3) Traffic Control; (4) Crime Control; (5) Police Records; (6) Communications and Mobility. Previous years have provided for commodities and contract services. The current or budget year, however, includes only U.S. Technicians, participants, and other costs. Activity during the budget year will consist primarily of technical advice, completion of present projects, and the finalization of activities that involved commodity funds allotted in previous years.

B. Specific Activity Targets or End Results of the Project.

1. To provide the police with adequate mobility, communications, and technical equipment to strengthen internal security and provide maximum protection for the lives and property of others. This project, which should be completed in FY 1961, requires vehicles for patrol of the major cities, patrols on major rural highways, and at least one vehicle in each department for emergency purposes. It also includes radio transmitters in six locations in the country, in addition to a number of transmitters in the Capital area.

2. To improve the operation of the Border Patrol, through training, technical advice and equipment; that will result in adequate control of the entry of subversives and contraband. This program should phase out in FY 1961 or early in FY 1962.

3. To establish training schools in the police departments that will result in trained bodies of men that can operate in such a manner as to gain public support and acceptance of the police agencies. This program will result in training for 3,000 National Policemen and 800 Border Patrolmen. It will include courses for (1) Agents of the National Police (2) Supervisors of the National Police (3) Candidates for the National Police and (4) Border Patrolmen. This program should be completed in FY 1961 or early in FY 1962.

4. To develop sound administrative and operational procedures in the police organizations that will result in more efficient and modern police operation. This will strengthen internal security and provide more protection to the public. Although this is one of the more important and essential phases of the project, it is more intangible insofar as establishing desired levels of attainment and completion dates.

5. To develop a police records bureau that will enable the police to make analysis and studies of crimes and traffic, note trends, and keep the Government and the public informed on police operation and police problems. This involves (1) developing six basic police record forms, (2) training 100 clerks and supervisory officers, (3) developing five basic files and (4) placing the bureau in actual operation. This project is practically completed and needs only follow-up for several more months to insure that no problems develop.

6. To improve traffic control; through the installation of signs and signals, the training of traffic police, establishment of patrols, establishment of a safety education program; so as to provide safe and orderly movement of traffic. This program

6. should be completed in FY 1961. This program involves the installation of several thousand traffic signs and a hundred traffic lights, training of 300 traffic men, specialized training to 20 men, and the writing and translating of considerable training material.

C. Progress Toward Achievement of Project Activity Targets.

1. The police now have approximately 20 radio patrol cars operating in the Capital, approximately 24 motorcycles operating on rural highways, and a jeep is located in the Capital of each of the 21 Departments. Although more vehicles could be used to advantage, mobility is now considered adequate and no more vehicles are planned. Police communications exist only in the Capital but the project calls for base transmitters in six strategic locations in the country. When these transmitters are placed in the Departments, the communications project will be completed. This should occur in FY 1960.

   The National Police now has a modern crime laboratory supervised and manned by competent personnel. Recently an activity was started --which should be completed in FY 1961-- that will train and equip six identification specialists who will be stationed in six selected cities of Guatemala. This will provide quicker and more efficient investigation of crimes in the Departments. This activity should be completed in FY 1961.

2. The general operation of the Border Patrol has been improved through the addition of mobile equipment secured by ICA; and arms, office equipment, and uniforms obtained by GOG. Several new stations have been opened, upon recommendation of ICA, and a good training school has been established. U.S. Technicians will continue to work with the Border Patrol through FY 1961, giving technical advice and improving the training school.

3. As a result of the Public Safety Program, the following training schools have been placed in operation (1) A school for agents of the National Police, (2) A school for supervisors of the National Police, (3) A school for Border patrolmen. Also, training schools have been placed in operation in most of the Departments. U.S. Technicians have personally supervised specialized training in Police records, accident investigation, safety education, physical laws governing motor vehicles, and interrogation of suspects. U.S. Technicians have translated materials on over 30 police subjects and provided these materials to the police. The result of training is reflected in some improvement in police service and better public relations. A school for candidates of the National Police is in the planning stage and should be completed in FY 1961 or early in FY 1962. This will complete the police training program.

4. A number of operational and administrative procedures, too numerous to list, have been effected. Major improvements have been (1) Elimination of unnecessary duties that has made 300 additional policemen available for regular police duties, (2) Improved working schedules permitting the policemen more time with their families, (3) Uniforms are now provided by the Government whereas formerly each policeman purchased his own, (4) Improved methods of escorting prisoners.

   Other improvements that are desired, which the program will try to attain with the continuation of this project are (1) Improved salaries for police, (2) Improved organizational structure, (3) Consolidation of the National Police with the Judicial Police. Although these aspects of the project are important and most essential, they are more intangible insofar as establishing satisfactory levels of attainment and completion of project.

5. Six basic police report forms were developed, one hundred records and supervisory personnel were given extensive records training, and a new records bureau was placed in operation in November, 1958. Except for liaison and occasional follow-up to determine if any problems have developed, this part of the work has been completed.

6. Traffic control has been improved by the following actions: (1) The installation of several thousand traffic signs in Guatemala City, several other major cities, and on many rural highways; (2) training of 300 traffic policemen; (3) specialized training to 30 policemen in traffic control; (4) installation of a school patrol system that benefits 50,000 school children; (5) improved enforcement and patrols; (6) editing and translating of a manual on traffic control and the delivery of 800 copies to the National Police; (7) installation of a new method of issuing drivers licenses that saves the GOG over $15,000 per year and gives better service to applicants for drivers licenses; (8) installation of both driving and written tests for applicants for drivers licenses.

Completion of the program requires (1) the installation of traffic lights in Guatemala City; (2) the development of more off-street parking so as to relieve congestion by reducing curb parking; (3) better control of buses; and (4) expansion of the program so that many of the activities completed in Guatemala City will be adopted in other sections of the country. Except for the development of adequate facilities for off-street parking, the program should be completed in FY 1961.

D. Nature of U.S. Contribution.

The U.S. has contributed, in past years, $441,000 for commodities D. of which approximately $300,000 has been sub-obligated. During the same period GOG obligated approximately 250,000 quetzales (dollars) for commodities. The remainder of U.S. funds has been primarily for participant training and to maintain a staff of three U.S. technicians. U.S. contributed commodities have been mobile, laboratory, and communications equipment. GOG contributions, in accord with the agreement, have been used for mobile equipment, arms, increased budget for vehicle maintenance, traffic signs and signals, and police uniforms.

ICA contribution for the budget year consists of:

1. Participants.

   a. An observation tour of one month for a high ranking member of the National Police. Estimated time of arrival in the United States is November. Estimated cost, $2,500.

   b. An observation tour of one month for a high ranking member of the Border Patrol. Estimated time of arrival in the United States is November. Estimated cost, $2,500.

   Total $5,000.

2. Staffing requirements.

Occupational Code	Position	Grade	Cost
0083	Chief Public Safety Advisor	FSR 3	$ 17,000
0083.20	Public Safety Advisor (Training)	FSR 4	15,000
0083.19	Public Safety Advisor (Traffic Control) (Includes departure from post).	FSR 5	13,000
	Total		$ 45,000

3. Contractual Services. - - - Not applicable.

4. Commodities. - - - Not applicable.

5. Other costs.

Two local employees	$ 4,400
Local travel	600
Printing, visual aids, films, etc.	1,000
Total	$ 6,000

6. Cooperative Service. - - - Not applicable.

7. U.S. Owned Local Currency. - - - Not applicable.

E. Nature of Cooperating Country Contribution.

No contribution planned except normal operating costs of the police agencies. Budget year does not involve commodities nor contract services but will consist essentially of technical assistance and completion of activites for which funds have been allotted in previous years.

F. Contribution from other Sources.

Not applicable.

G. Financial Considerations.

Every attempt will be made to phase out the entire program as technicians tours expire in FY 1961 and FY 1962, completing the program in January of FY 1962.

H. The program is operating under a Project Agreement, signed by the Ministers of Government and Hacienda, that outlines the program generally. Three scheduled meetings each week, attended by Highest ranking members of the National Police and Public Safety Technicians, provide for agreement on procedures, changes, and day to day operation of the program.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 8, 1959	[x] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-79-056	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Public Administration		

1 PROJECT BEGINS FY 56 ENDS FY 66

	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized Non-Contract	Contract	(2) Participants Non-Contract U.S.	3rd Country	Contract
A. All Prior Years	TC	119	17	74			28						20						
B. Net Deob.-Reob.	TC	(14)	(1)	(11)			(2)						8						
Current Funds	TC	108	50	10	26		22												
Total Actual Year FY 59	TC	94	49	(1)	26		20						8		3	--	4		
C. Operational Year FY 60	TC	83	63	10	--		10						40		4	6	3		
D. Budget Year FY 61	TC	120	64	20	25		11						40		4	12	6		
E. All Subsequent Years	TC	400											120						
F. Total All Years	TC	816											228						

2

	FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	TC	47	19	72	(14)	19	2	17	58	32	26		26	26	--
	Actual Year FY 59	TC				108	108	79	29	108	68	40		40	40	--
	Operational Year FY 60	TC											83	83	75	8
	TOTAL	TC	47	19	72	94	127	81	46	166	100	66	83	149	141	8

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 4 SHEETS TO THIS PROJECT

Problems Addressed

Deficiencies in Government Policy Formulation, Planning and Administration.

A. General Description of the Project

The Public Administration Project has been established (a) to develop a general awareness in Guatemala of the need for significant changes in the country's governmental administration, (b) to create an interest and capacity for such reform among public leaders and key public servants, and (c) to provide the specific knowledges, skills, and governmental institutions necessary for such administrative development.

Fundamentally, the reason for the Public Administration Project in Guatemala is the reason for its establishment anywhere - without sound administration of its affairs, most governments will eventually falter, retrogress, or collapse. Without the special attributes of good administrative management - thorough planning, a personnel system based on morality, equity, and merit, sound financial administration and adequate operating procedures - the best conceived and supported economic development programs are certain to run into serious trouble, and perhaps to fail completely. In many countries this lesson has been learned, though it has not as yet in Guatemala.

The disturbing fact is that the Government of Guatemala has no truly effective instruments for economic or administrative planning, has an antequated budget and accounting system, operates a political civil service based on spoils, and is almost hopelessly enmeshed in a net of restrictive laws, rules, regulations, and practices inherited from several centuries of administrative experimentation and failure. Perhaps even more serious than the fact of this condition, is the widespread ignorance of or indifference to its existence. Impact of this circumstance upon all of USOM/Guatemala's programs has been recognized.

Therefore, the Public Administration Project has assumed responsibility for:

(a) Encouraging changes in the educational program of the country designed to increase long-range public understanding and support of the principles and methods of modern public administration.

(b) Sponsoring, within the Government, adoption of in-service training techniques and philosophy as a means of imparting needed skills and as a basing point for comprehensive improvement efforts in public management.

(c) Encouraging the creation of the necessary governmental units, or institutions, for the steady progress of public administration, including, especially, a merit system, a program of continuing management self-analysis, a standardized salary system, and a strong central fiscal planning and control program.

B. Specific Activity Target or End Results of the Project.

a) More efficient functioning of the Government as a result of continuing study of its structure and procedures by trained analysts of a central management body.

b) Steady elevation of the skill level of public employees in all agencies as a result of widespread adoption of in-service training techniques and philosophy.

c) Improved quality and capabilities of public employees through the development of personnel management programs in the ministries and other agencies, through the expansion of the merit concept of governmental employment, and through eventual passage of a Civil Service Law.

d) Increased utilization of employee skills, together with

generally more economical governmental administration, through adoption of a standardized salary system based primarily on job evaluation.

e) Long-range improvement in public understanding and support of more efficient government through gradual introduction or expansion of courses in citizenship, public administration, and political science in the curricula of the public schools.

C. Progress Towards Achievement of Project Activity Targets.

Major attention has been given to objective (b) above - development of in-service training. In September, 1957, a Demonstration Secretarial-Clerical Training School was instituted as a joint project of the USOM and the Ministry of Hacienda, and this school has operated continuously since, offering courses in Office Management, Filing, Typing, Stenography, and (latterly) Administrative Reporting, and Principles of Public Administration. Over 1200 Guatemalans have received the requisite 3 months of training in one of these courses. Four local teachers have been trained and serve as instructors, along with two members of the PAD staff and a senior Guatemalan official. In June, 1959, the training school became integrated into the new Public Administration Development Center (see below).

To enhance the training effort in Guatemala, the USOM and the Ministry of Hacienda have recently (June 1959) entered into a new three-year agreement to establish and operate a Public Administration Development Center. The PADC will offer courses to government employees in a wider field, including budgeting, personnel administration, organization and methods, supply management, executive development, job evaluation, and others; will provide an adequate library and informational service in administrative science; and will conduct a wide-ranging workshop program. The PADC itself is expected to be a demonstration center for modern principles and techniques of administration. Finally, it will provide the primary stimulation and guidance for the gradual decentralization of in-service training to the various ministries and agencies of Government.

Except for the Demonstration School, USOM's public administration program began in January 1958. A Public Administration Consultant assisted materially, during the first six months of 1958, in the drafting of a proposed Civil Service Law, in the making of procedural improvements in the Office of the President, and in the development of a reorganization plan for the Ministry of Public Health. Then, in August of 1958, a Public Administration Division was formally established in the USOM with a staff of three U.S. technicians, plus local staff. Efforts are currently underway to recruit a fourth U. S. technician to work primarily with the Public Administration Development Center.

Because of the short-life of the USOM Public Administration program, together with the comprehensiveness of the problem faced, general progress has not been great. Aside from the in-service training effort, which has had marked and tangible success, movement toward major targets has remained essentially in the planning and interest-building stage. This movement is expected to gather momentum steadily, as impact of the Development Center's program takes effect, reaching a peak of improvement effort during FY-1963.

D. Nature of the U. S. Contribution

1. Participants. For FY-1961, six participants are programmed, each for six months training in the fields of Personnel Management, In-Service Training, and Organization and Methods. Basic training will be in the United States, with possible additional time scheduled in Puerto Rico. Total cost will be $20.000.

2. Staffing Requirements. A staff of four U.S. technicians will be continued through the year. These specialists will be (a) one Public Administration Advisor, FSR-3, code 7030300; one Public Administration Advisor (O&M), FSR-4, code 7030301; one Public Administration Advisor (Personnel), FSR-5, code 7020102; and one Public Administration Advisor (Training), FSR-4, code 7030300. Total cost for technicians is estimated at $64,000.

3. Contract Services. $25,000 is allocated to continue the offering of critical courses at the Development Center, in the fields of Organization and Methods, Budgeting, and Supply Management. Short-term consultants will also be used to guide study-groups, or workshops, in these same areas.

4. Other Costs are figured at $11,700, including $6,900 for two local-hire personnel, $4,000 for technician support at the Public Administration Development Center, and $800 for local travel.

5. No other contribution costs are contemplated.

E. Nature of Cooperating Country Contribution

During the budget year Guatemala will contribute $40,000 to the operation of the Public Administration Development Center. This is an amount almost exactly equal to the planned U.S. contribution for PADC activities in FY-1961. The GOG contribution will be primarily for salaries, furniture and equipment, building rental, and publications.

The GOG 1961 contribution will represent a continuation of amounts contributed in previous years for operation of the Secretarial Demonstration School and the Public Administration Development Center. In addition, tentative plans call for a contribution in FY-1962 of $40,000 in support of a contemplated job analysis and evaluation survey of the Government.

F. Contribution from Other Sources and Relationship to other Projects.

None.

G. Financial Considerations.

The U.S. public administration program is a developing effort, expected to reach a peak late in FY-1963, with a gradual tapering off thereafter. Financial requirements are, accordingly, expected to be greater in FY-1961 than in FY-1960.

Major cost increments from FY-1960 to FY-1964 will arise chiefly from (1) steady contribution to operation of the Public Administration Development Center, (2) expansion of the participant program in public administration, and (3) matching support, through contract services, of GOG projects in job evaluation and merit system installation.

H. Cooperating Country - USOM Coordination

Budget year plans, in detail, for the operation of the Public Administration Development Center have been collaboratively developed with the Director of the PADC, a Guatemalan, and have been appropriately cleared with officials of the Ministry of Hacienda, including the Minister. There is no question of the sincere interest and support of this project by officials of the GOG.

Plans for concurrent expansion of Organization and Methods and Personnel Management activities have, likewise, been discussed with the Director of the Budget and the Chief of the Department of Civil Service. Full accord has been achieved and the GOG is expected to initiate soon the necessary steps to implement the plans.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 8, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-83-047	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Housing Program		

1

PROJECT BEGINS FY 56
ENDS FY 62

	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized Non-Contract	(1) Technicians Authorized Contract	(2) Participants Non-Contract U.S.	(2) Participants Non-Contract 3rd Country	(2) Participants Contract
A. All Prior Years	TC	117	108				9												
B. Net Deob.-Reob.	TC	--	--				--												
Current Funds	TC	71	66				5												
Total Actual Year FY 59	TC	71	66				5								6		--	--	
C. Operational Year FY 60	TC	96	85	5			6								5		1	--	
D. Budget Year FY 61	TC	90	66	18			6								4		6		
E. All Subsequent Years	TC	70																	
F. Total All Years	TC	444																	

2

	FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	TC	113	--	4	--	--	--	--	4	4	--		--	--	--
	Actual Year FY 59	TC				71	71	71	--	71	64	7		7	7	
	Operational Year FY 60	TC											96	96	85	11
	TOTAL	TC	113	--	4	71	71	71	--	75	68	7	96	103	92	11

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 3 SHEETS TO THIS PROJECT

Problems Addressed :

Lack of Job Opportunities and
Low Consumption and
Purchasing Power

A. General Description of the Project

This project provides the technical support for Project 20-83-081, the Aided Self-Help Housing Program which is being undertaken by the Instituto Cooperativo Interamericano de la Vivienda (ICIV). Without the assistance of United States technicians the Aided Self-Help Housing Program would not be able to continue successful operations. The primary objective of this project is to train Guatemalan counterparts so that as the U.S. technical assistance is phased out there will be capable technicians available to continue the operations.

B. Specific Activity Targets or End Results of the Project

Through this project, the construction of approximately 2700 low cost homes will be supervised during the next 2 years. At the same time U. S. technicians are training 38 Guatemalan technicians in all the major aspects of low cost housing construction such as design, construction methods, supervision, housing finance, etc. In addition to on-the-job training, selected individuals will be given more advanced training outside Guatemala.

C. Progress Toward Achievement of Project Activity Targets

Since the inception of this project in 1956, 13 persons have received training on the job and are now working in responsible positions in the ICIV. 446 homes in 3 projects have been completed with 318 of the units now occupied.

D. Nature of the U. S. Contribution

Up to the present time all U. S. expenditures for this project have been for the salary and related support costs of U. S. technicians.

1. Participants and estimated costs: The first participants for this project will begin their training programs during fiscal year 1960.

   This initial participant program will consist of one grant, at an estimated cost of $5,000 for the training of a City and Site Planner in the field of City Planning and Low-Cost Housing Design at the University of California for a period of 12 months.

2. Staffing Requirements: The U. S. staff will gradually be reduced as Guatemalan counterparts are adequately trained. At the present time there is a total of five U. S. advisers working with the ICIV as follows:

a. Chief Housing Advisor, Occupation Code 8002001, FSR-3 (Position Number 104). Estimated Cost for FY'61, $21,000.

b. Housing Advisor, Architect, Occupation Code 8002002, FSR-4 (Position Number 106). Estimated Cost for FY'61, $0. To be transferred to another USOM and position abolished.

c. Housing Advisor, Finance, Occupation Code 8002004, FSR-4 (Position Number 105) Estimated Cost for FY'61, $17,000.

d. Housing Advisor, Construction, Occupation Code 8002005, FSR-4 (Position Number 67). Estimated Cost for FY'61, $14,000.

e. Housing Advisor, Aided Self-Help, Occupation Code 8002003, FSR-5 (Position Number 68). Estimated Cost FY'61, $14,000.

3. Other Costs: This item covers the salaries of two direct hire local secretaries and local travel costs of the U. S. technicians.

E. Nature of Cooperating Country Contribution

There are no direct Guatemalan contributions to this project. All contributions are made to project 20-83-081.

F. Contribution from Other Sources and Relationship to Other Projects

There are no contributions from other sources to this project. This is a technical support project for the Aided Self-Help Housing Project (# 20-83-081).

G. Financial Considerations

There is no pipeline problem with this project as all expenses are directly related to U.S. technicians' activities. Present plans call for the phasing out of this project by the end of FY'63 when all activities will be turned over to the ICIV. Funding will continue to be required only for U.S. technicians and for participant training programs until that time.

H. Cooperating Country - USOM Coordination

Since this is an advisory project providing assistance to a Guatemalan agency (the ICIV) there is continual day-to-day coordination and consultation. The U. S. technicians are working in the same offices as their counterparts and there is frequent contact with the high government officials responsible for the activity. The President attends the openings of new sections of the housing projects and has taken a keen personal interest in the entire program as is more fully described in the narrative for project 20-83-081.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 8, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY Guatemala	PROJECT NO. 20-83-081	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Housing Program		

1 PROJECT BEGINS FY 56 ENDS FY 62

	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) (1) Technicians Authorized: Non-Contract	Con-tract	(2) Participants: Non-Contract U.S.	3rd Country	Con-tract
		Dollar Obligations ($1,000)							L/C Commitments or Obligations						Numbers of People				
A. All Prior Years	SA	2,864			50	1,721	1,093						3,350						
B. Net Deob.-Reob.	SA	-			-	-	-												
Current Funds	SA	-			-	-	-												
Total Actual Year FY 59	SA	-			-	-	-												
C. Operational Year FY 60		-							1,000			1,000							
D. Budget Year FY 61		-																	
E. All Subsequent Years		-																	
F. Total All Years	SA	2,864										1,000	3,350						

2

	FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure	All Prior Years	SA	536	1,709	2,328	-	1,709	516	1,193	2,328	650	1,678		1,678	800	878
	Actual Year FY 59	-				-	-	-	-	-	-	-		-	-	-
	Operational Year FY 60												-	-	-	-
	TOTAL	SA	536	1,709	2,328		1,709	516	1,193	2,328	650	1,678	-	1,678	800	878

Problems Addressed:

SEE CONTINUATION SHEET

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 15 SHEETS TO THIS PROJECT

Problems Addressed :

Lack of Job Opportunities and
Low Consumption and
Purchasing Power

A. General Description of the Project

1. Housing Need: Studies made by the Panamerican Union, and published in reports dated 1950 and 1957, give a picture of the very urgent need for additional housing construction in Guatemala. The reports say that there is a deficit of 71,000 urban dwelling units and of 300,000 rural dwelling units. These figures include dwelling units which should be retired because of unsafe construction and lack of sanitary facilities. In addition to the deficit mentioned, there are the housing needs arising from population growth and from normal replacement. The need for urban housing due to population growth is 1600 dwelling units a year; for rural housing it is 4800 dwelling units a year. The need for normal replacement is 900 urban and 1500 rural dwelling units per year. The following table shows the housing need in summary :

HOUSING NEED

Cause	Urban	Rural	Total
Deficit	71,000	300,000	371,000
Population growth	1,600	4,800	6,400
Replacement	900	1,500	2,400
TOTALS	73,500	306,300	379,800

As of the 1950 census (the next census will be in 1960) there were 160,000 urban dwelling units and 380,000 rural dwelling units in Guatemala, or a total of 540,000. 50,000 dwelling units, i.e., almost one third of all urban dwelling units, were in Guatemala City. Comparison with the above table shows that there is a need for nearly half as many urban dwelling units as are existing, whereas the need for rural dwelling units seems to be about 80 % more than the number of rural dwelling units existing.

Considering that the table does not yet take into consideration the factor of overcrowding - about 50 % of all urban dwelling units had an average occupancy of more than 3 persons per room - the housing needs for Guatemala present a social, economic, and technical problem which simply cannot be ignored. What is aggravating the situation still further is the continuing influx of rural

population to urban centers, especially to Guatemala City.

2. Income Versus Rent: The latest official figures available are those of the 1950 census. They show that, of all urban families, more than 25 % were home owners. Of those who rent dwelling units, 68 % paid less than Q.10 per month. In Guatemala City, where salaries are higher than in other urban centers, there are three major income groups: (a) Unskilled workers earning an average of Q.30 per month, (b) skilled workers and government employees earning an average of Q.60 per month, and (c) higher paid employees and professionals earning an average of Q.100 per month. These three groups form 80 % of the population of Guatemala City and should present the principal target in the development of an overall housing program. While, no doubt, the figures of average monthly incomes have changed - group (a) may presently be making Q.60 per month, group (b) Q.120, and group (c) Q.300, with a corresponding rise in the cost of living - the groups are still existing and their relationship to each other has remained similar to that of 10 years ago. Group (b), for instance, with an average income of Q.60 in 1950 - today Q.120 - represents nearly 50 % of the combined total in all three groups.

3. Past Efforts: There have been sporadic efforts to do something about the urban housing situation ever since 1927. Various agencies or institutes, such as Obras Públicas, Crédito Hipotecario Nacional, Instituto de Fomento de la Producción, developed limited programs for various income groups. The government also distributed lots to lower income groups, although this was not followed up by an actual construction program or a plan to obtain reasonable financing. All efforts combined, since 1927, resulted in approximately 7000 dwelling units including distribution of lots, i.e., an average of about 200 dwelling units per year. This, of course, does not include the construction of houses by and for higher income groups, about which no statistics are available.

4. ICIV Program: Comparing the vast housing need with the limited resources available may lead one to believe that the solution of the housing problem in Guatemala is purely wishful thinking. However, a more comprehensive approach was made, and new methods were tried with the creation of the Instituto Cooperativo Interamericano de la Vivienda in 1956. This organization, being a separate entity within the Ministry of Communications and Public Works, is financed jointly by the Government of Guatemala and the Government of the United States. It has a staff of about 65 employees, with a small group of (5) U. S. technicians acting as advisors.

The two governments have pledged to make available a total of $ 7,214,000 for the construction of

approximately 3000 houses on the basis of the aided self-help system. This amounts to an average of 550 houses per year, i.e., more than 2½ times of what was accomplished on a yearly basis during previous years. Furthermore, all houses built on this basis are built for home-ownership, a factor which is of no little significance in the political and economic stabilization of the country, or any other country, generally speaking. As far as possible, indigenous materials are being used so as to aid in the development of the local building materials industry. The housing projects thus constructed are to serve as a demonstration of how to build more houses at lower cost by improving on construction methods and efficiency, resulting at the same time in greater productivity in the building industry generally.

Finally, the income generated by building houses for sale, is going into a special fund which will constitute a revolving fund, badly needed to make this program a permanently continuing program rather than a "one-shot proposition" as has been the case with above described past efforts. In this manner, the ICIV program will expand gradually, and will develop from a demonstration into a full scale permanent low-cost housing program - which may also penetrate the rural areas - and which will make a significant contribution to the overall economic development of the country.

Organization Chart of ICIV is attached.

B. Specific Activity Targets

At the root of the operation of the ICIV program is the "Aided Self-Help" method, i.e. self-help aided by financial assistance, materials contribution, and technical advice. Thus the prospective home owner is doing some - but by no means all - of the work with his own hands. In this case he has to work a minimum of 20 hours per week; the period of construction per house being six months to one year. The aid is channeled through Interamerican Houses (ICIV) which effects all the savings inherent in large-scale development and mass purchase of materials and equipment. Interamerican Houses also installs site improvements, and organizes and supervises the team work of the participants, i.e., those participating in the program. Upon completion of their houses, participants take provisional title to their homes, entering into a 20 year mortgage contract with payments of Q.15 per month.

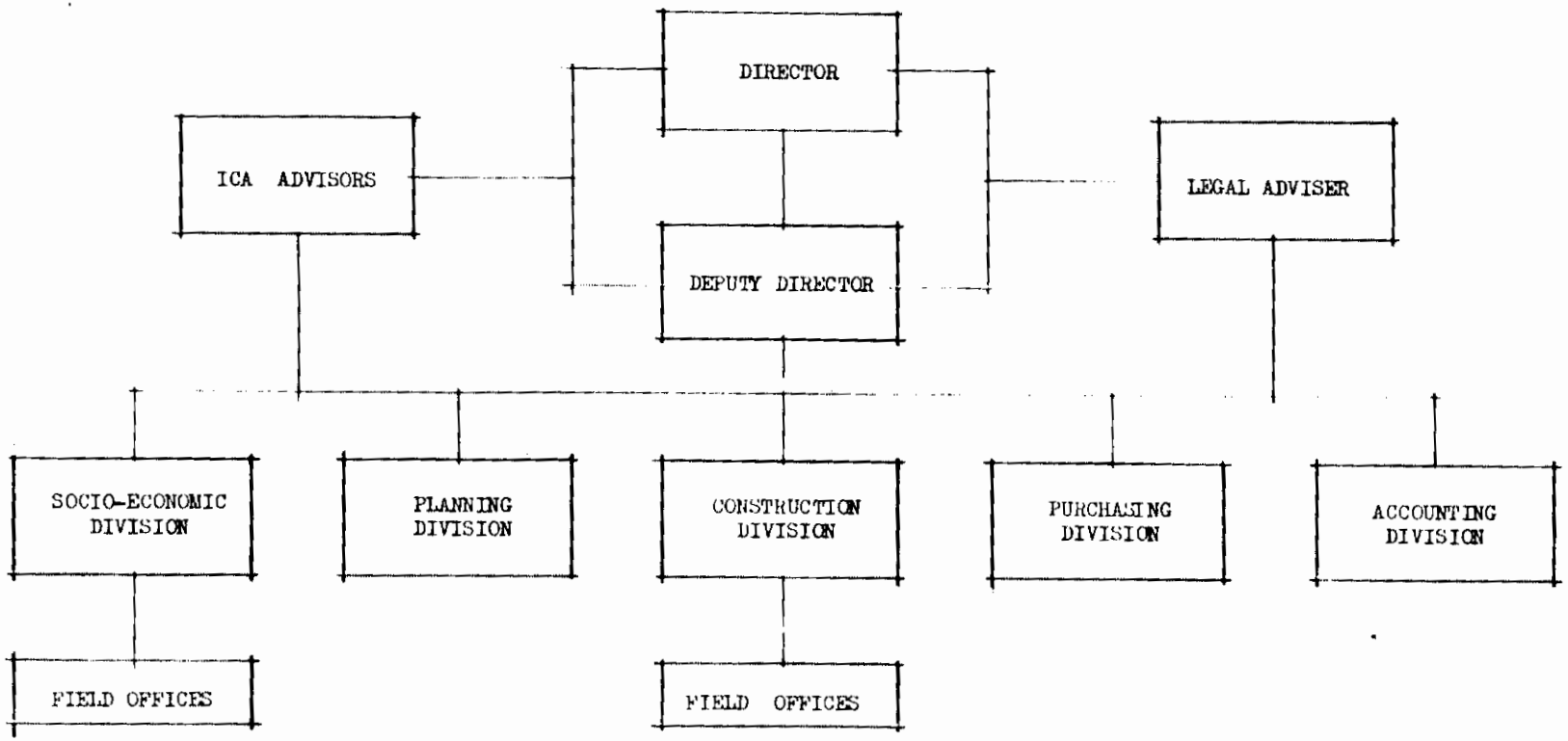
Financial contributions to the program are as follows:

	GOG	ICA
1956 Agreement	750,000	1,464,000
1958 Agreement	2,600,000	2,400,000
TOTALS	3,350,000	3,864,000

Joint Total: 7,214,000

ORGANIZATION CHART

INSTITUTO COOPERATIVO INTERAMERICANO DE LA VIVIENDA



With these funds there are 10 projects planned for construction. The locations and sizes of the projects are listed below: *

Location of Project	Number of Houses*
1. Guatemala City No. 1	280
2. Guatemala City No. 2	138
3. Guatemala City No. 3 (534 plus 74)	608
4. Guatemala City No. 4	850
5. Escuintla	240
6. Retalhuleu	110
7. Quetzaltenango	200
8. Mazatenango	100
9. Sto. Tomás	200
10. San José	100
TOTAL	2826 *

* The number of houses may have to be adjusted depending upon site conditions and variations in cost estimates.

C. Progress Toward Achievement of Project Activity Targets

Sub-Project Agreements have been written for the first three projects as well as for Escuintla and Retalhuleu. The fourth project in Guatemala City is still in the planning stage. A site for the project in Mazatenango has been selected but not purchased as yet.

Sites for the other projects (Quetzaltenango, Sto. Tomás, and San José) are being considered. Additional Sub - Project Agreements will be written as the work progresses and as the required funds are being released by the GOG. PIO/C's will be issued only if the funds for the respective sub-project are fully available.

The status of completion for the first three projects is as follows :

	Project #1	Project #2	Project #3
Total No. of houses	280	138	534 *
No. of houses completed	280	138	128

* This project was originally designed for 534 houses but will be expanded by 74 houses.

The project in Escuintla is being started presently. Site preparations are in progress and house construction will begin in October. The project in Retalhuleu will be started toward the end of October.

The work plan for all projects provides for the participants to work in groups of 30 to 50 in their spare-time. The average house has a floor area of 50 square meters and contains a combination living-dining room, 3 bedrooms, kitchen and bath. Lot sizes are from 200 to 400 square meters. The house type is a one-story reinforced concrete structure, built predominantly in form of duplexes. However, there are also a few

single houses and some houses grouped in rows of 4 to avoid monotony and as site conditions permit.

Criteria for the selection of participants have been established by Interamerican Houses. They limit the age of the applicant to between 18 and 45, the size of the family to between a minimum of 4 to a maximum of 7, and the income range to between Q.65 and Q.130 per month. Participants must, furthermore, save Q.5 per month during the period of construction. The savings thus accumulated will be accredited to future monthly payments. It should be noted here, that the income group selected for the Aided Self-Help Program coincides with income groups (a) and (b), mentioned under (A) above, which amount to the majority of urban families in Guatemala seeking housing.

D. Nature of the U. S. Contribution

The U.S. contribution to this project was made under two Project Agreements: under the 1956 Agreement the U.S. contributed $1,464,000 and under the 1958 Agreement $2,400,000 of which $1,000,000 is derived from Sec. 402 funds. No new funds are being requested for fiscal year 1961.

Contributions toward the project for the budget year (Fiscal 1961) are as follows :

a. Expenditures for Commodities :

	FISCAL YEAR 1961
Sub-Projects No. 4 & 5	
Escuintla & Retalhuleu, 350 houses	98,000
Sub-Project No. 6	
Guatemala, approx. 850 houses. No materials take-offs possible because project still in design stage. Amounts mentioned are estimates.	570,000
Sub-Project No. 7	
Quetzaltenango, approx. 200 houses. Project not yet designed. Amounts are estimates.	173,000
Sub-Projects No.8, 9 & 10	
Mazatenango, Sto Tomás, San José, approx. 400 houses. Projects not yet designed. Amounts are estimates.	228,000
TOTAL THIS SCHEDULE	1,069,000

See detailed commodity schedule below.

b. Expenditures for Contract Services :

Description of Contract Service	FISCAL YEAR 1961
Draft legislation for function, organization and operation of a savings and loan institution in Guatemala.	
1 technician 6 months	8,000
TOTAL THIS SCHEDULE	8,000

No PIO/T submitted as yet.

c. Expenditures for Other Costs :

Description of Item	FISCAL YEAR 1961
Salaries ICIV	
Administration Division	
Socio-Economic Division	
Construction Division	
Planning Division	221,000
TOTAL THIS SCHEDULE	221,000
GRAND TOTAL :	$ 1,298,000

There are no contributions for any other items during this fiscal year. A detailed schedule for the commodity contribution follows. It covers the total of commodity requirements for the Escuintla and Retalhuleu Projects and adds up to $392,800 of which $98,000 are expented to be expended during FY 1961. The balance will have been expended during FY 1960. The $1,000,000 of Sec. 402 funds are proposed to be expended for Sub-Project No.6; it is estimated that almost all of it will go into commodities :

Detailed Commodity Schedule

(For Escuintla & Retalhuleu Projects)

PIO/C No.80149

Code	Item	Amount
660	Hardware	33,500
720	Electrical	11,600
570	Plywood	16,400
390	Paint	12,200
640	Fixtures	10,200
680	Pipe	18,600
780	Meters	6,800
	TOTAL	109,300

PIO/C No.80150

Code	Item	Amount
640	Concrete Products	230,300
570	Lumber	53,200
	TOTAL	283,500

GRAND TOTAL : 392,800

Note: Both PIO/C's issued, bids invited, no deliveries as yet.

E. Nature of Cooperating Country Contribution

The cooperating country is contributing to the Project as follows: (cash contributions only)

Under the 1956 Agreement :	Q. 750,000
Under the 1958 Agreement :	Q. 2,600,000
TOTAL	Q. 3,350,000

Required contributions under the 1956 Agreement have been met in full; in fact, an additional cash contribution was made of Q.140,000. Furthermore, the GOG contributed land (as an "In Kind" contribution) valued at Q.150,000. This contribution of land was likewise made in addition to the cash contribution pledged.

Required contributions under the 1958 Agreement must be paid to ICIV before December 31, 1960. Up to October 1959 an amount of Q.561,000 has been received. This is less than necessary to keep ICIV operating at optimum capacity; ICIV should have at least twice that amount.

The cooperating country contribution for the budget year 1961 is broken down as follows :

Description of Action		FISCAL YEAR 1961
Labor costs, skilled and unskilled :		
Estimated average expenditure Q.20,500 per month, i.e. 246,000 per year		246,000
Salaries not reimbursed by ICA :		
1 Director	Q. 11,400	
21 Drivers	Q. 39,000	
1 Janitor	Q. 728	
Total	Q. 51,128 per year	51,000
Land and site improvements for 1800 houses:		
Q.100 land cost per house	Q.180,000	
Q.400 site impr. per house	Q.720,000	
Total	Q.900,000	300,000
Water connection Q. 150 per house	Q. 270,000	
Expansion of Project No.3 by 74 houses	Q. 120,000	
Total	Q. 390,000	130,000
GRAND TOTAL		727,000

GOG contributions for fiscal year listed derive from the 1958 Agreement only.

They total Q. 2,600,000
And include a Q. 419,000 reserve which amounts to approx. 10 % of the joint program. This reserve, if not used due to rising prices or other unforseen circumstances, will be used to build additional houses.

Breakdown of contributions (Fiscal Years 60 through 62)

Labor costs :

20,500 x 36 = Q. 738,000

Salaries :

51,000 x 3 = 153,000

Land & site improvements :

1,800 houses = 900,000

Water connection :

1,800 houses = 270,000

Expansion :

Project No.4 = 120,000

TOTAL 2,181,000

F. Contributions from Other Sources and Relationship to Other Projects

None.

G. Financial Considerations

Since the contributions from both the United States Government and the Government of Guatemala will be expended by June 30, 1962, and since there is, at this time, no assurance that further contributions from the United States may be forthcoming, serious consideration should be given by the GOG to the future of its Instituto Cooperativo Interamericano de la Vivienda and the continuation of its accomplishments in providing home-ownership to a large body of low-income families at prices within their economic means.

1. Anticipated Expenditure of Contributions

Records of past expenditures and estimated future disbursements by the ICIV in the execution of the cooperative program by fiscal years follow :

FISCAL YEAR	SCHEDULE A EXPENDITURES	SCHEDULE B EXPENDITURES
56-57	90,000 /1	90,000
57-58	830,000 /1	830,000
58-59	1,450,000 /2	1,025,000
59-60	2,130,000 /3	1,547,000
60-61	2,514,000 /3	2,025,000
61-62	200,000 /3	1,278,000
62-63	-	419,000 (GOG)
TOTAL	7,214,000	7,214,000

/1 Rounded
/2 Partly estimated
/3 Estimated

NOTE: Schedule "A" denotes expenditures desirable for maximum efficiency of production.

Schedule "B" denotes expenditures essential for economical operation of ICIV.

2. Anticipated Number of Houses

The cooperative program of construction will consist of the following numbers of houses expressed chronologically by estimated dates of starting and completion of construction, with estimated costs per house and monthly payment data included.

Estimated Dates		Number	Estimated	Total
Const. Start	Const. Completion	of Houses	Cost per House, Q.	Monthly Payment
7-1-57	9-1-59	418	2500	15.00
1-1-59	3-1-60	534	2500	15.00
9-1-59	9-1-60	350	2226	13.50
9-1-59	9-1-60	74	2500	15.00
2-1-60	7-1-61	1000	2500	17.00
7-1-60	9-1-61	450	2226	15.30

3. Current Financing

A sales contract now employed by ICIV establishes the sales price of each house at Q.3,600.00, to be paid in 20 years with monthly payments of Q.15.00. This sales price includes the total value of the property, the interest on the debt during the period of amortization, the estimated administrative expenses (service charge), the cost of life insurance and the cost of one-half paja of municipal water. The property forms security for a special mortgage which covers the house proper and any improvements.

4. Returns Anticipated from Current Program

Fiscal Year	Income, Q.	Fiscal Year	Income, Q.
59-60	83,687	70-71	467,340
60-61	202,473	71-72	467,340
61-62	455,199	72-73	467,340
62-63	467,340	73-74	467,340
63-64	467,340	74-75	467,340
64-65	467,340	75-76	467,340
65-66	467,340	76-77	467,340
66-67	467,340	77-78	467,340
67-68	467,340	78-79	467,340
68-69	467,340	79-80	383,177
69-70	467,340	80-81	264,462
		81-82	12,051

5. Proposed Future Program

Assuming that the GOG will desire to carry on this housing program to the best of its ability, even if further foreign aid in housing is not made available, this plan provides for grants by the GOG to ICIV, which in ten years amount to Q.6,370,241. In providing these grants the GOG would not be as heavily burdened in any one of the ten years as it is at present in providing ICIV with Q.2,600,000 during the two-year period ending December 31, 1960.

It is felt that the present staff of ICIV can carry on a program of 750 houses per year provided the 750 houses are constructed within no more than three separate projects. More than 750 houses per year, or more than three separate projects carried on simultaneously, would require additional ICIV staff, which would increase overhead costs per house unless the number of houses per year were to increase substantially. However, a sudden substantial increase in the number of houses per year beyond 750 would serve to strain materials markets and therefore increase prices inordinately. Proposed, therefore, is a maximum program of 750 houses per year for some years to come, until materials supply sources can catch up with the demands of greater programs.

In the plan presented herein, there is first assumed a constant program of 750 houses per year, construction beginning during fiscal year 61-62, which will yield income to the housing fund during fiscal year 62-63. Second, an assumption is made based upon producing as many houses per year as the housing fund is able to withstand, substantially beginning to increase the program of construction in the fiscal year 72-73 and each year thereafter until fiscal year 86-87 when a construction program of 1,500 houses can be undertaken. Beyond fiscal 86-87, it is assumed that there would be no further increase in the program; but each year thereafter, 1,500 new houses would be produced. The result would be a large accumulation of unused cash in the housing fund which could be applied in subsidy programs to aid the very lowest income families and perhaps provide a facility for establishing a program of home-financing for (upper) middle-level income families. At any rate, there would be a healthy, constantly growing housing fund which could be applied constructively by ICIV in the solution of the most pressing housing problems in Guatemala.

6. Required Contributions

To produce the ideal conditions outlined above, permitting ICIV to carry on indefinitely, a surprisingly small contribution to ICIV by the GOG over a period of ten years is all that is required. The following table shows the required contributions by fiscal years :

Fiscal Years	GOG Contributions
61-62	Q. 1,014,301
62-63	1,080,750
63-64	959,340
64-65	837,930
65-66	716,520
66-67	595,110
67-68	473,700
68-69	352,290
69-70	230,880
70-71	109,470
TOTAL	6,370,291

Note that these yearly contributions do not exceed the yearly contributions made by the GOG at present.

7. Proposed Financing Plan

By means of making 240 monthly payments in accordance with the following table, participants will be able to extinguish their entire indebtednesses under mortgages held by ICIV :

Schedule	Mrtg. Debt	Monthly Payment	Amortization	Life Ins.	Serv. Charge	Interest p.a.
A	2,500.00	15.00	13.25	1.10	.65	2.5
B	2,226.00	13.50	11.80	.95	.75	2.5
C	2,500.00	17.00	15.15	1.20	.65	4.0
D	2,226.00	15.30	13.49	1.06	.75	4.0

Schedules A and B have been devised to cover those mortgages of Q.2,500.00 and Q.2,226.00 respectively where houses are already completed, also where social workers have already imparted to participant groups the original terms of financing, viz., monthly payments of Q.15.00 and Q.13.50.

Schedules C and D are proposed to cover those mortgages of Q.2,500.00 and Q.2,226.00 respectively for all future use by social workers in recruiting participant groups.

The bank service charges shown are the results of discussions held with Crédito Hipotecario Nacional (CHN) officials concerning the collection of mortgage payments for ICIV. CHN will receive the monthly payments, do the necessary accounting and deposit the necessary portions of each payment into separate accounts for (a) life insurance and (b) amortization. CHN has agreed to pay interest at 5 % per annum on deposits to the credit of ICIV.

8. Returns Anticipated from Proposed Future Program

The accompanying graph presents the anticipated returns to the Housing Fund in principal repayments and interest, subject to injection of GOG grants mentioned earlier (in addition to the income from cooperative funds) assuming:
(a) a constant program of 750 new houses per year and
(b) maximum use of the Housing Fund up to a limiting program of 1,500 new houses per year.
It should be noted that after the ten-year period of GOG support to the Housing Fund (after fiscal year 70-71) the housing program will continue indefinitely without additional support from other sources.

Note No. 1 :

Guatemalan fiscal year notation has been used herein, viz., the Guatemalan fiscal year 59-60 corresponds to the American fiscal year 1960.

Note No. 2 :

No pipeline problems exist.

H. Cooperating Country - USOM Coordination

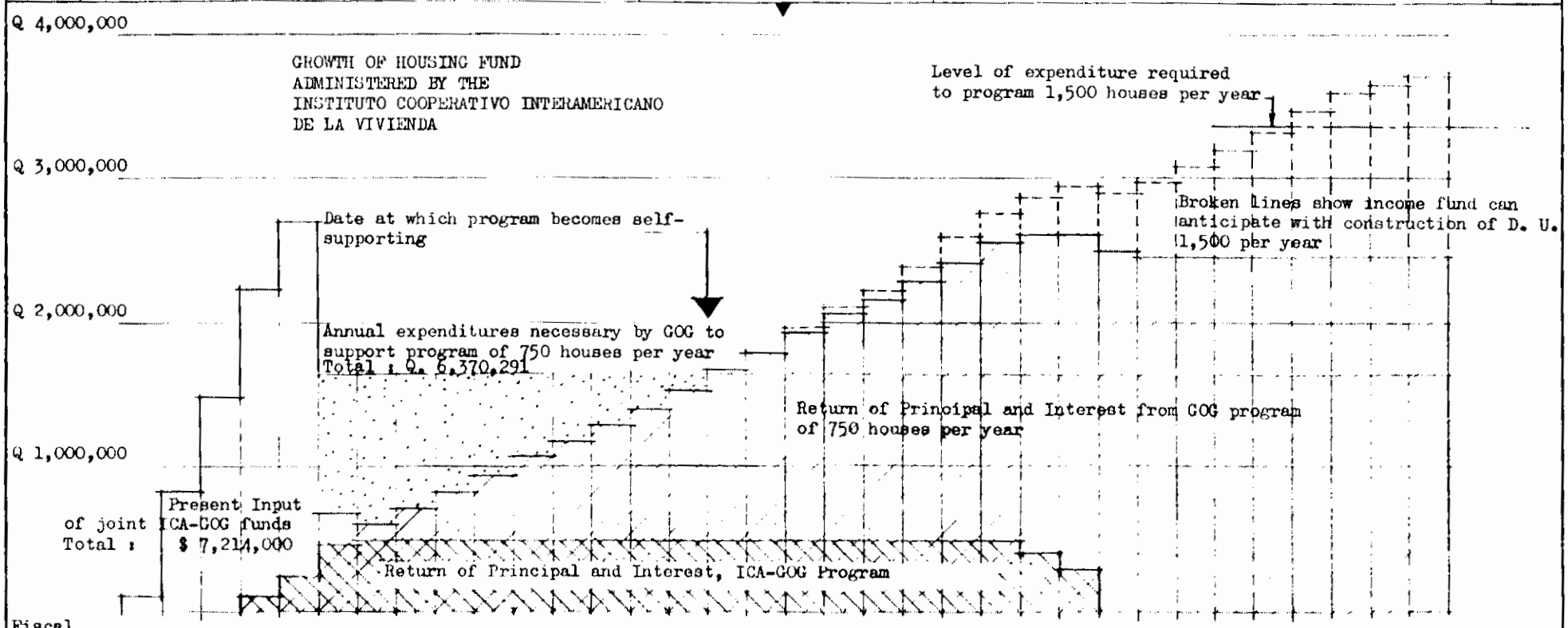
The cooperating country fully agrees to all aspects of the project plan for the budget year and future years. The graph reproduced above was presented and explained

to the President of the Republic and to the President of the Guatemala Congress. Both were impressed and in agreement with the plan. The fact that GOG contributions are slow in forthcoming at present is due to general budget difficulties and the shortage of cash. However, it is expected that the full contribution will be made before the due date of December 31, 1960.

A. ARTURO BICKFORD
DIRECTOR
INSTITUTO COOPERATIVO INTERAMERICANO DE LA VIVIENDA

BERNARD WAGNER
CHIEF, HOUSING DIVISION USOM

E-1	FORM ICA 10-120 (6-59) Continuation Sheet	DATE PREPARED 10/8/59	☒ ORIGINAL ☐ REVISION NO	SECURITY CLASSIFICATION UNCLASSIFIED **COUNTRY ECONOMIC PROGRAM**	COOPERATING COUNTRY GUATEMALA	PROJECT 20-83-081 AIDED SELF-HELP HOUSING PROGRAM	E-1



Fiscal Years	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90
No. of houses starting payments to fund				952	424	1450	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750	750
Cumulative number of houses paying to fund																																		
750 house program				952										8826									16,506										24,006	
1500 house program				952										8826									18,328										32,398	

SECURITY CLASSIFICATION UNCLASSIFIED

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 8, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-99-000	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Technical Support Cost		

1 PROJECT BEGINS FY 56 ENDS FY 66

	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) (1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract: U.S.	(2) Participants: Non-Contract: 3rd Country	(2) Participants: Contract
		Dollar Obligations ($1,000)							L/C Commitments or Obligations						Numbers of People				
A. All Prior Years	TC	363	63				300												
B. Net Deob.-Reob.	TC	(3)					(3)												
Current Funds	TC	118	17			10	91												
Total Actual Year FY 59	TC	115	17			10	88								1				
C. Operational Year FY 60	TC	105	14			--	91								1				
D. Budget Year FY 61	TC	104	16			8	80								1				
E. All Subsequent Years	TC	500																	
F. Total All Years	TC	1,182																	

2 Dollar Obligation and Expenditure

FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	TC	346	--	17	(3)	--	--	--	14	12	2		2	2	--
Actual Year FY 59	TC				118	118	118	--	118	106	12		12	12	--
Operational Year FY 60	TC											105	105	95	10
TOTAL	TC	346	--	17	115	118	118	--	132	118	14	105	119	109	10

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS PROJECT

Problems Addressed:

This Project addresses all listed problems indirectly.

A. General Description of the Project

The purpose of this project is to provide the necessary support and locally available support facilities to all program activities other than those which are properly charged to administrative costs. Through this project provision is made for central financing of program requirements under the direct supervision of the Executive Officer which results in greater economy than if each operating division were to provide its own services. Included in the scope of the Technical Support project are: local personnel management, recruitment and training of local personnel, provision of office space, central purchasing of supplies and equipment for the program divisions, maintenance of mission central files and communications system, warehousing, central motor pool services including acquisition and maintenance of vehicles, and provision of centralized custom clearance services.

The Mission Training Office is financed through this project which provides guidance to all operating divisions with regard to the participant element of their respective programs. The Training Office also performs the essential administrative element of processing and preparing the documentation for all participants.

B. Specific Activity Targets of End Results of the Project

The specific goal of this project is to make all the other operating offices more effective. Thus it supports all operating divisions and shares in the specific activity targets of each. One significant result of the project is the role it plays in tr training local personnel in efficient administrative practices which, as these workers move on to other jobs, will gradually be transferred to public and private organizations in Guatemala.

C. Progress Toward Achievement of Activity Targets

Measurement of progress in a project such as this cannot be done. To the extent that mission operations are more effective than would be the case without the project, significant achievement of activity targets has been made. The project will continue as long as there are mission operations which require facilities and servicing.

D. Nature of the U. S. Contribution

The U. S. contribution to this project consists primarily of the Other Costs element which is devoted principally to the payment of local salaries. There is one U. S. technician, the Training Officer, financed by this project: Occupation Code 9171027, FSR-5, Position #8.

E. Nature of Cooperating Country Contribution.

None.

F. Contribution from other Sources and Relationship to Other Projects

1. There are no contributions from other sources.

2. This project provides support for all the operating projects in the Mission.

G. Cooperating Country - USOM Coordination

There is no direct USOM - Host Country coordination of the activities of this project.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 8, 1959	☒ ORIGINAL ☐ REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-99-075	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Administration Facilities		

1 PROJECT BEGINS FY 56 ENDS FY 62

	(A) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) (1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract: U.S.	(2) Participants: Non-Contract: 3rd Country	(2) Participants: Contract
A. All Prior Years	SA	687				38	649		207			207	1,436						
B. Net Deob.-Reob.						-	-												
Current Funds						-	-												
Total Actual Year FY 59	-	--				-	-												
C. Operational Year FY 60	SA	(260)					(260)						(900)						
D. Budget Year FY 61	-																		
E. All Subsequent Years	-																		
F. Total All Years	SA	427										207	536						

2

FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
Dollar Obligation and Expenditure: All Prior Years	SA	129	533	558	-	533	127	431	558	127	431		431	100	331
Actual Year FY 59	-				-	-	-	-	-	-	-		-	-	-
Operational Year FY												(260)	(260)	100	(260)
TOTAL	SA	129	533	558	-	533	127	431	558	127	431	(260)	171	100	71

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

Problems Addressed:

Poor Environment for Economic Development

A. General Description of the Project

This is one of the Rural Development Program projects. It provides community center administration facilities within the Program's family settlement areas. These facilities include administration office buildings; nuclear and satellite clinic buildings; nuclear and satellite school buildings; housing for administrative and service personnel; and nuclear and satellite sanitary water, sewerage and electrical systems for these community centers. The facilities will serve the 4,000 rural families to be resettled under the Program on economic-size farms and, also, rural families located adjacent to the settlement areas.

This project shares the principal long term goals of the Rural Development Program, which are described in Project 20-14-005. It is one of the four projects within the framework of the Rural Development Program which provide administration, health and education facilities and services to a portion of Guatemala's rural population, particularly those families resettled under the Program. Three U. S. contract technicians provided by Project 20-14-005 are rendering technical advice and guidance to DGAA in the planning and operation of this project.

Family resettlement under the Program is taking place on the Pacific Coast slope on undeveloped, or partially developed, lands contributed by the Guatemalan Government. Located for the most part in outlying sectors, the settlement areas are removed from the country's principal urban centers and main stream of life. This project was made an original part of the Rural Development Program to provide facilities for administrative and service personnel assigned to settlement areas and to provide clinic and school facilities for families resettled in the areas on economic-size farms and families located adjacent to settlement areas. In general, health and school facilities serving the country's rural population are negligible.

In addition to the administrative personnel assigned to settlement areas, the office facilities provide by this project accommodate field loan agents of the Supervised Credit Program, as carried out under Project 20-14-073, and agricultural extension agents who are serving the resettled families.

The community center administration facilities to be provided by this project include:

a. 16 nuclear office buildings;

b. 16 nuclear school buildings;

c. 15 nuclear clinic buildings;

d. 18 satellite centers (includes satellite school), first aid station, teacherage, and office facilities all contained in one structure);

e. 91 houses for administrative and service personnel;

f. 16 nuclear and 18 satellite water systems;

g. 16 nuclear and 18 satellite sewerage systems.

This project was started in FY 1956 as an original part of the Rural Development Program.

B. Specific Activity Targets or End Results of the Project

To provide by July, 1961, community center administration facilities for 4,000 rural families to be resettled under the Rural Development Program on economic-size farms and rural families located adjacent to the Program settlement areas.

C. Progress Toward Achievement of Activity Targets

a. Work Accomplished to Date

1. The construction of 10 nuclear office buildings has been completed. Construction of two more is 95% completed. Plans and designs for the remaining 4 are completed.

2. The construction of 10 nuclear school buildings is completed. Construction of two more is 95% completed. Plans and designs for the remaining 4 are completed.

3. The construction of 10 nuclear clinic buildings is completed. Construction of two more is 95% completed. Plans and designs for remaining 3 are completed.

4. The construction of 7 satellite centers has been completed. Plans and designs for remaining 11 are completed.

5. The construction of 54 houses for administrative and service personnel is completed. Plans and designs have been completed for the balance of 37 houses.

6. The construction of 8 nuclear water systems hasbeen completed. The construction of 3 more is 50% completed. Plans and designs for the remaining 5 are 50% completed. The plans and designs for the satellite water systems are 50% completed.

7. The construction of 12 nuclear sewerage systems is completed. Plans and designs for the remaining 4 are 50% completed. The construction of 1 satellite sewerage system is completed. Plans and design for the remaining 17 are 50% completed.

8. The construction of 5 electrical systems is completed. Plans and designs of the remaining 11 are 50% completed.

b. Work Remaining to be Done

1. Complete the construction of two administration office buildings and let contracts for the construction of four.

2. Complete construction of two nuclear school buildings and let contracts for the construction of four.

3. Complete the construction of two nuclear buildings and let contracts for the construction of three.

4. Let contracts for the construction of eleven satellite centers.

5. Let contracts for the construction of 37 houses for administration and service personnel.

6. Complete the construction of three nuclear water systems, and complete the plans and designs and let contracts for the construction of five. Complete the plans and designs and let contracts for the construction of eighteen satellite water systems.

7. Complete the plans and designs and let contracts for the construction of four nuclear sewerage systems. Complete plans and designs and let contracts for the construction of seventeen satellite sewerage systems.

8. Complete plans and designs and let contracts fot the construction of eleven electrical systems.

c. Progress Toward Achievement of Progress Targets

Complete, or partially completed, community center administration facilities are servicing 2,076 rural families resettled under Rural Development Program and a number of families located adjacent to settlement areas.

D. Nature of the U. S. Contribution

a. Previous Fiscal Years

Special Assistance funds were contributed by the U. S. to the project in FY 1956, 1957 and 1958. U. S. owned Section 402 local currency funds were also contributed in FY 1957 and 1958. These funds have been used to provide for:

1. The financing in part of contract construction of community center administration facilities;

2. The purcahse of 20 light plants and 6 deep well turbin pumps;

3. Salaries in part for technical and supefvisory personnel of the General Directorate of Agrarian Affairs involved in the project operations.

b. Budget Year

There will be no U. S. contribution to this project in FY 1961. Funds contributed in previous fiscal years will provide in part for the completion of the project and will be used as partial financing of the contract construction of community center administrative facilities.

c. Future Fiscal Year

There will be no future fiscal year contributions to the project.

E. Nature of Cooperating Country Contribution

In FY 1956, 1957 and 1958 the Government of Guatemala commited itself to the contribution of Q536,000 in cash or kind from national revenue.

Of this amount a Q354,000 cash contribution has been turned over to the project and Q10,000 in kind.

Cash contributions have provided for:

a. The financing in part of contract construction of community

center administrative facilities (Q200,000);

b. The salaries in part of administration, supervising, engineering and technical personnel, operation and maintenance of vehicles and equipment, and office and other miscellaneous operating expenses (Q154,000). In kind contribution has consisted of land for administration community center facilities, office space and various office equipment, secretarial and translating services, and the use of public facilities such as telephones, telegraph, etc. (Q10,000).

The Government of Guatemala has budgeted for FY 1960 a contribution to this project of Q354,000 from national revenue. This contribution will provide in part for the completion of construction of administration community center facilities planned under the project. The funds will be used in:

a. Finance in part contract construction of administration community center facilities (Q200,000);

b. Finance force account construction and maintenance of administration community center facilities (Q54,000);

c. Provide in part salaries for administration, supervising, technical and engineering personnel, operation and maintenance of vehicles, and office and other miscellaneous operating expenses (Q100,000);

In kind contribution will continue to provide the facilities and services described above.

Project operations will be carried through June, 1961. A cash contribution of Q100,000 by the Government of Guatemala from national revenue is tentative for FY 1961. This will provide salaries for administration, technical, engineering and supervising personnel (Q50,000), and maintenance of administration community center facilities (Q50,000).

This will complete the Government of Guatemala contribution to the project.

F. Contribution from Other Sources and Relationship to Other Projects

There have been no contributions to the project, and none are anticipated, from other sources.

G. Financial Considerations

The U. S. contributions for FY 1956, 1957 and 1958 terminate the contributions to the project.

The U. S. contribution was made originally within the context of the Rural Development Program goal to resettling 10,000 families on economic-size farms. The slowdown of Program activities after the death of President Castillo Armas and the failure of the present government to provide additional land created pipeline problems.

Recent reprogramming of the Rural Development Program has scaled down the family resettlement goal (on economic-size units) to 4,000. U. S. contributions to the project, and other Rural Development projects, will be reduced to conform with the new resettlement goal and to permit programming of new Rural Development projects.

The revised U. S. contribution to the project will be $427,000 of Special Assistance funds and Q207,000 U. S. owned Section 402 local currency funds representing a reduction of $260,000 and Q580,000 respectively. The deobligation of these funds will relieve pipeline problems. Project operations are scheduled for completion by July 1961. No pipeline is expected at the end of FY 1961.

FY 1960 and 1961 contributions of the Guatemalan Government will provide in part for the completion of the project and will terminate its contribution to the project. The FY 1960 contribution is included in the FY 1960 budget of the General Directorate of Agrarian Affairs and is part of Q4,500,000 appropriated for that year to this agency by the central government.

Recurring annual maintenance costs of an estimated Q50,000 will have to be met by the Guatemalan Government.

H. Cooperating Country - USOM Coordination

The plans embodied in this E-1 have been prepared by the General Directorate of Agrarian Affairs with the assistance of IDS contract personnel. The plans were reviewed and approved by the Director General of Agrarian Affairs and IDS contract personnel representing the USOM. The Government of Guatemala financing proposed was approved by the Office of the Official of the Government for Technical Cooperation Affairs and the Office of the President.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 15, 1959	☒ ORIGINAL ☐ REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-99-091	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Rural Housing and Water Supply Rural Development Program		

1

PROJECT BEGINS FY 58 ENDS FY 60	(A) Dollar Obligations ($1,000) Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(B) L/C Commitments or Obligations (1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	(C) Other External Financing	(D) Numbers of People (1) Technicians Authorized Non-Contract	(1) Contract	(2) Participants Non-Contract U.S.	(2) Non-Contract 3rd Country	(2) Contract
A. All Prior Years	SA	613											858						
B. Net Deob.-Reob.																			
Current Funds																			
Total Actual Year FY 59		-																	
C. Operational Year FY 60	SA								145			145							
D. Budget Year FY 61																			
E. All Subsequent Years		-																	
F. Total All Years	SA	613										145	858						

2

Dollar Obligation and Expenditure: FY Source of Funds	Function of Funds	(A) Total All Prior (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59 (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60 (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
All Prior Years	SA	-	613	613	-	613	377	236	613	301	312		312	312	-
Actual Year FY 59	SA												-	-	-
Operational Year FY 60	SA											-	-	-	-
TOTAL	SA	-	613	613	-	613	377	236	613	301	312	-	312	312	-

Problems Addressed:

See continuation sheet.

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 4 SHEETS TO THIS PROJECT

A. General Description of the Project

This is one of the Rural Development Program Projects. Its purpose is to establish within the General Directorate of Agrarian Affairs a self-help rural housing and potable water program to provide low cost housing and safe potable water to farm families resettled under the Rural Development program and to farm families located adjacent to the Program's settlement areas. At the same time, it aims to train these farm families, through self-help construction, in farm building construction.

The project's long term goals are embodied in those of the Rural Development Program, which are described in Project 20-14-005. Two U.S. contract technicians provided by Project 20-14-005 are supplying technical advise and guidance to the General Directorate of Agrarian Affairs in the planning and operation of the project.

Most of Guatemala's rural housing provides little more than crude, dirt floor shelter. When farm families resettled under the Rural Development Program take possession of their farms, they consist of nothing more than undeveloped land. There are no houses, or buildings of any kind, and no wells. Water must be fetched from the nearest stream, in many cases miles away and polluted.

To meet the needs of these families for adequate low cost housing and safe water, the project was integrated as part of the Rural Development Program. It has since been expanded to include farm families outside settlement areas.

Houses are constructed by the families themselves, working in teams, using self-help construction techniques carried out under the supervision of trained housing personnel.

Construction is based on prefabrication principles. Sections are cut and assembled at a saw mill set up and operated with project funds. Timber within the settlement areas provide the lumber.

Wells are drilled and pumps and motors installed by trained personnel using equipment purchased with project funds.

The Supervised Agricultural Credit Program, as carried out under Project 20-14-073, provides loans to the farm families for the purchase of housing materials, and for the drilling of wells and the installation of pumps and motors. The cost of the house to the farm family is $300 (actual project cost is $600 per house).

The housing unit is a concrete floor, wood framed building divided into two to four rooms, and includes a separate kitchen and latrine.

The project includes the following major aspects:

1. The construction and operation of a saw mill with a capacity of 20,000 board feet per day.
2. The construction and operation of a plant for the prefabrication of housing sections.
3. Logging operations.
4. Delivery of housing materials to construction sites.
5. Self-help construction of houses.
6. Well drilling operations and installation of pumps and motors.
7. Training of local supervisory and operational personnel for saw mill, pre-fabrication, logging, transportation, well drilling and self-help construction operations.

This is a continuing project, initiated in April 1958. Previously, these activities were carried out under Project 20-12-072, one of the original Rural Development Program projects.

B. Specific Activity Targets or End Results of the Project

To establish an adequate and effective housing and potable water program within the General Directorate of Agrarian Affairs by June 30, 1961 to provide low cost housing and safe water to farm families resettled under the Rural Development Program and farm families located adjacent to the settlement areas.

C. Progress toward Achievement of Activity Targets

1. Work Accomplished to Date

(a) Construction of the saw mill is 95% completed. At present, operations are being carried out with the use of a small rebuilt saw mill of limited capacity.
(b) The construction and equipping of the prefabrication plant is completed. The plant is in full operation.
(c) The logging operation has been equipped and is fully functioning.
(d) Transportation facilities to deliver materials to construction sites have been provided and are in full operation.
(e) Well drilling machines have been purchased and are operating in the field. Operating crews have been trained and assigned.
(f) Local personnel for saw mill, logging, prefabrication, transportation and construction operations have been trained and assigned.

2. Work Remaining to be Done

Complete the construction of the saw mill.

3. Progress toward Achievement of Progress Targets

(a) 381 houses have been built by resettled families. 252 of these have separate kitchens, and 218 separate latrines.
(b) 435 domestic water wells have been completed with pumps and motors installed.

D. Nature of the U. S. Contribution

1. Previous Fiscal Year

In FY 1958 the U.S. contribution of Special Assistance funds has provided for:

(a) The purchase and construction of a saw mill.
(b) The construction of the prefabrication plant.
(c) The purchase of logging equipment, well drilling equipment and vehicles.
(d) The financing of logging, saw mill, prefabrication and transportation operations.
(e) To provide in part salaries for supervisory, engineering and administrative personnel, skilled labor for supervision of self-help housing construction, and equipment operators, maintenance personnel and common labor.

2. Budget Year

There will be no U.S. contribution to the project in FY 1961. Q145,000 in U.S. owned Section 402 local currency funds will be contributed in operational year 1960, which will provide a part of the continued financing of logging, milling and construction operations through June 30, 1961.

3. Future Fiscal Years

There will be no future Fiscal Year U.S. contributions to the project.

E. Nature of Cooperating Country Contribution

The Government of Guatemala agreed to make a contribution to the project in FY 1958 of Q858,000 in cash or kind.

Data on the amounts of the cash or kind contribution actually turned over to the project are not available at this time.

Some cash contribution has provided in part for the salaries of administration, supervisory personnel, and skilled and common labor involved in the various project operations. It has also provided in part for the purchase of fuel, lubricants, and various materials and supplies for saw mill, logging, prefabrication and transportation operations.

In kind contribution has consisted of:

(1) Timber provided from government retained land tracts within settlement areas, and

(2) Office space, supplies and equipment, and clerical and administrative assistance within the Central Office of the General Directorate of Agrarian Affairs, and the use of public services.

Q425,220 have been included in the FY 1960 budget of the General Directorate of Agrarian Affairs to fulfill the GOG's cash contribution commitment to the project, providing in part the financing of salaries and general operational cost and the purchase of materials and equipment.

There will be no GOG contribution to the project in FY 1961.

F. Contribution from other Sources and Relationship to Other Projects

There have been no contributions to the project, and none are anticipated, from other sources.

G. Financial Considerations

The U.S. contribution in FY 1958 of $612,788, and the Q145,000 U.S. owned Section 402 local currency to be made available in operational year 1960, terminates the U.S. contribution to the project.

The GOG contribution for 1958 of Q857,788 in cash or kind completes the planned GOG contribution to the project.

The Q425,220 included in the FY 1960 budget of the General Directorate of Agrarian Affairs to meet the GOG's cash contribution commitment will be made available to the project before December 31, 1960.

The U.S. and G.O.G. contributions will be sufficient to carry project operations through June 1961. Continuation of project operations beyond that date will have to be subsidized by the G.O.G. At present the G.O.G. has made no definite plans for this.

H. Cooperating Country - USOM Coordination

The plans embodied in the E-1 have been prepared by the Rural Housing Section of the Colonization Division of the General Directorate of Agrarian Affairs, with the technical assistance of IDS contract technicians. The plans were reviewed and approved by the Director General of Agrarian Affairs and the USOM, as represented by IDS contract personnel. The G.O.G. financing proposed was authorized by the Office of the Official of the Government for Technical Cooperation Affairs and the Office of the President.

E-1	FORM ICA 10-109 (6-59)	DATE PREPARED September 15, 1959	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY GUATEMALA	PROJECT NO. 20-99-111	E-1
				COUNTRY ECONOMIC PROGRAM	PROJECT TITLE Rural Community Services and Development		

1

PROJECT BEGINS FY 60
ENDS FY 62

	(A) Dollar Obligations ($1,000)								(B) L/C Commitments or Obligations					(C)	(D) Numbers of People				
	Function of Funds	(1) Total	(2) U.S. Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contributions to Cooperative Service	(1) U.S. Owned MSP	(2) PL 480 and Other	(3) MSP Counterpart	(4) Total U.S. Owned or Controlled L/C	(5) Cooperating Country	Other External Financing	(1) Technicians Authorized: Non-Contract	(1) Technicians Authorized: Contract	(2) Participants: Non-Contract: U.S.	(2) Participants: Non-Contract: 3rd Country	(2) Participants: Contract
A. All Prior Years	--	--																	
B. Net Deob.-Reob.																			
Current Funds																			
Total Actual Year FY 59	--	--																	
C. Operational Year FY 60	SA	--							1,000			1,000	1,760						
D. Budget Year FY 61	--	--																	
E. All Subsequent Years	--	--										--							
F. Total All Years	SA	--										1,000	1,760	--					

2

Dollar Obligation and Expenditure	FY Source of Funds	Function of Funds	(A) Total All Prior: (1) Cumulative Expenditures 6/30/58	(2) Un-Sub-Obligated 6/30/58	(3) Unliquidated Obligations 6/30/58	(B) Actual Year FY 59: (1) Actual Obligations During FY	(2) Total Available for Sub-Oblig.	(3) Sub-Obligated in FY	(4) Un-Sub-Obligated 6/30/59	(5) Total Available for Expenditure	(6) Actual Expenditure in FY	(7) Unliquidated Obligations 6/30/59	(C) Operational Year FY 60: (1) Estimated Obligations in FY	(2) Total Available For Expenditure	(3) Estimated Expenditures in FY	(4) Unliquidated Obligations 6/30/60
	All Prior Years															
	Actual Year FY 59															
	Operational Year FY 60															
	TOTAL	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Problems Addressed:

Poor Environment for Economic Development

~~See continuation sheet~~

SECURITY CLASSIFICATION UNCLASSIFIED

A. General Description of the Project

This is a new project within the framework of the Rural Development Program which has been carried out in Guatemala with ICA assistance during the past four years. The primary objectives of the program in the past were to establish landless and dependent families on economic size farms and to assist these families to become independent and self-sustaining. Under this new project these objectives will be given wider application to include the settlement of families on tracts smaller than economic size and to also provide health, education, agricultural extension and supervised credit assistance to a large number of families now owning subsistence tracts on the large government farms where they are employed part time.

The project plan calls for the settlement of about 1000 families on seven rural development projects and providing health and education facilities to about 4,000 families who have previously been settled on small farm tracts on national farms.

The funds will be used to survey and lay out farm tracts and project roads, to construct roads, drainage canals, schools, clinics, employee housing and water and sewer systems. Funds are also provided to equip and staff the schools and clinics for a period of one year.

B. Specific Activity Targets or End Results of the Project

1. To settle approximately 1,000 families on tracts ranging from 3 to 20 hectares on the 7 new projects.

2. To complete the development work normally planned for projects of this type and to provide education, health, extension and supervised credit services.

3. To construct, equip and staff schools and clinics on 17 small settlement projects located on national farms.

C. Progress Toward Achievement of Activity Targets

1. Work Accomplished to Date

Surveys and planning are completed on 4 of the 7 projects. This work is underway on the other three. Studies and design work for development features is nearing completion. Families have been settled on 2 of the 7 projects and on all the national farm projects. No development work has been accomplished in the field.

2. Work Remaining to be Done

Development work on all the projects and the settlement of families on 5 projects remains to be accomplished.

3. Progress Toward Achievement of Progress Targets.

Approximately 4,000 families have been settled on the national farm projects and 150 on 2 of the Rural development projects.

D. Nature of the U.S. Contribution

1. Previous Fiscal Years

The U.S. has not made any contribution to this project to date.

2. Budget Year

ICA will make funds available in the amount of $1,000,000 for accomplishment of this project. It is estimated that two years will be required to complete the project and the rate of fund use will depend on the progress of the development work. The services of 10 to 12 technicians experienced in engineering planning and construction, community development, rural housing, supervised credit and agricultural extension will be made available from IDS contract personnel as required to carry the purposes of the project.

3. Future Fiscal Years

The target date for completion of the project is December 31, 1961. The contribution noted for the Budget Year is the total ICA contribution to the project and shall be considered a continuing obligation until completion of the project.

There will be no future contributions to the project beyond that provided herein.

E. Nature of Cooperating Country Contribution

The GOG will make approximately 30,000 hectares of land available for the settlement of families.

The various agencies will provide assistance in the form of administrative, clerical, supervisory and technical services as required to execute the project. These services will include salaries of local employees, office space and services, transportation of people and things, purchase of materials and supplies and travel expense. It is estimated that the value of this contribution in cash and kind will be approximately Q1,500,000.

In addition the GOG will make a direct cash contribution of Q260,000 to supplement the ICA funds for financing the development work. This contribution will be in the form of contract payments, salaries of force account personnel and purchase of contruction materials.

F. Contribution from Other Sources and Relationship to Other Projects

There will be no contribution from other sources.

G. Financial Considerations

The ICA contribution for FY 1960 of $1,000,000 to initiate the ICA contribution to the project.

The GOG contribution for FY 1960 as outlined in E. above will constitute the contribution of GOG for establishing and developing the project. In subsequent years GOG will assume the annual recurring costs for administration and maintenance of the project and for providing the health and education services.

H. Cooperating Country - ICA Coordination

The plans embodied in the E-1 have been jointly prepared by GOG, through the various agencies responsible for their execution, and ICA, through International Development Services, Inc., the contract agency responsible for execution of the Rural Development Program. The GOG agencies participating are the General Directorate of Agrarian Affairs, the Ministry of Education, the Ministry of Public Health and Social Assistance, the National Agricultural Institute and the National Agrarian Bank. The plans were reviewed and approved by the Representative of the Government for Economic and Technical Assistance.

F	FORM ICA 10-112 (6-59)	DATE PREPARED 9/15/59	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY Guatemala	ICA ADMINISTERED PROGRAM	F

COUNTRY ECONOMIC PROGRAM

DOLLAR NON-PROJECT LISTING

(All Figures $1,000)		(A) ACTUAL FY 59	(B) OPERATIONAL Congressional Presentation	(B) OPERATIONAL FY 60	(C) BUDGET FY 61
1 SURPLUS AGRICULTURAL COMMODITIES — A. Imports To This Country					
All Other					
TOTAL					
B. Deduct Sales To This Country For Benefit Of Other Countries					
C. Add Sales To Other Countries For Benefit Of This Country					
Net Imports For Benefit Of This Country					
2 ALL OTHER COMMODITIES — A. Food					
All Other					
TOTAL					
B. Feed and Fertilizer					
All Other					
TOTAL					
C. Fuel					
All Other					
TOTAL		----	----		

(All Figures $1,000)		(A) ACTUAL FY 59	(B) OPERATIONAL Congressional Presentation	(B) OPERATIONAL FY 60	(C) BUDGET FY 61
2 Cont'd. ALL OTHER COMMODITIES (CONTINUED) — D. Raw Materials and Semi-Finished Products					
All Other					
TOTAL					
E. Machinery and Vehicles					
All Other					
TOTAL					
F. Miscellaneous and Unclassified	Polio Vaccine	18			
All Other		18			
TOTAL					
TOTAL		18			
3 CASH TRANSACTIONS		---			
4 OTHER (DETAIL)		----			
5 TOTAL NON-PROJECT ASSISTANCE		18	---	---	----

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 1 SHEETS TO THIS TABLE

G-1	FORM ICA 10-113 (6-59)	DATE PREPARED 9/15/59	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY Guatemala	ICA ADMINISTERED PROGRAM	G-1

COUNTRY ECONOMIC PROGRAM

SUMMARY BY FUNCTION AND LOCAL CURRENCY GENERATION

(ALL FIGURES IN $1,000)

		(A) CUMULATIVE TO ACTUAL YEAR	(B) ACTUAL YEAR FY 59 TOTAL	(B) (1) Prior Year Funds	(B) (2) Actual Year Funds	(C) OPERATIONAL YEAR FY 60 (1) Congressional Presentation	(C) (2) Program	(D) BUDGET YEAR FY 61
1 DOLLAR PROGRAM	A. Defense Support Special Assistance — 1. Project	37,636	70	(1)	70	120	70	56
	2. Non-Project	12,132	18		18			
	TOTAL	49,768	88	(1)	88			
	B. Technical Cooperation	8,690		(237)	2,945	3,000	2,300	2,300
	TOTAL	58,458	a/ 88	(238)	3,033	3,120	2,370	2,356
	C. Includes MSP Loans							
	D. Includes MSP Sales of Agricultural Surplus							
2 GENERATION OF L/C FOR MSP USES	A. U.S. Owned L/C Generation for MSP Uses — Potential Generation	8,893						
	Less: Triangular currencies not available for internal use							
	Waivers	136						
	TOTAL	8,757	--	--	--	---	---	---
	B. Counterpart L/C Generation for MSP Uses — Potential Generation	3,239						
	Less: L/C for U.S. uses							
	Waiver of Counterpart Deposit	1,875						
	Other (Loan, etc.)							
	Add: Excess of Sales Proceeds Over Commensurate Value Counterpart Loan Repayments							
	Other (footnote)							
	TOTAL	1,364	--	--	--	---	---	
	TOTAL GENERATION	10,121	--	--	--	---	---	---

REMARKS:

In addition to amounts shown on this table, the following additional amounts are programmed for Malaria Eradication. See Project 20-51-095

1960 485

1961 485

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS TABLE

Summary by Function and Local Currency Generation

a/ Total per G-1 Table		$58,458
Deduct: Regional Allotment		
824-64-594-19-69-81	285	
Title II PL 480	3,239	3,524
Total per Country Functional Report June 30, 1958		$54,934

G-2

FORM ICA 10-114 (6-59)

DATE PREPARED: 9/15/59

[X] ORIGINAL
[ ] REVISION NO.

SECURITY CLASSIFICATION: UNCLASSIFIED

COUNTRY ECONOMIC PROGRAM

COOPERATING COUNTRY: Guatemala

ICA ADMINISTERED PROGRAM

DOLLAR PROJECT PROGRAM BY FIELD OF ACTIVITY

G-2

ANNUAL PROJECT ASSISTANCE COSTS BY FIELD OF ACTIVITY All Dollar Figures $1,000	(A) Total All Fields	(B) 11-19 Food and Agriculture	(C) 21-29 Industry and Mining	(D) 31-39 Transportation	(E) 41-49 Labor	(F) 51-59 Health and Sanitation	(G) 61-69 Education	(H) 71-79 Public Administration: (1) 71 Public Safety	(H) 71-79 Public Administration: (2) 72-79 Public Administration	(H) 71-79 Public Administration: Total	(I) 81-89 Community Development, Social Welfare and Housing: (1) 81-82 Comm. Devel. and Social Welfare	(I) 81-89 Community Development, Social Welfare and Housing: (2) 83-89 Housing	(I) 81-89 Community Development, Social Welfare and Housing: Total	(J) 91-99 General and Miscellaneous
1 ACTUAL YEAR SA/DS	70							70		70	---		---	
TC	2,945	1,531	61	16	--	416	624	--	108	108	---	71	71	118
FY 59 Total	3,015	1,531	61	16	--	416	624	70	108	178	---	71	71	118
No. of Technicians – Total	95	42	5	--	--	11	24	3	3	6	---	6	6	1
Direct Hire	72	23	1	--	--	11	24	3	3	6	---	6	6	1
Contract	23	19	4	--	--	--	--	--	--	--	---	--	--	--
No. of Participants – Total	88	16	4	24	--	12	22	6	4	10	---	--	--	--
Non-Contract	88	16	4	24	--	12	22	6	4	10	---	--	--	--
U.S.	53	9	4	--	--	8	22	6	4	10	---	--	--	--
Third Country	35	7	--	24	--	4	--	--	--	--	---	--	--	--
Contract	--	--	--	--	--	--	--	--	--	--	---	--	--	--
2 OPERATIONAL YEAR SA/DS	70	(1,283)	--	404		700	1,260	70	--	70	---	--	--	(1,081)
TC	2,300	666	60	19	--	432	826	--	83	83	---	91	91	105
FY 60 Total	2,370	(595)	60	419	--	1,132	2,086	70	83	153	---	91	91	(976)
No. of Technicians – Total	96	31	11	--	--	10	25	3	10	13	---	5	5	1
Direct Hire	58	9	1	--	--	10	25	3	4	7	---	5	5	1
Contract	38	22	10	--	--	--	--	--	6	6	---	--	--	--
No. of Participants – Total	103	39	4	5	--	14	29	8	3	11	---	1		--
Non-Contract	97	33	4	5	--	14	29	8	3	11	---	1		--
U.S.	71	16	4	1	--	14	24	8	3	11	---	1		--
Third Country	26	17	--	4	--	--	5	--	--	--	---	--		--
Contract	6	6	--		--		--				---	--	--	--
3 BUDGET YEAR SA/DS	56	--	--	--	--	--	--	56	--	56	---	--	--	--
TC	2,300	594	60	15	--	458	859	--	120	120	---	90	90	104
FY 61 Total	2,356	594	60	15	--	458	859	56	120	176	---	90	90	104
No. of Technicians – Total	85	24	6	--	--	10	21	3	16	19	---	4	4	1
Direct Hire	53	9	1	--	--	10	21	3	4	7	---	4	4	1
Contract	32	15	5	--	--	--	--	--	12	12	---	--	--	--
No. of Participants – Total	95	34	4	3	--	12	28	2	6	8	---	6	6	--
Non-Contract	95	34	4	3	--	12	28	2	6	8	---	6	6	--
U.S.	74	13	4	3	--	12	28	2	6	8	---	6	6	--
Third Country	21	21	--	--	--	--	--	--	--	--	---	--	--	--
Contract	--	--	--	--	--	--	--	--	--	--	---	--	--	--

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS TABLE

COUNTRY ECONOMIC PROGRAM

Dollar Project Program by Field of Activity

a/ Deobligations per attached E-1 forms (20-99-075)	(260)
Add: Projects for which no E-1 forms prepared	(821)
Total Deobligations.- General and Miscellaneous	(1,081)

G-3	FORM ICA 10-115 (6-59)	DATE PREPARED 9/15/59	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY Guatemala	ICA ADMINISTERED PROGRAM	G-3

COUNTRY ECONOMIC PROGRAM

DOLLAR PROJECT PROGRAM BY COST COMPONENT

DOLLAR COST COMPONENTS AND NUMBER OF PEOPLE BY FY AND FUNCTION		(A) MAJOR COST COMPONENTS (ALL FIGURES $1,000) (1) Total Cost	(2) Direct Hire Technicians	(3) Non-Contract Participants	(4) Contract Services	(5) Commodities	(6) Other Costs	(7) Contribution to Cooperative Services	(B) NUMBER OF TECHNICIANS (1) Direct Hire (a) Positions Authorized	(b) On Board End of Year	(2) Contract (a) Positions Programmed	(b) On Board End of Year	(3) Locals Direct Hire on Board End of Year	(C) NUMBER OF PARTICIPANTS (1) Non-Contract (a) Programmed for U.S.	(b) Programmed for 3rd Country	(2) Contract Programmed
1 ACTUAL YEAR FY 59	SA/DS	70	53	13			4		3	3	--	--	2	6	--	--
	TC	2,945	958	201	641	10	185	950	69	59	19	19	52	47	35	--
	TOTAL	3,015	1,011	214	641	10	189	950	72	62	19	19	54	53	35	--
2 Congressional Presentation	SA/DS	120	55	20		40	5	--	3	3	--	--	--	8	--	--
	TC	3,000	1,090	310	415	12	248	925	66	66	23	23	--	60	26	--
	TOTAL	3,120	1,145	330	415	52	253	925	69	69	23	23	--	68	26	--
OPERATIONAL YEAR FY 60	SA/DS	70	45	36	--	1,103 a/	(1,114 b/)	--	3	3	--	--	2	12	1	--
	TC	2,300	940	316	72	--	172	800	55	50	38	22	50	59	25	6
	TOTAL	2,370	985	352	72	1,103	(942)	800	58	53	38	22	52	71	26	6
3 BUDGET YEAR FY 61	SA/DS	56	45	5	--	--	6	--	3	3	--	--	2	2	--	--
	TC	2,300	799	338	95	8	160	900	50	45	32	18	48	72	21	--
	TOTAL	2,356	844	343	95	8	166	900	53	48	32	18	50	74	21	--

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS TABLE

Dollar Project Program by Cost Component

a/	Commodities per E-1 forms	1,782
	Less Deobligations on Projects for which no E-1 forms prepared	679
	Net obligations commodities	1,103
b/	Other Costs per E-1 forms	(712)
	Add Deobligations on Projects for which no E-1 forms prepared	(402)
	Net Deobligations - Other Costs	(1,114)

G-4

FORM ICA 10-116 (6-59)

DATE PREPARED: 9/15/59

[X] ORIGINAL
[ ] REVISION NO.

SECURITY CLASSIFICATION: UNCLASSIFIED

COUNTRY ECONOMIC PROGRAM

COOPERATING COUNTRY: Guatemala

ICA ADMINISTERED PROGRAM

LOCAL CURRENCY PROGRAM BY FIELD OF ACTIVITY

G-4

DEFINITIONS:
OBLIGATIONS or COMMITMENTS
1. U.S. owned local currency — Obligation is considered to take place in same manner as for dollar funds.
2. Counterpart — Commitment is considered to take place when a firm agreement is made between the U.S. and the host country to provide specified amounts for specific purposes or projects. Since such agreement takes place at different stages in different countries, varying from instances in which the obligation or commitment and the authorization to release from the special account are identical to instances in which the firm agreement precedes such authorization, indicate the point in the programming process which precludes reprogramming without amendment of an intergovernmental agreement.

OBLIGATIONS OR COMMITMENTS BY FISCAL YEAR (All Figures $1,000 Equivalent)	(A) FY 59 (1) MSP Source (a) U.S. Owned	(A) FY 59 (1) MSP Source (b) Counterpart Title II PL 480	(A) FY 59 (2) Title I PL 480 & Other	(B) FY 60 (1) MSP Source (a) U.S. Owned	(B) FY 60 (1) MSP Source (b) Counterpart Title II PL 480	(B) FY 60 (2) Title I PL 480 & Other	(C) FY 61 (1) MSP Source (a) U.S. Owned	(C) FY 61 (1) MSP Source (b) Counterpart Title II PL 480	(C) FY 61 (2) Title I PL 480 & Other
1 MILITARY PURPOSES — A. Projects									
B. Budget Support									
C. Military Procurement									
TOTAL	--	--	--	--	--	--	--	--	--
2 ECONOMIC PURPOSES — A. Projects — 1. Food and Agriculture	50	112		(43)					
2. Industry and Mining	--								
3. Transportation	1,400			521					
4. Labor	--			--					
5. Health and Sanitation	100	23		--					
6. Education	--			300					
7. Public Admin. — Public Safety									
Public Administration									
TOTAL	--			--					
8. C.D., S.W., & H. — Community Development and Social Welfare									
Housing				1,000					
TOTAL	--			1,000					
9. General and Miscellaneous	--	8		1,072					
TOTAL	1,550	143							
B. Budget Support	--	--	--	--					
C. Procurement for Third Countries	--			--					
TOTAL	1,550	143	--	2,850					
3 TOTAL ALL PURPOSES	1,550	143	--	2,850 a/	--	--	--	--	--

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS TABLE

a/ Total obligations during FY 1960 per E-1 forms		3,236
Less: Deobligations during FY 1960		
E-1 forms	303	
Projects for which no E-1 forms prepared	83	386
Net Obligations during FY 1960		2,850

G-5	FORM ICA 10-117 (6-59)	DATE PREPARED 9/16/59	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY Guatemala	ICA ADMINISTERED PROGRAM	G-5

COUNTRY ECONOMIC PROGRAM

DOLLAR PIPELINE SUMMARY ANALYSIS

OBLIGATION AND EXPENDITURE BY FISCAL YEAR (ALL FIGURES $1,000)			(A) TOTAL ALL YEARS PRIOR FY	(B) ACTUAL YEAR FY 59				(C) OPERATIONAL YEAR FY 60				(D) BUDGET YEAR FY 61			
			(1) Unliquidated Obligations 6/30/58	(1) Actual Obligations During FY 59	(2) Total Available for Expenditure	(3) Actual Expenditure in FY 59	(4) Unliquidated Obligations 6/30/59	(1) Estimated Obligations in FY60	(2) Total Available for Expenditure	(3) Estimated Expenditures in FY 60	(4) Unliquidated Obligations 6/30/60	(1) Proposed Obligations in FY61	(2) Total Available for Expenditure	(3) Estimated Expenditures in FY 61	(4) Unliquidated Obligations 6/30/61
1 ALL PRIOR YEAR FUNDS	SA/DS	Project	11,637a/	(1)	11,636	2,957e/	8,679i/		6,315 n/	3,452	2,863p/		2,863	2,363	500
		Non-Proj.	2,923	--	2,923	2,346	577		577	577	--		--	--	--
		Sub-Total	14,560	(1)	14,559	5,303	9,256		6,892	4,029	2,863		2,863	2,363	500
	Tech. Cooperation		1,586b/	(237)	1,349	1,015f/	334j/		334j/	334j/	--		--	--	--
	TOTAL		16,146c/	(238)	15,908	6,318	9,590		7,226	4,363	2,863		2,863	2,363	500
2 FY 59 FUNDS	SA/DS	Project		70	70	53	17		17	17	--		--	--	--
		Non-Proj.		18	18	--	18		18	18	--		--	--	--
		Sub-Total		88	88	53	35		35	35	--		--	--	--
	Tech. Cooperation			2,945	2,945	1,769g/	1,176k/		1,176	879	297q/		297	297	--
	TOTAL			3,033	3,033	1,822	1,211		1,211	914	297		297	297	--
3 FY 60 FUNDS	SA/DS	Project						2,434m/	2,434m/	1,095	1,339		1,339	939	400
		Non-Proj.						--	--	--	--		--	--	--
		Sub-Total						2,434	2,434	1,095	1,339		1,339	939	400
	Tech. Cooperation							2,300	2,300	1,955	345		345	295	50
	TOTAL							4,734	4,734	3,050	1,684		1,684	1,234	450
4 FY 61 FUNDS	SA/DS	Project										--	--		
		Non-Proj.										--	--		
		Sub-Total										--	--		
	Tech. Cooperation											2,300	2,300	2,000	300
	TOTAL											2,300	2,300	2,000	300
5 TOTAL FUNDS ALL YEARS	SA/DS	Project	11,637	69	11,706	3,010	8,696	2,434m/	8,766	4,564	4,202p/	--	4,202	3,302	900
		Non-Proj.	2,923	18	2,941	2,346	595	--	595	595	--	--	--	--	--
		Sub-Total	14,560	87	14,647	5,356	9,291	2,434	9,361	5,159	4,202	--	4,202	3,302	900
	Tech. Cooperation		1,586	2,708	4,294	2,784	1,510	2,300	3,810	3,168	642q/	2,300	2,942	2,592	350
	TOTAL		16,146c/	2,795	18,941d/	8,140h/	10,801l/	4,734	13,171o/	8,327	4,844	2,300	7,144	5,894	1,250

SECURITY CLASSIFICATION UNCLASSIFED

SHEET 1 OF 3 SHEETS TO THIS TABLE

Dollar Pipeline Summary Analysis

a/ Unliquidated Balances per E-1 forms	$9,974	
Add: Projects for which no E-1 forms prepared	1,729	
	11,703	
Less: "Unids. Exp. Transferred"	66	
Total per G-5 Table	11,637	
Less: Regional Allotment Included	239	
Total per Country Functional Report 6/30/59	11,398	
b/ Unliquidated Balances per E-1 forms		1,576
Add: Projects for which no E-1 forms prepared		102
		1,678
Less: "Undis. Exp. Transferred"		48
Total per G-5 Table		1,630
Less: Refund from SCIDA (Project 20-11-106)		44
Total per G-5 Table		1,586
Less: Deallotments during FY 1959		218
Total per Country Functional Report 6/30/59		1,368
c/ Balance per Country Functional Report 6/30/58		15,907
Add: Unliquidated obligations-Regional Allotment 824-594-19-69-81, per ICATO Circular L-2, July 14, 1959		239
Total per G-5 Table		16,146
d/ Total per G-5 Table		18,941
Add: Unobligated Balances not deallotted as of June 30, 1959		27
		18,968
Less: Regional Allotments		
824-64-594-19-69-81 (After Deob)	238	
924-64-594-19-69-91	70	308
Total Available for Expenditure during FY '59 per Country Functional Report as of June 30, 1959		18,660

e/ Totals per E-1 Reports	2,480
Add: Projects for which no E-1 forms prepared	511
	2,991
Add: "Undis. Exp. Washington to Mission"	32
	3,023
Less: "Undis. Exp. Transferred"	66
Total per G-5 Table	2,957
Total per Country Functional Report 6/30/59	2,902
Add: Regional Allotment 824-64-594-19-69-93	55
Total per G-5 Table	2,957
f/ Totals per E-1 forms	1,057
Add: Project for which no E-1 forms prepared	6
	1,063
Less: "Undis. Exp. Transferred"	48
Total per Country Functional Report 6/30/59	1,015
g/ Totals per E-1 forms	1,721
Add: "Undis. Exp. Washington to Mission"	48
Total per Country Functional Report 6/30/59	1,769
h/ Total per Country Functional Report 6/30/59	8,033
Add: Regional Allotments Disbursements	107
Total per G-5 Table	8,140
i/ Unliquidated Balances per E-1 forms	7,493
Add: Projects for which no E-1 forms prepared	1,218
	8,711
Less: "Undis. Exp. Washington to Mission"	32
	8,679
Unliquidated Balances per Country Functional Report 6/30/59	8,495
Add: Unliquidated Balance Regional Allotment	184
Total per G-5 Table	8,679

Dollar Pipeline Summary Analysis

j/	Totals per E-1 forms	378
	Less: Refund Received in FY 1960 from SCIDA	44
	Total per Country Functional Report June 30, 1959	334
k/	Unliquidated Balances per E-1 forms	1,224
	Less: "Undis. Exp. Washington to Mission".	48
	Total per Country Functional Report June 30, 1959	1,176
l/	Total per Country Functional Report 6/30/59	10,600
	Add: Unliquidated Balances-Regional Allotments	201
	Total per G-5 Table	10,801
m/	FY 1960 Deobligations SA Funds-E-1 forms	1,543
	FY 1960 Deobligations SA Funds-No E-1 forms	821
	Total Deobligations	2,364
	Add: Regional Allotment	70
	Total per G-5 Table	2,434
n/	Unliquidated SA Project Assistance 6/30/59	8,679
	Less: Deobligations during FY '60	2,364
	Total per G-5 Table	6,315
o/	Unliquidated Obligations 6/30/59	10,801
	Add: Estimated Obligations FY '60	4,734
		15,535
	Less: FY 1960 Deobligation prior Year Funds	2,364
	Total per G-5 Table	13,171
p/	Unliquidated Balances 6/30/60 per E-1 forms	2,895
	Less: "Undis. Exp. Washington to Mission"	32
	Total per G-5 Table	2,863
q/	Unliquidated Balances 6/30/59 per E-1 forms	345
	Less: "Undis. Exp. Washington to Mission"	48
	Total per G-5 Table	297

G-6	FORM ICA 10-118 (6-59)	DATE PREPARED 9/15/59	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY Guatemala	ICA ADMINISTERED PROGRAM	G-6

COUNTRY ECONOMIC PROGRAM

LOCAL CURRENCY PIPELINE

DEFINITIONS:

GENERATED – Generated is defined to mean the amount of local currency that has accrued or will accrue as a result of dollar obligations. Deductions should be made for MSP currencies not available for MSP use as indicated in Table G-1.

OBLIGATED OR COMMITTED

1. U.S. owned local currency – Obligation is considered to take place in same manner as for dollar funds.
2. Counterpart – Commitment is considered to take place when a firm agreement is made between the U.S. and the host country to provide specified amounts for specific purposes or projects. Since such agreement takes place at different stages in different countries, varying from instances in which the obligation or commitment and the authorization to release from the special account are identical, to instances in which the firm agreement precedes such authorization, indicate the point in the programming process which precludes reprogramming without amendment of an intergovernmental agreement (describe below the type of document used for such agreement).

EXPENDITURE

1. U.S. owned currency – Expenditure of U.S. owned local currency is considered to take place at the time funds are withdrawn from the U.S. account.
2. Counterpart – Expenditure of counterpart is considered to take place at the time funds are withdrawn from the special account.

(ALL FIGURES $1,000 EQUIVALENT)

			(A) FY 59 (1) Status 7/1/58	(A) FY 59 (2) Net Change	(A) FY 59 (3) Status 6/30/59	(B) FY 60 (1) Net Change	(B) FY 60 (2) Status 6/30/60	(C) FY 61 (1) Net Change	(C) FY 61 (2) Status 6/30/61
1 MSP LOCAL CURRENCIES	A. U.S. Owned	1. Generated	8,757	---	8,757	---	8,757	—	8,757
		2. Deposited	4,558	2,891	7,449	1,308	8,757	—	8,757
		3. Obligated	4,357	1,550	5,907	2,850 a/	8,757	—	8,757
		4. Expended	1,651	3,181	4,832	2,000	6,832	1,925	8,757
	Exchange Rate $1= 1Q	5. Undeposited Generation	4,199	(2,891)	1,308	(1,308)	8,757	—	—
		6. Unobligated Deposits	201	1,341	1,542	(1,542)	—	—	—
		7. Unexpended Deposits	2,706	(89)	2,617	(692)	1,925	(1,925)	—
	B. Counterpart Title II PL 480	1. Generated	1,330	34	1,364	—	—	—	—
		2. Deposited	1,330	34	1,364	—	—	—	—
		3. Committed	1,221	143	1,364	—	—	—	—
		4. Expended	1,171	193	1,364	—	—	—	—
	Exchange Rate $1= 1Q	5. Undeposited Generation	—	—	—	—	—	—	—
		6. Uncommitted Deposits	109	(109)	—	—	—	—	—
		7. Unexpended Deposits	50	(50)	—	—	—	—	—
2 PL 480 TITLE 1 LOCAL CURRENCY FOR MSP PURPOSES	Exchange Rate $1=	A. Generated							
		B. Deposited							
		C. Obligated							
		D. Expended							
		E. Undeposited Generation							
		F. Unobligated Deposits							
		G. Unexpended Deposits							
3 OTHER LOCAL CURRENCY FOR MSP PURPOSES	Exchange Rate $1=	A. Generated							
		B. Deposited							
		C. Committed							
		D. Expended							
		E. Undeposited Generation							
		F. Uncommitted Deposits							
		G. Unexpended Deposits							

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 2 SHEETS TO THIS TABLE

a/	Total Obligations on E-1 forms for FY 1960 (Sec.402)		3,236
	Less: Deobligations on E-1 forms	325	
	Deobligations on Projects for which no E-1 forms prepared	61	386
	Total per G-4 Table		2,850

G-7	FORM ICA 10-119 (6-59)	DATE PREPARED 9/15/59	[X] ORIGINAL [ ] REVISION NO.	SECURITY CLASSIFICATION UNCLASSIFIED	COOPERATING COUNTRY Guatemala	ICA ADMINISTERED PROGRAM	G-7

COUNTRY ECONOMIC PROGRAM

TITLE I, PUBLIC LAW 480 SALES

1 SALES AGREEMENTS BY FY OF SIGNATURE	(A) Total Sales Contemplated By Agreement	(B) Reserved For U.S. Use Section 104 (a, b, f, h, i, j etc.)	(C) Section 104(e) Loan Administered By Ex-Im Bank (Cooley)	(D) MSP Country Uses (1) Section 104(c) (a) Administered By DOD	(b) Administered By ICA	(2) Section 104(d)	(3) Section 104(e)	(4) Section 104(g)	(5) Total Administered By MSP Agencies
A. Cumulative through Actual Year FY									
B. Operational Year, FY									
C. Budget Year, FY									
TOTAL									

SALES UNDER SALES AGREEMENTS BY FISCAL YEAR OF SIGNATURE

2 COMMODITY	(A) Cumulative through Actual Year FY (1) Unit and Quantity	(2) Value	(B) Operational Year FY (1) Unit and Quantity	(2) Value	(C) Budget Year FY (1) Unit and Quantity	(2) Value
TOTAL						

Guatemala has not had a Title I PL 480 Program, nor is such a Program planned

SECURITY CLASSIFICATION UNCLASSIFIED

SHEET 1 OF 1 SHEETS TO THIS TABLE

G-8 a FORM ICA 10-135 (6-59)

DATE PREPARED: 10/9/59

[X] ORIGINAL
[ ] REVISION NO.

SECURITY CLASSIFICATION: UNCLASSIFIED

COUNTRY ECONOMIC PROGRAM

COOPERATING COUNTRY: GUATEMALA

ICA ADMINISTERED PROGRAM

ICA/IES COORDINATED PLANS

G-8 a

1
Actual Year = FY 1959
Operational Year = FY 1960
Budget Year = FY 1961

Subject Matter Fields	ICA Activity Code		(A) ICA PROGRAM: U.S. TECHNICIANS: Univ. Contract	All Other	Total	PARTICIPANTS TO U.S.: Observational Study	In-Service Training	Educ. Inst. Study	Total	3rd Country Participants	Total	(B) IES PROGRAM: U. S.: Lecturers & Research Scholars	Teachers	Students	Specialists	Total	FOREIGN: Lectures & Research Scholars	Teachers	Students	Leaders & Specialists	Total	Total	(C) GRAND TOTAL
A. Agriculture	(11-19)	Act FY	--	42	42	--	3	6	9	7	58	--	--	--	--	--	--	--	--	--	--	--	58
		Op FY	3	28	31	2	10	10	22	17	70	--	--	--	--	--	--	--	--	1	1	1	71
		Bud FY	--	24	24	1	5	7	13	21	58	--	--	--	--	--	--	--	--	1	1	1	59
B. Atomic Energy	(98)	Act FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
C. Civil Police Administration	(71)	Act FY	--	3	3	--	6	--	6	--	9	--	--	--	--	--	--	--	--	--	--	--	9
		Op FY	--	3	3	--	8	--	8	--	11	--	--	--	--	--	--	--	--	--	--	--	11
		Bud FY	--	3	3	--	2	--	2	--	5	--	--	--	--	--	--	--	--	--	--	--	5
D. Community Development and Social Welfare	(81-82)	Act FY	--	--	--	--	--	1	1	--	1	1	--	--	--	1	--	--	--	--	--	1	2
		Op FY	--	--	--	--	--	2	2	--	2	--	--	--	1	1	--	--	--	1	1	2	4
		Bud FY	--	--	--	--	--	2	2	--	2	--	--	--	--	--	--	--	--	2	2	2	4
E. Economics		Act FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
F. Education	(61-69)	Act FY	--	25	25	--	--	21	21	--	46	--	--	--	--	--	--	7	--	--	7	7	53
		Op FY	--	26	26	2	--	20	22	5	53	--	--	--	--	--	--	22	--	--	22	22	75
		Bud FY	--	22	22	1	4	21	26	--	48	--	--	--	--	--	--	45	--	--	45	45	93
G. Engineering		Act FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1	1	1	1
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
H. English Language	(69)	Act FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	2	--	--	2	2	2
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	2	--	--	2	2	2
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1	--	1	2	2	2
I. Housing	(83-89)	Act FY	--	6	6	--	--	--	--	--	6	--	--	--	--	--	--	--	--	--	--	--	6
		Op FY	--	5	5	--	--	1	1	--	6	--	--	--	--	--	--	--	--	--	--	--	6
		Bud FY	--	4	4	1	4	1	6	--	10	--	--	--	--	--	--	--	--	--	--	--	10
J. Humanities		Act FY	--	--	--	--	--	--	--	--	--	1	--	10	--	11	--	--	3	--	3	14	14
		Op FY	--	--	--	--	--	--	--	--	--	1	--	4	1	6	--	--	6	--	6	12	12
		Bud FY	--	--	--	--	--	--	--	--	--	1	--	5	--	6	--	--	4	2	6	12	12

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 1 OF 3 SHEETS TO THIS TABLE

G-8b FORM ICA 10-136 (6-59)

DATE PREPARED: 10/9/59

[X] ORIGINAL
[ ] REVISION NO.

SECURITY CLASSIFICATION: UNCLASSIFIED

COUNTRY ECONOMIC PROGRAM

COOPERATING COUNTRY: GUATEMALA

ICA ADMINISTERED PROGRAM

ICA/IES COORDINATED PLANS

G-8b

1 Cont'd.

Actual Year = FY 1959
Operational Year = FY 1960
Budget Year = FY 1961

Subject Matter Fields	ICA Activity Code		(A) ICA PROGRAM: U.S. TECHNICIANS: Univ. Contract	All Other	Total	PARTICIPANTS TO U.S.: Observational Study	In-Service Training	Educ. Inst. Study	Total	3rd Country Participants	Total	(B) IES PROGRAM: U.S.: Lecturers & Research Scholars	Teachers	Students	Specialists	Total	FOREIGN: Lecturers & Research Scholars	Teachers	Students	Leaders & Specialists	Total	Total	(C) GRAND TOTAL
K. Industry & Mining	(21-29)	Act FY	--	5	5	--	3	1	4	--	9	--	--	--	--	--	--	--	--	--	--	--	9
		Op FY	--	11	11	--	4	--	4	--	15	--	--	--	--	--	--	--	--	--	--	--	15
		Bud FY	--	6	6	--	4	--	4	--	10	--	--	--	--	--	--	--	--	--	--	--	10
L. Labor	(41-49)	Act FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1	1	1	1
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	2	2	2	2
M. Mass Media Communications	(92)	Act FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	2	2	2	2
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1	1	1	1
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	5	5	5	5
N. Parliamentarians		Act FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	6	6	6	6
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	3	3	3	3
O. Public Administration	(72-79)	Act FY	--	3	3	--	4	--	4	--	7	--	--	--	--	--	--	--	--	--	--	--	7
		Op FY	--	10	10	--	--	3	3	--	13	--	--	--	--	--	--	--	--	--	--	--	13
		Bud FY	--	16	16	--	1	5	6	--	22	--	--	--	--	--	--	--	--	1	1	1	23
P. Public Health	(57-59)	Act FY	--	11	11	--	1	7	8	4	23	--	--	--	--	--	--	--	--	--	--	--	23
		Op FY	--	10	10	--	4	10	14	--	24	--	--	--	--	--	--	--	--	--	--	--	24
		Bud FY	--	10	10	--	2	10	12	--	22	--	--	--	--	--	--	--	--	--	--	--	22
Q. Public Officials		Act FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
R. Science (Medical, Physical, Natural)		Act FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	5	5	5	5
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	10	10	10	10
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	1	1	--	--	--	--	--	1	1
S. Social Sciences		Act FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	1	1	--	--	--	1	1	2	2
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	1	1	--	--	2	1	3	4	4
T. Transportation	(31-39)	Act FY	--	--	--	--	--	--	--	24	24	--	--	--	--	--	--	--	--	--	--	--	24
		Op FY	--	--	--	--	--	1	1	4	5	--	--	--	--	--	--	--	--	--	--	--	5
		Bud FY	--	--	--	--	--	3	3	--	3	--	--	--	--	--	--	--	--	--	--	--	3

SECURITY CLASSIFICATION: UNCLASSIFIED

SHEET 2 OF 3 SHEETS TO THIS TABLE

G-8 c

FORM ICA 10-137 (6-59)

DATE PREPARED: 10/9/59

[X] ORIGINAL
[ ] REVISION NO.

SECURITY CLASSIFICATION: UNCLASSIFIED

COUNTRY ECONOMIC PROGRAM

COOPERATING COUNTRY: GUATEMALA

ICA ADMINISTERED PROGRAM

ICA/IES COORDINATED PLANS

G-8 c

1 Cont'd.

Actual Year = FY 19 59
Operational Year = FY 19 60
Budget Year = FY 19 61

Subject Matter Fields	ICA Activity Code		(A) ICA PROGRAM: U.S. TECHNICIANS: Univ. Contract	All Other	Total	PARTICIPANTS TO U.S.: Observational Study	In-Service Training	Educ. Inst. Study	Total	3rd Country Participants	Total	(B) IES PROGRAM: U.S.: Lecturers & Research Scholars	Teachers	Students	Specialists	Total	FOREIGN: Lecturers & Research Scholars	Teachers	Students	Leaders & Specialists	Total	Total	(C) GRAND TOTAL
U. Special University Projects		Act Fy	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	108	--	108	108	108
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	132	--	132	132	132
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	100	--	100	100	100
V. Arts: Music, Theater, Arq.		Act FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	2	2	2	2
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	11	11	11	11
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	2	2	2	2
W. Sports		Act FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
		Op FY	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
		Bud FY	--	--	--	--	--	--	--	--	--	--	--	--	2	2	--	--	--	2	2	4	4
TOTAL		Act FY	--	95	95	--	17	36	53	35	183	2	--	10	--	12	--	9	111	9	129	141	324
		Op FY	3	93	96	4	26	47	77	26	199	1	--	4	3	8	--	24	138	33	195	203	402
		Bud FY	--	85	85	3	22	49	74	21	180	1	--	5	4	10	--	46	106	22	174	184	364

2. Comments:

SECURITY CLASSIFICATION: UNCLASSIFIED