

UNCLASSIFIED

PD-ACE-060

72

INTERNATIONAL SECURITY ASSISTANCE PROGRAM

ECONOMIC SUPPORTING ASSISTANCE

Congressional Presentation
FISCAL YEAR 1972

BEST AVAILABLE

UNCLASSIFIED

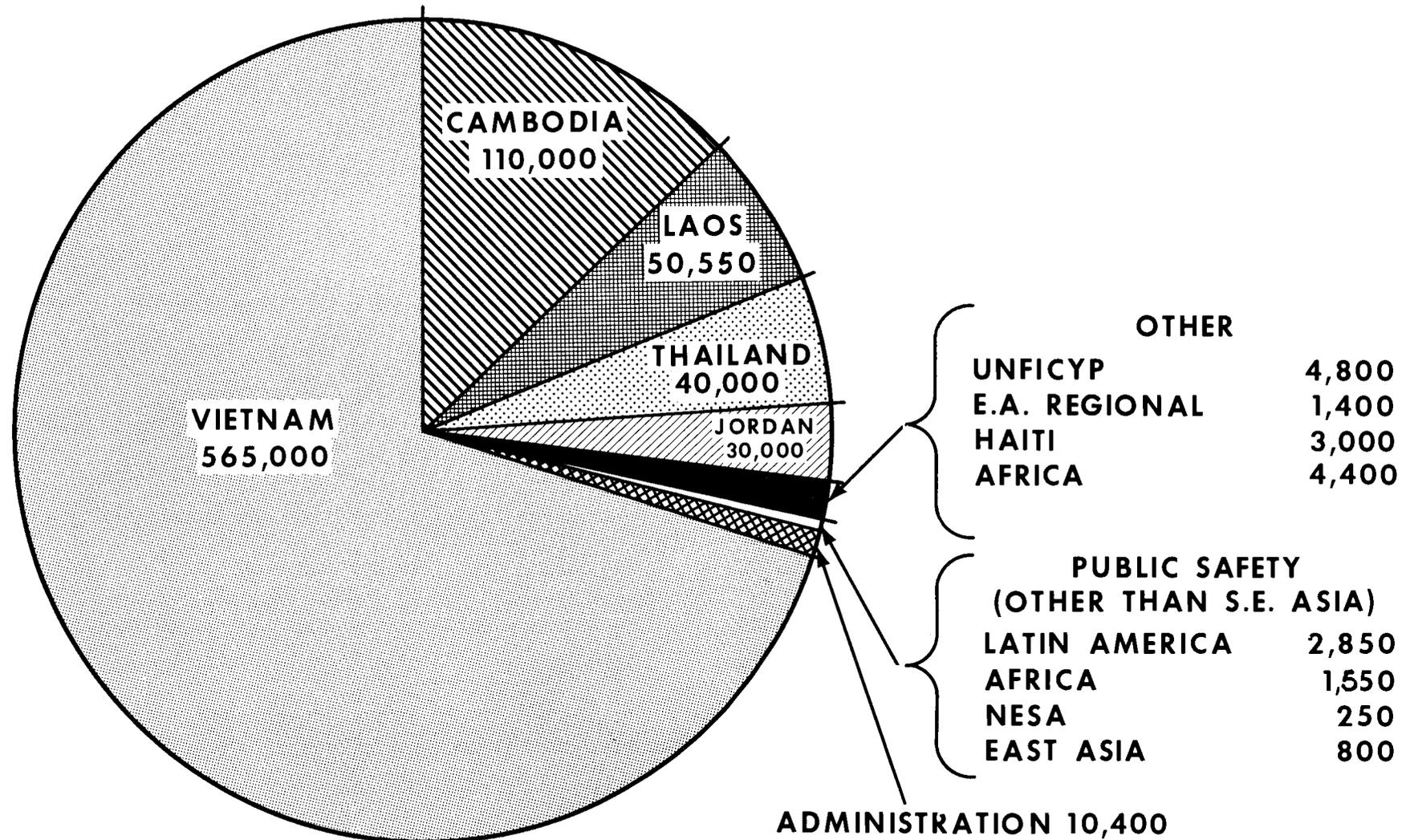
ECONOMIC SUPPORTING ASSISTANCE

INDEX

| | <u>Page</u> | | <u>Page</u> |
|---|-------------|---|-------------|
| Economic Supporting Assistance - Summary..... | A-1 | Public Safety: | |
| Availability and Program Table..... | A-3 | Program Narrative..... | H-1 |
| Summary of Program by Area..... | A-4 | Summary Tables..... | H-5 |
| Summary of Program by Area and Country..... | A-5 | Latin America..... | H-7 |
| Vietnam..... | B-1 | Near East and South Asia..... | H-23 |
| Cambodia..... | C-1 | Africa..... | H-25 |
| Laos..... | D-1 | East Asia (including Vietnam)..... | H-33 |
| Thailand..... | E-1 | Administrative: | |
| Jordan..... | F-1 | Administrative Expenses..... | I-1 |
| Other Programs: | | Inspector General Foreign Assistance..... | I-2 |
| Haiti..... | G-1 | Reports and Other Data: | |
| Africa..... | G-3 | Economic and Military Assistance Program..... | J-1 |
| East Asia Regional Program..... | G-5 | Acquisition and Utilization of Excess Property..... | J-18 |
| United Nations Force in Cyprus..... | G-9 | Section 634 (d) Report..... | J-20 |
| | | Section 634 (e) Report..... | J-36 |

FY 1972 ECONOMIC SUPPORTING ASSISTANCE PROGRAM

(IN THOUSANDS OF DOLLARS)



ECONOMIC SUPPORTING ASSISTANCE

Some of our friends and allies in the less developed part of the free world are threatened by internal insurrection and external attack. If they are to take greater responsibility for their own defense, in accord with the Nixon Doctrine, they must be able to carry the economic burden of expanded armed forces and also deal with the urgent social and economic problems characteristic of less developed countries. They must strengthen their capacity to meet challenges to internal security and improve the performance of their civil police forces. From time to time, support of one or another of our friends and allies facing a highly volatile political crisis which generates economic costs beyond their means may be necessary.

Economic supporting assistance is an essential element in helping our friends and allies defend themselves. In Vietnam, the need to maintain greatly expanded armed forces requires an extraordinarily large portion of a country's total resources, with consequent large budget deficits and inflation which can be balanced only by higher levels of imported resources. In Thailand it is necessary to counter the threat of insurgency through major efforts in rural development as well as police action.

The economy of Jordan and the budget of its moderate Arab government requires economic assistance in order to maintain the delicate balance of a ceasefire.

Two decades ago, when the U.S. foreign assistance program was beginning, the bulk of our economic assistance was concentrated on European economic recovery and the bulk of our military assistance supported military forces in European countries bordering on the Communist bloc. This pattern marked the decade of the 1950's.

During the decade of the 1960's this pattern changed considerably. Economic assistance shifted away from European recovery and toward the poorer nations of Latin America, Africa, and Asia. Military assistance increasingly moved toward a group of poor countries in Asia where Communist aggression threatened first hand. As this shift occurred it became increasingly apparent that military strength in these poorer countries was heavily dependent on economic stability. In recognition of this fact, the Congress authorized the use of Supporting Assistance funds to help maintain economic and political stability, primarily in this group of Asian nations.

The recent review of the U.S. foreign assistance program brought out clearly the need to focus more effectively on the relationship between military preparedness and economic support, within the broader context of U.S. foreign policy. It became clear that while economic supporting assistance bore a relationship to longer-run bilateral development assistance activities, the more immediate problem was to strengthen coordination of economic supporting assistance with military preparedness efforts.

This led to the recent decision to place economic supporting assistance under the jurisdiction of the Department of State, and at the same time to strengthen the capacity of the Department of State to plan, coordinate and evaluate the entire U.S. security assistance effort -- military assistance, foreign military sales, and economic supporting assistance -- within the context of U.S. foreign policy.

This decision to combine more effectively the major elements of U.S. international security assistance should also bring into sharper focus the total scope of those U.S. activities which support the Nixon Doctrine. The total result sought is a U.S. international security assistance effort that is characterized by clear goals, good management, and firm accountability.

In some instances, economic supporting assistance is similar in nature to that provided under development assistance. The significant distinction between the two is their purpose. Development assistance is designed to add to the supply of resources for economic growth, and to help supply the necessary skills and knowledge. Economic supporting assistance is designed in the first instance to offset the economic impact of extraordinary security or political events, and over time to help the recipient nations achieve the means to support their own security efforts. Crises are not permanent; there is a gradual, normal transition as the security threat diminishes and emphasis on economic development becomes possible. The nations we seek to assist must overcome the immediate security threat; economic supporting assistance helps make this possible, and also permits these nations to move toward greater stress upon development as this becomes possible.

Public safety assistance is a special aspect of economic supporting assistance. We propose that public safety assistance, in all countries receiving such assistance, be funded under Economic Supporting Assistance. Assistance in the field of public safety has a particular role where the problem is to respond directly

to counter-insurgency or other security threats. But it is also needed where the problem is the more normal maintenance of civil law and order, an essential ingredient to the development of stable and therefore relatively secure systems of government.

In this year's funding request, almost all of the proposed Economic Supporting Assistance program is required for the countries resisting communist aggression in South East Asia. Of the total \$825 million proposed for worldwide economic supporting assistance in FY 1972, \$767 million is intended for that area. Three-quarters of that amount, \$565 million, would be used in Vietnam to help hold inflation under control, to make possible a required level of imports to compensate for resources diverted to military needs-giving special recognition to the sharp drop in earning power that results from the withdrawal of U.S. troops, to help build and strengthen Vietnamese capacities to increase domestic production, to help the Vietnamese government to build political stability in both rural and urban areas, and to help meet requirements for relief, civilian casualties, and rehabilitation activities.

During FY 1972, \$200 million is to be used to sustain other Southeast Asian nations in their efforts to maintain themselves against communist aggression and insurgency. Of this, \$40 million is being programmed for Thailand where a Communist supported insurgency has threatened the country's security for the past six years. Recent events in Cambodia and Laos have brought active communist military operations closer to Thailand's border, thereby requiring increased Thai preparedness measures. The U.S. economic assistance program is designed to improve the Thai capacity for dealing with the internal and external security threat.

In Laos \$50.6 million in U.S. economic assistance will be used to control inflationary pressures threatening the country's economic and political stability, to relieve suffering caused by the war, and to help the Royal Lao Government provide essential services and facilities in rural areas. Without such U.S. assistance, the Lao Government would face prohibitive odds in its attempt to stem North Vietnamese and Pathet Lao aggression.

Cambodia requires \$110 million to withstand the great economic dislocations caused by the North Vietnamese and Viet Cong invasion. We will pursue this objective through a program of financing imports which will off-set losses in Cambodia's domestic production and exports caused by the war.

We are also planning a \$1.4 million contribution to multilaterally financed construction activities in the Mekong Basin. These projects will benefit the economies of the four Southeast Asia countries receiving security assistance and will improve the prospects for long-range peace in the area.

The remaining \$58 million is programmed for a variety of other purposes in the rest of the world where security concerns call for special assistance. These include the Middle East where Jordan's ability to withstand internal security threats is a key factor in a sensitive situation. We are proposing \$30 million for Jordan. The U.S. share in the costs to the UN of peacekeeping in Cyprus is estimated to be \$4.8 million in FY 1972. The continuation of a small assistance program in Haiti will require \$3.0 million. Continuation of rehabilitation efforts in Nigeria and of schooling for refugees from southern Africa, will require \$1 million.

Public Safety assistance in 22 countries outside the Indochina area will require \$8.8 million, including \$3.4 million for construction of a police academy in Nigeria. Of the 22 countries, 15 are in Latin America (\$2,850,000) five are in Africa (\$1,550,000), one in East Asia (Philippines-\$800,000), one in South Asia (Pakistan-\$250,000).

ECONOMIC SUPPORTING ASSISTANCE

AVAILABILITY AND PROGRAM FY 1971 AND FY 1972
(in thousands of dollars)

| | FY 1971 | | | | | | FY 1972 | | | |
|--------------------------------|-----------|---------------|--------------------|-------------------|------------------|-----------------|---------------|-------------------|------------|-----------------|
| | Bal. Fwd. | Appropriation | Transfers | Receipts & Reimb. | Recoveries | FY 1971 Program | Appropriation | Receipts & Reimb. | Recoveries | FY 1972 Program |
| ECONOMIC SUPPORTING ASSISTANCE | 768 | 569,600 | - 60,500 <u>a/</u> | 858 | 69,711 <u>b/</u> | 580,437 | 778,000 | 800 | 46,200 | 825,000 |
| Total | 768 | 569,600 | - 60,500 | 858 | 69,711 | 580,437 | 778,000 | 800 | 46,200 | 825,000 |

a/ Transfer of \$60,000,000 to Military Assistance Program for Cambodia and \$500,000 to American Schools and Hospitals Abroad.

b/ Includes deobligations of \$40,000,000 from A.I.D. loans made in previous years.

ESTIMATED GROSS EXPENDITURES AND UNEXPENDED BALANCES
FOR FISCAL YEARS 1971 AND 1972.
(in thousands of dollars)

| | Unexp. Balance 6/30/70 | Appropriation FY 1971 | Recpts. Trans. Reimbs. | Total Available | Gross Exp. FY 1971 | Unexp. Balance 6/30/71 | Approp. Request FY 1972 | Recpts. Trans. Reimbs. | Total Available | Gross Exp. FY 1972 | Unexp. Balance 6/30/72 |
|--------------------------------|------------------------|-----------------------|------------------------|-----------------|--------------------|------------------------|-------------------------|------------------------|-----------------|--------------------|------------------------|
| ECONOMIC SUPPORTING ASSISTANCE | 559,226 | 569,600 | -19,642 | 1,109,184 | 473,640 | 635,544 | 778,000 | 800 | 1,414,344 | 660,000 | 754,344 |
| Total | 559,226 | 569,600 | -19,642 | 1,109,184 | 473,640 | 635,544 | 778,000 | 800 | 1,414,344 | 60,000 | 754,344 |

SUMMARY OF PROGRAMS BY AREA
(FY 1970 and FY 1971 REGIONAL PROGRAMS ADJUSTED FOR COMPARABILITY WITH FY 1972 APPROPRIATION)
FISCAL YEARS 1970, 1971 and 1972

(In thousands of dollars)

| | FY 1972 Proposed | FY 1971 Estimated | | | FY 1970 Actual | | |
|---|---------------------|-------------------|--------------------------|--------------------|----------------|--------------------------|--------------------|
| | | TOTAL | SUPPORTING ASSISTANCE | OTHER A.I.D. a/ | TOTAL | SUPPORTING ASSISTANCE | OTHER A.I.D. a/ |
| SUMMARY - ALL PROGRAMS | 825,000 | 601,653 | 580,437 | 21,011 | 545,527 | 522,838 | 22,689 |
| VIETNAM | 565,000 | 396,075 | 396,075 | - | 365,877 | 365,877 | - |
| EAST ASIA | 202,750 | 140,688 | 124,216 | 16,267 | 89,701 | 72,527 | 17,174 |
| NEAR EAST AND SOUTH ASIA | 30,250 | 5,345 | 5,000 | 345 | 794 | - | 794 |
| AFRICA | 5,950 | 18,778 | 17,700 | 1,078 | 26,938 | 26,042 | 896 |
| LATIN AMERICA | 5,850 | 6,167 | 2,846 | 3,321 | 5,805 | 1,980 | 3,825 |
| INSPECTOR GENERAL OF FOREIGN ASSISTANCE | 400 | 200 | 200 | - | 175 | 175 | - |
| ADMINISTRATIVE EXPENSES | 10,000 | - | - | - | - | - | - |
| PROGRAM SUPPORT AND INTERREGIONAL | - | 15,100 | 15,100 | - | 32,937 | 32,937 | - |
| INTERNATIONAL ORGANIZATIONS AND PROGRAMS | 4,800 b/ | 19,300 | 19,300 | - | 23,300 | 23,300 | - |

a/ Includes programs to be carried out in FY 1972 under Economic Supporting Assistance which were funded in FY 1970 and FY 1971 from technical assistance or, in the case of population programs, from grants made from development loan accounts.

b/ Proposed funding for U.N. force in Cyprus for which \$6,000,000 was provided in each of fiscal years 1970 and 1971 from Supporting Assistance

ECONOMIC SUPPORTING ASSISTANCE - SUMMARY OF PROGRAMS BY AREA AND COUNTRY
(FY 1970 and FY 1971 COUNTRY PROGRAMS ADJUSTED FOR COMPARABILITY WITH FY 1972 APPROPRIATION)
FISCAL YEARS 1970, 1971 and 1972

(In thousands of dollars)

| Area and Country | FY 1972 Proposed ECONOMIC SUPPORTING ASSISTANCE | FY 1971 Estimated | | | FY 1970 Actual | | |
|----------------------------------|---|-------------------|--------------------------|--------------------|----------------|--------------------------|--------------------|
| | | TOTAL | SUPPORTING ASSISTANCE | OTHER A.I.D. a/ | TOTAL | SUPPORTING ASSISTANCE | OTHER A.I.D. a/ |
| VIETNAM - TOTAL | 565,000 | 396,075 | 396,075 | - | 365,877 | 365,877 | - |
| Country Program | 555,000 | 386,000 | 386,000 | - | 354,410 | 354,410 | - |
| Expanded Vietnam Program: | | | | | | | |
| Administrative..... | 3,600 | 3,600 | 3,600 | - | 4,729 | 4,729 | - |
| Program Support | 6,400 | 6,475 | 6,475 | | 6,738 | 6,738 | - |
| EAST ASIA - TOTAL | 202,750 | 140,688 | 124,216 | 16,267 | 89,701 | 72,527 | 17,174 |
| Cambodia | 110,000 | 70,000 | 70,000 | - | - | - | - |
| Korea | - | 347b/ | - | 347b/ | 10,391 | 10,000 | 391b/ |
| Laos | 50,550 | 45,925 | 38,400 | 7,525 | 51,941 | 43,666 | 8,275 |
| Philippines b/..... | 800 | 900 | - | 900 | 825 | - | 825 |
| Thailand | 40,000 | 23,300 | 15,600 | 7,495 | 26,544 | 18,861 | 7,683 |
| Regional | 1,400 | 216 | 216 | - | - | - | - |
| NEAR EAST AND SOUTH ASIA - TOTAL | 30,250 | 5,345 | 5,000 | 345 | 794 | - | 794 |
| Jordan | 30,000 | 5,065 | 5,000 | 65b/ | .00b/ | - | 100b/ |
| Pakistan b/..... | 250 | 280 | - | 280 | 694 | - | 694 |

a/ Includes programs to be carried out in FY 1972 under Economic Supporting Assistance which were funded in FY 1970 and FY 1971 from technical assistance or, in the case of population programs, from grants made from development loan accounts.

b/ Public Safety only.

ECONOMIC SUPPORTING ASSISTANCE - SUMMARY OF PROGRAMS BY AREA AND COUNTRY
(FY 1970 and FY 1971 COUNTRY PROGRAMS ADJUSTED FOR COMPARABILITY WITH FY 1972 APPROPRIATION)
FISCAL YEARS 1970, 1971 and 1972

(In thousands of dollars)

| Area and Country | FY 1972 Proposed | FY 1971 Estimated | | | FY 1970 Actual | | |
|---------------------------------------|--------------------------------|-------------------|-----------------------|----------------------------|----------------|-----------------------|----------------------------|
| | ECONOMIC SUPPORTING ASSISTANCE | TOTAL | SUPPORTING ASSISTANCE | OTHER A.I.D. ^{a/} | TOTAL | SUPPORTING ASSISTANCE | OTHER A.I.D. ^{a/} |
| AFRICA - TOTAL | 5,950 | 18,778 | 17,700 | 1,078 | 26,938 | 26,042 | 896 |
| Congo (Kinshasha) ^{b/} | 1,016 | 565 | - | 565 | 380 | - | 380 |
| Ghana ^{b/} | 106 | 100 | - | 100 | - | - | - |
| Liberia ^{b/} | 203 | 238 | - | 238 | 296 | - | 296 |
| Nigeria | 4,100 | 17,200 | 17,200 | - | 25,442 | 25,442 | - |
| Somalia ^{b/} | - | - | - | - | 144 | - | 144 |
| Tunisia ^{b/} | 125 | 75 | - | 75 | 76 | - | 76 |
| Regional | 100 | 100 | - | 100 | - | - | - |
| Southern Africa Regional | 300 | 500 | 500 | - | 600 | 600 | - |

^{a/} Includes programs to be carried out in FY 1972 under Economic Supporting Assistance which were funded in FY 1970 and FY 1971 from technical assistance or, in the case of population programs, from grants made from development loan accounts.

^{b/} Public Safety only.

ECONOMIC SUPPORTING ASSISTANCE - SUMMARY OF PROGRAMS BY AREA AND COUNTRY
(FY 1970 AND 1971 COUNTRY PROGRAMS ADJUSTED FOR COMPARABILITY WITH FY 1972 APPROPRIATION)
FISCAL YEARS 1970, 1971 and 1972

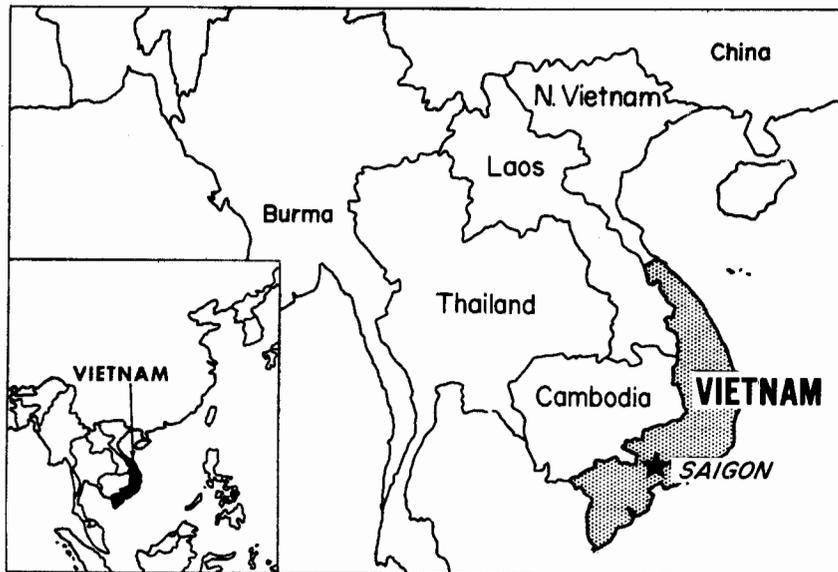
(In thousands of dollars)

| Area and Country | FY 1972 Proposed ECONOMIC SUPPORTING ASSISTANCE | FY 1971 Estimated | | | FY 1970 Actual | | |
|---------------------------------|---|-------------------|--------------------------|--------------------|----------------|--------------------------|--------------------|
| | | TOTAL | SUPPORTING ASSISTANCE | OTHER A.I.D. a/ | TOTAL | SUPPORTING ASSISTANCE | OTHER A.I.D. a/ |
| LATIN AMERICA - TOTAL <u>b/</u> | 5,850 | 6,167 | 2,846 | 3,321 | 5,805 | 1,980 | 3,825 |
| Bolivia | 115 | 143 | - | 143 | 209 | - | 209 |
| Brazil | 174 | 370 | - | 370 | 614 | - | 614 |
| Chile | - | 17 | - | 17 | 106 | - | 106 |
| Colombia | 340 | 260 | - | 260 | 267 | - | 267 |
| Costa Rica | 198 | 200 | - | 200 | 230 | - | 230 |
| Dominican Republic | 370 | 378 | - | 378 | 386 | - | 386 |
| Ecuador | 135 | 142 | - | 142 | 153 | - | 153 |
| El Salvador | 56 | 64 | - | 64 | 83 | - | 83 |
| Guatemala | 377 | 377 | 59 | 318 | 1,129 | 410 | 719 |
| Guayana | 99 | 146 | - | 146 | 149 | - | 149 |
| Haiti <u>b/</u> | 3,000 | 2,787 | 2,787 | - | 1,570 | 1,570 | - |
| Honduras | 171 | 121 | - | 121 | 107 | - | 107 |
| Jamaica | 96 | 70 | - | 70 | 75 | - | 75 |
| Nicaragua | 91 | 118 | - | 118 | - | - | - |
| Panama | 203 | 164 | - | 164 | 131 | - | 131 |
| Peru | - | - | - | - | 27 | - | 27 |
| Uruguay | 225 | 624 | - | 624 | 285 | - | 285 |
| Venezuela | 200 | 186 | - | 186 | 284 | - | 284 |

a/ Includes programs to be carried out in FY 1972 under Economic Supporting Assistance which were funded in FY 1970 and FY 1971 from technical assistance, or, in the case of population programs, from grants made from development loan accounts.

b/ All Public Safety except for Haiti. Funds for Haiti are for Malaria Eradication, CARE, and other programs.

VIETNAM - GENERAL ECONOMIC DATA



CENTRAL GOVERNMENT FINANCES (FY Ending December 31)

| | Billions Piasters | | Millions Dollars* |
|--|----------------------|---------|----------------------|
| | 1969 | 1970 | 1970 |
| Total Expenditures ^a | 142.8 | 199.8 | 799 |
| (Defense Expenditures) | (92.0) | (128.3) | (513) |
| (Capital Outlay) | (n.a.) | (n.a.) | (n.a.) |
| Total Domestic Revenues ^b | 86.1 | 121.8 | 487 |
| As Percent of GNP | 14.4 | n.a. | n.a. |
| Deficit (-) or Surplus (+) | -56.7 | -78.0 | -312 |

a - Excludes Trust and special Funds administered by U.S. Government.

b - Includes customs and austerity taxes on imports.

n.a. - Not available.

* Converted at 250 piasters per dollar.

BASIC DATA

| | | | |
|------------------------------------|------|------------------------------------|--------|
| Population (millions; mid-1970) .. | 18.3 | Per capita GNP (1969; dollars) ... | 175 |
| Annual Growth Rate (percent) ... | 2.6 | Life Expectancy (Years) | 35 |
| Area (1,000 square miles) | 66 | People per Doctor..... | 10,560 |
| Population Density Per Sq.Mile . | 277 | Literacy Rate (percent) | 65 |
| Agricultural Land as % of Area ... | 33 | Students as % of 5-19 Age Group .. | 57 |
| % Civil. Labor Force in Agri. .. | 65 | (Primary and Secondary) | |

PRODUCTION TRENDS

| | 1966 | 1967 | 1968 | 1969 | 1970 Est. |
|-------------------------------------|-------|-------|-------|-------|-----------|
| Agricultural Production | | | | | |
| Total Index (1961-65=100)..... | 86 | 91 | 84 | 94 | 99 |
| Index Per Capita (1961-65=100) | 80 | 82 | 74 | 81 | 83 |
| Rice, rough (1,000 MT) | 4,340 | 4,690 | 4,370 | 5,120 | 5,450 |
| Industrial Production | 147 | 163 | 148 | 184 | 205 |
| (Index 1963=100) | | | | | |

INTERNATIONAL TRADE (\$ millions) (Exchange record data)

| | | | | | |
|------------------------------|------|------|------|------|------|
| Total Exports (f.o.b.) | 25 | 38 | 42 | 33 | 25 |
| Total Imports (c.i.f.) | -656 | -750 | -669 | -853 | n.a. |
| Trade Balance | -631 | -712 | -627 | -820 | n.a. |

GOLD & FOREIGN EXCHANGE (\$ millions)[†]

| | | | | | |
|---------------------------------------|-----|-----|-----|-----|-----|
| Official Reserves ^{††} | 306 | 334 | 279 | 227 | 243 |
| Commercial Bank Holdings | 16 | 14 | 27 | 30 | 23 |

USAID Retail Price Index ^{†††} (Saigon; Jan. 1, 1965=100)

| | | | | | |
|--|-----|-----|-----|-----|-----|
| | 216 | 305 | 408 | 539 | 698 |
|--|-----|-----|-----|-----|-----|

n.a. - Not available.

† - Gross basis; end of period.

†† - Includes SDR's and IMF gold tranche position which amounted to \$7 million and \$16, respectively, at end of December 1970.

††† - End of year data.

VIETNAM

INDEX

| | <u>Page</u> | | <u>Page</u> |
|-------------------------------------|-------------|--------------------------|-------------|
| VIETNAM: | | | |
| Summary of Country Program..... | B-1 | URBAN DEVELOPMENT: | |
| Summary of Program by Function..... | B-7 | Project Data..... | B-54 |
| | | | |
| AGRICULTURE: | | TECHNICAL SUPPORT: | |
| Project Data..... | B-9 | Project Data..... | B-57 |
| | | | |
| EDUCATION: | | RURAL DEVELOPMENT: | |
| Project Data..... | B-1 | Project Data..... | B-59 |
| | | | |
| INDUSTRY/LABOR: | | REFUGEES/SOCIAL WELFARE: | |
| Project Data..... | B-23 | Project Data..... | B-62 |
| | | | |
| LOGISTICS: | | PUBLIC SAFETY: | |
| Project Data..... | B-26 | Project Data..... | B-64 |
| | | | |
| PUBLIC ADMINISTRATION: | | MISCELLANEOUS: | |
| Project Data..... | B-30 | Project Data..... | B-68 |
| | | | |
| PUBLIC HEALTH: | | POST HOSTILITIES: | |
| Project Data..... | B-37 | Project Data..... | B-69 |
| | | | |
| PUBLIC WORKS: | | | |
| Project Data..... | B-49 | | |

VIETNAM

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|---------------------------------|----------------------|---------------------|
| Economic Supporting Assistance | FY 1970 ^{a/} Actual | FY 1971 Estimated | FY 1972 Proposed |
| Commercial Import Program | 238 | 270 | 300 |
| Economic Support Fund | - | - | 150 |
| Land Reform | - | 15 | 15 |
| Project Program | 116 | 101 | 90 |
| Administration Costs | 5 | 4 | 4 |
| Program Support Costs | 7 | 6 | 6 |
| Total | 366 | 396 | 565 |

^{a/} Excludes DOD reimbursable costs of \$54.5 million in FY 1970.

U.S. AID OBJECTIVES

Within the context of overall U.S. objectives in Vietnam, A.I.D.'s goals are:

- to facilitate Vietnamization by helping the Government of Vietnam to bear the increased costs of the war;
- to prevent run-away inflation and severe economic dislocations;
- to assist the Government of Vietnam in caring for refugees, civilian casualties and other war victims; and
- to help improve economic, social and political conditions in both rural and urban areas as a prerequisite to modernization and longer run economic development.

PROGRESS

During 1970 there was steady progress in turning over an increasing share of the responsibility for A.I.D.-assisted activities to the Vietnamese. As a result, A.I.D. was able to reduce its funding of projects by 30% compared with 1969 and to reduce the number of A.I.D. personnel stationed in Vietnam by 20%.

THE ECONOMY

The most significant achievement during the past year was the dramatic reduction in inflation rates which resulted from GVN economic policies undertaken in September-October of 1970, combined with an adequate level of U.S. economic assistance.

Early in 1970, a spiraling inflation threatened to undermine the relative economic stability enjoyed between late 1968 and mid-1969. Reform measures put into effect in October 1969 had proven inadequate to hold inflation in check, and the situation continued to deteriorate in early 1970 when retail prices rose by almost 25 percent in the first six months.

The GVN instituted a new series of reforms in September and October 1970 which, inter alia, changed the piaster-dollar relationship for certain transactions including personal conversions, increased various import taxes, raised interest rates on savings and loans, and required heavy deposits against import transactions. These measures proved remarkably successful -- the Saigon retail price level was only a few percentage points higher in March 1971 than it was in July 1970. The establishment of a parallel exchange market at a new and more favorable rate of 275 piasters to the dollar for personal conversions of dollars to local currency also significantly increased the amount of currency being exchanged through legal channels.

PRIVATE INVESTMENT AND FOREIGN ASSISTANCE

As a result of both improved security and the recent price stability, there have been encouraging signs of interest in new investment by both domestic and foreign entrepreneurs. An existing plywood plant is being modernized and a second plant is in the planning stage. Fishing boats are being motorized and much larger and more modern trawlers have been ordered. Ten large U.S. firms expressed interest in direct investments -- mostly on a joint venture basis -- in such fields as petroleum, glass, fertilizer, and cigarettes. Japanese entrepreneurs are actively engaged in joint ventures and are seeking new opportunities for investment, and the Japanese Government is providing assistance in the fields of power (\$4.5 million) and health (\$12.0 million) and is studying other potential projects. The Asian Development Bank recently loaned \$2.5 million to South Vietnam to expand the fishing industry, and the Federal Republic

VIETNAM

of Germany is lending \$5 million for construction of a slaughterhouse and fishing boats. The trend is encouraging and hopefully there will be an expanding level of economic assistance and private investment from other countries and multilateral institutions in the future.

LAND REFORM

On March 26, 1970, the GVN passed a Land-to-the-Tiller law under which tenant farmers will receive title to the rice lands which they are farming, up to a limit of 3 hectares in the southern part of the country and 1 hectare in central Vietnam. The former landowners will be reimbursed by a 20 percent cash payment plus bonds which may be redeemed in equal annual installments over an 8 year period. The purpose of this law, which should virtually eliminate tenancy on rice lands, is to give rural Vietnamese an increased commitment to the defense of their country, as well as in providing them with a fairer share of the economic benefits of their own labor. The GVN plans to implement the program over a 3 year period.

The program got off to a fast start. The GVN developed administrative machinery for implementation, and trained approximately 4,000 Vietnamese in land registration procedures. By the end of 1970, approximately 125,000 acres of rice land were distributed to nearly 40,000 new owners, and by March 26, 1971, it is expected that 500,000 acres will have been distributed to over 150,000 tenant farmers. Payments to former landowners have begun on a small scale, but will be accelerated commencing in April 1971 as the procedures for handling these payments are worked out.

Reaction among new owners has been understandably enthusiastic, and the rapid pace of distribution encourages us to believe that the program will make a substantial contribution to the future security of Vietnam.

AGRICULTURE

In rural Vietnam there has been a steady improvement in living conditions. When the final figures on the rice harvest which was planted late in the year are known, total production should rank among the highest in South Vietnam's history, and acreage planted in new rice varieties probably will have doubled over

last year. During the same period, swine and poultry production were increased 30 percent and 20 percent, respectively, and agricultural credit was expanded by 46 percent. Field trials were planted in sorghum and corn, both of which appear to hold considerable promise as domestic animal feeds.

PACIFICATION

There has been progress in political development resulting in increasing participation on the part of the people in the political process. Building a sense of national unity and cohesion requires, in part, the relaxation of power at the center and the transfer of responsibility to lower echelons of government. This process was started two years ago with local elections for village and hamlet representatives. It was later extended to include Province and Municipal Councils. Over the past year this process has been continued. Re-elections were held in over 1,000 villages and nearly 4,000 hamlets, with a very high-level of voter turn-out and a full slate of candidates for virtually all vacancies. At the Province level the re-elections for Province Councils saw 2,000 candidates compete for 554 seats. About 98 percent of all hamlets and villages now have elected officials.

Both village and province councils have been given authority over the use of funds granted by the central government to carry out public works projects selected by the people as having a high priority. The Ministry of Interior has reorganized some of its activities in order to give greater autonomy to provincial and district governments with respect to budgets and financial matters. The National Assembly has passed legislation reinforcing the Executive's efforts to grant greater autonomy to local government, and the GVN has drafted a simplified uniform tax system designed eventually to make local government virtually independent of national subsidies.

WAR RELIEF

The Vietnamese have assumed a large share of the burden of assisting war victims during the past year, and on the whole they have performed well. Virtually the entire program of reception and care for over 200,000 ethnic Vietnamese from Cambodia was handled by the Vietnamese.

VIETNAM

In July 1970 the National Assembly passed a comprehensive veterans benefit law providing pensions for discharged veterans and widows, children and parents of soldiers killed in action. All funds will come from the GVN budget.

The plan for joint utilization of ARVN military hospitals to treat civilian war casualties has reduced significantly both the number of third country nationals it formerly employed for this purpose and also the number of U.S. doctors and nurses. The Vietnamese capability in the field of health is being strengthened by A.I.D.'s assistance to the Saigon University Faculty of Medicine where last year about as many students were graduated from the School of Medicine as from any single medical school in the United States.

FY 1972 Program Assistance

| | <u>FY 1970</u> <u>Actual</u> | <u>FY 1971</u> <u>Estimated</u> | <u>FY 1972</u> <u>Proposed</u> |
|---|---------------------------------|------------------------------------|-----------------------------------|
| | (in Millions of Dollars) | | |
| Commercial Import Program | 238 | 270 | 300 |
| Economic Support Fund (PL 480 Title I) | - (104) | - (115) | 150 (70) |

Vietnamization of both the war and the economy can only be accomplished with an adequate level of economic assistance. As the South Vietnamese take on more of the fighting, they divert more resources from internal production to military expenditure. Beyond this the nation's foreign exchange earnings, from the purchase of piasters by U.S. military forces, are declining as our forces are withdrawn. Since these earnings now finance a large share of the imports necessary to offset the shift in domestic resources to the Vietnamese military effort, this loss must be compensated to prevent the economic situation from deteriorating. Economic assistance, by providing the external resources to help maintain relative price stability and adequate levels of personal consumption for the Vietnamese, is a vital aspect of Vietnamization.

Economic assistance in the form of imported commodities is also an important element in creating the climate necessary for economic reconstruction and growth, without which Vietnam's move toward economic self-sufficiency would be impossible. The

country's economic potential is great, both in terms of its rich agricultural lands and the vitality and resourcefulness of its people. With improving security the economy can now begin to take its first real steps toward longer term economic development, but at this point this will depend in considerable measure upon the level of external resources made available to the country.

We propose several changes in U.S. economic aid in order for it to fulfill the multiple role of supporting South Vietnam's ability to take on an increasing share of the military burden, maintain price stability and to rebuild and expand South Vietnam's economy. First, we propose to increase the Commercial Import Program (CIP) from \$270 million in FY 1971 to \$300 million in FY 1972, which is the maximum level possible given the limitations on the kinds and sources of commodities which can be financed under this program. The CIP, as in prior years, will be used to finance essential imports such as cement, industrial raw materials, and capital equipment from the United States and from certain less developed countries. The CIP will continue to play an important role in meeting Vietnam's resource requirements and in holding inflation in check.

We also propose to use PL 480 Title I resources to the maximum extent possible considering Vietnamese requirements for commodities furnished under this program. However, these requirements will decline in absolute terms from FY 1971 levels (from \$115 million in FY 1971 to \$70 million in FY 1972) since we expect Vietnam to be self-sufficient in rice for the first time this year.

CIP and PL 480 alone will not provide sufficient U.S. support for the economy and the war in view of the rapid decline estimated for FY 1972 in Department of Defense expenditures. Therefore, we propose to establish an "Economic Support Fund" designed to provide a level of foreign exchange adequate to meet Vietnam's resource requirements. We are requesting \$150 million for this Fund for FY 1972 which is roughly equivalent to the estimated decline in Department of Defense piaster purchases during that period. Thus, while U.S. direct economic assistance will be increasing, the overall cost to the U.S. Government of providing commercial import financing will not necessarily be any higher than in FY 1971. The total cost of all U.S. expenditures in Vietnam will, of course, be greatly reduced from prior year levels.

The Economic Support Fund will be obligated in an agreement

VIETNAM

between the U.S. and the GVN. Under the terms of the agreement, releases from the fund will be determined by the level of resources which the GVN must devote to maintain its security, and the level of foreign exchange needed to assure progress in implementing the GVN's economic reform and stabilization program. Periodic reviews will be held to review GVN economic policies, since U.S. assistance can only be effective if these policies are sound. The funds will be made available for the unrestricted purchase of goods and services, which is the same basis on which U.S. dollars are now made available when used to purchase piasters. Releases will be made in monthly or quarterly tranches.

The Vietnamese and we have encouraged other nations to assist Vietnam with its foreign exchange requirements. Some additional financing is beginning to come forward in the form of project assistance, as mentioned earlier. We are continuing to encourage other countries to do more. However, based on our experience in Korea and elsewhere, other funds are most apt to be forthcoming when security has been restored and when economic development seems a likely prospect.

U.S. economic support requirements will probably increase further in FY 1973 as the U.S. troop presence is further reduced and piaster purchases decline accordingly. Over the long run, however, as the Vietnamese economy is restored to normal and as economic development picks up, we can anticipate a gradual reduction in U.S. assistance with the rate dependent upon the rate of Vietnamese economic growth and the level of assistance forthcoming from other nations and institutions.

FY 1972 Project Assistance

(In Millions of Dollars)

| | <u>FY 1970</u> <u>Actual</u> | <u>FY 1971</u> <u>Estimated</u> | <u>FY 1972</u> <u>Proposed</u> |
|--------------------------|---------------------------------|------------------------------------|-----------------------------------|
| <u>Project Program</u> | | | |
| Agriculture | 5.5 | 6.3 | 5.9 |
| Education | 6.1 | 4.5 | 3.7 |
| Industry-Labor | 1.3 | 1.6 | 1.2 |
| Logistics | 6.0 | 3.5 | 4.3 |
| Public Administration | 3.3 | 2.8 | 3.1 |
| Public Health | 19.5 | 17.7 | 15.6 |
| Public Works | 10.5 | 7.5 | 8.0 |
| Rural Development | 9.2 | 2.2 | 1.5 |
| Public Safety | 11.9 | 11.5 | 10.8 |
| Refugees | 5.8 | 6.3 | 4.6 |
| Technical Support | 33.9 | 33.7 | 30.5 |
| Miscellaneous | <u>3.0</u> | <u>3.4</u> | <u>.8</u> |
| Total | 116.0 | 101.0 | 90.0 |
| Land Reform | | | |
| <u>Financial Support</u> | - | 15.0 | 15.0 |

The Project Program will continue to decline in FY 1972 as the GVN takes over an increasing portion of these activities and as additional projects are completed. Brief discussions of each major sector, with emphasis on any change in FY 1972 over FY 1971, follow:

In Agriculture the emphasis continues to be on animal and crop production, credit and cooperatives. With the rice program well on the way toward meeting its ultimate goal, A.I.D.'s efforts in crop production will shift to the experimentation and development of other crops -- especially those with export potential or import substitutability. Continuation of the training program will be required in the credit and coop field

VIETNAM

with about the same amount of A.I.D. resources. The funding for the agriculture program will be reduced by about 7 percent and 70 people including the phase out of two agricultural teams from Korea and Nationalist China.

The Land Reform program will continue on an accelerated basis in FY 1972. We will provide technical assistance as well as \$15 million of financial aid to help cushion the import demand resulting from piaster payments to landlords. This \$15 million represents the third tranche of A.I.D. assistance to the Government of Vietnam in support of this program. These funds, along with two previous tranches of \$10 and \$15 million, will be utilized to finance imports as part of our total Commercial Import Program. The funds will be released as the GVN makes piaster compensation payments to former landowners.

In the field of Education, the emphasis will be shifted from elementary education and hamlet schools to higher education in order to improve the Vietnamese capacity to meet their own technical needs. The Scholarship Program, which offers a regular college program in the U.S. to qualified Vietnamese, will continue to support the 256 students who are presently enrolled in American schools and completing their degree work.

In the fields of Industry and Labor we plan to continue technical assistance at about the same level as FY 1971. We will continue to assist Vietnamese labor unions by a grant to the Asian-American Free Labor Institute, an affiliate of the AFL-CIO. In Industry we plan to continue to help the GVN develop policies and programs which will attract private investment and provide technical assistance in evaluating investment proposals.

In Public Administration we will continue to give advice and training to Vietnamese in support of (1) local government, (2) fiscal administration, (3) statistical services, (4) economic development planning, and (5) in-service training for civil servants.

Assistance in the field of Public Health remains our largest program. We will continue all FY 1971 activities at a somewhat reduced level of funding and staff. We will continue to help provide medical services for those Vietnamese civilians injured as a result of the fighting. We will continue to help

the Vietnamese expand and improve their public health services and upgrade their medical school facilities with the aim of helping these services and facilities become virtually independent of foreign assistance over the next three to four years. We will use the majority of the funds requested to renew our contracts with the American Medical and Dental Associations, with the Children's Medical Relief International, the National Rehabilitation Centers, and for medical supplies and equipment to support the entire program.

In Logistics, we are scaling down our operations on nearly all fronts. FY 1972 will see the completion of our assistance to the operation of the ports, as well as a major reduction of our efforts in warehousing and internal distribution of commodities. We will continue to help finance spare parts for the national motor vehicle maintenance system in order to ensure the continued operation of government vehicles and other equipment needed for essential public works.

In the field of Engineering and Public Works, our funding requirements remain at about last year's level. We will continue to place emphasis on developing rural and urban water supplies, improving provincial roads, and keeping inland waterways in good condition by assisting the GVN's new Dredging Authority. We will continue to provide advisory services in telecommunications, electric power, and engineering and construction works in provincial and village self-help programs.

Under the Rural Development program in which A.I.D. contributes personnel, commodities and services to the Civil Operations and Rural Development Support (CORDS) program, there will be some reductions. This program, including assistance to ethnic minorities, constitutes a significant A.I.D. contribution to the Pacification program. A.I.D. will provide over 60 technicians, finance short term training for nearly 200 Vietnamese, and contribute part of the cost of 6 Navy Construction Battalion teams working on development projects. These Americans work at both the village and province level to help promote self-government and self-help through economic and social improvements.

Another major A.I.D. contribution to Pacification is the Public Safety program. In FY 1972 we expect to continue approximately the same level of support as in FY 1971. This program assists

VIETNAM

the National Police (1) to maintain and operate a nationwide police telecommunications system, (2) maintain a 100,000 man force, and (3) maintain and improve 42 correctional centers.

A.I.D.'s support of Refugees is scheduled to drop slightly in FY 1972 as the GVN continues to shoulder more of the burden. Funds will be required to continue the work of several American volunteer service agencies and for construction materials, primarily for those refugees in the process of resettlement.

The level of Technical Support projects which assist all USAID and CORDS projects in terms of personnel and common use commodities will be reduced somewhat in FY 1972 as the number of U.S. personnel in the Project Program declines. These funds provide administrative and management support to all our people working on the project program, including the expenses of maintaining their families in safehaven posts.

Funds required for administrative purposes and A.I.D./W support will remain at approximately the FY 1971 level of \$10 million.

PL 480 Program

| | <u>FY 1970</u> | <u>FY 1971</u> | <u>FY 1972</u> |
|-------------------|--------------------------|----------------|----------------|
| | (In Millions of Dollars) | | |
| Title I (Sales) | 104 | 115 | 70 |
| Title II (Grants) | <u>39</u> | <u>26</u> | <u>15</u> |
| Total | 143 | 141 | 85 |

NOTE: All figures are on a shipment basis.

For the first time since FY 1965 the Title I program excludes rice since, barring unforeseen circumstances, Vietnam will produce enough rice in FY 1972 to meet its needs. The Title I program will consist of cotton, wheat, flour, tobacco, corn, sweetened condensed and non-fat dry milk at about the same level as in recent years. PL 480 Title I commodities are sold on the local market and, like CIP goods, generate local currency proceeds, most of which help defray the piaster costs of the war.

Title II grant food to refugees, welfare applicants and school children is well below last year's level due to revised estimates of the extent to which these foodstuffs can be put to use effectively under present conditions in Vietnam.

REIMBURSEMENTS FROM THE DEPARTMENT OF DEFENSE (DOD)

A.I.D. will continue to participate in certain activities directly related to the military effort. For these A.I.D. will be reimbursed by DOD. In FY 1971 these reimbursements are estimated to be \$68.4 million. Some of these projects, such as national highways and railroad rehabilitation, are planned and administered by DOD with A.I.D. assisting in the implementation. Others, such as the police radio network at the village level, are planned and implemented by A.I.D. and CORDS with the DOD helping in the financing.

U.S. PERSONNEL

There will be a further reduction in the total number of American employees stationed in Vietnam. During FY 1971 the number was reduced from 1,830 to 1,646. During FY 1972 we expect to make a similar, if not greater, reduction. A.I.D.'s Washington staff working on Vietnam was reduced by over 15 percent in FY 1971 and now stands at about 175 people by comparison to 460 in FY 1968.

SUMMARY OF PROGRAM BY FUNCTION
(Dollar Amounts in Thousands)

TABLE I

Country: VIETNAM

| Category | Actual FY 1970 | | | | Estimate FY 1971 | | | | Proposed FY 1972 | | |
|--|----------------|-------------|----------------|---------------|------------------|-------------|----------------|---------------|------------------|-------------|----------------|
| | Total | Tech. Coop. | Supp. Assist. | Conting. Fund | Total | Tech. Coop. | Supp. Assist. | Conting. Fund | Total | Tech. Coop. | Supp. Assist. |
| Development Loan Program | | XXX | XXX | XXX | | XXX | XXX | XXX | | XXX | XXX |
| Programs Other than Devel. Loan | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | |
| U.S. Technicians | 73,229 | | 73,229 | | 62,675 | | 62,675 | | 56,107 | | 56,107 |
| Participants | 3,968 | | 3,968 | | 4,688 | | 4,688 | | 4,899 | | 4,899 |
| Commodities | 33,986 | | 33,986 | | 24,941 | | 24,941 | | 23,776 | | 23,776 |
| Other Costs | 4,727 | | 4,727 | | 23,696 | | 23,696 | | 20,218 | | 20,218 |
| Total Project Assistance . a/. | 115,910 | | 115,910 | | 116,000 | | 116,000 | | 105,000 | | 105,000 |
| Method of Financing | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | |
| Direct A.I.D. | 88,533 | | 88,533 | | 95,060 | | 95,060 | | 89,007 | | 89,007 |
| Other Agency | 4,372 | | 4,372 | | 3,378 | | 3,378 | | 3,332 | | 3,332 |
| Contract | 23,005 | | 23,005 | | 17,562 | | 17,562 | | 12,661 | | 12,661 |
| Economic Support Fund | | | | | | | | | | | |
| Program Assistance | - | | - | | - | | - | | 150,000 | | 150,000 |
| Total Other than Devel. Loan . | 238,500 | | 238,500 | | 270,000 | | 270,000 | | 300,000 | | 300,000 |
| Total Assistance b/. | 365,877 | XXX | XXX | XXX | 396,075 | XXX | XXX | XXX | 565,000 | XXX | XXX |

NUMBER OF U.S. TECHNICIANS (Program Overseas)

| TYPE OF TECHNICIAN | On Duty At Close of Year | | |
|----------------------------------|--------------------------|------------------|------------------|
| | Actual FY 1970 | Estimate FY 1971 | Proposed FY 1972 |
| A.I.D. employed | 1,480 | 1,341 | 1,086 |
| Participating agency | 255 | 263 | 232 |
| Contractor technicians | 442 | 340 | 281 |
| Total | 2,177 | 1,944 | 1,599 |

NUMBER OF PARTICIPANTS

| TYPE OF PARTICIPANT | Programmed During Year | | |
|------------------------|------------------------|------------------|------------------|
| | Actual FY 1970 | Estimate FY 1971 | Proposed FY 1972 |
| Non-contract | 974 | 1,156 | 1,141 |
| Contract | - | - | - |
| Total | 974 | 1,156 | 1,141 |

SUMMARY OF PROGRAM BY FUNCTION

a/ Figures exclude DOD funding.

b/ Difference between these totals and the totals for Project Assistance, Economic Support Fund, and Program Assistance results from the SA transfers for administrative expenses and domestic program support to cover the costs of the expanded Vietnam program. Amounts are as follows:

| | <u>FY 1970</u> (\$000) | <u>FY 1971</u> (\$000) | <u>FY 1972</u> (\$000) |
|--------------------------------|---------------------------|---------------------------|---------------------------|
| Expanded AID/W Admin. Expenses | 4,729 | 3,600 | 3,600 |
| Expanded Domestic Program Sup. | 6,738 | 6,475 | 6,400 |
| Program Support | <u>-</u> | <u>-</u> | <u>-</u> |
| Total | <u>11,467</u> | <u>10,075</u> | <u>10,000</u> |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | |
|----------------------------------|--|--|
| PROJECT TITLE Crop Production | SECTOR Agriculture | FUNDS Economic |
| PROJECT NUMBER 730-11-130-314 | PRIOR REFERENCE P. 11, 12 FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1967 |
| | | SCHEDULED FINAL OBLIGATION FY: 1977 |

Project Target and Course of Action: The objective of this project is to help the Vietnamese increase their production of rice and livestock feed grains and develop a more efficient grain handling, storing and marketing system. The goal in rice production is to achieve self-sufficiency in the 1971 crop year. As domestic production of rice rises to meet consumption requirements, emphasis is being shifted to support the GVN in increasing domestic production of animal feed and in undertaking adaptive research in other crops - especially those with export potential. Planting targets have been set at 72,500 acres of corn and sorghum in 1971 and 150,000 acres in 1972.

Improvements in grain handling at the farm level will be demonstrated through the GVN agriculture extension service and will include the use of rice driers, threshers and farm storage tanks.

In addition to the current emphasis on production of feed grains, an adaptive research effort in leguminous crop production is being initiated in early 1971 to identify high-yielding varieties of soybeans and peanuts. Similar work will be done on tree fruits and nuts in FY 1972.

Progress to Date: After three years of operation, the rice program can be considered an unqualified success. The first year's goal of 108,000 acres planted to the high yielding varieties and the goal of 494,000 acres for the 1969/70 crop year were surpassed. In addition, farmers in the Delta planted many thousands of acres not included in the official figures to bring the total well above the

established goals. It is estimated that about 749,000 metric tons more of paddy were produced during the 1969/70 crop year than in the year before. Other new varieties of rice from the International Rice Research Institute (IRRI) are being multiplied in Vietnam for seed purposes in 1971.

A contract team has prepared a report on national grain handling, storage, transportation, processing and marketing requirements over the next ten years. The construction of needed facilities is expected to be financed largely by private commercial interests.

FY 1972 Program: Continuation of this project will require \$1,301,000 in FY 1972: support of five U.S. direct-hire advisors, \$167,000, and three direct-hire third-country nationals, \$15,000; a four-man PASA team and consultants from the Department of Agriculture, \$175,000; contracts for adaptive research programs for feed grains and rice, \$350,000 and up to ten specialists in tree fruits and nuts, oil crops, sugar cane, \$340,000; participant training for 27 Vietnamese \$146,000; and commodities such as irrigation equipment, laboratory supplies, and threshers to support adaptive trial plantings of feed grains and rice, \$108,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|-----------------------|-------|--|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | Department of Agriculture International Rice Research Institute |
| Through 6/30/70 | 26,707 | 26,359 | 348 | | | | | | | | |
| Estimated FY 71 | 898 | 726 | | | | | | | | | |
| Estimated through 6/30/71 | 27,605 | 27,085 | 520 | Technicians | 178 | 406 | 584 | 182 | 865 | 1,047 | |
| | | | | Participants | 78 | - | 78 | 146 | - | 146 | |
| | | | | Commodities | 221 | 5 | 226 | 98 | 10 | 108 | |
| | | Future Year Obligations | Estimated Total Cost | Other Costs | 10 | - | 10 | - | - | - | |
| Proposed FY 72 | 1,301 | 4,323 | 33,229 | Total Obligations | 487 | 411 | 898 | 426 | 875 | 1,301 | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | |
|-------------------------------|-------------------------------|--------------------|-----------|------------------|
| PROJECT TITLE | SECTOR | | FUNDS | |
| Animal Production | Agriculture | | Economic | |
| PROJECT NUMBER 730-11-130-315 | PRIOR REFERENCE | INITIAL OBLIGATION | SCHEDULED | FINAL OBLIGATION |
| | P. 13, 14 FY 1971 Vietnam PDB | FY: 1967 | FY: 1973 | |

Project Target and Course of Action: The objective of this project is to assist the Government of Vietnam to increase the Nation's animal protein supply. The specific goals are to increase poultry production by 15% per year through FY 1972 and swine production by 10% per year through FY 1973.

Livestock advisors will continue to assist in increasing the number of commercial size poultry producers as well as helping small farmers in the techniques of poultry husbandry. The objective of increasing swine production will be approached through the encouragement of new producers and through demonstrating how losses from disease, poor management and poor feeding practices can be substantially reduced.

The shortage of domestically produced animal feed continues to be an impediment to the rapid extension of the livestock industry. Imported corn is being used as an interim measure until domestic animal feeds become available in adequate quantity (see Crop Production 730-11-130-314). Assistance will be given to the private sector in establishing mixed feed mills. A.I.D. will provide participant training in the United States and a few commodities including equipment and breeding animals.

Progress to Date: The number of commercial hatcheries in Vietnam has increased from 45 to 57 and incubator capacity has increased from about .5 million to 1.7 million eggs. Hatcheries range in size from 5,000 to 220,000 eggs.

Based on imports of parent stock, an estimated 11.8 million chicks were hatched during 1970, 9.4 million

broiler type, 2.4 million layer type.

Laying flocks for commercial egg production increased in 1970 over the 1968 base by 3.9 million birds. In 1970, 38 eggs were produced per person as compared to 8 eggs per person in 1968. The wholesale price of pork declined slightly during late 1970. Preliminary statistics indicate the present swine population at 4.3 million. The previous high was 3.6 million in 1964. On a per capita basis, the availability of pork is equal to 1964.

Much improved security and increased feed supplies, including rice hulls, provided a climate for increased swine production.

Forty-four feed mills now operate with an estimated capacity of 200,000 M/T annually.

Vaccine production and distribution in 1970 has increased steadily; a factor in increased vaccine distribution has been the training of 650 local vaccinators.

FY 1972 Program: Funding of this project will require \$851,000 for: support for seven U.S. direct-hire advisors, only four of which will remain at the end of FY 1972, \$238,000; one direct-hire third-country national, \$10,000; a PASA team of seven technicians, which will be reduced to four before the end of FY 1972, \$250,000; two mobile vaccination teams from the University of Minnesota, \$97,000; support for 46 participants training in the United States and Thailand, \$188,000; and commodities such as laboratory equipment, chemicals, and feed supplements for teaching, demonstration, and research \$68,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|--|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1971 | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 2,304 | 1,763 | 541 | | | | | |
| Estimated FY 71 | 1,166 | 1,180 | | | | | | |
| Estimated through 6/30/71 | 3,470 | 2,943 | 527 | Technicians | 275 | 524 | 799 | |
| | | | | Participants | 174 | - | 174 | |
| | | | | Commodities | 183 | - | 183 | |
| | | | | Other Costs | 10 | - | 10 | |
| | | Future Year Obligations | Estimated Total Cost | | | | | |
| Proposed FY 72 | 851 | 681 | 5,002 | Total Obligations | 642 | 524 | 1,166 | |
| | | | | | 504 | 347 | 851 | |

Department of Agriculture
University of Minnesota

Country: VIETNAM

PROJECT DATA

TABLE III

| PROJECT TITLE | SECTOR | | | FUNDS | |
|---|-----------------|--------------------|-------------|------------------|----------|
| | PRIOR REFERENCE | INITIAL OBLIGATION | SCHEDULED | FINAL OBLIGATION | |
| Agriculture Credit and Agricultural Organizations PROJECT NUMBER 730-11-140-291 | Agriculture | Economic | | | |
| | P. 15, 16 | FY 1971 | Vietnam PDB | FY: 1965 | FY: 1976 |

Project Target and Course of Action: It is the purpose of this project to assist in the development of Vietnamese credit institutions necessary to insure availability of credit on reasonable terms, and the development of a market system which assures agricultural inputs such as fertilizer to Vietnamese farmers at reasonable prices.

The first goal of this project is to develop a credit system adequate to meet the credit needs of farmers and agricultural commodity importers and distributors. Technical assistance is directed principally to the Agricultural Development Bank (ADB) in an effort to increase availability of loan funds, efficiency of operations, and broader coverage of farmer population. A Rural Banking System is being developed to provide a formal and regularized market for channeling rural private savings into loans for farmers. Participants will go to the Philippines to study rural banking practices. Twenty additional rural banks will be established in FY 1972.

The second goal is the continued growth and development of the marketing system in agricultural inputs such as fertilizer, pesticides, livestock feed and medicines, tiller tools and irrigation equipment. Market surveys will be made to determine demand and import requirements, and A.I.D. advisors will assist in developing quality control standards for fertilizer and other agri-inputs. Advice will be given on economic incentives and legislation needed to encourage the development of private marketing institutions. U.S. direct-hire and contract

personnel will also conduct training courses for administrators and sales and distributions staffs of the three Vietnamese farm organizations; The Central Farmers Association, The National Federation of Agricultural Cooperatives, and the Tenant Farmers Federation.

Progress to Date: Credit to the rural sector continues to grow. Lending by the ADB increased from about 90,000 loans with a total value of 4.6 billion piasters in 1969, to over 100,000 loans totaling 6.7 billion piasters in 1970. Of the 1970 borrowers, 30,020 obtained ADB loans for the first time. One hundred village loan committees have been established and trained to accept and review ADB production loan applications for loans of less than 50,000 piasters. They will also have collection responsibilities.

Sales-training seminars were conducted during 1970 for the sales and distribution staffs of the three Vietnamese farm organizations. Four product-use pamphlets were developed for sales promotion and information. Five pilot feedgrain assembly/marketing projects have been initiated to demonstrate modern agricultural marketing techniques.

The private sector and farmers organization now have total responsibility for fertilizer and pesticide import and distribution. Supplies have been ample and are sold at competitive and reasonable prices.

FY 1972 Program: Funding of \$581,000 is required in FY 1972: \$199,000 to support five U.S. direct-hire advisers and two third-country employees; \$135,000 for a three man PASA team and consultants as required for special problems;

| U.S. DOLLAR COST (In Thousands) | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|--------------------------------|------------------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | |
| | | | | Estimated FY 1971 | | | Proposed FY 1972 |
| Through 6/30/70 | 4,196 | 4,084 | 112 | Direct AID | Contract Other Agency | | Total |
| Estimated FY 71 | 810 | 786 | | Direct AID | Contract Other Agency | Total | |
| Estimated through 6/30/71 | 5,006 | 4,870 | 136 | 223 | 495 | 718 | |
| | | Future Year Obligations | Estimated Total Cost | 87 | - | 87 | |
| Proposed FY 72 | 581 | 1,481 | 7,068 | 31 | - | 31 | |
| | | | | - | - | - | |
| | | | | 5 | - | 5 | |
| | | | | 315 | 495 | 810 | |
| | | | | 230 | 351 | 581 | |

Country: VIETNAM

PROJECT DATA (Continued)

Sector: Agriculture

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|--|----------------|
| Agriculture Credit and Agricultural Organizations | 730-11-140-291 |

\$216,000 for a contract team of six members to assist in cooperative development; and \$31,000 for training of 13 participants in banking and agricultural marketing.

Country: VIETNAM

PROJECT DATA

TABLE III

| | | |
|--|-------------------------|--|
| PROJECT TITLE Irrigation Assistance | SECTOR Agriculture | FUNDS Economic |
| PROJECT NUMBER 730-11-120-407 | PRIOR REFERENCE None | INITIAL OBLIGATION FY: 1972 |
| | | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: The objective of this project is to strengthen the capability of the Directorate of Irrigation and Rural Engineering (DIRE) to plan, execute, and supervise irrigation projects throughout Vietnam. Technical assistance will be provided by U.S. direct-hire advisors. Vietnamese professional and sub-professional personnel will be trained in irrigation and water resources control.

Optimum use of water resources is particularly important to the agricultural economy of Vietnam. To a large extent, crop diversification, expansion of the use of new seed varieties, and double cropping are dependent on controlled water supplies. Although irrigation is not a new problem to Vietnam, pressures on agricultural production to meet growing demands for food and other agricultural products require renewed attention to the use of available water resources.

Progress to Date: A.I.D. has previously assisted in irrigation activities through the Vietnamese rice production program. Current emphasis is on the production of feed grains and crop diversification. A PASA water management team has recently studied the current and future needs for water control and has identified various irrigation requirements including the need to strengthen the Vietnamese institution charged with irrigation planning and design.

FY 1972 Program: \$409,000 is proposed in FY 1972 for: 7 U.S. direct-hire advisors, \$245,000; 15 participants for

engineering training in the United States and in neighboring countries, \$74,000, an initial supply of hydrological equipment, surveying instruments, vehicles, and office supplies, \$90,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|--------------------------------|-------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | |
| | | | | Estimated FY 1971 | Proposed FY 1972 | | |
| | | | | Direct AID | Contract/Other Agency | | Total |
| Through 6/30/70 | - | - | - | | | | |
| Estimated FY 71 | - | - | - | | | | |
| Estimated through 6/30 71 | - | - | - | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | |
| Proposed FY 72 | 409 | 1,106 | 1,515 | | | | |
| | | | | Cost Components | | | |
| | | | | Direct AID | Contract/Other Agency | Total | |
| | | | | - | - | - | |
| | | | | 245 | - | 245 | |
| | | | | - | - | - | |
| | | | | 74 | - | 74 | |
| | | | | - | - | - | |
| | | | | 90 | - | 90 | |
| | | | | - | - | - | |
| | | | | - | - | - | |
| | | | | 409 | - | 409 | |

| PROJECT TITLE | | SECTOR | | | FUNDS | |
|-------------------------------|--|-----------------|---------|-------------|--------------------|----------------------------|
| Land Reform | | Agriculture | | | Economic | |
| PROJECT NUMBER 730-11-120-311 | | PRIOR REFERENCE | | | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | P. 17, 18 | FY 1971 | Vietnam PDB | FY: 1966 | FY: 1975 |

Project Target and Course of Action: The major objective of this project is to assist the Government of Vietnam to carry out the "land-to-the-tiller" program which will involve the transfer of as much as 900,000 hectares (2-1/4 million acres) of riceland to some 500,000 tenant-farmers. All eligible tenanted lands are to be transferred, by Government action, to the tiller at no charge.

Administration of the program has been decentralized to the village level, where the approval or rejection of a tenant's claim for land now is determined. The Government of Vietnam's role is to authenticate and guarantee, by issuance of a valid title, ownership to the new landowner. Redistribution does not disturb the present agricultural pattern and new proprietary interest should result in increased production. Compensation to the former landowner is paid in piasters--twenty percent of the value of the land in cash, and the remainder in bonds bearing 10% interest and redeemable in equal installments over an eight-year period. Since the law expropriated all eligible lands as of the date of enactment, the Government will pay an additional 10% per year for delay in settlement. The major portion of the program is expected to take three years and be completed by the end of 1973. Possible disputes and adjudication of them may take several years longer.

Other objectives of the project are (a) to help the Government of Vietnam facilitate land distribution to eligible farmers, veterans, refugees and farm laborers of

public domain lands and other lands previously acquired by the government; and (b) to help in the issuance of titles to Montagnard families of the land they usually farm through implementation of the Montagnard Land Decree of 1970 which provides for the land identification of all Montagnard hamlets.

The U.S. Government has offered to help offset the inflationary impact of the initial piaster cash payments. A.I.D. obligated \$10 million from FY 1969 funds and an additional \$15 million in FY 1971 for this purpose. A third tranche of \$15 million is proposed for FY 1972. U.S. funds are released only as Government of Vietnam payments are actually made to former landowners, thus providing an incentive to the Government of Vietnam to speed the implementation of the program.

A.I.D. also provides technical assistance to land reform activities. This is designed to assist the development of management and management controls; help streamline procedures; advance the training of the Directorate General for Land Affairs and of village officials to operate the land administration system; provide aerial photography as a substitute for ground surveys; and to apply computer technology.

Progress to Date: The Land-to-the-Tiller Law was enacted on March 26, 1970. Implementation of the law commenced in September and by the end of the year some 127,000 acres (over 50,000 hectares) were transferred to nearly 40,000 tenant farmers.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|------------------|--------------------------------|------------|-----------------------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | |
| | 12,355 | 2,295 | 10,060 | Estimated FY 1971 | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | | Direct AID | Contract/Other Agency |
| Estimated FY 71 | 16,561 | 11,431 | | 620 | 470 | 1,090 | 629 | 610 | 1,239 |
| Estimated through 6/30/71 | 28,916 | 13,726 | 15,190 | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | |
| Proposed FY 72 | 16,398 | 1,276 | 46,590 | 15,731 | 830 | 16,561 | 15,648 | 750 | 16,398 |

Country: VIETNAM

PROJECT DATA (Continued)

Sector: Agriculture

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|---------------|----------------|
| Land Reform | 730-11-120-311 |

Also during 1970, the Government of Vietnam issued titles to over 27,000 farm families for 155,000 acres (62,000 hectares) of expropriated and former French lands acquired by the Government of Vietnam under an earlier program from large landlords. Furthermore, the Government of Vietnam placed increased efforts on confirming individual ownership rights within refugee and development settlements, and to squatters on public domain lands which resulted in issuing titles to nearly 30,000 families on over 41,000 acres (nearly 17,000 hectares). A special land distribution program for Montagnards was initiated in late 1970 and titles were issued to some 9,000 Montagnard families for some 55,000 acres (22,000 hectares) by the end of 1970.

FY 1972 Program: \$16,398,000 is required for financial assistance in FY 1972 for the Land-to-the-Tiller Program. Of this, \$15,000,000 represents the third tranche of U.S. financial assistance needed to help cushion the inflationary effect of the piaster payments that the Government of Vietnam will be making to former landowners. An additional \$1,398,000 will be required for 34 direct-hire and PASA advisors (\$973,000) covering the areas of land reform training, programming, administration, and photogrammetry; two third-country national secretaries (\$6,000); equipment and office supplies (\$19,000); contracts to perform operational research to measure the impact of the program (\$260,000); and to obtain approximately 25 aircraft months of aerial photography (\$140,000).

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|--|--|--|--------------------------------|--|--|
| PROJECT TITLE Agriculture General Support | SECTOR Agriculture | | | FUNDS Economic | |
| PROJECT NUMBER 730-11-199-363 | PRIOR REFERENCE P. 19 FY 1971 Vietnam PDB | | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: Undetermined | |

Project Target and Course of Action: Funds for personnel to support the various A.I.D. projects in agriculture as well as general advisors to the Ministry of Agriculture and each of the senior U.S. advisors at the Corps level are provided under this project. Included are 22 U.S. direct-hire and PASA advisors and 15 third-country national (TCN) technicians; the latter are provided under contracts with the Chinese Agriculture Technical Group (CATG) and the Korean Agricultural Technical Mission (KATM). The TCN contract specialists will be phased out by FY 1973.

FY 1972 Program: Proposed funding for FY 1972 is \$1,350,000 for: 21 U.S. direct-hire advisors, only 16 of which will remain at the end of FY 1972, \$710,000; one third-country secretary, \$4,000; a PASA team of 12 field technicians, which will be reduced to six prior to the end of the fiscal period, and supporting research, \$519,000; specialized short-term consultants from the Department of Agriculture, \$80,000; and 15 participants for planning and administrative training in the United States and Thailand, \$37,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Through 6/30/70 | 10,110 | 9,218 | 892 | | | | | | | |
| Estimated FY 71 | 1,889 | 2,446 | | Technicians | 744 | 1,089 | 1,833 | 714 | 599 | 1,313 |
| Estimated through 6/30/71 | 11,999 | 11,664 | 335 | Participants | 50 | - | 50 | 37 | - | 37 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | - | - | - |
| | | | | Other Costs | 6 | - | 6 | - | - | - |
| Proposed FY 72 | 1,350 | Undetermined | | Total Obligations | 800 | 1,089 | 1,889 | 751 | 599 | 1,350 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|-----------------------------------|----------------------------------|------------------------------|------------------------|--------------------------------|--|
| PROJECT TITLE Higher Education | SECTOR Education | | | FUNDS Economic | |
| | PROJECT NUMBER 730-11-660-367 | PRIOR REFERENCE P. 23, 24 | FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1978 |

Project Target and Course of Action: Under this project, A.I.D. assists the Government of Vietnam in developing a more modern and effective system of higher education in its five universities and five normal schools where enrollments now total over 46,000 students compared to 2,910 students in 1955.

A.I.D. is helping the Government of Vietnam strengthen its capacity to administer the enlarged educational system as well as change and improve the curricula and teaching competence. The project targets include: (1) establishing a governing board and inter-university committees under that board to establish procedures and regulations applicable to all institutions of higher learning; (2) upgrading the quality of teaching faculties and curricula at the university and normal school levels; and (3) improving the facilities and quality of education in the schools of agriculture and engineering.

Wisconsin State University provides experienced American university administrators to advise the Ministry of Education and the Rectors of Vietnamese universities on policies and procedures governing university operations, national educational goals, and inter-institutional relationships. The University of Florida is assisting in the development of the Vietnamese National Agriculture Center while the University of Missouri provides guidance in raising the National Technical Institute to a university-level school of engineering. Also, under an A.I.D. contract, the Asia Foundation is presently providing assis-

tance, primarily in the field of university libraries. **Progress to Date:** An essential step was taken in 1970 toward the establishment of a governing board for institutions of higher learning with the creation of an advisory council for education consisting of forty-five members from the Congress and interested civic groups. Draft legislation has been prepared for complete administrative reform of the university system following generally the U.S. model.

Improvements in university and normal school operations continue. Can Tho University and one faculty at the University of Hue have converted to a credit hour system; a national seminar was held at Dalat University to plan university improvements; new faculty housing was completed at Hue University; and eight consultants under the Wisconsin State University contract began advisory assistance to the Government of Vietnam University Administration Reform Program.

New engineering curricula have been recommended to the National Technical Institute by the University of Missouri contract team of four advisors. The University of Florida contract team working with the National Agriculture Center introduced a new visual aids program to facilitate training, and a credit hour rating system for the center. Over 1,000 new volumes were added to the library.

FY 1972 Program: Funding of this project will require \$1,829,000 for: four direct-hire advisors, \$153,000;

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-----------------|---------------------------|-------------------------|-------------------|----------------------|-----------------------|--------------------------------|------------|-----------------------|-------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | Total | | |
| | Estimated FY 71 | Estimated through 6/30/71 | Future Year Obligations | | Estimated Total Cost | Estimated FY 1971 | | | Proposed FY 1972 | |
| Proposed FY 72 | 1,829 | 3,002 | 9,657 | Total Obligations | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total |
| | 3,416 | 1,484 | 1,932 | | | | | | | |
| | 1,410 | 1,809 | | Technicians | 153 | 534 | 687 | 153 | 875 | 1,028 |
| | 4,826 | 3,293 | 1,533 | Participants | 572 | - | 572 | 685 | - | 685 |
| | | | | Commodities | 151 | - | 151 | 116 | - | 116 |
| | | | | Other Costs | - | - | - | - | - | - |
| | | | | | 876 | 534 | 1,410 | 954 | 875 | 1,829 |

University of Florida
University of Missouri
Asia Foundation
Wisconsin State University

Country: VIETNAM

PROJECT DATA (Continued)

Sector: Education

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|------------------|----------------|
| Higher Education | 730-11-660-367 |

one year extensions for the University of Florida and the University of Missouri advisory contracts, \$875,000; training for 109 participants, \$685,000; and procurement of library books for universities and equipment for normal schools, \$116,000.

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | |
|---------------------------------------|--------------------------|--------------------|--------------------------------|--|
| PROJECT TITLE Vocational Education | SECTOR Education | | FUNDS Economic | |
| PROJECT NUMBER 730-11-610-322 | PRIOR REFERENCE P. 25 | FY 1971 FY 1971 | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 |
| | Vietnam PDB | | | |

Project Target and Course of Action: This project, under which A.I.D. formerly provided assistance to the Ministry of Education (MOE) for all 21 vocational schools, will be limited in its scope in FY 1972 to completing the construction and equipping of the Nguyen Truong To Vocational School and training of faculty.

A.I.D.'s prior years efforts in connection with the other 21 schools have achieved stated objectives: school construction has been completed, equipment installed, and teachers trained. The Nguyen Truong To School will be built at Thu Duc and will: (1) provide skills training for artisans in the fields of sheet metal working, carpentry, automobile and diesel mechanics, foundry work, metal trades, and electricity; (2) prepare superior students for higher education; (3) train technical vocational teachers; and, (4) train short-term students for specific job needs. The school will have an enrollment of 1,400 and is expected to be completed in 1972. Initial construction costs were funded by A.I.D. in FY 1969. While present plans call for A.I.D. vocational educational assistance to this school only, a cessation of hostilities may dictate the need for additional facilities to meet peacetime requirements.

Progress to Date: Construction of the Nguyen Truong To School at Thu Duc is underway. Bids for construction and supervision were higher than anticipated because of delays in site acquisition and preparation. Consequently, it was necessary to add \$589,444 from FY 1971 funds.

FY 1972 Program: \$217,000 will be required: one U.S. direct-hire technician (\$45,000) and 27 participants trained in the United States (\$172,000) to become future faculty members.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|------------------|--------------------------------|------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | | |
| | | | | Direct AID | Contract/Other Agency | Total | | Direct AID | Contract/Other Agency | Total |
| Through 6/30/70 | 4,760 | 3,322 | 1,438 | | | | | | | |
| Estimated FY 71 | 961 | 1,919 | | | | | | | | |
| Estimated through 6/30/71 | 5,721 | 5,241 | 480 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 217 | 122 | 6,060 | | | | | | | |
| | | | | Cost Components | | | | | | |
| | | | | Technicians | 45 | - | 45 | 45 | - | 45 |
| | | | | Participants | 161 | - | 161 | 172 | - | 172 |
| | | | | Commodities | 105 | - | 105 | - | - | - |
| | | | | Other Costs | - | 650 | 650 | - | - | - |
| | | | | Total Obligations | 311 | 650 | 961 | 217 | - | 217 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | | |
|--------------------------------------|--|--------------------------|---------|-------------|--------------------------------|--|
| PROJECT TITLE Scholarship Program | | SECTOR Education | | | FUNDS Economic | |
| PROJECT NUMBER 730-11-690-325 | | PRIOR REFERENCE P. 26 | FY 1971 | Vietnam PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: It is the aim of this project to extend opportunities for U.S. college degree training to promising Vietnamese students in order to increase the supply of trained manpower for leadership in Vietnamese industry, commerce, and public affairs.

Selection of participants has been made principally from qualified veterans and wards of the state who possess the necessary scholastic aptitude, motivation, and maturity to complete U.S. undergraduate studies leading to a degree. Priority is given to those fields of study which will have most value in development of industry and commerce in Vietnam, particularly engineering, business administration, economics, and agriculture.

Participants are placed in a variety of schools upon completion of their English language training and orientation at either the East-West Center of the University of Hawaii, the University of Southern California or the American Language Institute of Georgetown University.

Scholarships are for one year, renewable at the discretion of A.I.D. in accordance with the performance of the participant. Training is limited to a single degree and directed toward careers not dependent upon government employment in Vietnam.

The present project is limited to funding the continuation of scholarships for Vietnamese enrolled in prior years. No new participants are being programmed.

Progress to Date: The first group of 127 participants, including 49 veterans, arrived in the United States in

February 1967; 61 arrived in March 1968; 55 war orphans arrived in March 1969 and 30 in March 1970. Of a total of 273 students who have been enrolled in U.S. colleges, 25 have earned degrees and are now employed in Vietnam; 11 returned to Vietnam prior to earning degrees; and 69 are expected to complete degrees by mid-1971. The performance of the 237 remaining in the United States is satisfactory or better. Most are studying engineering, business administration, agriculture, economics, and public administration. A Summer Work Visit Program was tried during the summer of 1969, and since successful, was repeated during the summer of 1970. In these programs, 122 scholarship participants with at least one full academic year of study remaining returned to Vietnam to work for the summer in fields related to their studies.

FY 1972 Program: One year funding for 168 participants already enrolled in school (\$1,125,000) is proposed.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 |
| | | | | | Direct AID | Contract/Other Agency | | Total |
| Through 6/30/70 | 4,746 | 3,466 | 1,280 | | | | | |
| Estimated FY 71 | 1,188 | 1,280 | | Technicians | - | - | - | |
| Estimated through 6/30/71 | 5,934 | 4,746 | 1,188 | Participants | 1,188 | - | 1,188 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | |
| Proposed FY 72 | 1,125 | 1,160 | 8,219 | Other Costs | - | - | - | |
| | | | | Total Obligations | 1,188 | - | 1,188 | |
| | | | | | 1,125 | - | 1,125 | |

TABLE III

Country: VIETNAM

PROJECT DATA

| | | | | | |
|--|----------------------------------|--------------------------|------------------------|--------------------------------|--|
| PROJECT TITLE Education General Support | SECTOR Education | | | FUNDS Economic | |
| | PROJECT NUMBER 730-11-699-368 | PRIOR REFERENCE P. 27 | FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1979 |

Project Target and Course of Action: Overall direction and support of A.I.D. assisted activities in the education sector is funded under this project. Also included is technical advice and specialized training in library development, and advisory assistance to the Ministry of Education. Education advisors will assist the Ministry of Education (MOE) to develop a planning capability to effectively integrate the various Vietnamese educational programs into a balanced system for the nation. Ministry officials will be provided training in the United States in educational planning and administration, following recommendations of an educational planning survey completed in FY 1971.

One Library Advisor will continue to assist the MOE in developing libraries in the secondary schools and in institutions of higher learning. Some books have been provided in prior years by USAID and voluntary agencies; no purchases are contemplated in FY 1972.

FY 1972 Program: Funding is proposed to support the Assistant Director for Education, his deputy, eight additional advisory positions (\$390,000) and one PASA employee (\$32,000). Participant training will require \$91,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-----------------|-------------------------|----------------------|-------------------|-------------------|------------------|--------------------------------|-----|-----|-----|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | Estimated FY 71 | 583 | 624 | | Estimated FY 1971 | Proposed FY 1972 | | | | |
| Estimated through 6/30/71 | 1,886 | 1,818 | 68 | Technicians | 418 | 62 | | 480 | 390 | 32 |
| | | Future Year Obligations | Estimated Total Cost | Participants | 93 | - | 93 | 91 | - | 91 |
| | | | | Commodities | 10 | - | 10 | - | - | - |
| Proposed FY 72 | 513 | 2,100 | 4,499 | Other Costs | - | - | - | - | - | - |
| | | | | Total Obligations | 521 | 62 | 583 | 481 | 32 | 513 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|------------------------|---------------------------|--------------------|----------------------------|----------|--|
| PROJECT TITLE | SECTOR | | | FUNDS | |
| Industrial Development | Industry | | | Economic | |
| PROJECT NUMBER | PRIOR REFERENCE | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION | | |
| 730-11-910-170 | P. 29 FY 1971 Vietnam PDB | FY: 1957 | FY: Undetermined | | |

Project Target and Course of Action: It is the purpose of this project to provide assistance to the private sector in promoting industrial production and in laying the ground work for expanded industrial investment in the post-war period.

Targets for FY 1972 include: (1) improvement of the investment climate, by means of legislation and economic reforms, which should help mobilize domestic savings and provide incentives to foreign investments; (2) assisting the Industrial Development Center (IDC) to become an effective development finance institution; (3) assisting the Government of Vietnam to divest itself of ownership of industrial enterprises; (4) assisting private Vietnamese businessmen to organize and train for better management; and (5) special advisory assistance to the fish and forest industries.

Six direct-hire advisors will provide technical assistance to the IDC, the Vietnamese business community, and the Government of Vietnam in drafting and implementing investment legislation. Short-term consultants will be employed to make investment opportunity studies and to conduct business management training.

Progress to Date: Economic reforms adopted in October 1970 include a more favorable exchange rate for exports which may help restore export industries, dormant in recent years. Passage of a petroleum law providing guidelines for granting exploration and exploitation concessions and introduction of a new investment law, now before the legislature, should encourage additional domestic and

foreign investments.

A.I.D.-financed feasibility studies of three industries were completed in 1970. They indicated only marginal opportunities in paper and pulp but attractive investment in cement. Cement opportunities are being pursued by an American company. A chemical industry study is nearing completion; it is expected to suggest a number of other productive investment opportunities.

During 1970, an Asian Development Bank loan of \$2.5 million was approved for motorization of fishing boats and for ice-making and cold-storage facilities. This is the first loan to Vietnam by an international development lending agency.

Fishing production increased about 15% over 1969. Forestry development was marked by a 10% increase in lumber production over 1969 and an increase from 120 to 700 million piasters in government revenues due to better administration of forestry operations.

FY 1972 Program: Total funding required in FY 1972 is \$612,000; for eight direct-hire employees, only six of whom will remain at the end of FY 1972, \$252,000; for short-term PASA consultants in standards testing and fish processing, \$33,000; for contract services (principally advisory services to the IDC and business management organizations), \$226,000; for training of 16 participants in the United States and neighboring countries, \$71,000; and for laboratory equipment for the Vietnamese Institute for Standardization, \$30,000.

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | PRINCIPAL CONTRACTORS/AGENCIES |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|-------|--|
| | Obligations | Expenditures | Unliquidated | | | | |
| | | | | Estimated FY 1971 | Proposed FY 1972 | | |
| Through 6/30/70 | 8,826 | 8,628 | 198 | Direct AID | Contract/Other Agency | Total | Department of Agriculture Department of Commerce Bureau of Standards Department of Interior Bureau of Commercial Fisheries |
| Estimated FY 71 | 838 | 682 | | | | | |
| Estimated through 6/30/71 | 9,664 | 9,310 | 354 | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | |
| Proposed FY 72 | 612 | Undetermined | | 424 | 414 | 838 | |
| | | | | 353 | 259 | 612 | |
| | | | | | | | |

| PROJECT TITLE | SECTOR | | | FUNDS | |
|----------------|-----------------|--------------------|-------------|------------------|----------|
| | Labor | | | Economic | |
| PROJECT NUMBER | PRIOR REFERENCE | INITIAL OBLIGATION | SCHEDULED | FINAL OBLIGATION | |
| 730-15-460-327 | P. 30, 31 | FY 1971 | Vietnam PDB | FY: 1967 | FY: 1975 |

Project Target and Course of Action: The objective of this project is to assist the Ministry of Labor (MOL) to: (a) make the most effective use of the available work force, and (b) develop plans for meeting the future manpower needs of Vietnam. This involves the development of a governmental organization for manpower planning, collection of essential demographic data, establishment of a national employment service, training of workers in essential skills in short supply, and introduction of modern labor practices.

Targets for FY 1972 include: (1) improvement in the effectiveness of the Interministerial Manpower Coordinating Committee (IMMCC), (2) assistance in conducting a household sample survey to gather labor force data for the Saigon area, (3) training of 25 MOL personnel in occupational analysis, and (4) preparing 30 instructors in skills training.

A.I.D. is giving priority to the technical assistance aspects of manpower planning. The IMMCC will require assistance in shaping its plans of operation as well as guidance in techniques of manpower programming. USAID will supply advisors, through arrangements with the Department of Labor.

Progress to Date: The IMMCC established in 1969 is now functioning on a regular basis and has been instrumental in securing participation of the various ministries in collecting manpower data, training personnel in occupational analysis, and developing manpower surveys with assistance of the National Institute of Statistics. A

survey of employment of professional and technical workers in Saigon and Gia Dinh was completed and published by the MOL. One participant returned to the MOL after a year of training in the United States in labor and price statistics at the Bureau of Labor Statistics. An employment service has been established and classroom training provided for key personnel of a model office in Saigon. A shortage of qualified employees hinders expansion of the service to other areas as planned.

Training is conducted by American-Asian International (AAI) in mechanical, construction, and clerical skills. Over 3,000 workers were provided such training during FY 1970. The MOL, through its training centers, trained 14,000 workers and developed 45 new course curricula. Skill standards were developed for 48 skills training courses.

During FY 1970, two officials returned to the MOL from training in the United States in industrial relations and in industrial safety and hygiene.

FY 1972 Program: Funding in FY 1972 will require \$348,000: support for one direct-hire Industrial Training Advisor, \$38,000; a PASA team of three advisors from the U.S. Department of Labor, \$123,000; four contract employees for skills training program, \$122,000; support for 13 participants in the United States, \$49,000; purchase of training aids and instructional material, \$10,000; and \$6,000 for short-term consultants to assist in establishing apprenticeship training.

| U.S. DOLLAR COST (In Thousands) | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | | | | |
|---------------------------------|-------------|-------------------------|----------------------|--------------------------------|-------------------|-----------------------|-------|------------------|-----------------------|-------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | Department of Labor American-Asian International |
| Through 6/30/70 | 3,338 | 2,966 | 372 | | | | | | | | |
| Estimated FY 71 | 539 | 536 | | Technicians | 38 | 441 | 479 | 38 | 245 | 283 | |
| Estimated through 6/30/71 | 3,877 | 3,502 | 375 | Participants | 44 | - | 44 | 49 | - | 49 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 10 | - | 10 | 10 | - | 10 | |
| | | | | Other Costs | 6 | - | 6 | 6 | - | 6 | |
| Proposed FY 72 | 348 | 429 | 4,654 | Total Obligations | 98 | 441 | 539 | 103 | 245 | 348 | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | |
|---|---|---|
| PROJECT TITLE Trade Union Development | SECTOR Labor | FUNDS Economic |
| PROJECT NUMBER 730-15-410-328 | PRIOR REFERENCE P. 32 FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1967 |
| | | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: The objective of this project is to increase rural and urban worker membership and participation in trade union affairs. Through this project A.I.D. seeks to improve union leadership, develop trade union cooperatives, and improve and expand union education and information capabilities.

Project targets for FY 1972 are: (1) to train over 500 Vietnamese in the responsibilities of labor union membership and leadership, (2) to help organize trade union cooperatives by training leaders and contributing certain commodities such as tractors, fertilizer, and fishing equipment which can be sold to members, thus starting a revolving fund through which other purchases can be made, and (3) to improve and expand the Confederation Vietnamienne du Travail (CVT) weekly newspaper.

Training programs for trade union and cooperative leadership are conducted primarily by the Asian-American Free Labor Institute (AAFLI), a non-profit organization sponsored by the AFL-CIO under contract to A.I.D.

Progress to Date: More than fifteen hundred CVT members have been trained in union leadership. The instructor corps of qualified labor leadership trainers has been increased from ten to sixty and is replacing AAFLI program personnel. Advanced training for 18 trade union leaders was provided at the Asian Labor Education Center at the University of the Philippines.

A revolving fund, developed from the sale of an initial donation of 30 tractors, has enabled the Tenant

Farmers Federation (TFF) to purchase an additional 18 tractors for sale to the membership and to establish a program of tractor maintenance and operation for new owners. The TFF has also established a dealership for an American sprayer company to assure an adequate supply of insecticide sprayers that are vital to cultivation of the new rice strains.

FY 1972 Program: Total proposed funding is \$294,000: support for two direct-hire labor advisors will require \$91,000; a contract with AAFLI will provide three trade unionists and short-term consultants, \$108,00; 41 participants will be given training in the United States, the Philippines and other neighboring countries at a cost of \$75,000; and office supplies and equipment for agricultural and fishing cooperatives will require \$20,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-----------------|---------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|-------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | Estimated FY 71 | Estimated through 6/30/71 | Estimated Total Cost | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | 831 | 249 | 582 | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency | Total |
| | 319 | 523 | | Technicians | 91 | 108 | 199 | 91 | 108 | 199 | |
| | 1,150 | 772 | 378 | Participants | 85 | - | 85 | 75 | - | 75 | |
| | | Future Year Obligations | | Commodities | - | 30 | 30 | - | 20 | 20 | |
| | | | | Other Costs | 5 | - | 5 | - | - | - | |
| Proposed FY 72 | 294 | 651 | 2,095 | Total Obligations | 181 | 138 | 319 | 166 | 128 | 294 | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | |
|---|----------------------------------|--------------------------------|--|
| PROJECT TITLE Port Management and Operations | SECTOR Logistics | FUNDS Economic | |
| PROJECT NUMBER 730-11-340-389 | PRIOR REFERENCE P. 33 FY 1971 | INITIAL OBLIGATION FY: 1968 | SCHEDULED FINAL OBLIGATION FY: 1972 |
| | | Vietnam PDB | |

Project Target and Course of Action: This project has two objectives: (1) to expedite the unloading, handling, and transporting to final destination of all A.I.D.-financed goods and (2) to help the Vietnamese gain expertise in this field so that they can efficiently handle operations in their several ports, assuring expeditious delivery of goods anywhere in the country.

A.I.D. provides technicians who advise the Director General of Ports Authority, the Director of Navigation, and the Central Logistics Agency on receipt and distribution of commodities in Vietnam, and the requisite transportation facilities and service. A.I.D. personnel advise and train Government of Vietnam officials in all fields of port operation and management, including the scheduling of ship arrivals, cargo handling, and stevedore practices, and methods of transporting goods to final destination in-country. A.I.D.'s technicians participate in maintaining cargo arrival accounting for A.I.D.-financed goods including Title II, PL 480 commodities. Selected Government of Vietnam officials are given short-term training abroad in these areas.

This project was necessitated by the large increase in cargo traffic to South Vietnam after the acceleration of the war in 1965. Port facilities required expansion and improvement and the Vietnamese needed training. Port facilities have been improved and many Vietnamese have been trained, both on-the-job and abroad. But mobilization requirements and fund limitations continue to prevent

the Government of Vietnam from doing all that is necessary to adequately handle the volume of imports. Previously funded minor rehabilitation projects for port facilities must still be completed. Government of Vietnam Port funding, management, and organization, plus cargo arrival accounting, maintenance and repair, and cargo handling practices need further improvement to become viable. This project will, however, terminate at the end of FY 1972. Residual functions in future years, required to support past activities, will be included under Logistics General Support, Project No. 730-11-999-378.

Progress to Date: Vietnamese operation of ports has improved to the extent that A.I.D.-funded contracts for port operations are no longer required. Government of Vietnam manpower and budgetary constraints still inhibit adequate Vietnamese staffing but a limited number of Government of Vietnam supervisory officials have acquired proficiency in port and transportation management. Commodity support will be completed with the delivery of nine harbor tugboats now under construction. A simplified cargo arrival accounting system, similar to that in use by USAID, which the Central Logistics Agency (CLA) can manage, is under development and is expected to be adopted by the Government of Vietnam.

FY 1972 Program: A total of \$337,000 is proposed for this project in FY 1972; seven U.S. direct-hire transportation and port advisors, plus seven third-country national technicians (\$327,000); training for two participants in the United States (\$10,000).

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | | | | PRINCIPAL CONTRACTORS/AGENCIES |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|-------|------------------|-----------------------|-------|--------------------------------|
| | Obligations | Expenditures | Unliquidated | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 5,466 | 4,949 | 517 | | | | | | | |
| Estimated FY 71 | 539 | 1,046 | | | | | | | | |
| Estimated through 6/30/71 | 6,005 | 5,995 | 10 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 337 | - | 6,342 | 529 | - | 529 | 327 | - | 327 | |
| | | | | 10 | - | 10 | 10 | - | 10 | |
| | | | | - | - | - | - | - | - | |
| | | | | - | - | - | - | - | - | |
| | | | | 539 | - | 539 | 337 | - | 337 | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | |
|---|--|--------------------------------|--|--|
| PROJECT TITLE Warehousing and Distribution | SECTOR Logistics | | FUNDS Economic | |
| PROJECT NUMBER 730-11-970-390 | PRIOR REFERENCE P. 34 FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1968 | SCHEDULED FINAL OBLIGATION FY: 1972 | |

Project Target and Course of Action: USAID assistance to the Government of Vietnam in properly storing, distributing, and accounting for government-owned commodities continues under this project.

Targets for FY 1972 include: (1) establish a modern accounting and financial management cost control and billing system within the Central Logistics Agency (CLA); (2) assist the Government of Vietnam in establishing a national distribution system, including development of policy directives, operating procedures and supply publications; (3) assist the Government of Vietnam in administering the several warehousing systems under one national system; and (4) continue the implementation of a standardized program for disposal of uneconomically repairable Government of Vietnam equipment and transfer of equipment between Government of Vietnam agencies.

U.S. supply advisors will continue to work at national and province level in providing assistance and training to Government of Vietnam logistics personnel.

Progress to Date: Since February 1970, a contractor, Space Age Engineering, has been providing technical assistance in the development of a modern financial accounting system for CLA. Warehousing and storage techniques continue to improve. Ten province warehouses were erected in FY 1971 providing 90,000 square feet of additional storage space, completing the target of 44 province warehouses. Under the disposal system for uneconomically repairable or transferable Government of Vietnam

equipment, 15,047 pieces were authorized for sale, while 1,693 pieces were transferred from one Government of Vietnam agency to another for better utilization. This compares to the 14,939 items authorized for sale and only 313 transferred to another agency during the preceding year.

This project will terminate in FY 1972.

FY 1972 Program: Funding of \$823,000 is proposed for FY 1972: 14 U.S. direct-hire supply advisors and eight direct-hire third-country national supply assistants, (\$713,000); for participant training for five Vietnamese, (\$25,000); and for supply handling commodities (\$85,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total |
| Through 6/30/70 | 7,359 | 6,593 | 766 | | | | | | | |
| Estimated FY 71 | 1,589 | 1,758 | | | | | | | | |
| Estimated through 6/30/71 | 8,948 | 8,351 | 597 | Technicians | 1,153 | - | 1,153 | 713 | - | 713 |
| | | | | Participants | 36 | - | 36 | 25 | - | 25 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 100 | - | 100 | 85 | - | 85 |
| | | | | Other Costs | - | 300 | 300 | - | - | - |
| Proposed FY 72 | 823 | - | 9,771 | Total Obligations | 1,289 | 300 | 1,589 | 823 | - | 823 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | | |
|---|--|---------------------------------|-------------------|-------------|---------------------------------------|---|
| PROJECT TITLE National Maintenance System | | SECTOR Logistics | | | FUNDS Economic | |
| PROJECT NUMBER 730-11-970-382 | | PRIOR REFERENCE P. 35 | FY 1971 | Vietnam PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: A Government of Vietnam National Maintenance System is being developed with A.I.D. assistance under this project. The system is designed to manage two elements of a nationwide government vehicle and equipment maintenance program: the efficient flow of repair parts from a central depot to Government of Vietnam civil agencies, and the installation of a maintenance shop in each province.

The system is to become self-supporting by having Government of Vietnam agencies reimburse the Repair Parts Depot for parts furnished. The maintenance shops are to carry a minimum stockage of parts to perform first, second and limited third echelon maintenance. The initial stock of repair parts in the central depot was provided partly by A.I.D. and partly by drawing together the existing dispersed stocks of individual Government of Vietnam agencies.

Progress to Date: The Repair Parts Depot, established in 1967, currently stocks about 40,000 items in support of 93 Government of Vietnam agencies. Inadequate budgeting by the Government of Vietnam for vehicle repair parts and maintenance has been a persistent difficulty. However, in mid-1970, the Government of Vietnam increased the maintenance allowance per vehicle per year from VN\$20,000 to VN\$40,000, a more realistic level. Serious administrative difficulties remain, nonetheless, in the path of a smooth operating procedure for requisitioning, filling and payment for repair parts between the Repair Parts Depot and

the Government of Vietnam Ministries.

Of the planned 47 province maintenance shops, 46 have been completed and the remaining one (at Sa Dec) is under construction. Of these shops, 39 are now operating without further A.I.D. assistance and the remaining eight completed shops are in operation and performing limited maintenance and repair. Small groups from these eight shops will be sent to the National Highways Equipment School (Suoi-Lo-0) for specialized training, and to the Army of the Republic of Vietnam Ordnance Training School in CY 1971. The shortage of trained mechanics, who can be retained on Government of Vietnam payroll, remains an acute problem.

FY 1972 Program: Funding of \$2,454,000 is necessary to support 13 U.S. direct-hire maintenance and equipment specialists (\$411,000) and five direct-hire third-country national technicians (\$30,000); \$2,000,000 is required for procurement of repair parts needed by the Repair Parts Depot for stockage, to permit sale to requisitioning Government of Vietnam agencies for piasters. These piasters, converted to U.S. dollars, then are to be used for procurement of additional repair parts. In addition, three participants will require \$13,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|------------------|--------------------------------|------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | | |
| | | | | Direct AID | Contract/Other Agency | Total | | Direct AID | Contract/Other Agency | Total |
| Through 6/30/70 | 16,625 | 15,792 | 833 | Cost Components | | | | | | |
| Estimated FY 71 | 506 | 460 | | Technicians | | | | | | |
| Estimated through 6/30/71 | 17,131 | 16,252 | 879 | Participants | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | | | | | | |
| | | | | Other Casts | | | | | | |
| Proposed FY 72 | 2,454 | 2,572 | 22,157 | Total Obligations | | | | | | |
| | | | | 506 | - | 506 | 2,454 | - | 2,454 | |

TABLE III

Country: VIETNAM

PROJECT DATA

| | | | |
|---|---|--|---|
| PROJECT TITLE Logistics General Support | SECTOR Logistics | FUNDS Economic | |
| PROJECT NUMBER 730-11-999-378 | PRIOR REFERENCE P. 36 FY 1971 | INITIAL OBLIGATION Vietnam PDB | SCHEDULED FINAL OBLIGATION FY: 1967 |
| | | FY: 1967 | FY: Undetermined |

Project Target and Course of Action: This project provides personnel to: direct and manage USAID's logistics sector; insure that adequate logistical services are available to support USAID/Government of Vietnam projects; and help develop the Central Logistics Agency (CLA) into an organization which plans and implements an efficient and economical logistics system for the Government of Vietnam.

U.S. advisors work with their Government of Vietnam counterparts to improve methods and management in procurement, supply, transportation, material accounting, maintenance and disposal. In October 1968, the Government of Vietnam established CLA. In CLA, the Government of Vietnam has a centrally managed organization to provide procurement, supply, transportation, maintenance, training and other logistics services for all non-military Government of Vietnam agencies.

FY 1972 Program: Funding of \$649,000 is proposed for FY 1972 for: 19 U.S. direct-hire advisors, only 14 of whom will remain at the end of the fiscal year, including the USAID Assistant Director for Logistics, his Deputy, program officers, supply advisors and administrative personnel, and up to seven direct-hire third-country national assistants (\$611,000); and participant training for six Vietnamese in U.S. procurement agencies (\$38,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-----------------|-------------------------|----------------------|-------------------|-------------|-------------------|--------------------------------|-----------------------|-------|------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | Through 6/30/70 | 13,343 | 13,299 | | 44 | Estimated FY 1971 | | Proposed FY 1972 | | |
| | | | | | | Direct AID | | Contract/Other Agency | Total | Direct AID |
| Estimated FY 71 | 859 | 747 | | Technicians | 816 | - | 816 | 611 | - | 611 |
| Estimated through 6/30/71 | 14,202 | 14,046 | 156 | Participants | 43 | - | 43 | 38 | - | 38 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | - | - | - |
| Proposed FY 72 | 649 | Undetermined | | Other Costs | - | - | - | - | - | - |
| | | | | Total Obligations | 859 | - | 859 | 649 | - | 649 |

Country: VIETNAM

PROJECT DATA

TABLE III

| PROJECT TITLE | SECTOR | | | FUNDS | |
|--------------------------------------|---------------------------|---------|-------------|-----------------------------|-------------------------------------|
| Improvement of Fiscal Administration | Public Administration | | | Economic | |
| PROJECT NUMBER 730-11-750-340 | PRIOR REFERENCE P. 37, 38 | FY 1971 | Vietnam PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1978 |

Project Target and Course of Action: This project is designed to assist the Government of Vietnam in increasing revenue collections, and improving control of its expenditures.

A tax team from the Internal Revenue Service will continue to help the Directorate General of Taxation achieve timely collections, increase taxpayer compliance and cooperation, simplify and systematize procedures and methods, and improve revenue accounting and audit capabilities. The goal for FY 1972 is to train 1,500 tax personnel, including administrators, auditors, collection officers, bookkeeping and accounting machine operators and fiscal officials located in the field. Ten participants will be trained in the United States and ten in third countries.

The customs activity has two purposes: (1) to safeguard the A.I.D. financed import program against abuse, and (2) to upgrade the Government of Vietnam Bureau of Customs so that it can achieve an increasing level of revenues. A team from the Bureau of Customs will continue to assist the Government of Vietnam in organizing, designing, and preparing courses for an on-going training program; in improving investigative efforts in the area of narcotics and fraud; and in reorganizing the Fraud Repression Service along functional lines. The time lags in processing operational and statistical reports are to be further reduced. A total of 250 customs personnel will be given training in management, appraisalment, and the

English language. In-country training will be given to all members of the Fraud Repression Service in investigation and surveillance. Twelve participants will be trained in the United States.

Progress to Date: Revenue collections in CY 1970 from customs, domestic taxes and perequation taxes were approximately VN\$105.0 billion compared to collections of VN\$78.5 billion in CY 1969.

A.I.D.'s efforts on behalf of the Government of Vietnam tax program continue to show results in terms of increased efficiency and effectiveness through improved tax office organization, training of personnel, and mechanization of the tax collecting function wherever possible. During CY 1970, training in tax administration was provided for 1,900 tax office employees and 4,260 village officials at their respective provincial headquarters. A revenue accounting system, successfully proven for corporate income tax returns, has been extended to individual business income tax returns and replaces a cumbersome hand-posting system. A program of identification of delinquent tax accounts has been initiated and approximately 3,000 such accounts had been identified by the end of CY 1970. Audit training courses conducted during CY 1970 have helped to bring an increase of more than a 100% in the number of taxpayer audits performed annually. Training of customs personnel continues within country through the Directorate of Training and six participants returned to their positions in Vietnam in early CY 1970

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|--------------|--------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|-----------------------|-------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| Through 6/30/70 | 4,085 | 3,844 | 241 | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | U.S. Internal Revenue Service U.S. Bureau of Customs |
| Estimated FY 71 | 764 | 822 | | Technicians | 31 | 569 | 600 | 16 | 526 | 542 | |
| Estimated through 6/30/71 | 4,849 | 4,666 | 183 | Participants | 128 | - | 128 | 95 | - | 95 | |
| | | | | Commodities | 34 | - | 34 | 20 | - | 20 | |
| | | | | Other Costs | 2 | - | 2 | - | - | - | |
| Proposed FY 72 | 657 | 1,281 | 6,787 | Total Obligations | 195 | 569 | 764 | 131 | 526 | 657 | |

Country: VIETNAM
Public Administration

PROJECT DATA (Continued)

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|---------------------------------------|----------------|
| Improvements of Fiscal Administration | 730-11-750-340 |

after three months of specialized training in the United States. Customs procedures are being mechanized through the use of accounting machines and computers to eliminate hand-posting of accounts and to provide import data more readily. Communications between the various customs stations within Vietnam was significantly improved in CY 1970 by the installation of a customs radio network. FY 1972 Program: Total funding of \$657,000 is proposed. The IRS team of six and the Customs team of eight members will require \$526,000 and one direct-hire program analyst for a portion of the year, \$16,000. Support for 21 participants in the United States and in nearby countries will cost \$95,000, and equipment and vehicles \$20,000.

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|---------------------------------------|---------------------------------|--------------------|-------------|--------------------------------|--|
| PROJECT TITLE Statistical Services | SECTOR Public Administration | | | FUNDS Economic | |
| PROJECT NUMBER 730-11-780-341 | PRIOR REFERENCE P. 39 | FY 1971 FY 1971 | Vietnam PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: The objective of this project is two-fold: (1) to increase the capacity of key Government of Vietnam agencies in the fields of statistical reporting, machine accounting, and electronic data processing; and (2) to provide USAID and the Government of Vietnam with statistical data needed for current operations and for post-war planning. The project is primarily directed toward the National Institute of Statistics (NIS), but other agencies such as the Ministry of Health, Internal Revenue, Customs, Office of the Prime Minister, National Planning, National Bank, Ministry of Labor, Repair Parts Depot, and the National Police also will be assisted. Improved statistical services in these agencies are essential both for immediate decisions concerning Pacification and Economic Stability and for long-range decisions on post-war development.

The specific targets of the project are the following: to help conduct demographic surveys in seven additional cities; continue to refine and improve statistics on prices, government revenue and expenditures, hospital admittances, health and demography in the Monthly Statistical Bulletins and an Annual Statistical Yearbook; and complete establishment of a computerized Central Data Processing Center.

A PASA team from the Census Bureau will provide advisory services for the Government of Vietnam under this project and six Vietnamese will be sent to the United States for training.

Demographic surveys have been completed in seven cities and are underway in seven additional cities. Consumer Income and Expenditure Surveys were completed for Nha Trang and Da Nang and wholesale and retail price statistics are being published on a weekly and monthly basis.

Computer programmers are now trained in-country; 35 students were graduated in 1970 and an additional 40 trainees are now in training under the auspices of the Ministry of Labor. A Data Processing Center for all ministries has been authorized and planning is now underway for operation of this centralized service.

Progress to Date: The National Institute of Statistics has been designated as the Directorate of National Statistics reporting to the Special Assistant for National Planning in the President's office. Improvements in reliability of statistical data produced by the Directorate has made possible the discontinuance of the USAID Statistical Yearbook for Vietnam. Three new field offices have been established at Hue, Nha Trang, and Rach Gia.

FY 1972 Program: A PASA team of four advisors and short-term consultants as needed will be continued at a cost of \$208,000 and six participants will be given statistical training in the United States at a cost of \$51,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------------|----|-----|-----|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | Proposed FY 1972 | | | | | |
| Through 6/30/70 | 949 | 784 | 165 | | Direct AID | Contract/Other Agency | Total | U. S. Bureau of Census | | | |
| Estimated FY 71 | 323 | 360 | | Technicians | - | 218 | 218 | | | | |
| Estimated through 6/30/71 | 1,272 | 1,144 | 128 | Participants | 105 | - | 105 | | 51 | - | 51 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | | - | - | - |
| | | | | Other Costs | - | - | - | | - | - | - |
| Proposed FY 72 | 259 | 500 | 2,031 | Total Obligations | 105 | 218 | 323 | | 51 | 208 | 259 |

TABLE III

PROJECT DATA

Country: VIETNAM

| PROJECT TITLE | SECTOR | FUNDS | |
|--------------------------------------|-----------------------|--------------------|----------------------------|
| | | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| National Institute of Administration | Public Administration | Economic | |
| PROJECT NUMBER 730-11-770-345 | PRIOR REFERENCE P. 40 | FY 1967 | FY: 1979 |
| | FY 1971 | Vietnam PDB | |

Project Target and Course of Action: The objective of this project is to help the National Institute of Administration (NIA) improve its capability for training Vietnamese to work at various levels in government. The NIA is the only Government of Vietnam institution that provides facilities for executive development, training of middle-level managers and administrative support personnel, conducts administrative research, disseminates management information, and carries out in-service training courses.

An institutional contract team will assist the NIA in deciding on a long-range development plan for the NIA, will help to modify pre-entry and in-service training programs for civil servants, and will conduct an NIA faculty development program.

Eight new participants, in addition to the ten in training from prior years, will be trained in development economics, development administration, and in the social sciences; all will be trained in the United States and all will return to NIA as professors.

Progress to Date: Two instructors returned with PhD degrees from the University of Southern California and resumed their teaching duties at NIA. Negotiations are presently underway with the Institute of Public Administration to provide assistance to the NIA. Several prior attempts to secure U.S. university assistance proved unsuccessful.

FY 1972 Program: Funding for FY 1972 will require

\$678,000; \$166,000 for support of 21 participants; \$500,000 for a year's extension of the IPA contract to provide technical assistance to the NIA; and \$12,000 for contract supplies and materials.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------------------------|------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency | Total |
| Through 6/30/70 | 1,305 | 457 | 848 | | | | | Institute of Public Administration | | | |
| Estimated FY 71 | 173 | 345 | | Technicians | 10 | - | 10 | | - | 500 | 500 |
| Estimated through 6/30/71 | 1,478 | 802 | 676 | Participants | 162 | - | 162 | | 166 | - | 166 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | | - | 12 | 12 |
| | | | | Other Costs | 1 | - | 1 | | - | - | - |
| Proposed FY 72 | 678 | 4,805 | 6,961 | Total Obligations | 173 | - | 173 | | 166 | 512 | 678 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|--|---------------------------------|------------------------|--------------------------------|--|--|
| PROJECT TITLE Support of Local Government | SECTOR Public Administration | | | FUNDS Economic | |
| PROJECT NUMBER 730-11-720-339 | PRIOR REFERENCE P. 41 | FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 | |

Project Target and Course of Action: This project provides advice and training assistance to the Government of Vietnam in strengthening local government administration. Project targets for FY 1972 include the following: advanced orientation and refresher training for 6,000 village and hamlet officials; training in techniques of administration for 40,000 village and hamlet officials and 120 provincial councilmen; and construction of eight additional provincial training centers and dormitories by 1972.

Elections, training for elected officials, and central government financial support have already contributed to pacification and developmental programs. Specialized training is still required for local officials in finance and budgeting, taxation, security, social welfare, agriculture and land affairs, and handling of legal documents. To this end, the project will assist the Ministry of Interior to develop and administer a continuing program for guidance and training of units of local government.

Progress to Date: Provincial and municipal council re-elections were held in 1970 in all 44 provinces, the five autonomous cities and the prefecture of Saigon. There were 2,069 candidates for 554 positions; 5,970,000 people registered for this election. A Local Revenue Improvement Program was initiated by the Government of Vietnam with greater authority for budget preparation and expenditure controls assigned to province and village councils. These steps have been taken as initial efforts to increase local autonomy and at the same time offset the growing demands

on national revenues.

Training of local government officials continues at Vung Tau and at provincial training centers emphasizing the new decentralization of fiscal authority. Approximately 51,000 local officials received such training in 1970.

FY 1972 Program: Total funding is \$515,000 including: support for nine direct-hire public administration advisors at a cost of \$335,000; a management contract for assistance in establishing local government systems and procedures \$50,000; and support for 38 participants to be trained in local government administration in the United States and the Philippines, \$130,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | | | | | | | |
|---------------------------------|-----------------|---------------------------|-------------------------|-------------------|----------------------|------------|--------------------------------|-----------------------|-------|------------|-----------------------|-------|--|--|--|--|--|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | | | | | | | |
| Through 6/30/70 | Estimated FY 71 | Estimated through 6/30/71 | Future Year Obligations | | Estimated Total Cost | Direct AID | | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | | | | | |
| | 1,912 | 1,881 | 31 | | | 335 | - | 335 | 335 | 50 | 385 | | | | | | |
| | 409 | 416 | | Technicians | 69 | - | 69 | 130 | - | 130 | | | | | | | |
| | 2,321 | 2,297 | 24 | Participants | 4 | - | 4 | - | - | - | | | | | | | |
| | | | | Commodities | 1 | - | 1 | - | - | - | | | | | | | |
| | | | | Other Costs | | | | | | | | | | | | | |
| Proposed FY 72 | 515 | 842 | 3,678 | Total Obligations | 409 | - | 409 | 465 | 50 | 515 | | | | | | | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|---------------------------------------|--|--|--------------------------------|--|--|
| PROJECT TITLE Development Planning | SECTOR Public Administration | | | FUNDS Economic | |
| PROJECT NUMBER 730-11-755-342 | PRIOR REFERENCE P. 42 FY 1971 Vietnam PDB | | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1975 | |

Project Target and Course of Action: Project targets are to assist the Government of Vietnam in organizing a development planning capability; to help in identifying the most promising development projects; and to provide both in-service and academic training for Government of Vietnam employees engaged in development planning. Specialized planning assistance to complement prior investigations will be provided through contracts. Five Vietnamese will be sent to the United States for training.

Progress to Date: During 1970, several reports were prepared on subjects of special interest to planning for development in Vietnam. These included industrial possibilities and marketing structure for food commodities in the five northern provinces, export prospects in India and Indonesia, and agricultural credit. An economic model has been developed to evaluate the relative transportation costs and traffic patterns for national highways, railways, waterways, and airways.

Although a national agency for economic planning has not yet begun to function, sector plans are being prepared by the Ministries of Agriculture, Education, and Health. These plans will form an important part of a national development plan.

FY 1972 Program: Funding of this project in FY 1972 will require \$140,000 for contractual services of two economic consultants (\$75,000), training in the United States for ten participants (\$60,000), and purchase of books and research materials (\$5,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | 2,563 | 2,562 | 1 | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Estimated FY 71 | 273 | 63 | | Technicians | - | 150 | 150 | - | 75 | 75 |
| Estimated through 6/30/71 | 2,836 | 2,625 | 211 | Participants | 83 | - | 83 | 60 | - | 60 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 35 | - | 35 | 5 | - | 5 |
| | | | | Other Costs | 5 | - | 5 | - | - | - |
| Proposed FY 72 | 140 | 466 | 3,442 | Total Obligations | 123 | 150 | 273 | 65 | 75 | 140 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|---|---------------------------------|--------------------|-------------|--------------------------------|--|
| PROJECT TITLE Public Administration and General Support | SECTOR Public Administration | | | FUNDS Economic | |
| PROJECT NUMBER 730-11-799-372 | PRIOR REFERENCE P, 43 | FY 1971 FY 1971 | Vietnam PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1979 |

Project Target and Course of Action: Through this project, policy guidance, administrative services, and technical support are provided for the Public Administration Sector, and appropriate liaison is maintained with USAID and Government of Vietnam officials to assure coordination of Public Administration project activities with other USAID and Government of Vietnam programs. Also, funding is provided for training of participants in areas of Public Administration where USAID does not fund specific projects, and to support in-country management training programs for Government of Vietnam personnel from various government agencies.

FY 1972 Program: Funding in FY 1972 will require \$824,000; \$391,000 to support ten direct-hire Public Administration Advisors who provide technical assistance to the Government of Vietnam in areas of public service training, organization and methods work, and public finance; \$300,000 for contract services to provide organizational management assistance to the Office of Prime Minister, the Ministry of Agriculture, and the Ministry of Education; and \$133,000 for 26 participants.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|------------------|--------------------------------|-----|-----|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | |
| Through 6/30/70 | 1,010 | 620 | 390 | Estimated FY 1971 | | Proposed FY 1972 | | | |
| Estimated FY 71 | 832 | 695 | | Direct AID | Contract/Other Agency | Total | | | |
| Estimated through 6/30/71 | 1,842 | 1,315 | 527 | 371 | 350 | 721 | 391 | 300 | 691 |
| | | Future Year Obligations | Estimated Total Cost | 108 | - | 108 | 133 | - | 133 |
| | | | | - | - | - | - | - | - |
| | | | | 3 | - | 3 | - | - | - |
| Proposed FY 72 | 824 | 2,677 | 5,343 | 482 | 350 | 832 | 524 | 300 | 824 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | |
|-------------------------------|------------------------------|----------------------------|
| PROJECT TITLE | SECTOR | FUNDS |
| Provincial Health Assistance | Public Health | Economic |
| PROJECT NUMBER 730-11-530-347 | PRIOR REFERENCE | SCHEDULED FINAL OBLIGATION |
| | P. 45,46 FY 1971 Vietnam PDB | INITIAL OBLIGATION |
| | | FY: 1967 |
| | | FY: 1976 |

Project Target and Course of Action: The objective of this project is to assure adequate medical care for civilian war casualties and refugees through provision of U.S. and Free World medical personnel and the upgrading of the quality of Vietnamese Government personnel and facilities. The quality of Vietnamese medical care will be improved by advice given in hospital administration, laboratory, the use of X-ray equipment, pharmacy and other hospital specialty departments.

A total of 60 U.S. and Free World health assistance teams support Province and Prefecture Health Services. In addition to working in Vietnamese hospitals, the teams are providing support to 140 district health centers. Up to 24 U.S. volunteer physicians, sponsored by the American Medical Association, complement the health assistance team activities and perform individual advisory tasks.

A Hospital Administration Advisor is assigned to work with the Ministry of Health (MOH) and three Vietnamese are in the U.S. for training in the field of hospital administration; this training is scheduled to be completed in mid-1971. A National Laboratory System is to be established by the end of FY 1973, including a training program designed to produce Laboratory Chiefs, Technicians, and Assistant Technicians.

Progress to Date: Civilian War Casualty (CWC) hospital admissions to GVN and U.S. military hospitals continued an encouraging decline during 1970. Admissions of CWCs

to hospitals dropped from a monthly average of 6,400 in 1968 to under 5,000 in 1969 and 4,200 in the first three quarters of 1970. A similar decline was noted in U.S. military hospital admissions - a monthly average of 440 for the first nine months of the year compared to 712 during 1969. A.I.D. medical personnel and personnel of health assistance teams have been reduced by some 55 positions as GVN capabilities have improved through 1970.

Phase I of the Vietnamese military/civilian joint utilization program in which military medical personnel were assigned to 13 province hospitals and 44 district health centers was implemented in September 1969. Based on success of the initial effort, Phase II, involving 13 additional province hospitals and 49 district centers, was initiated in December, 1969, and completed in June 1970.

The National Center for Plastic and Reconstructive Surgery successfully treated more than 1,200 patients during FY 1970. Children comprise 90% of the patient workload. A.I.D.'s contractor, Children's Medical Relief International, Inc., continued its program of advanced training for the Vietnamese staff which now includes six physicians, five nurses, and 12 assistant nurses.

The MOH clinical laboratory system opened a branch school at Danang. Four technicians who received a year's training at the University of Missouri School of Medicine have been assigned and are part of the teaching staff of the lab school. A Vietnamese/English language laboratory

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|--------------|--------------|-------------------|-------------------|-----------------------|--------------------------------|------------|-----------------------|-------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | Proposed FY 1972 | | | | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 24,956 | 22,014 | 2,942 | | 829 | 1,833 | 2,662 | 678 | 1,712 | 2,390 | Republic of Korea Medical Team |
| Estimated FY 71 | 2,736 | 3,634 | | | 61 | | 61 | 48 | | 48 | American Medical Association |
| Estimated through 6/30/71 | 27,692 | 25,648 | 2,044 | Technicians | | 10 | 10 | | 10 | 10 | Republic of China Medical Team |
| | | | | Participants | | 3 | 3 | | 2 | 2 | International Rescue Committee |
| | | | | Commodities | | | | | | | Children's Medical Relief International |
| | | | | Other Costs | | | | | | | |
| Proposed FY 72 | 2,450 | 2,066 | 32,208 | Total Obligations | 890 | 1,846 | 2,736 | 726 | 1,724 | 2,450 | |

Country: VIETNAM
Sector: Public Health

PROJECT DATA (Continued)

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|------------------------------|----------------|
| Provincial Health Assistance | 730-11-530-347 |

manual has been compiled and distributed to all hospital laboratories in Vietnam. A basic laboratory supply and equipment package has been provided to each hospital. One hundred twenty-four students are being trained in Laboratory Technician Schools.

Three participants selected by the MOH for graduate training in the U.S. in hospital/health service administration will provide the nucleus of a program to develop professional health administrators in Vietnam.

Improvement of the Pharmacy curriculum is progressing and the Faculty of Pharmacy in the University of Saigon is now graduating over 250 per year. Improvement of National Drug Assay Laboratories to standardize and promote local production of drugs and surgical dressings has experienced some delay. Participant training of key assay personnel is planned to overcome the difficulty.

The eighth and final "Impact" Hospital was dedicated on December 30, 1970. This concludes a program to build hospitals at outlying regions of Vietnam which previously had no, or inadequate, health facilities.

FY 1972 Program: Total proposed funding is \$2,450,000, of which \$678,000 is required to support 26 direct-hire personnel, only 14 of whom will remain at the end of FY 1972. Training for 15 participants will require \$48,000 and publishing of Laboratory manuals, \$2,000. Two contracts totaling \$817,000 will supply 34 medical personnel: a contract with the American Medical Association will provide up to 24 volunteer physicians (\$375,000), and a contract with the International Rescue Committee will provide nurses, technicians and physicians to augment MOH medical personnel (\$442,000). Other contract costs totaling \$905,000 include: ten Republic of Korean Medical Teams (490,000), one Republic of China Medical Team (55,000), and Children's Medical Relief International, Inc. (\$360,000).

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | | |
|---|--|--------------------------|------------------------|--------------------------------|--|--|
| PROJECT TITLE Public Health Services | | SECTOR Public Health | | | FUNDS Economic | |
| PROJECT NUMBER 730-11-530-348 | | PRIOR REFERENCE P. 47 | FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 | |

Project Target and Course of Action: Under this project A.I.D. assists the Ministry of Health (MOH) in the planning and administration of a national public health program designed to prevent the spread of communicable diseases and to control endemic diseases.

Activities under this project are in three principle areas: (1) immunizations for temporary protection against disease, (2) an environmental sanitation program designed to restrict the spread of disease, and (3) a health education campaign on disease prevention practices.

The major immunization programs are for prevention of plague, cholera, smallpox, and tuberculosis. A comprehensive sanitation program will have been established within the Directorate of Public Health by FY 1974 to control the spread of communicable disease. Guidance and instruction will emphasize safe water supplies, sewage and garbage disposal, animal vector control, and food sanitation.

A continuing program of public education in the basic concepts of sanitation and good health practices is already underway. Training abroad is scheduled for two professional public health educators annually through FY 1975, and training courses for technicians will be conducted at the National Institute of Public Health (NIPH). A target has been established to graduate 40 fully qualified health education technicians annually by FY 1974.

Progress to Date: Three hundred small kerosene refrigerators have been installed to improve immunization services

at district level health facilities, and "public health assistants" who are being trained at the NIPH will be assigned to supervise the activities of these district centers. An eight-week course in health statistics has been established to improve the system for reporting morbidity and mortality; and initial class of 30 students received training in 1970. All major sea and airports now have quarantine medical officers assigned from the local health agency and the Quarantine Service is attempting to apply International Health Regulations in carrying out surveillance and reporting responsibilities.

Eighty health education technicians are being trained in-country in a three-year program and two participants are in training in the United States to receive Master of Public Health degrees in health education. Progress in providing one-year training programs for MOH sanitarians is ahead of schedule. The first class of 30 students completed training in 1970 and a second class of 50 is now in session.

Six hundred new hand pumps and 80 electrical pumps have been installed at MOH health facilities to improve potable water supplies. Seven sanitary agents and one sanitary engineer completed a six-week A.I.D. sponsored training course in water sanitation in Taiwan.

FY 1972 Program: A total of \$1,209,000 is proposed for FY 1972; \$1,055,000 for 38 direct-hire medical personnel and \$154,000 to provide public health training in the United States, Taiwan, and the Philippines for 48 participants.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|--------------|--------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Through 6/30/70 | 3,478 | 3,343 | 135 | | | | | | | |
| Estimated FY 71 | 1,277 | 1,274 | | | | | | | | |
| Estimated through 6/30/71 | 4,755 | 4,617 | 138 | Technicians | 1,082 | 65 | 1,147 | 1,055 | - | 1,055 |
| | | | | Participants | 130 | - | 130 | 154 | - | 154 |
| | | | | Commodities | - | - | - | - | - | - |
| | | | | Other Costs | - | - | - | - | - | - |
| Proposed FY 72 | 1,209 | 1,699 | 7,663 | Total Obligations | 1,212 | 65 | 1,277 | 1,209 | - | 1,209 |

Country: VIETNAM

PROJECT DATA (Continued)

TABLE IIIa

Sector: Public Health

PROJECT TITLE

Public Health Services

PROJECT NUMBER

730-11-530-348

The direct hire personnel - three public health physicians, 12 public health nurses, 13 sanitarians, six public health nurses, 13 sanitarians, six public health education advisors, and four health technicians or administrators - will be engaged as advisors in the various aspects of public health training and education.

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | |
|---|------------------------------|--------------------------------|--|
| PROJECT TITLE Medical and Dental Education | SECTOR Public Health | FUNDS Economic | |
| PROJECT NUMBER 730-11-540-150 | PRIOR REFERENCE P. 48, 49 | INITIAL OBLIGATION FY: 1957 | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: The objective of this project is to develop a medical/dental education system in Vietnam capable of providing, on a continuing basis, well-trained doctors and dentists equipped to meet the health and dental care needs of the population.

More specifically, the targets are to raise the number of medical graduates to 200 in FY 1972; to maintain the 200-level graduate output annually on a continuing basis; and to develop a well-qualified staff and modern facilities for teaching of medical and dental care by 1975. Modern facilities will include libraries, laboratories and maintenance equipment. Personnel upgrading will involve study in U.S. for selected teachers and English language training for faculty members.

Project targets are being achieved by means of A.I.D. contracts with the American Medical Association and the American Dental Association who provide short and long-term advisors to the medical school faculty. These advisors also teach selected classes.

Emphasis in the Faculty of Medicine is currently placed on clinical training through assignment of fifth and sixth-year medical students to province hospitals and by providing graduate training to faculty members. Post-graduate courses are conducted at the University of Saigon and at American universities. Support for the Medical Library will continue with the assistance of the U.S. National Library of Medicine.

In the Dental School, in-service training programs are being conducted by the ADA and promising faculty

members will be selected for participant training abroad.

Progress to Date: The increase in medical graduates of the University of Saigon, from 160 in 1969 to 191 in 1970 represents a significant step toward attainment of the target goal, and the graduating class is one of the largest in the world for a single school. The Faculty of Dentistry graduating class of 33 dentists in 1970 constitutes notable progress from 23 graduates in 1969. The initial phase of the architectural and engineering study of the teaching hospital for the Medical Sciences center is progressing according to schedule, with the GVN funding the local currency portion of the costs. Technical assistance by departments of U.S. medical schools is provided to four basic science and 12 clinical science departments of the Faculty of Medicine.

Nine medical faculty members resumed their teaching assignments after having completed long-term post-graduate training in the U.S. Ten more Faculty of Medicine members entered long-term training in U.S. medical schools, while 19 continue their work in graduate courses at the University of Saigon. Post-graduate courses in dentistry have been initiated and 75 dentists, representing faculty, military, Ministry of Health (MOH), and private practitioners were enrolled during 1970.

FY 1972 Program: Total proposed funding is \$1,893,000: \$79,000 for two direct-hire advisors; \$1,460,000 for services to be provided through extension of the American Medical Association contract and the American Dental Association contract; \$165,000 for medical and dental equipment

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | | | | PRINCIPAL CONTRACTORS/AGENCIES |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|-------|------------------|-----------------------|-------|---|
| | Obligations | Expenditures | Unliquidated | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 9,309 | 6,969 | 2,340 | | | | | | | American Medical Association American Dental Association |
| Estimated FY 71 | 1,870 | 2,758 | | | | | | | | |
| Estimated through 6/30/71 | 11,179 | 9,727 | 1,452 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 1,893 | 3,190 | 16,262 | | | | | | | |
| | | | | Technicians | | | | | | |
| | | | | Participants | 79 | 1,475 | 1,554 | 79 | 1,460 | |
| | | | | Commodities | 150 | - | 150 | 189 | - | 189 |
| | | | | Other Costs | - | 156 | 156 | - | 165 | 165 |
| | | | | Total Obligations | 10 | - | 10 | - | - | - |
| | | | | | 239 | 1,631 | 1,870 | 268 | 1,625 | 1,893 |

Country: VIETNAM

PROJECT DATA (Continued)

Sector: Public Health

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|------------------------------|----------------|
| Medical and Dental Education | 730-11-540-150 |

and supplies; and \$189,000 for 24 participants.

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|----------------------------------|--------------------------|--------------------|-------------|--------------------------------|--|
| PROJECT TITLE Malaria Control | SECTOR Public Health | | | FUNDS Economic | |
| PROJECT NUMBER 730-11-510-313 | PRIOR REFERENCE P. 50 | FY 1971 FY 1971 | Vietnam PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: Under this project A.I.D. provides assistance in maintaining a low malaria rate in Vietnam despite the manpower and security constraints imposed by the war. The principal elements of this campaign are: (1) spraying of dwellings in localities reporting high malaria incidence; (2) routine semi-annual spraying of Refugee Camps and Chieu Hoi Centers; and (3) continued training for malaria control personnel.

Progress to Date: The Vietnam National Malaria Program is achieving its goal: the maintenance of a blood testing positivity rate at or below 3%. During 1970, nearly 500,000 individual houses were sprayed as well as Refugee Camps, Chieu Hoi Centers, and Rural Development training installations.

Thirty microscopists were given on-the-job training, short courses were held in all four regions for professional level malaria workers, and refresher courses were conducted for all provincial malaria officers.

A professional entomologist has been added to the USAID staff and epidemiological surveys have been initiated throughout South Vietnam.

FY 1972 Program: \$200,000 is proposed to fund a PASA team of six malaria control advisors and \$8,000 for participant training at the Malaria Eradication Training Center in Manila. Insecticides are funded under the Health Logistics Support project (730-590-11-350).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|------------------|--------------------------------|------------|-----------------------|----------------------------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | | |
| | | | | Direct AID | Contract/Other Agency | Total | | Direct AID | Contract/Other Agency | Total |
| Through 6/30/70 | 829 | 692 | 137 | | | | | | | U.S. Public Health Service |
| Estimated FY 71 | 197 | 137 | | | | | | | | |
| Estimated through 6/30/71 | 1,026 | 829 | 197 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 208 | 357 | 1,591 | | | | | | | |
| | | | | Cost Components | | | | | | |
| | | | | Technicians | - | 190 | 190 | - | 200 | |
| | | | | Participants | 7 | - | 7 | 8 | - | 8 |
| | | | | Commodities | - | - | - | - | - | - |
| | | | | Other Costs | - | - | - | - | - | - |
| | | | | Total Obligations | 7 | 190 | 197 | 8 | 200 | 208 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | |
|---|--|--|------------------------------------|--|
| PROJECT TITLE Health Logistics Support | SECTOR Public Health | | FUNDS Economic | |
| | PRIOR REFERENCE P. 51 FY 1971 Vietnam PDB | | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1976 |
| PROJECT NUMBER 730-11-590-350 | | | | |

Project Target and Course of Action: Advisory assistance and commodity support for the medical logistics system of the Ministry of Health (MOH) is provided under this project. The logistics system services more than 150 major health installations throughout the country. Medical supplies and equipment are also supplied by DOD. Non-medical commodities are being procured by the MOH.

Specific steps are being taken to lay the ground work for implementation of a long-range plan whereby the Vietnamese government ultimately assumes full responsibility for all MOH Logistics activities. To accelerate the transition to Vietnamese self-sufficiency a joint Government of Vietnam/USAID effort has been initiated to (a) adopt practices with regard to acquisition and issue of medical supplies which will insure adequate medical care while effecting economics in medical logistic support, (b) devise means to procure medical commodities primarily with GVN monetary resources, and (c) formulate and submit to the MOH a plan for a separate MOH procurement capability specifically designed for timely and economical resupply of medical commodities. Other project activities include advisory services and operational assistance in repair and maintenance of medical equipment, maintenance of vehicles, and storage of medical commodities in a country-wide warehouse system.

Progress to Date: The effectiveness of supply operations has continued to improve with more than 85% of stocked items now immediately available for issue to requisitioning facilities. Increased MOH staffing has eliminated

the requirement for Third-Country Nationals as warehousemen, but such assistance continues on a reduced scale in the field of equipment maintenance. A contract with the Republic of Korea will be continued to provide training in repair of automotive and material handling equipment.

Under the Joint Utilization Program, the assignment of ARVN medical personnel to province hospitals has alleviated to some extent the staffing problem at these facilities. Approximately 50 of the ARVN military stationed at jointly utilized facilities have received training in MOH medical logistics procedures. Liaison visits made by USAID medical logistics advisors to the provinces indicate that medical supply procedures previously implemented are generally being followed. New personnel are indoctrinated in medical supply procedures during the course of liaison visits.

In April 1970, a contract was awarded to URS Data Sciences Company to standardize the methodology of determining requirements for stocked items regardless of source location and procurement techniques. The contractor is now developing a program to accomplish this standardization and at the same time developing procedures to automate the medical logistics system, including the maintenance of the Medical Logistics Catalogue by ADP techniques.

In 1970, 29 generator operators, 26 refrigeration servicemen, 26 medical equipment maintenance specialists and 106 trainees who completed a special course in Preventive Maintenance of Laboratory Equipment were trained at the Medical Logistics Center by U.S. and Third-Country

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | | | | PRINCIPAL CONTRACTORS/AGENCIES URS Data Sciences Company | | | | | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|--------|-------------------|-----------------------|-------|---|--|--|------------------|--|--|-------------------|--|--|
| | Obligations | Expenditures | Unliquidated | Estimated FY 1971 | | | Proposed FY 1972 | | | | | | | | | | | |
| | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | | | | | | | | | |
| Through 6/30/70 | 43,569 | 39,354 | 4,215 | | | | | | | | | | | | | | | |
| Estimated FY 71 | 10,388 | 10,125 | | | | | | | | | | | | | | | | |
| Estimated through 6/30/71 | 53,957 | 49,479 | 4,478 | | | | | | | | | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | | | | | | | | | |
| Proposed FY 72 | 8,627 | 13,309 | 75,893 | 10,104 | 284 | 10,388 | 8,512 | 115 | 8,627 | | | | | | | | | |
| | | | | Technicians | | | Participants | | | Commodities | | | Other Costs | | | Total Obligations | | |

Country: VIETNAM

PROJECT DATA (Continued)

Sector: Public Health

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|--------------------------|----------------|
| Health Logistics Support | 730-11-590-350 |

personnel. Two Vietnamese were sent to the United States for training in advanced medical equipment repair.

FY 1972 Program: A total of \$8,627,000 is proposed: \$763,000 for 29 U.S. direct-hire personnel, only 23 of whom will remain at the end of FY 1972; \$59,000 to employ 13 third-country nationals; \$115,000 for third-country national equipment maintenance technicians; \$26,000 for participant training; and \$7,664,000 for medical supplies and equipment. Additional medical supplies worth approximately \$6,500,000 are supplied directly by the DOD.

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|--|--|--|--------------------------------|--|--|
| PROJECT TITLE National Rehabilitation Institute | SECTOR Public Health | | | FUNDS Economic | |
| PROJECT NUMBER 730-12-530-351 | PRIOR REFERENCE P. 79 FY 1971 Vietnam PDB | | INITIAL OBLIGATION FY: 1966 | SCHEDULED FINAL OBLIGATION FY: 1972 | |

Project Target and Course of Action: This project assists the Government of Vietnam to develop a capability to rehabilitate seriously handicapped persons, both medically and vocationally.

Project targets for FY 1972 include; (a) establishment of a school of physical therapy with a three-year program, (b) development of first echelon prosthesis repair shops at selected province hospitals, (c) job placement for 90 vocational trainees, and (d) production of 1,000 prosthetic devices per month.

The World Rehabilitation Fund, Inc. (WRF) provides advisory and supervisory assistance to the National Rehabilitation Institute (NRI), trains Vietnamese personnel in rehabilitation methods, and provides necessary equipment and supplies.

Progress to Date: Prior to 1965, the NRI operated a single facility in Saigon to provide limited care for physically disabled people. With the assistance of the WRF, staff training programs have been developed and rehabilitation efforts enlarged to include vocational rehabilitation and job placement. Regional Centers of the Institute have been established at Danang and Can Tho with U.S. grant aid, and at Qui Nhon with Canadian aid.

During 1970, more than 4,000 patients were treated at NRI compared to 2,500 in 1968, and prosthetic devices were produced at a rate of 850 per month. Two classes of eight students each graduated from the one-year assistant physical therapists course and were assigned to the various centers. Fifty such therapists have been trained at the

NRI in the past two years.

The project was last funded in FY 1970.

FY 1972 Program: Funding in FY 1972 will require \$146,000 for: 3 rehabilitation advisors under the WRF grant (\$66,000); training in the United States for six participants (\$30,000); and purchase of prosthesis manufacturing equipment, supplies, and materials (\$50,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES World Rehabilitation Fund, Inc. | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|---|------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 |
| | | | | | Direct AID | Contract/Other Agency | | Total |
| Through 6/30/70 | 2,021 | 1,536 | 485 | | | | | |
| Estimated FY 71 | - | 394 | | Technicians | | 66 | 66 | |
| Estimated through 6/30/71 | 2,021 | 1,930 | 91 | Participants | | 30 | 30 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | | 50 | 50 | |
| | | | | Other Costs | | - | - | |
| Proposed FY 72 | 146 | - | 2,167 | Total Obligations | | 80 | 146 | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | |
|-------------------------------|-------------------------|--------------------------------|--|
| PROJECT TITLE Population | SECTOR Public Health | FUNDS Economic | |
| PROJECT NUMBER 730-11-580-405 | PRIOR REFERENCE None | INITIAL OBLIGATION FY: 1971 | SCHEDULED FINAL OBLIGATION FY: 1978 |

Project Target and Course of Action: Through this project, assistance is provided to the Vietnamese government in establishing a family planning program. Specific targets are to assist the Ministry of Health (MOH) to establish at least one family planning clinic in each province; to supply information to Vietnamese officials to demonstrate the economic and health benefits of fertility reduction; to provide training programs for Vietnamese personnel; and to assist in carrying out public information programs.

The population of South Vietnam (approximately 18.4 million) is increasing at an estimated rate between 2.6 and 2.9% per annum. Even at the lower estimated rate, the population of Vietnam would double in less than 12 years, and about 3% of the annual increase in GNP would be needed to maintain present standards of living. The greatest expansion of the population would be in the dependent age group (under 15) which requires heavy support from social service institutions such as health, education, and social welfare. The rate of population growth is thus a critical factor in planning for development.

USAID has provided limited advisory and commodity assistance for a family planning program for the past two years through the Maternal and Child Health System of the MOH. This assistance was funded under Public Health Services project 530-348. A separate project has now been established in anticipation of legislative action to remove legal inhibitions to family planning in Vietnam.

Progress to Date: To date, 17 population/family planning clinics are in operation. The system for provision of family planning services includes clinic records and fertility questionnaires, a standardized logistical system for establishing new clinics and for maintaining those in operation, an instructional program in family planning for mothers attending Maternal/Child Health Clinics, and a family planning training program for midwives.

Several delegations of Vietnam legislators and GVN officials have traveled to nearby Southeast Asia countries, under A.I.D.-sponsorship, to observe ongoing population/family planning activities and to develop an awareness of the population problem as it affects economic and social development, maternal and child health.

Training for family planning staff has been carried out according to a scheduled rate of two physicians for every three clinics, and three midwives per clinic. Two MOH physicians participated in international family planning seminars in the U.S.

The number of brand-name oral contraceptives available on the open market has increased from two to fifteen. One brand is produced in Vietnam.

FY 1972 Program: \$350,000 is proposed in FY 1972; \$98,000 for 3 U.S. direct hire personnel; \$69,000 for 42 participants to be trained in the United States and neighboring countries; and \$183,000 for procurement of commodities, including the purchase of contraceptives, clinic equipment, and training aids.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 |
| | | | | | Direct AID | Contract/Other Agency | | Total |
| Through 6/30/70 | - | - | - | | | | | |
| Estimated FY 71 | 233 | 202 | | Technicians | 85 | - | 85 | |
| Estimated through 6/30/71 | 233 | 202 | 31 | Participants | 67 | - | 67 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 76 | - | 76 | |
| | | | | Other Costs | 5 | - | 5 | |
| Proposed FY 72 | 350 | 1,546 | 2,129 | Total Obligations | 233 | - | 233 | |
| | | | | | 350 | - | 350 | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | |
|--|--|--|
| PROJECT TITLE Public Health General Support | SECTOR Public Health | FUNDS Economic |
| PROJECT NUMBER 730-11-599-375 | PRIOR REFERENCE P. 52 FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1967 |
| | | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: The purpose of this project is to provide policy guidance, administrative services, and technical support for A.I.D. personnel assisting the Ministry of Health (MOH) and the Ministry of Education's programs in the health sciences in order to effectively carry out the extensive GVN civilian health program.

Under this project, the Assistant Director, his Deputy, and 11 advisors and administrative support personnel are responsible for the direction and supervision of the USAID nationwide Public Health Assistance Program. Concurrent with these activities, this group also provides technical assistance and policy guidance to the MOH at the national level.

An additional 13 positions, including regional Public Health supervisors and medical advisors to the MOH field operations, are placed under this general support project to more accurately reflect total administrative and support costs.

FY 1972 Program: A total of \$774,000 is proposed to support 26 direct-hire positions, only 18 of which will remain at the end of FY 1972 (\$769,000), and two participants for short term seminar programs in the U.S. (\$5,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 |
| | | | | | Direct AID | Contract/Other Agency | | Total |
| Through 6/30/70 | 2,298 | 2,267 | 31 | | | | | |
| Estimated FY 71 | 990 | 1,012 | | Technicians | 977 | - | 977 | |
| Estimated through 6/30/71 | 3,288 | 3,279 | 9 | Participants | 8 | - | 8 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | |
| Proposed FY 72 | 744 | Undetermined | | Other Costs | 5 | - | 5 | |
| | | | | Total Obligations | 990 | - | 990 | |
| | | | | | 774 | - | 774 | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | | |
|--|----------------|--|--|--------------------------------|--|--|
| PROJECT TITLE Rural Water Development | | SECTOR Public Works | | | FUNDS Economic | |
| PROJECT NUMBER | 730-12-521-359 | PRIOR REFERENCE P. 54 FY 1971 Vietnam PDB | | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 | |

Project Target and Course of Action: The objective of this project is to provide potable water supplies to villages and population centers not presently served by urban water systems. Priorities are established in compliance with current pacification plans, and work activities are executed through the Government of Vietnam Directorate of Water Supply (DWS).

Targets for FY 1972 include: assisting the DWS to provide 100 new or improved potable water systems, improving rural community capabilities and contractor expertise to construct rural water systems and improving long-range planning and design capabilities of DWS.

Progress to Date: During 1970, 64 new deep wells and nine new or rehabilitated water treatment plants were completed. Other improvements included the laying of 25 kilometers of pipe in 15 distribution systems, completing designs for two types of small plants (50 gallons per minute and 100 gallons per minute), installing 4,317 water meters and training for 30 rural water system operators. During 1970, 482,500 additional people received potable water.

FY 1972 Program: Total funding proposed is \$673,000, including: seven U.S. direct-hire advisors, only four of which will remain at the end of FY 1972, and one third-country national advisor, \$173,000; partial funding for four Army Engineer Teams, \$75,000; and commodities for construction of wells and small water systems, \$425,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|-----------------------|-------|------------------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | U.S. Army Corps of Engineers |
| Through 6/30/70 | 4,450 | 3,668 | 782 | | | | | | | | |
| Estimated FY 71 | 745 | 871 | | Technicians | 245 | 75 | 320 | 173 | 75 | 248 | |
| Estimated through 6/30/71 | 5,195 | 4,539 | 656 | Participants | - | - | - | - | - | - | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 425 | - | 425 | 425 | - | 425 | |
| Proposed FY 72 | 673 | 1,105 | 6,973 | Other Costs | - | - | - | - | - | - | |
| | | | | Total Obligations | 670 | 75 | 745 | 598 | 75 | 673 | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | |
|--|--------------------------|------------------------|--------------------------------|--|
| PROJECT TITLE Provincial Roads and Quarries | SECTOR Public Works | | | FUNDS Economic |
| PROJECT NUMBER 730-11-310-392 | PRIOR REFERENCE P. 55 | FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1968 | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: The purpose of this project is to facilitate the construction and maintenance of a road system connecting villages and province towns with the major urban centers. Toward this end, project objectives are: (a) improvement in the capability of the Highway Training School (HTS); (b) establishment of a system to insure adequate repair and rehabilitation of heavy construction equipment; and (c) increased Government of Vietnam ability to meet the growing requests of provinces for improved roads.

Specific FY 1972 targets are to: (1) continue rehabilitation of highway construction equipment; (2) graduate 500 trained equipment maintenance mechanics and operators from the HTS; (3) service requests from provinces for road improvement. Attention will be given to secondary roads particularly important in the current pacification program.

Progress to Date: During 1970, the Government of Vietnam formally established the HTS (formerly National Construction Equipment Training Center) as a permanent institution to train personnel in the repair, maintenance and operation of highway equipment. Seventy-three units of heavy construction equipment were rebuilt during 1970 and 292 Vietnamese were trained in heavy equipment maintenance and operation. Approximately 101 kilometers of new secondary roads were constructed and 1,120 kilometers of existing roads were maintained, repaired, or reconstructed to higher standards.

FY 1972 Program: Funding in FY 1972 of \$3,128,000 is proposed, including: one U.S. and one third-country national advisor to the HTS, \$31,000; 22 contract advisors to the Directorate General of Highways (DGOH) in district offices and for major maintenance operations, \$400,000; cement, steel piling, spare parts, and heavy equipment assemblies in support of the HTS and the provincial road program, \$2,612,000; and training of 17 senior and middle-level DGOH management participants, \$85,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES |
|---------------------------------|-------------|-------------------------|----------------------|-------------|-----------------------|-------|--------------------------------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | |
| | | | | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 12,210 | 6,635 | 5,575 | | | | Quinton-Budlong, Inc. |
| Estimated FY 71 | 2,299 | 5,049 | | | | | |
| Estimated through 6/30/71 | 14,509 | 11,684 | 2,825 | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | |
| Proposed FY 72 | 3,128 | Undetermined | | | | | |
| | | | | Direct AID | Contract/Other Agency | Total | |
| Cost Components | | | | | | | |
| Technicians | | | | 43 | 617 | 660 | |
| Participants | | | | - | - | - | |
| Commodities | | | | 1,614 | 25 | 1,639 | |
| Other Costs | | | | - | - | - | |
| Total Obligations | | | | 1,657 | 642 | 2,299 | |
| | | | | 2,728 | 400 | 3,128 | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | |
|-------------------------------|-------------------------|--------------------------------|--|
| PROJECT TITLE Dredging | SECTOR Public Works | FUNDS Economic | |
| PROJECT NUMBER 730-12-350-406 | PRIOR REFERENCE None | INITIAL OBLIGATION FY: 1972 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: The objective of this project is to create an autonomous and financially self-supporting dredging agency to meet civil dredging requirements and in so doing to utilize private sector dredging capability whenever possible.

Under the former Inland Waterways Improvement Project (350-297) high priority dredging was performed by an A.I.D. funded contractor, who also trained Vietnamese dredging crews. However, the responsible Government of Vietnam agency, the Directorate of Navigation (DON), made only limited use of its own dredges due to difficulties in retaining personnel, and lack of funds and general administrative competence. Accordingly, the A.I.D. contract was terminated at the end of FY 1970.

The Government of Vietnam has sought A.I.D. assistance in developing an effective new dredging program, essential for landfill, navigation, production of building materials, and construction of water control works in the deltas and costal areas of the country. The Government of Vietnam has agreed that managerial and financial reforms are required before A.I.D. assistance can be effective. Conditions precedent to release of A.I.D. funds under this new project will require centralized management of all civil dredging resources to the Government of Vietnam, the establishment of dredging priorities consistent with the Central Pacification and Development Plan, payment to the Dredging Authority for services rendered, and the maximum use of private contractors.

If conditions are met, A.I.D. proposes to fund an American management consultant to assist the Dredging Authority and sufficient commodities to allow the Dredging to operate during a limited period until it attains a self-financing status.

Progress to Date: During 1970, the Government of Vietnam established a temporary dredging organization under the legal structure of the Vietnam Railway Service. Planning has begun for a permanent Dredging Authority with appropriate operating authority.

FY 1972 Program: \$850,000 are proposed in FY 1972 to fund: a management consultant contract (\$150,000) and American dredging commodities such as pipe, fittings, and spare parts (\$700,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Through 6/30/70 | | | | | | | | | | |
| Estimated FY 71 | | | | Technicians | | | | - | 150 | 150 |
| Estimated through 6/30/71 | | | | Participants | | | | - | - | - |
| | | Future Year Obligations | Estimated Total Cost | Commodities | | | | - | - | - |
| Proposed FY 72 | 850 | 800 | 1,650 | Other Costs | | | 700 | - | 700 | |
| | | | | Total Obligations | | | 700 | 150 | 850 | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | |
|---|--|--|
| PROJECT TITLE Saigon Metropolitan Area Development | SECTOR Urban Development | FUNDS Economic |
| PROJECT NUMBER 730-11-995-370 | PRIOR REFERENCE P. 59, 60 FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1967 |
| | | SCHEDULED FINAL OBLIGATION FY: 1973 |

Project Target and Course of Action: The objectives of this project are the improvement of municipal administration, the maintenance of an adequate level of essential public service, and the development of local communities within the Saigon metropolitan area.

Analyses of the City of Saigon's administrative organization and procedures will continue for the purpose of simplifying and improving administration. Emphasis will be on financial accountability and how to increase city revenue.

Services to the residents of Saigon are to be improved through organizing, equipping, and training additional fire companies; marking streets; improving traffic signal operation; training city traffic engineering personnel; and training in the maintenance and operation of motorized refuse collection vehicles. Contracts will be let for the repair and improvement of key streets.

Training in local government administration will continue for approximately 1,000 neighborhood-level officials to assist community development activities in the more densely populated portions of the city. Technical advice and assistance will be directed toward improving fiscal administration and consolidation of the metropolitan area governments.

Project assistance is administered by a special Saigon Civil Assistance Group (SCAG) under CORDS. Technical specialists are supplied, as needed, from the various development offices of USAID and CORDS.

Progress to Date: A Saigon Community Development Directorate has been established to coordinate the many social and public service development activities underway in the Saigon Metropolitan Area. To assist in these activities at the community level, 60 RD cadre have been assigned to Saigon, trained in community development work, and assigned to District and sub-District posts.

Public services continue to improve. As a result of a previous traffic study, a traffic sign shop has been established to produce control markers and signs to implement the recommended traffic pattern. Fifty flotation pumps and one 750 gallon pumper have been acquired by the fire department; 600 Popular Self Defense Force (PSDF) personnel have been trained in use and maintenance of this equipment. Planned reconstruction of about 25 kilometers of important streets has begun, using prior year funding. Fifty-six local building councils have been established to assist in construction of 3,500 low-income housing units. Cement and reinforcing bars were supplied to augment the self-help and pooled labor resources of the building councils. Problems of land acquisition, however, remain an obstacle for this self-help housing program.

FY 1972 Program - \$93,000 will be required to support a Director and one Area Development Officer.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Through 6/30/70 | 3,479 | 2,061 | 1,418 | | | | | | | |
| Estimated FY 71 | 2,046 | 2,166 | | Technicians | 148 | - | 148 | 93 | - | 93 |
| Estimated through 6/30/71 | 5,525 | 4,227 | 1,298 | Participants | - | - | - | - | - | - |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 898 | - | 898 | - | - | - |
| | | | | Other Costs | - | 1,000 | 1,000 | - | - | - |
| Proposed FY 72 | 93 | 53 | 5,671 | Total Obligations | 1,046 | 1,000 | 2,046 | 93 | - | 93 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|----------------------------------|-----------------------------|------------------------|--------------------------------|--|--|
| PROJECT TITLE Electric Power | SECTOR Urban Development | | | FUNDS Economic | |
| PROJECT NUMBER 730-12-220-356 | PRIOR REFERENCE P. 61 | FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 | |

Project Target and Course of Action: Overall project objectives are: to establish an autonomous, economically viable, and technically competent electric utility company for all South Vietnam; to expand power-generating and distribution capacity for the Saigon area to approximately 350 megawatts by 1973; and to serve additional towns and rural areas outside Saigon on as economical a basis as is possible under present conditions.

During 1970, the former Saigon Power Company became the Vietnam Power Company (VPC) by merging with the Electricity of Vietnam, which served some areas outside Saigon. Improvements in the Saigon area are continuing with previously funded A.I.D. assistance and with commodities and services from other Free World nations. However, additional A.I.D. resources are required for expansion of service outside Saigon in accordance with the Central Pacification and Development Plan.

Progress to Date: A major new generating plant, two 66 megawatt units at Thu Duc, is under construction and scheduled to come into operation in mid-1972. A contract has been let for design of distribution system improvements for Saigon to utilize the new generating capacity. A U.S. management team, Commonwealth Associates, is assisting the VPC to carry out its increased responsibilities, including planning of expanded service outside Saigon.

FY 1972 Program: \$145,000 is proposed to support four direct-hire Electrical Engineer Advisors.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES Commonwealth Associates | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|---|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| Through 6/30/70 | 51,639 | 21,931 | 29,708 | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Estimated FY 71 | 145 | 14,606 | | | Technicians | 145 | - | 145 | 145 | - |
| Estimated through 6/30/71 | 51,784 | 36,537 | 15,247 | Participants | - | - | - | - | - | - |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | - | - | - |
| Proposed FY 72 | 145 | 290 | 52,219 | Other Costs | - | - | - | - | - | - |
| | | | | Total Obligations | 145 | - | 145 | 145 | - | 145 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | | |
|--|--|--|--|--------------------------------|--|--|
| PROJECT TITLE Municipal Utilities Loan Fund | | SECTOR Urban Development | | | FUNDS Economic | |
| PROJECT NUMBER 730-12-521-398 | | PRIOR REFERENCE P. 63 FY 1971 Vietnam PDB | | INITIAL OBLIGATION FY: 1969 | SCHEDULED FINAL OBLIGATION FY: Undetermined | |

Project Target and Course of Action: The objectives of this project are: (1) to develop a capability on the part of the Government of Vietnam to examine and evaluate the feasibility of loan applications from cities and towns for the construction of potable water systems, and (2) to place improvements in urban water and sewerage systems throughout South Vietnam on a financially sound and self-sustaining basis.

The project is implemented by the Directorate of Water Supply (DWS) utilizing a National Water Loan Fund with A.I.D. dollars to meet foreign exchange costs and matching Government of Vietnam piasters. An initial contribution of \$1 million was made in FY 1969 and an additional \$1 million is being provided in FY 1971. Further increases in the capital of the Fund are planned as the Government of Vietnam demonstrates a capability to make sound loans.

Progress to Date: Through the end of 1970, two loans had been approved for Tuy Hoa (\$350,000) and Danang (local currency only). Approval of a loan for Dalat (estimate \$400,000) is expected in the near future.

These loans mark the successful conclusion of the first phase of this project aimed at building an institution within the Directorate of Water Supplies able to establish criteria and procedures for proper lending, and to build water authorities in various municipalities which will be responsible borrowers. The rate of lending should accelerate now that the initial hurdles of organi-

zation have been surmounted. Existing funding should be exhausted prior to the end of FY 1972.

FY 1972 Program: \$1 million is proposed to permit additional loans to be made in FY 1972. The dollars will be used to acquire American equipment such as pipe, treatment plants, pumps, etc.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-----------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Through 6/30/70 | 1,000 | - | 1,000 | | | | | | | |
| Estimated FY 71 | 1,000 | - | | | | | | | | |
| Estimated through 6/30/71 | 2,000 | - | 2,000 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 1,000 | Undetermined | | | 1,000 | - | 1,000 | 1,000 | - | 1,000 |
| | | | | | 1,000 | - | 1,000 | 1,000 | - | 1,000 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | | |
|--|--|-----------------------------|---------|-------------|--------------------------------|--|
| PROJECT TITLE USAID Technical Support | | SECTOR Technical Support | | | FUNDS Economic | |
| PROJECT NUMBER 730-11-999-000 | | PRIOR REFERENCE P. 67 | FY 1971 | Vietnam PDB | INITIAL OBLIGATION FY: 1956 | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: This project funds personnel, contract and commodity requirements to support all USAID employees in areas of personnel administration, residential quarters and furnishings, office space, repair and maintenance, office supplies and equipment, travel and transportation, communications and records, security and safety.

Funds for personnel in other organizational components of the USAID which cannot be attributed to any one sector or project, including USAID's Program and Economic Office, Controller's Office, and Legal Office, also are included here. Since USAID supplies vehicles, office supplies and furniture to CORDS out of a common pool, funds for these items are included. Finally, funds are included for administrative support of USAID and CORDS dependents situated in the nearby countries of Thailand, the Philippines and Taiwan.

The Technical Support project provides supporting services for an average of 1,500 direct-hire employees, 300 TDY employees or other personnel. The Travel Section handles nearly 8,000 international trips per year. USAID has responsibility for leasing residential quarters and manages 973 residential units at 127 locations, 97 temporary apartments and five hotels with 288 rooms. Building maintenance for 23 office buildings and four major warehouses in the Saigon area is provided. More than 60 generators are operated in the Saigon area providing either full or standby electrical service to many of the office and residential buildings; more than 400 generators are

operated throughout Vietnam.

Local currency support including salaries of local employees, rents, utilities, and in-country procurement and travel are provided through a trust account drawing on Vietnamese owned counterpart funds generated through A.I.D. and PL 480 programs.

FY 1972 Program: Proposed technical support funding for FY 1972 will total \$16,352,000. Personnel costs include \$7,330,000 for 256 U.S. direct-hire positions, 50 Third-Country Nationals, four contract personnel, one position under a PASA, and \$1,350,000 for expenses of other USAID Mission personnel costs in Thailand, the Philippines and Taiwan for support of USAID and CORDS dependents situated in those countries. \$4,310,000 will be required for commodities, including replacement vehicles, office and residential equipment, and other supplies. Other costs of \$3,362,000 include funds for locally placed maintenance contracts to provide machine and vehicle repair, local construction, and machine rental.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Through 6/30/70 | 187,043 | 177,402 | 9,641 | | | | | | | |
| Estimated FY 71 | 17,651 | 22,099 | | Technicians | 8511 | 907 | 9418 | 7926 | 754 | 8680 |
| Estimated through 6/30/71 | 204,694 | 199,501 | 5,193 | Participants | - | - | - | - | - | - |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 4749 | - | 4749 | 4310 | - | 4310 |
| | | | | Other Costs | 1350 | 2134 | 3484 | 1326 | 2036 | 3362 |
| Proposed FY 72 | 16,352 | Undetermined | | Total Obligations | 14610 | 3041 | 17651 | 13562 | 2790 | 16352 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | |
|---|------------------------------|--------------------|-----------------------------------|--|
| PROJECT TITLE Support of Rural Development | SECTOR Rural Development | | FUNDS Economic | |
| PROJECT NUMBER 730-11-995-332 | PRIOR REFERENCE P. 69, 70 | FY 1971 FY 1971 | INITIAL OBLIGATION Vietnam PDB | SCHEDULED FINAL OBLIGATION FY: 1967 |
| | | | | FY: Undetermined |

Project Target and Course of Action: The objective of this project is to establish a strong popular base for the constitutional Government of Vietnam. Emphasis is placed on decentralizing authority from the central to the local levels of government, increasing both the responsibility and the capacity of province and village governments to identify and respond to urgent local needs, and to gain the active participation of the population in the planning and conduct of local affairs. Projects to meet local needs are proposed by common interest groups within the community, debated at public meetings, and approved by the locally elected province or village councils.

There are four basic types of projects: (1) basic infrastructural projects of general benefit to the province which meet the national priority objectives of the Community Defense and Local Development Plan, funded directly from the National Fund for Local Development (NFLD) of the Central Pacification and Development Council (CPDC); (2) other projects of general benefit to the province, which either do not meet the CPDC criteria for NFLD funding, or which are beyond the NFLD funding limit set for the province. Such projects are funded from the Province Development Fund granted by the central government but controlled by the elected Province Council; (3) public interest projects of general benefit to the village, funded from Village Development Funds controlled by the elected Village Council; (4) income producing projects directly benefiting a special interest group. Such pro-

jects are assisted exclusively on a loan basis through the Village Credit Committee which may approve loans up to VN\$50,000 per individual, up to the village credit limit established in the Agricultural Development Bank. Based on majority vote of the Village General Assembly, a village may deposit up to 50% of the development fund granted by the central government, plus any amount from local resources. The total village deposit is matched by the ADB giving the village a credit line twice the amount of its deposit.

All projects of types 1 and 2, and the more complex of type 3, are implemented by or through the Province Technical Services. The bulk of support for this entire project is furnished by the Government of Vietnam in the form of piasters. The U.S. role is limited to advising the primary action agents at all three government levels, and to augmenting the capacity of key Province Technical Services, since the scope of development activity which can be implemented in a province in any year is limited by the ability of the Technical Services to handle the workload. The United States has augmented Technical Service capacity by supplying U.S. Navy Seabee Teams to train local Vietnamese in essential construction skills and to undertake priority projects beyond the current capacity of the local services; by upgrading construction equipment assigned to the province, and by limited commodity and participant training support. U.S. support continues to phase down as Vietnamese capabilities improve.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-----------------|---------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | Estimated FY 71 | Estimated through 6/30/71 | Proposed FY 72 | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | Future Year Obligations | Estimated Total Cost | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency | Total |
| Through 6/30/70 | 16,209 | 11,549 | 4,660 | | | 459 | 390 | 849 | 386 | - | 386 |
| Estimated FY 71 | 1,919 | 2,256 | | Technicians | - | - | - | 76 | - | 76 | |
| Estimated through 6/30/71 | 18,128 | 13,805 | 4,323 | Participants | - | - | - | - | - | - | |
| | | | | Commodities | - | - | - | - | - | - | |
| | | | | Other Costs | - | 1,070 | 1,070 | - | 693 | 693 | |
| Proposed FY 72 | 1,155 | Undetermined | | Total Obligations | 459 | 1,460 | 1,919 | 462 | 693 | 1,155 | |

Country: VIETNAM

PROJECT DATA (Continued)

Sector: Rural Development

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|------------------------------|----------------|
| Support of Rural Development | 730-11-995-332 |

Progress to Date: Planning has been decentralized to the point where only projects funded from the NFLD require central approval of projects selected from popularly initiated proposals debated at public hearings. Popularly initiated, locally approved Provincial and Village Project Priority Lists are of sufficient political significance to have a direct influence on selection of national priority development activities. The lists have been made an integral part of the national planning and budget preparation process. Several ministries, notably Agriculture, Education and Health already base much of their national planning on these lists.

Other decentralization milestones include establishment of popularly elected Province or City Councils as the sole authority in the use of Province Development Funds, hitherto completely controlled by the central government. Similarly the cost ceiling on public interest projects which could be approved solely by the elected Village Council has been successively raised as Council capabilities increased from zero to VN\$50,000, to VN\$100,000 in CY 1970, to VN\$200,000 in CY 1971.

The cost burden of local development has shifted from almost complete dependence on U.S. aid generated piasters to substantial support from local private and public sources and the regular Government of Vietnam budget. From a zero start, people's contributions to village development projects matched VN\$870,000 of the \$2.1 billion piasters granted to the villages by the central government; the people's contribution was roughly 30% of the \$2.97 billion applied to local development projects.

FY 1972 Program: Funding will require \$1,155,000 for: ten U.S. direct-hire advisors, \$378,000; two direct-hire third-country national community development advisors, \$8,000; support for nine U.S. Navy Seabee Teams of 13 men each, \$693,000; and short-term participant training for 100 selected village officials and leaders in Taiwan, \$76,000.

Country:

PROJECT DATA

TABLE III

| | | |
|--|-----------------------------|--|
| PROJECT TITLE Ethnic Minorities Affairs | SECTOR Rural Development | FUNDS Economic |
| PROJECT NUMBER 730-11-995-335 | PRIOR REFERENCE P. 71 | INITIAL OBLIGATION FY: 1967 |
| | FY 1971 Vietnam PDB | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: The purpose of this project is to increase the capability of the Ministry for the Development of Ethnic Minorities (MDEM) to carry out security and development programs for the approximately 900,000 Montagnards who inhabit the Central Highlands of South Vietnam.

Because the Montagnards have traditionally been isolated from the mainstream of Vietnamese life, the Government of Vietnam is seeking to win their loyalty and support through a program which provides for local self-development, the creation of self-defense units, land reform, modernization of agricultural practices, improvements in education, vocational and leadership training, improvements in public health facilities, and other communal projects designed to increase the well-being of the Highlander population. The Government of Vietnam is also making an effort to recruit ethnic minority personnel for province and district-level government staffs and to serve in the National Police.

A.I.D. assists the Government of Vietnam through such activities as: helping to develop an information program to promote Montagnard loyalty to the Government of Vietnam; administrative assistance in the preparation for village/hamlet elections; helping the MDEM organize leadership training in the Highlands; supporting the land tenure project in the secure areas in the Highlands; helping MDEM to develop a formal education system for the Montagnards, including vocational training centers; increased voluntary

agency support for the Highlanders; and providing participant training for potential Montagnard leaders.

Progress to Date: Integration of the Montagnards into government programs in the Highlands continues to be slow and difficult. Twenty-nine Montagnard leaders are in training at the International Institute of Rural Reconstruction in the Philippines and will return to work in development of their villages. The Pleiku Montagnard Training Center is being reactivated this year to provide training for 600 village and hamlet officials. Of the 1,527 Montagnard hamlets under Government of Vietnam control, 637 have elected governments.

Radio broadcasting continues from Pleiku in two dialects and from Ban Me Thuot in four dialects to assist in the integration of the Montagnards into Vietnamese society. Montagnard land identification has been initiated and 3,780 hectares of land have been approved for distribution.

FY 1972 Programs: Total funding for FY 1972 is \$336,000. Support for one direct-hire Area Development Advisor and one Program Analyst will require \$76,000; training costs for up to ninety participants, \$205,000; vehicles and training equipment \$40,000; and a contract for research in development methods of ethnic minorities, \$15,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 |
| | | | | | Direct AID | Contract/Other Agency | | Total |
| Through 6/30/70 | 489 | 380 | 109 | | | | | |
| Estimated FY 71 | 258 | 261 | | | | | | |
| Estimated through 6/30/71 | 747 | 641 | 106 | Technicians | 76 | - | 76 | |
| | | Future Year Obligations | Estimated Total Cost | Participants | 118 | - | 118 | |
| | | | | Commodities | 49 | - | 49 | |
| | | | | Other Costs | - | 15 | 15 | |
| Proposed FY 72 | 336 | Undetermined | | Total Obligations | 243 | 15 | 258 | |
| | | | | | 321 | 15 | 336 | |

Country:

PROJECT DATA

TABLE III

| | | |
|--|--|--|
| PROJECT TITLE Refugee Relief and Social Welfare | SECTOR Refugees/Social Welfare | FUNDS Economic |
| PROJECT NUMBER 730-11-822-307 | PRIOR REFERENCE P. 73, 74 FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1966 |
| | | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: Under this project the U.S. Government and the Government of Vietnam provide assistance to refugees and other displaced and needy persons. The principle aspects are temporary care for new refugees, and then reestablishment of these refugees within the Society at the earliest possible time.

Refugee and welfare programs are administered by the Ministry of Social Welfare (MSW). The MSW and its staff are responsible for construction and maintenance of temporary shelters and the distribution of cash and commodities including food and clothing. The MSW also plans and supervises the return or resettlement of refugees, including distribution of funds and commodities to assist the refugees in rebuilding their homes and making a readjustment to normal life. Commodity allowances include food, building materials, tools, and other equipment. Construction of housing is primarily a self-help effort. Technical assistance is also being given to the refugees in the development of cooperatives, animal husbandry, truck farming and cottage industries, and in vocational training.

Resettlement sites require substantial physical improvement to become permanent hamlets. Those refugees who return to their original villages also require additional assistance over and above their initial allowances.

The social welfare activities of the Ministry assist needy persons such as widows and orphans and the physically disabled who are not part of the refugee program. The

emphasis is on assumption of welfare responsibility by Vietnamese voluntary agencies and community organizations, but government-operated and government-supported private institutions, i.e., day-care centers, orphanages, homes for the aged, and community centers, are also included.

A.I.D., through MACV/CORDS, provides technical advisers for deployment throughout Vietnam and commodities, primarily construction materials, for relief and resettlement. In addition, P.L. 480 Title II commodities comprise a major portion of the food distributed by the government and voluntary agencies to refugees, social welfare institutions, and school children. These commodities were valued at an estimated \$15 million in FY 1971.

During FY 1971, more than 30 voluntary agencies operated refugee relief and welfare programs. A.I.D. provides logistic support for all these voluntary agencies, and has contracts with eight of them to supplement their own resources.

Progress to Date: The number of new refugees, just over 100,000, was roughly the same as in 1969, but substantially down from over 300,000 during 1968. The total number of refugees both in camps, other scattered locations and in process of being returned to their villages was 430,000 at the end of December 1970. In addition, the Ministry assisted over 200,000 repatriates from Cambodia and over 300,000 victims of the monsoon floods in the Northern provinces of South Vietnam. In both 1969 and 1970 MSW spent approximately VN \$3 billion (\$25 million) for refugee

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | PRINCIPAL CONTRACTORS/AGENCIES |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|-------|---|
| | Obligations | Expenditures | Unliquidated | | | | |
| | | | | Estimated FY 1971 | Proposed FY 1972 | | |
| Through 6/30/70 | 22,825 | 20,809 | 2,016 | Direct AID | Contract/Other Agency | Total | Community Development Foundation Catholic Relief Services World Rehabilitation Fund International Rescue Committee |
| Estimated FY 71 | 6,282 | 4,364 | | Direct AID | Contract/Other Agency | Total | |
| Estimated through 6/30/71 | 29,107 | 25,173 | 3,934 | 2,278 | 624 | 2,902 | |
| | | Future Year Obligations | Estimated Total Cost | 1,814 | 510 | 2,324 | |
| | | | | 25 | - | 25 | |
| | | | | 3,302 | 53 | 3,355 | |
| | | | | 2,206 | 36 | 2,242 | |
| Proposed FY 72 | 4,586 | Undetermined | | - | - | - | |
| | | | | 5,605 | 677 | 6,282 | |
| | | | | 4,040 | 546 | 4,586 | |

Country: VIETNAM

PROJECT DATA (Continued)

Sector: Refugee/Social Welfare

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|-----------------------------------|----------------|
| Refugee Relief and Social Welfare | 730-11-822-307 |

relief and settlement assistance.

FY 1972 Program: Funding proposed for FY 1972 is \$4,586,000. This includes \$1,814,000 for 65 U.S. direct-hire employees, only 33 of whom will remain at the end of FY 1972; \$510,000 for 20 U.S. and three third-country national contract employees; and \$2,242,000 for commodities (including \$1,890,000 for aluminum roofing and \$301,000 for tents). Six participants will be trained at a cost of \$20,000.

Principal contracts with voluntary agencies which require new or additional funding in FY 1972 are with the Community Development Foundation, Catholic Relief Services, the World Rehabilitation Fund, and the International Rescue Committee.

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|--|------------------------------|--------------------|-------------|--------------------------------|--|
| PROJECT TITLE National Police Support | SECTOR Public Safety | | | FUNDS Economic | |
| PROJECT NUMBER 730-11-710-352 | PRIOR REFERENCE P. 75, 76 | FY 1971 FY 1971 | Vietnam PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: A.I.D. assistance under this project assists the Vietnamese National Police (NP) to maintain law and order in urban and pacified rural areas, combat smaller VC elements in areas of nominal government control, and deny resources to the enemy. The development of an effective National Police force and the institutionalization of law enforcement are important elements in pacification and long-term national development.

A.I.D., through technical advice, the provision of equipment and material, and training is giving assistance to: (1) the National Police Directorate, the Internal Security Bureau, Traffic Police, Judicial and Administrative Police, Management and Training Directorate; (2) the National Police Field Forces (NPPF), a paramilitary police unit engaged primarily in combatting the VCI in rural areas; (3) the National Identification and Central Records System, which includes as one of its areas of responsibility uniform crime reporting; (4) Marine Police; (5) Saigon Metropolitan Police Directorate; and (6) National Police Detention facilities.

Activity targets include provision of commodity and advisory support for a police force of 122,000 men by the end of FY 1972, increasing the capability of police to neutralize the Viet Cong infrastructure in coordination with other Government of Vietnam security agencies; assisting the National Identity Registration Program (NIRP) to register more than 12,000 persons 15 years of

age and over by the end of CY 1971; continuing to provide basic and specialized training for approximately 20,000 police annually; providing technical assistance to the police detention system, including planning and supervision of the construction of 34 jail facilities during CY 1971; and helping to achieve a major increase in the number of police presently working at the village level.

Progress to Date: The NP force level expanded from 85,218 in CY 1969 to 87,884 during CY 1970 in spite of restrictions imposed by the National Mobilization Decree. This increase was made possible by an agreement between the Ministries of Interior and Defense to allow ARVN personnel to be detached to the National Police. The Prime Minister has ordered an additional 27,000 ARVN personnel transferred to the police during CY 1971.

Registrations under the National Identity Registration Program were initiated on October 1, 1968. Under previous programs many cards had been lost, stolen, or otherwise compromised. The new program affords greater control and safeguards against these abuses, especially through the addition of fingerprints. By the end of 1970, over 6.5 million persons were registered under the new program and over 101,000 wanted persons identified.

In CY 1970, 11,033 police completed in-service training and 14,065 new recruits were trained at three training centers. Under the participant training program, 175 Vietnamese received training--40 in the United States and 135 in other countries.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|--------------|--------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Through 6/30/70 | 45,184 | 38,973 | 6,211 | | | | | | | |
| Estimated FY 71 | 8,554 | 12,521 | | Technicians | 6,366 | 85 | 6,451 | 6,692 | 90 | 6,782 |
| Estimated through 6/30/71 | 53,738 | 51,494 | 2,244 | Participants | 361 | - | 361 | 361 | - | 361 |
| | | | | Commodities | 1,462 | - | 1,462 | 1,275 | - | 1,275 |
| | | | | Other Costs | - | 280 | 280 | - | - | - |
| Proposed FY 72 | 8,418 | Undetermined | | Total Obligations | 8,189 | 365 | 8,554 | 8,328 | 90 | 8,418 |

Country: VIETNAM

PROJECT DATA (Continued)

Sector: Public Safety

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|-------------------------|----------------|
| National Police Support | 730-11-710-352 |

At the end of CY 1970, more than 50% of all National Police were assigned to the district level and below, of which over 11,000 were assigned to more than 1,829 villages. Deployment emphasis is now being placed on increasing village police complements. Efforts to control illegal movement of weapons, food, and drugs during 1970 resulted in over 153,000 arrests including more than 26,000 suspected Viet Cong. Confiscations included over 2,000 weapons and 12,000 explosive devices including land mines, grenades, plastic explosives and 37,450 units of medicine/drugs and 1,000 tons of contraband foodstuffs.

The construction of the Marine Police base at Phu Xuan was completed as of December 31, 1970. Spaces for an additional 8,340 police detainees were added during 1970.

FY 1972 Program: \$8,418,000 will be required to fund this project in 1972. Of this sum, \$6,692,000 is for 186 U.S. advisors and 13 third-country nationals; \$1,275,000 will be required for commodities including motor vehicles, spare parts, identification equipment, outboard motors, office equipment, and training materials; \$361,000 for training 100 participants; and \$90,000 for contract third country police advisors. In addition, DOD funds will provide support to the civil paramilitary-oriented aspects of the NP organization, including the NPFF.

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | |
|---|--------------------------|--------------------|--------------------------------|--|
| PROJECT TITLE Public Safety Telecommunications | SECTOR Public Safety | | FUNDS Economic | |
| PROJECT NUMBER 730-11-710-299 | PRIOR REFERENCE P. 77 | FY 1971 FY 1971 | INITIAL OBLIGATION FY: 1966 | SCHEDULED FINAL OBLIGATION FY: 1978 |
| | | Vietnam PDB | | |

Project Target and Course of Action: Under this project, A.I.D. provides support for the National Police Radiophone System for nationwide police operational communications from the national to the district level, and the Government of Vietnam Combined Telecommunications Directorate (CTD). The CTD facilities are a major part of the communications systems available to the Government of Vietnam agencies and USAID from the national to the hamlet level, and its maintenance capabilities are used to assist in maintenance of the National Police Radiophone System. At the lower levels, CTD radios constitute the Village Hamlet Radiophone System (VHRS) and provide the primary method of security communications between approximately 2,300 villages, their subordinate hamlets and respective districts. In addition, the VHRS forms the major communications link with allied military, paramilitary, police and Revolutionary Development Cadre (RDC). DOD funds new and replacement radios and spare parts for the VHRS. A.I.D. provides maintenance, training and technical assistance.

Progress to Date: 40 of 44 planned provincial maintenance shops for VHRS/RDC equipment have been established and are in operation. Three hundred ninety-three technicians were trained locally in 1970 in various aspects of the telecommunications systems and the CTD training school staff is now 100% Vietnamese. Due to the increased proficiency of CTD management and technical personnel, U.S. contract technicians have been reduced by 64% in 1970 and an additional reduction is anticipated for 1971.

At the end of 1970, a total of 51,613 radios were required. The bulk of these are necessary to permit communications with military and paramilitary security elements in rural areas.

FY 1972 Program: \$2,202,000 is proposed to fund the project in FY 1972. Of this, \$432,000 will be required for 14 direct-hire U.S. advisors; \$1,321,000 for commodities, including radios, construction materials, generators, communications equipment, parts and supplies; \$379,000 for contract services to help maintain the country-wide telecommunication systems; and \$70,000 for training nine participants in the United States.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|------------------|---|-------|-----|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | | | |
| Through 6/30/70 | 16,631 | 13,824 | 2,807 | | | | Quinton-Budlong Inc. Far East Technical Services, Inc. | | |
| Estimated FY 71 | 2,601 | 3,328 | | | | | | | |
| Estimated through 6/30/71 | 19,232 | 17,152 | 2,080 | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | |
| Proposed FY 72 | 2,202 | 6,000 | 27,434 | | | | | | |
| | | | | Total Obligations | | | | | |
| | | | | 1,793 | 808 | 2,601 | | 1,823 | 379 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|-------------------------------------|----------------------------------|--------------------------|--------------------|--------------------------------|--|
| PROJECT TITLE Correction Centers | SECTOR Public Safety | | | FUNDS Economic | |
| | PROJECT NUMBER 730-11-710-353 | PRIOR REFERENCE P. 78 | FY 1971 FY 1971 | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: Under this project, A.I.D. provides support for improvements in Vietnamese prison conditions. There is a need to expand the capacity of existing prisons, improve security, and continue to develop better health and rehabilitation facilities.

Specific targets include the renovation and expansion of selected correction centers, the addition of up to 1,000 trained personnel to administer correction centers, further expansion and improvement of medical and sanitation facilities, vocational training, the implementation of a plan for relocating prisoners in order to reduce overcrowding, and inauguration of a system of parole.

A.I.D. will provide technical advisors through a PASA with the Federal Bureau of Prisons, and supplies for prison security and vocational training. Key officials in the prison system will be sent abroad for study and observation of prison administration.

Progress to Date: The problems of poor prison security, inadequate space, and health conditions have been significantly reduced. Facilities for 34,975 prisoners existed at the end of 1970 as compared to 33,435 in 1969. Prisoner mortality has been reduced from a monthly average of 1.4 per thousand in 1967 to .3 per thousand in 1970. Four thousand prisoners were moved to more secure prisons in CY 1970 to alleviate overcrowding and reduce the vulnerability of prison facilities to VC attacks.

Of the 42 prison centers, seven underwent renovation.

All had improvements in sanitation and regular medical visits in 1970.

Vocational training is now being conducted at all 42 national and provincial correction centers through resources of the Ministry of Education. Academic and political reeducation programs have been extended to all correctional centers.

FY 1972 Program: Funding of \$528,000 is requested for FY 1972: \$63,000 for two U.S. direct-hire advisors; \$380,000 to support a PASA team of Correction Advisors; \$61,000 for training 32 participants in the United States and in Taiwan; and \$24,000 for commodity support.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|-------|----------------------------------|-----|-----|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | Proposed FY 1972 | | | | | |
| Through 6/30/70 | 1,382 | 1,085 | 297 | | Direct AID | Contract/Other Agency | | Total | PASA - Federal Bureau of Prisons | | |
| Estimated FY 71 | 350 | 327 | | Technicians | 63 | 138 | 201 | 63 | | 380 | 443 |
| Estimated through 6/30/71 | 1,732 | 1,412 | 320 | Participants | 61 | - | 61 | 61 | | - | 61 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 88 | - | 88 | 24 | | - | 24 |
| | | | | Other Costs | - | - | - | - | | - | - |
| Proposed FY 72 | 528 | 1,050 | 3,310 | Total Obligations | 212 | 138 | 350 | 148 | | 380 | 528 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | |
|--|--|--|
| PROJECT TITLE National Information Services | SECTOR Miscellaneous | FUNDS Economic |
| PROJECT NUMBER 730-11-960-267 | PRIOR REFERENCE P. 65 FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1963 |
| | | SCHEDULED FINAL OBLIGATION FY: 1973 |

Project Target and Course of Action: The objective of this project is to improve the GVN's ability in the field of public information in order to provide a better understanding among the people of GVN policy and programs. All U.S. assistance to the Ministry of Information (MOI) is provided through the Joint U.S. Public Affairs Office (JUSPAO) in Vietnam. Specific MOI activities aided are: the Vietnamese Information Service (VIS) the Information Printing House (IPH), the National Radio Service, and the National Motion Picture Service. Training and some commodity assistance are the principle elements of A.I.D. assistance.

Activity goals are: a completely self sufficient VIS by the end of FY 1972; the transfer to the GVN of responsibility for the printing work now done by the JUSPAO printing office by the end of FY 1972; the completion of construction of four stations being added to the national radio network as well as the training of radio station operation and maintenance personnel by the end of FY 1972; continuing assistance to the National Motion Picture Center in its program of producing at least one high quality newsreel each week and one documentary each month; and regular educational films as requested by other ministries.

Progress to Date: A comprehensive training program has been established to increase the capability of VIS staff to produce effective information material for dissemination to the hamlet level. Three hundred and forty-six

VIS cadre received such specialized training CY 1970.

Monthly printing output of the IPH varied during CY 1970 because of equipment failures and a change of management. Production has returned to normal and transfer of printing responsibility to the GVN from the JUSPAO plant is on schedule.

Construction of the four-station radio network is underway and contracts have been let for an initial year's operation and training of station personnel.

The NMPC is producing one newsreel per week and 20 documentaries annually. This production meets the project target but quality is below standard because of laboratory problems. In addition to newsreels and documentaries, about eight training films are produced annually for various Ministries.

FY 1972 Program: \$739,000 is proposed for this activity in FY 1972: \$584,000 to support 19 direct-hire personnel only three of which will remain at the end of the year; and \$155,000 for supplies and parts for printing, audio visual, and motion picture equipment.

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | | | | PRINCIPAL CONTRACTORS/AGENCIES |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|-------|------------------|-----------------------|-------|--------------------------------|
| | Obligations | Expenditures | Unliquidated | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 7,360 | 3,650 | 3,710 | | | | | | | USIA |
| Estimated FY 71 | 1,312 | 3,190 | | | | | | | | |
| Estimated through 6/30/71 | 8,672 | 6,840 | 1,832 | 1,031 | - | 1,031 | 584 | - | 584 | |
| | | Future Year Obligations | Estimated Total Cost | 12 | - | 12 | - | - | - | |
| | | | | 269 | - | 269 | 155 | - | 155 | |
| Proposed FY 72 | 739 | 170 | 9,581 | - | - | - | - | - | - | |
| | | | | Total Obligations | | | | | | |
| | | | | 1,312 | - | 1,312 | 739 | - | 739 | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | | |
|--------------------------------------|--|--|---------------------------------|---|--|
| PROJECT TITLE My Thuan Bridge | SECTOR Post Hostilities | | | FUNDS Economic | |
| | PRIOR REFERENCE P. 81 FY 1971 Vietnam PDB | | INITIAL OBLIGATION FY: - | SCHEDULED FINAL OBLIGATION FY: - | |
| PROJECT NUMBER | | | | | |

Project Target and Course of Action: The objective of this project is to construct a bridge over the Mekong River at a site approximately ten kilometers west of the city of Vinh Long.

Highway No.4, the major land transport route between Saigon and the fertile Mekong Delta, traverses approximately eighty percent of the Delta on a north-south axis and, as such, is the major line of communication permitting the flow of rice and other crops and commodities from the Delta northward. Maintenance of free, uninterrupted and rapid transit along this route is of paramount importance to the economic development of the Delta and, to a lesser degree, other parts of the country.

The Mekong River bisects Route No.4 west of Vinh Long City and is crossed now by ferry. This ferry crossing has been a "bottleneck" as improved security and increased agricultural production have increased road traffic. Waiting time at the ferry has increased from an average of 30 minutes four years ago to two hours now.

Improved ferry facilities have only provided a temporary solution. Improvements costing \$2.3 million, will meet the growing traffic only for a few years ahead. A survey, conducted under A.I.D. auspices in 1965 and currently reviewed, indicates that a bridge would have a favorable cost/benefit ratio and is the right long-term solution.

Progress to Date: Since early 1960, successive Governments of South Vietnam have pressed for construction of a bridge over the Mekong at My Thuan. The present Government has taken steps to solicit proposals, acquire land at the bridge approaches, establish a My Thuan project office under an Assistant Minister, obtain Cabinet approval to spend up to 50 percent of the cost of construction, and has requested, through their Foreign Office contributions from potential donors. The GVN is also working closely with the Mekong Coordinating Committee (MCC) to resolve international complications as the river serves countries upstream.

To date, five countries have expressed a tentative willingness to contribute to the cost of this project. Their contribution is contingent upon U.S. participation. The U.S. has agreed to participate, subject to availability of funds, once security and economic conditions favor action on the bridge.

FY 1972 Program: Total construction cost is estimated at \$30 million. The GVN is expected to finance half of this, including local costs. The U.S. would fund up to one-quarter of the cost (all in the form of foreign exchange) and other donors are expected to fund the remaining quarter. Any A.I.D. contribution in FY 1972 would be from within presently proposed levels when security and economic conditions permit, through the use of funds presently scheduled for war-related activities.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-----------------|---------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 |
| Through 6/30/70 | Estimated FY 71 | Estimated through 6/30/71 | Proposed FY 72 | | Direct AID | Contract/Other Agency | | Total |
| | | | | | Technicians | | | |
| | | | | Participants | | | | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | | | | |
| | | | | Other Costs | | | | |
| Proposed FY 72 | | | | Total Obligations | | | | |

Table IV

PROJECT DATA SUMMARY
(Dollar Amounts in Thousands)

COUNTRY: VIETNAM

| Project Title | * Project Number | FY of Initial Obligation | FY of Scheduled Final Obligation | Through FY 1970 | | | Estimated FY 1971 | | | Proposed Program FY 1972 | Future Year Obligations | Estimated Total Cost |
|---|------------------|--------------------------|----------------------------------|-----------------|--------------|---------------------------------|-------------------|--------------|---------------------------------|--------------------------|-------------------------|----------------------|
| | | | | Obligations | Expenditures | Unliquidated Obligation 6/30/70 | Obligations | Expenditures | Unliquidated Obligation 6/30/71 | | | |
| Agriculture Extension and Information | 730-11-110-289 | 65 | 69 | 2,444 | 2,438 | 6 | - | 6 | - | | 2,444 | |
| Electric Power | 730-11-220-295 | 65 | 68 | 2,222 | 2,176 | 46 | - | 46 | - | | 2,222 | |
| Rural Electric Cooperatives | 730-11-220-357 | 66 | 69 | 2,113 | 1,693 | 420 | - | 420 | - | | 2,113 | |
| Nha Trang Streets | 730-11-310-396 | 67 | 69 | 3,000 | 2,199 | 801 | - | 801 | - | | 3,000 | |
| Inland Waterways Improvement | 730-11-350-297 | 65 | 70 | 9,932 | 8,938 | 994 | - | 767 | 227 | | 9,932 | |
| Civil Airlines Advisory Assistance | 730-11-370-394 | 68 | 71 | 1,225 | 590 | 635 | 146 | 484 | 297 | | 1,371 | |
| Nursing Education and Training | 730-11-540-349 | 66 | 70 | 1,151 | 1,097 | 54 | - | 54 | - | | 1,151 | |
| Regional Population | 730-11-590-200 | 67 | 69 | 100 | 50 | 50 | - | 50 | - | | 100 | |
| National Health Advisory Services | 730-11-590-373 | 67 | 69 | 537 | 432 | 105 | - | 105 | - | | 537 | |
| Agricultural Education | 730-11-620-323 | 66 | 70 | 691 | 572 | 119 | - | 119 | - | | 691 | |
| Hamlet and Elementary Education | 730-11-640-319 | 67 | 70 | 6,667 | 5,796 | 871 | - | 871 | - | | 6,667 | |
| Nguyen Truong To School | 730-11-650-397 | 68 | 69 | 2,443 | 80 | 2,363 | - | 730 | 1,633 | | 2,443 | |
| Instructional Materials | 730-11-690-320 | 67 | 70 | 1,719 | 1,331 | 388 | - | 151 | 237 | | 1,719 | |
| Central Government Administration | 730-11-720-371 | 67 | 70 | 1,703 | 1,246 | 457 | - | 457 | - | | 1,703 | |
| Legal Administration | 730-11-790-343 | 67 | 69 | 60 | 34 | 26 | - | 26 | - | | 60 | |
| Support of Urban and Municipal Government | 730-11-790-369 | 67 | 69 | 552 | 547 | 5 | - | 5 | - | | 552 | |
| Youth Affairs | 730-11-825-336 | 66 | 70 | 582 | 577 | 5 | - | 5 | - | | 582 | |
| Ming Mang Housing | 730-11-860-395 | 67 | 71 | 4,150 | 3,413 | 737 | 50 | 787 | - | | 4,200 | |
| Logistics Management and Operations | 730-11-970-329 | 66 | 68 | 8,497 | 7,730 | 767 | - | 767 | - | | 8,497 | |
| Mission Wide Commodity Support | 730-11-995-330 | 66 | 70 | 66,607 | 60,917 | 5,690 | - | 5,190 | 500 | | 66,607 | |
| Provincial and Rural Electrification | 730-12-220-379 | 67 | 69 | 2,735 | 1,778 | 957 | - | 676 | 281 | | 2,735 | |
| Saigon Water and Sewerage | 730-12-521-358 | 67 | 71 | 7,175 | 5,535 | 1,640 | 507 | 1,486 | 661 | | 7,682 | |
| Provincial City Water Supply | 730-12-521-386 | 67 | 69 | 2,640 | 1,619 | 1,021 | - | 1,021 | - | | 2,640 | |
| Total | | | | | | | 703 | 15,024 | 3,836 | | 129,648 | |

Vietnam

(U.S. Fiscal Years - Millions of Dollars)

| PROGRAM | U.S. OVERSEAS LOANS AND GRANTS - NET OBLIGATIONS AND LOAN AUTHORIZATIONS | | | | | | | | | | | | REPAY- MENTS AND INTEREST 1946- 1970 | TOTAL LESS REPAY- MENTS AND INTEREST | |
|---|--|----------------------------|-------------------------------------|-------------------------------|--------|--------|--------|--------|---------------------|---------------------|---------------------|---------------------|---|---|------------------------|
| | POST-WAR RELIEF PERIOD | MARSHALL PLAN PERIOD | MUTUAL SECURITY ACT PERIOD | FOREIGN ASSISTANCE ACT PERIOD | | | | | | | | | | | TOTAL 1946- 1970 |
| | 1946-1948 | 1949-1952 | 1953-1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | | | |
| A. OFFICIAL DEVELOPMENT ASSISTANCE | | | | | | | | | | | | | | | |
| A.I.D. AND PREDECESSOR AGENCIES - TOTAL | | | 1,468.2 | 110.7 | 133.2 | 159.3 | 216.1 | 584.4 | 467.0 ^{d/} | 302.0 ^{d/} | 249.2 ^{d/} | 308.4 ^{d/} | 3,998.4 ^{d/} | 81.0 | 3,917.4 |
| Loans | | | 89.8 ^{a/} | - | - | -1.9 | - | - | -0.7 | -0.2 | -0.4 | - | 86.7 | 81.0 | 5.7 |
| Grants | | | 1,378.3 | 110.7 | 133.2 | 161.2 | 216.1 | 584.4 | 467.7 | 302.2 | 249.5 | 308.4 | 3,911.7 | - | 3,911.7 |
| FOOD FOR PEACE - TOTAL | | | 78.3 | 31.9 | 52.6 | 56.7 | 51.7 | 143.0 | 73.7 | 138.5 | 99.4 | 115.0 | 840.9 | 0.6 | 840.3 |
| Title I - Total | | | 16.4 | 26.8 | 23.7 | 34.3 | 41.4 | 98.2 | 73.3 | 96.6 | 60.8 | 75.6 | 547.0 | 0.6 | 546.4 |
| REPAYABLE IN U.S. DOLLARS - LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PAYABLE IN FOREIGN CURRENCY - Planned for Country Use. | | | 16.4 | 26.8 | 23.7 | 34.3 | 41.4 | 98.2 | 73.3 | 96.6 | 60.8 | 75.6 | 547.0 | 0.6 | 546.4 |
| (Loans) | | | (5.4) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (5.4) | (0.6) | (4.8) |
| (Grants) | | | (11.0) | (26.8) | (23.7) | (34.3) | (41.4) | (98.2) | (73.3) | (96.6) | (60.8) | (75.6) | (541.6) | (-) | (541.6) |
| Title II - Total | | | 61.9 | 5.1 | 28.9 | 22.4 | 10.3 | 44.8 | 0.4 | 41.9 | 38.6 | 39.4 | 293.9 | - | 293.9 |
| EMERGENCY RELIEF, ECON. DEVELOPMENT & WORLD FOOD | | | 0.7 | 1.3 | 23.6 | 20.2 | 6.0 | 38.6 | - | 41.7 | 38.2 | 39.4 | 209.9 | - | 209.9 |
| VOLUNTARY RELIEF AGENCIES | | | 61.2 | 3.8 | 5.3 | 2.2 | 4.3 | 6.2 | 0.4 | 0.2 | 0.4 | - | 84.0 | - | 84.0 |
| OTHER OFFICIAL DEVELOPMENT ASSISTANCE | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PEACE CORPS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| OTHER | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL OFFICIAL DEVELOPMENT ASSISTANCE | | | 1,546.5 | 142.6 | 185.8 | 216.0 | 267.8 | 727.4 | 540.7 | 440.5 | 348.5 | 423.4 | 4,839.3 | 81.6 | 4,757.7 |
| Loans | | | 95.3 | - | - | -1.9 | - | - | -0.7 | -0.2 | -0.4 | - | 92.1 | 81.6 | 10.5 |
| Grants | | | 1,451.2 | 142.6 | 185.8 | 217.9 | 267.8 | 727.4 | 541.4 | 440.7 | 348.9 | 423.4 | 4,747.2 | - | 4,747.2 |
| B. OTHER OFFICIAL | | | | | | | | | | | | | | | |
| EXPORT-IMPORT BANK LONG-TERM LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL ECONOMIC | | | 1,546.5 | 142.6 | 185.8 | 216.0 | 267.8 | 727.4 | 540.7 | 440.5 | 348.6 | 423.4 | 4,839.3 | 81.6 | 4,757.7 |
| Loans | | | 95.3 | - | - | -1.9 | - | - | -0.7 | -0.2 | -0.4 | - | 92.1 | 81.6 | 10.5 |
| Grants | | | 1,451.2 | 142.6 | 185.8 | 217.9 | 267.8 | 727.4 | 541.4 | 440.7 | 348.9 | 423.4 | 4,747.2 | - | 4,747.2 |
| MILITARY ASSISTANCE PROGRAM - (Chg. to FAA Approp.)^{c/} | | | | | | | | | | | | | | | |
| Credit Assistance | | | 508.8 | 144.0 | 193.7 | 185.2 | 274.7 | 169.9 | - ^{c/} | - ^{c/} | - ^{c/} | - ^{c/} | 1,476.3 ^{c/} | - | 1,476.3 |
| Grants | | | 508.8 | 144.0 | 193.7 | 185.2 | 274.7 | 169.9 | - | - | - | - | 1,476.3 | - | 1,476.3 |
| (Additional Grants from Excess Stocks) | | | (17.5) | (7.9) | (4.6) | (5.3) | (21.1) | (11.7) | (-) | (-) | (-) | (-) | (68.2) | (-) | (68.2) |
| OTHER MILITARY ASSISTANCE GRANTS | | | - | - | 4.4 | 1.7 | - | - | - | - | - | - | 6.1 | - | 6.1 |
| TOTAL MILITARY | | | 508.8 | 144.0 | 198.1 | 186.9 | 274.7 | 169.9 | - | - | - | - | 1,482.4 | - | 1,482.4 |
| TOTAL ECONOMIC AND MILITARY | | | 2,055.3 | 286.6 | 383.9 | 402.9 | 542.5 | 897.3 | 540.7 | 440.5 | 348.6 | 423.4 | 6,321.7 | 81.6 | 6,240.1 |
| Loans | | | 95.3 | - | - | -1.9 | - | - | -0.7 | -0.2 | -0.4 | - | 92.1 | 81.6 | 10.5 |
| Grants | | | 1,960.0 | 286.6 | 383.9 | 404.8 | 542.5 | 897.3 | 541.4 | 440.7 | 348.9 | 423.4 | 6,229.6 | - | 6,229.6 |

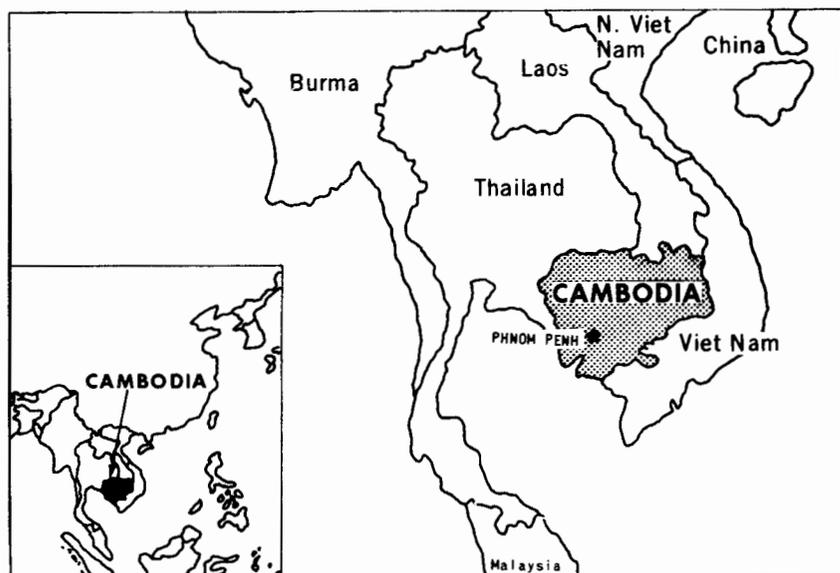
^{a/} Excludes \$3.3 million loan in FY 1958 financed by Asian Economic Development Fund. ^{b/} Excludes aid to Indochina prior to partition. ^{c/} Annual data represent deliveries; total shown is the cumulative program through 1966 when military assistance under FAA was transferred to regular Department of Defense funding. ^{d/} Excludes in millions of dollars: \$42.7 in FY 1967, \$30.6 in FY 1968, \$29.0 in FY 1969, and \$52.0 in FY 1970 in reimbursements by the Department of Defense for grants. ^{e/} Aid from France in 1961 and 1962 not available separately.

| ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS | | | |
|--|---------|---------|------------|
| TOTAL | FY 1969 | FY 1970 | FY 1946-70 |
| | 0.5 | 0.5 | 10.3 |
| UNDP-Special Fund | - | - | 2.6 |
| UNDP-TA (CY) | 0.3 | 0.2 | 3.9 |
| Other UN (CY) | 0.2 | 0.3 | 3.8 |

| D.A.C. COUNTRIES (EXCLUDING U.S.) | | | |
|---------------------------------------|---------|---------|--------------------|
| OFFICIAL BILATERAL GROSS EXPENDITURES | | | |
| DONOR | CY 1968 | CY 1969 | CY 1960-69 |
| TOTAL | 13.0 | 15.3 | 148.0 |
| Japan | 0.5 | 0.8 | 50.6 |
| France | 3.8 | 2.3 | 45.7 ^{e/} |
| Germany | 0.8 | 7.4 | 27.3 |
| Other | 8.0 | 4.8 | 24.5 |

| ASSISTANCE FROM COMMUNIST COUNTRIES | |
|-------------------------------------|----|
| (Loans and Grants Extended) | |
| 1969 (Calendar Year) | -- |
| 1970 (Calendar Year) | -- |
| Cumulative Thru 1970 | -- |

CAMBODIA - GENERAL ECONOMIC DATA



CENTRAL GOVERNMENT FINANCES^a

| (FY Ending December 31) | 1969 (Millions of dollars)* | 1970 (Millions of dollars)* |
|----------------------------------|--------------------------------|--------------------------------|
| Total Expenditures | 153 | 252 |
| (Defense Expenditures) | (45) | (126) |
| (Capital Outlay) | (n.a.) | (n.a.) |
| Total Domestic Revenues | 129 | 89 |
| As Percent of GNP | 17.4 | n.a. |
| Deficit (-) or Surplus (+) | -24 | -163 |

BASIC DATA

| | | | |
|------------------------------------|-----------------|------------------------------------|--------|
| Population (millions; mid-1970) | 6.8 | Per Capita GNP (1969; dollars) ... | 111* |
| Annual Growth Rate (percent).... | 2.2 | Life Expectancy (Years) | 44 |
| Area (1,000 square miles) | 70 | People per Doctor | 22,500 |
| Population Density Per Sq. Mile | 98 | Literacy Rate (percent) | 41 |
| Agricultural Land as % of Area ... | 20 | Students as % of 5-19 Age Group .. | 42 |
| Percent of Labor Force in Agri.. | 80 ^b | (Primary and Secondary) | |

PRODUCTION TRENDS

| | 1966 | 1967 | 1968 | 1969 | 1970 Est. |
|--------------------------------------|-------|-------|-------|------------------|-----------|
| Agricultural Production | | | | | |
| Total Index (1961-65=100) | 102 | 129 | 106 | 112 | 97 |
| Index Per Capita (1961-65=100) | 96 | 118 | 95 | 98 | 83 |
| Rice, rough (1,000 MT) | 2,460 | 3,250 | 2,500 | 2,800 | 2,400 |
| Electric Power Production | 89 | 95 | 128 | 125 ^E | n.a. |
| (Million KWH) | | | | | |

INTERNATIONAL TRADE (\$ millions)

| | | | | | |
|------------------------------|------|------|------|------|------|
| Total Exports (f.o.b.) | 67 | 83 | 89 | 62 | 41 |
| Rice | (24) | (37) | (37) | (12) | (17) |
| Total Imports (c.i.f.) | -111 | -96 | -116 | -90 | -40 |
| Trade Balance | -44 | -13 | -27 | -28 | 1 |

GOLD & FOREIGN EXCHANGE (\$ millions)[†]

| | | | | | |
|--------------------------------|-----|----|----|----|----------|
| Official Reserves | 100 | 91 | 77 | 66 | 67(Sept) |
| Commercial Bank Holdings | 12 | 19 | 16 | 11 | 11(Mar) |

| | | | | | |
|---------------------------------------|-----|-----|-----|-----|-----|
| CONSUMER PRICE INDEX (1963=100) | 105 | 105 | 111 | 118 | 130 |
| (Phnom Penh) | | | | | |

* - Converted at 55 riels per U.S. \$.

† Gross basis; end of period.

E - Estimate.

n.a. - Not available

a - Budget estimates.

b - Pre-hostilities.

CAMBODIA

INDEX

| | <u>Page</u> |
|---|-------------|
| I Summary of Country Program..... | C-1 |
| Table II Summary of Program by Function..... | C-3 |
| Table III - Program Technical Support..... (Project) | C-4 |

CAMBODIA

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|-------------------|----------------------|---------------------|
| | FY 1970 Actual | FY 1971 Estimated | FY 1972 Proposed |
| Economic Supporting Assistance.. | - | 70.0 | 110.0 |
| Total | - | 70.0 | 110.0 |

OBJECTIVES OF U.S. ASSISTANCE

The fundamental objective of U.S. economic assistance is to enable Cambodia to withstand the abnormal economic dislocations caused by the North Vietnamese and Viet Cong invasion. This objective is being pursued through a program of A.I.D.-financed imports to help offset losses in Cambodia's domestic production and export earnings caused by the war. The program will provide a flow of imports at approximately pre-war levels in an attempt to prevent serious deterioration in living standards. The economic disruption which would occur without such outside aid would inevitably contribute to political instability.

A second important objective of U.S. economic assistance is to complement U.S. support of Cambodian military efforts to confront and ultimately push back and expel the North Vietnamese and Viet Cong. This will be of great assistance to our Vietnamization program by denying Cambodia to the North Vietnamese and Viet Cong as a logistics base and staging area for mounting attacks on South Vietnam. This Cambodian effort will be supported through application of local currency generated by A.I.D.-financed imports to Cambodia's wartime budget expenditures, thereby sustaining the Cambodian Government's determined efforts to re-establish control over North Vietnamese-occupied areas inside Cambodia.

Achievement of these two-fold objectives of U.S. economic assistance to Cambodia will contribute to the overall objective of U.S. policy in Cambodia under the Nixon Doctrine -- by permitting U.S. troop withdrawals from South Vietnam to continue as scheduled, and by helping Cambodia block North Vietnam's access

to South Vietnam through Cambodia.

It is our policy to implement these objectives with a minimum of direct U.S. involvement--keeping American staff to a minimum consistent with sound management, relying heavily on existing Cambodian institutions and encouraging Cambodia's use of multi-lateral advice and assistance. In response to a Cambodian request, an IMF Mission visited Cambodia in March (following an earlier visit in September 1970) to discuss with the Cambodian Government necessary monetary, budgetary and fiscal improvements. Japan, Australia and New Zealand have also recently provided modest amounts of aid. France, Denmark and the Asian Development Bank have approved loans for development projects which will, however, require renegotiation as to their purposes if they are to be used in the immediate future.

PROBLEMS AND PROGRESS

Economic

The outbreak of hostilities in March 1970 has had a far-reaching impact on the Cambodian economy. Trade and commerce have been disrupted by North Vietnamese/Viet Cong control or interdictions of several key lines of communication and the destruction of rail lines and bridges. Mobilization of men and women volunteers for the Cambodian Armed Forces, as well as forced conscription in enemy-controlled areas has deprived the economy of an important segment of the civilian labor force. By August 1970 some 200,000 Vietnamese, including many skilled workers, had been repatriated to South Vietnam; and some 500,000 Cambodians had moved from war-afflicted areas to the capital city, Phnom Penh. Lately there have also been signs of an increasing exodus of members of the Chinese business community, which plays a key role in the marketing of goods.

North Vietnamese occupation of rubber plantations and other crop-producing areas, combined with the interdiction of internal transport and the Government's mobilization of part of the agricultural labor force, has reduced Cambodia's projected foreign exchange earnings from exports drastically -- from a level of \$62 million in 1969 to an estimated \$14 million for 1971. The possibility of expanding the previous level of foreign exchange earnings through tourism has obviously disappeared.

Imports declined sharply from \$90 million in 1969 to about \$40 million in 1970. This decline stemmed from the Cambodian Government's drawdown of relatively ample stocks of

CAMBODIA

imported commodities available at the outbreak of hostilities as well as from importers' uncertainties. The Cambodian Government is currently projecting import requirements for 1971 at about \$90 million -- \$70 million of which will be financed from U.S. FY 1971 funds under the Commodity Import Program.

In some sectors disruption has not been as great as anticipated. The primary rice-producing areas are held by the government, and favorable growing and harvesting conditions have resulted in a relatively plentiful rice crop with no significant food shortages as yet. However, sugarcane, corn and tobacco availabilities have declined due to enemy invasions; and rice distribution and export are subject to bottlenecks and closures of key arteries. Petroleum shortages were further aggravated by the North Vietnamese/Viet Cong attack on Cambodia's only oil refinery in early March of 1971.

Prices in 1970 were not adversely affected, although they rose sporadically at times in relation to temporary fluctuations in the money supply. From March through October 1970 the price index rose only 17 percent and consumer reaction seems to have been an important factor in stemming any serious price spiral during that period. However, underlying inflationary pressures remain.

Political-Military

The internal political situation in Cambodia has remained remarkably stable under the circumstances. The same government which was in office prior to Prince Sihanouk's deposition remained in office after March 1970 with only some minor subsequent changes, and criticisms of the government from various urban groupings, including students and Buddhists, have been largely constructive. Even Prime Minister Lon Nol's unexpected illness and hospitalization outside the country in early February produced no apparent instability and Deputy Prime Minister Sisowath Sirik Matak took over the functions of Acting Premier smoothly.

The war is currently being fought primarily along lines of communication. The North Vietnamese/Viet Cong control roughly half of Cambodia's territory, in which about one-third of its population lived as of March 1970. The enemy also has the capability to harass or conduct hit-and-run raids throughout most of the rest of the country. The Cambodian Armed Forces have expanded from a pre-war level of almost 40,000 to the estimated level of over 200,000; and Cambodia is making a concerted effort to train and arm new recruits, almost all of whom are volunteers.

FY 1972 PROGRAM

Proposed economic assistance to Cambodia in FY 1972 totals \$110 million to finance a continuing program of non-agricultural commodity imports. There will also be a program of up to \$20 million of agricultural commodities under PL 480 Title I, largely for cotton and wheat flour.

The economic assistance program proposed for FY 1972 represents a continuation of the import pattern which the United States financed in FY 1971. Economic Supporting Assistance totalling \$110 million will be used to procure essential commodities primarily from the United States, under a commercial import program. The major part of these funds will finance petroleum products, transportation equipment and spare parts, chemicals industrial raw materials and machinery and other equipment. It is anticipated that certain other essential imports as well as humanitarian aid will be financed by other donors, while Cambodia will utilize its own foreign exchange to finance mainly consumer goods imports. Local currency generated by U.S.-financed imports will be used by the Cambodian Government for support of its budget, the major element of which is for military expenditures.

SUMMARY OF PROGRAM BY FUNCTION
(Dollar Amounts in Thousands)

TABLE II

Country: CAMBODIA

| Category | Actual FY 1970 | | | | Estimate FY 1971 | | | | Proposed FY 1972 | | |
|---|----------------|-------------|---------------|---------------|------------------|-------------|---------------|---------------|------------------|-------------|----------------|
| | Total | Tech. Coop. | Supp. Assist. | Conting. Fund | Total | Tech. Coop. | Supp. Assist. | Conting. Fund | Total | Tech. Coop. | Supp. Assist. |
| Development Loan Program | | XXX | XXX | XXX | - | XXX | XXX | XXX | - | XXX | XXX |
| Programs Other than Devel. Loan | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | |
| U.S. Technicians | | | | | 170 | - | 170 | - | 310 | - | 310 |
| Participants | | | | | - | - | - | - | - | - | - |
| Commodities | | | | | - | - | - | - | 20 | - | 20 |
| Other Costs | | | | | 130 | - | 130 | - | 170 | - | 170 |
| Total Project Assistance | | | | | 300 | - | 300 | - | 500 | - | 500 |
| Method of Financing | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | |
| Direct A.I.D. | | | | | 300 | - | 300 | - | 400 | - | 400 |
| Other Agency | | | | | - | - | - | - | 100 | - | 100 |
| Contract | | | | | - | - | - | - | - | - | - |
| Program Assistance | | | | | 69,700 | - | 69,700 | - | 109,500 | - | 109,500 |
| Total Other than Devel. Loan | | | | | 70,000 | - | 70,000 | - | 110,000 | - | 110,000 |
| Total Assistance | | XXX | XXX | XXX | 70,000 | XXX | XXX | XXX | 110,000 | XXX | XXX |

NUMBER OF U.S. TECHNICIANS (Program Overseas)

| TYPE OF TECHNICIAN | On Duty At Close of Year | | |
|----------------------------------|--------------------------|------------------|------------------|
| | Actual FY 1970 | Estimate FY 1971 | Proposed FY 1972 |
| A.I.D. employed | - | 3 | 4 |
| Participating agency | - | - | - |
| Contractor technicians | - | - | - |
| Total | - | 3 | 4 |

NUMBER OF PARTICIPANTS

| TYPE OF PARTICIPANT | Programmed During Year | | |
|------------------------|------------------------|------------------|------------------|
| | Actual FY 1970 | Estimate FY 1971 | Proposed FY 1972 |
| Non-contract | | | |
| Contract | | | |
| Total | | | |

Cambodia ^{a/}

(U.S. Fiscal Years - Millions of Dollars)

| PROGRAM | U.S. OVERSEAS LOANS AND GRANTS - NET OBLIGATIONS AND LOAN AUTHORIZATIONS | | | | | | | | | | | | TOTAL 1946- 1970 | REPAY- MENTS AND INTEREST 1946- 1970 | TOTAL LESS REPAY- MENTS AND INTEREST |
|--|--|------------------------------------|-------------------------------------|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|------------------------|---|---|
| | POST-WAR RELIEF PERIOD | MARSHALL PLAN PERIOD | MUTUAL SECURITY ACT PERIOD | FOREIGN ASSISTANCE ACT PERIOD | | | | | | | | | | | |
| | 1946-1948 | 1949-1952 | 1953-1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | | | |
| A. OFFICIAL DEVELOPMENT ASSISTANCE | | | | | | | | | | | | | | | |
| A.I.O. AND PREDECESSOR AGENCIES - TOTAL..... | | | <u>217.1</u> | <u>31.2</u> | <u>18.6</u> | <u>-7.9</u> | <u>-6.1</u> | <u>-0.4</u> | <u>-0.3</u> | <u>-0.3</u> | <u>-0.2</u> | <u>*</u> | <u>251.7</u> | <u>-</u> | <u>251.7</u> |
| Loans..... | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants..... | | | 217.1 | 31.2 | 18.6 | -7.9 | -6.1 | -0.4 | -0.3 | -0.3 | -0.2 | * | 251.7 | - | 251.7 |
| FOOD FOR PEACE - TOTAL..... | | | <u>2.3</u> | <u>*</u> | <u>*</u> | <u>*</u> | <u>*</u> | <u>*</u> | <u>*</u> | <u>*</u> | <u>*</u> | <u>*</u> | <u>2.5</u> | <u>-</u> | <u>2.5</u> |
| Title I - Total..... | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| REPAYABLE IN U.S. DOLLARS - LOANS..... | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PAYABLE IN FOREIGN CURRENCY - Planned for Country Use. | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (Loans)..... | | NO PROGRAMS PRIOR TO FY 1955 | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| (Grants)..... | | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| Title II - Total..... | | | 2.3 | * | * | * | * | * | * | * | * | * | 2.5 | - | 2.5 |
| EMERGENCY RELIEF, ECON. DEVELOPMENT & WORLD FOOD..... | | | 2.3 | - | - | - | - | - | - | - | - | - | 2.4 | - | 2.4 |
| VOLUNTARY RELIEF AGENCIES..... | | | * | * | * | * | * | * | * | * | * | * | 0.1 | - | 0.1 |
| OTHER OFFICIAL DEVELOPMENT ASSISTANCE..... | | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| PEACE CORPS..... | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| OTHER..... | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL OFFICIAL DEVELOPMENT ASSISTANCE..... | | | <u>219.4</u> | <u>31.2</u> | <u>18.6</u> | <u>-7.9</u> | <u>-6.1</u> | <u>-0.4</u> | <u>-0.3</u> | <u>-0.3</u> | <u>-0.2</u> | <u>*</u> | <u>254.2</u> | <u>-</u> | <u>254.2</u> |
| Loans..... | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants..... | | | 219.4 | 31.2 | 18.6 | -7.9 | -6.1 | -0.4 | -0.3 | -0.3 | -0.2 | * | 254.2 | - | 254.2 |
| B. OTHER OFFICIAL | | | | | | | | | | | | | | | |
| EXPORT-IMPORT BANK LONG-TERM LOANS..... | | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL ECONOMIC..... | | | <u>219.4</u> | <u>31.2</u> | <u>18.6</u> | <u>-7.9</u> | <u>-6.1</u> | <u>-0.4</u> | <u>-0.3</u> | <u>-0.3</u> | <u>-0.2</u> | <u>*</u> | <u>254.2</u> | <u>-</u> | <u>254.2</u> |
| Loans..... | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants..... | | | 219.4 | 31.2 | 18.6 | -7.9 | -6.1 | -0.4 | -0.3 | -0.3 | -0.2 | * | 254.2 | - | 254.2 |
| MILITARY ASSISTANCE PROGRAM - (Chg. to FAA Approp.)^{b/}..... | | | <u>64.7</u> | <u>8.7</u> | <u>9.9</u> | <u>3.6</u> | <u>0.3</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4.8</u> | <u>96.0</u> | <u>-</u> | <u>96.0</u> |
| Credit Assistance..... | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants..... | | | 64.7 | 8.7 | 9.9 | 3.6 | 0.3 | - | - | - | - | 4.8 | 96.0 | - | 96.0 |
| (Additional Grants from Excess Stocks)..... | | | (3.0) | (0.5) | (0.8) | (*) | (-) | (-) | (-) | (-) | (-) | (0.1) | (4.5) | (-) | (4.5) |
| OTHER MILITARY ASSISTANCE GRANTS..... | | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL MILITARY..... | | | <u>64.7</u> | <u>8.7</u> | <u>9.9</u> | <u>3.6</u> | <u>0.3</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4.8</u> | <u>96.0</u> | <u>-</u> | <u>96.0</u> |
| TOTAL ECONOMIC AND MILITARY..... | | | <u>284.1</u> | <u>39.9</u> | <u>28.5</u> | <u>-4.3</u> | <u>-5.8</u> | <u>-0.4</u> | <u>-0.3</u> | <u>-0.3</u> | <u>-0.2</u> | <u>4.8</u> | <u>350.2</u> | <u>-</u> | <u>350.2</u> |
| Loans..... | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants..... | | | 284.1 | 39.9 | 28.5 | -4.3 | -5.8 | -0.4 | -0.3 | -0.3 | -0.2 | 4.8 | 350.2 | - | 350.2 |

*Less than \$50,000. ^{a/} Excludes aid to Indochina prior to partition. ^{b/} Annual data represent deliveries; total through 1970 is the cumulative program.

| ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS | | | |
|--|---------|---------|------------|
| TOTAL | FY 1969 | FY 1970 | FY 1946-70 |
| | 1.1 | 3.7 | 18.5 |
| Asian Development Bank | - | 1.7 | 1.7 |
| UNDP - Special Fund | - | 1.3 | 6.8 |
| UNDP - TA (CY) | 0.7 | 0.4 | 6.5 |
| Other UN (CY) | 0.4 | 0.3 | 3.5 |

| O.A.C. COUNTRIES (EXCLUDING U.S.) | | | |
|---------------------------------------|---------|---------|------------|
| OFFICIAL BILATERAL GROSS EXPENDITURES | | | |
| DONOR | CY 1968 | CY 1969 | CY 1960-69 |
| TOTAL | 8.9 | 11.5 | 60.3 |
| France | 7.1 | 6.1 | 42.8E/ |
| Japan | 0.6 | 3.0 | 9.3 |
| Germany | 0.7 | 1.0 | 3.9 |
| Other | 0.5 | 1.4 | 4.4 |

| ASSISTANCE FROM COMMUNIST COUNTRIES | |
|-------------------------------------|----|
| (Loans and Grants Extended) | |
| 1969 (Calendar Year)..... | 12 |
| 1970 (Calendar Year)..... | -- |
| Cumulative Thru 1970..... | 92 |

^{c/} Aid from France in 1961 and 1962 not available separately.

LAOS - GENERAL ECONOMIC DATA



BASIC DATA

| | | | |
|------------------------------------|------------------|------------------------------|--------|
| Population (millions; mid-1970) .. | 3.0 ^a | Life expectancy (years) | 30-35 |
| Annual Growth Rate (percent) ... | 2.4 | People Per Doctor | 23,380 |
| Area (1,000 square miles) | 91 ^a | Literacy Rate (percent) | 15 |
| Population Density per sq. mi. . | 32 | Students as Percent of | |
| Agricultural Land as % of Area . | 7 | 5-19 Age Group | 27 |
| | | (Primary & Secondary) | |
| GNP Per Capita (1969; dollars) ... | 73 ^b | | |

PRODUCTION TRENDS

| | 1966 | 1967 | 1968 | 1969 | 1970 Est. |
|---|------|------|------|---------|-----------|
| Agricultural Production | | | | | |
| Rice, rough (1,000 MT) | 735 | 730 | 770 | 805 | 870 |
| Timber prod. (1,000 cu. meters) | 72 | 115 | 67 | 118 | 73 |
| Electric Power Output (Million KWH) | 27 | 31 | 32 | 27(Est) | n.a. |

INTERNATIONAL TRADE (\$ millions)

| | | | | | |
|---|-------|-------|-------|-------|-------|
| Total Exports (f o.b.) ^c | 1.1 | 2.3 | 2.9 | 2.1 | 2.9 |
| Tin Ore | (0.6) | (1.1) | (1.6) | (1.1) | (1.5) |
| Total Imports (c.i.f.) ^d | -40.8 | -42.0 | -45.4 | -46.1 | n.a. |
| Trade Balance | -39.7 | -39.7 | -42.5 | -44.0 | n.a. |

GOLD & FOREIGN EXCHANGE (\$ millions)^e

| | | | | | |
|--------------------------------------|------|------|-----|-----|-----|
| Official Reserves ^f | 6.7 | 5.7 | 5.8 | 5.3 | 6.4 |
| Commercial Holdings | n.a. | n.a. | 1.4 | 2.3 | 3.6 |

| | | | | | |
|---------------------------------------|-----|-----|-----|-----|-----|
| CONSUMER PRICE INDEX (1963=100) | 254 | 274 | 288 | 297 | 298 |
| (Vientiane) | | | | | |

a - About 2/3 of the population and 1/2 the area are under Royal Lao Government control.
 b - Estimated directly in dollars. c - Recorded commercial exports only. d - Estimate based on trading partner data. e - Gross basis, end of year. f - Includes inconvertible holdings. n.a. - Not available.

CENTRAL GOVERNMENT FINANCES (Fiscal Ending June 30)

| | 1969 (Millions of dollars) | 1970 (Millions of dollars) ^a |
|--------------------------------|-------------------------------|--|
| Total Expenditures | 34 | 36 |
| (Defense Expenditures) | (18) | (19) |
| (Capital Outlays) | (1) | (2) |
| Total Domestic Revenues | 14 | 16 |
| As % of GNP ^d | 9.6 | n.a. |
| Deficit (-) or Surplus (+) ... | -20 | -20 |

a - Converted at 505 kip per dollar. b - As % of GNP in RLG controlled area. n.a. - Not available.

LAOS

INDEX

| | <u>Page</u> |
|---|-------------|
| I - Summary of Country Program | D-1 |
| Table II - Summary of Program by Function | D-5 |
| Table III - Agriculture Development | D-6 |
| (Projects) | |
| Industry Development | D-7 |
| Development of Lao National Roads | D-8 |
| Maternal and Child Health | D-9 |
| Public Health Development | D-10 |
| Education Development | D-11 |
| Civil Police Administration | D-12 |
| Development of Rural Economy | D-13 |
| Refugee Relief and Resettlement | D-14 |
| Air Technical Support | D-15 |
| Public Administration Development | D-16 |
| General Technical Support | D-17 |
| Table IV - Project Data Summary (Pipeline Projects) | D-18 |

LAOS

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|-------------------|----------------------|---------------------|
| | FY 1970 Actual | FY 1971 Estimated | FY 1972 Proposed |
| Technical Assistance..... | 8.3* | 7.5* | - |
| Economic Supporting Assistance.. | 43.6 | 38.4 | 50.6 |
| Total | 51.9 | 45.9 | 50.6 |

* Includes Development Loan funded grants of \$1.1 million in FY 1970 and \$0.9 million in FY 1971 for population programs under Title X of the Foreign Assistance Act.

OBJECTIVES OF U.S. ASSISTANCE

The primary U.S. objective in Laos is to maintain an independent Laos, neutral within the framework established by the 1962 Geneva Agreements and capable of protecting itself and the security of the Mekong River Valley from North Vietnamese and Lao People's Liberation Army aggression.

U.S. economic assistance toward this objective is concentrated primarily in two areas: (1) control of inflationary pressures which threaten the country's economic and political stability and (2) helping the Royal Lao Government provide essential services and facilities in rural areas in order to relieve war-imposed suffering and promote public confidence in the Government.

PROBLEMS AND PROGRESS

The war in Southeast Asia continues to be the most significant factor affecting Laos. With a population of less than two million in the territory under Government control, Laos is forced by communist aggression and insurgency to maintain nearly 20% of its military-age men under arms.

The Lao army has resisted continued assaults by the North Vietnamese and the Lao People's Liberation Army on territory held by the Government. However, the largely non-monetized subsistence agricultural economy falls far short of providing an adequate tax base to finance this military effort. Although increasing, total domestic revenues still equal only the non-military costs of the Lao Government -- less than half of total budgeted expenditures. The deficit financing thus required to pay for military operations of the Government creates new

spending power within the country each year and consequent strong inflationary pressures.

Stabilization programs financed by the United States and other donors have brought relative price stability to Laos since 1964 despite the deficit spending by the Lao Government. For its part, the Government has made a continuing effort to limit its deficit spending in the face of mounting needs.

FY 1972 PROGRAM

The proposed FY 1972 program totals \$50.6 million, divided into \$18.2 million for the stabilization program and \$32.4 million for project activities.

In addition P.L. 480 Title II assistance of \$1.9 million will provide food aid and cotton cloth for refugees. Aid totalling \$15 to \$17 million is expected from other donor countries (principally Japan, France and the United Kingdom) and the U.N. for support of a variety of developmental activities and for the Laos stabilization program.

Stabilization Assistance

Support of the multilateral economic stabilization program must be accorded highest priority if economic and, therefore, political stability is to be maintained.

Prior to 1964 the United States and other donor countries financed commodity import programs to absorb excess domestic spending power in an effort to maintain price stability. These programs did not adequately serve the needs of most Lao importers for small amounts of quickly available foreign exchange. In 1964 the Lao Government and a group of donor nations instituted a comprehensive, multilateral stabilization program recommended by the International Monetary Fund. The core of this program is the Foreign Exchange Operations Fund (FEOF), which reduces kip in circulation by buying local currency on the open market with foreign exchange contributed by the United States, Australia, France, Japan and the United Kingdom.

A resident representative of the International Monetary Fund (IMF) provides advisory assistance in monetary and fiscal affairs, and the governments contributing to FEOF follow Lao Government fiscal performance closely in order to help assure continued improvement. IMF teams visit Laos periodically to study and make recommendations on monetary and fiscal problems. The United

LAOS

States provides technical assistance in these and other areas of public administration.

A small United States Import Program (USIP) supplements FEOF by financing the foreign exchange costs of selected equipment and raw materials needed to promote local industries.

The \$18.2 million requested for the stabilization program for FY 1972 includes \$16.7 million for FEOF and \$1.5 million for the USIP.

Project Assistance

The project program will in FY 1972 continue to help the Lao Government provide basic services and facilities for which its own financial resources and supply of skilled personnel remain inadequate and without which political stability would be seriously jeopardized.

Refugees. The United States furnishes refugees with food, clothing, medical care and supplies; provides air services for emergency relocation of refugees and for delivering supplies to them, and helps refugees resettle and become self-sufficient. The United States also helps train junior Lao Government officials to perform refugee work at both the national and provincial levels. The provision of refugee assistance is carried out not only through the Refugee Relief and Resettlement Project but also as important elements of projects that have other purposes as well -- e.g., air support, public health and rural development.

The number of refugees and amount of support required vary with military actions and crop conditions. North Vietnamese/Pathet Lao offensives of 1969, 1970 and early 1971 have greatly increased the number of refugees in the areas under Lao Government control. At the beginning of FY 1971 the total was about 250,000; it rose to almost 280,000 by January 1971 and is now about 300,000. In FY 1971 A.I.D.-assisted refugees will average, we estimate, about 275,000; in FY 1972 the average may be around the current total, 300,000. We are proposing \$4.7 million for the Refugee Relief and Resettlement Project in FY 1972.

Rural Development. For this project \$4.1 million is proposed. U.S. activities in this field are concentrated on institutional development and on fostering economic links between producers and markets. American and Lao community development advisors help villagers and refugees identify basic needs, organize local resources and work together through local leaders and government

officials. Activities financed include construction of schools, dispensaries, wells and rural roads and improvement of local skills and techniques, particularly in agricultural production. While the initial aim is to bridge the gap between the central government and the rural population, the program also lays the groundwork for expanded agricultural production, the key to ultimate economic independence.

During the past four years the use of local resources has been encouraged by making rural construction contingent upon the provision of local materials and labor by villagers. Many local projects are now proceeding without U.S. financing. Increasing emphasis is being placed on organizational and leadership training, formal and informal, and on technical training for farmers and villagers.

Public Health. The country has only a few Lao doctors and nurses to combat the high prevalence of such diseases as malaria, dysentery and influenza and to reduce a high infant mortality rate. In addition the prolonged military action in Laos produces refugees and civilian casualties who must be given medical care. The public health project provides medical services in rural areas through 290 A.I.D.-supported facilities. Seven municipal hospitals are operated by Filipino medical personnel under A.I.D. contracts. Training programs provide medics to operate dispensaries, as well as assistant nurses and midwives. However, the dearth of qualified candidates for University medical study limits the development of a long-range program to improve public health standards and services.

In FY 1972 we will continue to provide technical assistance and supplies to Government health facilities. The project will require \$3.9 million in FY 1972 funds.

Roads. Laos has an extremely poor system of surface transportation. It has no railroads, the navigability of its rivers and streams is seasonal and its road system is primitive. The United States assists in the construction and maintenance of major arteries and roads. This program contributes to security objectives and also helps join villages hitherto unreachable, except by boat or air to the rest of the nation and its commerce.

The program also develops local capacity to build and maintain the road network needed for national integration and economic growth. Improvement in the Government's capability is demonstrated by the growth in its maintenance activities. Maintenance mileage has increased by about 50 percent over the past four

LAOS

years. Through FY 1970, about 800 Lao, from supervisory to semi-skilled levels, have completed training programs in skills such as engineering, drafting and equipment maintenance. In FY 1972 both academic and on-the-job training will continue.

The FY 1972 funding requirement for the roads program is \$2.4 million for commodities and personnel needed in construction and maintenance and for training activities.

Agriculture. Expanding rice production is a major undertaking in our assistance to Laos. As security permits, project activities center on building the necessary infrastructure -- roads, irrigation systems, storage facilities -- and farmer motivation. The immediate objective is to eliminate the chronic need for rice imports.

The use of improved seed varieties, fertilizers and insecticides has already yielded dramatic production increases in selected areas. A widespread and successful campaign to distribute new seeds, demonstrate new methods and train farmers in villages and in refugee resettlement projects was begun in FY 1968. Introduction of double cropping has demonstrated that, with use of improved seed varieties, farm chemicals and irrigation, production can be expanded up to five times the present yield.

In FY 1971 and 1972 the United States will continue to help the Government develop more effective and expanded facilities for providing credit to small farmers and assure markets for increased production. The agriculture program will continue to require the import of fertilizer and insecticides, assistance in developing rice milling and storage facilities and in developing vegetable crops and livestock production as well as U.S. advisory assistance. With development of credit facilities and expanded production, farmers have begun to pay for some equipment and other supplies previously furnished by the United States on a grant basis.

In FY 1972, \$2 million will be required. Of this amount, \$365,000 is earmarked for purchase of commodities and \$1.62 million for continuation of technical advisory services and support of ongoing irrigation projects.

Education. The extreme shortage of trained manpower in Laos is one of the chief obstacles to national unity and effective government services. In addition the continuing popular demand for education in the rural areas is a challenge to the Government's efforts to retain popular support. Consequently,

the Lao Government devotes about 20 percent of its civil budget to education.

A.I.D. has been helping the Government expand the elementary education base and increase the number of trained teachers. The United States will concentrate during the next few years on the Lao normal schools, aiming at a total enrollment of 3,500 by 1975 -- compared to about 3,000 in FY 1969 -- and on expanding the Lao-language secondary education system, begun in FY 1968, which includes both vocational and academic training. Assistance is provided for village self-help elementary school construction. The Lao Government has set up a system of local contributions or taxes to provide long-range financing for adequate teachers' salaries, operating costs of the elementary system and expansion of the Lao-language secondary school system.

Assistance totalling \$1.7 million is proposed in FY 1972, mainly for assisting six normal schools, providing advisory services to the elementary school system and constructing a fourth Lao-language comprehensive secondary school under supervision of a University of Hawaii contract team.

Public Administration. The United States provides advisory and training assistance designed to improve the administration and operations of two key Government ministries, Finance and Planning. The program includes the upgrading of personnel skills and advising the Finance Ministry of means of improving budgeting, taxation and expenditure controls. U.S. advisory and training services help in economic and manpower research and planning. (During FY 1970 the Government published a general, broad-gauge development plan for the years 1970-1975). For FY 1972, \$762,000 is proposed to continue this program.

Industry. A major aim of our industry program is to increase Lao foreign exchange earnings by promoting local industries which have potential export as well as domestic markets. Initial emphasis from 1968 through 1970 was placed on developing the timber industry, which has an immediate market in Thailand. Export earnings from timber increased from \$80,000 in 1966 to an average of over \$900,000 per year from 1968 through 1970. A.I.D. and other donors have provided technical services for a forest inventory and for training of Lao foresters.

With local currency (kip) generated by the United States commodity import program, the Lao Government has established an Industry Loan Fund, which has made loans to local sawmillers to help them modernize their operations. The kip loans have been

used to buy U.S. equipment through the U.S. import program at a subsidized price. Technical and loan assistance to furniture and veneer manufacturers was begun in FY 1969 and continued in FY 1970 and FY 1971. In addition to continuing support to the timber and secondary wood products industries, studies and technical assistance are planned for development of small agro-industries such as farm-implement manufacturing, food and fiber processing and for development of crop marketing and storage facilities. Medium-term loans from the Industry Loan Fund will be available for expansion or creation of new enterprises which will also be supported by the U.S. Commodity Import Program (USIP) where feasible.

\$245,000 will be required in FY 1972 for these activities.

Civil Police Administration. The United States assists the Lao Government in developing the capability of its national police force to enforce law, maintain public order and combat subversive elements. This assistance involves advisory services, training for public officials, provision of communications and transportation equipment and development of physical facilities.

Completion in 1968-1969 of the primary national police radio network linking Vientiane police headquarters with the provincial headquarters has improved the coordination and efficiency of police operations. The installation of the most important segments of an intra-province radio network will be completed during FY 1971. The scope and effectiveness of police training has expanded steadily as the staffing of the central police academy, construction of which was completed during CY 1970, has progressed.

For this project, \$425,000 is proposed in FY 1972.

Family Planning. The United States is giving assistance to the Lao Government for the development of a national maternal and child health center. A beginning has been made on extending maternal and child health services to rural areas. This program will provide improved clinical care, additional medical training and channels for dissemination of information on improved mother and infant health care and family planning.

This project will require \$515,000 in FY 1972.

Support Projects. Under an Air Technical Support Project, for which we propose \$6.8 million in FY 1972, air services required in the economic assistance program across the board are provided. Under a General Technical Support Project, for which we propose \$4.9 million in FY 1972, administrative services and facilities such as housing and communications are provided for the economic assistance mission. Also provided within this total are salaries for about one hundred U.S. technicians to support the overall program in Laos.

SUMMARY OF PROGRAM BY FUNCTION
(Dollar Amounts in Thousands)

TABLE II

Country: LAOS

| Category | Actual FY 1970 | | | | Estimate FY 1971 | | | | Proposed FY 1972 | | |
|---|----------------|--------------|---------------|---------------|------------------|--------------|---------------|---------------|------------------|-------------|---------------|
| | Total | Tech. Coop. | Supp. Assist. | Conting. Fund | Total | Tech. Coop. | Supp. Assist. | Conting. Fund | Total | Tech. Coop. | Supp. Assist. |
| Development Loan Program | 1,112* | XXX | XXX | XXX | 925* | XXX | XXX | XXX | - | XXX | XXX |
| Programs Other than Devel. Loan | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | |
| U.S. Technicians | 8,217 | 3,453 | 4,764 | - | 7,541 | 2,842 | 4,699 | - | 8,151 | - | 8,151 |
| Participants | 498 | 294 | 204 | - | 526 | 198 | 328 | - | 633 | - | 633 |
| Commodities | 13,445 | 1,629 | 11,816 | - | 12,043 | 2,017 | 10,026 | - | 12,619 | - | 12,619 |
| Other Costs | 10,568 | 1,787 | 8,781 | - | 10,090 | 1,543 | 8,547 | - | 10,947 | - | 10,947 |
| Total Project Assistance | 32,728 | 7,163 | 25,565 | - | 30,200 | 6,600 | 23,600 | - | 32,350 | - | 32,350 |
| Method of Financing | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | |
| Direct A.I.D. | 21,691 | 5,434 | 16,257 | - | 19,169 | 4,850 | 14,319 | - | 20,757 | - | 20,757 |
| Other Agency | 1,343 | 130 | 1,213 | - | 1,522 | 190 | 1,332 | - | 1,187 | - | 1,187 |
| Contract | 9,694 | 1,599 | 8,095 | - | 9,509 | 1,560 | 7,949 | - | 10,406 | - | 10,406 |
| Program Assistance | 18,100 | - | 18,100 | - | 14,800 | - | 14,800 | - | 18,200 | - | 18,200 |
| Total Other than Devel. Loan | 50,828 | 7,163 | 43,665 | - | 45,000 | 6,600 | 38,400 | - | 50,550 | - | 50,550 |
| Total Assistance | 51,940 | XXX | XXX | XXX | 45,925 | XXX | XXX | XXX | 50,550 | XXX | XXX |

*Represents population grants under Title X of the Foreign Assistance Act.

NUMBER OF U.S. TECHNICIANS (Program Overseas)

| TYPE OF TECHNICIAN | On Duty At Close of Year | | |
|----------------------------------|--------------------------|------------------|------------------|
| | Actual FY 1970 | Estimate FY 1971 | Proposed FY 1972 |
| A.I.D. employed | 242 | 231 | 233 |
| Participating agency | 30 | 35 | 34 |
| Contractor technicians | 67 | 63 | 57 |
| Total | 339 | 329 | 324 |

NUMBER OF PARTICIPANTS

| TYPE OF PARTICIPANT | Programmed During Year | | |
|------------------------|------------------------|------------------|------------------|
| | Actual FY 1970 | Estimate FY 1971 | Proposed FY 1972 |
| Non-contract | 397 | 409 | 418 |
| Contract | - | - | - |
| Total | 397 | 409 | 418 |

Country: LAOS

PROJECT DATA

TABLE III

| | | | | | |
|----------------|-------------------------|-----------------|-----------------------------------|--------------------|----------------------------|
| PROJECT TITLE | Agriculture Development | SECTOR | Agriculture and Natural Resources | FUNDS | Economic |
| PROJECT NUMBER | 439-11-190-065 | PRIOR REFERENCE | P. 73, FY 1971 EA PDB | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1956 | FY: 1979 |

Project Target and Course of Action: The major thrust of this project has been to help Laos achieve self-sufficiency in major foods, especially rice. Efforts have been centered on increased rice production in major deficit areas through advice and training in improved technology; distribution of improved seeds and farm chemicals; construction of irrigation systems; and development of credit and marketing systems. This work is supplemented by programs in other field crops, vegetables, livestock and fish to improve the Lao diet and to reduce costly imports from Thailand.

Progress to Date: The introduction of improved rice varieties and modern techniques has yielded significant production increases in most areas. Dry season rice growing expanded from 363 hectares double-cropped in 1967 to over 1,900 hectares double-cropped in 1970. The farm credit program of the Agriculture Development Organization of Laos reaches an increasing number of farmers each year, with over 10,000 benefitting from low-interest loans in FY 1970. Thousands of farmers are engaged in demonstration-training programs. The national fisheries program now has 3 hatcheries in full production, providing 2 million fingerlings in FY 1970 to farm fish producers.

FY 1972 Program: Efforts to increase rice production to a point of self-sufficiency will continue. FY 1972 targets include: (1) distribution of about 50 tons of improved seed; (2) use of up to 2,500 hectares of

irrigated land for double-cropping; and (3) development of adequate credit and marketing facilities. Limited monitoring and advisory services for livestock and fisheries activities will be continued, with limited commodity support. \$777,000 is requested to fund 24 U.S. direct-hire technicians. \$132,000 is requested to fund participants in agricultural training, 9 in the United States and 83 in third countries. \$365,000 is requested for commodities -- primarily vehicles and parts (\$105,000); irrigation construction supplies (\$85,000); agriculture commodities and petroleum products (\$175,000). Under other costs, \$593,000 in contracts will fund transporting goods across Thailand for one year through June 30, 1972 by the Express Transportation Organization (\$42,000); 45 third-country employees (\$250,000); and costs for operating the Agriculture Development Organization (\$301,000). The \$117,000 under direct aid will fund 5 third-country employees (\$24,000); operational travel of technicians (\$18,000); operating expenses and miscellaneous services/purchases (\$24,000); and \$51,000 for construction.

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | | | | PRINCIPAL CONTRACTORS/AGENCIES |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|---|-------|------------------|---|-------|---|
| | Obligations | Expenditures | Unliquidated | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract XXXXXX XXXXXX | Total | Direct AID | Contract XXXXXX XXXXXX | Total | |
| Through 6/30/70 | 14,086 | 12,965 | 1,121 | | | | | | | Express Transportation Organization U.S. Consultants, Inc. |
| Estimated FY 71 | 1,961 | 2,500 | | | | | | | | |
| Estimated through 6/30/71 | 16,047 | 15,465 | 582 | 698 | 80 | 778 | 777 | - | 777 | |
| | | Future Year Obligations | Estimated Total Cost | 123 | - | 123 | 132 | - | 132 | |
| | | | | 464 | - | 464 | 365 | - | 365 | |
| | | | | 146 | 450 | 596 | 117 | 593 | 710 | |
| Proposed FY 72 | 1,984 | 15,789 | 33,820 | 1,431 | 530 | 1,961 | 1,391 | 593 | 1,984 | |

Country: LAOS

PROJECT DATA

TABLE III

| | | | | | |
|----------------|----------------------|-----------------|-----------------------|--------------------|----------------------------|
| PROJECT TITLE | Industry Development | SECTOR | Industry and Mining | FUNDS | Economic |
| PROJECT NUMBER | 439-11-290-074 | PRIOR REFERENCE | P. 74, FY 1971 EA PDB | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1967 | FY: 1976 |

Project Target and Course of Action: This project promotes Lao industries, particularly those which reduce dependence upon imports or increase foreign exchange earnings through exports. United States advisors work with Lao officials and private investors to identify and develop opportunities for productive investments. Financial and technological advice, as well as medium-term local currency loan capital, are made available to entrepreneurs for both existing and new enterprises. In FY 1971 the major emphasis was shifted to industrial enterprises in the agriculture sector.

Progress to Date: A 1966 survey identified several priority sectors for industrial development: forestry and wood products, including timber extraction for export; agro-industries; textiles; and food processing. A medium-term loan fund was capitalized in 1967 with U.S.-generated counterpart funds to supplement scarce local investment capital. Local entrepreneurs borrow the bulk of these funds to import industrial machinery, utilizing the United States Import Program (USIP) which subsidizes essential imports from the United States through a favorable exchange rate. The equivalent of some \$1 million in loans for U.S. machinery had been made available by FY 1970, mainly for sawmilling equipment. The United States also provides advisory services and participant training to develop the capability of the Lao Development Bank for effective loan appraisal and supervision. A full-scale forest inventory begun in

1968 was completed in 1970. With participation of Canadian and Australian technicians, exploitable reserves are being mapped, advisory and training assistance is being provided the Lao Forest Service, and reforestation programs are planned. Timber export earnings increased from \$80,000 in 1966 to an average of over \$900,000 per year in the period 1968-1970. Pre-investment surveys have been completed for development of wood products manufacturing facilities and a tire-recapping plant is in operation. Short-term consultants have conducted a survey of agro-industry potential.

FY 1972 Program: \$125,000 is requested for 4 advisors to assist in development of selected industries and provide advisory services to the Lao Development Bank. Contract costs (\$50,000) include short-term advisors for consulting work on new industry investments and consultant groups for major studies in the agriculture sector. \$29,000 for training will include 2 students in the United States in forestry and industrial technology; 6 students in forestry and 2 in banking operations in third countries. \$5,000 is requested for office supplies, surveying equipment and forest power tools, miscellaneous vehicle parts and supplies. Other costs (\$36,000) cover two third-country national clerks, local travel and miscellaneous purchases, contract costs for transporting commodities from Bangkok, and English language instruction for forestry trainees.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|--------------|--------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|-----------------------|-------|--|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 1,011 | 931 | 80 | | | | | | | | Express Transportation Organization Department of Agriculture Forest Service |
| Estimated FY 71 | 273 | 270 | | | | | | | | | |
| Estimated through 6/30/71 | 1,284 | 1,201 | 83 | U.S. Technicians | 100 | 88 | 188 | 125 | 50 | 175 | |
| | | | | Participants | 12 | - | 12 | 29 | - | 29 | |
| | | | | Commodities | 26 | - | 26 | 5 | - | 5 | |
| | | | | Other Costs | 25 | 22 | 47 | 16 | 20 | 36 | |
| Proposed FY 72 | 245 | 1,612 | 3,141 | Total Obligations | 163 | 110 | 273 | 175 | 70 | 245 | |

Country: LAOS

PROJECT DATA

TABLE III

| | | | | | |
|----------------|-----------------------------------|-----------------|-----------------------|--------------------|----------------------------|
| PROJECT TITLE | Development of Lao National Roads | SECTOR | Transportation | FUNDS | Economic |
| PROJECT NUMBER | 439-11-310-010 | PRIOR REFERENCE | P. 75, FY 1971 EA PDB | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1956 | FY: 1975 |

Project Target and Course of Action: This project assists the Lao Highway Department to improve and maintain the national road system. The improvement and repair of roads between otherwise isolated areas has a threefold aim: (1) to facilitate the movement and supply of Lao military forces; (2) to link the people to each other and to their government; and (3) to promote expansion of the Lao economy. Training of the Lao in road maintenance is a vital corollary to the road improvement program. Assistance is also provided the Lao Government in maintenance of the main north-south artery (Route 13) and its feeder roads.

Progress to Date: The Lao Government's capability in maintenance activities continues to improve. Since 1968 maintenance mileage has increased by about 50 percent. Through FY 1970 over 800 Lao received both on-the-job and academic training in skills and fields related to road construction and maintenance.

FY 1972 Program: A major focus of the work will be on the maintenance and improvement of the main north-south highway (Route 13). Emphasis will also be placed on replacing substandard or sabotaged bridges. Basic changes in the funding, accounting and programming procedures followed by the Lao Highway Department will continue to be implemented to increase Lao responsibility for the program. Major emphasis will continue to be placed on training. \$780,000 is requested for 28 American employees of the Federal Highway Administration.

\$20,000 will fund 13 participants in third-country training as civil and mechanical engineers and engineering aides. \$1,315,000 is programmed for commodities, primarily repair parts for heavy equipment, some replacement equipment, petroleum products and road maintenance supplies. \$249,000 in other costs will be used to finance third country employees, to transport materials across Thailand, and for local travel of technicians and such other costs as may be necessary to support the project.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|-----------------------|-------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 34,852 | 34,264 | 588 | | | | | | | | Federal Highway Administration Express Transportation Organization |
| Estimated FY 71 | 2,347 | 2,323 | | U.S. Technicians | - | 780 | 780 | - | 780 | 780 | |
| Estimated through 6/30/71 | 37,199 | 36,587 | 612 | Participants | 14 | - | 14 | 20 | - | 20 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 1,253 | | 1,253 | 1,315 | - | 1,315 | |
| | | | | Other Costs | 135 | 165 | 300 | 83 | 166 | 249 | |
| Proposed FY 72 | 2,364 | 7,691 | 47,254 | Total Obligations | 1,402 | 945 | 2,347 | 1,418 | 946 | 2,364 | |

Country: LAOS

PROJECT DATA

TABLE III

| | | | | | |
|----------------|---------------------------|-----------------|-----------------------|--------------------|----------------------------|
| PROJECT TITLE | Maternal and Child Health | SECTOR | Health and Sanitation | FUNDS | Economic |
| PROJECT NUMBER | 439-11-570-081 | PRIOR REFERENCE | P. 76, FY 1971 EA PDB | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1969 | FY: 1974 |

Project Target and Course of Action: This project aims to improve the well-being of the Lao people by better health care of mothers and infants and by introducing family planning techniques. A national center being established in Vientiane, plus 6 provincial centers to be constructed and about 8 rural centers to be renovated, will provide medical care, training and dissemination of information and commodities in the field of maternal and child health, and family planning services. Basic demographic surveys are being initiated and training is being provided in Thailand for medical personnel.

Progress to Date: In 1969, funds were obligated for construction of the central clinic in Vientiane adjacent to the Government's Mahosot Hospital whose staff and facilities will be shared. Design plans were finalized in FY 1970 and construction is being contracted during FY 1971. This clinic will provide a full range of obstetric, gynecologic and pediatric care, as well as training in family planning methods for all medical personnel staffing maternal and child health facilities throughout the country. Construction is progressing on 3 provincial centers (completion scheduled for FY 1973) and renovation on several rural facilities. A program has been started under which 18 mid-wives, 30 nursing assistants and 25 medical students will receive training in Laos annually for service at provincial centers. A program for participant training in Thailand of 25 medical personnel annually has been initiated. During

FY 1971, pilot demographic survey work was initiated to compile accurate statistical data on population growth, family patterns, migrant trends and other population characteristics. This work will be coordinated with other pilot census work sponsored by the Lao Government.

FY 1972 Program: Funds requested for U.S. personnel (\$63,000) will finance a public health nurse to provide supervisory/teaching assistance in the Vientiane clinic and in rural areas, and a demographer to direct survey work. \$50,000 is requested for training 25 midwives and Lao medical staff in Thailand in family planning methods and laboratory techniques. Commodity costs (\$180,000) cover medical and birth control supplies, equipment for three provincial clinics, vehicles and fuels, generators and training aids. Other costs (\$222,000) include construction of three additional provincial clinics and renovation of rural facilities; costs of transporting commodities from Bangkok; contract services for automatic processing of demographic data; two third-country national clerical assistants; miscellaneous costs of operational travel, maintenance and repairs, additional census operations, and air transport of commodities within Laos.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|------------------------|--------------------------------|------------------|------------------------|-------|--|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/ XEROX Agency | Total | Direct AID | Contract/ XEROX Agency | Total | |
| Through 6/30/70 | 2,102 | 639 | 1,463 | | | | | | | | Express Transportation Organization Naval Facilities Engineering Command (OICC) |
| Estimated FY 71 | 925 | 1,100 | | U.S. Technicians | 60 | - | 60 | 63 | - | 63 | |
| Estimated through 6/30/71 | 3,027 | 1,739 | 1,288 | Participants | 75 | - | 75 | 50 | - | 50 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 275 | - | 275 | 180 | - | 180 | |
| | | | | Other Costs | 72 | 443 | 515 | 52 | 170 | 222 | |
| Proposed FY 72 | 515 | 1,024 | 4,566 | Total Obligations | 482 | 443 | 925 | 345 | 170 | 515 | |

| | | | | | | | |
|----------------|---------------------------|-----------------|-----------------------|--------------------|----------|----------------------------|----------|
| PROJECT TITLE | Public Health Development | SECTOR | Health and Sanitation | | FUNDS | Economic | |
| PROJECT NUMBER | 439-11-590-066 | PRIOR REFERENCE | P. 77, FY 1971 EA PDB | INITIAL OBLIGATION | FY: 1957 | SCHEDULED FINAL OBLIGATION | FY: 1975 |

Project Target and Course of Action: This project provides medical and health services primarily through a country-wide system of U.S.-assisted dispensaries, clinics and small hospitals. In addition, it covers a U.S. contract with a Filipino non-profit organization, Operation Brotherhood, to staff 7 Lao Government municipal hospitals. Institutional health training and disease prevention are being stressed to the extent feasible.

Progress to Date: Since 1962, the United States has financed construction or rehabilitation of over 250 hospitals and dispensaries. The United States currently provides partial support for 4 hospitals and for 290 other medical facilities in rural areas. Some 300 medics and nurses serving in rural areas and war zones have been trained under this program. The project includes medical care for refugees and civilian war casualties. About 25 to 30 medics and the same number of nurses complete training annually while in-service refresher training is provided to medical personnel on duty. Sponsored facilities are providing care to thousands of patients annually. Operation Brotherhood medical and administrative staffs are scheduled to be replaced by FY 1975, as qualified Lao become available. A U.S.-financed nursing school was completed and opened in the fall of 1969.

FY 1972 Program: The program will be continued along current lines with existing facilities being renovated

or replaced where required and in-service training continuing to emphasize refresher cycles in environmental sanitation and preventive medicine. Training of new medics and nurses, including special graduate training in Thailand, will be continued to up-grade the medical students graduated from the medical school. FY 1972 funds are requested for a 14-member U.S. medical staff to provide advisory, training and operational assistance (\$350,000). Training in Thailand for 19 medical personnel is estimated at \$35,000. Commodity costs (\$2,677,000) are mainly for medical and dental supplies, equipment for rural medical facilities and the Operation Brotherhood-staffed hospitals, and miscellaneous vehicles, health education materials, and other supplies. Other costs amounting to \$862,000 will finance a one year extension of the Operation Brotherhood contract; cost of transporting commodities from Bangkok; third-country nationals under contract for services in rural health clinics; miscellaneous local and international travel, repairs and maintenance.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|------------------|--------------------------------|---|-------|-------|-------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | Proposed FY 1972 | | | | | |
| | 20,017 | 19,128 | 889 | | Direct AID | Contract/Agency | Total | Operation Brotherhood Express Transportation Organization | | | |
| Estimated FY 71 | 3,693 | 3,950 | | | Direct AID | Contract/Agency | Total | | | | |
| Estimated through 6/30/71 | 23,710 | 23,078 | 632 | U.S. Technicians | 320 | - | 320 | | 350 | - | 350 |
| | | Future Year Obligations | Estimated Total Cost | Participants | 24 | - | 24 | | 35 | - | 35 |
| | | | | Commodities | 2,627 | | 2,627 | | 2,677 | - | 2,677 |
| | | | | Other Costs | 107 | 615 | 722 | | 119 | 743 | 862 |
| Proposed FY 72 | 3,924 | 8,725 | 36,359 | Total Obligations | 3,078 | 615 | 3,693 | 3,181 | 743 | 3,924 | |

Country: LAOS

PROJECT DATA

TABLE III

| | | |
|--|--|--|
| PROJECT TITLE Education Development | SECTOR Education | FUNDS Economic |
| PROJECT NUMBER 439-11-690-064 | PRIOR REFERENCE P. 78, FY 1971 EA PDB | INITIAL OBLIGATION FY: 1956 |
| | | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: This project aims to strengthen the Lao education system, primarily through teacher training. Classroom instructors, technical and material assistance are also provided to Lao normal schools. In-service teacher training and participant training in the United States and Thailand are also provided. In FY 1968 a Lao language secondary school system was initiated, offering academic and vocational subjects to supplement the existing French-oriented academic secondary system and develop the vocational and skills training required in the Lao economy. Technical guidance and minimal commodity support are provided to the primary educational system at national and local levels.

Progress to Date: Six teacher training schools have been constructed or expanded. Total enrollment in these and two other government schools totalled over 3,300 in the fall of 1970. 4,883 trainees have graduated from U.S. assisted teacher training schools and over 4,100 in-service training courses have been provided. A third comprehensive Lao-language high school was opened in FY 1971 under the supervision of a University of Hawaii contract team. Additional construction is proceeding on the third school and a fourth school is projected for FY 1972. The rural elementary system has been given material and technical assistance on a self-help basis to build some 2,500 classrooms. Since 1968, emphasis has been placed on assistance to upper elementary level

classes in an effort to increase the number of candidates for secondary and teacher training schools. Plans were begun in 1970 for the United States to cooperate with other donors in expanding the central normal school into a university level facility capable of training secondary school teachers.

FY 1972 Program: \$1,665,000 is requested for this project. It will cover: (1) the cost of 7 U.S. technicians to continue advisory/training assistance in the elementary and normal school systems (\$280,000); (2) a 1-year extension of the University of Hawaii contract that provides 10 advisors to supervise 3 comprehensive Lao language high schools (\$378,000); (3) training for 23 students in the United States in elementary, secondary and teacher training studies, and for 81 short and long-term participants in Thailand in the same areas and in school administration (\$220,000); (4) commodities including teaching equipment and supplies, vehicles and parts, office and construction supplies, books and language laboratory equipment (\$325,000); (5) other costs covering construction of a fourth comprehensive high school and classrooms for the new college, transportation of commodities from Bangkok, operational travel, and miscellaneous repairs, maintenance and construction (\$462,000). Classroom instructors and advisors in school administration will continue to be provided under a contract with International Voluntary Services, Inc. which is funded under the Public Administration Development project.

| U.S. DOLLAR COST (In Thousands) | | | | PRINCIPAL CONTRACTORS UNCLASSIFIED | | | | | | | |
|---------------------------------|-------------|-------------------------|----------------------|---|-------------------|------------------|-------|------------------|------------------|-------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/ Agency | Total | Direct AID | Contract/ Agency | Total | |
| Through 6/30/70 | 12,451 | 10,717 | 1,734 | | | | | | | | University of Hawaii Express Transportation Organization |
| Estimated FY 71 | 1,485 | 1,725 | | U.S. Technicians Participants | 218 | 401 | 619 | 280 | 378 | 658 | |
| Estimated through 6/30/71 | 13,936 | 12,442 | 1,494 | Commodities | 186 | - | 186 | 220 | - | 220 | |
| | | Future Year Obligations | Estimated Total Cost | Other Costs | 298 | - | 298 | 325 | - | 325 | |
| Proposed FY 72 | 1,665 | 7,529 | 23,130 | Total Obligations | 20 | 362 | 382 | 20 | 442 | 462 | |
| | | | | | 722 | 763 | 1,485 | 845 | 820 | 1,665 | |

Country: LAOS

PROJECT DATA

TABLE III

| | | | |
|---|--|--------------------------------|--|
| PROJECT TITLE Civil Police Administration | SECTOR Public Safety | FUNDS Economic | |
| | PRIOR REFERENCE P. 79, FY 1971 EA PDB | INITIAL OBLIGATION FY: 1965 | SCHEDULED FINAL OBLIGATION FY: 1975 |
| PROJECT NUMBER 439-11-710-072 | | | |

Project Target and Course of Action: The purpose of this project is to increase the capability of the Lao National Police to maintain order and internal security. Technical assistance, equipment and training are provided to the police force of about 5,000 men, with special attention being given to improving the National Police Academy and police communications and mobility.

Progress to Date: A previous project to assist the national police was interrupted in 1960 when the organization was disbanded and replaced by a paramilitary force. The current project was initiated in 1965 when the Lao National Police (LNP) was re-established under the Ministry of Interior. One of the project's major accomplishments has been the completion of a national police communications network, consisting of 13 primary radio circuits between LNP headquarters in Vientiane and provincial police headquarters. This network has proved extremely useful not only to the LNP but also to other elements of the Lao government for emergency communications. The rebuilding of the LNP has required a major training effort. Through 1970, 55 Lao personnel had been trained in the United States, 137 in Thailand, and 3 in Malaysia, in riot control, communications, criminal investigations, records and identification, and other phases of police work. Local training in skills ranging from typing to automobile repair has been given to 1,650 Lao, mostly at the Lao National Police Academy.

Physical facilities at the Academy were improved by the construction of a pistol range and three dormitory/classroom buildings. By the end of FY 1971 the Mission expects to reach 75% of its target performance in the difficult area of local automotive maintenance. A specially designed pirogue using small outboard motors is being produced locally and adds much needed mobility to river patrols. Work on improving LNP logistics and supply operations is scheduled for completion in FY 1971.

FY 1972 Program: The FY 1972 program will continue the training in the United States, Thailand, and locally and bring the automotive maintenance program up to 90% of target performance. The establishment of an ordnance repair and ammunition reloading capability, and of an identification and records system, is projected for completion in FY 1972. United States technician costs of \$200,000 in FY 1972 will fund 6 direct-hire advisors; \$30,000 will train 30 participants. The major elements of commodity costs (\$143,000) are vehicle replacement and spare parts, communications equipment and spare parts, ammunition, and recordkeeping and identification equipment. Other costs (\$52,000) will fund transport of commodities from Bangkok, third-country national employees and miscellaneous maintenance, repair and operating expenses.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS XXXXXX | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|----------------------------|---|------------------|----------------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract XXXXXX | Total | Direct AID | Contract XXXXXX | Total |
| Through 6/30/70 | 3,381 | 3,215 | 166 | | | | | | | |
| Estimated FY 71 | 506 | 500 | | | | | | | | |
| Estimated through 6/30/71 | 3,887 | 3,715 | 172 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 425 | 1,715 | 6,027 | Total Obligations | 372 | 134 | 506 | 396 | 29 | 425 |

PRINCIPAL CONTRACTORS ~~XXXXXX~~

Express Transportation Organization

Country: LAOS

PROJECT DATA

TABLE III

| | | | | | |
|----------------|------------------------------|-----------------|---|----------------------------|----------------------|
| PROJECT TITLE | Development of Rural Economy | SECTOR | Community Development, Social Welfare and Housing | FUNDS | Economic |
| PROJECT NUMBER | 439-11-810-062 | PRIOR REFERENCE | P. 80, FY 1971 EA PDB | INITIAL OBLIGATION | FY:1956 |
| | | | | SCHEDULED FINAL OBLIGATION | FY Reviewed Annually |

Project Target and Course of Action: This project aims to strengthen rural support to the Lao Government. Activities are concentrated in rural areas of particular political importance and relatively strong economic potential. The project includes: (1) self-help construction activities, e.g., schools, hand-dug wells, dispensaries; (2) public works activities through which more complex projects such as large irrigation systems and feeder roads are implemented; (3) mechanical well drilling where hand-dug wells are not feasible; (4) helping officials and villagers organize village development councils.

Progress to Date: A.I.D. and International Voluntary Services advisors have worked with local officials at about 30 primary locations. In 1970, increased emphasis was placed on self-help. Self-help inputs into construction of classrooms and other structures continued to account for a high percentage of the unit cost. The performance of the Lao Government field personnel has shown marked improvement as their services have been increasingly utilized in self-help activities. The development of local leadership continues, with over 1,000 additional village leaders training in FY 1970. Other training activities moved ahead in agriculture, trade skills for cottage industry and literacy.

FY 1972 Program: Training and organizational activities in local government and agriculture will be emphasized.

Self-help construction of key facilities will be continued. U.S. technicians will cost \$1,888,000 as follows: \$1,530,000 for 46 direct-hire employees; \$76,000 for 4 one-year personal services contracts; and \$282,000 to fund an agreement with the U.S. Navy. The Navy agreement provides for design and supervision of construction projects and finances the cost of a 3-man staff of engineers for this purpose.

Training of 11 community development participants in Bangkok will cost \$15,000. Commodity funds, \$1,901,000, are primarily for construction supplies, petroleum products, vehicles and repair parts. \$266,000 in other costs will be used for third country employees, Bangkok to Vientiane transportation costs, local travel and minor operational expenses.

Community development advisors will continue to be provided under a contract with International Voluntary Services, Inc. which is funded under the Public Administration Development project.

| U.S. DOLLAR COST (In Thousands) | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|--------------------------------|------------------|--|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | Express Transportation Organization U.S. Navy | | |
| | | | | | Estimated FY 1971 | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total |
| Through 6/30/70 | 35,373 | 32,049 | 3,324 | | | | | | | |
| Estimated FY 71 | 3,783 | 3,800 | | | | | | | | |
| Estimated through 6/30/71 | 39,156 | 35,849 | 3,307 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 4,070 | Undetermined | | | | | | | | |
| | | | | U.S. Technicians | 1,153 | 333 | 1,486 | 1,530 | 358 | 1,888 |
| | | | | Participants | 11 | - | 11 | 15 | - | 15 |
| | | | | Commodities | 1,945 | - | 1,945 | 1,901 | - | 1,901 |
| | | | | Other Costs | 176 | 165 | 341 | 185 | 81 | 266 |
| | | | | Total Obligations | 3,285 | 498 | 3,783 | 3,631 | 439 | 4,070 |

Country: LAOS

PROJECT DATA

TABLE III

| | | | | | |
|----------------|---------------------------------|-----------------|---|----------------------------|-----------------------|
| PROJECT TITLE | Refugee Relief and Resettlement | SECTOR | Community Development, Social Welfare and Housing | FUNDS | Economic |
| PROJECT NUMBER | 439-11-820-063 | PRIOR REFERENCE | P. 81, FY 1971 EA PDB | INITIAL OBLIGATION | FY: 1962 |
| | | | | SCHEDULED FINAL OBLIGATION | FY: Reviewed Annually |

Project Target and Course of Action: Under this project, food and emergency supplies are provided to refugees from war-torn areas of Laos; technical assistance and commodities are provided for temporary relocation or permanent resettlement of refugees in secure areas; the cost of training is underwritten and transportation of commodities across Thailand is financed.

Progress to Date: In FY 1971, the number of refugees receiving full or partial assistance will probably average about 275,000. The refugees aided are largely tribal people who have steadfastly resisted the North Vietnamese/Pathet Lao invaders of their highlands in northern Laos. However, sizable numbers of other Lao must be aided in central and south Laos. Resettled persons produce refugee pants, shirts and blouses from Public Law 480 cloth and manufacture tools for distribution to refugees. Both programs reduce offshore procurement of these items from Thailand. Training continues for Lao Government officials in order to reduce the reliance of the Lao Government on U.S. administrative and technical help for assistance to refugees.

FY 1972 Program: Food and essential supplies will be provided to an estimated average of 300,000 refugees. There will be continued technical and commodity assistance to refugees being relocated and resettled. The clothing and tool manufacturing programs will be continued and, to the extent possible, expanded. The Lao Government is to assume increased operational

responsibility as training programs develop the competence of Lao staff.

For FY 1972 we are requesting \$4,712,000. The U.S. technician element of this project consists of \$434,000 for 18 direct-hire U.S. technicians plus \$30,000 for 6 short-term contract personnel for a total of \$464,000. Participant costs amounting to \$6,000 will provide third-country training in refugee relief and resettlement for 10 participants. Commodities such as rice, clothing, tools and packaging materials amounting to \$4,025,000 will be required. Other costs amounting to \$217,000 will also be required to support the refugee operation. This latter amount includes \$16,000 for the Express Transportation Organization to transport goods across Thailand.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS XXXXXXXXXX Express Transportation Organization | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|---|---|------------------|------------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/ XXXXXX XXXXXX | | Total | Direct AID | Contract/ XXXXXX XXXXXX |
| Through 6/30/70 | 28,318 | 24,783 | 3,535 | | | | | | | |
| Estimated FY 71 | 4,222 | 4,150 | | U.S. Technicians | 433 | 39 | 472 | 434 | 30 | 464 |
| Estimated through 6/30/71 | 32,540 | 28,933 | 3,607 | Participants | 6 | - | 6 | 6 | - | 6 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 3,537 | - | 3,537 | 4,025 | - | 4,025 |
| Proposed FY 72 | 4,712 | Undetermined | | Other Costs | 207 | - | 207 | 201 | 16 | 217 |
| | | | | Total Obligations | 4,183 | 39 | 4,222 | 4,666 | 46 | 4,712 |

| | | | | | |
|----------------|-----------------------------------|-----------------|---------------------------|--------------------|----------------------------|
| PROJECT TITLE | Public Administration Development | SECTOR | General and Miscellaneous | FUNDS | Economic |
| PROJECT NUMBER | 439-11-995-073 | PRIOR REFERENCE | P. 83, FY 1971 EA PDB | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1966 | FY: 1974 |

Project Target and Course of Action: This project provides advisory services and training to the Ministry of Finance in budgeting, accounting, and auditing. Advisory services are also furnished to the Ministry of Planning; including general economic advice and help in the collection, analysis, and utilization of data on manpower, capital resources and demand. Limited professional follow-up is provided for about 2,400 participants following their U.S.-sponsored training abroad, mainly in Thailand.

Progress to Date: U.S. advisors assisted in the Finance Ministry's initiation of a new system of budgeting, accounting and expenditure controls. During FY 1969, with U.S. assistance, additional controls over disbursements were introduced, a budget analysis service was created, a new internal audit unit was organized, and trade statistics were developed. In FY 1970, procedures for authorizing and controlling capital expenditures were developed. A U.S. economic development advisor is working directly with the Planning Ministry. Training is being provided for surveyors in the cadastral service and technical and English language training of Lao civil servants is being continued. A survey of local Mission employees was made to facilitate replacement of third-country national employees with Lao. Participant training, mainly for Treasury, Finance and Planning personnel, has proceeded according to schedule.

Termination of short-term participant training by 1974

is envisioned.

FY 1972 Program: Funds are requested to cover U.S. advisory and training services of 8 persons (\$231,000). \$20,000 is requested for equipment for census and land survey activities, office machinery, technical books, training and language laboratory materials, and miscellaneous office supplies. Participant training costs (\$96,000) will cover training in Thailand for 104 students in financial and public administration, land surveying and administration, treasury accounting, budget analysis, statistics, air traffic control, local government administration and pre-university training. Other costs (\$105,000) will fund small 1-year contracts for English language training, compilation of trade statistics, transportation of supplies from Bangkok, miscellaneous maintenance and repairs, operational travel, and special training courses for government and Mission employees. Contract personnel costs (\$310,000) will cover a contract with International Voluntary Services, Inc. (IVS) under which IVS provides 38 people -- 25 for education, 9 for rural development, and 4 for general administrative duties. IVS personnel also fill on a temporary basis critical Lao Government gaps in other fields (e.g., agricultural extension and research) and train Lao to take over for them.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|------------------|--------------------------------|------------|-----------------------|---|-----|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | | | |
| | | | | Direct AID | Contract/Other Agency | Total | | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 1,272 | 1,099 | 173 | | | | | | | International Voluntary Services, Inc. Bureau of Census Express Transportation Organization | |
| Estimated FY 71 | 835 | 850 | | | | | | | | | |
| Estimated through 6/30/71 | 2,107 | 1,949 | 158 | | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | | |
| Proposed FY 72 | 762 | 1,626 | 4,495 | | | | | | | | |
| | | | | Total Obligations | 442 | 393 | 835 | 383 | 379 | | 762 |
| | | | | Cost Components | | | | | | | |
| | | | | U.S. Technicians | 272 | 325 | 597 | 231 | 310 | 541 | |
| | | | | Participants | 124 | - | 124 | 96 | - | 96 | |
| | | | | Commodities | 18 | - | 18 | 20 | - | 20 | |
| | | | | Other Costs | 28 | 68 | 96 | 36 | 69 | 105 | |

Country: LAOS

PROJECT DATA

TABLE III

| | | | | | |
|----------------|---------------------------|-----------------|-----------------------|--------------------|----------------------------|
| PROJECT TITLE | General Technical Support | SECTOR | Technical Support | FUNDS | Economic |
| PROJECT NUMBER | 439-11-999-000 | PRIOR REFERENCE | P. 84, FY 1971 EA PDB | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1955 | FY Reviewed Annually |

Project Target and Course of Action: This project supports all Mission activities. It encompasses the provision of administrative, personnel and supply services, housing, transportation and communications, which cannot be identified with individual projects. Specifically, this includes: (1) supply management, which embraces commodity procurement, contracting services, warehousing, commodity distribution and the handling of common-use commodities; (2) real property management, including leasing and maintenance of housing and operation of utilities for U.S. personnel; (3) operation of an essential tele-communications (radio) network linking all work locations; (4) maintenance and operation of a motor pool servicing the field and headquarters; (5) arrangement for the movement of Mission cargo from Thailand; (6) provision of all administrative services for the Mission, including personnel administration, travel, property accounting, security, maintenance services, and housekeeping; and (7) training programs for Lao employees of the Mission to replace third-country nationals and, eventually, Americans.

FY 1972 Program: No major changes are planned from previous years. Rising costs have tended to absorb savings accomplished through improved systems and tighter controls. Unpredictable events, such as the damage or destruction of property by hostile action or flooding, have in the past resulted in higher costs than previously estimated, and may do so again.

The requested FY 1972 funding is programmed for:
 (1) 100 direct-hire U.S. technicians in the administrative and other service functions described above (\$1,980,000);
 (2) a participating agency agreement with GSA for 3 supply advisors (\$125,000); (3) commodities, primarily common-use items such as office supplies and equipment, petroleum products, cement, household furniture, and vehicle spare parts (\$1,663,000). In addition, for other costs, including third-country national employees, the transportation of goods from Bangkok to Vientiane, local construction and repair contracts, local direct-hire employees, local operational travel, and miscellaneous repair and operating costs.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|--------------|--------------|-------------------|-------------------|-----------------------|--------------------------------|--|------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency | Total |
| Through 6/30/70 | 49,215 | 48,803 | 412 | | | | | General Services Administration Express Transportation Organization | | | |
| Estimated FY 71 | 4,842 | 4,950 | | | | | | | | | |
| Estimated through 6/30/71 | 54,057 | 53,753 | 304 | U.S. Technicians | 1,855 | 180 | 2,035 | | 1,980 | 125 | 2,105 |
| | | | | Participants | - | - | - | | - | - | - |
| | | | | Commodities | 1,693 | - | 1,693 | | 1,663 | - | 1,663 |
| | | | | Other Costs | 417 | 697 | 1,114 | | 417 | 696 | 1,113 |
| Proposed FY 72 | 4,881 | Undetermined | | Total Obligations | 3,965 | 877 | 4,842 | 4,060 | 821 | 4,881 | |

PROJECT DATA SUMMARY
(Dollar Amounts in Thousands)

TABLE IV

COUNTRY: LAOS

| Project Title | Project Number | FY of Initial Obligation | FY of Scheduled Final Obligation | Through FY 1970 | | | Estimated FY 1971 | | | Proposed Program FY 1972 | Future Year Obligations | Estimated Total Cost |
|----------------------------|----------------|--------------------------|----------------------------------|-----------------|--------------|---------------------------------|-------------------|--------------|---------------------------------|--------------------------|-------------------------|----------------------|
| | | | | Obligations | Expenditures | Unliquidated Obligation 6/30/70 | Obligations | Expenditures | Unliquidated Obligation 6/30/71 | | | |
| Military Technical Support | 439-11-995-068 | 1963 | 1970 | 20,845 | 20,542 | 303 | - | 303 | - | - | - | 20,845 |
| | | | | Total | | | - | 303 | - | - | - | 20,845 |

*Detailed project narrative--see TABLE III

Laos^{a/}

(U.S. Fiscal Years - Millions of Dollars)

| PROGRAM | U.S. OVERSEAS LOANS AND GRANTS - NET OBLIGATIONS AND LOAN AUTHORIZATIONS | | | | | | | | | | | | REPAYMENTS AND INTEREST 1946-1970 | TOTAL LESS REPAYMENTS AND INTEREST | |
|---|--|----------------------|----------------------------|-------------------------------|------|------|------|------|------|------|------|------|-----------------------------------|------------------------------------|-----------------|
| | POST-WAR RELIEF PERIOD | MARSHALL PLAN PERIOD | MUTUAL SECURITY ACT PERIOD | FOREIGN ASSISTANCE ACT PERIOD | | | | | | | | | | | TOTAL 1946-1970 |
| | 1946-1948 | 1949-1952 | 1953-1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | | | |
| A. OFFICIAL DEVELOPMENT ASSISTANCE | | | | | | | | | | | | | | | |
| A.I.D. AND PREDECESSOR AGENCIES - TOTAL | | | 262.8 | 26.9 | 37.0 | 40.3 | 47.9 | 54.4 | 53.6 | 61.2 | 49.9 | 50.8 | 684.7 | - | 684.7 |
| Loans | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants | | | 262.8 | 26.9 | 37.0 | 40.3 | 47.9 | 54.4 | 53.6 | 61.2 | 49.9 | 50.8 | 684.7 | - | 684.7 |
| FOOD FOR PEACE - TOTAL | | | 1.1 | 0.1 | 0.5 | 1.7 | 0.3 | 0.4 | 1.4 | 1.5 | 0.2 | 2.0 | 9.2 | - | 9.2 |
| Title I - Total | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| REPAYABLE IN U.S. DOLLARS - LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PAYABLE IN FOREIGN CURRENCY - Planned for Country Use. | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (Loans) | | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| (Grants) | | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| Title II - Total | | | 1.1 | 0.1 | 0.5 | 1.7 | 0.3 | 0.4 | 1.4 | 1.5 | 0.2 | 2.0 | 9.2 | - | 9.2 |
| EMERGENCY RELIEF, ECON. DEVELOPMENT & WORLD FOOD | | | 0.8 | - | - | - | * | * | 1.2 | 1.4 | 0.1 | 1.9 | 5.5 | - | 5.5 |
| VOLUNTARY RELIEF AGENCIES | | | 0.3 | 0.1 | 0.5 | 1.7 | 0.3 | 0.4 | 0.1 | 0.1 | 0.1 | 0.1 | 3.7 | - | 3.7 |
| OTHER OFFICIAL DEVELOPMENT ASSISTANCE | | | | | | | | | | | | | | | |
| PEACE CORPS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| OTHER | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL OFFICIAL DEVELOPMENT ASSISTANCE | | | 263.9 | 27.0 | 37.5 | 42.0 | 48.2 | 54.8 | 54.9 | 62.7 | 50.1 | 52.8 | 693.9 | - | 693.9 |
| Loans | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants | | | 263.9 | 27.0 | 37.5 | 42.0 | 48.2 | 54.8 | 54.9 | 62.7 | 50.1 | 52.8 | 693.9 | - | 693.9 |
| B. OTHER OFFICIAL | | | | | | | | | | | | | | | |
| EXPORT-IMPORT BANK LONG-TERM LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL ECONOMIC | | | 263.9 | 27.0 | 37.5 | 42.0 | 48.2 | 54.8 | 54.9 | 62.7 | 50.1 | 52.8 | 693.9 | - | 693.9 |
| Loans | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants | | | 263.9 | 27.0 | 37.5 | 42.0 | 48.2 | 54.8 | 54.9 | 62.7 | 50.1 | 52.8 | 693.9 | - | 693.9 |
| MILITARY ASSISTANCE PROGRAM - (Chg. to FAA Approp.)^{b/} | | | | | | | | | | | | | | | |
| Credit Assistance | | | 91.5 | 37.1 | - | - | - | - | - | - | - | - | - | - | - |
| Grants (Additional Grants from Excess Stocks) | | | 91.5 (7.0) | 37.1 (0.9) | - | - | - | - | - | - | - | - | - | - | - |
| OTHER MILITARY ASSISTANCE GRANTS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL MILITARY | | | 91.5 | 37.1 | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL ECONOMIC AND MILITARY | | | 355.4 | 64.1 | 37.5 | 42.0 | 48.2 | 54.8 | 54.9 | 62.7 | 50.1 | 52.8 | 693.9 | - | 693.9 |
| Loans | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants | | | 355.4 | 64.1 | 37.5 | 42.0 | 48.2 | 54.8 | 54.9 | 62.7 | 50.1 | 52.8 | 693.9 | - | 693.9 |

* Less than \$50,000. ^{a/} Excludes aid to Indochina prior to partition. ^{b/} Annual data represent deliveries.

| ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS | | | |
|--|---------|---------|------------|
| TOTAL | FY 1969 | FY 1970 | FY 1946-70 |
| | 0.5 | 1.5 | 7.9 |
| Asian Dev. Bank | - | 1.0 | 1.0 |
| UNDP-Special Fund | - | - | 0.6 |
| UNDP-TA(CY) | 0.5 | 0.4 | 4.9 |
| OTHER UN(CY) | * | 0.1 | 1.4 |

| D.A.C. COUNTRIES (EXCLUDING U.S.) | | | |
|---------------------------------------|---------|---------|--------------------|
| OFFICIAL BILATERAL GROSS EXPENDITURES | | | |
| DONOR | CY 1968 | CY 1969 | CY 1960-69 |
| TOTAL | 15.7 | 15.9 | 81.2 |
| France | 5.5 | 5.0 | 27.9 ^{c/} |
| United Kingdom | 3.1 | 2.9 | 24.1 |
| Japan | 3.1 | 3.9 | 16.1 |
| Other | 4.0 | 4.1 | 13.1 |

| ASSISTANCE FROM COMMUNIST COUNTRIES | |
|-------------------------------------|---|
| (Loans and Grants Extended) | |
| 1969 (Calendar Year) | - |
| 1970 (Calendar Year) | - |
| Cumulative Thru 1970 | - |

^{c/} Aid from France in 1961 and 1962 not available separately.

THAILAND - GENERAL ECONOMIC DATA



BASIC DATA

| | |
|---|-------|
| Population (millions - mid-1970) | 37.5 |
| Annual Growth Rate (percent) | 3.3 |
| Area (1000 square miles) | 198 |
| Population Density per square mile | 189 |
| Agricultural Land as % of Total Area | 22 |
| Percent of Labor Force in Agriculture | 78 |
| Life Expectancy (years) | 56 |
| People per Doctor | 7,170 |
| Literacy Rate (percent) | 68 |
| Students as Percent of 5-19 Age Group | 44 |
| (Primary & Secondary) | |

GROWTH INDICATORS

| | 1966 | 1967 | Calendar Years | | 1970 Est. |
|---|--------|--------|----------------|--------|-----------|
| | | | 1968 | 1969 | |
| Total GNP (millions of 1969 dollars)* | 4,987 | 5,269 | 5,747 | 6,290 | 6,790 |
| Per Capita GNP (1969 dollars) | 151 | 155 | 164 | 173 | 181 |
| Investment - millions of 1969 \$ | 1,179 | 1,220 | 1,364 | 1,635 | 1,790 |
| - percent of GNP † | 24 | 23 | 24 | 26 | 27 |
| Domestic Savings - millions of 1969 \$ | 1,161 | 1,112 | 1,152 | 1,389 | 1,520 |
| - percent of Investment † | 98 | 91 | 84 | 84 | 84 |
| Agricultural Production Index (1961-65 = 100) | 130 | 113 | 121 | 133 | 137 |
| Index per Capita | 118 | 99 | 103 | 109 | 109 |
| Rice, rough (1,000 MT) | 13,500 | 11,200 | 12,410 | 13,340 | 13,400 |
| Tin (metal content: 1,000 MT) | 23 | 23 | 24 | 21 | 21 |

INTERNATIONAL TRADE (\$ millions) *

| | | | | | |
|----------------------------------|-------|--------|--------|--------|--------|
| Total Exports (f.o.b.) | 678 | 681 | 658 | 708 | 697 |
| Rice | (192) | (224) | (182) | (140) | (123) |
| Total Imports (c.i.f.) | -890 | -1,067 | -1,159 | -1,248 | -1,253 |
| Trade Balance | -212 | -386 | -501 | -540 | -556 |

GOLD & FOREIGN EXCHANGE (\$ millions) ††

| | | | | | |
|------------------------------------|-----|-------|-------|-----|----------|
| Official Reserves | 924 | 1,009 | 1,021 | 985 | 916 |
| Commercial Bank Holdings | 95 | 77 | 108 | 129 | 107(Oct) |

CONSUMER PRICE INDEX (1963 = 100)

| | | | | | |
|--------------------|-----|-----|-----|-----|-----|
| (Bangkok-Thonburi) | 107 | 111 | 113 | 116 | 117 |
|--------------------|-----|-----|-----|-----|-----|

CENTRAL GOVERNMENT FINANCES * (FY Ending September 30)

| | - Million Dollar Equivalents - | | |
|--------------------------------------|--------------------------------|-------|-----------|
| | 1968 | 1969 | 1970 Est. |
| Total Expenditures | 1,004 | 1,099 | 1,336 |
| (Defense Expenditures) | (144) | (175) | (235) |
| (Capital Outlays) | (315) | (325) | (474) |
| Total Domestic Revenues | 788 | 880 | 931 |
| As percent of GNP † | 13.9 | 14.0 | 13.7 |
| Deficit (-) or Surplus (+) | -216 | -219 | -405 |

* Converted at 20.8 baht per U.S. \$.

† Based on data in current prices.

†† Gross basis, end of year.

THAILAND

INDEX

| | <u>Page</u> | | <u>Page</u> |
|---|-------------|--|-------------|
| I - Summary of Country Program | E-1 | Tables III - Civil Police Administration | E-16 |
| Table II - Summary of Program by Function | E-4 | (Projects) | |
| Tables III - Agricultural Water Utilization | E-5 | Commodity Management | E-17 |
| (Projects) | | Local Government Finance | E-18 |
| Agriculture Development | E-6 | National Economic Policy | E-19 |
| Rural Electrification Planning | E-7 | Community Development | E-20 |
| Private Enterprise - Private Sector | | Accelerated Rural Development | E-21 |
| Development | E-8 | Mobile Development Unit Planning, | |
| Private Capital Investment | E-9 | Engineering, and Construction. | E-22 |
| Labor Department Administration | E-10 | Special Training for National | |
| Comprehensive Rural Health | E-11 | Development | E-23 |
| Family Planning and Health | E-12 | Multi-Sector Development | |
| Development of Vocational | | Assistance | E-24 |
| Education | E-13 | Technical Support | E-25 |
| Graduate Science Education | E-14 | Table IV - Project Data Summary (Pipeline | |
| Rural Education | E-15 | Projects) | E-26 |
| | | Table V - Status of Development Loans | |
| | | Summary | E-27 |

THAILAND

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|-------------------|----------------------|---------------------|
| | FY 1970 Actual | FY 1971 Estimated | FY 1972 Proposed |
| Technical Assistance..... | 7.7* | 7.5* | - |
| Economic Supporting Assistance.. | 18.8 | 15.6 | 40.0 |
| Total | 26.5 | 23.1 | 40.0 |

* Includes Development Loan Funded grants of \$1.3 in FY 1970 and \$1.4 in FY 1971 for population programs under Title X of the Foreign Assistance Act.

OBJECTIVES OF U.S. ASSISTANCE

Thailand's importance to the United States lies in the geographic position in Southeast Asia, its key activist role in the economic and political development of the region and its close cooperation with the United States. A Communist-supported insurgency has been threatening Thailand's security for the past six years, and more recently events in Cambodia and Laos have brought active communist military operations closer to Thailand's border. The basic U.S. assistance objective, consistent with the Nixon Doctrine, is to help improve Thai capacity for dealing with internal and external security threats and to support Thai leadership in strengthening Southeast Asian political and economic organizations for regional cooperation. Both the United States and Thai Governments recognize, however, that the fundamental responsibility for defending their nation belongs to the Thai.

PROBLEMS AND PROGRESS

Communist-supported insurgency has existed for some time in Thailand; however, it was not until late 1965 that it became disruptive. The number of assassinations of village chiefs and local officials and armed encounters with the police and military units increased slowly from that date and then turned sharply upward in late 1966. These incidents were concentrated primarily in the Northeast.

In 1965 the Thai Government moved to combat this insurgency threat by strengthening its police presence in the security-threatened areas and by increasing its rural development efforts in an attempt to remove the underlying economic and social circumstances which nurture an insurgency movement. Beginning in 1967 army units together with the police conducted military sweeps against the insurgents and carried out civic action

programs. These actions contributed to the decline in overt insurgent activity in the Northeast in 1968 and 1969, with the insurgents placing greater emphasis on recruitment and strengthening their organizational structure rather than directly challenging government presence.

Insurgency spread in 1968 to the mountainous border areas of North Central Thailand inhabited by hilltribes. During 1969 it steadily intensified, with increased harassment of government forces. Military and police operations also have been conducted in these regions since 1968 but with much less success than in the Northeast.

In 1970 a Thai Liberation Army was officially announced by the insurgents. Organizational activities increased significantly in the Northeast, and the insurgents continued their recruitment of hilltribesmen and harassment of government forces. During the latter part of the year the intensified warfare in Laos and Cambodia caused the Thai Government to redeploy army units to these border areas to meet what the Thai view as heightened external threats to their national security. This shift in army manpower has reduced pressure on the insurgents giving rise in part to the increase in insurgent activity.

ECONOMIC

For the past decade the performance of the Thai economy has been quite impressive. GNP has grown at an average annual rate of about 8% in real terms since the early 1960's. This has been accomplished with negligible inflation. In the past three years, however, the economy has run into some difficulties. A bad harvest in 1967/1968 and deteriorating world markets for rice and kenaf caused merchandise exports to stagnate. U.S. military construction in Thailand is phasing down, and U.S. troops are being withdrawn, further reducing Thai foreign exchange receipts. In 1969 there was a loss of about \$36 million in official reserves, and a further reduction of \$69 million occurred in 1970, representing the first draw-downs after ten years of steady accumulation. Government revenues have risen, but expenditures have increased still more rapidly, with defense expenditures in the forefront. The government has borrowed from the Central Bank on a large scale to finance the expanding budget deficits which have occurred since FY 1968. The government has also raised some taxes and limited budget expenditures to keep the deficit down. It has also raised tariffs to restrict imports and thus protect the foreign exchange position. However, the growth rate of the economy can be expected to decline.

THAILAND

The annual growth rate of GNP is projected at about 5% over the next few years. With exports increasing at about 5% a year and imports rising even as little as 4% a year it is probable that official foreign exchange reserves may decline as much as \$300 million in the next two to three years bringing them to a level of about \$600 million, or approximately five months of imports. Given Thai concern over this decline, further restrictive import measures, possibly quantitative in nature, can be anticipated within the coming year.

Government revenues are expected to grow at about 6% to 7% annually over the next few years, or well below the experience of the past decade. This trend together with Thai concern that rising budget deficits will add indirectly to already mounting pressure on foreign exchange reserves has prompted the Thais to plan on budget increases of only 6% during the 1972-1976 period, about half the rate of the 1960's. Despite overall budget constraints, the Thais feel compelled by the recent military developments in Indo-China to strengthen their defense posture and have projected a 10% annual increase for defense expenditures. To accommodate this increase they are holding down planned expenditures for economic development in the next few years to a growth of about 3% to 4% a year, markedly lower than in past years.

Other things being equal, it should be within Thai capacity to deal with these conditions without a major change in U.S. assistance levels. Future events, however, are unpredictable particularly from a security point of view. If the security situation worsens as a result of developments in Cambodia and Laos, the Thais will be forced to strengthen their defense further against an external threat thereby diverting additional resources from counterinsurgency efforts as well as from economic development programs.

FY 1972 PROGRAM

In light of recent external developments affecting Thailand's security and the possible implication they pose for Thailand's counterinsurgency and economic development efforts, a U.S. economic assistance program of \$40 million is proposed for FY 1972. A two-year PL 480 program totalling \$25 million is also planned beginning in FY 1972. Local currency proceeds from the PL 480 program will chiefly be used to help the Thais finance the agriculture sector of their economic development plan. Primary emphasis in the U.S. program will continue to be placed on bolstering Thai efforts to improve security in rural areas and to support Thai counterinsurgency-oriented rural development

programs. At the same time we will assist the Thais to address certain fundamental impediments to longer range economic development which have an important bearing on the Thai security effort.

Rural Security

About \$9 million is proposed in FY 1972 for rural public safety activities. Our primary objective continues to be to help develop a rural security capacity of sufficient strength and efficiency to counter threats of communist terrorism and subversion. The police must improve their ability to react quickly to acts of subversion, and they must strengthen their capacity in the intelligence area as well. Improvement in police performance of normal law and order functions is also important in meeting the insurgency threat.

Consistent with these objectives we will continue to provide commodities to equip newly constructed district-level police stations and the personnel being assigned to them. Advisory and commodity assistance will also support the counterinsurgency training program recently established by the Thai National Police Department (TNPD), through which they plan to send their entire rural security force. We also will place increased emphasis on overall organization and management problems affecting the performance of the TNPD particularly in the rural areas.

Rural Development

About \$22 million of the FY 1972 program is planned for assistance to Thai rural development efforts. We will continue to support the Accelerated Rural Development project in the form of advisory assistance and construction equipment for impact projects such as feeder roads, wells and small ponds. To help further increase village incomes, assistance will be continued in the fields of agriculture extension and research.

We have expanded the scope of our Labor Intensive Water Project to include the completion and rehabilitation of nine small irrigation systems in the Northeast. More importantly, we will be working not only with the Royal Irrigation Department but also the Agriculture Extension Department and Land Development Department in carrying out this newly defined and titled Agriculture Water Development project. We are also considering assistance in FY 1972 for such types of activities as regional highway maintenance centers, rural electrification systems, technical and feasibility studies and an agricultural sector study.

THAILAND

FY 1972 is the final year of funding for the Community Development and Mobile Development Units projects. Our objective in helping create a viable Community Development program has been achieved, and no further U.S. assistance is required. We will also not be providing further assistance to the Mobile Development Units project, since Thai military personnel and budget, in support of this activity, have been diverted to more urgent requirements along the Cambodian border.

Health

We propose about \$2 million in FY 1972 to assist the Thai Government extend and improve its medical services to rural areas. The need for these services is enormous, and the project also provides an effective way of establishing rapport with the rural populace. Rural Health Centers will be assisted in the form of medicines, clinical instruments, vehicles and training. Thai research efforts to improve nutrition in rural areas will receive limited support.

Family Planning assistance in the form of advisory services and commodities will be continued in support of Thai efforts to reduce the population growth rate estimated at 3.3% per year.

Education

About \$4 million is proposed for U.S. assistance to education in FY 1972. Despite rapidly rising expenditures for education a major task still faces the Thai Government. It is estimated that less than 50% of Thai children in the 5-to-19 age group are in school, and many villagers lose their scant literacy skills after they leave school.

Some elements of our Rural Education project have achieved their objectives, we propose to continue our assistance to the Mobile Trade Training Units and to institutions providing vocational training to villagers in rural Thailand.

New sub-projects in adult education and village school reading materials are proposed to remedy basic literacy deficiencies. New sub-projects also are being proposed this year to assist in overcoming other fundamental problems affecting rural education in Thailand. A teacher training project is planned to enable the Thai to expand the number and improve the quality of teachers in rural areas. In order to help the Thais strengthen and become self-sufficient in developing their own science and mathematics education program, we also are proposing to provide assistance in the form of participant training beginning in FY 1972 in these areas to selected university departments.

FY 1972, as planned, will be the final year of U.S. advisory services to the IBRD Vocational Education project.

Government Administration

U.S. projects in support of Thai efforts to improve government administration account for about \$1 million of our program proposed for FY 1972. Narrowing the gap between the villager and government officials continues to be a primary aim of this form of assistance, and we again are proposing assistance in the field of local government. We have also recognized that improvement in administration at the central government level is important to our security objectives and will continue to work with the Thai Civil Service Commission to reform their civil service structure and to assist the Labor Department extend and improve their services to rural Thailand.

Because of Thailand's worsening economic situation and its need carefully to examine the economic consequences of any further requirement to strengthen Thailand's defense posture, we are proposing a new project in National Economic Policy Planning to follow the Northeast Economic Development project due to end in FY 1971. The economic situation also indicates a growing requirement for the Thais to find ways to expand their traditional manufactured commodities. A new private enterprise project is proposed in FY 1972 to assist the Thais in these efforts.

SUMMARY OF PROGRAM BY FUNCTION
(Dollar Amounts in Thousands)

TABLE II

Country: THAILAND

| Category | Actual FY 1970 | | | | Estimate FY 1971 | | | | Proposed FY 1972 | | |
|---|----------------|--------------|---------------|---------------|------------------|--------------|---------------|---------------|------------------|-------------|---------------|
| | Total | Tech. Coop. | Supp. Assist. | Conting. Fund | Total | Tech. Coop. | Supp. Assist. | Conting. Fund | Total | Tech. Coop. | Supp. Assist. |
| Development Loan Program | 1,295* | XXX | XXX | XXX | 1,395* | XXX | XXX | XXX | - | XXX | XXX |
| Programs Other than Devel. Loan | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | |
| U.S. Technicians | 8,572 | 4,069 | 4,503 | - | 8,300 | 3,686 | 4,614 | - | 10,862 | - | 10,862 |
| Participants | 3,463 | 930 | 2,533 | - | 3,239 | 1,074 | 2,165 | - | 2,803 | - | 2,803 |
| Commodities | 13,215 | 1,389 | 11,826 | - | 8,865 | 1,340 | 7,525 | - | 26,335 | - | 26,335 |
| Other Costs | - | - | - | - | 1,296 | - | 1,296 | - | - | - | - |
| Total Project Assistance | 25,250 | 6,388 | 18,862 | - | 21,700 | 6,100 | 15,600 | - | 40,000 | - | 40,000 |
| Method of Financing | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | |
| Direct A.I.D. | 21,600 | 4,211 | 17,389 | - | 17,353 | 4,335 | 13,018 | - | 34,208 | - | 34,208 |
| Other Agency | 1,390 | 1,118 | 272 | - | 360 | 350 | 10 | - | 50 | - | 50 |
| Contract | 2,260 | 1,059 | 1,201 | - | 3,987 | 1,415 | 2,572 | - | 5,742 | - | 5,742 |
| Program Assistance | - | - | - | - | - | - | - | - | - | - | - |
| Total Other than Devel. Loan | 25,250 | 6,388 | 18,862 | - | 21,700 | 6,100 | 15,600 | - | 40,000 | - | 40,000 |
| Total Assistance | 26,545 | XXX | XXX | XXX | 23,095 | XXX | XXX | XXX | 40,000 | XXX | XXX |

*Represents population grants under Title X of the Foreign Assistance Act.

NUMBER OF U.S. TECHNICIANS (Program Overseas)

| TYPE OF TECHNICIAN | On Duty At Close of Year | | |
|----------------------------------|--------------------------|------------------|------------------|
| | Actual FY 1970 | Estimate FY 1971 | Proposed FY 1972 |
| A.I.D. employed | 187 | 170 | 166 |
| Participating agency | 18 | 18 | 1 |
| Contractor technicians | 72 | 58 | 73 |
| Total | 277 | 246 | 240 |

NUMBER OF PARTICIPANTS

| TYPE OF PARTICIPANT | Programmed During Year | | |
|------------------------|------------------------|------------------|------------------|
| | Actual FY 1970 | Estimate FY 1971 | Proposed FY 1972 |
| Non-contract | 954 | 757 | 491 |
| Contract | 18 | 12 | 108 |
| Total | 972 | 769 | 599 |

Country: THAILAND

PROJECT DATA

TABLE III

| | | |
|--|--|--|
| PROJECT TITLE Agricultural Water Utilization | SECTOR Agriculture and Natural Resources | FUNDS Economic |
| PROJECT NUMBER 493-11-120-231 | PRIOR REFERENCE - | INITIAL OBLIGATION FY: 1972 |
| | | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: One of the most serious obstacles to agricultural development in Thailand is the failure to make available to farmers water already stored in reservoirs throughout the country. The potential irrigable land from these reservoirs is almost 5 million acres. In the Northeast alone, over 160 tank reservoirs have been built to date. Water from these reservoirs will be used primarily for supplemental wet season rice irrigation during periods of water shortage. It could also be used, to some extent, to irrigate land for second cropping during the dry season. The Thai government, aware that utilization of stored water is a major factor towards increased agricultural production, has restricted the Department of Irrigation in planning and constructing new reservoirs until the water from existing reservoirs is fully utilized.

The purpose of this project is to assist the Thai government to: (1) provide agricultural water to farmers; and (2) train extension workers, soils personnel, irrigation engineers, and agricultural engineers in on-the-farm water distribution techniques. Commodities and training provided by the United States will enable farmers, and appropriate Thai government organizations to construct canals, irrigation and drainage laterals, ditches, dikes, and other appurtenances which will get water from reservoir to farm.

The United States also will be working with the Royal Irrigation Department, the Agriculture Extension

Department and the Land Development Department, which have responsibility for providing various services to the farmer necessary for the system's full utilization. The emphasis of U.S. assistance will be on the training of government officials to help farmers in the utilization of irrigation water.

FY 1972 Program: FY 1972 funds are being requested for the following: a contract and other expenses for 7 contract employees who will help develop training systems for agricultural and other government employees in irrigation techniques (\$300,000); financing of academic training for 20 participants in the United States in such fields as farm management and water resources development. In addition third country training will be provided for 35 participants to observe water utilization activity in third countries such as Taiwan (\$200,000). Commodities to be procured include vehicles, bulldozers, draglines, ditching machines, and land-leveling equipment (\$1,365,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | PRINCIPAL CONTRACTORS' FEES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------------|------------------|------------|-----------------------|-------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | Proposed FY 1972 | | | |
| Estimated FY 71 | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total |
| Estimated through 6/30/71 | | | | U.S. Technicians | | | | - | 300 | 300 |
| | | | | Participants | | | | 200 | - | 200 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | | | | 1,365 | - | 1,365 |
| | | | | Other Costs | | | | - | - | - |
| Proposed FY 72 | 1,865 | 4,135 | 6,000 | Total Obligations | | | | 1,565 | 300 | 1,865 |

| | | | | | |
|----------------|-------------------------|-----------------|-----------------------------------|--------------------|----------------------------|
| PROJECT TITLE | Agriculture Development | SECTOR | Agriculture and Natural Resources | FUNDS | Economic |
| PROJECT NUMBER | 493-11-190-180 | PRIOR REFERENCE | P. 101, FY 1971 EA PDB | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1952 | Reviewed Annually |

Project Target and Course of Action: This project's goal is to improve agricultural production in Thailand, with special attention given the Northeastern provinces where farmers compose 90% of that region's population. The Northeast Agricultural Center will continue to be assisted through a contract with the University of Kentucky. This research institution provides an area approach to agricultural development in the Northeast. Additional emphasis is placed on research in agricultural economics, which includes farm management, marketing, and compilation of agricultural statistics. This analysis will aid in achieving higher farm incomes and greater economic and social stability in all rural areas. Technical advice on improved agricultural methods will continue to be provided to farm clubs at the district level. Assistance will be provided through the Thai Extension Department in general agriculture, fisheries, and research. This support will help develop an Extension Service to advise farmers on effective methods of increasing and diversifying production, as well as demonstrate to Thai farmers that their government has an active interest in their well-being.

Progress to Date: The Department of Agricultural Extension now has 1,500 Extension Agents assigned to the field, with about 500 subject specialists and staff for administration and support. The import and use of fertilizers and pesticides, from 1960-1969 increased by

377% and 652% respectively, as indicators of improved agricultural methods. Improved transportation facilities have pointed up the lack of marketing information, and the poor management of farms. Over 2,400 private fish farms have been established with hatchery capability in the North and Northeast. In FY 1971 assistance in agricultural credit terminated, the United States having trained officials of the Bank for Agricultural Cooperatives in the United States and third countries, and provided one advisor to the bank, particularly related to their establishment of new branches and requirements for training of new and existing personnel.

FY 1972 Program: FY 1972 funds, \$2,425,000, are requested for the following: 5 full time direct hire agriculturalists, \$150,000; contracts and contract extensions, \$920,000, including a 1-year extension with the University of Kentucky for 10 full time advisors plus 30 man-months of short-term services (\$580,000), a contract with Auburn University (\$10,000), a contract extension with the Agricultural Cooperative Development Institute for 2 full-time advisors (\$60,000), a contract for 2 full-time advisors in agricultural economics and planning plus short-term consultancies (\$170,000), and a contract for farm management and farm extension advisory services (\$100,000); participant training for 157 trainees in the United States and third countries, \$465,000; commodities including farm machines, vehicles, pesticides, laboratory equipment, \$890,000.

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | | | | PRINCIPAL CONTRACTORS/AGENCIES |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|-------|------------------|-----------------------|-------|---|
| | Obligations | Expenditures | Unliquidated | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 18,884 | 14,303 | 4,581 | | | | | | | University of Kentucky Agriculture Cooperative Development Institute Auburn University |
| Estimated FY 71 | 2,095 | 2,702 | | | | | | | | |
| Estimated through 6/30/71 | 20,979 | 17,005 | 3,974 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 2,425 | Undetermined | | | | | | | | |
| | | | | Total Obligations | 1,375 | 720 | 2,095 | 1,430 | 995 | |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | |
|--|-------------------------------|--------------------------------|--|
| PROJECT TITLE Rural Electrification Planning | SECTOR Industry and Mining | FUNDS Economic | |
| PROJECT NUMBER 493-11-220-217 | PRIOR REFERENCE None | INITIAL OBLIGATION FY: 1972 | SCHEDULED FINAL OBLIGATION FY: 1972 |

Project Target and Course of Action: The purpose of this project is to provide technical assistance to the Thai Government in its efforts to accelerate rural electrification. Presently 85% of the Thai population (in 40,000 villages and towns) do not have access to electricity. The Provincial Electricity Authority has, over the past several years, been able to electrify approximately 200 villages per year. The Thai Government has not approved the proposals to begin an accelerated program because the plans lacked the economic and financial detail deemed necessary for governmental commitment to provide the substantial funds required to implement the program. A United States reconnaissance team recently assisted Provincial Electricity Authority in conducting an overall evaluation of the Authority's capabilities with respect to (1) handling an accelerated program, (2) developing a proposed scope for a National Plan for Accelerated Rural Electrification, and (3) identifying specific areas of specialization where the Provincial Electricity Authority would require assistance in developing such a plan.

The United States plans to provide advisory assistance to Provincial Electricity Authority so that the Authority will be able to prepare a comprehensive plan for accelerating rural electrification throughout its entire service areas. The purpose of the plan would be to provide a logical, orderly approach to the complex task of rural electrification that would minimize its

economic costs, maximize its return to both the national economy and the Provincial Electricity Authority, and avoid an inefficient diffusion of financial and technical resources. The plan will have the following 5 specific goals: (1) establish the physical and financial magnitude of rural electrification on a national scale and within a time frame for carrying out appropriate short and long term programs; (2) determine the short and long term economic and social benefits that are expected from the programs; (3) set forth economic, technical, financial and social criteria that would govern the selection of villages or areas to be electrified; (4) set forth the methodology to be followed in applying the above criteria; and (5) provide reasonable assurance that Provincial Electricity Authority will have the necessary technical, organization, management, and financial capacity to carry out an accelerated program.

FY 1972 Program: FY 1972 funds are requested to finance the services of 5 short-term contract advisors (\$125,000); and training, both academic and short-term, for 10 participants in the United States (\$100,000).

| U.S. DOLLAR COST (In Thousands) | | | | Cost Components | OBLIGATIONS | | | | | | PRINCIPAL CONTRACTORS/XXXXXXXXXX |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|-------|------------------|-----------------------|-------|----------------------------------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Estimated FY 71 | | | | | | | | | | | |
| Estimated through 6/30/71 | | | | U.S. Technicians | | | | - | 125 | 125 | |
| | | | | Participants | | | | 100 | - | 100 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | | | | - | - | - | |
| | | | | Other Costs | | | | - | - | - | |
| Proposed FY 72 | 225 | - | 225 | Total Obligations | | | | 100 | 125 | 225 | |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | |
|---|---|--------------------------------|--|--|
| PROJECT TITLE Private Enterprise - Private Sector Development | SECTOR Industry and Mining | | FUNDS Economic | |
| | PRIOR REFERENCE P. 102, FY 1971 EA PDB | INITIAL OBLIGATION FY: 1957 | SCHEDULED FINAL OBLIGATION FY: 1972 | |
| PROJECT NUMBER 493-15-290-161 | | | | |

Project Target and Course Action: The purpose of this project is to provide technical assistance to the Thai Government in its efforts to develop the private sector. Particular attention is devoted to promoting agri-business activities. The degree to which private enterprise can mobilize resources, improve distribution, produce commodities required by farmers, and furnish employment is a significant factor in the government's efforts to deal with rural poverty. The United States is providing advisory and personnel training assistance to the Board of Investment, Ministry of Industry, Ministry of Economic Affairs, Ministry of Finance and other government and private institutions, to increase their ability in promoting expansion of private industry and agri-business. Emphasis in the government sector is being placed on the areas of planning policy and procedures, organization, personnel training, research and promotion. Assistance to the private sector is being directed toward meeting the expanding and more widely dispersed demands for medium and long-term capital and manpower development.

Progress to Date: The United States has provided a full time advisor under contract to the Board of Investment to up-grade project research evaluation and investor services capability. The services of a full time advisor to the Policy and Planning Division of the Ministry of Industry are being continued for a second year. Personnel training has also been provided these

agencies and the Ministry of Economic Affairs. In addition, short-term experts have been provided to counsel these agencies on specific industry policies and issues. Investment risk insurance increased during FY 1970 to a total of \$138 million for coverage of private American equity and loan investment in Thailand. Three direct-hire private enterprise advisors continue assistance to government and quasi-private agencies. Contract services are being funded in FY 1971 to provide 14 man-years of assistance to the Ministry of Economic Affairs, Board of Investment, Ministry of Finance and the National Economic Development Board. This is considered the last stage of assistance under this project.

FY 1972 Program: FY 1972 funds totalling \$50,000 are requested to fund concluding costs of contract assistance funded in prior years and to provide academic training in the United States for 2 participants.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/05803001 | | | | |
|---------------------------------|-------------|-------------------------|----------------------|--|-------------------|-------------------|--------------------------------|------------------|-------------------|-------|--|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| Through 6/30/70 | 2,193 | 1,519 | 674 | U.S. Technicians Participants Commodities Other Costs Total Obligations | Direct AID | Contract/05803001 | Total | Direct AID | Contract/05803001 | Total | International Business Consultants, Inc. |
| Estimated FY 71 | 800 | 590 | | | 105 | 430 | 535 | - | 37 | 37 | |
| Estimated through 6/30/71 | 2,993 | 2,109 | 884 | | 265 | - | 265 | 13 | - | 13 | |
| | | Future Year Obligations | Estimated Total Cost | | - | - | - | - | - | - | |
| Proposed FY 72 | 50 | - | 3,043 | | - | - | - | - | - | - | |
| | | | | | 370 | 430 | 800 | 13 | 37 | 50 | |

Country: THAILAND

PROJECT DATA

TABLE III

| | | |
|---|-------------------------------|--|
| PROJECT TITLE Private Capital Investment | SECTOR Industry and Mining | FUNDS Economic |
| PROJECT NUMBER 493-11-950-232 | PRIOR REFERENCE - | INITIAL OBLIGATION FY: 1972 |
| | | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course Action: The purpose of this project is to improve the Thai Government capability, effectiveness, and coordination in the establishment and implementation of improved policies and plans to facilitate investment and industry growth. This will be accomplished through technical assistance focused on the key agencies concerned with critical elements of the investment climate. This program has evolved from experience with previous projects involving selected Thai Government agencies and institutions. Elements of the project will include: investment promotion and investor services; export development; availability, terms, and conditions of finance; industrial policies, plans, and regulations; manpower development; industrial diversification and dispersion. In order for the Thai Government to achieve its economic and social goals in the period 1972 through 1976, private capital investment must virtually double and exceed the total public and private sector investment estimated to have taken place during the prior five years.

The United States plans to provide advisory assistance to improve the Thai Government policy formulation and planning in the field of private enterprise development. Increased interagency coordination will be promoted; the importance of private sector participation in the Thai Government policy formulation will be stressed. Key agencies concerned are the Ministry of Economic Affairs, Board of Investment, Ministry of Industry, Ministry of Finance and the National Economic Development Board.

The United States also plans to provide advisory assistance in response to Thai initiatives, in improving programs to obtain adequate financing for private enterprise development and industrial diversification and dispersion. The latter area of activity would include assistance in the planning of rural industry development programs, and the establishment of individual industrial growth centers in the different regions. A significant part of this program will be the planned conversion of present military facilities to civil industrial use if preliminary investigations show this to be feasible. In addition, short-term expert advisors will assist in the determination of policy issues affecting development of key industries and exports.

A participant training element will complement on-the-job training provided by project advisors. Both government personnel and private sector management and professional personnel in industries considered important to national development will be included.

FY 1972 Program: FY 1972 funds are requested to finance (1) 4 direct-hire private enterprise advisors (\$110,000); (2) contract services to provide 8 man years of assistance to the Ministry of Finance and jointly to the Board of Investment, Ministry of Industry, Ministry of Economic Affairs, and the National Economic Development Board (\$290,000); (3) training for 17 participants from both the government and private sector in the United States (\$155,000).

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | | | | PRINCIPAL CONTRACTORS/XXXXXXXXXX |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|-------|------------------|-----------------------|-------|----------------------------------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Estimated FY 71 | | | | | | | | | | |
| Estimated through 6/30/71 | | | | | | | 110 | 290 | 400 | |
| | | Future Year Obligations | Estimated Total Cost | | | | 155 | - | 155 | |
| | | | | | | | - | - | - | |
| | | | | | | | - | - | - | |
| Proposed FY 72 | 555 | 1,300 | 1,855 | | | | 265 | 290 | 555 | |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | | |
|----------------|---------------------------------|-----------------|------------------------|--------------------|----------------------------|
| PROJECT TITLE | Labor Department Administration | SECTOR | Labor | FUNDS | Economic |
| PROJECT NUMBER | 493-11-460-195 | PRIOR REFERENCE | P. 104, FY 1971 EA PDB | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1967 | FY: 1972 |

Project Target and Course of Action: This project is designed to assist the Thai Department of Labor, established in 1966, to improve its operations in the manpower planning, staff training and employment services areas. The objective is to develop a national organizational base from which needed government service in the labor field can be administered and decentralized in high priority rural areas and urban centers. Development of legislation for a Workman's Compensation Fund, Occupational Health and Safety programs, and programs of worker-management education are further objectives of this project.

Another aspect of this project is to broaden the capabilities of the employment service. The current thinking is to move away from the Mobile Unit of previous years and toward the coordinated operation of a network of offices. The emphasis will be on: (1) placement; (2) the collection and dissemination of labor market information; and (3) guidance and counseling. There are also plans to develop and upgrade the counseling program.

The United States Department of Labor is providing advisory services to the Thai Labor Department in industrial relations, labor standards, labor statistics, and related areas. The Thai Government has requested that these services be continued through FY 1972 because delay in final parliamentary approvals has delayed implementation of several measures in which U. S. Labor

Department advisors have been heavily involved.

Progress to Date: There are now 11 Local Employment Service offices and personnel are being trained to man 3 additional offices. Inter-area placement programs and a program of labor market information are currently being designed and tested in Bangkok. A labor relations law has been drafted and is currently under government inter-agency review. Program planning and design are underway for a Workman's Compensation program and for Health and Safety programs.

FY 1972 Program: FY 1972 funds are requested for 1 full-time advisor and several short-term advisors through agreement with the United States Department of Labor to work with workmen's compensation, establishment of the workmen compensation fund, testing and standardization and labor legislation (\$50,000); short-term training for 7 participants (\$25,000).

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | | | | PRINCIPAL CONTRACTORS/AGENCIES |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|-------|------------------|-----------------------|-------|--------------------------------|
| | Obligations | Expenditures | Unliquidated | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 323 | 264 | 59 | | | | | | | U.S. Department of Labor |
| Estimated FY 71 | 75 | 96 | | | | | | | | |
| Estimated through 6/30/71 | 398 | 360 | 38 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 75 | - | 473 | | | | | | | |
| | | | | Cost Components | | | | | | |
| | | | | U.S. Technicians | - | 50 | 50 | - | 50 | |
| | | | | Participants | 25 | - | 25 | 25 | - | 25 |
| | | | | Commodities | - | - | - | - | - | - |
| | | | | Other Costs | - | - | - | - | - | - |
| | | | | Total Obligations | 25 | 50 | 75 | 25 | 50 | 75 |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | | |
|----------------|----------------------------|-----------------|------------------------|----------------------------|----------|
| PROJECT TITLE | Comprehensive Rural Health | SECTOR | Health and Sanitation | FUNDS | Economic |
| PROJECT NUMBER | 493-11-540-179 | PRIOR REFERENCE | P. 105, FY 1971 EA PDB | INITIAL OBLIGATION | FY: 1966 |
| | | | | SCHEDULED FINAL OBLIGATION | FY: 1974 |

Project Target and Course of Action: The purpose of this project is to assist the Thai Government in establishing an effective network of curative and preventive medical services in security-sensitive rural areas and to encourage production and marketing of high protein foods. The project involves two approaches -- long-term development of the Thai Government's capacity to provide needed health services and immediate impact activities.

Progress to Date: Most short-range targets have been met or exceeded as the project enters its sixth year. There has been considerable improvement and expansion of health facilities and marked improvement in the provision of health services to the rural population. Some successfully completed elements of the project are: (1) the establishment of 4 regional health training centers for training male health workers for service at rural health centers; 4 Maternal Child Health Training Centers for training midwives for service at rural health centers; 3 regional tuberculosis control centers in northeast and northern Thailand; (2) pilot study in Saraphi District aimed at improving public health services for people in rural areas; (3) provision of required hospital medical equipment to 26 northeast and northern provincial and district hospitals; (4) creation of a viable operating arm of the Department of Health to carry out environmental health activities on a self-help basis in all villages; (5) support for Rural Health Centers in the form of drugs, supplies and equipment; and (6) research

and development of prototype protein-rich foods are now available for commercial production and marketing. In addition, a highly successful seminar on protein food development was held with the assistance of the U.S. National Academy of Sciences which has already brought Thai Government Cabinet support for further action in this field.

The high impact element, including the fielding of 30 mobile medical teams and training of district auxiliary health workers (paramedics) for each security-sensitive district, is now well established and United States assistance terminates in FY 1971. Assistance is now focusing on (1) closing the widespread communication gap which still exists between the people and the Ministry of Public Health and which seriously hampers health programs that require individual, family or community decisions and actions, and (2) helping to create an integrated, well-planned and well-managed organization. FY 1972 Program: FY 1972 funds are requested for 7 direct-hire public health advisors (\$210,000); 3 short-term food marketing and institutional feeding consultants (\$20,000); U.S. academic training for 11 participants, third country training for 8 participants in public health fields, and short-term training for 4 participants (\$110,000); commodities including medical and laboratory equipment, food processing equipment, vehicles (\$230,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|------------------|--------------------------------|------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | | |
| | | | | Direct AID | Contract/Other Agency | Total | | Direct AID | Contract/Other Agency | Total |
| Through 6/30/70 | 4,992 | 3,867 | 1,125 | | | | | | | |
| Estimated FY 71 | 705 | 1,115 | | | | | | | | |
| Estimated through 6/30/71 | 5,697 | 4,982 | 715 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 570 | 795 | 7,062 | | | | | | | |
| | | | | Total Obligations | 687 | 18 | 705 | 550 | 20 | 570 |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | |
|---|---|--------------------------------|--|--|
| PROJECT TITLE Family Planning and Health | SECTOR Health and Sanitation | | FUNDS Economic | |
| | PRIOR REFERENCE P. 106, FY 1971 EA PDB | INITIAL OBLIGATION FY: 1968 | SCHEDULED FINAL OBLIGATION FY: 1974 | |
| PROJECT NUMBER 493-11-580-209 | | | | |

Project Target and Course of Action: This project assists the Thai Government to reduce Thailand's high population growth rate by helping to: (1) provide family health services throughout the country; and (2) strengthen the capability of the Mahidol University School of Public Health at Bangkok in population dynamics and family planning.

The immediate target is to help the Thai Government complete the extension of family planning services to all 71 provinces and increase the number of acceptors per operating clinic. The United States will provide advisory services to the Ministry of Public Health, contraceptives, medical and audio visual equipment, and participant training for doctors, nurses and related professions. A.I.D. has financed a U.S. university contract to: (1) provide for study in the United States in demography, the behavioral sciences and family planning; and (2) furnish advisory services to the Thai School of Public Health.

Progress to Date: The project is on schedule, with family planning services now offered to some extent in all 71 provinces. Over 300 doctors, 700 nurses, and 3,000 mid-wives have completed a one-week course in family planning, and some 350 clinics have been equipped for intra-uterine device insertions and medical examinations.

The total number of new acceptors for 1970 was 220,000 compared to 120,000 in 1969 and 185,000 for the 3-year period, 1965-1968. Data indicate that services are rapidly being extended to the rural areas. The

University of North Carolina began a 3-year contract in April 1970 to provide advisory services to the School of Public Health.

FY 1972 Program: FY 1972 funds are requested for 3 direct-hire population/family planning experts (\$90,000); a one year extension of University of North Carolina advisory contract services for the School of Public Health (\$245,000); U.S. training for 15 participants and training in third countries for 45 participants (\$195,000); and commodities including contraceptives, vehicles, laboratory and medical equipment, visual aids, books, etc., which will be provided for clinics and training centers (\$1,070,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/XXXXXXXX | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|-----------------------|-------|------------------------------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | 3,231 | 883 | 2,348 | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Estimated FY 71 | 1,395 | 2,223 | | U.S. Technicians | 85 | - | 85 | 90 | 245 | 335 | University of North Carolina |
| Estimated through 6/30/71 | 4,626 | 3,106 | 1,520 | Participants | 290 | - | 290 | 195 | - | 195 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 1,020 | - | 1,020 | 1,070 | - | 1,070 | |
| | | | | Other Costs | - | - | - | - | - | - | |
| Proposed FY 72 | 1,600 | 3,945 | 10,171 | Total Obligations | 1,395 | - | 1,395 | 1,355 | 245 | 1,600 | |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | | |
|----------------|-------------------------------------|-----------------|------------------------|----------------------------|----------|
| PROJECT TITLE | Development of Vocational Education | SECTOR | Education | FUNDS | Economic |
| PROJECT NUMBER | 493-11-610-194 | PRIOR REFERENCE | P. 107, FY 1971 EA PDB | INITIAL OBLIGATION | FY: 1966 |
| | | | | SCHEDULED FINAL OBLIGATION | FY: 1972 |

Project Target and Course of Action: The objective of this project is to assist the Thai Government in its 5-year program to strengthen and expand vocational education and teacher training. The Thai Government has committed the equivalent of \$32 million to this project including \$6 million borrowed from the International Bank for Reconstruction and Development for imported equipment, \$16 million for land acquisition and construction and \$10 million for operation of schools during this period. The United States is providing technical assistance to the Department of Vocational Education. In addition, the services of two university contract teams are being furnished. These teams are working with the teacher training institutions, one in vocational agriculture and one in trade and industrial education. Thai plans have the following goals: (1) expand buildings and equipment of 14 trade and industry schools which will increase their capacity by 1,400 students and provide equipment and improved space for the present 5,600 students; (2) expand and improve 9 agricultural schools, increasing enrollment from 2,600 to 4,100 students; (3) expand enrollment at the Thewes Technical College in Bangkok from 275 students to 540 students and graduate annually 180 teachers; and expand enrollment at Bang-Pra Agricultural Teacher Training College from 270 to 360 and graduate 150 teachers.

of Vocational Education. Since June 1967, 5 agriculture specialists from California State Polytechnic College have been assisting in the curriculum development and in-service teacher training at Bang-Pra Agricultural College, and in conducting agricultural seminars and workshops country-wide. The 7 members of the trade and industrial team from Oklahoma State University are working on curriculum development and in-service teacher training at Thewes Teacher Training College. A short-term vocational education specialist is being funded in FY 1971 to assist the Department of Vocational Education to evaluate the progress and effectiveness of its 5-year program.

FY 1972 Program: Funds are requested for 4 direct-hire technicians (\$120,000), and for a 1-year extension of the California State Polytechnic College and the Oklahoma State University contracts (\$500,000). This will be the final year of funding for these two university contracts which will physically terminate by the end of FY 1973.

Progress to Date: Four U.S. vocational education advisors are presently working with officials of the Department

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|----------------------------|------------------|--------------------------------|------------|----------------------------|---|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | | |
| | | | | Direct AID | Contract/ OTHER | Total | | Direct AID | Contract/ OTHER | Total |
| Through 6/30/70 | 2,701 | 1,511 | 1,190 | | | | | | | California State Polytechnic College Oklahoma State University |
| Estimated FY 71 | 730 | 1,070 | | | | | | | | |
| Estimated through 6/30/71 | 3,431 | 2,581 | 850 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 620 | - | 4,051 | 130 | 600 | 730 | 120 | 500 | 620 | |
| | | | | Cost Components | | | | | | |
| | | | | U.S. Technicians | 115 | 600 | 715 | 120 | 500 | |
| | | | | Participants | 15 | - | 15 | - | - | - |
| | | | | Commodities | - | - | - | - | - | - |
| | | | | Other Costs | - | - | - | - | - | - |
| | | | | Total Obligations | 130 | 600 | 730 | 120 | 500 | 620 |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | | |
|----------------|-------------------------------|-----------------|-----------|--------------------|----------------------------|
| PROJECT TITLE | Graduate Science Education | SECTOR | Education | FUNDS | Economic |
| PROJECT NUMBER | 493-11-660-228 | PRIOR REFERENCE | | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1972 | FY: 1976 |

Project Target and Course of Action: The objective of this project is to assist Thai universities to develop viable local graduate programs capable of producing Master of Science graduates of international quality. Although local programs of graduate education in the sciences now exist, they are not adequate in quality or quantity to meet the manpower needs of Thailand's economy, nor to provide a solid base for science education throughout the educational system. Several recent studies in Thailand by UNESCO, the IBRD and USAID strongly support the Thai Government's decision to place high priority on the development of graduate-level science education. Thailand's growing need for well trained scientists and trainers of science teachers is now being met by a combination of poor local training, and foreign education which uses scarce foreign exchange and risks "brain drain" losses. The Thai Government, with the assistance of Michigan State University, has produced a general plan for the development of graduate science education, but the details (equipment requirements, phasing of scholarships, special duties of foreign technicians in relation to curriculum revision, development of research, etc.) have yet to be developed. It is proposed that the services of a 5-man university contract team be obtained to work with the staff of the University Development Commission to prepare a specific work plan, equipment and library lists and scholarship needs. United States advisory assistance is tentatively

scheduled for a 5-year period with commodity assistance anticipated for laboratory equipment and library materials. **FY 1972 Program:** FY 1972 funds are requested for: (1) funding for 1 direct-hire higher education advisor to serve as project officer (\$30,000); (2) 18 months funding for a 5-man university contract team (\$300,000); and (3) meeting the costs of demonstration educational equipment, supplies and materials plus books and laboratory equipment (\$200,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | |
|---------------------------------|-----------------|---------------------------|-------------------------|----------------------|-------------------|-----------------------|--------------------------------|------------------|-----------------------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | |
| | Estimated FY 71 | Estimated through 6/30/71 | Future Year Obligations | Estimated Total Cost | Estimated FY 1971 | | | Proposed FY 1972 | |
| | | | | | Direct AID | Contract/Other Agency | | Direct AID | Contract/Other Agency |
| | | | | Cost Components | | | | | |
| | | | | U.S. Technicians | | | 30 | 300 | 330 |
| | | | | Participants | | | - | - | - |
| | | | | Commodities | | | - | 200 | 200 |
| | | | | Other Costs | | | - | - | - |
| Proposed FY 72 | 530 | 3,970 | 4,500 | Total Obligations | | | 30 | 500 | 530 |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | | |
|----------------|-----------------|-----------------|------------------------|--------------------|----------------------------|
| PROJECT TITLE | Rural Education | SECTOR | Education | FUNDS | Economic |
| PROJECT NUMBER | 493-11-640-162 | PRIOR REFERENCE | P. 108, FY 1971 EA PDB | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1964 | FY: Reviewed Annually |

Project Target and Course of Action: This project's objective is to increase the Thai Government's capacity to respond to the desires of the rural population for expanded and improved educational opportunities. It is also designed to make a substantial contribution to the Thai Government's counterinsurgency efforts in the security-sensitive areas of the North and Northeast. The project is subdivided into the following parts: (1) textbook and teaching materials; (2) provincial education improvement; (3) mobile vocational training; (4) participant training to improve the quality of rural teaching; and (5) a program to maintain and improve literacy among rural adults. The program provides training in writing, editing and production of programmed (self-teaching) textbooks. Also involved in the project is an education development program to expand and improve the upper primary and secondary school system; and a program of mobile adult vocational training units for short-term training in such technical skills as auto-mechanics and radio repair, etc., for out of school youths and adults. The entire program is also assisted by educational radio programs.

Progress to Date: About eight million textbooks have been printed on A.I.D.-financed paper imports. The Ministry of Education provides manuscripts, editorial work, printing, and distribution. Ten Thais have completed the first phase of training provided under contract in the art of programming text materials for books.

Follow-on activities are continuing in order to evaluate anticipated improvements in curriculum content. Eight mobile training units were added in FY 1970 to increase the total in operation to 36 out of the targeted 54 units. Approximately 30,000 students had received training by the end of FY 1970.

FY 1972 Program: Funds are requested for 5 direct hire education technicians (\$150,000); services of 13 contract personnel (\$620,000); academic training in the United States for 50 participants and short-term training in third countries for 25 participants (\$575,000); and commodities including vehicles, instructional materials, and equipment (\$1,595,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS XXXXXXXX | | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|---------------------------|---|------------------|---------------------------|-------|--|-----------------------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | | |
| | | | | | Direct AID | Contract/ XXXX | Total | Direct AID | Contract/ XXXX | Total | | |
| Through 6/30/70 | 7,317 | 3,792 | 3,525 | | | | | | | | | Resources Development Corporation |
| Estimated FY 71 | 1,915 | 1,921 | | | | | | | | | | |
| Estimated through 6/30/71 | 9,232 | 5,713 | 3,519 | U.S. Technicians | 220 | 75 | 295 | 150 | 620 | 770 | | |
| | | | | Participants | 500 | - | 500 | 575 | - | 575 | | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 1,120 | - | 1,120 | 1,595 | - | 1,595 | | |
| | | | | Other Costs | - | - | - | - | - | - | | |
| Proposed FY 72 | 2,940 | Undetermined | | Total Obligations | 1,840 | 75 | 1,915 | 2,320 | 620 | 2,940 | | |

Country: THAILAND

PROJECT DATA

TABLE III

| | | |
|--|---|---|
| PROJECT TITLE Civil Police Administration | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 493-11-710-119 | PRIOR REFERENCE P. 109, FY 1971 EA PDB | INITIAL OBLIGATION FY: 1957 |
| | | SCHEDULED FINAL OBLIGATION FY: Reviewed Annually |

Project Target and Course Action: The primary objective of this project is to help the Thai Government improve its effectiveness in protecting the rural populace against insurgent activity and banditry. Assistance in the form of equipment, training and advisory services, is heavily concentrated on three units of the Thai National Police Department (TNP) which bear major responsibility for rural security. These units are the Provincial Police, Border Patrol Police and Police Aviation Division. The program is to extend police services to townships to improve police training, mobility, and communications, and to promote community development activities by the police in remote areas.

The Thai Government's budget for the Police Department has increased from \$37 million in 1965 to approximately \$73.5 million in 1971. It is anticipated that the TNP budget for FY 1972 will increase to \$96 million.

Progress to Date: The increased banditry and insurgent actions during FY 1969-1970 have influenced an increase of Provincial Police by 2,550 men and the Border Patrol Police by 976 representing an overall increase of 7% since FY 1969. During the same period, 175 additional tambol (township) police stations have been constructed and sufficient funds have been allocated to construct 79 other stations during FY 1971-1972. This will complete the planned target of 1,004 stations. U.S. assistance has provided approximately 58% of vehicle needs and 75% of communication equipment requirements for these stations.

Additional U.S. commodity assistance will be provided as the manpower levels at these stations improve.

The original target to train, equip and deploy fifty 50-man Special Action Forces was completed in FY 1971 and an additional 4 units were approved. Two police aerial reinforcement companies (230 men each) were equipped and trained during FY 1969-1970. A third company was formed in FY 1971. Two new activities were initiated in FY 1970: (1) establishment of 5 training centers to institutionalize counterinsurgency training; (2) provision of field medical service for all police elements. Advisory services and limited commodities are being provided to achieve activity targets. The TNP Aviation Division continues to receive U.S. contract service assistance to improve its aircraft maintenance capability. Since the start of this project, 853 police personnel have received training in the United States and third countries.

FY 1972 Program: FY 1972 funds are requested for (1) 50 direct hire public safety advisors and 3 secretaries (\$1,500,000); (2) public safety participant training in the United States for 75 Thai police (\$220,000); (3) commodities for improving the mobility, training, and defense communication capability of police security units, including jeeps, weapons, ammunition, radios, and helicopters (\$7,080,000); (4) continuation of a contract for the services of 1 U.S. and 14 third country advisors to assist the Police Aviation Division in aircraft maintenance and training (\$200,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/XXXXXXXX | | | |
|---------------------------------|-------------|-------------------------|----------------------|---------------------------------------|-------------------|--------------------------------|--------------------------------|------------------|--------------------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| Through 6/30/70 | 71,926 | 62,160 | 9,766 | U.S. Technicians Participants | Direct AID | Contract/ XXXXXX | Total | Direct AID | Contract/ XXXXXX | Total |
| Estimated FY 71 | 5,000 | 8,155 | | | Commodities | 1,510 | 155 | 1,665 | 1,500 | 200 |
| Estimated through 6/30/71 | 76,926 | 70,315 | 6,611 | 200 | | - | 200 | 220 | - | 220 |
| | | Future Year Obligations | Estimated Total Cost | Other Costs | 3,135 | - | 3,135 | 7,080 | - | 7,080 |
| Proposed FY 72 | 9,000 | Undetermined | | | - | - | - | - | - | - |
| | | | | Total Obligations | 4,845 | 155 | 5,000 | 8,800 | 200 | 9,000 |

Air America
Joseph Z. Taylor and
Associates
Continental Air Services

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | | |
|----------------|----------------------|-----------------|-----------------------|--------------------|----------------------------|
| PROJECT TITLE | Commodity Management | SECTOR | Public Administration | FUNDS | Economic |
| PROJECT NUMBER | 493-11-740-235 | PRIOR REFERENCE | - | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1972 | FY: 1974 |

Project Target and Course of Action: The objective of this project is to develop increased capabilities throughout the Thai Government for effective and efficient management of commodities and related personnel and fiscal resources. A Commodity Management Institute in the Thai Government's Bureau of the Budget will have increased authority to develop and institute: (1) commodity management regulations and procedures; (2) modern training materials and aids for government-wide use; and (3) seminars and other training programs to upgrade commodity management capabilities within the Thai Government. The National Institute for Development Administration in a complementary effort is developing courses in Commodity Management which will be given as a part of its public administration curriculum and made available to Government employees. The Prime Minister has established a high level, interagency group, the Thai Management Advisory Committee, to further emphasize the importance accorded to this activity and to coordinate implementation of new policies and procedures in the commodity management field. The Commodity Management Institute is the secretariat for the Committee. A direct-hire public administration advisor will be provided for two years to assist the Budget Bureau to develop training courses and teaching aids. Limited commodity support and participant training will be provided.

FY 1972 Program: FY 1972 funds are requested for the services of one direct-hire technician who will be an advisor in commodity management (\$30,000), and for 5 short-term participants for U.S. training in commodity management (\$20,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-----------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|-------|------------|-----------------------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | Estimated FY 71 | | | | Estimated FY 1971 | Proposed FY 1972 | | | | |
| | | | | U.S. Technicians | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Estimated through 6/30/71 | | | | Participants | | | | 30 | - | 30 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | | | | 20 | - | 20 |
| | | | | Other Costs | | | | - | - | - |
| Proposed FY 72 | 50 | 75 | 125 | Total Obligations | | | | 50 | - | 50 |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | |
|---|---------------------------------|--------------------------------|--|
| PROJECT TITLE Local Government Finance | SECTOR Public Administration | | FUNDS Economic |
| | PRIOR REFERENCE - | INITIAL OBLIGATION FY: 1972 | SCHEDULED FINAL OBLIGATION FY: 1974 |
| PROJECT NUMBER 493-11-750-229 | | | |

Project Target and Course of Action: The purpose of this project is to assist the Thai Government to develop methods to increase the revenue of local government units. The project will also improve methods of channeling central government funds to these units, and should help produce recommendations for the possible alteration of the present definitions of local government and the relationship, especially financial, between the central government and local government units. The development of viable local government units capable of administering their own affairs is beginning to bear fruit. Locally-elected provincial councils exist throughout the country and the government continues to increase their responsibility as their ability grows. One of the significant negative factors in the development of local government has been the area of financing. Local government authorities have not been able to identify methods of producing local revenues. Consequently, local budget funds are largely drawn from central funds and thus the local control of these funds is diminished. A technical advisor will assist the Ministry of Interior offices responsible for municipal and provincial administration to study, (1) the resource requirements of local government units, (2) existing sources of revenue available to local government, (3) the existing laws and regulations, and to produce recommendations and initiate such implementation as may be approved. Additional advisory services are contemplated in such specialized areas as educational

finance.
FY 1972 Program: FY 1972 funds are requested for: 1 advisor in local government finance (\$35,000); long-term training for 10 participants and short-term training for 4 participants in the United States (\$130,000); and limited commodities such as office machines (\$15,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-----------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | Estimated FY 71 | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| Estimated through 6/30/71 | | | | U.S. Technicians | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| | | Future Year Obligations | Estimated Total Cost | Participants | | | | 35 | - | 35 |
| | | | | Commodities | | | | 130 | - | 130 |
| | | | | Other Costs | | | | 15 | - | 15 |
| Proposed FY 72 | 180 | 270 | 450 | Total Obligations | | | | - | - | - |
| | | | | | | | | 180 | - | 180 |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | | |
|----------------|--------------------------|-----------------|-----------------------|--------------------|----------------------------|
| PROJECT TITLE | National Economic Policy | SECTOR | Public Administration | FUNDS | Economic |
| PROJECT NUMBER | 493-11-750-233 | PRIOR REFERENCE | None | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1972 | FY: 1975 |

Project Target and Course of Action: The purpose of this project is to improve the development planning capability within the Thailand Government. The project inputs will include selected technical assistance for a 3-year period, participant training, and a small commodity support component. These inputs will be concentrated in the National Economic Development Board, but assistance will also be given to the National Statistical Office to develop adequate data for planning and to the National Institute of Development Administration to provide in-country training, particularly in regional planning. With substantially improved planning capability Thai resource allocation and use of both Thai and foreign resources will improve markedly. It is planned to eventually provide 5 to 7 full-time advisors and 50 man-months of short-term specialists. These will cover macro-planning, regional planning, national accounts, infrastructure, feasibility work, city planning, statistical systems and related short-term tasks. Short-term participants will also be funded.

FY 1972 Program: Funds are requested to fund 1 direct-hire economist-advisor (\$30,000); 3 long-term and 4 short-term contract specialists (\$130,000); and short-term training for 4 participants in the United States (\$20,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/ XXXXXXXXXX | | |
|---------------------------------|-----------------|---------------------------|-------------------------|----------------------|-------------------|-----------------------|--|------------------|------------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | |
| | Estimated FY 71 | Estimated through 6/30/71 | Future Year Obligations | Estimated Total Cost | Estimated FY 1971 | | | Proposed FY 1972 | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Proposed FY 72 | 180 | 520 | 700 | | | | 50 | 130 | 180 |

| | | | | | |
|----------------|-----------------------|-----------------|---|----------------------------|----------|
| PROJECT TITLE | Community Development | SECTOR | Community Development, Social Welfare and Housing | FUNDS | Economic |
| PROJECT NUMBER | 493-11-810-125 | PRIOR REFERENCE | P. 112, FY 1971 EA PDB | INITIAL OBLIGATION | FY: 1956 |
| | | | | SCHEDULED FINAL OBLIGATION | FY: 1972 |

Project Target and Course of Action: This project's goal is to strengthen the Thai Government's Rural Community Development Department, which trains and organizes volunteer village groups to help solve community problems. It is a part of the effort to counter the insurgents in certain rural areas of Thailand. The Community Development program is expected to train 60,000 village leaders by 1971, and have approximately 1,500 organizers working in over 15,000 villages. U.S. specialists train and help Thai Government technicians operate village workshops which train village leaders who are then better able to identify village needs and obtain appropriate assistance from other Thai Government programs. The United States provides audio visual equipment, mimeograph machines, projectors, loudspeakers, etc., to the Thai Government's Community Development Department for use by village organizations. The United States also supports the construction capability of the Community Development Department by providing light construction equipment sets in the critical areas of the south where communist insurgents are operating.

Progress to Date: Village leadership training was given to over 30,000 villagers in FY 1970. Other training to villagers was given to 2,900 women and youths, and occupational training to another 6,000 persons. Professional training was given to 2,500 government officials involved in the Community Development program and pre-service training provided to 285 newly-hired Community

Development workers. This training has helped to increase confidence among village leaders so that in cooperation with government officials they can make their villages more prosperous and better places in which to live. In this way, the project helps deny insurgent claims that they, not the government, offer the villagers better hope for the future.

FY 1972 Program: FY 1972 funds are requested for terminal expenses of this project, including the services of 4 direct-hire Community Development officers, two of whom will terminate during the year (\$90,000), to finance extensions of previously approved training for 10 participants (\$25,000); and to fund additional costs of prior year procurement and limited "fill-in" commodities (\$25,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|------------------|--------------------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | |
| Through 6/30/70 | 3,631 | 3,040 | 591 | Direct AID | Contract/Other Agency | Total | | Direct AID | Contract/Other Agency |
| Estimated FY 71 | 285 | 703 | | 125 | - | 125 | 90 | - | 90 |
| Estimated through 6/30/71 | 3,916 | 3,743 | 173 | 60 | - | 60 | 25 | - | 25 |
| | | Future Year Obligations | Estimated Total Cost | 100 | - | 100 | 25 | - | 25 |
| Proposed FY 72 | 140 | - | 4,056 | - | - | - | - | - | - |
| | | | | 285 | - | 285 | 140 | - | 140 |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | | |
|----------------|-------------------------------|-----------------|---|----------------------------|-----------------------|
| PROJECT TITLE | Accelerated Rural Development | SECTOR | Community Development, Social Welfare and Housing | FUNDS | Economic |
| PROJECT NUMBER | 493-11-810-163 | PRIOR REFERENCE | P. 113, FY 1971 EA FDB | INITIAL OBLIGATION | FY: 1964 |
| | | | | SCHEDULED FINAL OBLIGATION | FY: Reviewed Annually |

Project Target and Course of Action: The Accelerated Rural Development (ARD) project has the goal of winning and holding the loyalty of rural villagers in insurgent threatened areas of the Northeast and North. Increased governmental services, economic development, and strengthened local self-government are the tools to meet this objective. The basic idea is to increase the capacity of provincial government to respond to local needs. The governor of an Accelerated Rural Development province receives equipment to enable him to carry out a variety of public works activities and services of technical advisors who can help him plan, administer and implement the new activities.

Progress to Date: At the beginning of the program, provincial governors had virtually no staff or resources to mount any type of development program. Now the governor of an Accelerated Rural Development province--there are 24 which the United States supports--has or can expect to receive the following: (1) a deputy governor to administer the Accelerated Rural Development project; (2) a planning staff; (3) several construction crews consisting of trained operators, mechanics, surveyors, etc.; (4) a well-equipped maintenance facility; (5) participation in a local-level agricultural cooperative program; (6) participation in a young adult program; (7) participation in a mobile medical program; (8) equipment to carry out road construction and maintenance, water resource projects, and other projects requested by

villagers. As of December 31, 1970, the following public works had been completed under the Accelerated Rural Development program: 2,950 km. laterite-surfaced roads; 1,223 km. service tracks and village access roads; 410 km. village streets repaired; 883 km. of annual road maintenance; 1,450 shallow wells dug or repaired; 183 water storage ponds constructed. Non-public works activities included training of youth groups (124 formed in FY 1970 comprising 850 village leaders) and a public information program. The Thai government budget for this project has risen from \$1,275,000 in FY 1964 to more than \$14,000,000 in FY 1971. Increased attention is being given by both the Thai and United States governments to developing a management and training capability within the Accelerated Rural Development.

FY 1972 Program: Funding in FY 1972 is requested for 42 direct-hire development advisors and engineers (\$1,170,000); 3 contract technicians to advise on construction management and training (\$100,000); training of 30 participants in the United States in fields such as planning, engineering, and management, and 40 participants in third countries to study rural development techniques (\$300,000); and commodities including road construction and maintenance, water resources, and village project equipment (\$4,600,000).

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | | | | PRINCIPAL CONTRACTORS/AGENCIES |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------|-------|------------------|-----------|-------|--|
| | Obligations | Expenditures | Unliquidated | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/ | Total | Direct AID | Contract/ | Total | |
| Through 6/30/70 | 56,026 | 34,596 | 21,430 | | | | | | | Ralph M. Parsons, Inc. Universal Engineering Consultant Co. (Thai Co.) Air America Raymond International, Inc. |
| Estimated FY 71 | 4,665 | 13,636 | | | | | | | | |
| Estimated through 6/30/71 | 60,691 | 48,232 | 12,459 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 6,170 | Undetermined | | | | | | | | |
| | | | | Cost Components | | | | | | |
| | | | | U.S. Technicians | 1,215 | 180 | 1,395 | 1,170 | 100 | 1,270 |
| | | | | Participants | 360 | - | 360 | 300 | - | 300 |
| | | | | Commodities | 1,614 | - | 1,614 | 4,600 | - | 4,600 |
| | | | | Other Costs | - | 1,296 | 1,296 | - | - | - |
| | | | | Total Obligations | 3,189 | 1,476 | 4,665 | 6,070 | 100 | 6,170 |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | | |
|----------------|---|-----------------|---|----------------------------|----------|
| PROJECT TITLE | Mobile Development Unit Planning, Engineering, and Construction | SECTOR | Community Development, Social Welfare and Housing | FUNDS | Economic |
| PROJECT NUMBER | 493-11-810-171 | PRIOR REFERENCE | P. 114, FY 1971 EA PDB | INITIAL OBLIGATION | FY: 1964 |
| | | | | SCHEDULED FINAL OBLIGATION | FY: 1972 |

Project Target and Course of Action: The objective of this project is to provide a Thai Government presence in remote areas of Thailand threatened by insurgency. The National Security Command (which is roughly comparable to the U.S. Joint Chiefs of Staff) has established Mobile Development Units (MDUs) to reach border areas where other Thai government agencies are unable to go. These are military-civilian development teams, composed of approximately 100 people, which conduct psychological operations and civic action projects such as road building, school construction, water resources development and so forth. Line Thai government agencies are coordinated by the National Security Command in a plan of action that is jointly prepared by the civilian government and the National Security Command. As originally planned, Mobile Development Units are supposed to engage in development activities for a period of several years; gradually they are to phase out and turn their authority over to civilian government. A number of the older units now have only skeleton staffs remaining to supervise development and intelligence gathering activities.

Progress to Date: Twenty-three Mobile Development Units have been established to date. They are located in nearly all the border provinces which have been threatened by insurgency. Sub-units have been established in the particularly remote districts. Original plans called for the creation of 29 units. However, due to external

defense needs requiring military personnel for more traditional functions, there has been a lack of qualified manpower and a temporary halt in the establishment of new units. Emphasis is now being placed on improvement of the existing units.

FY 1972 Program: Funds are requested in FY 1972 for 1 direct-hire advisor assigned to the National Security Command (\$30,000) for this final year of the project.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|------------------|--------------------------------|--|---|----|----|---|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | | | | |
| Through 6/30/70 | 5,956 | 4,067 | 1,889 | Direct AID | Contract/Other Agency | Total | | | | | | |
| Estimated FY 71 | 35 | 937 | | Direct AID | Contract/Other Agency | Total | | | | | | |
| Estimated through 6/30/71 | 5,991 | 5,004 | 987 | 12 | - | 12 | 30 | | - | 30 | | |
| | | Future Year Obligations | Estimated Total Cost | - | - | - | - | | - | - | | |
| Proposed FY 72 | 30 | - | 6,021 | 23 | - | 23 | - | | - | - | | |
| | | | | - | - | - | - | | - | - | | |
| | | | | Total Obligations | | | 35 | | - | 35 | 30 | - |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | | |
|----------------|---|-----------------|---------------------------|--------------------|----------------------------|
| PROJECT TITLE | Special Training for National Development | SECTOR | General and Miscellaneous | FUNDS | Economic |
| PROJECT NUMBER | 493-11-995-173 | PRIOR REFERENCE | P. 116, FY 1971 EA PDB | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1965 | FY: Reviewed Annually |

Project Target and Course of Action: This project provides specialized training to individuals who have been identified as likely future Thai leaders but whose activities are not directly connected to projects financed by the United States. Training under this project is also provided where projects have phased-out, but a follow-up training element is still needed. The training given is not necessarily directed toward a degree. Applicants are considered and designated for areas of training which are related to Thai development objectives. A committee composed of representatives from the U. S. Mission and the Thai Government's Department of Technical and Economic Cooperation reviews and approves training proposals. Only those individuals who cannot be trained under other specific projects are considered. Participants selected for training must meet standard qualifications which include competence in English and physical fitness as well as academic qualifications for the type of training requested.

additional financing for approximately 10 participants already in training (\$30,000).

Progress to Date: When this project was initiated in FY 1965, 6 participants were sent to the United States for training. In subsequent years, third-country training has also been utilized wherever feasible. To date about 125 Thais have received specialized training, 109 in the United States and 16 in third-countries.

FY 1972 Program: Under the FY 1972 program, it is proposed to finance training for 25 participants in the United States and third-countries (\$195,000), and provide

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| Through 6/30/70 | 790 | 497 | 293 | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total |
| Estimated FY 71 | 625 | 650 | | U.S. Technicians | - | - | - | - | - | - |
| Estimated through 6/30/71 | 1,415 | 1,147 | 268 | Participants | 625 | - | 625 | 225 | - | 225 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | - | - | - |
| Proposed FY 72 | 225 | Undetermined | | Other Costs | - | - | - | - | - | - |
| | | | | Total Obligations | 625 | - | 625 | 225 | - | 225 |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | | | |
|----------------|-------------------------------------|-----------------|---------------------------|--------------------|----------------------------|
| PROJECT TITLE | Multi-Sector Development Assistance | SECTOR | General and Miscellaneous | FUNDS | Economic |
| PROJECT NUMBER | 493-11-995-234 | PRIOR REFERENCE | - | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1972 | FY: 1972 |

Project Target and Course of Action: The United States anticipates a possible requirement for loan assistance to Thailand beginning in FY 1972. We are, therefore, planning to discuss with the Thais a possible loan package of up to \$10 million. As a result of Thailand's worsening economic prospects, government revenues will increase much more slowly in the next few years than in the past. The need to improve Thailand's defense posture will require that expenditures for economic development grow at a minimal rate. Under these circumstances it is important that the Thais obtain foreign financing to implement those developmental projects which are of highest priority. Through our NEED project, due to phase out in the summer of 1971, we have identified several Thai priority projects for which other donor assistance does not appear to be available. It also appears that the Thais will need assistance in the areas of sectoral planning and project preparation. There are, furthermore, certain capital projects of importance to Thailand's rural development that we might wish to consider as part of such a loan package. There is some question whether the Thai Government would want to finance all of these activities on a loan basis.

FY 1972 Program: We will want to explore this possibility thoroughly. While further planning will be necessary to fully develop the package we have identified the following projects for possible loan consideration in FY 1972:

- (1) Consulting Services - A \$1 million loan to finance dollar costs for advisory services in project preparation in order to expedite the submission of projects to the IBRD and other lending institutions.
- (2) Rural Electrification - A \$2 million loan to cover foreign exchange costs of the initial phase of a new rural electrification program.
- (3) Regional Highway Maintenance Centers - A \$2 million program to help equip the Thais to maintain the greatly expanded highway and rural road network. In this context the maintenance activities of the Highway Department, Accelerated Rural Development Office and other Thai road agency offices might be combined.
- (4) Agricultural Sectoral Grant - A \$3 million sectoral loan to draw financial resources to the most critical agricultural problem areas, including diversification. A prerequisite would be a re-examination by the Thai Government of their priorities in the agricultural field which could in turn lead to governmental policy changes.
- (5) Provincial Cities Water Supply - A \$2 million loan for foreign exchange costs for urban potable water system in the Northeast. Improved urban services are the key to urban growth outside the over centralized Bangkok metropolitan area and to promoting economic activities to alleviate the impact of reduction in U.S. military spending in Thailand.

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | | | | PRINCIPAL CONTRACTORS/ XXXXXXXXXX |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|-------|------------------|-----------------------|--------|--|
| | Obligations | Expenditures | Unliquidated | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | | | | | | | | | | |
| Estimated FY 71 | | | | | | | | | | |
| Estimated through 6/30/71 | | | | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 10,000 | - | 10,000 | | | | 9,000 | 1,000 | 10,000 | |
| | | | | Cost Components | | | | | | |
| | | | | U.S. Technicians | | | | - | 1,000 | 1,000 |
| | | | | Participants | | | | - | - | - |
| | | | | Commodities | | | 9,000 | - | 9,000 | - |
| | | | | Other Costs | | | | - | - | - |
| | | | | Total Obligations | | | 9,000 | 1,000 | 10,000 | |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | |
|------------------------------------|---|--------------------------------|--|
| PROJECT TITLE Technical Support | SECTOR Technical Support | | FUNDS Economic |
| PROJECT NUMBER 493-11-999-000 | PRIOR REFERENCE P. 118, FY 1971 EA PDB | INITIAL OBLIGATION FY: 1955 | SCHEDULED FINAL OBLIGATION FY Reviewed Annually |

Project Target and Course of Action: This project provides the program support and overhead costs for each of the technical and related management divisions of the U.S. Mission in Thailand. The project covers the funding requirements of program and technical staff and secretarial and commodity support which cannot be specifically attributed to individual projects. The following types of activities are financed by this project: (1) procurement of office equipment and supplies; (2) monitoring loan-financed capital projects and terminating government-financed studies; (3) research and reporting on Thai economic and government institutions, and program evaluation studies. This project also covers activities undertaken by the Mission Director under the Special Development Activity Authority.

FY 1972 Program: FY 1972 funds are requested to cover the following costs: (1) 46 direct-hire technicians and support personnel in the management, program, and technical divisions (\$1,600,000); (2) contract charges including personal services contracts for individual research projects, contracts for Mission support services, and program evaluation studies (\$680,000); (3) training for 4 participants in the United States in such fields as economics, statistics, anthropology and political science (\$25,000); and commodities including vehicles, office and building supplies and furnishings and other support materials (\$265,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | |
|---------------------------------|-------------|-------------------------|----------------------|---|-----------------|------------------|--------------------------------|------------|-----------------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Agency | Total | | Direct AID | Contract/Agency |
| Through 6/30/70 | 17,895 | 17,442 | 453 | Cost Components U.S. Technicians Participants Commodities Other Costs Total Obligations | | | | | |
| Estimated FY 71 | 2,725 | 2,700 | | | | | | | |
| Estimated through 6/30/71 | 20,620 | 20,142 | 478 | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | |
| Proposed FY 72 | 2,570 | Undetermined | | | | | | | |

PROJECT DATA SUMMARY
(Dollar Amounts in Thousands)

TABLE IV

COUNTRY: THAILAND

| Project Title | * Project Number | FY of Initial Obligation | FY of Scheduled Final Obligation | Through FY 1970 | | | Estimated FY 1971 | | | Proposed Program FY 1972 | Future Year Obligations | Estimated Total Cost |
|---|------------------|--------------------------|----------------------------------|-------------------|--------------|---------------------------------|-------------------|--------------|---------------------------------|--------------------------|-------------------------|----------------------|
| | | | | Obligations | Expenditures | Unliquidated Obligation 6/30/70 | Obligations | Expenditures | Unliquidated Obligation 6/30/71 | | | |
| Labor Intensive Public Works | 493-11-120-206 | 1968 | 1971 | 1,036 | 44 | 992 | 700 | 1,113 | 579 | - | 1,736 | |
| Security Road Program | 493-12-310-139 | 1963 | 1965 | 5,530 | 5,127 | 403 | - | 403 | - | - | 5,530 | |
| Aeronautical Ground Services | 493-11-370-103 | 1953 | 1971 | 6,778 | 6,203 | 575 | 600 | 784 | 391 | - | 7,378 | |
| Malaria Eradication | 493-11-511-107 | 1951 | 1970 | 18,593 | 18,330 | 263 | - | 263 | - | - | 18,593 | |
| Potable Water | 493-11-521-186 | 1966 | 1970 | 3,244 | 2,532 | 712 | - | 682 | 30 | - | 3,244 | |
| Chieng Mai Medical School | 493-11-540-174 | 1951 | 1968 | 5,881 | 5,641 | 240 | - | 240 | - | - | 5,881 | |
| Manpower & Education Development Planning | 493-11-690-142 | 1963 | 1968 | 1,530 | 1,487 | 43 | - | 43 | - | - | 1,530 | |
| Village Radio | 493-11-710-185 | 1966 | 1969 | 2,306 | 2,131 | 175 | - | 175 | - | - | 2,306 | |
| Management Improvement | 493-11-740-144 | 1962 | 1969 | 2,173 | 1,981 | 192 | - | 192 | - | - | 2,173 | |
| Civil Service Improvement | 493-11-740-176 | 1965 | 1969 | 837 | 548 | 289 | - | 205 | 84 | - | 837 | |
| Local Government Improvement | 493-11-790-145 | 1963 | 1971 | 2,589 | 2,137 | 452 | 80 | 379 | 153 | - | 2,669 | |
| Northeast Economic Development | 493-11-810-215 | 1968 | 1971 | 1,324 | 733 | 591 | 170 | 539 | 222 | - | 1,494 | |
| Water Development of Mun and Chi River Basins | 493-11-995-187 | 1966 | 1971 | 2,983 | 2,331 | 652 | 495 | 850 | 297 | - | 3,478 | |
| | | | | Total..... | | | 2,045 | 5,868 | 1,756 | - | | 56,849 |

*Detailed project narrative--see TABLE III

STATUS OF DEVELOPMENT LOANS SUMMARY
As of 12/31/70

COUNTRY: THAILAND

(In Thousands of Dollars and Equivalent)

TABLE V

| Loan No. | Title | Date | | Grace Period (years) | Life of Loan (years) | Interest Rate (%) | | Amount Authorized | Amount Disbursed | Currency of Re-payment | Principal Repay-ments | Interest Collected |
|-------------|------------------------|-------------|-----------------|----------------------|----------------------|-------------------|---------------|-------------------|------------------|------------------------|-----------------------|--------------------|
| | | Auth-orized | Loan Agree-ment | | | Grace Period | Amorti-zation | | | | | |
| 493-H-010 | Irrigation Projects | 06/19/62 | 08/31/62 | 5 | 30 | 3 | 3 | 10,267 | 10,243 | US\$ | 459 | 1,416 |
| 493-H-013 | Lam Nam Oon Irrigation | 06/21/67 | 09/11/67 | 5 | 25 | 3½ | 3½ | 3,500 | 235 | US\$ | | 6 |
| Total | | XXXX | XXXX | XXX | XXX | XXXX | XXXX | 13,767 | 10,478 | XXXX | 459 | 1,422 |

Thailand

(U.S. Fiscal Years - Millions of Dollars)

| PROGRAM | U.S. OVERSEAS LOANS AND GRANTS - NET OBLIGATIONS AND LOAN AUTHORIZATIONS | | | | | | | | | | | | TOTAL 1946- 1970 | REPAY- MENTS AND INTEREST 1946- 1970 | TOTAL LESS REPAY- MENTS AND INTEREST |
|---|--|----------------------------|-------------------------------------|-------------------------------|-------|-------|-------|-------|-------|-----------------|-----------------|-----------------|------------------------|---|---|
| | POST-WAR RELIEF PERIOD | MARSHALL PLAN PERIOD | MUTUAL SECURITY ACT PERIOD | FOREIGN ASSISTANCE ACT PERIOD | | | | | | | | | | | |
| | 1946-1948 | 1949-1952 | 1953-1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | | | |
| A. OFFICIAL DEVELOPMENT ASSISTANCE | | | | | | | | | | | | | | | |
| A.I.D. AND PREDECESSOR AGENCIES - TOTAL..... | - | 16.1 | 247.8 | 35.8 | 15.5 | 11.7 | 38.9 | 42.1 | 31.0 | 43.3 | 30.5 | 23.3 | 535.8 | 24.1 | 511.7 |
| Loans..... | - | - | 42.6 ^{a/} | 11.1 | - | - | 20.6 | -0.1 | -16.9 | - | -0.7 | -0.2 | 56.3 | 24.1 | 32.2 |
| Grants..... | - | 16.1 | 205.2 | 24.7 | 15.5 | 11.7 | 18.3 | 42.2 | 47.9 | 43.3 | 31.1 | 23.5 | 479.5 | - | 479.5 |
| FOOD FOR PEACE - TOTAL..... | - | * | 4.0 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.3 | 0.9 | 0.6 | 1.4 | 7.8 | 1.4 | 6.4 |
| Title I - Total..... | - | - | 3.6 | - | - | - | - | - | - | - | - | - | 3.6 | 1.4 | 2.2 |
| REPAYABLE IN U.S. DOLLARS - LOANS..... | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PAYABLE IN FOREIGN CURRENCY - Planned for Country Use. | - | - | 3.6 | - | - | - | - | - | - | - | - | - | 3.6 | 1.4 | 2.2 |
| (Loans)..... | (-) | (-) | (3.6) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (3.6) | (1.4) | (2.2) |
| (Grants)..... | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| Title II - Total..... | - | * | 0.4 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.3 | 0.9 | 0.6 | 1.4 | 4.2 | - | 4.2 |
| EMERGENCY RELIEF, ECON. DEVELOPMENT & WORLD FOOD..... | - | - | - | - | - | - | - | - | - | - | - | - | - | * | * |
| VOLUNTARY RELIEF AGENCIES..... | - | * | 0.4 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.3 | 0.9 | 0.6 | 1.4 | 4.2 | - | 4.2 |
| OTHER OFFICIAL DEVELOPMENT ASSISTANCE..... | 6.2 | - | - | 0.8 | 1.4 | 1.2 | 2.2 | 3.1 | 2.3 | 1.7 | 1.3 | 1.3 | 21.5 | 7.1 | 14.4 |
| PEACE CORPS..... | 6.2 | - | - | 0.8 | 1.4 | 1.2 | 2.2 | 3.1 | 2.3 | 1.7 | 1.3 | 1.3 | 15.3 | - | 15.3 |
| OTHER..... ^{b/} | - | - | - | - | - | - | - | - | - | - | - | - | 6.2 | 7.1 | -0.9 |
| TOTAL OFFICIAL DEVELOPMENT ASSISTANCE..... | 6.2 | 16.1 | 251.8 | 36.7 | 17.0 | 13.0 | 41.2 | 45.3 | 33.6 | 45.9 | 32.3 | 26.0 | 565.1 | 32.6 | 532.5 |
| Loans..... | 6.2 | - | 46.2 | 11.1 | - | - | 20.6 | 0.1 | -16.9 | - | -0.7 | -0.2 | 66.1 | 32.6 | 33.5 |
| Grants..... | - | 16.1 | 205.6 | 25.6 | 17.0 | 13.0 | 20.6 | 45.3 | 50.5 | 45.9 | 33.0 | 26.2 | 499.0 | - | 499.0 |
| B. OTHER OFFICIAL | | | | | | | | | | | | | | | |
| EXPORT-IMPORT BANK LONG-TERM LOANS..... | - | 1.0 | 15.3 | 10.9 | 4.9 | 2.1 | - | 15.0 | 3.4 | 3.1 | 3.3 | 3.2 | 62.2 | 38.2 | 24.0 |
| TOTAL ECONOMIC..... | 6.2 | 17.1 | 267.1 | 47.6 | 21.9 | 15.1 | 41.2 | 60.4 | 37.0 | 49.0 | 35.7 | 29.2 | 627.3 | 70.8 | 556.5 |
| Loans..... | 6.2 | 1.0 | 61.5 | 22.0 | 4.9 | 2.1 | 20.6 | 14.9 | -13.5 | 3.1 | 2.6 | 3.0 | 128.3 | 70.8 | 57.5 |
| Grants..... | - | 16.1 | 205.6 | 25.6 | 17.0 | 13.0 | 20.6 | 45.5 | 50.5 | 45.9 | 33.0 | 26.2 | 499.0 | - | 499.0 |
| MILITARY ASSISTANCE PROGRAM - (Chg. to FAA Approp.)^{c/} | | | | | | | | | | | | | | | |
| Credit Assistance..... | - | 16.4 | 286.9 | 39.1 | 72.6 | 52.7 | 36.4 | 40.8 | 44.0 | - ^{c/} | - ^{c/} | - ^{c/} | 588.8 ^{c/} | - | 588.8 |
| Grants..... | - | 16.4 | 286.9 | 39.1 | 72.6 | 52.7 | 36.4 | 40.8 | 44.0 | - | - | - | 588.8 | - | 588.8 |
| (Additional Grants from Excess Stocks)..... | (-) | (0.6) | (8.9) | (3.0) | (5.1) | (0.7) | (0.7) | (0.9) | (2.9) | (-) | (-) | (-) | (22.5) | (-) | (22.5) |
| OTHER MILITARY ASSISTANCE GRANTS..... | - | - | 4.6 | - | - | - | - | - | - | - | - | - | 4.6 | - | 4.6 |
| TOTAL MILITARY..... | - | 16.4 | 291.5 | 39.1 | 72.6 | 52.7 | 36.4 | 40.8 | 44.0 | - | - | - | 593.4 | - | 593.4 |
| TOTAL ECONOMIC AND MILITARY..... | 6.2 | 33.5 | 558.6 | 86.7 | 94.5 | 67.8 | 77.6 | 101.2 | 81.0 | 49.0 | 35.7 | 29.2 | 1,220.7 | 70.8 | 1,149.9 |
| Loans..... | 6.2 | 1.0 | 61.5 | 22.0 | 4.9 | 2.1 | 20.6 | 14.9 | -13.5 | 3.1 | 2.6 | 3.0 | 128.3 | 70.8 | 57.5 |
| Grants..... | - | 32.5 | 497.1 | 64.7 | 89.6 | 65.7 | 57.0 | 86.3 | 94.5 | 45.9 | 33.0 | 26.2 | 1,092.4 | - | 1,092.4 |

* Less than \$50,000. ^{a/} Excludes \$7.0 million loan in FY 1958 financed by Asian Development Loan Fund. ^{b/} Represents Surplus Property Credits. ^{c/} Annual data represent deliveries; total shown is the cumulative program through 1967 when military assistance under the FAA was transferred to regular Department of Defense funding.

| ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS | | | |
|--|---------|---------|------------|
| TOTAL | FY 1969 | FY 1970 | FY 1946-70 |
| | 49.1 | 60.7 | 437.3 |
| IBRD - World Bank | 23.0 | 46.5 | 358.4 |
| Int'l Finance Corp. | 22.1 | - | 22.6 |
| Asian Development Bank | - | 10.0 | 15.0 |
| UNDP - Special Fund | 2.0 | 2.9 | 19.2 |
| UNDP - TA (CY) | 1.0 | 0.5 | 12.0 |
| Other UN (CY) | 1.0 | 0.8 | 10.1 |

| D.A.C. COUNTRIES (EXCLUDING U.S.) | | | |
|---------------------------------------|---------|---------|------------|
| OFFICIAL BILATERAL GROSS EXPENDITURES | | | |
| DONOR | CY 1968 | CY 1969 | CY 1960-69 |
| TOTAL | 26.8 | 35.0 | 155.7 |
| Germany | 10.2 | 14.1 | 69.5 |
| Japan | 9.6 | 14.9 | 46.6 |
| Other | 7.0 | 6.0 | 39.5 |

| ASSISTANCE FROM COMMUNIST COUNTRIES | |
|-------------------------------------|----|
| (Loans and Grants Extended) | |
| 1969 (Calendar Year)..... | -- |
| 1970 (Calendar Year)..... | -- |
| Cumulative Thru 1970..... | -- |

JORDAN

BASIC DATA

| | | | |
|--------------------------------|-----|-------------------------------|------------------|
| Population (mil., mid-1970) .. | 2.2 | Total GNP (1967; \$ mil.) ... | 575 ^a |
| Annual Growth Rate (%) | 3.0 | Per Capita GNP-(1967, \$) . | 286 |
| Area (1,000 sq.mi.) | 38 | Life Expectancy | 52 |
| Pop. Density per sq.mi..... | 59 | Persons per Physician | 3,890 |
| Agricultural Land as % of | | Literacy Rate (%) | 35-40 |
| Total Area | 14 | Students as % of Ages 5-19 | 54 |
| % of Labor Force in Agric. ... | 35 | (Primary and Secondary) | |

TREND DATA

| | <u>1967</u> | <u>1968</u> | <u>1969</u> | <u>1970</u> Est. |
|--|-------------|-------------|-------------|------------------|
| INTERNATIONAL TRADE (\$ mil.) | | | | |
| Total Exports (f.o.b.) | 32 | 40 | 41 | 35 |
| Fruits & Vegetables | (12) | (14) | (13) | (13) |
| Total Imports (c.i.f.) | -154 | -161 | -189 | -180 |
| Trade Balance | -122 | -121 | -148 | -145 |
| GOLD & FOREIGN EXCHANGE^b (\$ mil.) | | | | |
| Official Reserves | 244 | 284 | 262 | 255 |
| CONSUMER PRICES (Amman) | | | | |
| 1967=100 | 100 | 100 | 107 | 114 |
| CENTRAL GOVERNMENT FINANCES (\$ mil.)^a | | | | |
| Total Expenditures | 190 | 225 | 242 | 242 |
| (Defense Expenditures) | 77 | 108 | 127 | 118 |
| (Capital Outlays) | 66 | 65 | 61 | 71 |
| Total Domestic Revenues | 71 | 74 | 90 | 99 |
| Deficit (-) or Surplus (+) | -219 | -151 | -152 | -143 |

Note: Basic data include West Bank; trend data exclude West Bank.

a - Converted at \$2.80 per Jordanian dinar.

b - Gross basis, end of period.

JORDAN
(U.S. Fiscal Years - Millions of Dollars)

| PROGRAM | U.S. OVERSEAS LOANS AND GRANTS-NET OBLIGATIONS AND LOAN AUTHORIZATIONS | | | REPAYMENTS AND INTEREST | TOTAL LESS REPAYMENTS AND INTEREST | | |
|---|--|---------|--|--|------------------------------------|---------|------------|
| | 1969 | 1970 | TOTAL 1946-1970 | 1946-1970 | | | |
| A. OFFICIAL DEVELOPMENT ASSISTANCE | 0.3 | 1.3 | 486.0 | 2.9 | 483.1 | | |
| A.I.D. AND PREDECESSOR AGENCIES - TOTAL | -0.4 | - | 12.7 | 2.9 | 9.8 | | |
| Loans..... | | | | | | | |
| Grants..... | 0.6 | 1.3 | 473.2 | - | 473.2 | | |
| FOOD FOR PEACE - TOTAL | 10.4 | 2.0 | 103.9 | 0.6 | 103.3 | | |
| Title I - Total..... | 1.3 | - | 8.5 | 0.6 | 7.9 | | |
| REPAYABLE IN U.S. DOLLARS - LOANS..... | 1.3 | - | 4.8 | 0.4 | 4.4 | | |
| PAYABLE IN FOREIGN CURRENCY-Planned for Country Use | - | - | 3.7 | 0.2 | 3.5 | | |
| (Loans) | (-) | (-) | (3.7) | (0.2) | (3.5) | | |
| (Grants) | (-) | (-) | (-) | (-) | (-) | | |
| Title II - Total..... | 9.1 | 2.0 | 95.4 | - | 95.4 | | |
| EMERGENCY RELIEF, ECON. DEVEL. & WORLD FOOD PROGRAM | 6.9 | - | 69.5 | - | 69.5 | | |
| VOLUNTARY RELIEF AGENCIES..... | 2.2 | 2.0 | 25.9 | - | 25.9 | | |
| OTHER OFFICIAL DEVELOPMENT ASSISTANCE | - | - | 1.3 | - | 1.3 | | |
| PEACE CORPS..... | - | - | - | - | - | | |
| OTHER..... | - | - | 1.3 | - | 1.3 | | |
| TOTAL OFFICIAL DEVELOPMENT ASSISTANCE | 10.7 | 3.3 | 591.2 | 3.5 | 587.7 | | |
| Loans..... | 0.9 | - | 21.2 | 3.5 | 17.7 | | |
| Grants..... | 9.7 | 3.3 | 569.9 | - | 569.9 | | |
| B. OTHER OFFICIAL | | | | | | | |
| EXPORT-IMPORT BANK LONG-TERM LOANS | 0.2 | 8.3 | 10.1 | 1.0 | 9.1 | | |
| TOTAL ECONOMIC | 11.0 | 11.6 | 601.3 | 4.5 | 596.8 | | |
| Loans..... | 1.2 | 8.3 | 31.3 | 4.5 | 26.8 | | |
| Grants..... | 9.7 | 3.3 | 569.9 | - | 569.9 | | |
| MILITARY ASSISTANCE PROGRAM - (Chg. to FAA Approp.)^{a/} | | | | | | | |
| Credit Assistance..... | | | | | | | |
| Grants..... | 1.8 | 1.0 | 53.2 | - | 53.2 | | |
| (Additional Grants from Excess Stocks)..... | (-) | (0.2) | (4.2) | (-) | (4.2) | | |
| OTHER MILITARY ASSISTANCE GRANTS | - | - | - | - | - | | |
| TOTAL MILITARY | | | | | | | |
| | | | | | | | |
| TOTAL ECONOMIC AND MILITARY | | | | | | | |
| Loans..... | 11.5 | 4.3 | 623.1 | - | 623.1 | | |
| Grants..... | | | | | | | |
| OTHER PROGRAMS | | | | | | | |
| ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS | | | D.A.C. COUNTRIES (EXCLUDING U.S.) OFFICIAL BILATERAL GROSS EXPENDITURES | | | | |
| | FY 1969 | FY 1970 | FY 1946-70 | DONOR | CY 1968 | CY 1969 | CY 1960-69 |
| TOTAL | 2.1 | 2.4 | 30.1 | TOTAL | 70.0 | 8.1 | 92.9 |
| Int'l Dev. Association | - | - | 10.0 | United Kingdom | 3.5 | 5.1 | 69.4 |
| UNDP - Special Fund | 1.7 | 2.2 | 11.2 | Germany | 6.2 | 2.1 | 21.4 |
| UNDP - TA (CY) | 0.4 | 0.2 | 6.0 | Other | 0.3 | 0.9 | 2.0 |
| Other UN (CY) | * | * | 2.9 | | | | |
| | | | | ASSISTANCE FROM COMMUNIST COUNTRIES (LOANS AND GRANTS EXTENDED) | | | |
| | | | | 1969 (Calendar Year)..... - | | | |
| | | | | 1970 (Calendar Year)..... - | | | |
| | | | | Cumulative thru 1970..... - | | | |

^{a/} Less than \$50,000. Annual data represent deliveries; total through 1970 is the cumulative program.

JORDAN

| PROGRAM SUMMARY (In millions of dollars) | | | |
|--|-------------------|----------------------|---------------------|
| | FY 1970 Actual | FY 1971 Estimated | FY 1972 Proposed |
| Economic Supporting Assistance ^{a/} | - | 5.0 | 30.0 |

a/ In addition, Jordan received \$1,470,000 in Technical Cooperation funds in FY 1970, and it is estimated that \$1,000,000 and \$750,000 will be made available in FY 1971 and FY 1972, respectively. Also \$4,250,000 of Contingency Funds were made available during FY 1971 to relieve human suffering brought on by the September civil conflict.

A moderate and stable Jordan is basic to U.S. efforts to achieve a just and lasting resolution of the Arab-Israeli confrontation. Jordan is the only Arab protagonist in the dispute with which the U.S. has sustained diplomatic relations; thus, it provides an important opportunity for the U.S. to influence the issue's resolution.

Prior to the June 1967 Arab-Israeli war, the Jordanian economy was growing rapidly and U.S. budgetary support was on a phaseout schedule. Defense expenditures were a high percentage of the budget (35%), but sustainable. As a result of the war, Jordan lost half of its territory and a major portion of its traditional foreign exchange earning sources. Priorities were shifted to the twin political/military problems of Israel and the growing strength of the Palestinian Commandos (Fedayeen). Even so, the government was able to maintain its position as a moderate state within the Arab world and continue to improve the standard of living of its people.

This was accomplished despite the influx of refugees who, with the displaced persons of the 1948 settlement, now comprise approximately half the population of unoccupied Jordan. Post-1967 development in Jordan was sustained by budget support payments made to Jordan by its Arab neighbors under an agreement reached in Khartoum. Earmarked for defense expenditures (50% of the 1969 Jordanian budget), the Khartoum subsidies of approximately \$105 million per year were sufficient to meet Jordan's military needs, thus allowing domestic revenues and a modest amount of development assistance to cover non-military expenditures.

The seeming lack of progress in achieving a peace settlement following the 1967 war enabled the Fedayeen to attract large amounts of financial support from the Arab world, and by 1970 they had achieved sufficient independent military strength to challenge the Government of Jordan's moderate position vis-a-vis Israel. After serious armed clashes in April and June 1970 were resolved inconclusively, a major confrontation occurred in September 1970 in which the Jordan Arab Army (JAA) convincingly demonstrated its control of internal security. This was achieved in spite of armed intervention by Syrian Arab Republic forces on the side of the Fedayeen.

In the aftermath of the September clash, Jordan was accused by the Fedayeen of attempting to destroy the Fedayeen movement, thus, abetting the Israeli economic, as well as military, takeover of Jordan's West Bank. As a result, Libya and Kuwait temporarily suspended their Khartoum payments. Kuwait resumed its yearly payment of \$39 million in December 1970, but resuspended it following additional clashes between the JAA and the Fedayeen. The Libyan subsidy of \$25 million per year has not been resumed since the September 1970 suspension.

The loss of these payments, totalling \$64 million per year, along with the need to institute rehabilitation and reconstruction programs to deal with the human suffering resulting from September fighting and the necessity for additional military expenditures to maintain internal security, has put the Jordanian Treasury in severe financial straits. While Jordan is making a major effort to increase revenues and to limit expenditures, it will not be able to meet all these needs without foreign assistance.

Substantial assistance has already been received, including a \$4.250 million A.I.D. Contingency Fund Emergency Grant for Humanitarian Relief, a \$5 million A.I.D. cash transfer grant from FY 1971 Supporting Assistance Funds to help finance a portion of Jordan's reconstruction and rehabilitation needs and \$60 million of U.S. military assistance. However, additional financial assistance will be required and discussions have been started with the Government of Jordan to determine the limits and methods for financing the anticipated calendar year 1971 programs. The FY 1972 proposal of \$30 million in economic supporting assistance for Jordan is the requirement we foresee in an uncertain and potentially changeable situation.

OTHER PROGRAMS

INDEX

| | <u>Page</u> |
|-------------------------------------|-------------|
| Haiti..... | G-1 |
| Africa..... | G-3 |
| East Asia Regional Program..... | G-5 |
| United Nations Force In Cyprus..... | G-9 |

HAITI

BASIC DATA

| | | | |
|--------------------------------|-----|-------------------------------|------------------|
| Population (mil.; mid-1970) .. | 4.9 | Total GNP (1969;\$ mil.) | 405 ^a |
| Annual Growth Rate (%) | 2.0 | Per Capita GNP (1969;\$) ... | 85 |
| Area (1,000 sq. mi.) | 11 | Life Expectancy | 48 |
| Pop. Density per sq. mi. | 450 | People per Doctor | 13,200 |
| Agricultural Land as % of | | Literacy Rate (%) | 10 |
| Total Area | 31 | Students as % of Ages 5-19 . | 18 |
| % of Labor Force in Agric. ... | 83 | (Primary and Secondary) | |

TREND DATA

| | <u>1967</u> | <u>1968</u> | <u>1969</u> | <u>1970 Est.</u> |
|--|-------------|-------------|-------------|------------------|
| AGRICULTURAL PRODUCTION | | | | |
| Total Index (1961-65=100) | 86 | 85 | 84 | 88 |
| Index per capita | 79 | 77 | 74 | 76 |
| INTERNATIONAL TRADE (\$ mil.) | | | | |
| Total Exports (f.o.b.) | 34 | 36 | 38 | 42 |
| Coffee | (14) | (13) | (14) | (n.a.) |
| Total Imports (c.i.f.) | -36 | -38 | -40 | -50 |
| Trade Balance | -2 | -2 | -2 | -8 |
| GOLD & FOREIGN EXCHANGE^b (\$ mil.) | | | | |
| Official Reserves | 2.0 | 2.6 | 3.6 | 4.4 |
| CONSUMER PRICES (Port-au-Prince) | | | | |
| (1963=100) | 118 | 119 | 121 | 121 |
| CENTRAL GOVERNMENT FINANCES (\$ mil.)^c | | | | |
| (Fiscal year ending Sep. 30) | | | | |
| Total Expenditures | 35.6 | 37.0 | 42.0 | n.a. |
| (Defense Expenditures) | (7.2) | (7.2) | (7.2) | (n.a.) |
| Total Domestic Revenues | 31.1 | 36.8 | 39.5 | n.a. |
| Deficit (-) or Surplus (+) | -4.5 | -0.2 | -2.5 | n.a. |

n.a. - Not available.

a - Estimated directly in dollars.

b - Gross basis, end of period; includes SDR's beginning 1970.

c - Converted at 5 gourdes per U.S. \$; data are estimates.

HAITI

(U.S. Fiscal Years - Millions of Dollars)

| PROGRAM | U.S. OVERSEAS LOANS AND GRANTS-NET OBLIGATIONS AND LOAN AUTHORIZATIONS | | | REPAYMENTS AND INTEREST 1946-1970 | TOTAL LESS REPAYMENTS AND INTEREST | | |
|---|--|-----------------|--|--|------------------------------------|---------|------------|
| | 1969 | 1970 | TOTAL 1946-1970 | | | | |
| A. OFFICIAL DEVELOPMENT ASSISTANCE | | | | | | | |
| A.I.D. AND PREDECESSOR AGENCIES - TOTAL | 1.9 | 1.5 | 67.4 | 1.7 | 65.7 | | |
| Loans..... | 0.1 ^{a/} | * ^{a/} | 5.7 | 1.7 | 4.0 | | |
| Grants..... | 1.9 | 1.5 | 61.7 | - | 61.7 | | |
| FOOD FOR PEACE - TOTAL | 1.3 | 2.3 | 19.8 | - | 19.8 | | |
| Title I - Total | - | - | - | - | - | | |
| REPAYABLE IN U.S. DOLLARS - LOANS..... | - | - | - | - | - | | |
| PAYABLE IN FOREIGN CURRENCY-Planned for Country Use | - | - | - | - | - | | |
| (Loans)..... | (-) | (-) | (-) | (-) | (-) | | |
| (Grants)..... | (-) | (-) | (-) | (-) | (-) | | |
| Title II - Total | 1.3 | 2.3 | 19.8 | - | 19.8 | | |
| EMERGENCY RELIEF, ECON. DEVEL. & WORLD FOOD PROGRAM | - | 1.4 | 4.9 | - | 4.9 | | |
| VOLUNTARY RELIEF AGENCIES..... | 1.3 | 0.9 | 14.9 | - | 14.9 | | |
| OTHER OFFICIAL DEVELOPMENT ASSISTANCE | - | - | 3.0 | 0.1 | 2.9 | | |
| PEACE CORPS..... | - | - | - | - | - | | |
| SOCIAL PROGRESS TRUST FUND..... | - | - | - | - | - | | |
| OTHER..... | - | - | 3.0 | 0.1 | 2.9 | | |
| TOTAL OFFICIAL DEVELOPMENT ASSISTANCE | 3.2 | 3.8 | 90.2 | 1.8 | 88.4 | | |
| Loans..... | 0.1 | * | 6.0 | 1.8 | 4.2 | | |
| Grants..... | 3.2 | 3.8 | 84.2 | - | 84.2 | | |
| B. OTHER OFFICIAL | | | | | | | |
| EXPORT-IMPORT BANK LONG-TERM LOANS | - | 0.1 | 28.1 | 9.6 | 18.5 | | |
| TOTAL ECONOMIC | 3.2 | 3.9 | 118.3 | 11.4 | 106.9 | | |
| Loans..... | 0.1 | 0.1 | 34.1 | 11.4 | 22.7 | | |
| Grants..... | 3.2 | 3.8 | 84.2 | - | 84.2 | | |
| MILITARY ASSISTANCE PROGRAM - (Chg. to FAA Approp.)^{b/} | | | | | | | |
| Credit Assistance..... | - | - | 3.2 | - | 3.2 | | |
| Grants..... | - | - | 3.2 | - | 3.2 | | |
| (Additional Grants from Excess Stocks)..... | (-) | (-) | (0.1) | (-) | (0.1) | | |
| OTHER MILITARY ASSISTANCE GRANTS | - | - | 1.1 | - | 1.1 | | |
| TOTAL MILITARY | - | - | 4.3 | - | 4.3 | | |
| TOTAL ECONOMIC AND MILITARY | 3.2 | 3.9 | 122.6 | 11.4 | 111.2 | | |
| Loans..... | 0.1 | 0.1 | 34.1 | 11.4 | 22.7 | | |
| Grants..... | 3.2 | 3.8 | 88.5 | - | 88.5 | | |
| OTHER PROGRAMS | | | | | | | |
| ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS | | | D.A.C. COUNTRIES (EXCLUDING U.S.) OFFICIAL BILATERAL GROSS EXPENDITURES | | | | |
| | FY 1969 | FY 1970 | FY 1946-70 | DONOR | CY 1968 | CY 1969 | CY 1960-69 |
| TOTAL | 0.5 | 5.5 | 26.0 | TOTAL | 0.3 | 0.5 | 2.1 |
| IBRD - World Bank | - | - | 2.6 | Germany | 0.2 | 0.4 | 1.7 |
| Int'l Dev. Association | - | - | 0.4 | Other | 0.1 | 0.1 | 0.4 |
| Inter-Am. Dev. Bank | - | 5.1 | 12.2 | | | | |
| UNDP - Special Fund | - | - | 3.1 | | | | |
| UNDP - TA (CY) | 0.3 | 0.1 | 4.0 | | | | |
| Other UN (CY) | 0.2 | 0.3 | 3.7 | | | | |
| | | | | ASSISTANCE FROM COMMUNIST COUNTRIES (LOANS AND GRANTS EXTENDED) | | | |
| | | | | 1969 (Calendar Year)..... - | | | |
| | | | | 1970 (Calendar Year)..... - | | | |
| | | | | Cumulative thru 1970..... - | | | |

*Less than \$50,000. ^{a/} Represents capitalized interest only.^{b/} Annual data represent deliveries; total through 1970 is the cumulative program.

HAITI

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|-------------------|----------------------|---------------------|
| | FY 1970 Actual | FY 1971 Estimated | FY 1972 Proposed |
| Economic Supporting Assistance | 1.6 | 2.8 | 3.0 |
| Total | 1.6 | 2.8 | 3.0 |

Haiti is beset by extreme poverty (about \$85 per capita GNP), high illiteracy (90%), high birth and mortality rates, widespread malnutrition and disease. Both Haitian and external efforts to relieve these conditions are severely hampered by administrative and institutional weaknesses. The A.I.D. Mission was withdrawn in 1963 because of inadequate Haitian cooperation in making effective use of assistance. However, given this limitation, it has still been possible to carry forward certain projects of benefit to the Haitian people, notably the malaria eradication program which, with continuing A.I.D. support since 1961, has reduced the incidence of that disease to below 1%. A.I.D. has also provided funds for modest programs to foster local community development administered by CARE and community self help efforts, as well as a grant covering financial support for three years for an OAS technical mission to help Haiti overcome its administrative and institutional problems.

FY 1972 Program

Funding of \$2.075 million is proposed in FY 1972 for the program in malaria eradication using the technical management of the U. S. Public Health Service. A recent re-evaluation of the program indicates that at least two additional years will be needed to reduce the remaining malaria cases to a negligible level. The program will undergo an intensive and complete review in 1973 to determine future courses of action. It is expected at that time the Haitian Government will assume most of the responsibility of continued surveillance and apply the measures required when a case is discovered. The malaria eradication agency, with a nation-wide administrative network may also prove a useful institution through which to provide family planning or other health services in the future, but it is too early to judge this with assurance.

A grant of \$650,000 is proposed to permit CARE Incorporated to continue and expand its community development programs and family planning services to three additional areas in Haiti's rural northwest. Government of Haiti contributions to this intensification of effort from the five existing centers will amount to about \$60,000. Despite organizational and administrative problems, the program has helped to establish 46 community councils, build grain storage facilities, schools, water systems, and roads; and provide clinical and family planning services for an average 4,500 patients per month, an increase of 33 1/3% over last year.

It is also proposed to provide \$275,000 for a Special Development Activities project to foster community cooperation through such self-help projects as providing pipe for water supply systems and a building block machine, assisting agriculture and fishery cooperatives, sewing centers and artisan training schools. This fund will be used to support small pilot activities for humanitarian assistance designed to alleviate poverty and disease.

AFRICA

NIGERIA

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|-------------------|----------------------|---------------------|
| | FY 1970 Actual | FY 1971 Estimated | FY 1972 Proposed |
| Economic Supporting Assistance | 25.4 | 17.2 | 4.1 |

NIGERIA

If Nigeria can rapidly solve many of the problems growing out of the recent Civil War its prospects for development are very favorable. At this time oil investments are substantial and are a growing source of much needed foreign exchange. In addition, the geographic location of Nigeria is of particular importance to the United States because it represents an important alternative to Middle Eastern and North African oil sources. We would like to see the continuation of a basically free enterprise economy that will foster growth in trade and investment mutually beneficial to the United States and Nigeria.

Nigeria is faced with a sizable recovery task in the immediate future. The Nigerian Government wants to stimulate economic recovery as quickly as possible throughout the country. The rehabilitation of the economy is Nigeria's highest priority. Based on assessments of the most urgent reconstruction requirements made by the Nigerian Government and the IBRD, A.I.D. has been assisting with these rehabilitation efforts. Since the cessation of hostilities in Eastern Nigeria in January 1970, A.I.D. has been working closely with the Nigerian National Commission for Rehabilitation to restore basic community services.

Our past efforts are now almost completed. In FY 1972 we will wind up our assistance efforts in the rehabilitation area. In order to complete this work approximately \$700,000 in economic Security Assistance is required. Still to be completed in FY 1972 are our activities to assist state governments and state administrative agencies to build up strong institutions competent to carry on the remaining task of rehabilitation. In FY 1972 A.I.D. will continue to provide the Ministry of Transport with assistance in establishing a planning mechanism capable of rehabilitating and planning for best future use of resources in a national transportation system.

With the completion of our rehabilitation program in FY 1972, we will turn our efforts toward assisting the Government of Nigeria with its long-term economic development plans. In addition to the \$700,000 for rehabilitation assistance to Nigeria in FY 1972, A.I.D. is proposing a Technical Cooperation

program of \$8.5 million and a \$10 million loan from Development Loan funds. Our technical assistance program is designed to address selectively high priority development and problems in the sectors of agriculture and education. The proposed program loan of \$10 million is required to assist Nigeria during its rehabilitation period to meet its short term balance of payments problems.

In Nigeria there is a serious lack of adequately trained police officer personnel and no in-country training facility. To satisfy present and expanded force requirements, Nigeria has developed plans for construction and establishment of a Police Staff College to train as many as 240 officers annually. Assistance has been requested of the United States in the construction of the college. In FY 1970 a \$200,000 grant financed architecture and engineering work for the Police Staff College. In FY 1971, A.I.D. agreed, in principle, to provide a construction loan of \$3.4 million for the college. Finalized plans will be available in FY 1972, and it is planned to provide this amount on a loan basis.

SOUTHERN AFRICA REGIONAL

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|-------------------|----------------------|---------------------|
| | FY 1970 Actual | FY 1971 Estimated | FY 1972 Proposed |
| Econ. Supp. Asst. | 0.6 | 0.5 | 0.3 |

SOUTHERN AFRICA REGIONAL

In addition to the Nigeria rehabilitation program, \$300,000 in economic Security Assistance is proposed for FY 1972 for the Southern Africa Refugee Education project. This new project, which succeeds the Regional Education and Training Project being phased out in FY 1971, will continue U.S. assistance to refugees from the Portuguese Territories, Rhodesia, South Africa and Namibia. Under this project, refugees are given educational opportunities to acquire sufficient skills to earn a livelihood and to help acquire future leadership positions in Africa.

Country: AFRICA

PROJECT DATA

TABLE III

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Southern Africa Refugee Education | SECTOR Education and Training | FUNDS Economic | |
| PROJECT NUMBER 690-11-690-301 | PRIOR REFERENCE p. 74 FY 71 AFR P.D.B. | INITIAL OBLIGATION FY: 1972 | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: A new project to provide educational assistance to Southern African refugees by helping African asylum countries finance the cost of their education. Selected refugees from the Portuguese Territories, Rhodesia, South Africa and Southwest Africa will be given educational opportunities to acquire sufficient skills to earn a livelihood and to help develop a reservoir of trained manpower for future leadership positions in Africa. By providing this acceptable alternative to individuals who might otherwise be denied the educational opportunity to pursue the fulfillment of their potential, the project supports the U.S. stand for peaceful and evolutionary solutions to the problems of achieving racial equality and self-determination in Southern Africa.

Under this project, it is planned to finance the secondary school education, chiefly in Zambia, of approximately 25 new student refugees each year up to a total level of 125 annually. In addition, up to 55 scholarship students will be financed annually at various African institutions for university-level education or other specialized technical or vocational post-secondary training.

Progress to Date: This project succeeds the Regional Education/Training Project (698-11-690-635) which is being phased out in FY 1971. Under that project, through a contract with the African American Institute (AAI) the U.S. financed the construction of secondary

level schools for training southern African refugees in Tanzania and Zambia and administered and financed their operation. These schools have now been turned over to the respective governments and are being operated for educational purposes.

Under a recently negotiated agreement with the Government of Zambia, the AAI staff will terminate its services at the Nkumbi School in Zambia as of the end of FY 1971 when the government will assume full administrative responsibilities. The Government of Zambia has agreed to continue to provide places for the secondary education of refugees. Other donors, such as Sweden, International Universities Exchange Fund, All-African Council of Churches, are contributing to the expansion of the institution to include technical and vocational training.

FY 1972 Program: Annual "real cost of education" bursary payments, estimated at \$1,500 per student per year, will be provided to permit the enrollment of 25 new student refugees and to continue support of 100 others now engaged in secondary academic training at Nkumbi (\$190,000). In addition, financing for 55 scholarship students will be provided for one year--approximately 15 new and 40 continuing (\$110,000). AAI will assist with the selection of students and provide general administrative support to the program.

| U.S. DOLLAR COST (In Thousands) | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|--------------------------------|-------|------------------|-----------------------|-------|--|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | | | | | | | | | | | |
| Estimated FY 71 | | | | | | | | | | | |
| Estimated through 6/30/71 | | | | | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | | |
| Proposed FY 72 | 300 | 1,400 | 1,700 | Total Obligations | | | | 190 | 110 | 300 | |

EAST ASIA REGIONAL PROGRAM

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|-------------------|----------------------|---------------------|
| | FY 1970 Actual | FY 1971 Estimated | FY 1972 Proposed |
| Economic Supporting Assistance.. | - | 0.2 | 1.4 |
| Total | - | 0.2 | 1.4 |

The major objective of U.S. regional programs in East Asia is to help improve the prospects for long-range peace and stability in the area. The U.S. supports Asian proposals for cooperative economic and social development involving several countries working together on common problems. The U.S. also encourages maximum involvement of other developed nations and international organizations in such programs. One major program objective is to assist the Mekong Committee and the four riparian nations develop the resources of the lower Mekong Basin.

The Mekong Development Program is sponsored by the Committee for Coordination of Investigations of the Lower Mekong Basin (MCC), consisting of Cambodia, Laos, Thailand and South Vietnam. The Committee was formed in 1957 as the result of ECAFE initiative and it has a Secretariat funded by UNDP.

The United States has been a leading outside supporter of the MCC and its program since its earliest period. The U.S. has played a major role in organizing a consortium to fund the Nam Ngum project in Laos (U.S. 50%, other donors 50%, World Bank administrator). Another multilateral Mekong project is Prek Thnot in Cambodia (no U.S., Japan 1/3, Cambodia 1/3, other donors 1/3, Cambodia/UNDP administrator).

The Mekong program has now reached a turning point. Up to now, the activities undertaken have been largely limited to data-gathering and multi-purpose projects on the tributaries which required capital investment in the range of \$10-50 million. Now, however, major studies on mainstream projects in the \$400-\$1,200 million range have been completed (Tonle Sap by India, Sambor by Japan, Pa Mong by the U.S., and Delta

Development by the U.S. for Vietnam and by the Netherlands for Cambodia). In addition, the Mekong Coordinating Committee Secretariat has completed a first version of an Indicative Basin Plan which provides detailed system considerations and identifies priorities for funding the major projects.

In July 1969, the World Bank accepted a suggestion by the UN Secretary General to become more closely associated with the development of the Mekong Basin. Following a review of progress to date at the annual meeting of the Bank in Copenhagen, 1970, the Bank proposed that it establish and manage a fund for the purpose of developing and managing a series of related agricultural projects in the Basin. The Bank's work would be carried out under the aegis of the Mekong Coordinating Committee. Specifically, the Bank proposed that \$2 million be sought for the engineering and other costs involved in developing a series of agricultural projects in the riparian states. The U.S. plans to provide up to \$500,000 in FY 1971 technical assistance funds for these project development costs.

Further, the Bank recommended that a \$50 million fund be established probably on a grant basis for the construction and operation of the projects. The U.S. has consistently urged the Bank to become more involved in the Mekong Program and has supported the Bank's efforts. Reaction by other potential donor nations has also been favorable to the Bank's concept. Assuming the project comes to fruition, we plan to contribute up to 25% of the foreign exchange costs which are estimated at one half of the \$50 million construction fund. The total of \$6,250,000 would be spread over a six year period, i.e. approximately \$1 million a year for six years. For the first year, \$1.0 million in FY 1972 Economic Supporting Assistance funds are requested.

Also, \$400,000 in Economic Supporting Assistance funds are requested for the completion of the Mekong River Crossings Project. Following a feasibility study by Transportation Consultants, Inc., the U.S. contributed \$216,000 in FY 1971 funds towards the first phase of a \$600,000 program of improving river crossing facilities between Laos and Thailand. The \$400,000 requested for this year will complete the project.

SUMMARY OF PROGRAM BY FUNCTION

(Dollar Amounts in Thousands)

TABLE II

Country: EAST ASIA REGIONAL DEVELOPMENT

| Category | Actual FY 1970 | | | | Estimate FY 1971 | | | | Proposed FY 1972 | | |
|---|----------------|-------------|---------------|---------------|------------------|-------------|---------------|---------------|------------------|-------------|---------------|
| | Total | Tech. Coop. | Supp. Assist. | Conting. Fund | Total | Tech. Coop. | Supp. Assist. | Conting. Fund | Total | Tech. Coop. | Supp. Assist. |
| Development Loan Program | | XXX | XXX | XXX | - | XXX | XXX | XXX | - | XXX | XXX |
| Programs Other than Devel. Loan | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | |
| U.S. Technicians | | | | | - | - | - | - | - | - | - |
| Participants | | | | | - | - | - | - | - | - | - |
| Commodities | | | | | - | - | - | - | - | - | - |
| Other Costs | | | | | 216 | - | 216 | - | 1,400 | - | 1,400 |
| Total Project Assistance | | | | | 216 | - | 216 | - | 1,400 | - | 1,400 |
| Method of Financing | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | |
| Direct A.I.D. | | | | | - | - | - | - | - | - | - |
| Other Agency | | | | | - | - | - | - | - | - | - |
| Contract | | | | | 216 | - | 216 | - | 1,400 | - | 1,400 |
| Program Assistance | | | | | - | - | - | - | - | - | - |
| Total Other than Devel. Loan | | | | | 216 | - | 216 | - | 1,400 | - | 1,400 |
| Total Assistance | | XXX | XXX | XXX | 216 | XXX | XXX | XXX | 1,400 | XXX | XXX |

NUMBER OF U.S. TECHNICIANS (Program Overseas)

| TYPE OF TECHNICIAN | On Duty At Close of Year | | |
|----------------------------------|--------------------------|------------------|------------------|
| | Actual FY 1970 | Estimate FY 1971 | Proposed FY 1972 |
| A.I.D. employed | | | |
| Participating agency | | | |
| Contractor technicians | | | |
| Total | | | |

NUMBER OF PARTICIPANTS

| TYPE OF PARTICIPANT | Programmed During Year | | |
|------------------------|------------------------|------------------|------------------|
| | Actual FY 1970 | Estimate FY 1971 | Proposed FY 1972 |
| Non-contract | | | |
| Contract | | | |
| Total | | | |

Country: EAST ASIA REGIONAL DEVELOPMENT

PROJECT DATA

TABLE III

| | | | | | | |
|----------------|---------------------------------------|-----------------|-----------------------------------|--------------------|----------------------------|----------|
| PROJECT TITLE | Mekong River Ports and Cargo Handling | SECTOR | Agriculture and Natural Resources | | FUNDS | Economic |
| PROJECT NUMBER | 498-11-995-206 | PRIOR REFERENCE | P. 141, FY 1971 EA PDB | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION | |
| | | | | FY: 1968 | FY: 1972 | |

Project Target and Course of Action: The purpose of this project is to facilitate the growth of river traffic on the Mekong River from Ban Houei Sai in northern Laos to Pakse in southern Laos. The project includes improvement of aids to navigation, ferry crossing sites, landing sites, cargo facilities, and passenger facilities on the Lao and Thai sides of the Mekong.

Progress to Date: In response to a request from the Mekong Committee, the United States carried out a transportation reconnaissance survey of the lower Mekong River in the fall of 1966. The survey was undertaken through an A.I.D. contract with McCreary-Koretsky Engineers and was concentrated on the Mekong River from Vientiane south to Pakse. The surveyors recommended that the United States support improvement of cross-river facilities between Thailand and Laos.

In October of 1967 A.I.D. negotiated a contract with the firm of Transportation Consultants to carry out a feasibility study. The Transportation Consultants' report issued in July 1968 recommended; (1) that channel improvements be carried out from Houei Sai to Luang Prabang, from Luang Prabang to Vientiane, and from Vientiane to Savannakhet; (2) that cargo handling facilities be improved at Luang Prabang, Thanaleng, Nongkhai, Thakhek, and Savannakhet; (3) that vehicular ferry improvements be made at Nongkhai-Thanaleng, Savannakhet-Mukdahan, and Pakse-Muong Kau; and (4) that passenger landing improvements be made at Tha Deua.

During FY 1970, A.I.D. conducted a review of the project as it was developed by Transportation Consultants. The review concluded that a reduced program of technical assistance, navigation improvements, and upgrading of some crossing facilities be carried out. In FY 1971, the United States proposed an agreement with the Mekong Committee obligating \$215,870 towards the carrying out of improvements at the following selected sites: Houei Sai, Tha Dua, Savannakhet, Thakhek, Pakse, Muong Kao, Mukdahan, and Nakhon Phanom. The Governments of Laos and Thailand are to provide the equivalent of \$133,210 towards this construction.

FY 1972 Program: For FY 1972, \$400,000 is requested to fund the remainder of this project which involves the procurement of a small transportable, cutterhead dredge, and hydrographic studies with resultant rock blasting at certain portions of the river.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS XXXXXXXXXX | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|---------------------------------|---|--|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1971 | Proposed FY 1972 | | |
| Through 6/30/70 | 211 | 211 | - | | Direct AID | Contract/ XXXXXXXXXX | Total | |
| Estimated FY 71 | 216 | 30 | | | Direct AID | Contract/ XXXXXXXXXX | Total | |
| Estimated through 6/30/71 | 427 | 241 | 186 | U.S. Technicians | - | - | - | |
| | | Future Year Obligations | Estimated Total Cost | Participants | - | - | - | |
| | | | | Commodities | - | - | - | |
| | | | | Other Costs | - | 216 | 216 | |
| Proposed FY 72 | 400 | - | 827 | Total Obligations | - | 400 | 400 | |

| | | | |
|---|---|--------------------------------|--|
| PROJECT TITLE Mekong Pioneer Projects Development | SECTOR Agriculture and Natural Resources | | FUNDS Economic |
| | PRIOR REFERENCE - | INITIAL OBLIGATION FY: 1972 | SCHEDULED FINAL OBLIGATION FY: 1978 |
| PROJECT NUMBER 498-15-120-230 | | | |

Project Target and Course of Action: This project will help the World Bank carry out a program to develop pioneer agricultural projects in the Mekong Basin, by providing a U.S. contribution to a fund to be established and managed by the Bank. The pioneer project program will apply modern agricultural methods to Mekong lands and provide the experience required for evolving an agricultural development strategy for the Basin.

Progress to Date: In July 1969, the World Bank accepted an invitation by the UN Secretary General to become closely associated with the development of the Mekong Basin. Following a review of progress on the Mekong program, the Bank proposed that it establish a fund for the purpose of developing and managing a series of related agricultural projects in the Basin. The Bank's work would be carried out under the sponsorship of the Mekong Coordinating Committee. Specifically, the Bank proposed that \$2 million be earmarked for the engineering and other preparatory costs involved in developing agricultural projects in Laos, Cambodia, Thailand, and Vietnam. Further, the Bank recommended a \$50 million fund be established for the construction and operation of the projects. The United States has urged the Bank to assume an active role in the Mekong Program and has supported the Bank's efforts to date. Reaction by the other donor nations has also been favorable to the overall concept. In January 1971, the Bank prepared a proposal describing both the organization and financing arrangements under

which the program would be carried out and listing the projects to be developed. That paper is now under review by potential donors to the program. Their reaction is expected to be favorable subject to the working out of the specific arrangements.

The Bank would contribute to the program by providing staff to identify pioneer projects, prepare terms of reference for project preparation, supervise the work of the consultants, prepare appraisal reports on each project and administer the funds provided for project preparation, construction and implementation.

The Bank has estimated a 50/50 split between foreign exchange costs and local currency needs. The estimated maximum U.S. costs would run in the order of 25% of \$25 million foreign exchange needs, or \$6,250,000. According to a bank estimate, the program would take about 6 years. Thus, not all of the U.S. contribution would be needed the first year. The U.S. contribution to the engineering phase of the program has been included in a Technical Assistance planning project, Mekong Basin Development. FY 1972 Program: One million dollars is proposed for funding in FY 1972. These funds would constitute the first year's contribution to a fund to be established by the Bank for the construction of Mekong Pioneer projects. The Bank would let contracts for the construction of priority agricultural undertakings in the riparian countries under procedures to be agreed upon by the contributors.

| U.S. DOLLAR COST (In Thousands) | | | | | | PRINCIPAL CONTRACTORS/ XXXXXXXX | | | | |
|---------------------------------|-------------|----------------------------|-------------------------|-------------------|-------------------|--|------------------|---|----------------------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | International Bank for Reconstruction and Development | | |
| | | | | | Estimated FY 1971 | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/ Other Agency | Total | Direct AID | Contract/ XXXXXXXX | Total |
| Through 6/30/70 | | | | | | | | - | - | - |
| Estimated FY 71 | | | | | | | | - | - | - |
| Estimated through 6/30/71 | | | | | | | | - | - | - |
| | | Future Year Obligations | Estimated Total Cost | | | | | - | 1,000 | 1,000 |
| Proposed FY 72 | 1,000 | 5,250 | 6,250 | Total Obligations | | | | - | 1,000 | 1,000 |

PROJECT DATA SUMMARY
(Dollar Amounts in Thousands)

TABLE IV

COUNTRY: EAST ASIA REGIONAL DEVELOPMENT

| Project Title | * Project Number | FY of Initial Obligation | FY of Scheduled Final Obligation | Through FY 1970 | | | Estimated FY 1971 | | | Proposed Program FY 1972 | Future Year Obligations | Estimated Total Cost |
|---------------------------|------------------|--------------------------|----------------------------------|--------------------|--------------|---------------------------------|-------------------|--------------|---------------------------------|--------------------------|-------------------------|----------------------|
| | | | | Obligations | Expenditures | Unliquidated Obligation 6/30/70 | Obligations | Expenditures | Unliquidated Obligation 6/30/71 | | | |
| Nam Ngum Development Fund | 498-12-995-079 | 1966 | 1969 | 15,565 | 6,360 | 9,205 | - | 4,500 | 4,705 | - | - | 15,565 |
| | | | | Total | | | - | 4,500 | 4,705 | - | - | 15,565 |

*Detailed project narrative--see TABLE III

UNITED NATIONS FORCE IN CYPRUS

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|-------------------|----------------------|---------------------|
| | FY 1970 Actual | FY 1971 Estimated | FY 1972 Proposed |
| Economic Supporting Assistance | 6.0 | 6.0 | 4.8 |

The UN Force in Cyprus (UNFICYP) was established in March 1964 to contribute to the restoration and maintenance of constitutional government and order in Cyprus, and to a return to normal conditions. The Security Council since 1964 had periodically extended UNFICYP's mandate, and the latest extension continues the force until June 15, 1971. The size of the force requested in 1964 was 7,000 men. As a result of reductions made over the years, the force now numbers about 3,182 men comprised of the following national contingents:

| | |
|----------------|-------|
| Australia | 50 |
| Austria | 100 |
| Canada | 577 |
| Denmark | 336 |
| Finland | 288 |
| Ireland | 428 |
| Sweden | 325 |
| United Kingdom | 1,078 |

U.S. interest in the Cyprus problem reflects our goal of maintaining peace in the Eastern Mediterranean. Eruption of another round of inter-communal fighting would run the very strong risk of mutually destructive conflict between Greece and Turkey and incalculable damage to the southeastern flank of NATO. Experience has shown that UNFICYP is a stabilizing factor essential under present conditions.

Although relatively quiet over the past year, the situation in Cyprus remains potentially explosive. With 20,000 armed men in close and hostile confrontation, incidents continue to occur from time to time. In the aftermath of the close brush with war that followed an outbreak of violence on the island in November 1967, intensive diplomatic efforts were made to establish a viable basis for negotiating a settlement. Since the summer of 1968 representatives of the Greek and Turkish Cypriot communities have been holding direct talks to seek a solution. The United States supports all measures that may assist in this process. It would be unwise to make a major change in UNFICYP's role unless and until significant progress toward settlement is achieved. Although a U.N. force cannot be stationed in Cyprus

indefinitely, we expect that the UN Force will be required through FY 1972.

The larger portion of the total costs of the UNFICYP operation since 1964 have been met from a fund administered by the UN and financed by voluntary contributions from member states and other governments. The UN estimates that the costs borne by this fund since 1964 totalled \$131.3 million through June 15, 1971. Of this the United States has thus far pledged \$52.1 million for costs through December 15, 1970. The remainder of the costs are borne by governments which provide military and police contingents and themselves bear a substantial share of the financial burden of such contingents. From the inception of UNFICYP through December 1970 such contributions-in kind are estimated at \$36.1 million, of which the U.S. furnished airlift services valued at \$1.3 million. Taking into account both categories of contributions, the United States has pledged or furnished about one-third of the cumulative costs to date.

It is proposed that the U.S. pledge \$4.8 million to the support of UNFICYP during FY 1972. This amount would represent about 40% of the estimated cash costs to the UN for maintenance of the force.

PUBLIC SAFETY PROGRAMS

INDEX

| | <u>Page</u> | | <u>Page</u> |
|--|-------------|---|-------------|
| Program Narrative..... | H-1 | Near East-South Asia | |
| Summary of Program by Country..... | H-5 | Table III - Project Data Sheet (Pakistan)..... | H-23 |
| Summary of FY 1972 Program by Function..... | H-6 | Table IV - Project Data Summary (Pipeline Projects).... | H-24 |
| Latin America | | Africa | |
| Table III - Project Data Sheets: | | Table III - Project Data Sheets: | |
| Bolivia..... | H-7 | Africa Regional..... | H-25 |
| Brazil..... | H-8 | Congo (K)..... | H-26 |
| Colombia..... | H-9 | Ghana..... | H-28 |
| Costa Rica..... | H-10 | Liberia..... | H-29 |
| Dominican Republic..... | H-11 | Tunisia..... | H-31 |
| Ecuador..... | H-12 | Table IV - Project Data Summary (Pipeline Projects).... | H-32 |
| El Salvador..... | H-13 | East Asia | |
| Guatemala..... | H-14 | Table III - Project Data Sheets: | |
| Guyana..... | H-15 | Laos..... | H-33 |
| Honduras..... | H-16 | Philippines..... | H-34 |
| Jamaica..... | H-17 | Thailand..... | H-35 |
| Nicaragua..... | H-18 | Vietnam..... | H-36 |
| Panama..... | H-19 | Table IV - Project Data Summary (Pipeline Projects).... | H-40 |
| Uruguay..... | H-20 | | |
| Venezuela..... | H-21 | | |
| Table IV - Project Data Summary (Pipeline Projects)..... | H-22 | | |

PUBLIC SAFETY

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|--------------------|------------------------|---------------------|
| | FY 1970* Actual | FY 1971 * Estimated | FY 1972 Proposed |
| Economic Supporting Assistance | 28.091 | 23.061 | 26.023 |

* Includes \$6.731 in FY 1970 and \$5.991 in FY 1971 provided from Technical Assistance funds.

Public Safety programs have been provided on request to countries of the free world, when it is in the U.S. interest to do so, in order that they may (a) meet immediate threats to internal order, and (b) develop civil police institutions capable of maintaining internal stability essential for economic, social and political progress. These programs can serve to prepare civil police forces to prevent the development of threats to internal order before they become explosive problems requiring military action.

It is proposed that Public Safety assistance be provided to 25 countries in FY-1972. It is also proposed that training be provided at the International Police Academy in Washington, D. C. to police officers of some countries in which U.S. Public Safety Advisors are not assigned.

The greatest input of resources is planned for two countries, Vietnam and Thailand. But for most of the other 25 countries, assistance of three to four advisors and about \$100,000 or less is proposed. The two summary tables following this narrative show (1) dollar costs by country and (2) the proposed FY-1972 program for each country by component parts; i.e. technicians, participants, commodities and other costs. Of the \$26.0 million total planned for FY-1972, \$12.3 million is for Public Safety Advisors: \$1.8 million will be used for training participants and the sum of \$11.4 million will be used for vehicles, communications equipment, police-type weapons, and other police commodities.

Vietnam

U.S. assistance, under the operational direction of MACV/CORDS, seeks to help Vietnam proceed on both the immediate problems of security and the long term institutional development of the police. The immediate problems must be met, but basic to all Public Safety assistance is the development of the police and correctional system to encourage the protection of the rights of all individuals. Skills in administration, supervision, training, budgeting and related support activities must be developed at the

same time that the police participate in the very urgent tasks facing Vietnam.

As one aspect of Vietnamization, the Vietnamese National Police are called upon to carry a progressively greater burden. They must share with the Vietnamese armed forces the burden of countering insurgency, and provide for daily peace and order - not only in the cities, but throughout the countryside. It is planned to increase police strength from about 100,000 at present to 124,000 during FY-1972 to allow for assumption of a greater burden in the future. The U.S. plans make commensurate assistance available.

The Vietnam National Police is a young organization, having been in existence only since 1963 as a nationally organized unit. Previously, the police were divided among numerous organizations with little representation outside of urban centers. The present task, and that for the future, is to select, train, organize and administer an increasing number of police throughout Vietnam. For the first time, Vietnamese police are to be assigned at the village level. Among the difficulties the Vietnamese police face is the full scale mobilization into the armed forces that denies them the pool of manpower from which they would normally recruit personnel.

A smaller, but nonetheless important effort is assistance to the Directorate of Corrections. The DOC is faced with the monumental task of providing a humane and adequate correction system and an equitable parole system. In addition, the United States is assisting the Combined Telecommunications Directorate to provide and maintain urgently needed communications for security and administrative purposes from Saigon throughout region, province, and district to village and hamlet levels.

For FY-1972, \$11,148,000 in Economic Supporting Assistance funds is proposed for Public Safety in Vietnam. In addition, the U.S. Department of Defense proposes to supply commodities, valued to \$21,679,000, funded from appropriations made to the armed services. Due to the active role of some elements of the National Police in paramilitary operations, DOD supplies and funds such commodities as small arms, ammunition, vehicles, body armor, barrier-type defense material and communications equipment for the Village Hamlet Radio System.

PUBLIC SAFETY

East Asia

Developments in Southeast Asia have had major consequences affecting the nations of the area. Communist insurgency in Thailand remains a serious problem and the internal situation in Cambodia and Laos has required a greater concentration of Thai internal security resources in areas contiguous to the borders with these countries. Laos is directly involved in conflict with North Vietnamese and Viet Cong elements in their country, placing a heavy burden on the police for maintaining internal order. In the Philippines, the crime rate, long recognized as a serious problem, remains generally high and shows evidence of increasing.

During fiscal year 1972, Public Safety assistance will be provided to three countries in East Asia; Laos, Philippines, and Thailand.

It is in the U.S. interest that the police forces of these countries develop a self-sufficiency that will allow them to deal effectively with externally directed subversion in addition to combating lawlessness and disorders within their respective countries. The police forces of the three aided countries have not yet reached this degree of proficiency. U.S. assistance to these countries is designed to encourage acceptance of the public service concept of policing and to provide advice in organization, management, various functional activities and training. The ultimate thrust of Public Safety programs in these nations is not to impose the U.S. police system, or U.S. solutions to foreign national problems, but to emphasize basic professional methodology and to concentrate on advising on the management of their own resources effectively toward the development of a viable institution so that outside assistance eventually will not be needed.

In general, Public Safety objectives are designed to strengthen the capability of civil police and paramilitary forces to enforce the law and maintain public order with the minimum use of physical force, and to counter Communist-inspired or exploited subversion and insurgency. More specifically, the Public Safety programs will focus on the development of key institutional elements, such as communications networks and training systems; on better administration and management leading to the effective use of resources; the improvement of rural paramilitary police ability to prevent and deal with guerrilla activities; the provision of effective police

services at the hamlet level; the improvement of urban policing, including the humane control of civil disturbances and riots; and the development of the police ability to prevent the infiltration of enemy agents.

A total of \$10,225,000 is requested for the three programs; \$1,930,000 of which will be for 64 Public Safety Advisors and 3 American secretaries; \$270,000 will be for training police officers at the International Police Academy; \$7,773,000 will be for essential police equipment and \$252,000 will be for contract services and other costs.

Latin America

The problem of terrorism has continued to be troublesome. It is becoming increasingly serious and is likely to remain an unstabilizing factor in many Latin American countries. This situation is characteristically manifested by the acute, intense urban terrorist activities, including assassinations of police officers, bombings and kidnappings of indigenous and foreign government officials, as seen in Uruguay, Guatemala, and Brazil, and by sporadic rural small scale guerrilla war as seen previously in Colombia and Guatemala and more recently in Bolivia.

Latin American police ability to maintain law and order in urban areas is taxed. Resources necessary for effective police control of subversion, violence and crime in rural areas are inadequate in most countries. Effective civil police institutions are in the process of development in most Latin countries. Attitudes regarding the concept of policing are changing. More and more police leaders accept the police role as a servant of the public - relying on voluntary compliance with the law, rather than forcing compliance through fear. However, much more needs to be done.

Latin countries see a need for the development of effective civil police institutions, which can maintain internal security basic to social, economic and political progress; and in the fulfillment of these responsibilities, to employ humane, modern police practices. They also see a need for help in reaching this goal.

The U.S. has responded to requests for police assistance and proposes to continue this kind of aid to 15 Latin American countries during FY-1972.

PUBLIC SAFETY

The overall objectives of Public Safety programs in Latin America, while varying from country to country, are focused in general on providing advice, training and limited equipment to the civil security forces to strengthen their (1) capability for regular police operations, (2) effective utilization of their resources in handling internal security threats with minimum force at their earliest phases and preventing disruptive subversive actions, and (3) the development of effective training institutions. These programs are adapted to host country initiatives for the improvement of the ability of civil security forces to employ accepted police management and operational practices in the fields of urban/rural patrol, investigations, training, communications, criminalistics and logistics.

The total proposed cost for the 15 Public Safety programs in Latin America for FY-1972 amounts to \$2.850 million. Of this sum, \$1.551 million will be for 51 Public Safety advisors who provide technical assistance on a day-to-day basis and for the limited number of TDY assignments which will be required; \$654,000 will be for 318 participants who will be trained in the U.S., principally at the International Police Academy in Washington, D.C.; and \$489,000 will be for selected commodities to provide the security forces with some of the basic material resources, consisting principally of mobility, communications, and training equipment essential to these improvement programs.

Africa

Liberia and the newly independent countries of Africa, including the Congo, Ghana and Tunisia are experiencing problems attendant to nation building, development of the national economy and national resources, and to satisfying the aspirations of their people.

Prior to independence, some countries were much slower than others in having their native police in sufficient numbers at the higher levels provided with adequate training. In some instances, there were virtually no indigenous police in the officers ranks and very few at the senior noncommissioned officer levels. After independence, the police were seriously lacking in leaders, administrative and operational capability, communications systems mobility and training systems.

We propose, during FY-1972, to continue on-going assistance in four countries in Africa; Congo, Ghana, Liberia and Tunisia, for the purpose of further improving and developing elements

of their police institutions.

Each of the four countries is in the process, with U.S. help, of building its civil police forces to assume effectively their role as the first line of defense against threats to internal order. They are attempting to develop the police to a point where it will not be necessary to rely on the military to maintain order or enforce the law. Progress has been made on both fronts, but more needs to be done.

In the years prior to FY-1972, A.I.D. provided resident advisory assistance in thirteen African countries, plus the four mentioned above, making a total of seventeen programs. In most countries in which there no longer are programs, limited objectives were achieved and projects ended, except for training of police officers from some countries at the International Police Academy.

The overall objective of the assistance to be provided is to develop an effective civil police institution which will be able to provide the required level of operational capability within the public service concept. Although specific Public Safety assistance in FY-1972 varies from country to country, overall it encompasses the development of leadership, organization and administration; training systems; transportation and communications systems, and training of the technicians to operate and maintain such systems; urban, rural and border patrol operations; and humane civil disturbance control capability.

Africa Regional Public Safety Training Project

This project offers training at the International Police Academy in Washington to mid-career and senior police officers from those African nations which do not have bilateral A.I.D. relationships with the United States Government, but request such training. The training is given in French and English and provides specialized orientation and indoctrination of present and potential police leaders in the democratic concepts of police administration in the support of viable national political, economic, and social development.

The project was initiated in FY-1971 and will have trained 30 participants from 11 countries during FY-1971 at a cost of approximately \$100,000. During FY-1972, \$100,000 is planned to train 30 participants from eligible African nations.

The total cost for the four country projects and the regional project will be \$1,550,000, with the greatest percentage planned for the Congo. Of this total, \$648,000 will be for 16 advisors; \$311,000 will be for training 92 participants in the U.S.; \$506,000 will be for selected commodities, consisting mainly of vehicles, communications equipment and training aids; and \$85,000 will be for other costs including five third country nationals.

Planned Police College Loan for Nigeria

In FY-1971, A.I.D. agreed, in principle, to provide a construction loan of \$3.4 million in FY-1972 for the police staff college. For further details see the Nigeria section.

Near East, South Asia

Pakistan has been, and is, experiencing serious difficulties and threats to its internal security which have served to inhibit economic and social development, frustrating national efforts at fulfilling the aspirations of its people, particularly its youth. The geographic division of the country and the ethnic differences in its population have been contributory factors. The present internal situation has become more complicated as a result of the last elections and the recent strife, focused in East Pakistan, has brought assistance efforts to a standstill.

Pakistan has been making a serious effort to build up the police as its first line of defense against threats to internal order. U.S. advisory assistance has emphasized the use of humane procedures in urban disturbance control and the police are now used as the primary force for this purpose.

There continues to be a need for Public Safety assistance for Pakistan in order to achieve basic development of the police institutions and upgrade the operations so the police may be enabled to perform effectively whatever internal security role given them by the Government of Pakistan.

During FY-1972, it is intended to continue with on-going Public Safety assistance for Pakistan to the extent feasible.

The total cost of the FY-1972 program is estimated at \$250,000 for the Pakistan Public Safety program of which \$165,000 will be used for the salaries and allowances for five Public Safety Advisors and \$85,000 for participant training of twenty-four

police officers in the U.S.

Saudi Arabia Public Safety Assistance Project

The program in Saudi Arabia was established under Section 607 of the Foreign Assistance Act of 1961 as amended. Assistance in-country commenced on April 1, 1968. Costs, including advisors and support efforts since inception of the program, have been funded and paid for in advance by Saudi Arabia. These costs come to about \$42,000 per man-year, or \$210,000 a year for the five advisors. All equipment cost for the force is borne by the Saudi government.

Recently, the Government of Saudi Arabia requested the services of two additional technical advisors to assist in the modernization of its Coast Guard and Frontier Forces. The agreement is expected to be amended prior to FY-1972 to provide for the additional requested advisor services and any incidental costs on an advance funding basis. It is expected that for FY-1972, there will be seven advisors in Saudi Arabia.

PUBLIC SAFETY

SUMMARY OF PROGRAM BY COUNTRY
(Dollar Amounts in Thousands)

| REGIONS, COUNTRIES | FY-1970 ACTUAL | FY-1971 ESTIMATED | FY-1972 PROPOSED | REGIONS, COUNTRIES | FY-1970 Actual | FY-1971 ESTIMATED | FY-1972 PROPOSED |
|-----------------------|-------------------|----------------------|---------------------|-----------------------|-------------------|----------------------|---------------------|
| <u>VIETNAM</u> | | | | <u>LATIN AMERICA</u> | | | |
| South Vietnam | <u>14,422</u> | <u>11,505</u> | <u>11,148</u> | Bolivia | 209 | 143 | 115 |
| <u>EAST ASIA</u> | | | | Brazil | 614 | 370 | 174 |
| Korea | 391 | 347 | - | Chile | 106 | 17 | - |
| Laos | 547 | 506 | 425 | Colombia | 267 | 260 | 340 |
| Philippines | 825 | 900 | 800 | Costa Rica | 230 | 200 | 198 |
| Thailand | <u>5,981</u> | <u>5,000</u> | <u>9,000</u> | Dominican Rep. | 386 | 378 | 370 |
| Sub-Total | <u>7,744</u> | <u>6,753</u> | <u>10,225</u> | Ecuador | 153 | 142 | 135 |
| <u>AFRICA</u> | | | | El Salvador | 83 | 64 | 56 |
| Africa (Reg. Tng) | - | 100 | 100 | Guatemala | 1,129 | 377 | 377 |
| Congo | 380 | 565 | 1,016 | Guyana | 149 | 146 | 99 |
| Ghana | - | 100 | 106 | Honduras | 107 | 121 | 171 |
| Liberia | 296 | 238 | 203 | Jamaica | 75 | 70 | 96 |
| Somali | 144 | - | - | Nicaragua | - | 118 | 91 |
| Tunisia | <u>76</u> | <u>75</u> | <u>125</u> | Panama | 131 | 164 | 203 |
| Sub-Total | <u>896</u> | <u>1,078</u> | <u>1,550</u> | Peru | 27 | - | - |
| <u>NESA</u> | | | | Uruguay | 285 | 624 | 225 |
| Jordan | 100 | 65 | - | Venezuela | <u>284</u> | <u>186</u> | <u>200</u> |
| Pakistan | <u>694</u> | <u>280</u> | <u>250</u> | Sub-Total | <u>4,235</u> | <u>3,380</u> | <u>2,850</u> |
| Sub-Total | <u>794</u> | <u>345</u> | <u>250</u> | GRAND TOTAL | <u>28,091</u> | <u>23,061</u> | <u>26,023</u> |

Loan for Nigeria Police Academy

3,400

PUBLIC SAFETYSUMMARY OF FY 1972 PROGRAM BY FUNCTION
(Dollar Amounts in Thousands)

| REGION-COUNTRIES | TOTAL | TECHNICIANS | PARTICIPANTS | COMMODITIES | OTHER COSTS |
|----------------------|----------------------|----------------------|---------------------|----------------------|-------------------|
| <u>VIETNAM</u> | <u>11,148</u> | <u>8,036</u> | <u>492</u> | <u>2,620</u> | <u>-</u> |
| <u>EAST ASIA</u> | | | | | |
| Laos | 425 | 200 | 30 | 143 | 52 |
| Philippines | 800 | 230 | 20 | 550 | - |
| Thailand | 9,000 | 1,500 | 220 | 7,080 | 200 |
| Sub-Total | 10,225 | 1,930 | 270 | 7,773 | 252 |
| <u>LATIN AMERICA</u> | | | | | |
| Bolivia | 115 | 60 | 15 | 40 | - |
| Brazil | 174 | 100 | 70 | - | 4 |
| Colombia | 340 | 167 | 88 | 65 | 20 |
| Costa Rica | 198 | 100 | 45 | 48 | 5 |
| Dominican Rep. | 370 | 210 | 40 | 118 | 2 |
| Ecuador | 135 | 88 | 10 | 7 | 30 |
| El Salvador | 56 | 31 | 15 | 6 | 4 |
| Guatemala | 377 | 221 | 89 | 60 | 7 |
| Guyana | 99 | 40 | 15 | 37 | 7 |
| Honduras | 171 | 80 | 42 | 36 | 13 |
| Jamaica | 96 | 35 | 40 | - | 21 |
| Nicaragua | 91 | 55 | 16 | 17 | 3 |
| Panama | 203 | 90 | 62 | 30 | 21 |
| Uruguay | 225 | 115 | 75 | 25 | 10 |
| Venezuela | 200 | 159 | 32 | - | 9 |
| Sub-Total | 2,850 | 1,551 | 654 | 489 | 156 |
| <u>AFRICA</u> | | | | | |
| Africa (RegTng) | 100 | - | 100 | - | - |
| Congo | 1,016 | 400 | 115 | 426 | 75 |
| Ghana | 106 | 68 | 38 | - | - |
| Liberia | 203 | 140 | 38 | 20 | 5 |
| Tunisia | 125 | 40 | 20 | 60 | 5 |
| Sub-Total | 1,550 | 648 | 311 | 506 | 85 |
| <u>NESA</u> | | | | | |
| Pakistan | 250 | 165 | 85 | - | - |
| GRAND TOTAL | <u>26,023</u> | <u>12,330</u> | <u>1,812</u> | <u>11,388</u> | <u>493</u> |

Country: BOLIVIA

PROJECT DATA

TABLE III

| | | |
|--------------------------------|--|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 511-11-710-091 | PRIOR REFERENCE p. 177, FY 1971 IA P.D.B. | INITIAL OBLIGATION FY: 1956 |
| | | SCHEDULED FINAL OBLIGATION FY: 1973 |

Project Target and Course of Action: Target: To assist the three Bolivian police agencies in performing their present duties in a more effective and professional manner. Course of Action: The target is to be accomplished primarily through technical assistance training both in Bolivia and the United States, as well as some commodity support.

Progress to Date: Following the September 1969 coup, all USAID financed public safety activities in Bolivia were suspended and the advisors returned to the U.S.A. A modest public safety program was resumed in June 1970, with the arrival of two public safety advisors. Their primary activity has been assistance in improving the level of training at Bolivia's Police Academy, as well as selecting candidates for training at the International Police Academy (IPA). In February 1971, 15 USAID financed, radio equipped jeeps arrived in Bolivia. The advisors are now engaged in teaching mobile patrolling techniques. Some riot control commodities have been brought to Bolivia at the host government's request, in order to help the latter cope with frequent urban turmoil.

FY 1972 Program

The presently modest program will be continued at roughly the same level. Total program - \$115,000.

U.S. Technician: Two direct hires - \$50,000; two TDYs in radio and patrolling techniques, 6 man-months - \$10,000.

Participants: 5 officers to IPA - \$15,000.

Commodities: Equipment and radio spare parts - \$40,000.

| U.S. DOLLAR COST (In Thousands) | | | | OBLIGATIONS | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|-------|------------------|-----------------------|-------|-----|--------------------------------|
| | Obligations | Expenditures | Unliquidated | Estimated FY 1971 | | | Proposed FY 1972 | | | | |
| | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | | |
| Through 6/30/70 | 2,109 | 1,994 | 115 | | | | | | | | |
| Estimated FY 71 | 143 | 217 | | | | | | | | | |
| Estimated through 6/30/71 | 2,252 | 2,211 | 41 | | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | | |
| Proposed FY 72 | 115 | 84 | 2,451 | 143 | - | 143 | 115 | - | 115 | | |
| | | | | Cost Components | | | | | | | |
| | | | | U.S. Technicians | 60 | - | 60 | 60 | - | 60 | |
| | | | | Participants | 20 | - | 20 | 15 | - | 15 | |
| | | | | Commodities | 58 | - | 58 | 40 | - | 40 | |
| | | | | Other Costs | 5 | - | 5 | | - | | |
| | | | | Total Obligations | 143 | - | 143 | 115 | - | 115 | |

Country: BRAZIL

PROJECT DATA

TABLE III

| | | |
|----------------------------------|---|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 512-11-710-070 | PRIOR REFERENCE P. 26, FY 1971 IA P.D.B. | INITIAL OBLIGATION FY: 1959 |
| | | SCHEDULED FINAL OBLIGATION FY: 1972 |

Project Target and Course of Action: To improve the capability of the Brazilian federal and state civil security forces to maintain law and order, and security against subversion by supporting development of Federal Police Department capacity to provide training and technical support internally and for state police departments nationwide. USAID efforts are primarily directed towards training to effect improvement in police organization, management and operations. Project emphasis is on the concept of police service to the public.

Progress to Date: Through December 1970, the Public Safety project in Brazil has assisted in training locally over 100,000 federal and state police personnel. Additionally, approximately 600 persons received training in the U.S. Major project accomplishments include: construction, equipping and development of curriculum, staff and faculty for the National Police Academy, National Telecommunications Center and National Institutes of Criminalistics & Identification. All are functioning effectively in support of police departments throughout the country. Also, the project has supported a substantial increase in police telecommunications with the construction and installation of base and mobile facilities and equipment which provide for communication from every state to Brasilia as well as limited intra and inter-state communications.

Substantial increases in police mobility have been achieved, primarily through Brazilian funding for Brazilian manufactured vehicles. Self-help contributions to the program by Brazilian police agencies total more than \$25 million for construction, supplies and equipment, and related costs.

FY 1972 Program: Change in program direction, started in FY 1969, will continue: emphasis will be on strengthening the Federal Police Department and efforts to further develop national police institutions, particularly the National Police Academy and Telecommunications Center. Further emphasis will be given to the implementation of Federal Police Department Mobile Training Teams, one of the principal means for providing field assistance to various states.

U.S. Technicians: Four U.S. direct-hire Public Safety Advisors will work with the Federal Police Department from July 1 to December 21, 1971, and three U.S. Advisors from December 31, 1971 to June 1972.

Participants: Short-term training for 35 Brazilian police officers and officials mainly at the International Police Academy, Washington, D.C.

Commodities: No commodities are programmed for FY 1972.

Other Costs: International Travel.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-----------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | |
| | Through 6/30/70 | 7,898 | 7,557 | 341 | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Estimated FY 71 | 370 | 561 | | Cost Components | | | | | | |
| Estimated through 6/30/71 | 8,268 | 8,118 | 150 | U.S. Technicians | 225 | - | 225 | 100 | - | 100 |
| | | Future Year Obligations | Estimated Total Cost | Participants | 100 | - | 100 | 70 | - | 70 |
| | | | | Commodities | 40 | - | 40 | | - | |
| Proposed FY 72 | 174 | | 8,442 | Other Costs | 5 | - | 5 | 4 | - | 4 |
| | | | | Total Obligations | 370 | - | 370 | 174 | - | 174 |

Country: COLOMBIA

PROJECT DATA

TABLE III

| | | |
|--------------------------------|---|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 514-11-710-066 | PRIOR REFERENCE P. 90, FY 1971 IA P.D.B. | INITIAL OBLIGATION FY: 1963 |
| | | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: To assist the National Police improve their capabilities in the fields of investigations, patrol (rural and urban), management, administration, planning and communications. Technical advisory assistance, both long-range and short-term, selected commodity inputs, and training will be provided. The long-range goal is to develop the National Police into a modern and efficient civil law enforcement body.

Progress to Date: Since 1963, some 338 key Colombian police officials have graduated from the International Police Academy. Delivery of the 1,255 vehicles purchased through an Export-Import Bank loan has been completed. A National Decree has recently given the National Police further criminal and subversive investigative responsibilities, and a major reorganization of the National Police is under joint US-Colombia study. The National Police Crime Laboratory is to be centralized and operating by late FY 71. Significant progress has been made toward the completion of a national radio communications network for the Colombian National Police, as a result of A.I.D. technical assistance in planning, installation and maintenance of radio communications equipment.

FY 1972 Program: Continued assistance is to be provided to the National Police for the development of practical

recruit and in-service training programs, as well as completion of the urban, rural and administrative communications networks. Technical assistance will be provided in the areas of investigations, urban and rural patrol, and management. Modern systems of administration and management will be developed through a multi-step program with the goal of a unified National Police Information and Evaluation System.

US Technicians: 5 direct-hire technicians (60 man-months) in investigations, training, management and administration, operational (patrol) activities and communications. 4 short term-advisors (8 man-months) for the Crime Laboratory, firearms, records and automated systems, and motor vehicle maintenance.

Participants: 40 participants for the International Police Academy, 1 for the FBI School, 1 to a crime laboratory, 1 for prison management (total of 128 man-months).

Commodities: Communications equipment, investigative aids equipment and other selected commodities which will improve management as well as operational procedures in both urban and rural areas.

Other Costs: Miscellaneous local costs, such as local contractor services, printing, supplies, and translations.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 |
| | | | | | Direct AID | Contract/Other Agency | | Total |
| Through 6/30/70 | 4,771 | 4,596 | 175 | | | | | |
| Estimated FY 71 | 260 | 275 | | | | | | |
| Estimated through 6/30/71 | 5,031 | 4,871 | 160 | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | |
| Proposed FY 72 | 340 | 1,200 | 6,571 | Total Obligations | 260 | - | 260 | |
| | | | | | 340 | - | 340 | |

| | | |
|--------------------------------|--|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 515-11-710-061 | PRIOR REFERENCE P. 15 FY 1971 LA P.D.B. | INITIAL OBLIGATION FY: 1963 |
| | | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: To improve Costa Rican police capabilities to maintain law and order thus helping to preserve the favorable climate for orderly growth and development. Emphasis on improving the civilian police training system; installing modern administrative procedures with proper planning and fiscal measures; establishing a police career system; modern organization techniques and principles; expanding and centralizing police communications; improving capabilities of investigators, criminal identification and records coordination between uniform detective/urban/rural police units, establishing an integrated centralized complaint system; a highway patrol; and improvement of police capabilities in disturbance and riot control.

Progress to Date:

A Public Forces Commission was established by the President with a mandate to study and make recommendations in the primary areas noted above.

Approximately 50% of the police were brought under a civil service type career protection system with the creation of the Rural Assistance Guard-combining the former Treasury Police with the Town and Village Police. A nationwide police communications network is in operation and being expanded to include about

200 communities. As of Dec. 31, 1970, 122 police supervisory officers have been trained at the International Police Academy in Washington, D.C. The "Henry" fingerprint classification system is operational and police records have been centralized. A modern Criminology Laboratory is now operational.

FY 72 Program: If police reform and reorganization is carried out by Costa Rica emphasis, will be placed on implementation of Ministry of Public Security reorganization, professionalization of the Civil Guard, and assistance in the development of a well-trained corps of police officers (this will be the first year of a 3-year program.)

U.S. Technicians: Five direct hire: Chief and Advisors in Communications, Rural, Training and Investigations; approx. Six man-months TDY for police planning, criminalistics and vehicle maintenance.

Participants: Thirty will receive specialized training in the U.S.

Commodities: Equipment for communication, complaint system, mobility, training, riot control, and criminal identification.

Other Costs: Technical publications.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency | Total |
| Through 6/30/70 | 1,372 | 1,264 | 108 | | | | | | | | |
| Estimated FY 71 | 200 | 180 | | | | | | | | | |
| Estimated through 6/30/71 | 1,572 | 1,444 | 128 | U.S. Technicians | 95 | 5 | 100 | 100 | - | 100 | |
| | | | | Participants | 45 | | 45 | 45 | - | 45 | |
| | | | | Commodities | 48 | | 48 | 48 | - | 48 | |
| | | | | Other Costs | 7 | | 7 | 5 | - | 5 | |
| | | Future Year Obligations | Estimated Total Cost | Total Obligations | 195 | 5 | 200 | 198 | - | 198 | |
| Proposed FY 72 | 198 | 150 | 1,920 | | | | | | | | |

Country: DOMINICAN REPUBLIC

PROJECT DATA

TABLE III

| | | | | | |
|----------------|----------------|-----------------|---------------------------|--------------------|----------------------------|
| PROJECT TITLE | Public Safety | SECTOR | Public Safety | FUNDS | Economic |
| PROJECT NUMBER | 517-11-710-021 | PRIOR REFERENCE | p. 188, FY 1971 IA P.D.B. | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1962 | FY: 1972 |

Project Target and Course of Action: To assist the National Police to improve their capability as an effective law enforcement organization to maintain internal security. Manpower development is emphasized in each of the four elements of the program through training of police recruits at the National Police Academy and participant training at the International Police Academy (IPA) in Washington. A two year Police Cadet College will open late in CY 1971 and serve as the training center for future police officers. A.I.D. will provide limited amounts of equipment to improve police communications systems, logistics and mobility.

Progress to Date: Some 1,384 enlisted men have graduated from the expanded Police Academy at Borinquen since it opened in July 1968. With a capacity of 500 recruits in twelve week basic courses and specialized training, some 3,700 policemen will have been trained by the end of CY 1972. Leadership Education seminars at the Academy on specialized aspects of police administration, operations and supervision for senior officers, have been increased from one week to two weeks in CY 1971. All 525 junior officers have received the 1 week introductory course and an 8 week intermediate course. A National Police Planning and Training Office (NPPTO) was established in 1968 to assist in the administrative and organizational reform of the police. The NPPTO has been a catalytic agent for the restructuring of the police and for

developing manpower development training programs. To date, 175 police officers have been trained through IPA facilities in Washington.

FY 1972 Program:

U. S. Technicians: One Chief Public Safety Advisor, plus five additional technicians; two secretaries.

Participants: 18 participants to train at the International Police Academy.

Commodities: Communications and police special safety equipment.

Other Costs: Miscellaneous costs not chargeable to Trust Fund.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-----------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | |
| | Through 6/30/70 | 3,227 | 3,186 | 41 | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Estimated FY 71 | 378 | 385 | | U.S. Technicians | 195 | - | 195 | 210 | - | 210 |
| Estimated through 6/30/71 | 3,605 | 3,571 | 34 | Participants | 45 | - | 45 | 40 | - | 40 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 135 | - | 135 | 118 | - | 118 |
| Proposed FY 72 | 370 | - | 3,975 | Other Costs | 3 | - | 3 | 2 | - | 2 |
| | | | | Total Obligations | 378 | - | 378 | 370 | - | 370 |

Country: ECUADOR

PROJECT DATA

TABLE III

| | | |
|---------------------------------------|--|--|
| PROJECT TITLE PUBLIC SAFETY | SECTOR PUBLIC SAFETY | FUNDS Economic |
| PROJECT NUMBER 518-11-710-037 | PRIOR REFERENCE p. 195, FY 1971 LA P.D.B. | SCHEDULED FINAL OBLIGATION FY: 1973 |
| | INITIAL OBLIGATION FY: 1959 | |

Project Targets and Course of Action: To assist the Government of Ecuador to develop and maintain an atmosphere conducive to increasing domestic and foreign investment, and the law and order necessary for a stable democratic society, by working through the National Police.

Progress to Date: National Police - Personnel strength remains at 6, 176 officers and men. Main personnel improvements in the National Police have been qualitative rather than quantitative. Since 1962, the National Police have acquired a sound institutional base, incorporating satisfactory educational requirements, a suitable organizational structure, a career-oriented personnel system, and a three-year university-level officer candidate school. An exceptionally fine recruit school facility was completed during the past year to assure basic police training to all non-commissioned personnel. Rate of recruit training has reached 400 per year, a 10% increase since FY 1969. The National Police logistical base has improved substantially in transport, communication, and armament. Urban riot control techniques are now generally satisfactory. Progress in domestic intelligence and central identification services has been noted. Ex-participants still on active duty number 135 officers. Following an in-depth study of Public Safety needs a new agreement was signed in December 1970 to provide assistance in developing a loan proposal for equipment and in imple-

menting the first stage of a communications modernization plan, the remaining two stages to be carried out under proposed loan. Customs Police - Two periods of AID assistance, 1963-1966 and 1969-1970, have brought logistical improvements and have provided a nucleus of trained officers.

FY 1972 Program: The FY 1972 project will include training and advisors to overcome such remaining police deficiencies as (a) inadequate Rural Police capability, (b) need for an equipment maintenance plan, (c) certain weaknesses in domestic intelligence service, and (d) insufficient flow of trained recruits.

U.S. Technicians: Three U. S. direct-hire Advisors (1 chief public safety advisor, 1 training advisor and 1 communications advisor) - \$88,000.

Commodities: Training materials, light arms and ammunition, and hand tools (\$7,000).

Participants: International Police Academy, 12; Public Safety Police Executive Training, 2 (\$10,000).

Other Costs: In-country travel, local purchases of training materials, vehicle maintenance, miscellaneous expenses, and salaries for four locals (\$30,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Through 6/30/70 | 3,482 | 3,372 | 13 | | | | | | | |
| Estimated FY 71 | 1,420 | 155 | | | 69 | | 69 | 88 | | 88 |
| Estimated through 6/30/71 | 3,627 | 3,627 | | | 5 | | 5 | 10 | | 10 |
| | | Future Year Obligations | Estimated Total Cost | | 45 | | 45 | 7 | | 7 |
| | | | | | 23 | | 23 | 30 | | 30 |
| Proposed FY 72 | 135 | 148 | 3,910 | Total Obligations | 142 | | 142 | 135 | | 135 |

Country: EL SALVADOR

PROJECT DATA

TABLE III

| | | |
|--------------------------------|--|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 519-11-710-030 | PRIOR REFERENCE p. 153, FY 1971 LA P.D.B. | INITIAL OBLIGATION FY: 1957 |
| | | SCHEDULED FINAL OBLIGATION FY: 1972 |

Project Target and Course of Action: To strengthen the ability of El Salvador police and security forces to provide internal security, protect persons and property, and maintain law and order, by assisting these forces in establishing strong preparatory and in-service training programs, in adopting modern police methods and communications, and in improving organizational and administrative effectiveness.

The FY 1972 emphasis will continue to be on training locally and participation in courses offered by the International Police Academy. Local training will be undertaken by the National Police school. Courses will include basic training, special criminal investigation and drug control. A newly established division of narcotics reflects the growing concern over drug control. Continued technical assistance will be given to both the National Police and the National Guard on use of records systems, communications and utilization of patrols.

Progress to Date: The National Police has become a modern police force with uniforms, equipment, and efficient administrative organization. Modern records and communications systems have been developed. Both the police and the National Guard now have modern academies in which training in modern police techniques is available.

250 participants from both police units have received training at the International Police Academy and many of them now are trainers for in-service courses.

FY 1972 Program:

U. S. Technicians: 1 U. S. Public Safety Advisor.

Participants: 7 to International Police Academy courses.

Commodities: Police equipment in demonstration quantities and training aids.

Other Costs: 1 local secretary, local travel, and communications.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| Through 6/30/70 | 1,940 | 1,916 | 24 | U.S. Technicians | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Estimated FY 71 | 64 | 60 | | | Participants | 39 | - | 39 | 31 | - |
| Estimated through 6/30/71 | 2,004 | 1,976 | 28 | Commodities | | 15 | - | 15 | 15 | - |
| | | Future Year Obligations | Estimated Total Cost | | Other Costs | 6 | - | 6 | 6 | - |
| | | | | Total Obligations | | 4 | - | 4 | 4 | - |
| Proposed FY 72 | 56 | | 2,060 | | | 64 | - | 64 | 56 | - |

| | | | |
|--------------------------------|--|--------------------------------|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic | |
| PROJECT NUMBER 520-11=710-077 | PRIOR REFERENCE P. 159. FY 1971 LA P.D.B. | INITIAL OBLIGATION FY: 1957 | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: To promote a stable environment conducive to orderly social, political and economic development in Guatemala (1) by improving and strengthening the organizational/administrative structure of the civil police; (2) by developing modern systems in the police training, communications, criminalistics, records and identification fields; and (3) by improving the police operations in the urban and rural areas to increase police force capacity to combat terrorism and insurgency.

Progress to Date: The combined Guatemala Police Academy and maintenance facility for all the police is about to be constructed through assistance of A.I.D. input of \$410,000 FY-1970 Supporting Assistance funds and Guatemala input of \$160,000 for the site, plus \$150,000 for the facility's CY-1971 operations. Police urban and rural effectiveness has been improved since July 1970 using A.I.D.-financed automotive, radio, riot control and other provided police equipment, accompanied by U.S. technical advice and training. A new centralized radio dispatch center for the Capital area is nearing completion. Firearms and automotive maintenance capabilities have been improved. About 360 civil police personnel have received U.S. training, of which over 300 attended the International Police Academy in Washington, D.C.

A.I.D. local training in basic police subjects has been provided to 32,000 police personnel (multiple exposure).

FY 1972 Program: The project will continue to emphasize the improvement of police training; urban and rural police operations; police administration; vehicle and general equipment maintenance; and the effective implementation of modern scientific aids.

U.S. Technicians: Seven direct hire - Chief Public Safety Advisor, plus six technicians (two in training, one each in rural, vehicle maintenance, telecommunications, and administrative advisory services).

Participants: Forty police officials to International Police Academy for general police training course with specialization in narcotics control, patrol methods, criminal investigation, police records management, border control, motor vehicle and radio maintenance; plus selected training course

Commodities: Training and audio-visual supplies; firearms training material; automotive and criminal investigative equipment.

Other Costs: Local travel expenses, four local employees, office and training support expenses.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|-------|--------------------------------|------------------|-----------------------|-------|--|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | | |
| | | | | Estimated FY 1971 | | | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 3,913 | 2,958 | 955 | | | | | | | | |
| Estimated FY 71 | 377 | 677 | | | | | | | | | |
| Estimated through 6/30/71 | 4,290 | 3,635 | 655 | | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | | |
| Proposed FY 72 | 377 | 916 | 5,583 | | | | | | | | |
| | | | | Cost Components | | | | | | | |
| | | | | U.S. Technicians | 221 | - | 221 | 221 | - | 221 | |
| | | | | Participants | 76 | - | 76 | 89 | - | 89 | |
| | | | | Commodities | 51 | - | 51 | 60 | - | 60 | |
| | | | | Other Costs | 29 | - | 29 | 7 | - | 7 | |
| | | | | Total Obligations | 377 | - | 377 | 377 | - | 377 | |

Country: GUYANA

PROJECT DATA

TABLE III

| | | | | | |
|----------------|----------------|-----------------|---------------------------|--------------------|----------------------------|
| PROJECT TITLE | Public Safety | SECTOR | Public Safety | FUNDS | Economic |
| PROJECT NUMBER | 504-11-710-037 | PRIOR REFERENCE | p. 199, FY 1971 IA P.D.B. | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1966 | FY: 1974 |

Project Target and Course of Action: To assist the Government of Guyana in improving police administrative procedures and methods and to augment their efforts to increase police resources and capabilities in transportation and vehicle maintenance, communications, highway patrol, forensic laboratory facilities, and riot control. While the project provides a fulltime advisor and TDY technicians as required, the major effort has been in commodity assistance. As the project progresses and the police commodity inventory approaches acceptable standard, the major emphasis will shift, in terms of dollars spent, to advisory assistance.

Progress to Date: From 1965 through June 30, 1970, \$728,000 have been obligated in commodity assistance for vehicles, communications equipment, forensic investigation laboratory equipment, and training aids for the Police Training School. Ninety percent of all commodities for which these funds were obligated have been delivered and placed in service. Utilizing Public Safety assistance funds, members of the police force have been trained in the use and maintenance of all A.I.D. supplied equipment. 43 commissioned officers and technical specialists have been trained in the U. S. from FY 1966 through FY 1970.

Government of Guyana Contribution: U. S. \$835,000 during the period FY 1966 through CY 1970.

FY 1972 Program:

U. S. Technicians: One full-time and two short-term TDY Public Safety advisors, (\$40,000).

Participants: Six commissioned officers and technical specialists participants (\$15,000).

Commodities: \$37,000 in commodities will be provided for four sub-project activities:

- (1) patrol operations in both urban and rural areas;
- (2) completion of the central criminal laboratory;
- (3) up-grading maintenance and spare parts control for A.I.D. supplied vehicles and
- (4) further development of the internal security communications network.

Other Costs: (\$7,000) for in-country travel and support.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Through 6/30/70 | 1,007 | 885 | 122 | | | | | | | |
| Estimated FY 71 | 146 | 242 | | | | | | | | |
| Estimated through 6/30/71 | 1,153 | 1,127 | 26 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 99 | 107 | 1,359 | Total Obligations | 146 | - | 146 | 99 | - | 99 |

Country: HONDURAS

PROJECT DATA

TABLE III

| | | | | |
|----------------------------------|-----------------------------------|-----------|--------------------------------|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | | FUNDS Economic | |
| PROJECT NUMBER 522-11-710-018 | PRIOR REFERENCE P. 163 FY 1971 | LA P.D.B. | INITIAL OBLIGATION FY: 1960 | SCHEDULED FINAL OBLIGATION FY: 1973 |

Project Target and Course of Action: Continue the professionalization of the Special Security Corps (CES) to enable it to more effectively discharge to responsibilities as a civil police agency and as a first line of defense in internal security. The program for FY 72 will have 3 main thrusts: (1) accelerate the highly successful rural training program to provide training for an additional 300 rural police presently without formal police training; (2) improve the traffic management programs in Honduras' principal cities; and (3) inaugurate a Central Complaint Center in the Capital District (Tegucigalpa, Comayagua and environs) which will assist the police to respond more effectively to citizens' request for assistance.

Progress to Date: A police communications network has been established, is well-maintained and has demonstrated a high degree of reliability. The recruit training school, established with AID assistance, has graduated 422 recruits to date. The rural training program has trained 148 policemen in the 7 month period since its initiation and has received excellent public acceptance. A Highway Patrol Force was inaugurated in August 1970 to patrol the country's paved highway network. A strong cadre of officers (94) have completed the

International Police Academy course. Training in FY 1971 was provided for 17 officers.

FY 1972 Program:

U.S. Technicians: Public Safety Advisors: Chief Advisor (12 months), Rural Advisor (12 months), and Traffic Advisor (12 months).

Participants: Twenty officers to IPA for 80 months.

Commodities: 6 vehicles, training and office equipment.

Other Costs: Local printing services and TDY Technicians travel costs within the country.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Through 6/30/70 | 1,271 | 1,168 | 103 | | | | | | | |
| Estimated FY 71 | 121 | 203 | | | | | | | | |
| Estimated through 6/30/71 | 1,392 | 1,371 | 21 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 171 | 150 | 1,713 | Total Obligations | 121 | - | 121 | 171 | - | 171 |

Country: JAMAICA

PROJECT DATA

TABLE III

| | | |
|--------------------------------|--|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 532-11-710-031 | PRIOR REFERENCE p. 206, FY 1971 IA P.D.B. | INITIAL OBLIGATION FY: 1967 |
| | | SCHEDULED FINAL OBLIGATION FY: 1973 |

Project Target and Course of Action: To assist the Government of Jamaica in strengthening the administrative and operational capabilities of the Constabulary. A high crime rate, demonstrations and strikes continue to threaten political stability. Technical assistance, chiefly through provision of advisors and training grants, will be concentrated in efforts to continue to develop and improve police records and identification procedures, operations of the water police, patrol services, and training.

Progress to Date: A.I.D. technical assistance, which began in 1966, has helped the Jamaican Constabulary Force make significant improvements particularly in the fields of training, administration, communications, records identification procedures and operations. A.I.D. advice was instrumental, for instance, in the setting up of an efficiently operating patrol system. In essential services such as communications, our input in equipment, training and advice was probably crucial. Meanwhile the Government of Jamaica has given increased support to the Constabulary as is evidenced by the level of appropriations, which has risen from \$8.5 million in FY 1967 to \$12 million in FY 1971.

FY 1972 Program: It is planned to continue a modest program of technical assistance to the Jamaica Constabulary Force with the following elements:

U. S. Technicians: One direct hire advisor.

Participants: 15 grants with emphasis in the sectors mentioned above.

Other Costs: Training and office support expenses.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | |
|---------------------------------|-------------|-------------------------|----------------------|---|-----------------------|------------------|--------------------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | | Direct AID | Contract/Other Agency |
| Through 6/30/70 | 494 | 439 | 55 | Cost Components U.S. Technicians Participants Commodities Other Costs Total Obligations | | | | | |
| Estimated FY 71 | 70 | 70 | | | | | | | |
| Estimated through 6/30/71 | 564 | 509 | 55 | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | |
| Proposed FY 72 | 96 | 80 | 740 | | | | | | |

Country: NICARAGUA

PROJECT DATA

TABLE III

| | | | |
|--------------------------------|--|--------------------------------|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic | |
| PROJECT NUMBER 524-11-710-093 | PRIOR REFERENCE P. 168, FY 1971 LA P.D.B. | INITIAL OBLIGATION FY: 1971 | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: The project is directed toward developing a modern and effective public safety program in Nicaragua. Assistance to the Nicaraguan National Guard will be provided to modernize its forces to carry out effectively civil police functions of maintaining law and order and to upgrade the technical proficiency of the agent units in Managua and in the 16 outlying depart of Nicaragua. Assistance is being provided in organization and police planning, investigation techniques, patrol methods, criminalistics, civil disturbance control, records and identification, instructor training, and communications.

Progress to Date: Project received congressional approval for implementation in January 1971. The project was formulated subsequent to interest expressed by the Government of Nicaragua in upgrading the civilian police capabilities of the Nicaraguan National Guard. The A.I.D. Office of Public Safety conducted a survey on the public safety capabilities of the National Guard in June 1970. The new technical assistance project approved in January 1971 was based on the findings and recommendations of the survey.

FY 1972 Program:

U.S. Technicians: Two direct hire public safety advisors, and two short-term technicians for two man-months each, will work with the National Guard.

Participants: 8 participants will be trained at the International Police Academy in Washington. 2 participants will be trained in each of the following fields: investigations, patrol, records and identification, and training techniques.

Commodities: \$10,000 will be used to provide communications equipment, \$5,000 for training equipment, and \$2,000 for miscellaneous.

Other Costs: In-country travel costs and per diem.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|---|----|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| Estimated FY 71 | | | | | Direct AID | Contract/Other Agency | | Total | | |
| Estimated through 6/30/71 | 118 | 56 | 62 | U.S. Technicians | 53 | - | 53 | 55 | - | 55 |
| | | | | Participants | 4 | - | 4 | 16 | - | 16 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 58 | - | 58 | 17 | - | 17 |
| | | | | Other Costs | 3 | - | 3 | 3 | - | 3 |
| Proposed FY 72 | 91 | 172 | 381 | Total Obligations | 118 | - | 118 | 91 | - | 91 |

Country: PANAMA

PROJECT DATA

TABLE III

| | | |
|--------------------------------|--|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 525-11-710-044 | PRIOR REFERENCE p. 211, FY 1971 IA P.D.B. | INITIAL OBLIGATION FY: 1959 |
| | | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: To improve crime prevention systems and law enforcement services required to maintain public order and internal security. A.I.D. is assisting in (1) training qualified civil police instructors in the Panama National Guard and the National Department of Investigations (DENI), (2) improving the coordination and communications of the civil police, (3) improving civil police training aimed at crime prevention and strengthened community relations, and (4) improvement of civil police line services and investigation capability of DENI.

Progress to Date: The National Guard has improved their ability to control internal disorders with a minimum of violence; patrols in urban areas and on the Inter-American Highway have improved by organization, training, and by commodity support; border control measures have been strengthened on the Colombian and Costa Rican borders; the mobility and communication capabilities of the National Guard have been improved; basic civil police training courses have been conducted and are continuing for the National Guard. A criminal laboratory equipped by A.I.D. is operating efficiently and investigations training has been provided for the National Department of Investigations.

FY 1972 Program: Emphasis will continue to be placed on the preparation and training of civil police and the improvement of law enforcement agencies abilities to prevent crime and maintain order with a minimum of force. Specifically assistance will be provided to: (1) Assist in improvement of police line services such as civil police patrols, traffic and investigations; (2) Assist in the establishment of a Central Security and Operations Center to control and coordinate all activities of the security forces; and (3) Assist in improving civil police techniques in the National Guard and DENI, in accordance with their responsibilities.

U.S. Technicians: Three direct-hire Public Safety Advisors.

Participants: Twenty five to U. S. International Police Academy for courses in Internal Defense, Police Operations, Investigations, Traffic and Instructor methods, etc.

Commodities: Communications equipment to DENI, Guardia Nacional, training and demonstration equipment.

Other Costs: Local travel, in-country training and material support to Guardia Nacional civic action program, one local employee.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|------------------|--------------------------------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | |
| | | | | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/70 | 1,518 | 1,470 | 48 | | | | |
| Estimated FY 71 | 164 | 180 | | | | | |
| Estimated through 6/30/71 | 1,682 | 1,652 | 30 | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | |
| Proposed FY 72 | 203 | 100 | 1,985 | | | | |
| | | | | Cost Components | | | |
| | | | | Direct AID | Contract/Other Agency | Total | |
| | | | | 81 | - | 81 | 90 |
| | | | | 36 | - | 36 | 62 |
| | | | | 31 | - | 31 | 30 |
| | | | | 16 | - | 16 | 21 |
| | | | | 164 | - | 164 | 203 |

Country: URUGUAY

PROJECT DATA

TABLE III

| | | |
|--------------------------------|--|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 528-11-710-013 | PRIOR REFERENCE P. 56 FY 1971 IA P.D.B. | INITIAL OBLIGATION FY: 1962 |
| | | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: To assist in modernizing and improving Montevideo and interior police departments so that they will be better able to maintain law and order and to control subversion.

Progress to Date: 93 officers have been trained in the U.S. in riot control, police management, investigations and patrol improvement; a total of 739 officers have been trained locally in courses given in Uruguay. By the end of FY 1971 it is expected that communications networks will have been established in all 19 Uruguayan Departments. AID-financed commodities have improved Uruguayan capabilities in patrol, investigative procedures and in riot control. Uruguay has purchased over \$1 million worth of police equipment (including vehicles) from own funds since 1965. The annual rate of purchase is now \$200,000.

FY 1972 Program: Training and technical assistance which will be supplemented by some commodities will be provided for the improvement of patrol, riot control, police management, investigations and communications.

U. S. Technicians: 3 direct hire technicians (Chief, Investigations Advisor, and Training Advisor) for one year: (\$115,000).

Participants: 26 participants will each receive approximately 3 months training in the U.S. in riot control, investigations and police management: (\$75,000).

Commodities: Communications equipment and spare parts: (\$25,000).

Other Costs: Minor administrative costs related to project and salary for one local secretary for one year: (\$10,000)

(Increase in Estimated Cost to Completion due, in large part, to Emergency Procurement).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | | |
|---------------------------------|-----------------|--------------|--------------|-------------------|-----------------|-------------------|--------------------------------|-----------------------|------------------|------------|-----------------------|-------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | | |
| | Estimated FY 71 | 624 | 620 | | Estimated FY 71 | Estimated FY 1971 | | | Proposed FY 1972 | | | |
| | | | | | | Direct AID | | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total |
| Estimated through 6/30/71 | 1,842 | 1,726 | 116 | U.S. Technicians | 149 | - | 149 | 115 | - | 115 | | |
| | | | | Participants | 69 | - | 69 | 75 | - | 75 | | |
| | | | | Commodities | 395 | - | 395 | 25 | - | 25 | | |
| | | | | Other Costs | 11 | - | 11 | 10 | - | 10 | | |
| Proposed FY 72 | 225 | 378 | 2,445 | Total Obligations | 624 | - | 624 | 225 | - | 225 | | |
| | | | | | | | | | | | | |

PROJECT DATA SUMMARY
(Dollar Amounts in Thousands)

TABLE IV

SECTOR: PUBLIC SAFETY

| COUNTRY | * Project Number | FY of Initial Obliga- tion | FY of Sched- uled Final Obliga- tion | Through FY 1970 | | | Estimated FY 1971 | | | Proposed Program FY 1972 | Future Year Obligations | Estimated Total Cost |
|-----------|---------------------|-------------------------------------|---|------------------|-------------------|--|-------------------|-------------------|--|--------------------------------|-------------------------------|----------------------------|
| | | | | Obliga- tions | Expendi- tures | Unliqui- dated Obligation 6/30/70 | Obliga- tions | Expendi- tures | Unliqui- dated Obligation 6/30/71 | | | |
| Chile | 513-11-710-138 | 1963 | 1971 | 1,700 | 1,655 | 45 | 17 | 48 | 14 | - | - | 1,717 |
| Peru | 527-11-710-062 | 1962 | 1970 | 3,623 | 3,620 | 3 | - | 3 | - | - | - | 3,623 |
| Venezuela | 529-11-710-022 | 1963 | 1971 | 2,639 | 2,601 | 38 | 186 | 215 | 9 | - | - | 2,825 |
| | | | | Total | | | 203 | 266 | 23 | - | - | 8,165 |

*Detailed project narrative--see TABLE III

Country: PAKISTAN

PROJECT DATA

TABLE III

| | | |
|----------------------------------|--|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 391-12-710-113 | PRIOR REFERENCE P. 83, FY 1971 NESAs P.D.B. | INITIAL OBLIGATION FY: 1960 |
| | | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: The project target is to increase the effectiveness of the internal security forces of Pakistan by (1) improvement of motor transport capability; (2) improvement of communications capability; (3) modernization of police training and training institutions; and (4) modernization of administrative and operational practices.

The course of action has entailed procurement of transport and communications equipment, improvement of the maintenance system including the setting up of workshops and the training of workshop personnel. The curricula of several police training institutions is being revised and the quality of instruction is being improved.

Five advisors will remain in Pakistan through FY 1972 to assist in realizing optimum utilization of the equipment which has been provided and implementing actions to improve overall organizational effectiveness.

Progress to Date: The bulk of the commodities required to satisfy transport, communications and maintenance objectives for FY 1971 have been received in country.

Improvement in police training, training institutions and administrative and operational practices has re-

sulted from project support.

During FY 1971, 28 participants will have been sent or programmed to the U. S. or other countries for training.

FY 1972 Program: The balance of the commodities ordered in FY 1971 will be received and distributed. Program activities and distribution of commodities will conform to previous plans except as dictated by operational priorities brought about by unsettled internal political and security conditions. As planned: (1) actions will be continued to develop the operational and maintenance capabilities in the transportation and communications systems; (2) the installation and development of the East Pakistan police telecommunications system will be accelerated; and (3) actions to improve police training systems and institutions, and administrative and operational practices will be continued.

U. S. Technicians: A staff of five will provide technical advisory assistance in the fields of communications, training, operations and police tactics.

Participants: Twenty-four participants will receive training in the United States at the International Police Academy.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | |
|---------------------------------|-----------------|-------------------------|----------------------|-------------------|-----------------------|------------------|--------------------------------|------------|-----------------------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | |
| | Estimated FY 71 | 7,382 | 610 | Estimated FY 1971 | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | | Direct AID | Contract/Other Agency |
| Estimated through 6/30/71 | 8,272 | 8,100 | 172 | 180 | - | 180 | 165 | - | 165 |
| | | Future Year Obligations | Estimated Total Cost | 100 | - | 100 | 85 | - | 85 |
| | | | | - | - | - | - | - | - |
| | | | | - | - | - | - | - | - |
| Proposed FY 72 | 250 | 750 | 9,272 | 280 | - | 280 | 250 | - | 250 |

PROJECT DATA SUMMARY
(Dollar Amounts in Thousands)

TABLE IV

SECTOR: PUBLIC SAFETY

| COUNTRY | * Project Number | FY of Initial Obligation | FY of Scheduled Final Obligation | Through FY 1970 | | | Estimated FY 1971 | | | Proposed Program FY 1972 | Future Year Obligations | Estimated Total Cost |
|---------|---------------------|--------------------------|----------------------------------|-----------------|--------------|---------------------------------|-------------------|--------------|---------------------------------|--------------------------|-------------------------|----------------------|
| | | | | Obligations | Expenditures | Unliquidated Obligation 6/30/70 | Obligations | Expenditures | Unliquidated Obligation 6/30/71 | | | |
| Jordan | 278-11-710-120 | 1964 | 1971 | 2,145 | 2,081 | 64 | 65 | 103 | 26 | - | - | 2,210 |
| | | | | Total | | | 65 | 103 | 26 | - | - | 2,210 |

*Detailed project narrative--see TABLE III

Country: AFRICA REGIONAL

PROJECT DATA

TABLE III

| | | |
|---|--|--|
| PROJECT TITLE Public Safety Training | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 698-11-710-355 | PRIOR REFERENCE P. 77, FY 1971 AFR P.D.B. | INITIAL OBLIGATION FY: 1971 |
| | | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: The purpose of the Africa Regional Public Safety Training program is to provide specialized orientation and training for selected present and potential police leaders in appropriate concepts of police administration so as to increase the capacity of their organizations to administer social justice, collaborate internationally in crime prevention, and conduct national public safety activities increasingly responsive to the economic and social development needs of their respective countries. The objective of this program, then, is to upgrade professional knowledge of these selected few leaders as well as their capacity for effective action and participation in the following areas:

1. Increasing the capability of their respective organizations to cooperate internationally with one another, with the U. S. and with other countries in crime prevention.
2. Strengthening the capability of their respective organizations to enforce the law and maintain internal order.
3. Increasing the responsiveness to economic and social development needs of their respective countries through helping maintain conditions essential for economic and political development.
4. Increasing police leaders' capacity to administer social justice through the encouragement of res-

ponsible and humane police administration and criminal justice as a means to improving service to the people and to improve the police image.

5. Improving police capabilities in the area of management and planning and general police administration.

6. Modernizing existing concepts in the areas of administration, organization, and operations.

The program is designed to train mid-career and senior police officers from those French and English-speaking African countries that do not have bilateral A.I.D. relationships with the U. S.

It is estimated that thirty participants per year from about twenty-five African countries can be trained for \$100,000 per year, with a target for the project of 150 participants. There are no other sources available to finance the project.

Progress to Date and Costs: The program began in FY 1971, with 15 training slots authorized. This first-year program was subsequently increased to accommodate thirty participants from eleven countries in response to the larger-than-anticipated number of requests from African governments for the training.

It is now planned to train up to thirty participants per year at an annual estimated cost of \$100,000 per year, subject to annual reviews, to determine the level of required training assistance.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| Through 6/30/70 | - | - | - | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Estimated FY 71 | 100 | 100 | | U.S. Technicians | - | - | - | - | - | - |
| Estimated through 6/30/71 | 100 | 100 | - | Participants | 100 | - | 100 | 100 | - | 100 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | - | - | - |
| | | | | Other Costs | - | - | - | - | - | - |
| Proposed FY 72 | 100 | 300 | 500 | Total Obligations | 100 | - | 100 | 100 | - | 100 |

| | | | |
|----------------------------------|---|--------------------------------|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic | |
| PROJECT NUMBER 660-11-710-014 | PRIOR REFERENCE P. 161, FY 1971 AFR P.D.B. | INITIAL OBLIGATION FY: 1964 | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: To assist the Congolese Government to improve its capability for maintaining security, A.I.D. provides assistance to the National Police and the Coast, River and Lake Guard. Activities include development improvement of: mobile patrol systems for urban areas, communications systems, vehicle fleet maintenance, humane civil disturbance control procedures, training programs, operation and maintenance of patrol boats used by the Congolese Coast, River and Lake Guard on Lake Tanganyika.

New elements of the project (in FY 1971) include assistance to the Coast, River and Lake Guard and to the police in key cities in the interior. The established Kinshasa Police Mobile Patrol concept is to be transplanted to these cities. Personnel to manage, operate and maintain the nationwide police telecommunications network and municipal systems are being trained. Rural Mobile Training Teams are providing policemen with their first basic training.

Coast, River and Lake Guard: In FY 1971, the Congolese Government established a Coast, River and Lake Guard, a totally civilian police force, to protect the Congo's water frontiers. Initially, operations will be confined to Lake Tanganyika. Control of immigration, reduction of smuggling and protection of lawful pursuits

on these frontiers are the objectives of the guard. The United States is providing technical assistance and training in the operation and maintenance of patrol boats to be used on Lake Tanganyika.

Progress to Date: Twenty-two separate police systems were merged in 1967 into a single Congolese civilian police force with assistance from the United States, the United Nations (now discontinued) and Belgium (20 officers currently assigned). With assistance in recruit selection and training, a 21,000-man force has been established. A nationwide police radio network linking Kinshasa to all key points in the interior has been established with U. S. help. This network is one of few reliable communications systems between the central government and the people of the interior.

Rural Mobile Training Teams are operating in all provinces. Modernized and improved training courses are being established at the Kinshasa and Lubumbashi national police schools. Senior officers' seminars and junior officer training courses are being developed. A modern vehicle maintenance facility and training operation for mechanics and supervisors has been established in Kinshasa and now supports a fleet of more than 300 police vehicles. A similar center is planned for Lubumbashi. In Kinshasa, foot and motor vehicle patrols

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total |
| Through 6/30/70 | 3,269 | 2,940 | 329 | | | | | | | |
| Estimated FY 71 | 565 | 700 | | | | | | | | |
| Estimated through 6/30/71 | 3,834 | 3,640 | 194 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 72 | 1,016 | 2,360 | 7,210 | Total Obligations | 565 | - | 565 | 1016 | - | 1016 |

Country: CONGO (K)

PROJECT DATA (Continued)

Sector:

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|---------------|----------------|
| Public Safety | 660-11-710-014 |

have been established. The Patrol and Traffic Divisions of the Kinshasa police have been centralized and operate from a newly constructed, modern police operations center. A similar expansion of metropolitan law enforcement is underway in Lubumbashi. Guidance in planning police building construction and proper utilization of existing police buildings is being provided. A National Police public relations program is being planned.

The first phase in establishment of the Coast, River and Lake Guard (CRLG) was begun at Lake Tanganyika during FY 1971. Training is being provided to Guard personnel (136), and administrative management systems are being developed. Docks, housing, training facilities along the shores of Lake Tanganyika are being developed.

FY 1972 Program: All on-going activities will be continued in FY 1972. Personnel (\$475,000): 10 U. S. Public Safety Advisors, 1 U. S. secretary and up to 5 third country nationals (funded under Other Costs) will be provided. Participant training (\$115,000) for 33 officers will be provided including courses at the International Police Academy. Commodities (\$426,000) for communications equipment, vehicles, spare parts and vehicle maintenance equipment, training aids and miscellaneous, will be provided.

Country: GHANA

PROJECT DATA

TABLE III

| | | | |
|----------------------------------|---|--------------------------------|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic | |
| PROJECT NUMBER 641-11-710-066 | PRIOR REFERENCE P. 273, FY 1971 AFR P.D.B. | INITIAL OBLIGATION FY: 1972 | SCHEDULED FINAL OBLIGATION FY: 1973 |

Project Target and Course of Action: To assist the Government of Ghana by strengthening the technical capability of the police in the fields of communications and transportation.

FY 1972 Program: It is proposed that two Public Safety technicians who are specialists in communications and transportation be funded under this project at an estimated cost of \$68,000. U. S. short-term training will be provided in the fields of police management, records and statistics, and radio communications and repair for approximately twelve participants, costing \$38,000.

Two advisors have been assigned to the national police under another project in order to assure optimal utilization of equipment being purchased under the U. S. commodity import loan. One advisor provides advice in the area of land transportation operation, repair and maintenance. The second advisor provides assistance in the area of communications and electronics. Special emphasis is given to on-the-job training for Ghanaian personnel who will be responsible for installing, using and maintaining the vehicles and communication facilities.

Progress to Date: The Government of Ghana has purchased vehicles, valued at \$223,000, and communications equipment, valued at \$466,000, and has been receiving temporary assistance from two U. S. Public Safety technicians, heretofore funded under Project 641-15-995-054, Infrastructure Advisory Services. The Government has indicated that it would like to purchase additional equipment, and the assignment of the two Public Safety technicians in Ghana for a full two-year period is therefore proposed under this separate project.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-----------------------|------------------|--------------------------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | |
| | | | | Direct AID | Contract/Other Agency | Total | | Direct AID | Contract/Other Agency |
| Through 6/30/70 | - | - | - | | | | | | |
| Estimated FY 71 | 100 | 86 | | | | | | | |
| Estimated through 6/30/71 | 100 | 86 | 14 | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | |
| Proposed FY 72 | 106 | 120 | 326 | | | | | | |
| | | | | Cost Components | | | | | |
| | | | | U.S. Technicians | | | | | |
| | | | | Participants | | | | | |
| | | | | Commodities | | | | | |
| | | | | Other Costs | | | | | |
| | | | | Total Obligations | | | | | |

Country: LIBERIA

PROJECT DATA

TABLE III

| | | |
|--------------------------------|---|---|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 669-51-710-027 | PRIOR REFERENCE P. 187, FY 1971 AFR P.D.B. | INITIAL OBLIGATION FY: 1957 |
| | | SCHEDULED FINAL OBLIGATION FY: Reviewed Annually |

Project Target and Course of Action: To help increase the effectiveness of Liberia's internal security agencies, including municipal and rural police services and border control, A.I.D. advisors work with the National Police Force (NPF), National Bureau of Investigation (NBI) and the Bureau of Immigration and Naturalization (BIN). Advisory assistance is provided in the fields of training, urban and rural patrol techniques and police organization, criminal investigation, immigration and naturalization and general operational and administrative matters.

Progress to Date: The emphasis of this project has been on development of a training system and the training of individuals in police administration and operations and to a lesser extent, on training in technical specialities associated with overall law enforcement. A National Police Academy was established by the Liberian Government to provide in-service and recruit training. Educational materials and advisory assistance in developing the curriculum have been provided for fields ranging from juvenile delinquency control programs to driver training and counter-insurgency concepts. 1,688 officers and recruits have been trained at the Academy. U. S. training has been provided for 103 participants. In-service, on-the-job training for the BIN, NBI and NPF has been provided.

A modest but efficient Crime Laboratory with A.I.D. assistance and U. S. trained personnel has been established at NBI. A.I.D. is currently funding a three-phase self-help rural police checkpoint construction project, including a telecommunications capability, with Liberia providing labor, limited technical services and NPF personnel upon completion. Additionally, project emphasis will include assistance in the expansion of the police by 1,000 men, administration of records and rural police organization and operation.

Host Country Contribution: Liberia finances the entire cost of operating the Police Academy and other agencies to which this project is addressed. Liberia also provides for continuation of salary for participants.

FY 1972 Program: Forty-two man-months of advisory services to Liberia will be continued during FY 1972. An evaluation of the project will be made in early FY 1972 to specify dimensions of future assistance, if any.

U. S. Technicians: Forty-two man-months (\$140,000). Amount required for salaries, post differential, cost of living allowances, TDY, retirement, health/life insurance, educational allowances, R&R, rents and utilities, and return travel to the U. S. and related expenses.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | |
|---------------------------------|-----------------|-------------------------|----------------------|-------------|-------------------|-----------------------|--------------------------------|------------------|------------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | |
| | Through 6/30/70 | 3,283 | 3,220 | 63 | Estimated FY 1971 | | | Proposed FY 1972 | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID |
| Estimated FY 71 | 238 | 299 | | 195 | - | 195 | 140 | - | 140 |
| Estimated through 6/30/71 | 3,521 | 3,519 | 2 | 38 | - | 38 | 38 | - | 38 |
| | | Future Year Obligations | Estimated Total Cost | - | - | - | 20 | - | 20 |
| Proposed FY 72 | 203 | Undetermined | | 5 | - | 5 | 5 | - | 5 |
| | | | | 238 | - | 238 | 203 | - | 203 |

Country: LIBERIA

PROJECT DATA (Continued)

Sector:

TABLE IIIa

| | |
|--------------------------------|----------------------------------|
| PROJECT TITLE Public Safety | PROJECT NUMBER 669-51-710-027 |
|--------------------------------|----------------------------------|

Participants: \$38,000 for training of 11 participants in the U. S. for a period of three months.

Commodities: \$20,000 minimal model equipment for motorized patrols, communications, and records and identification activities.

Other Costs: \$5,000 for local travel and rural police training, self-help station construction projects, and organization.

Difference from FY 1971 CP: Project termination date in FY 1971 CP was FY 1971. A new project termination date was formulated based on a determination that the orderly phase-out of project activities could not be completed prior to FY 1972.

Country: TUNISIA

PROJECT DATA

TABLE III

| | | | |
|--------------------------------|---|--------------------------------|--|
| PROJECT TITLE Public Safety | SECTOR Public Safety | FUNDS Economic | |
| PROJECT NUMBER 664-11-710-274 | PRIOR REFERENCE P. 241, FY 1971 AFR P.D.B. | INITIAL OBLIGATION FY: 1972 | SCHEDULED FINAL OBLIGATION FY: 1972 |

Project Target and Course of Action: The objective of this project is to assist Tunisia in improving its internal security capacity through training of its national police. Previous U. S. assistance under terminating project 664-11-710-175 was concerned primarily with training a unit of the Surete Nationale, the Brigade de l'Ordre Publique (BOP) in special crowd/riot control techniques. The BOP demonstrated its effectiveness during disturbances in 1970. Tunisia has now decided to expand the function of the BOP to general police duties, and to provide other units of the Surete and the Garde Nationale the same professional training. At host government request, one U. S. Public Safety Advisor (PSA) will be provided in FY 1972 to work with the Surete. He will assist in the establishment of a new police training academy, the preparation of curricula and course materials, and the development of the Surete Academy training cadre. Selected police officers will be sent to the U. S. for training and others will receive formal and on-the-job training in country. The training cadre should thus be capable of continuing modern police training after the scheduled phase-out of the project. Major project support expenses for the new academy and expanded facilities will be directly funded by the Government of Tunisia.

Progress to Date: With U. S. assistance the BOP is now effective as a special riot control force. The basis

for the new project has been established by Tunisia. They have provided the building for the new academy with a present capacity of 150 students. The Surete is now recruiting between 300-400 new policemen. The academy will be expanded to train 400 students during 1972. Other training facilities are also being enlarged.

FY 1972 Program: A one-year intensive program will be undertaken to launch expanded training at the new Surete academy. In addition, the Public Safety Advisor will provide training at other expanded police training facilities including limited training assistance for the Garde Nationale. Additional personnel will receive training in the U. S. The project is expected to be phased out at the end of FY 1972.

U. S. Technicians: One direct-hire Public Safety Advisor will be assigned for the full year. Assistance in Tunisia will also be provided by short-term specialists as required.

Participants: Six participants will attend the International Police Academy.

Commodities: Principal requirements will be for teaching and demonstration materials.

| U.S. DOLLAR COST (In Thousands) | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | | |
|---------------------------------|-----------------|-------------------------|----------------------|-------------------|-------------------|--------------------------------|-----------------------|-------|------------|-----------------------|-------|
| Through 6/30/70 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | Estimated FY 71 | | | | Estimated FY 1971 | | Proposed FY 1972 | | | | |
| Estimated through 6/30/71 | | | | U.S. Technicians | Direct AID | | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total |
| | | Future Year Obligations | Estimated Total Cost | Participants | | | | 40 | - | 40 | |
| | | | | Commodities | | | | 20 | - | 20 | |
| | | | | Other Costs | | | | 60 | - | 60 | |
| Proposed FY 72 | 125 | - | 125 | Total Obligations | | | | 5 | - | 5 | |
| | | | | | | | | 125 | - | 125 | |

PROJECT DATA SUMMARY

TABLE IV

SECTOR: PUBLIC SAFETY

(Dollar Amounts in Thousands)

| COUNTRY | * | Project Number | FY of Initial Obligation | FY of Scheduled Final Obligation | Through FY 1970 | | | Estimated FY 1971 | | | Proposed Program FY 1972 | Future Year Obligations | Estimated Total Cost |
|---------|---|----------------|--------------------------|----------------------------------|-----------------|--------------|---------------------------------|-------------------|--------------|---------------------------------|--------------------------|-------------------------|----------------------|
| | | | | | Obligations | Expenditures | Unliquidated Obligation 6/30/70 | Obligations | Expenditures | Unliquidated Obligation 6/30/71 | | | |
| Somalia | | 649-11-710-018 | 1959 | 1970 | 4,299 | 4,218 | 81 | - | 81 | - | - | - | 4,299 |
| Tunisia | | 664-11-710-175 | 1963 | 1971 | 503 | 487 | 16 | 75 | 81 | 10 | - | - | 578 |
| | | | | | Total | | | 75 | 162 | 10 | - | - | 4,877 |

*Detailed project narrative—see TABLE III

Country: LAOS

PROJECT DATA

TABLE III

| | | | |
|---|---|--------------------------------|--|
| PROJECT TITLE Civil Police Administration | SECTOR Public Safety | FUNDS Economic | |
| PROJECT NUMBER 439-11-710-072 | PRIOR REFERENCE P. 79, FY 1971 EA P.D.B. | INITIAL OBLIGATION FY: 1965 | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: The purpose of this project is to increase the capability of the Lao National Police to maintain order and internal security. Technical assistance, equipment and training are provided to the police force of about 5,000 men, with special attention being given to improving the National Police Academy and police communications and mobility.

Progress to Date: A previous project to assist the national police was interrupted in 1960 when the organization was disbanded and replaced by a paramilitary force. The current project was initiated in 1965 when the Lao National Police (LNP) was re-established under the Ministry of Interior. One of the project's major accomplishments has been the completion of a national police communications network, consisting of 13 primary radio circuits between LNP headquarters in Vientiane and provincial police headquarters. This network has proved extremely useful not only to the LNP but also to other elements of the Lao government for emergency communications. The rebuilding of the LNP has required a major training effort. Through 1970, 55 Lao personnel had been trained in the United States, 137 in Thailand, and 3 in Malaysia, in riot control, communications, criminal investigations, records and identification, and other phases of police work. Local training in skills ranging from typing to automobile repair has been given to 1,650 Lao, mostly at the Lao National Police Academy.

Physical facilities at the Academy were improved by the construction of a pistol range and three dormitory/classroom buildings. By the end of FY 1971 the Mission expects to reach 75% of its target performance in the difficult area of local automotive maintenance. A specially designed pirogue using small outboard motors is being produced locally and adds much needed mobility to river patrols. Work on improving LNP logistics and supply operations is scheduled for completion in FY 1971.

FY 1972 Program: The FY 1972 program will continue the training in the United States, Thailand, and locally and bring the automotive maintenance program up to 90% of target performance. The establishment of an ordnance repair and ammunition reloading capability, and of an identification and records system, is projected for completion in FY 1972. United States technician costs of \$200,000 in FY 1972 will fund 6 direct-hire advisors; \$30,000 will train 30 participants. The major elements of commodity costs (\$143,000) are vehicle replacement and spare parts, communications equipment and spare parts, ammunition, and recordkeeping and identification equipment. Other costs (\$52,000) will fund transport of commodities from Bangkok, third-country national employees and miscellaneous maintenance, repair and operating expenses.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/ XXXXXXXX | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------------|--|------------|--|-----------------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | Proposed FY 1972 | | | Express Transportation Organization | |
| Through 6/30/70 | 3,381 | 3,215 | 166 | | Direct AID | Contract/ XXXXXX | Total | Direct AID | | Contract/ XXXXXX |
| Estimated FY 71 | 506 | 500 | | U.S. Technicians | 140 | - | 140 | 200 | - | 200 |
| Estimated through 6/30/71 | 3,887 | 3,715 | 172 | Participants | 26 | - | 26 | 30 | - | 30 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 182 | - | 182 | 143 | - | 143 |
| | | | | Other Costs | 24 | 134 | 158 | 23 | 29 | 52 |
| Proposed FY 72 | 425 | 1,715 | 6,027 | Total Obligations | 372 | 134 | 506 | 396 | 29 | 425 |

Country: PHILIPPINES

PROJECT DATA

TABLE III

| | | | | | |
|----------------|-------------------|-----------------|---------------------------|--------------------|----------------------------|
| PROJECT TITLE | Internal Security | SECTOR | Public Safety | FUNDS | Economic |
| PROJECT NUMBER | 492-11-710-231 | PRIOR REFERENCE | P. 91, FY 1971 EA. P.D.B. | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | | | | FY: 1969 | FY: 1973 |

Project Target and Course of Action: The objective of this project is to improve law enforcement in the Philippines by (1) improving in-country training of civil police; (2) expanding and modernizing communications networks; and (3) improving effectiveness of selected municipal and provincial police forces. Under the program 10 regional training centers, strategically located throughout the Philippines, will be established to provide training to local police establishments. A long-range communications network will be established to interconnect outlying areas with national law enforcement agencies headquartered in Manila. This network will also tie in field offices of national agencies with local police establishments and provide teletype services at local levels. Additionally, local police communication facilities in selected locales will be installed, and specified municipal and provincial police departments will be assisted in improving their operations and effectiveness.

Progress to Date: A joint United States-Philippine Government nation-wide survey of Philippine law enforcement was conducted in the fall of 1966. Based on its findings and the widespread deficiencies of law enforcement, the Philippine Government requested additional assistance from the United States and initiated a number of steps aimed at attacking the problem. A National Police Commission was created. The Metropolitan Police Command was established to combat rising crime in the Manila area. The Police Commission undertook a crash

training program to upgrade police on a national scale. Implementation of a long-range communication system was accelerated. By the end of CY 1970 the Philippines, with U.S. assistance, had made substantial progress. Training in 11 different courses conducted at 7 new training centers was received by 10,540 policemen. Technical assistance in the fields of organization and administration, records and identification, traffic management, criminal investigation, tactical operations and logistics was being provided to the police departments of 11 cities and municipalities. Communications systems had been established in 12 provinces; mobile patrol systems in 6 cities and municipalities; and communications service depots in 12 provinces. In addition, 60 communications technicians and 1,895 operators had been trained. The first Police Service Examination conducted early in 1970 tested 10,500 applicants. A crime statistics manual had been prepared and distributed to 1,500 police departments. Special tax legislation was also enacted to obtain revenue to support the operational needs of the National Police Program.

FY 1972 Program: A budget of \$800,000 is being requested to fund the services of 8 Public Safety Advisors (\$230,000); 10 participant trainees (\$20,000); and commodities in the form of communications equipment, visual aids, laboratory supplies and equipment, police equipment, office equipment, and vehicles (\$550,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1971 | Proposed FY 1972 | | |
| | | | | | Direct AID | Contract/Other Agency | | Total |
| Through 6/30/70 | 1,373 | 744 | 629 | | | | | |
| Estimated FY 71 | 900 | 930 | | | | | | |
| Estimated through 6/30/71 | 2,273 | 1,674 | 599 | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | |
| Proposed FY 72 | 800 | 827 | 3,900 | Total Obligations | 900 | - | 900 | |
| | | | | | 800 | - | 800 | |

Country: THAILAND

PROJECT DATA

TABLE III

| | | | |
|--|--|--------------------------------|---|
| PROJECT TITLE Civil Police Administration | SECTOR Public Safety | FUNDS Economic | |
| PROJECT NUMBER 493-11-710-119 | PRIOR REFERENCE P. 109, FY 1971 EA P.D.B. | INITIAL OBLIGATION FY: 1957 | SCHEDULED FINAL OBLIGATION FY: Reviewed Annually |

Project Target and Course Action: The primary objective of this project is to help the Thai Government improve its effectiveness in protecting the rural populace against insurgent activity and banditry. Assistance in the form of equipment, training and advisory services, is heavily concentrated on three units of the Thai National Police Department (TNPD) which bear major responsibility for rural security. These units are the Provincial Police, Border Patrol Police and Police Aviation Division. The program is to extend police services to townships to improve police training, mobility, and communications, and to promote community development activities by the police in remote areas.

The Thai Government's budget for the Police Department has increased from \$37 million in 1965 to approximately \$73.5 million in 1971. It is anticipated that the TNPD budget for FY 1972 will increase to \$96 million.

Progress to Date: The increased banditry and insurgent actions during FY 1969-1970 have influenced an increase of Provincial Police by 2,550 men and the Border Patrol Police by 976 representing an overall increase of 7% since FY 1969. During the same period, 175 additional tambol (township) police stations have been constructed and sufficient funds have been allocated to construct 79 other stations during FY 1971-1972. This will complete the planned target of 1,004 stations. U.S. assistance has provided approximately 58% of vehicle needs and 75% of communication equipment requirements for these stations.

Additional U.S. commodity assistance will be provided as the manpower levels at these stations improve.

The original target to train, equip and deploy fifty 50-man Special Action Forces was completed in FY 1971 and an additional 4 units were approved. Two police aerial reinforcement companies (230 men each) were equipped and trained during FY 1969-1970. A third company was formed in FY 1971. Two new activities were initiated in FY 1970: (1) establishment of 5 training centers to institutionalize counterinsurgency training; (2) provision of field medical service for all police elements. Advisory services and limited commodities are being provided to achieve activity targets. The TNPD Aviation Division continues to receive U.S. contract service assistance to improve its aircraft maintenance capability. Since the start of this project, 853 police personnel have received training in the United States and third countries.

FY 1972 Program: FY 1972 funds are requested for (1) 50 direct hire public safety advisors and 3 secretaries (\$1,500,000); (2) public safety participant training in the United States for 75 Thai police (\$220,000); (3) commodities for improving the mobility, training, and defense communication capability of police security units, including jeeps, weapons, ammunition, radios, and helicopters (\$7,080,000); (4) continuation of a contract for the services of 1 U.S. and 14 third country advisors to assist the Police Aviation Division in aircraft maintenance and training (\$200,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|------------------|-----------------------|---|-----------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | Air America Joseph Z. Taylor and Associates Continental Air Services | | |
| | | | | | Estimated FY 1971 | Proposed FY 1972 | | | | |
| Through 6/30/70 | 71,926 | 62,160 | 9,766 | | Direct AID | Contract/Agency | Total | Direct AID | Contract/Agency | Total |
| Estimated FY 71 | 5,000 | 8,155 | | U.S. Technicians | 1,510 | 155 | 1,665 | 1,500 | 200 | 1,700 |
| Estimated through 6/30/71 | 76,926 | 70,315 | 6,611 | Participants | 200 | - | 200 | 220 | - | 220 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 3,135 | - | 3,135 | 7,080 | - | 7,080 |
| | | | | Other Costs | - | - | - | - | - | - |
| Proposed FY 72 | 9,000 | Undetermined | | Total Obligations | 4,845 | 155 | 5,000 | 8,800 | 200 | 9,000 |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | |
|--|--|--|
| PROJECT TITLE National Police Support | SECTOR Public Safety | FUNDS Economic |
| PROJECT NUMBER 730-11-710-352 | PRIOR REFERENCE P. 75, 76 FY 1971 Vietnam PDB | INITIAL OBLIGATION FY: 1967 |
| | | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: A.I.D. assistance under this project assists the Vietnamese National Police (NP) to maintain law and order in urban and pacified rural areas, combat smaller VC elements in areas of nominal government control, and deny resources to the enemy. The development of an effective National Police force and the institutionalization of law enforcement are important elements in pacification and long-term national development.

A.I.D., through technical advice, the provision of equipment and material, and training is giving assistance to: (1) the National Police Directorate, the Internal Security Bureau, Traffic Police, Judicial and Administrative Police, Management and Training Directorate; (2) the National Police Field Forces (NPF), a paramilitary police unit engaged primarily in combatting the VCI in rural areas; (3) the National Identification and Central Records System, which includes as one of its areas of responsibility uniform crime reporting; (4) Marine Police; (5) Saigon Metropolitan Police Directorate; and (6) National Police Detention facilities.

Activity targets include provision of commodity and advisory support for a police force of 122,000 men by the end of FY 1972, increasing the capability of police to neutralize the Viet Cong infrastructure in coordination with other Government of Vietnam security agencies; assisting the National Identity Registration Program (NIRP) to register more than 12,000 persons 15 years of

age and over by the end of CY 1971; continuing to provide basic and specialized training for approximately 20,000 police annually; providing technical assistance to the police detention system, including planning and supervision of the construction of 34 jail facilities during CY 1971; and helping to achieve a major increase in the number of police presently working at the village level.

Progress to Date: The NP force level expanded from 85,218 in CY 1969 to 87,884 during CY 1970 in spite of restrictions imposed by the National Mobilization Decree. This increase was made possible by an agreement between the Ministries of Interior and Defense to allow ARVN personnel to be detached to the National Police. The Prime Minister has ordered an additional 27,000 ARVN personnel transferred to the police during CY 1971.

Registrations under the National Identity Registration Program were initiated on October 1, 1968. Under previous programs many cards had been lost, stolen, or otherwise compromised. The new program affords greater control and safeguards against these abuses, especially through the addition of fingerprints. By the end of 1970, over 6.5 million persons were registered under the new program and over 101,000 wanted persons identified.

In CY 1970, 11,033 police completed in-service training and 14,065 new recruits were trained at three training centers. Under the participant training program, 175 Vietnamese received training--40 in the United States and 135 in other countries.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-----------------|-------------------------|----------------------|-------------------|-------------|-------------------|--------------------------------|-----------------------|-------|------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | Through 6/30/70 | 45,184 | 38,973 | | 6,211 | Estimated FY 1971 | | Proposed FY 1972 | | |
| | | | | | | Direct AID | | Contract/Other Agency | Total | Direct AID |
| Estimated FY 71 | 8,554 | 12,521 | | Technicians | 6,366 | 85 | 6,451 | 6,692 | 90 | 6,782 |
| Estimated through 6/30/71 | 53,738 | 51,494 | 2,244 | Participants | 361 | - | 361 | 361 | - | 361 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 1,462 | - | 1,462 | 1,275 | - | 1,275 |
| Proposed FY 72 | 8,418 | Undetermined | | Other Costs | - | 280 | 280 | - | - | - |
| | | | | Total Obligations | 8,189 | 365 | 8,554 | 8,328 | 90 | 8,418 |

Country: VIETNAM

PROJECT DATA (Continued)

Sector: Public Safety

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|-------------------------|----------------|
| National Police Support | 730-11-710-352 |

At the end of CY 1970, more than 50 percent of all National Police were assigned to the district level and below, of which over 11,000 were assigned to more than 1,829 villages. Deployment emphasis is now being placed on increasing village police complements. Efforts to control illegal movement of weapons, food, and drugs during 1970 resulted in over 153,000 arrests including more than 26,000 suspected VC. Confiscations included over 2,000 weapons and 12,000 explosive devices including land mines, grenades, plastic explosives and 37,450 units of medicine/drugs and 1,000 tons of contraband foodstuffs.

The construction of the Marine Police base at Phu Xuan was completed as of December 31, 1970. Spaces for an additional 8,340 police detainees were added during 1970. FY 1972 Program: \$8,418,000 will be required to fund this project in 1972. Of this sum, \$6,692,000 is for 186 U.S. advisors and 13 third-country nationals; \$1,275,000 will be required for commodities including motor vehicles, spare parts, identification equipment, outboard motors, office equipment, and training materials; \$361,000 for training 100 participants; and \$90,000 for contract third country police advisors. In addition, DOD funds will provide support to the civil paramilitary-oriented aspects of the NP organization, including the NPFF.

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | |
|-------------------------------------|--------------------------|--------------------|--------------------------------|--|
| PROJECT TITLE Correction Centers | SECTOR Public Safety | | FUNDS Economic | |
| PROJECT NUMBER 730-11-710-353 | PRIOR REFERENCE P. 78 | FY 1971 FY 1971 | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 |
| | Vietnam PDB | | | |

Project Target and Course of Action: Under this project, A.I.D. provides support for improvements in Vietnamese prison conditions. There is a need to expand the capacity of existing prisons, improve security, and continue to develop better health and rehabilitation facilities.

Specific targets include the renovation and expansion of selected correction centers, the addition of up to 1,000 trained personnel to administer correction centers, further expansion and improvement of medical and sanitation facilities, vocational training, the implementation of a plan for relocating prisoners in order to reduce overcrowding, and inauguration of a system of parole.

A.I.D. will provide technical advisors through a PASA with the Federal Bureau of Prisons, and supplies for prison security and vocational training. Key officials in the prison system will be sent abroad for study and observation of prison administration.

Progress to Date: The problems of poor prison security, inadequate space, and health conditions have been significantly reduced. Facilities for 34,975 prisoners existed at the end of 1970 as compared to 33,435 in 1969. Prisoner mortality has been reduced from a monthly average of 1.4 per thousand in 1967 to .3 per thousand in 1970. Four thousand prisoners were moved to more secure prisons in CY 1970 to alleviate overcrowding and reduce the vulnerability of prison facilities to VC attacks.

Of the 42 prison centers, seven underwent renovation.

All had improvements in sanitation and regular medical visits in 1970.

Vocational training is now being conducted at all 42 national and provincial correction centers through resources of the Ministry of Education. Academic and political reeducation programs have been extended to all correctional centers.

FY 1972 Program: Funding of \$528,000 is requested for FY 1972: \$63,000 for two U.S. direct-hire advisors; \$380,000 to support a PASA team of Correction Advisors; \$61,000 for training 32 participants in the United States and in Taiwan; and \$24,000 for commodity support.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | | |
|---------------------------------|-------------|-------------------------|----------------------|--|-----------------------|------------------|--------------------------------|------------|-----------------------|----------------------------------|--|--|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | | | |
| | | | | Estimated FY 1971 | | Proposed FY 1972 | | | | | | |
| | | | | Direct AID | Contract/Other Agency | Total | | Direct AID | Contract/Other Agency | Total | | |
| Through 6/30/70 | 1,382 | 1,085 | 297 | Cost Components Technicians Participants Commodities Other Costs Total Obligations | | | | | | PASA - Federal Bureau of Prisons | | |
| Estimated FY 71 | 350 | 327 | | | | | | | | | | |
| Estimated through 6/30/71 | 1,732 | 1,412 | 320 | | | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | | | |
| Proposed FY 72 | 528 | 1,050 | 3,310 | | | | | | | | | |

Country: VIETNAM

PROJECT DATA

TABLE III

| | | | | |
|---|--------------------------|--------------------|--------------------------------|--|
| PROJECT TITLE Public Safety Telecommunications | SECTOR Public Safety | | FUNDS Economic | |
| PROJECT NUMBER 730-11-710-299 | PRIOR REFERENCE P. 77 | FY 1971 FY 1971 | INITIAL OBLIGATION FY: 1966 | SCHEDULED FINAL OBLIGATION FY: 1978 |
| | Vietnam PDB | | | |

Project Target and Course of Action: Under this project, A.I.D. provides support for the National Police Radiophone System for nationwide police operational communications from the national to the district level, and the Government of Vietnam Combined Telecommunications Directorate (CTD). The CTD facilities are a major part of the communications systems available to the Government of Vietnam agencies and USAID from the national to the hamlet level, and its maintenance capabilities are used to assist in maintenance of the National Police Radiophone System. At the lower levels, CTD radios constitute the Village Hamlet Radiophone System (VHRS) and provide the primary method of security communications between approximately 2,300 villages, their subordinate hamlets and respective districts. In addition, the VHRS forms the major communications link with allied military, paramilitary, police and Revolutionary Development Cadre (RDC). DOD funds new and replacement radios and spare parts for the VHRS. A.I.D. provides maintenance, training and technical assistance.

Progress to Date: 40 of 44 planned provincial maintenance shops for VHRS/RDC equipment have been established and are in operation. Three hundred ninety-three technicians were trained locally in 1970 in various aspects of the telecommunications systems and the CTD training school staff is now 100% Vietnamese. Due to the increased proficiency of CTD management and technical personnel, U.S. contract technicians have been reduced by 64% in 1970 and an additional reduction is anticipated for 1971.

At the end of 1970, a total of 51,613 radios were required. The bulk of these are necessary to permit communications with military and paramilitary security elements in rural areas.

FY 1972 Program: \$2,202,000 is proposed to fund the project in FY 1972. Of this, \$432,000 will be required for 14 direct-hire U.S. advisors; \$1,321,000 for commodities, including radios, construction materials, generators, communications equipment, parts and supplies; \$379,000 for contract services to help maintain the country-wide telecommunication systems; and \$70,000 for training nine participants in the United States.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1971 | | Proposed FY 1972 | | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total |
| Through 6/30/70 | 16,631 | 13,824 | 2,807 | | | | | | | |
| Estimated FY 71 | 2,601 | 3,328 | | | | | | | | |
| Estimated through 6/30/71 | 19,232 | 17,152 | 2,080 | Technicians | 406 | 808 | 1,214 | 432 | 379 | 811 |
| | | | | Participants | 70 | - | 70 | 70 | - | 70 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 1,317 | - | 1,317 | 1,321 | - | 1,321 |
| | | | | Other Costs | - | - | - | - | - | - |
| Proposed FY 72 | 2,202 | 6,000 | 27,434 | Total Obligations | 1,793 | 808 | 2,601 | 1,823 | 379 | 2,202 |

Quinton-Budlong Inc.
Far East Technical Services, Inc.

TABLE IV

PROJECT DATA SUMMARY

(Dollar Amounts in Thousands)

SECTOR: PUBLIC SAFETY

| COUNTRY | * Project Number | FY of Initial Obliga- tion | FY of Sched- uled Final Obliga- tion | Through FY 1970 | | | Estimated FY 1971 | | | Proposed Program FY 1972 | Future Year Obligations | Estimated Total Cost |
|---------|---------------------|-------------------------------------|---|------------------|-------------------|--|-------------------|-------------------|--|--------------------------------|-------------------------------|----------------------------|
| | | | | Obliga- tions | Expendi- tures | Unliqui- dated Obligation 6/30/70 | Obliga- tions | Expendi- tures | Unliqui- dated Obligation 6/30/71 | | | |
| Korea | 489-11-710-072 | 1966 | 1971 | 6,668 | 6,086 | 582 | 347 | 529 | 400 | - | - | 7,015 |
| | | | | Total | | | 347 | 529 | 400 | - | - | 7,015 |

*Detailed project narrative--see TABLE III

ADMINISTRATIVE EXPENSES

The proposed FY 1972 administrative expenses total \$59,600,000. Of this amount, \$10 million is requested under Economic Supporting Assistance and \$49.6 million is requested under the appropriations for Technical Cooperation and Development Loans.

Administrative funds are used for the direction and supervision of the program in Washington and overseas. This includes establishing program policies and standards, planning supervising and reviewing the implementation of these policies, and providing such essential management services as accounting, inspection, auditing, personnel administration, management analysis and administrative support.

In view of the proposed reorganization of the U.S. foreign assistance programs and the related legislative proposals, preliminary estimates for administrative expenses have been included in each of the appropriation categories as follows:

| | Total | Development Loans (Millions of Dollars) | Technical Cooperation | Economic Supporting Assistance |
|--------------------------|---------------|---|--------------------------|--------------------------------------|
| New Obligation Authority | \$57.6 | 20.0 | 27.6 | 10.0 |
| Reimbursements Programs | 2.0 | - | 2.0 | - |
| | <u>\$59.6</u> | <u>20.0</u> | <u>29.6</u> | <u>10.0</u> |

These preliminary estimates will be refined in FY 1972 and precise allocations made for each appropriation account.

The FY 1971 Administrative Expenses appropriation was \$51 million. A total of \$1.1 million of unobligated funds was carried over from FY 1970 and reappropriated for use in FY 1971, and \$2 million is available from reimbursements and recoveries. In addition, authority to transfer \$6.8 million from other A.I.D. appropriations is being requested to fund FY 1971 requirements of the Federal pay raises authorized by Executive Orders 11474, 11524 and 11576. The total FY 1971 availability for Administrative Expenses will therefore be \$60,944,000.

For FY 1972, the total proposed availability is \$59.6 million -- \$57.6 million is new obligation authority and an estimated \$2 million is reimbursements from other agencies. These reimbursements are received from various sources, such as OPIC, for audit and financial services; Peace Corps, for security investigations relating to their personnel; and State Department, for A.I.D. personnel serving overseas in Embassy administrative

management organizations. Although this amount has been included as a part of total programmed costs in the budget estimates, these funds are used to defray the costs of services requested.

The current FY 1971 estimate is \$1.3 million above the \$59.6 million proposed for FY 1972. However, the FY 1971 estimate includes \$1.2 million to cover the six-month cost of the pay raise effective in January 1971. The FY 1972 request, prepared prior to the pay raise, does not reflect this cost.

| | Actual FY 1970 (\$000) | Estimated FY 1971 (\$000) | Proposed FY 1972 (\$000) |
|-------------------------------------|------------------------------|---------------------------------|--------------------------------|
| <u>Availability</u> | | | |
| New Obligation Authority | 51,000 | 51,000 | 57,600 |
| Unobligated Balance Bght. Fwd. | 1,569 | 1,104 | - |
| Receipts and Recoveries | 3,079 | 2,040 | 2,000 |
| Transfer to GSA | -26 | - | - |
| Transfer for Pay Raise Costs | 4,400 | 6,800 | - |
| Unobligated Balance Carried Forward | -1,104 | - | - |
| Total | <u>58,918</u> | <u>60,944</u> | <u>59,600</u> |

In FY 1972 about 58% of the administrative expenses will be used to finance the Washington cost of direction and supervision of the program. The budget estimates are as follows:

| | Actual FY 1970 (\$000) | Estimated FY 1971 (\$000) | Proposed FY 1972 (\$000) |
|---|------------------------------|---------------------------------|--------------------------------|
| <u>Washington:</u> | | | |
| Salaries & Benefits | 28,360 | 29,564 | 29,050 |
| Travel & Transportation | 858 | 700 | 850 |
| Rent, utilities & communications | 1,198 | 1,414 | 1,489 |
| Contractual services | 365 | 307 | 295 |
| Security Investigations | 175 | 265 | 265 |
| Services of other agencies | 522 | 1,074 | 1,049 |
| State Dept. Admin. Support | 608 | 310 | 310 |
| Medical Payments & Personal Property Claims | 100 | 130 | 192 |
| Printing & Reproduction | 491 | 462 | 481 |
| Supplies & Equipment | 252 | 262 | 261 |
| Other | 40 | 26 | 58 |
| Total | <u>32,969</u> | <u>34,514</u> | <u>34,300</u> |

ADMINISTRATIVE EXPENSES

In FY 1972 about 42% of the administrative expenses will be used to fund direct overseas operations. These budget estimates are as follows:

| | Actual FY 1970 (\$000) | Estimated FY 1971 (\$000) | Proposed FY 1972 (\$000) |
|---|------------------------------|---------------------------------|--------------------------------|
| Overseas: | | | |
| Salaries & Benefits | 19,245 | 19,380 | 19,100 |
| Travel & Transportation | 2,520 | 3,000 | 2,500 |
| Miscellaneous Contractual Services & Support Costs | 3,511 | 3,700 | 3,350 |
| Equipment, Supplies & Administrative Services | 673 | 350 | 350 |
| Total | 25,949 | 26,430 | 25,300 |
| Latin America | (8,294) | (8,375) | (8,100) |
| East Asia | (4,432) | (4,350) | (4,100) |
| Near East and South Asia | (4,075) | (4,360) | (4,100) |
| Africa | (6,015) | (6,045) | (5,850) |
| Vietnam | (3,133) | (3,300) | (3,150) |

Included in the FY 1972 budget estimates for administrative expenses is a proposed \$1,818,000 for reimbursement to State Department for logistic and administrative support services provided both overseas and domestically. The budget estimates for these costs are as follows:

| | Actual FY 1970 (\$000) | Estimated FY 1971 (\$000) | Proposed FY 1972 (\$000) |
|-----------------------------------|------------------------------|---------------------------------|--------------------------------|
| Africa | 379 | 382 | 382 |
| East Asia | 196 | 187 | 187 |
| Latin America | 456 | 655 | 655 |
| Near East and South Asia | 155 | 174 | 174 |
| Vietnam | 104 | 110 | 110 |
| Domestic | 608 | 310 | 310 |
| Total, State Dept. Support | 1,898 | 1,818 | 1,818 |

As a self-help measure, recipient countries contribute local currency to defray administrative-type costs of our overseas missions. It is expected that the costs financed by country local currency trust funds in FY 1972 will be about the same as in FY 1971.

The FY 1972 administrative budget estimate of \$59,600,000 does not include funds to support the Vietnam effort beyond the level originally contemplated for FY 1966. Funds for administrative expenses of the expanded Vietnam program have been included in the budget estimates of the Vietnam Economic Supporting Assistance program, as has been done since FY 1966.

INSPECTOR GENERAL OF FOREIGN ASSISTANCE

| | Actual FY 1970 (\$000) | Estimated FY 1971 (\$000) | Proposed FY 1972 (\$000) |
|--------------------------------|------------------------------|---------------------------------|--------------------------------|
| Development Loans | 569 | 700 | 500 |
| Technical Cooperation | 175 | 200 | 200 |
| Economic Supporting Assistance | 175 | 200 | 400 |
| Total | 919 | 1,100 | 1,100 |

The Office of the Inspector General of Foreign Assistance has broad statutory responsibilities relating to the effectiveness of U.S. economic and military assistance programs, as well as Peace Corps and P.L. 480 activities. The Foreign Assistance Act has authorized the operating costs of the office to be funded by allocations from Economic Assistance, Military Assistance and Peace Corps program appropriations. In FY 1972, the share of these costs estimated to be chargeable to Development Assistance funds total \$700,000 of which \$200,000 will be financed from Technical Cooperation funds and \$500,000 from Development Loan funds. An additional \$400,000 represents the share of these costs to be financed from Economic Supporting Assistance funds.

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

COMPARATIVE HISTORY OF AUTHORIZATIONS AND APPROPRIATIONS FOR BUDGETED PROGRAMS

This table includes funds authorized and appropriated pursuant to the Foreign Assistance Act of 1961, as amended, the Mutual Security Acts of 1951 and 1954 and amendments thereto, and funds (including public debt authorization) heretofore available for the European Recovery Program, China Aid, and Mutual Defense Assistance Program. It also includes Point Four as authorized in the Mutual Security Act of 1951, as amended. Borrowing authority and appropriation for Foreign Investment Guarantee Program, Overseas Private Investment Corporation and activity of the Advance Acquisition of Excess Property Revolving Fund are excluded from this table.

(In millions of dollars)

| | Authorization Request | | | | Authorization by Congress | | | | Appropriation Request | | | | Appropriation by Congress | | | | |
|---------------------------|-----------------------|--|--|---------------------------------------|---------------------------|---------------------------------------|--|---------------------------------------|---------------------------|--------------------------------|--|---------------------------------------|---------------------------|--------------------------------|---|-----------------------------|--------------------------------------|
| | Original Request | Requests for Other Years & Exec. Branch Adjustments (+ or -) | Add Amounts Requested Under Previously Authorized Programs | Adjusted Authorization Request For FY | Actual Amount Authorized | Deduct Authorizations for Other Years | Add Amounts for Programs Previously Authorized | Adjusted Authorization for Fiscal Yr. | Original Amount Requested | Deduct Amounts for Other Years | Changes Due to Authorizations and Other Revisions (+ or -) | Adjusted Appropriation Request for FY | Actual Appropriation | Deduct Amounts for Other Years | Appropriation Adjusted to Fiscal Year Basis | Supplemental Appropriations | Total Appropriations for Fiscal Year |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) |
| 1948-1949 | | | | | | | | | | | | | | | | | |
| Economic Assistance | 7,370.0 a/ | - | - | 7,370.0 | 5,763.0 | - | 1,150.0 a/ | 6,913.0 | 7,370.0 | - | -512.0 | 6,858.0 | 5,372.3 | - | 5,372.3 | 1,074.0 a/ | 6,446.3 |
| 1950 | | | | | | | | | | | | | | | | | |
| Military Assistance | 1,400.0 | - | - | 1,400.0 | 1,314.0 | - | - | 1,314.0 b/ | 1,314.0 b/ | - | - | 1,314.0 b/ | 1,314.0 b/ | - | 1,314.0 | - | 1,314.0 |
| Economic Assistance | 5,430.0 | -1,150.0 a/ | - | 4,280.0 | 5,430.0 | 1,150.0 a/ | - | 4,280.0 | 5,430.0 | 1,150.0 | -81.8 | 4,198.2 | 4,802.4 | 1,074.0 | 3,728.4 | - | 3,728.4 |
| Total 1950 | 6,830.0 | -1,150.0 | - | 5,680.0 | 6,744.0 | 1,150.0 | - | 5,594.0 | 6,744.0 | 1,150.0 | -81.8 | 5,512.2 | 6,116.4 | 1,074.0 | 5,042.4 | - | 5,042.4 |
| 1951 | | | | | | | | | | | | | | | | | |
| Military Assistance | 5,222.5 | - | - | 5,222.5 | 5,222.5 | - | - | 5,222.5 | 5,633.5 | 455.5 c/ | - | 5,178.0 | 5,678.0 | 455.5 c/ | 5,222.5 | - | 5,222.5 |
| Economic Assistance | 2,950.0 | - | - | 2,950.0 | 2,700.0 | - | 62.5 d/ | 2,762.5 | 2,950.0 | - | -292.3 | 2,657.7 | 2,262.5 | - | 2,262.5 | - | 2,262.5 |
| Total 1951 | 8,172.5 | - | - | 8,172.5 | 7,922.5 | - | 62.5 | 7,985.0 | 8,583.5 | 455.5 | -292.3 | 7,835.7 | 7,940.5 | 455.5 | 7,485.0 | - | 7,485.0 |
| 1952 | | | | | | | | | | | | | | | | | |
| Military Assistance | 6,303.0 | - | - | 6,303.0 | 5,997.6 | - | - | 5,997.6 | 6,042.1 | 44.5 c/ | - | 5,997.6 | 5,788.5 | 44.5 c/ | 5,744.0 | - | 5,744.0 |
| Economic Assistance | 2,197.0 | - | - | 2,197.0 | 1,485.7 | - | 100.0 e/ | 1,585.7 | 2,197.0 | - | -711.6 | 1,485.4 | 1,540.4 | - | 1,540.4 | - | 1,540.4 |
| Total 1952 | 8,500.0 | - | - | 8,500.0 | 7,483.4 | - | 100.0 | 7,583.4 | 8,239.1 | 44.5 | -711.6 | 7,483.0 | 7,328.9 | 44.5 | 7,284.4 | - | 7,284.4 |
| 1953 | | | | | | | | | | | | | | | | | |
| Military Assistance | 5,425.0 | - | - | 5,425.0 | 4,598.4 | - | - | 4,598.4 | 5,425.0 | - | -826.6 | 4,598.4 | 4,219.8 | - | 4,219.8 | - | 4,219.8 |
| Economic Assistance | 2,475.0 | - | - | 2,475.0 | 1,894.3 | - | - | 1,894.3 | 2,499.0 | - | -604.7 | 1,894.3 | 1,782.1 | - | 1,782.1 | - | 1,782.1 |
| Total 1953 | 7,900.0 | - | - | 7,900.0 | 6,492.7 | - | - | 6,492.7 | 7,924.0 | - | -1,431.3 | 6,492.7 | 6,001.9 | - | 6,001.9 | - | 6,001.9 |
| 1954 | | | | | | | | | | | | | | | | | |
| Military Assistance | 4,274.5 | -343.0 | - | 3,931.5 | 3,681.5 | - | - | 3,681.5 | 4,274.5 | - | -625.9 | 3,648.6 | 3,230.0 | - | 3,230.0 | - | 3,230.0 |
| Economic Assistance | 1,554.2 | -11.0 | - | 1,543.2 | 1,475.7 | - | - | 1,475.7 f/ | 1,554.2 | - | -78.3 | 1,475.9 | 1,301.5 | - | 1,301.5 | - | 1,301.5 |
| Total 1954 | 5,828.7 | -354.0 g/ | - | 5,474.7 | 5,157.2 | - | - | 5,157.2 | 5,828.7 | - | -704.2 | 5,124.5 | 4,531.5 | - | 4,531.5 | - | 4,531.5 |
| 1955 | | | | | | | | | | | | | | | | | |
| Military Assistance | 1,778.3 | -198.3 | - | 1,580.0 | 1,591.0 | 198.3 | - | 1,392.7 | 1,580.0 | - | -187.3 | 1,392.7 | 1,192.7 | - | 1,192.7 | - | 1,192.7 |
| Direct Forces Support h/ | 70.0 | - | - | 70.0 | 60.0 | - | - | 60.0 | 70.0 | - | -10.0 | 60.0 | 60.0 | - | 60.0 | - | 60.0 |
| Total Military Assistance | 1,848.3 | -198.3 | - | 1,650.0 | 1,651.0 | 198.3 | - | 1,452.7 | 1,650.0 | - | -197.3 | 1,452.7 | 1,252.7 | - | 1,252.7 | - | 1,252.7 |
| Economic Assistance | 1,828.1 | -30.0 | - | 1,798.1 | 1,601.9 | 30.0 | - | 1,571.9 | 1,788.5 | - | -216.6 | 1,571.9 | 1,528.8 | - | 1,528.8 | - | 1,528.8 |
| Total 1955 | 3,676.4 | -228.3 | - | 3,448.1 | 3,252.9 | 228.3 | - | 3,024.6 | 3,438.5 | - | -413.9 | 3,024.6 | 2,781.5 | - | 2,781.5 | - | 2,781.5 |
| 1956 | | | | | | | | | | | | | | | | | |
| Military Assistance | 1,278.0 | - | 122.0 | 1,400.0 | 1,133.0 | - | 122.0 | 1,255.0 | 1,400.0 | - | -275.0 | 1,125.0 | 705.0 | - | 705.0 | - | 705.0 |
| Direct Forces Support | 317.2 | - | - | 317.2 | 317.2 | - | - | 317.2 | 317.2 | - | - | 317.2 | 317.2 | - | 317.2 | - | 317.2 |
| Total Military Assistance | 1,595.2 | - | 122.0 | 1,717.2 | 1,450.2 | - | 122.0 | 1,572.2 | 1,717.2 | - | -275.0 | 1,442.2 | 1,022.2 | - | 1,022.2 | - | 1,022.2 |
| Economic Assistance | 1,796.6 | - | 16.2 | 1,812.8 | 1,835.6 | - | 16.2 | 1,851.8 | 1,812.8 | - | +11.7 | 1,824.5 | 1,681.1 | - | 1,681.1 | - | 1,681.1 |
| Total 1956 | 3,391.8 | - | 138.2 | 3,530.0 | 3,285.8 | - | 138.2 | 3,424.0 | 3,530.0 | - | -263.3 | 3,266.7 | 2,703.3 | - | 2,703.3 | - | 2,703.3 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS
COMPARATIVE HISTORY OF AUTHORIZATIONS AND APPROPRIATIONS FOR BUDGETED PROGRAMS

PART I (continued)

(In millions of dollars)

| | Authorization Request | | | Authorization by Congress | | | | Appropriation Request | | | | Appropriation by Congress | | | | | |
|--------------------------------|-----------------------|--|--|---|------------------------------|---|--|---|-------------------------------|-------------------------------------|---|--|---------------------------|-------------------------------------|--|---------------------------------|---|
| | Original Request (1) | Requests for Other Years & Exec. Branch Adjustments (+ or -) (2) | Add Amounts Requested Under Previously Authorized Programs (3) | Adjusted Authorization Request For FY (4) | Actual Amount Authorized (5) | Deduct Authorizations for Other Years (6) | Add Amounts for Programs Previously Authorized (7) | Adjusted Authorization for Fiscal Yr. (8) | Original Amount Requested (9) | Deduct Amounts for Other Years (10) | Changes Due to Authorizations and Other Revisions (+ or -) (11) | Adjusted Appropriation Request For FY (12) | Actual Appropriation (13) | Deduct Amounts for Other Years (14) | Appropriation Adjusted to Fiscal Year Basis (15) | Supplemental Appropriation (16) | Total Appropriations for Fiscal Yr (17) |
| 1957 | | | | | | | | | | | | | | | | | |
| Military Assistance | 2,925.0 | - | 75.0 1/ | 3,000.0 | 2,225.0 | - | 75.0 1/ | 2,300.0 | 3,000.0 | - | -700.0 | 2,300.0 | 2,017.5 | - | 2,017.5 | - | 2,017.5 |
| Economic Assistance | 1,747.5 | - | 112.5 | 1,860.0 | 1,802.6 | - | 12.5 | 1,815.1 | 1,860.0 | - | -44.9 | 1,815.1 | 1,749.1 | - | 1,749.1 | - | 1,749.1 |
| Total 1957 | 4,672.5 | - | 187.5 | 4,860.0 | 4,027.6 | - | 87.5 | 4,115.1 | 4,860.0 | - | -744.9 | 4,115.1 | 3,766.6 | - | 3,766.6 | - | 3,766.6 |
| 1958 | | | | | | | | | | | | | | | | | |
| Military Assistance | 1,900.0 | - | - | 1,900.0 | 1,600.0 | - | - | 1,600.0 | 1,900.0 | - | -300.0 | 1,600.0 | 1,340.0 | - | 1,340.0 | - | 1,340.0 |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loan Fund | 2,000.0 | -1,500.0 | - | 500.0 | 1,125.0 | 625.0 | - | 500.0 | 2,000.0 | 1,500.0 | - | 500.0 | 300.0 | - | 300.0 | - | 300.0 |
| Other | 1,444.6 | - | 19.8 | 1,464.4 | 1,267.1 | - | 19.8 | 1,286.9 | 1,464.4 | - | -177.5 | 1,286.9 | 1,128.9 | - | 1,128.9 | - | 1,128.9 |
| Total Economic Assistance | 3,444.6 | -1,500.0 | 19.8 | 2,984.4 | 2,392.1 | 625.0 | 19.8 | 1,786.9 | 3,464.4 | 1,500.0 | -177.5 | 1,786.9 | 1,428.9 | - | 1,428.9 | - | 1,428.9 |
| Total 1958 | 5,344.6 | -1,500.0 | 19.8 | 3,864.4 | 3,992.1 | 625.0 | 19.8 | 3,386.9 | 5,364.4 | 1,500.0 | -477.5 | 3,386.9 | 2,768.9 | - | 2,768.9 | - | 2,768.9 |
| 1959 | | | | | | | | | | | | | | | | | |
| Military Assistance | 1,800.0 | - | - | 1,800.0 | 1,605.0 | - | - | 1,605.0 | 1,800.0 | - | -195.0 | 1,605.0 | 1,515.0 | - | 1,515.0 | - | 1,515.0 |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loan Fund | - | - | 625.0 | 625.0 | - | - | 625.0 | 625.0 | 625.0 | - | - | 625.0 | 400.0 | - | 400.0 | 150.0 | 550.0 |
| Other | 1,297.9 | - | 19.2 | 1,317.1 | 1,271.4 | - | 19.2 | 1,290.6 | 1,317.1 | - | -26.5 1/ | 1,290.6 | 1,228.1 | - | 1,228.1 | - | 1,228.1 |
| Total Economic Assistance | 1,297.9 | - | 644.2 | 1,942.1 | 1,271.4 | - | 644.2 | 1,915.6 | 1,942.1 | - | -26.5 | 1,915.6 | 1,628.1 | - | 1,628.1 | 150.0 | 1,778.1 |
| Contingency Fund | 200.0 | - | - | 200.0 | 155.0 | - | - | 155.0 | 200.0 | - | -45.0 | 155.0 | 155.0 | - | 155.0 | - | 155.0 |
| Total 1959 | 3,297.9 | - | 644.2 | 3,942.1 | 3,031.4 | - | 644.2 | 3,675.6 | 3,942.1 | - | -266.5 | 3,675.6 | 3,298.1 | - | 3,298.1 | 150.0 | 3,448.1 |
| 1960 | | | | | | | | | | | | | | | | | |
| Military Assistance | 1,600.0 | - | - | 1,600.0 | 1,400.0 | - | - | 1,400.0 | 1,600.0 | - | -200.0 | 1,400.0 | 1,300.0 | - | 1,300.0 | - | 1,300.0 |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loan Fund | 700.0 | - | - | 700.0 | 1,800.0 | 1,100.0 | - | 700.0 | 1,200.0 | 500.0 | - | 700.0 | 550.0 | - | 550.0 | - | 550.0 |
| Other | 1,409.4 | - | 20.6 | 1,430.0 | 1,301.2 | - | 20.6 | 1,321.8 | 1,430.0 | - | -108.2 | 1,321.8 | 1,220.8 | - | 1,220.8 | - | 1,220.8 |
| Total Economic Assistance | 2,109.4 | - | 20.6 | 2,130.0 | 3,101.2 | 1,100.0 | 20.6 | 2,021.8 | 2,630.0 | 500.0 | -108.2 | 2,021.8 | 1,770.8 | - | 1,770.8 | - | 1,770.8 |
| Contingency Fund | 200.0 | - | - | 200.0 | 155.0 | - | - | 155.0 | 200.0 | - | -45.0 | 155.0 | 155.0 | - | 155.0 | - | 155.0 |
| Total 1960 | 3,909.4 | - | 20.6 | 3,930.0 | 4,656.2 | 1,100.0 | 20.6 | 3,576.8 | 4,430.0 | 500.0 | -353.2 | 3,576.8 | 3,225.8 | - | 3,225.8 | - | 3,225.8 |
| 1961 | | | | | | | | | | | | | | | | | |
| Military Assistance | - | - | 2,000.0 1/ | 2,000.0 | - | - | 2,000.0 | 2,000.0 | 2,000.0 | - | - | 2,000.0 | 1,800.0 | - | 1,800.0 | - | 1,800.0 |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loan Fund | - | - | 700.0 1/ | 700.0 | - | - | 700.0 1/ | 700.0 | 700.0 | - | - | 700.0 | 550.0 | - | 550.0 | 50.0 | 600.0 |
| Alliance for Progress: | | | | | | | | | | | | | | | | | |
| IAPSP | 106.0 | - | - | 106.0 | 106.0 | - | - | 106.0 | 106.0 | - | - | 106.0 | 106.0 | - | 106.0 | - | 106.0 |
| SPTF | 394.0 | - | - | 394.0 | 394.0 | - | - | 394.0 | 394.0 | - | - | 394.0 | 394.0 | - | 394.0 | - | 394.0 |
| Chilean Reconstr. & Rehabil. | 100.0 | - | - | 100.0 | 100.0 | - | - | 100.0 | 100.0 | - | - | 100.0 | 100.0 | - | 100.0 | - | 100.0 |
| Subtotal Alliance for Progress | 600.0 | - | - | 600.0 | 600.0 | - | - | 600.0 | 600.0 | - | - | 600.0 | 600.0 | - | 600.0 | - | 600.0 |
| Other | 1,279.9 | - | 20.1 | 1,300.0 | 1,216.2 | - | 20.1 | 1,236.3 | 1,300.0 | - | -63.7 | 1,236.3 | 1,116.4 | - | 1,116.4 | 65.0 | 1,181.4 |
| Total Economic Assistance | 1,879.9 | - | 720.1 | 2,600.0 | 1,816.2 | - | 720.1 | 2,536.3 | 2,600.0 | - | -63.7 | 2,536.3 | 2,266.4 | - | 2,266.4 | 115.0 | 2,381.4 |
| Contingency Fund | 175.0 | +100.0 1/ | - | 275.0 1/ | 250.0 1/ | - | 25.0 1/ | 275.0 1/ | 275.0 1/ | - | -25.0 | 250.0 | 250.0 | - | 250.0 | - | 250.0 |
| Total 1961 | 2,054.9 | +100.0 | 2,720.1 | 4,875.0 | 2,066.2 | - | 2,720.1 | 4,786.3 | 4,875.0 | - | -88.7 | 4,786.3 | 4,316.4 | - | 4,316.4 | 115.0 | 4,431.4 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

COMPARATIVE HISTORY OF AUTHORIZATIONS AND APPROPRIATIONS FOR BUDGETED PROGRAMS

PART I (continued)

(In millions of dollars)

| | Authorization Request | | | | Authorizations by Congress | | | | Appropriation Request | | | | Appropriation by Congress | | | | |
|--------------------------------|-----------------------|--|--|---|------------------------------|---|--|---|-------------------------------|-------------------------------------|---|--|---------------------------|-------------------------------------|--|----------------------------------|--|
| | Original Request (1) | Requests for Other Years & Exec. Branch Adjustments (+ or -) (2) | Add Amounts Requested Under Programs Previously Authorized (3) | Adjusted Authorization Request For FY (4) | Actual Amount Authorized (5) | Deduct Authorizations for Other Years (6) | Add Amounts for Programs Previously Authorized (7) | Adjusted Authorization for Fiscal Yr. (8) | Original Amount Requested (9) | Deduct Amounts for Other Years (10) | Changes Due to Authorizations and Other Revisions (+ or -) (11) | Adjusted Appropriation Request For FY (12) | Actual Appropriation (13) | Deduct Amounts for Other Years (14) | Appropriation Adjusted to Fiscal Year Basis (15) | Supplemental Appropriations (16) | Total Appropriations for Fiscal Yr. (17) |
| 1962 | | | | | | | | | | | | | | | | | |
| Military Assistance | - | - | 1,885.0 <u>h</u> | 1,885.0 | 3,400.0 | 1,700.0 | - | 1,700.0 | 1,885.0 | - | -185.0 | 1,700.0 | 1,600.0 | - | 1,600.0 | - | 1,600.0 |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loans | 8,787.0 | -7,600.0 | - | 1,187.0 | 7,200.0 | 6,000.0 | - | 1,200.0 | 1,187.0 | - | +13.0 | 1,200.0 | 1,112.5 | - | 1,112.5 | - | 1,112.5 |
| Contingency Fund | 500.0 | - | - | 500.0 | 300.0 | - | - | 300.0 | 500.0 | - | -200.0 | 300.0 | 275.0 | - | 275.0 | - | 275.0 |
| Other | 1,190.5 | - | 6.0 | 1,196.5 | 1,053.5 | - | 6.0 | 1,059.5 | 1,196.5 | - | -137.0 | 1,059.5 | 927.1 | - | 927.1 | - | 927.1 |
| Total Economic Assistance | 10,477.5 | -7,600.0 | 6.0 | 2,883.5 | 8,553.5 | 6,000.0 | 6.0 | 2,559.5 | 2,883.5 | - | -324.0 | 2,559.5 | 2,314.6 | - | 2,314.6 | - | 2,314.6 |
| Total 1962 | 10,477.5 | -7,600.0 | 1,891.0 | 4,768.5 | 11,953.5 | 7,700.0 | 6.0 | 4,259.5 | 4,768.5 | - | -509.0 | 4,259.5 | 3,914.6 | - | 3,914.6 | - | 3,914.6 |
| 1963 | | | | | | | | | | | | | | | | | |
| Military Assistance | - | - | 1,500.0 <u>n</u> | 1,500.0 | - | - | 1,500.0 <u>n</u> | 1,500.0 | 1,500.0 | - | - | 1,500.0 | 1,325.0 | - | 1,325.0 | - | 1,325.0 |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loans | - | - | 1,250.0 <u>o</u> | 1,250.0 | - | - | 1,250.0 <u>o</u> | 1,250.0 | 1,250.0 | - | - | 1,250.0 | 975.0 | - | 975.0 | - | 975.0 |
| Alliance for Progress: | | | | | | | | | | | | | | | | | |
| Loans | - | - | - | (500.0) | - | - | (500.0) | (500.0) | - | - | - | (500.0) | 425.0 | - | 425.0 | - | 425.0 |
| Grants/Technical Cooperation | - | - | - | (100.0) | - | - | (100.0) | (100.0) | - | - | - | (100.0) | 100.0 | - | 100.0 | - | 100.0 |
| Subtotal Alliance for Progress | 3,000.0 <u>p</u> | -2,400.0 | - | 600.0 <u>p</u> | 2,400.0 <u>q</u> | 1,800.0 | - | 600.0 <u>q</u> | 600.0 <u>p</u> | - | - | 600.0 <u>p</u> | 525.0 | - | 525.0 | - | 525.0 |
| Contingency Fund | 400.0 | - | - | 400.0 | 300.0 | - | 300.0 | 400.0 | - | -100.0 | 300.0 | 250.0 | - | 250.0 | - | 250.0 | |
| Other | 1,025.4 | - | 5.9 | 1,031.3 | 918.9 | - | 5.9 | 924.8 | 1,031.3 | - | -106.5 | 924.8 | 823.9 | - | 823.9 | - | 823.9 |
| Total Economic Assistance | 4,425.4 | -2,400.0 | 1,255.9 | 3,281.3 | 3,618.9 | 1,800.0 | 1,255.9 | 3,074.8 | 3,281.3 | - | -206.5 | 3,074.8 | 2,573.9 | - | 2,573.9 | - | 2,573.9 |
| Total 1963 | 4,425.4 | -2,400.0 | 2,755.9 | 4,781.3 | 3,618.9 | 1,800.0 | 2,755.9 | 4,574.8 | 4,781.3 | - | -206.5 | 4,574.8 | 3,898.9 | - | 3,898.9 | - | 3,898.9 |
| 1964 | | | | | | | | | | | | | | | | | |
| Military Assistance | 1,405.0 | - | - | 1,405.0 | 1,000.0 | - | 1,000.0 | 1,405.0 | - | -405.0 | 1,000.0 | 1,000.0 | - | 1,000.0 | - | 1,000.0 | |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loans | - | - | 1,060.0 <u>o</u> | 1,060.0 | -575.0 | - | 1,500.0 | 925.0 | 1,060.0 | - | -135.0 | 925.0 | 687.3 | - | 687.3 | - | 687.3 |
| Alliance for Progress: | | | | | | | | | | | | | | | | | |
| Loans | 50.0 | - | 600.0 <u>z</u> | 650.0 <u>z</u> | -75.0 <u>z</u> | - | 600.0 | 525.0 | 650.0 | - | -125.0 | 525.0 | 375.0 | - | 375.0 | - | 375.0 |
| Grants/Technical Cooperation | 4.5 | - | - | 4.5 | 4.0 | - | - | 4.0 | 4.5 | - | -0.5 | 4.0 | 80.0 | - | 80.0 | - | 80.0 |
| IAPSP | - | - | - | - | - | - | - | - | - | - | - | - | 4.0 | - | 4.0 | - | 4.0 |
| Chilean Reconstruction | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Social Progress Trust Fund | 195.5 | - | - | 195.5 | 176.0 | - | - | 176.0 | 195.5 | - | -19.5 | 176.0 | 131.0 | - | 131.0 | - | 131.0 |
| Subtotal Alliance for Progress | 250.0 | - | 600.0 | 850.0 | 105.0 | - | 600.0 | 705.0 | 850.0 | - | -145.0 | 705.0 | 590.0 | - | 590.0 | - | 590.0 |
| Contingency Fund | 300.0 | - | - | 300.0 | 160.0 | - | 160.0 | 300.0 | - | -140.0 | 160.0 | 50.0 | - | 50.0 | - | 50.0 | |
| Other | 907.3 | +4.3 <u>h</u> | 3.0 | 914.6 | 809.1 | - | 3.0 | 812.1 | 910.3 | - | -103.4 <u>h</u> | 806.9 | 672.7 | - | 672.7 | - | 672.7 |
| Total Economic Assistance | 1,457.3 | +4.3 | 1,663.0 | 3,124.6 | 499.1 | - | 2,103.0 | 2,602.1 | 3,120.3 | - | -523.4 | 2,596.9 | 2,000.0 | - | 2,000.0 | - | 2,000.0 |
| Total 1964 | 2,862.3 | +4.3 | 1,663.0 | 4,529.6 | 1,499.1 | - | 2,103.0 | 3,602.1 | 4,525.3 | - | -928.4 | 3,596.9 | 3,000.0 | - | 3,000.0 | - | 3,000.0 |
| 1965 | | | | | | | | | | | | | | | | | |
| Military Assistance | 1,000.0 | +55.0 <u>y</u> | 75.0 <u>y</u> | 1,130.0 | 1,055.0 | - | 75.0 <u>y</u> | 1,130.0 | 1,000.0 | - | +130.0 <u>y/y</u> | 1,130.0 | 1,130.0 <u>y</u> | - | 1,130.0 <u>y</u> | - | 1,130.0 <u>y</u> |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loans | - | - | 922.2 <u>o</u> | 922.2 | -577.8 | - | 1,500.0 | 922.2 | 922.2 | - | - | 922.2 | 773.7 | - | 773.7 | - | 773.7 |
| Alliance for Progress: | | | | | | | | | | | | | | | | | |
| Loans | - | - | 465.0 <u>g</u> | 465.0 | -50.0 | - | 600.0 | 465.0 | 465.0 | - | - | 465.0 | 425.0 | - | 425.0 | - | 425.0 |
| Tech. Coop./Dev. Grants | - | - | 85.0 <u>h</u> | 85.0 | - | - | 600.0 | 85.0 | 85.0 | - | - | 85.0 | 84.7 | - | 84.7 | - | 84.7 |
| Subtotal Alliance for Progress | - | - | 550.0 | 550.0 | -50.0 | - | 600.0 | 550.0 | 550.0 | - | - | 550.0 | 509.7 | - | 509.7 | - | 509.7 |
| Contingency Fund | 150.0 | - | - | 150.0 | 150.0 | - | - | 150.0 | 150.0 | - | - | 150.0 | 99.2 | - | 99.2 | - | 99.2 |
| Other | 769.5 | +70.0 <u>h</u> | - | 839.5 | 829.8 | - | - | 829.8 | 769.5 | - | +60.3 | 829.8 | 812.4 | - | 812.4 | - | 812.4 |
| Total Economic Assistance | 919.5 | +70.0 | 1,472.2 | 2,461.7 | 352.0 | - | 2,100.0 | 2,452.0 | 2,391.7 | - | +60.3 | 2,452.0 | 2,195.0 | - | 2,195.0 | - | 2,195.0 |
| Total 1965 | 1,919.5 | +125.0 | 1,547.2 | 3,591.7 | 1,407.0 | - | 2,175.0 | 3,582.0 | 3,391.7 | - | 190.3 | 3,582.0 | 3,325.0 | - | 3,325.0 | - | 3,325.0 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

COMPARATIVE HISTORY OF AUTHORIZATIONS AND APPROPRIATIONS FOR BUDGETED PROGRAMS

PART I (continued)

| | (In millions of dollars) | | | | | | | | | | | | | | | | |
|---------------------------------|--------------------------|--|--|---|------------------------------|---|--|---|------------------------|-------------------------------------|---|--|---------------------------|-------------------------------------|--|----------------------------------|--|
| | Authorization Request | | | | Authorization by Congress | | | | Appropriation Request | | | | Appropriation by Congress | | | | |
| | Original Request (1) | Requests for Other Years & Exec. Branch Adjustments (+ or -) (2) | Add Amounts Requested Under Previously Authorized Programs (3) | Adjusted Authorization Request For FY (4) | Actual Amount Authorized (5) | Deduct Authorizations for Other Years (6) | Add Amounts for Programs Previously Authorized (7) | Adjusted Authorization for Fiscal Yr. (8) | Original Requested (9) | Deduct Amounts for Other Years (10) | Changes Due to Authorizations and Other Revisions (+ or -) (11) | Adjusted Appropriation Request For FY (12) | Actual Appropriation (13) | Deduct Amounts for Other Years (14) | Appropriation Adjusted to Fiscal Year Basis (15) | Supplemental Appropriations (16) | Total Appropriations for Fiscal Yr. (17) |
| 1966 | | | | | | | | | | | | | | | | | |
| Military Assistance | 1,170.0 | - | +300.0 v/ | 1,470.0 | 1,170.0 | - | 300.0 v/ | 1,470.0 | 1,170.0 | - | +300.0 v/ | 1,470.0 | 1,470.0 v/ | - | 1,470.0 v/ | - | 1,470.0 v/ |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loans | - | - | 780.3 o/ | 780.3 | - | - | 725.2 | 725.2 | 780.3 | - | -55.1 | 725.2 | 618.2 | - | 618.2 | - | 618.2 |
| Alliance for Progress: | | | | | | | | | | | | | | | | | |
| Loans | - | - | 495.1 g/ | 495.1 | - | - | 470.1 g/ | 470.1 | 495.1 | - | -25.0 | 470.1 | 435.1 | - | 435.1 | - | 435.1 |
| Tech. Coop./Dev. Grants | - | - | 85.0 g/ | 85.0 | - | - | 75.0 g/ | 75.0 | 85.0 | - | -10.0 | 75.0 | 75.0 | - | 75.0 | - | 75.0 |
| Subtotal Alliance for Progress | - | - | 580.1 | 580.1 | - | - | 545.1 | 545.1 | 580.1 | - | -35.0 | 545.1 | 510.1 | - | 510.1 | - | 510.1 |
| Contingency Fund: | | | | | | | | | | | | | | | | | |
| General | 50.0 | +100.0 | - | 150.0 | 150.0 | - | - | 150.0 | 50.0 | - | +100.0 | 150.0 | 50.0 | - | 50.0 | 100.0 | 150.0 |
| Southeast Asia Program | - | w/ | - | w/ | 89.0 | - | - | 89.0 | - | - | +89.0 | 89.0 | - | - | 89.0 | - | 89.0 |
| Other | 796.9 | +394.1 | 3.1 | 1,194.1 | 1,092.6 | - | 3.1 | 1,095.7 | 879.1 | - | +216.6 | 1,095.7 | 780.7 | - | 780.7 | 315.0 | 1,095.7 |
| Total Economic Assistance | 846.9 | +494.1 | 1,363.5 | 2,704.5 | 1,331.6 | - | 1,273.4 | 2,605.0 | 2,269.5 | - | +315.5 | 2,605.0 | 2,048.0 | - | 2,048.0 | 415.0 | 2,463.0 |
| Total 1966 | 2,016.9 | +494.1 | 1,663.5 | 4,174.5 | 2,501.6 | - | 1,573.4 | 4,075.0 | 3,459.5 | - | +615.5 | 4,075.0 | 3,518.0 | - | 3,518.0 | 415.0 | 3,933.0 |
| 1967 | | | | | | | | | | | | | | | | | |
| Military Assistance | 4,917.0 | -4,000.0 | - | 917.0 | 875.0 | - | - | 875.0 | 917.0 | - | -42.0 | 875.0 | 792.0 | - | 792.0 | - | 792.0 |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loans | 6,250.0 o/ | -5,000.0 o/ | - | 1,250.0 | 2,185.0 o/ | 1500.0 o/ | - | 685.0 | 665.4 | - | - | 665.4 | 500.0 | - | 500.0 | - | 500.0 |
| Alliance for Progress: | | | | | | | | | | | | | | | | | |
| Loans | 3,750.0 | -3,000.0 | - | 750.0 | 1,896.5 | -1300.0 | - | 596.5 | 455.3 | - | - | 455.3 | 420.3 | - | 420.3 | - | 420.3 |
| Tech. Coop./Dev. Grants | 500.0 | -400.0 | - | 100.0 | 300.0 | -200.0 | - | 100.0 | 87.7 | - | - | 87.7 | 87.7 | - | 87.7 | - | 87.7 |
| Subtotal, Alliance for Prog. | 4,250.0 | -3,400.0 | - | 850.0 | 2,196.5 | -1500.0 o/ | - | 696.5 | 543.0 | - | - | 543.0 | 508.0 | - | 508.0 | - | 508.0 |
| Contingency Fund | 750.0 o/ | -600.0 o/ | - | 150.0 | 110.0 | - | - | 110.0 | 70.0 | - | - | 70.0 | 35.0 | - | 35.0 | - | 35.0 |
| Other | 1,990.1 o/ | -800.0 o/ | 3.3 | 1,193.4 | 1,133.2 | - | 3.3 | 1,136.5 | 1,190.6 | - | -55.1 | 1,135.5 | 1,100.5 o/ | - | 1,100.5 o/ | - | 1,100.5 o/ |
| Total Economic Assistance | 13,240.1 | -9,800.0 | 3.3 | 3,443.4 | 5,624.7 | 3000.0 | 3.3 | 2,628.0 | 2,469.0 | - | -55.1 | 2,413.9 | 2,143.5 | - | 2,143.5 | - | 2,143.5 |
| Total 1967 | 18,157.1 | -13,800.0 | 3.3 | 4,360.4 | 6,499.7 | 3000.0 | 3.3 | 3,503.0 | 3,386.0 | - | -97.1 | 3,288.9 | 2,935.5 | - | 2,935.5 | - | 2,935.5 |
| 1968 | | | | | | | | | | | | | | | | | |
| Military Assistance | 596.0 | - | - | 596.0 | 510.0 | - | - | 510.0 | 596.0 | - | 14.0 ^{4/} | 610.0 | 400.0 | - | 400.0 | 100.0 | 500.0 |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loans | - | - | 750.0 | 750.0 | -300.0 | - | 750.0 | 450.0 | 774.0 | - | -139.0 | 635.0 o/ | 435.0 | - | 435.0 | - | 435.0 |
| Alliance for Progress: | | | | | | | | | | | | | | | | | |
| Loans | - | - | 640.0 | 640.0 | -162.0 | - | 640.0 | 478.0 | 533.0 | - | -55.0 | 478.0 | 389.0 | - | 389.0 | - | 389.0 |
| Tech. Coop./Dev. Grants | 10.0 | - | 100.0 | 110.0 | - | - | 100.0 | 100.0 | 110.0 | - | -10.0 | 100.0 | 80.0 | - | 80.0 | - | 80.0 |
| Partners of the Alliance | - | - | - | - | 0.7 | - | - | 0.7 | - | - | 0.7 | 0.3 | - | 0.3 | - | 0.3 | |
| Subtotal, Alliance for Prog. | 10.0 | - | 740.0 | 750.0 | -161.3 | - | 740.0 | 578.7 | 643.0 | - | -64.3 | 578.7 | 469.3 | - | 469.3 | - | 469.3 |
| Contingency Fund | 100.0 | - | - | 100.0 | 50.0 | - | - | 50.0 | 31.0 | - | - | 31.0 | 10.0 | - | 10.0 | - | 10.0 |
| Other | 1,182.2 | - | 3.4 | 1,185.6 | 1,082.9 | - | 3.4 | 1,086.3 | 1,182.4 | - | -96.3 | 1,086.1 | 981.3 o/ | - | 981.3 | - | 981.3 |
| Total Economic Assistance | 1,292.2 | - | 1,493.4 | 2,785.6 | 671.6 | - | 1,493.4 | 2,165.0 | 2,630.4 | - | -299.6 | 2,330.8 | 1,895.6 | - | 1,895.6 | - | 1,895.6 |
| Total 1968 | 1,888.2 | - | 1,493.4 | 3,381.6 | 1,811.6 | - | 1,493.4 | 2,675.0 | 3,226.4 | - | -285.6 | 2,940.8 | 2,295.6 | - | 2,295.6 | 100.0 | 2,395.6 |
| 1969 | | | | | | | | | | | | | | | | | |
| Military Assistance | 420.0 | - | - | 420.0 | 375.0 | - | - | 375.0 | 420.0 | - | -45.0 | 375.0 | 375.0 | - | 375.0 | - | 375.0 |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loans | 765.0 | - | - | 765.0 | 350.0 | - | - | 350.0 | 765.0 | - | -415.0 | 350.0 | 300.0 | - | 300.0 | - | 300.0 |
| Alliance for Progress: | | | | | | | | | | | | | | | | | |
| Loans | 515.0 | - | - | 515.0 | 330.0 | - | - | 330.0 | 515.0 | - | -185.0 | 330.0 | 255.0 | - | 255.0 | - | 255.0 |
| Tech Coop/Devel.Grants | 110.0 | - | - | 110.0 | 90.0 | - | - | 90.0 | 110.0 | - | -20.0 | 90.0 | 81.5 | - | 81.5 | - | 81.5 |
| Partners of the Alliance | - | - | - | - | 0.3 | - | - | 0.3 | - | - | 0.3 | 7/ | - | 7/ | - | 7/ | |
| Sub-total Alliance for Progress | 625.0 | - | - | 625.0 | 420.3 | - | - | 420.3 | 625.0 | - | -204.7 | 420.3 | 336.5 | - | 336.5 | - | 336.5 |
| Contingency Fund | 100.0 | - | - | 100.0 | 10.0 | - | - | 10.0 | 45.0 | - | -35.0 | 10.0 | 5.0 | - | 5.0 | - | 5.0 |
| Other | 1,048.3 | - | 15.9 | 1,064.2 | 813.6 | - | 15.9 | 829.5 | 1,063.5 | - | -234.0 | 829.5 | 739.1 | - | 739.1 | - | 739.1 |
| Total Economic Assistance | 2,538.3 | - | 15.9 | 2,554.2 | 1,599.9 | - | 15.9 | 1,609.8 | 2,498.5 | - | -888.7 | 1,609.8 | 1,380.6 | - | 1,380.6 | - | 1,380.6 |
| Total 1969 | 2,958.3 | - | 15.9 | 2,974.2 | 1,968.9 | - | 15.9 | 1,984.8 | 2,918.5 | - | -933.7 | 1,984.8 | 1,755.6 | - | 1,755.6 | - | 1,755.6 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS
COMPARATIVE HISTORY OF AUTHORIZATIONS AND APPROPRIATIONS FOR BUDGETED PROGRAMS

PART I (continued)

| | (In millions of dollars) | | | | | | | | | | | | | | | | |
|---------------------------------|--------------------------|--|--|---------------------------------------|---------------------------|---------------------------------------|--|---------------------------------------|---------------------------|--------------------------------|--|---------------------------------------|----------------------|--------------------------------|---|-----------------------------|-------------------------------------|
| | Authorization Request | | | | Authorization by Congress | | | | Appropriation Request | | | | | Appropriation by Congress | | | |
| | Original Request | Requests for Other Years & Exec. Branch Adjustments (+ or -) | Add Amounts Requested Under Programs Previously Authorized | Adjusted Authorization Request For FY | Actual Amount Authorized | Deduct Authorizations for Other Years | Add Amounts for Programs Previously Authorized | Adjusted Authorization for Fiscal Yr. | Original Amount Requested | Deduct Amounts for Other Years | Changes Due to Authorizations and Other Revisions (+ or -) | Adjusted Appropriation Request For FY | Actual Appropriation | Deduct Amounts for Other Years | Appropriation Adjusted to Fiscal Year Basis | Supplemental Appropriations | Total Appropriations for Fiscal Yr. |
| 1970 | | | | | | | | | | | | | | | | | |
| Military Assistance | | | | | | | | | | | | | | | | | |
| Grants | 375.0 | +50.0 | - | 425.0 | 700.0 | -350.0 | - | 350.0 | 425.0 | - | -75.0 | 350.0 | 350.0 | - | 350.0 | - | 350.0 |
| Credit Sales | 250.0 | - | - | 250.0 | 250.0 | - | - | 250.0 | 250.0 | - | - | 250.0 | 70.0 | - | 70.0 | - | 70.0 |
| Total Military Assistance | 625.0 | +50.0 | - | 675.6 | 950.0 | -350.0 | - | 600.0 | 675.0 | - | -75.0 | 600.0 | 420.0 | - | 420.0 | - | 420.0 |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loans | 675.5 | - | - | 675.5 | 700.0 | -350.0 | - | 350.0 | 675.5 | - | -325.5 | 350.0 | 300.0 | - | 300.0 | - | 300.0 |
| Alliance for Progress: | | | | | | | | | | | | | | | | | |
| Loans | 437.5 | - | - | 437.5 | 675.0 | -337.5 | 8/ | 337.5 | 437.5 | - | -100.0 | 337.5 | 255.0 | - | 255.0 | - | 255.0 |
| Tech Coop./Devel. Grants | 246.0 | -130.0 | 8/ | 116.0 | 181.5 | -90.8 | 8/ | 90.8 | 116.0 | - | -25.2 | 90.8 | 81.5 | - | 81.5 | - | 81.5 |
| Sub-total Alliance for Progress | 683.5 | -130.0 | 8/ | 553.5 | 856.5 | -428.3 | 8/ | 428.3 | 553.5 | - | -125.2 | 428.3 | 336.5 | - | 336.5 | - | 336.5 |
| Contingency Fund | 40.0 | - | - | 40.0 | 30.0 | -15.0 | 8/ | 15.0 | 40.0 | - | -25.0 | 15.0 | 12.5 | - | 12.5 | - | 12.5 |
| Other | 1,336.4 | -400.0 | 8/ | 941.0 | 1,619.6 | -793.3 | 8/ | 830.9 | 941.0 | - | -110.1 | 830.9 | 775.9 | - | 775.9 | - | 775.9 |
| Total Economic Assistance | 2,735.4 | -530.0 | 8/ | 2,210.0 | 3,206.1 | -1,586.6 | 8/ | 1,624.2 | 2,210.0 | - | -585.8 | 1,624.2 | 1,424.9 | - | 1,424.9 | - | 1,424.9 |
| Total 1970 | 3,360.4 | -480.0 | 4.6 | 2,885.0 | 4,156.1 | -1,936.6 | 4.6 | 2,224.2 | 2,885.0 | - | -660.8 | 2,224.2 | 1,844.9 | - | 1,844.9 | - | 1,844.9 |
| 1948-1970 Cumulative | | | | | | | | | | | | | | | | | |
| Military Assistance | 44,006.5 | -4,436.3 | 5,957.0 | 45,527.2 | 39,705.2 | -2,248.3 | 4,072.0 | 41,528.9 | 45,504.3 | -500.0 | -3,582.8 | 41,421.5 | 38,614.7 | -500.0 | 38,114.7 | 100.0 | 38,214.7 |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loans | 18,412.5 | -14,100.0 | 6,087.5 | 10,400.0 | 11,557.2 | -9,575.0 | 7,050.2 | 9,032.4 | 11,839.4 | -2,000.0 | -641.6 | 9,197.8 | 7,201.7 | - | 7,201.7 | 200.0 | 7,401.7 |
| Alliance for Progress: | | | | | | | | | | | | | | | | | |
| Loans | 7,993.5 | -5,930.0 | 2,470.1 | 4,533.6 | 5,166.0 | -3,728.2 | 2,485.1 | 3,922.9 | 4,119.6 | - | -350.2 | 3,769.4 | 3,313.3 | - | 3,313.3 | - | 3,313.3 |
| Tech. Coop./Devel. Grants | - | - | - | - | 1.0 | - | - | 1.0 | - | - | +1.0 | 1.0 | 0.3 | - | 0.3 | - | 0.3 |
| Partners of the Alliance | 111.5 | - | - | 110.5 | 110.0 | - | - | 110.0 | 110.5 | - | -0.5 | 110.0 | 100.0 | - | 100.0 | - | 100.0 |
| IARSP | 100.0 | - | - | 100.0 | 100.0 | - | - | 100.0 | 100.0 | - | - | 100.0 | 100.0 | - | 100.0 | - | 100.0 |
| Chilean Reconstruction | 589.5 | - | - | 589.5 | 570.0 | - | - | 570.0 | 589.5 | - | -19.5 | 570.0 | 525.0 | - | 525.0 | - | 525.0 |
| Social Progress Trust Fund | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal Alliance for Progress | 8,793.5 | -5,930.0 | 2,470.1 | 5,333.6 | 5,947.0 | - | - | 4,703.9 | 4,919.6 | - | -369.2 | 4,550.4 | 4,048.6 | - | 4,048.6 | - | 4,048.6 |
| Contingency Fu. | 2,865.0 | -400.0 | - | 2,465.0 | 1,899.0 | -15.0 | - | 1,884.0 | 2,216.0 | - | -391.0 | 1,825.0 | 1,430.7 | - | 1,430.7 | 100.0 | 1,530.7 |
| Other | 41,978.5 | -1,922.6 | 237.8 | 40,293.6 | 37,584.3 | -1,973.3 | 1,450.2 | 37,061.2 | 41,073.7 | -1,150.0 | -3,237.9 | 36,685.8 | 33,588.9 | -1,074.0 | 32,614.9 | 1,454.0 | 33,968.9 |
| Total Economic Assistance | 72,048.5 | -22,352.6 | 8,795.4 | 58,492.3 | 56,987.5 | -15,291.5 | 10,985.5 | 52,681.5 | 60,048.7 | -3,150.0 | -4,639.7 | 52,259.0 | 46,269.9 | -1,074.0 | 45,195.9 | 1,754.0 | 46,949.9 |
| Total 1948-1970 | 116,056.0 | -26,788.9 | 14,752.4 | 104,019.5 | 96,692.7 | -17,539.8 | 15,057.5 | 94,210.4 | 105,553.0 | -3,650.0 | -8,222.5 | 93,680.5 | 84,884.6 | -1,574.0 | 83,310.6 | 1,854.0 | 85,164.6 |
| 1971 | | | | | | | | | | | | | | | | | |
| Military Assistance | | | | | | | | | | | | | | | | | |
| Grants | 690.0 | - | - | 690.0 | 690.0 | - | - | 690.0 | 690.0 | - | - | 690.0 | 350.0 | - | 350.0 | 340.0 | 690.0 |
| Credit Sales | 772.5 | - | - | 772.5 | 750.0 | - | - | 750.0 | 772.5 | - | -22.5 | 750.0 | 200.0 | - | 200.0 | 500.0 | 700.0 |
| Total Military Assistance | 1,462.5 | - | - | 1,462.5 | 1,440.0 | - | - | 1,440.0 | 1,462.5 | - | -22.5 | 1,440.0 | 550.0 | - | 550.0 | 840.0 | 1,390.0 |
| Economic Assistance: | | | | | | | | | | | | | | | | | |
| Development Loans | 570.0 | - | - | 570.0 | 570.0 | - | - | 570.0 | 570.0 | - | - | 570.0 | 420.0 | - | 420.0 | - | 420.0 |
| Alliance for Progress: | | | | | | | | | | | | | | | | | |
| Loans | 337.5 | - | - | 337.5 | 337.5 | - | - | 337.5 | 337.5 | - | - | 337.5 | 287.5 | - | 287.5 | - | 287.5 |
| Tech. Coop./Devel. Govts. | 90.8 | - | - | 90.8 | 90.8 | - | - | 90.8 | 90.8 | - | - | 90.8 | 82.9 | - | 82.9 | - | 82.9 |
| Sub-total Alliance for Progress | 428.3 | - | - | 428.3 | 428.3 | - | - | 428.3 | 428.3 | - | - | 428.3 | 370.4 | - | 370.4 | - | 370.4 |
| Contingency Fund | 30.0 | - | - | 30.0 | 30.0 | - | - | 30.0 | 30.0 | - | - | 30.0 | 15.0 | - | 15.0 | 7.5 | 22.5 |
| Other | 994.7 | - | - | 994.7 | 994.7 | - | - | 994.7 | 994.7 | - | - | 994.7 | 766.0 | - | 766.0 | 155.0 | 921.0 |
| Total Economic Assistance | 2,023.0 | - | - | 2,023.0 | 2,023.0 | - | - | 2,023.0 | 2,023.0 | - | - | 2,023.0 | 1,571.4 | - | 1,571.4 | 162.5 | 1,733.9 |
| Total 1971 | 3,485.5 | - | - | 3,485.5 | 3,463.0 | - | - | 3,463.0 | 3,485.5 | - | -22.5 | 3,463.0 | 2,121.4 | - | 2,121.4 | 1,002.5 | 3,123.9 |

COMPARATIVE HISTORY OF AUTHORIZATIONS AND APPROPRIATIONS FOR BUDGETED PROGRAMS

| | (In millions of dollars) | | | | | | | | | | | | | | | | |
|---|--------------------------|--|--|---------------------------------------|---------------------------|---------------------------------------|--|---------------------------------------|---------------------------|------------------------|-----------------------------------|---------------------------------------|---------------------------|------------------------|---|-----------------------------|-------------------------------------|
| | Authorization Request | | | | Authorization by Congress | | | | Appropriation Request | | | | Appropriation by Congress | | | | |
| | Original Request | Requests for Other Years & Exec. Branch Adjustments (+ or -) | Add Amounts Requested Under Programs Previously Authorized | Adjusted Authorization Request For FY | Actual Amount Authorized | Deduct Authorizations for Other Years | Add Amounts for Programs Previously Authorized | Adjusted Authorization for Fiscal Yr. | Original Amount Requested | Deduct for Other Years | Changes Due to Revisions (+ or -) | Adjusted Appropriation Request For FY | Actual Appropriation | Deduct for Other Years | Appropriation Adjusted to Fiscal Year Basis | Supplemental Appropriations | Total Appropriations for Fiscal Yr. |
| 1948-1971 Cumulative Military Assistance | 45,469.0 | -4,436.3 | 5,957.0 | 46,989.7 | 41,145.2 | -2,248.3 | 4,072.0 | 42,968.8 | 46,966.8 | -500.0 | -3,605.3 | 42,861.5 | 39,164.7 | -500.0 | 38,664.7 | 940.0 | 39,604.7 |
| Economic Assistance: Development Loans | 18,982.5 | -14,100.0 | 6,087.5 | 10,970.0 | 12,127.2 | -9,575.0 | 7,050.2 | 9,602.4 | 12,409.4 | -2,000.0 | -641.6 | 9,767.8 | 7,621.7 | - | 7,621.7 | 200.0 | 7,821.7 |
| Alliance for Progress: Loan Tech. Coop./Devel. Grants | 8,421.8 | -5,930.0 | 2,470.1 | 4,961.9 | 5,594.3 | -3,728.2 | 2,485.1 | 4,351.2 | 4,547.9 | - | -350.2 | 4,197.7 | 3,683.7 | - | 3,683.7 | - | 3,683.7 |
| Partners of the Alliance IASP | 110.5 | - | - | 110.5 | 110.0 | - | - | 110.0 | 110.5 | - | + 1.0 | 1.0 | 0.3 | - | 0.3 | - | 0.3 |
| Chilean Reconstruction | 100.0 | - | - | 100.0 | 100.0 | - | - | 100.0 | 100.0 | - | - 0.5 | 110.0 | 110.0 | - | 110.0 | - | 110.0 |
| Social Progress Trust Fund | 589.5 | - | - | 589.5 | 570.0 | - | - | 570.0 | 589.5 | - | - 19.5 | 570.0 | 525.0 | - | 525.0 | - | 525.0 |
| Subtotal Alliance for Progress | 9,221.8 | -5,930.0 | 2,470.1 | 5,761.9 | 6,375.3 | -3,728.2 | 2,485.1 | 5,132.2 | 5,347.9 | - | -369.2 | 4,978.7 | 4,419.0 | - | 4,419.0 | - | 4,419.0 |
| Contingency Fund | 2,895.0 | - 400.0 | - | 2,495.0 | 1,929.0 | - 15.0 | - | 1,914.0 | 2,246.0 | - | -391.0 | 1,855.0 | 1,445.7 | - | 1,445.7 | 107.5 | 1,553.2 |
| Other | 42,973.2 | -1,922.6 | 237.8 | 41,288.4 | 38,279.0 | -1,973.3 | 1,450.2 | 38,055.9 | 42,068.4 | -1,150.0 | -3,238.2 | 37,680.2 | 34,354.9 | -1,074.0 | 33,280.9 | 1,609.0 | 34,889.9 |
| Total Economic Assistance | 74,072.5 | -22,352.6 | 8,795.4 | 60,515.3 | 59,010.5 | -15,291.5 | 10,985.5 | 54,704.5 | 62,071.7 | -3,150.0 | -4,640.0 | 54,281.7 | 47,841.3 | -1,074.0 | 46,767.3 | 1,916.5 | 48,683.8 |
| Total 1948-1971 | 119,541.5 | -26,788.9 | 14,752.4 | 107,505.0 | 100,155.7 | -17,539.8 | 15,057.5 | 97,673.4 | 109,038.5 | -3,650.0 | -8,245.3 | 97,143.2 | 87,006.0 | -1,574.0 | 85,432.0 | 2,856.5 | 88,288.5 |

NOTE: Detail may not add to totals due to rounding.

- a/ Executive Branch requested authorization and appropriation of funds for last quarter of FY 1948 and all four quarters of FY 1949. When Congress authorized and appropriated funds only for one year, through the third quarter of FY 1949, it was necessary to include the fourth quarter request with the FY 1950 Presentation, and funds for this fourth quarter were actually appropriated on October 6, 1949, after the close of FY 1949.
- b/ Includes \$500.0 million contract authorization. Subsequent appropriations to liquidate contract authority are deleted to avoid duplication. See footnote g/.
- c/ Amount appropriated to cover previous contract authorization.
- d/ Includes \$62.5 million borrowing authority for Spain authorized in the General Appropriation Act (P.L. 759, 81st Congress).
- e/ For Assistance to Spain (recommended by the Senate Appropriations Committee for economic, technical and military assistance) authorized and appropriated by P.L. 249, 82nd Congress (Mutual Security Appropriation Act, 1952).
- f/ Excludes \$98.4 million equivalent of local currencies authorized for use in FY 1954 (Mutual Security Act of 1953, P.L. 118, 83rd Congress).
- g/ Revised request for authorization submitted by Executive Branch, by letter of May 27, 1953, from Acting Director for Mutual Security to the Chairman of Senate Committee on Foreign Relations.
- h/ Common-use appropriation only. Administered by Department of Defense.
- i/ P.L. 83-665 authorized appropriation for infrastructure of \$321 million, of which \$222 million was appropriated prior to 1957. Remaining authorization would be \$99 million, however; amount shown is appropriation request for FY 1957.
- j/ Net of increase of \$8 million for language training included in the authorization bill by the House Committee on Foreign Affairs but which was not included in original Executive Branch requests for authorization and appropriation. Subsequently, the Executive Branch requested the \$8 million increase in the Technical Cooperation Appropriation to the amount authorized (H. Doc. 407, June 18, 1959).
- k/ P.L. 86-108 authorized "such sums as may be necessary." Amount shown is appropriation request.
- l/ P.L. 86-108 authorized \$1,100 million for FY 1961. Amount shown is appropriation request (H. Docs. 343 and 385, 2/16/60).
- m/ After agreement on Authorization Conference report, President increased request for authorization and appropriation by \$100 million in a message on legislative program August 8, 1960. However, Mutual Security Appropriation Act passed with additional \$100 million included, eliminating need for special authorization legislation.
- n/ P.L. 87-195 authorized \$1,700.0 million for FY 1963. Amount shown is appropriation request.
- o/ P.L. 87-195 authorized \$1,500.0 million per year for FY 1963 through FY 1966. Amount shown is appropriation request.
- p/ Executive Branch requested authorization of \$3.0 billion for the period FY 1963-66. Of the \$3.0 billion, the Executive Branch requested authorization and appropriation of \$600 million for FY 1963 with up to \$100.0 million to be used for grants and the balance of loans.
- q/ P.L. 87-565 authorized not to exceed \$600.0 million for each fiscal year 1963 through 1966 of which for FY 1963 not to exceed \$100.0 million was for grants. P.L. 89-171 reduced the grant limitation to \$75.0 million.
- r/ Foreign Assistance Act of 1962 authorized \$600 million for the Alliance for Progress for each fiscal year 1963 through 1966. The Executive Branch requested an additional \$50 million authorization for FY 1964, but the Foreign Assistance Act of 1963 (P.L. 88-205) reduced the authorization from \$600 million to \$525 million, a net reduction of \$75.0 million. Of this amount, not to exceed \$100 million was to be used for grants.
- s/ Adjusted request for American Schools and Hospitals Abroad made by Executive Branch during course of authorization hearings, but not formally transmitted to Congress as a Presidential message.
- t/ Includes \$5.2 million reduction in Executive Branch request for International Organizations made during appropriation hearings before Senate Appropriations Committee, but not formally transmitted to Congress as a Presidential message.
- u/ During authorization and appropriation hearings, a supplemental President's message was submitted, requesting \$125 million additional for Vietnam, as follows: FY 1965 - \$75.0 million and FY 1966 - \$50.0 million.
- v/ Includes Sec. 510 authority to order Defense stocks subject to subsequent reimbursement from Military Assistance appropriations, as follows: FY 1965 - \$75.0 million and FY 1966 - \$50.0 million. In FY 1966 a supplemental appropriation of \$375.0 million was approved to liquidate these amounts.
- w/ Language originally proposed included a special stand-by authority in Contingency Fund for use if necessary in Vietnam; no amount was specified. In subsequent request Executive Branch asked for \$89 million for Southeast Asia divided between TC/DO - \$9 million and SA - \$80 million. The final authorization included the \$89.0 million in the Contingency Fund.
- x/ Requested \$1,250 million each year 1967 through 1971. Authorizing legislation provided \$685 million for FY 1967 and \$750 million each for FY 1968 and 1969.
- y/ Requested \$850 million each year 1967 through 1971, of which not to exceed \$100 million in each year would be for TC/DO. Authorizing legislation provided \$696.5 million for FY 1967 and \$750 million each for FY 1968 and FY 1969, of which not to exceed \$100 million would be for TC/DO.
- z/ Requested \$150 million for each Fiscal Year 1967 through 1971. Authorization was for FY 1967 only.
- aa/ Request for other authorizations was for "such amounts as may be necessary" for fiscal year 1967 through 1971, except for Supporting Assistance for other than Vietnam for which the request was for \$200 million for each Fiscal Year 1967 through 1971.
- ab/ Excludes \$1 million equivalent in excess foreign currencies for medical center in Israel.
- ac/ Includes supplemental request of \$100.0 million, less \$86.0 million reduction as a result of cuts in authorization.
- ad/ Includes \$185 million authorization not used in FY 1967.
- ae/ Excludes \$5,986 thousand equivalent in excess foreign currencies for certain institutions in Israel.
- af/ Included in Alliance TC.
- ag/ For FY 1971.

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

SUMMARY OF AVAILABILITY, OBLIGATIONS, EXPENDITURES, AND BALANCES FOR BUDGETED PROGRAMS

PART II

This table includes funds authorized and appropriated pursuant to the Foreign Assistance Act of 1961, as amended, the Mutual Security Acts of 1951 and 1954 and amendments thereto, and funds (including public debt authorization) heretofore available for the European Recovery Program, China Aid, and Mutual Defense Assistance Program. It also includes Point Four as authorized in the Mutual Security Act of 1951, as amended. Appropriations and borrowing authority for Investment Guarantee Program and Advance Acquisition of Property excluded from this table.

(In millions of dollars)

| | Appropriated by Congress (1) | Appropriations Adjusted for Transfers and Others Receipts (2) | Total Available for Obligation and Reservation (3) | Net Obligations ^{a/} and Reservations ^{b/} (4) | Unobligated/Unreserved Balance | | | Gross Expenditures (8) | Unexpended Balance Carried Forward to Subsequent Year | | |
|--|---------------------------------|--|---|---|--------------------------------|---|--|---------------------------|---|----------------------|--------------------------|
| | | | | | Total (5) | Carried Forward to Subsequent Year (6) | Returned or Reserved for Return to Treasury (7) | | Unobligated (9) | Unliquidated (10) | Total Unexpended (11) |
| | | | | | | | | | | | |
| <u>1948-1949</u> | | | | | | | | | | | |
| Economic Assistance | 6,446.3 | 6,460.8 | 6,460.8 | 6,286.3 | 174.5 | 174.5 | - | 4,549.6 | 174.5 | 1,736.7 | 1,911.2 |
| <u>1950</u> | | | | | | | | | | | |
| Military Assistance | 1,314.0 | 1,314.1 | 1,314.1 | 1,100.9 | 213.2 | 213.2 | - | 51.7 | 213.2 | 1,049.2 | 1,262.4 |
| Economic Assistance | 3,728.4 | 3,785.1 | 3,959.6 | 3,596.9 | 362.7 | 362.7 | - | 3,437.2 | 362.7 | 1,896.4 | 2,259.1 |
| Total 1950 | 5,042.4 | 5,099.2 | 5,273.7 | 4,697.8 | 575.9 | 575.9 | - | 3,488.9 | 575.9 | 2,945.6 | 3,521.5 |
| <u>1951</u> | | | | | | | | | | | |
| Military Assistance | 5,222.5 | 5,223.4 | 5,436.6 | 4,676.9 | 759.7 | 759.7 | - | 934.2 | 759.7 | 4,791.9 | 5,551.6 |
| Economic Assistance | 2,262.5 | 2,136.0 | 2,498.7 | 2,385.1 | 113.6 | 113.6 | - | 2,802.2 | 113.6 | 1,479.3 | 1,592.9 |
| Total 1951 | 7,485.0 | 7,359.4 | 7,935.3 | 7,062.0 | 873.3 | 873.3 | - | 3,736.4 | 873.3 | 6,271.2 | 7,144.5 |
| <u>1952</u> | | | | | | | | | | | |
| Military Assistance | 5,744.0 | 5,267.6 | 6,027.3 | 5,591.2 | 436.1 | 436.1 | - | 2,385.9 | 436.1 | 7,997.2 | 8,433.3 |
| Economic Assistance | 1,540.4 | 2,015.1 | 2,128.7 | 1,962.8 | 165.9 | 165.9 | - | 2,147.8 | 165.9 | 1,294.3 | 1,460.2 |
| Total 1952 | 7,284.4 | 7,282.7 | 8,156.0 | 7,554.0 | 602.0 | 602.0 | - | 4,533.7 | 602.0 | 9,291.5 | 9,893.5 |
| <u>1953</u> | | | | | | | | | | | |
| Military Assistance | 4,219.8 | 4,098.1 | 4,534.2 | 2,512.1 | 2,022.1 | 1,905.9 | -116.2 | 3,953.1 | 1,905.9 | 6,556.2 | 8,462.1 |
| Economic Assistance | 1,782.1 | 1,914.1 | 2,080.0 | 1,864.1 | 215.3 | 210.4 | -5.5 | 1,766.6 | 210.4 | 1,391.8 | 1,602.2 |
| Total 1953 | 6,001.9 | 6,012.2 | 6,614.2 | 4,376.2 | 2,238.0 | 2,116.3 | -121.7 | 5,719.7 | 2,116.3 | 7,948.0 | 10,064.3 |
| <u>1954</u> | | | | | | | | | | | |
| Military Assistance | 3,230.0 | 3,219.1 | 5,125.0 | 2,383.8 | 2,741.2 | 2,422.5 | -318.7 | 3,629.5 | 2,422.5 | 5,310.5 | 7,733.0 |
| Economic Assistance | 1,301.5 | 1,504.5 ^{c/} | 1,714.9 | 1,646.0 | 68.9 | 41.1 | -27.8 | 1,246.9 | 41.1 | 1,790.9 | 1,832.0 |
| Total 1954 | 4,531.5 | 3,723.6 | 6,839.9 | 4,029.8 | 2,810.1 | 2,463.6 | -346.5 | 4,876.4 | 2,463.6 | 7,101.4 | 9,565.0 |
| <u>1955</u> | | | | | | | | | | | |
| Military Assistance | 1,192.7 | 1,141.4 | 3,563.9 | 3,354.5 | 209.4 | 33.9 | -175.5 | 2,277.8 | 33.9 | 6,387.2 | 6,421.1 |
| Less: Unliquidated Obligations Transferred to Economic Assistance | - | -261.3 | -261.3 | -261.3 | - | - | - | - | - | -261.3 | -261.3 |
| Subtotal | 1,192.7 | 880.1 | 3,302.6 | 3,093.2 | 209.4 | 33.9 | -175.5 | 2,277.8 | 33.9 | 6,125.9 | 6,159.8 |
| Direct Forces Support (Common-Use) | 60.0 | 70.0 | 70.0 | 70.0 | - | - | - | 19.4 | - | 50.6 | 50.6 |
| Total Military Assistance | 1,252.7 | 950.1 | 3,372.6 | 3,163.2 | 209.4 | 33.9 | -175.5 | 2,297.2 | 33.9 | 6,176.5 | 6,210.4 |
| Economic Assistance | 1,528.8 | 1,593.9 | 1,635.0 | 1,593.5 | 41.5 | 14.7 | -26.8 | 1,953.1 | 14.7 | 1,431.3 | 1,446.0 |
| Add: Unliquidated Obligations Transferred from Military Assistance | - | 261.3 | 261.3 | 261.3 | - | - | - | - | - | 261.3 | 261.3 |
| Total Economic Assistance | 1,528.8 | 1,855.2 | 1,896.3 | 1,854.8 | 41.5 | 14.7 | -26.8 | 1,953.1 | 14.7 | 1,692.6 | 1,707.3 |
| Total 1955 | 2,781.5 | 2,805.3 | 5,268.9 | 5,018.0 | 250.9 | 48.6 | -202.3 | 4,250.3 | 48.6 | 7,869.1 | 7,917.7 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

SUMMARY OF AVAILABILITY, OBLIGATIONS, EXPENDITURES, AND BALANCES FOR BUDGETED PROGRAMS

PART II (continued)

(In millions of dollars)

| | Appropriated by Congress (1) | Appropriations Adjusted for Transfers and Other Receipts (2) | Total Available for Obligation and Reservation (3) | Net Obligations ^{a/} and Reservations ^{b/} (4) | Unobligated/Unreserved Balance | | | Gross Expenditures (8) | Unexpended Balance Carried Forward to Subsequent Year | | |
|--|---------------------------------|---|---|---|--------------------------------|---|--|---------------------------|---|----------------------|--------------------------|
| | | | | | Total (5) | Carried Forward to Subsequent Year (6) | Returned or Reserved for Return to Treasury (7) | | Unobligated (9) | Unliquidated (10) | Total Unexpended (11) |
| | | | | | | | | | | | |
| 1956 | | | | | | | | | | | |
| Military Assistance | 705.0 | 713.1 | 747.0 | 573.5 | 173.5 | 159.7 | -13.8 | 2,511.5 | 159.7 | 4,187.9 | 4,347.6 |
| Direct Forces Support | 317.2 | 311.2 | 311.2 | 275.2 | 36.0 | 35.8 | -0.2 | 108.6 | 35.8 | 217.2 | 253.0 |
| Total Military Assistance | 1,022.2 | 1,024.3 | 1,058.2 | 848.7 | 209.5 | 195.5 | -14.0 | 2,620.1 | 195.5 | 4,405.1 | 4,600.6 |
| Economic Assistance | 1,681.1 | 1,687.5 | 1,702.2 | 1,510.3 | 191.9 | 142.6 | -49.3 | 1,585.3 | 142.6 | 1,617.6 | 1,760.2 |
| Total 1956 | 2,703.3 | 2,711.8 | 2,760.4 | 2,359.0 | 401.4 | 338.1 | -63.3 | 4,205.4 | 338.1 | 6,022.7 | 6,360.8 |
| 1957 | | | | | | | | | | | |
| Military Assistance ^{d/} | 2,017.5 | 2,022.0 | 2,217.5 | 1,664.5 | 553.0 | 538.8 | -14.2 | 2,356.3 | 538.8 | 3,713.3 | 4,252.1 |
| Economic Assistance | 1,749.1 | 1,749.9 | 1,892.5 | 1,631.1 | 261.4 | 225.4 | -36.0 | 1,601.5 | 225.4 | 1,647.2 | 1,872.6 |
| Total 1957 | 3,766.6 | 3,771.9 | 4,110.0 | 3,295.6 | 814.4 | 764.2 | -50.2 | 3,957.8 | 764.2 | 5,360.5 | 6,124.7 |
| 1958 | | | | | | | | | | | |
| Military Assistance ^{d/} | 1,340.0 | 1,317.3 | 1,856.1 | 1,828.3 | 27.8 | 21.5 | -6.3 | 2,189.8 | 21.5 | 3,351.8 | 3,373.3 |
| Economic Assistance: | | | | | | | | | | | |
| Development Loan Fund ^{e/} | 300.0 | 300.0 | 300.0 | 267.4 | 32.6 | 32.6 | - | 1.5 | 32.6 | 265.9 | 298.5 |
| Other | 1,128.9 | 1,158.0 | 1,383.4 | 1,355.4 | 28.0 | 12.0 | -16.0 | 1,430.3 | 12.0 | 1,572.3 | 1,584.3 |
| Total Economic Assistance | 1,428.9 | 1,458.0 | 1,683.4 | 1,622.8 | 60.6 | 44.6 | -16.0 | 1,431.8 | 44.6 | 1,838.2 | 1,882.8 |
| Total 1958 | 2,768.9 | 2,775.3 | 3,539.5 | 3,451.1 | 88.4 | 66.1 | -22.3 | 3,621.6 | 66.1 | 5,190.0 | 5,256.1 |
| 1959 | | | | | | | | | | | |
| Military Assistance ^{d/} | 1,515.0 | 1,542.8 | 1,564.3 | 1,512.2 | 52.1 | 52.1 | - | 2,368.1 | 52.1 | 2,195.9 | 2,548.0 |
| Economic Assistance: | | | | | | | | | | | |
| Development Loan Fund ^{e/} | 550.0 | 550.1 | 582.7 | 569.3 | 13.4 | 13.4 | - | 66.6 | 13.4 | 768.6 | 782.0 |
| Other | 1,228.1 | 1,231.4 | 1,243.4 | 1,214.7 | 28.7 | 28.7 | - | 1,432.0 | 28.7 | 1,354.9 | 1,383.6 |
| Total Economic Assistance | 1,778.1 | 1,781.5 | 1,826.1 | 1,784.0 | 42.1 | 42.1 | - | 1,498.7 | 42.1 | 2,123.5 | 2,165.6 |
| Contingency Fund | 155.0 | 155.0 | 155.0 | 154.8 | 0.2 | 0.2 | - | 30.4 | 0.2 | 124.4 | 124.6 |
| Total 1959 | 3,448.1 | 3,479.3 | 3,545.5 | 3,451.0 | 94.4 | 94.4 | - | 3,897.2 | 94.4 | 4,743.8 | 4,838.2 |
| 1960 | | | | | | | | | | | |
| Military Assistance ^{d/} | 1,300.0 | 1,357.2 | 1,409.3 | 1,358.4 | 50.9 | 50.9 | - | 1,635.4 | 50.9 | 2,219.0 | 2,269.9 |
| Economic Assistance: | | | | | | | | | | | |
| Development Loan Fund ^{e/} | 550.0 | 552.2 | 565.6 | 521.7 | 43.9 | 43.9 | - | 204.5 | 43.9 | 1,085.8 | 1,129.7 |
| Other | 1,220.8 | 1,223.4 | 1,252.1 | 1,220.4 | 31.7 | 22.5 | -9.2 | 1,286.2 | 22.5 | 1,289.2 | 1,311.7 |
| Less: Unliquidated Obligations Transferred to Contingency Fund | - | -14.8 | -14.8 | -14.8 | - | - | - | - | - | -14.8 | -14.8 |
| Total, Other | 1,220.8 | 1,208.6 | 1,237.3 | 1,205.6 | 31.7 | 22.5 | -9.2 | 1,286.2 | 22.5 | 1,274.4 | 1,296.9 |
| Total Economic Assistance | 1,770.8 | 1,760.8 | 1,802.9 | 1,727.3 | 75.6 | 66.4 | -9.2 | 1,490.7 | 66.4 | 2,360.2 | 2,426.6 |
| Contingency Fund: | | | | | | | | | | | |
| Add: Unliquidated Obligations Transferred from Economic Assistance | - | 14.8 | 14.8 | 14.8 | - | - | - | - | - | 14.8 | 14.8 |
| Total, Contingency Fund | 155.0 | 138.9 | 139.1 | 138.6 | 0.5 | 0.5 | - | 129.4 | 0.5 | 133.6 | 134.1 |
| Total 1960 | 3,225.8 | 3,256.9 | 3,351.3 | 3,224.3 | 127.0 | 117.8 | -9.2 | 3,255.5 | 117.8 | 4,712.8 | 4,830.6 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

SUMMARY OF AVAILABILITY, OBLIGATIONS, EXPENDITURES, AND BALANCES FOR BUDGETED PROGRAMS

PART II (continued)

(In millions of dollars)

| | Appropriated by Congress (1) | Appropriations Adjusted for Transfers and Other Receipts (2) | Total Available for Obligation and Reservation (3) | Net Obligations ^{a/} and Reservations ^{b/} (4) | Unobligated/Unreserved Balance | | | Gross Expenditures (8) | Unexpended Balance Carried Forward to Subsequent Year | | |
|--|---------------------------------|---|---|---|--------------------------------|---|--|---------------------------|---|----------------------|--------------------------|
| | | | | | Total (5) | Carried Forward to Subsequent Year (6) | Returned or Reserved for Return to Treasury (7) | | Unobligated (9) | Unliquidated (10) | Total Unexpended (11) |
| | | | | | | | | | | | |
| <u>1961</u> | | | | | | | | | | | |
| Military Assistance ^{d/} | 1,800.0 | 1,802.4 | 1,853.3 | 1,786.9 | 66.4 | 58.1 | -8.3 | 1,466.2 | 58.1 | 2,539.6 | 2,597.7 |
| Economic Assistance: | | | | | | | | | | | |
| Development Loan Fund ^{e/} | 600.0 | 611.5 | 655.4 | 655.4 | - | - | - | 270.0 | - | 1,471.2 | 1,471.2 |
| Alliance for Progress: | | | | | | | | | | | |
| IAPSP | 106.0 | 106.0 | 106.0 | - | 106.0 | 106.0 | - | - | 106.0 | - | 106.0 |
| SPTF | 394.0 | 394.0 | 394.0 | - | 394.0 | 394.0 | - | - | 394.0 | - | 394.0 |
| Chilean Reconstruction & Rehabilitation | 100.0 | 100.0 | 100.0 | - | 100.0 | 100.0 | - | - | 100.0 | - | 100.0 |
| Total, Alliance for Progress | 600.0 | 600.0 | 600.0 | - | 600.0 | 600.0 | - | - | 600.0 | - | 600.0 |
| Other | 1,181.4 | 1,172.4 | 1,194.9 | 1,112.5 | 82.4 | 47.8 | -34.6 | 1,329.7 | 47.8 | 1,057.2 | 1,105.0 |
| Total Economic Assistance | 2,381.4 | 2,383.9 | 2,450.3 | 1,767.9 | 682.4 | 647.8 | -34.6 | 1,599.7 | 647.8 | 2,528.4 | 3,176.2 |
| Contingency Fund | 250.0 | 277.5 | 278.0 | 268.8 | 9.2 | 9.2 | - | 210.1 | 9.2 | 192.3 | 201.5 |
| Total 1961 | 4,431.4 | 4,463.8 | 4,581.6 | 3,823.6 | 758.0 | 715.1 | -42.9 | 3,276.0 | 715.1 | 5,260.3 | 5,975.4 |
| <u>1962</u> | | | | | | | | | | | |
| Military Assistance ^{d/} | 1,600.0 | 1,591.5 | 1,649.6 | 1,585.4 | 64.2 | 64.2 | - | 1,404.6 | 64.2 | 2,720.4 | 2,784.6 |
| Economic Assistance ^{f/} | | | | | | | | | | | |
| Development Loans | 1,112.5 | 1,094.5 ^{f/} | 1,094.5 | 1,059.6 | 34.9 | 27.2 | -7.7 | 431.0 | 27.2 | 2,099.8 | 2,127.0 |
| Alliance for Progress: | | | | | | | | | | | |
| IAPSP | - | - | 106.0 | 63.6 | 42.4 | 42.4 | - | 19.4 | 42.4 | 44.2 | 86.6 |
| Chilean Reconstruction & Rehabilitation | - | - | 100.0 | 100.0 | - | - | - | 51.2 | - | 48.8 | 48.8 |
| SPTF | - | - | 394.0 | 394.0 | - | - | - | 10.0 | - | 384.0 | 384.0 |
| Total, Alliance for Progress | - | - | 600.0 | 557.6 | 42.4 | 42.4 | - | 80.6 | 42.4 | 477.0 | 519.4 |
| Contingency Fund | 275.0 | 284.9 | 294.1 | 292.0 | 2.1 | 2.1 | - | 272.8 | 2.1 | 211.5 | 213.6 |
| Add: Unliquidated Obligations Transferred from Other Economic Assistance | - | 9.8 | 9.8 | 9.8 | - | - | - | - | - | 9.8 | 9.8 |
| Total Contingency Fund | 275.0 | 294.7 | 303.9 | 301.8 | 2.1 | 2.1 | - | 272.8 | 2.1 | 221.3 | 223.4 |
| Other | 927.1 | 941.5 | 989.3 | 969.5 | 19.8 | 17.8 | -2.0 | 1,059.7 | 17.8 | 967.0 | 984.8 |
| Less: Unliquidated Obligations Transferred to Contingency Fund | - | -9.8 | -9.8 | -9.8 | - | - | - | - | - | -9.8 | -9.8 |
| Total Other | 927.1 | 931.7 | 979.5 | 959.7 | 19.8 | 17.8 | -2.0 | 1,059.7 | 17.8 | 957.2 | 975.0 |
| Total Economic Assistance | 2,314.6 | 2,320.9 | 2,977.9 | 2,878.7 | 99.2 | 89.5 | -9.7 | 1,844.0 | 89.5 | 3,755.4 | 3,844.9 |
| Total 1962 | 3,914.6 | 3,912.4 | 4,627.5 | 4,464.1 | 163.4 | 153.7 | -9.7 | 3,248.6 | 153.7 | 6,475.8 | 6,629.5 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

SUMMARY OF AVAILABILITY, OBLIGATIONS, EXPENDITURES, AND BALANCES FOR BUDGETED PROGRAMS

PART II (continued)

(In millions of dollars)

| | Appropriated by Congress (1) | Appropriations Adjusted for Transfers and Other Receipts (2) | Total Available for Obligation and Reservation (3) | Net Obligations ^{a/} and Reservations ^{b/} (4) | Unobligated/Unreserved Balance | | | Gross Expenditures (8) | Unexpended Balance Carried Forward to Subsequent Year | | |
|---|---------------------------------|---|---|---|--------------------------------|---|--|---------------------------|---|----------------------|--------------------------|
| | | | | | Total (5) | Carried Forward to Subsequent Year (6) | Returned or Reserved for Return to Treasury (7) | | Unobligated (9) | Unliquidated (10) | Total Unexpended (11) |
| | | | | | | | | | | | |
| <u>1963</u> | | | | | | | | | | | |
| Military Assistance | 1,325.0 | 1,404.3 | 1,468.5 | 1,442.7 | 25.8 | 25.8 | * | 1,767.2 | 25.8 | 2,395.9 | 2,421.7 ^{b/} |
| Economic Assistance: | | | | | | | | | | | |
| Development Loans | 975.0 | 991.3 | 1,018.5 | 906.0 | 112.5 | 96.2 | -16.3 | 776.9 | 96.2 | 2,228.9 | 2,325.1 |
| Less: Unliquidated Obligations Transferred to Alliance for Progress Loans | - | 115.1 | 115.1 | 115.1 | - | - | - | - | - | 115.1 | 115.1 |
| Prior Year Expenditures Transferred to Alliance for Progress Loans | - | 74.5 | 74.5 | 74.5 | - | - | - | 74.5 | - | - | - |
| Total Development Loans | 975.0 | 801.7 | 828.9 | 716.4 | 112.5 | 96.2 | -16.3 | 702.4 | 96.2 | 2,113.8 | 2,210.0 |
| Alliance for Progress: | | | | | | | | | | | |
| Loans | 425.0 | 425.9 | 425.9 | 333.9 | 92.0 | 92.0 | - | 117.3 | 92.0 | 216.6 | 308.6 |
| Add: Unliquidated Obligations Transferred from Development Loans | - | 115.1 | 115.1 | 115.1 | - | - | - | - | - | 115.1 | 115.1 |
| Prior Year Expenditures Transferred from Development Loans | - | 74.5 | 74.5 | 74.5 | - | - | - | 74.5 | - | - | - |
| Total, Alliance for Progress Loans | 425.0 | 615.5 | 615.5 | 523.5 | 92.0 | 92.0 | - | 191.8 | 92.0 | 331.7 | 423.7 |
| Technical Cooperation | 100.0 | 91.2 | 91.2 | 88.5 | 2.7 | 2.7 | - | 31.6 | 2.7 | 56.9 | 59.6 |
| IAPSP | - | - | 42.4 | 40.8 ^{b/} | 1.6 | 1.6 | - | 33.4 | 1.6 | 51.6 | 53.2 |
| Chilean Reconstruction | - | - | - | - | - | - | - | 31.0 | - | 17.8 | 17.8 |
| Social Progress Trust Fund | - | - | - | - | - | - | - | 49.0 | - | 335.0 | 335.0 |
| Subtotal, Alliance for Progress | 525.0 | 706.7 | 749.1 | 652.8 | 96.3 | 96.3 | - | 336.8 | 96.3 | 793.0 | 889.3 |
| Contingency Fund | 250.0 | 250.0 | 252.1 | 125.0 | 127.1 | 127.1 | - | 137.2 | 127.1 | 209.1 | 336.2 |
| Other | 823.9 | 843.0 | 860.8 | 803.5 | 57.3 | 56.8 | -0.5 | 903.2 | 56.8 | 857.4 | 914.2 |
| Total Economic Assistance | 2,573.9 | 2,601.4 | 2,690.9 | 2,297.6 | 393.3 | 376.5 | -16.8 | 2,079.7 | 376.5 | 3,973.2 | 4,349.7 |
| Total 1963 | 3,898.9 | 4,005.7 | 4,159.4 | 3,740.3 | 419.1 | 402.3 | -16.8 | 3,846.9 | 402.3 | 6,369.1 | 6,771.4 |
| <u>1964</u> | | | | | | | | | | | |
| Military Assistance | 1,000.0 | 1,167.3 | 1,193.1 | 1,188.6 | 4.4 | 4.4 | - | 1,533.4 | 4.4 | 2,051.1 | 2,055.5 ^{b/} |
| Economic Assistance: | | | | | | | | | | | |
| Development Loans | 687.3 | 714.5 | 810.7 | 783.4 | 27.3 | 0.1 | -27.2 | 796.8 | 0.1 | 2,100.4 | 2,100.5 |
| Interest collections and receivables held for reappropriation ^{1/} | - | (6.2) | (6.2) | - | (6.2) | (6.2) | - | - | (6.2) | - | (6.2) |
| Alliance for Progress: | | | | | | | | | | | |
| Loans | 375.0 | 377.5 | 469.5 | 469.5 | * | * | - | 116.0 | * | 685.2 | 685.2 |
| Interest collections and receivables held for reappropriation ^{1/} | - | (2.8) | (2.8) | - | (2.8) | (2.8) | - | - | (2.8) | - | (2.8) |
| Technical Cooperation | 80.0 | 80.2 | 82.9 | 81.4 | 1.5 | 1.5 | - | 66.5 | 1.5 | 71.8 | 73.3 |
| IAPSP | 4.0 | 4.0 | 5.6 | 5.0 | 0.6 | 0.6 | - | 19.9 | 0.6 | 36.7 | 37.3 |
| Chilean Reconstruction | - | - | - | - | - | - | - | 8.2 | - | 9.6 | 9.6 |
| Social Progress Trust Fund | 131.0 | 131.0 | 131.0 | 131.0 | - | - | - | 65.0 | - | 401.0 | 401.0 |
| Subtotal, Alliance for Progress | 590.0 | 592.7 | 689.0 | 686.9 | 2.1 | 2.1 | - | 275.6 | 2.1 | 1,204.3 | 1,206.4 |
| Contingency Fund | 50.0 | -24.1 ^{k/} | 103.0 ^{l/} | 99.8 | 3.2 | 3.2 | - | 121.8 | 3.2 | 187.1 | 190.3 |
| Other | 672.7 | 663.0 | 719.8 | 697.3 | 22.5 | 22.5 | - | 846.4 | 22.5 | 708.2 | 730.8 |
| Total Economic Assistance | 2,000.0 | 1,946.1 | 2,322.5 | 2,267.4 | 55.2 | 27.9 | -27.2 | 2,040.6 | 27.9 | 4,200.0 | 4,228.0 |
| Total 1964 | 3,000.0 | 3,113.4 | 3,515.4 | 3,456.0 | 59.6 | 32.3 | -27.2 | 3,574.0 | 32.3 | 6,251.1 | 6,283.5 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

SUMMARY OF AVAILABILITY, OBLIGATIONS, EXPENDITURES, AND BALANCES FOR BUDGETED PROGRAMS

PART II (continued)

(In millions of dollars)

| | Appropriated by Congress (1) | Appropriations Adjusted for Transfers and Other Receipts (2) | Total Available for Obligation and Reservation (3) | Net Obligations and Reservations ^{a/} (4) | Unobligated/Unreserved Balance | | | Gross Expenditures (8) | Unexpended Balance Carried Forward to Subsequent Year | | |
|--|---------------------------------|---|---|---|--------------------------------|---|--|---------------------------|---|----------------------|-----------------------|
| | | | | | Total (5) | Carried Forward to Subsequent Year (6) | Reserved for Return to Treasury (7) | | Unobligated (9) | Unliquidated (10) | Unexpended (11) |
| | | | | | | | | | | | |
| 1965 | | | | | | | | | | | |
| Military Assistance | 1,130.0 | 1,193.0 | 1,197.4 | 1,174.7 | 22.7 | 22.2 | .5 | 1,272.6 | 22.2 | 1,953.2 | 1,975.4 ^{m/} |
| Economic Assistance: | | | | | | | | | | | |
| Development Loans | 773.7 | 807.6 | 807.7 | 682.5 | 125.2 | 91.3 | 33.9 | 794.3 | 108.2 | 1,988.6 | 2,096.8 |
| Interest collections and receivables held for appropriations ^{1/} | - | (10.7) | (16.9) | - | (16.9) | (16.9) | - | - | | | |
| Alliance for Progress: | | | | | | | | | | | |
| Loans | 425.0 | 425.0 | 425.0 | 395.3 | 29.7 | 29.7 | - | 203.9 | 36.7 | 876.6 | 913.3 |
| Interest collections and receivables held for appropriation ^{1/} | - | (4.2) | (7.0) | - | (7.0) | (7.0) | - | - | | | |
| Technical Cooperation | 84.7 | 85.0 | 86.5 | 80.9 | 5.6 | 5.6 | - | 69.5 | 5.6 | 83.2 | 88.8 |
| IAPSP | - | - | 0.6 | - | 0.6 | 0.6 | - | 18.9 | 0.6 | 17.8 | 18.4 |
| Chilean Reconstruction | - | - | - | - | - | - | - | 9.5 | - | 0.1 | 0.1 |
| Social Progress Trust Fund | - | - | - | - | - | - | - | 67.0 | - | 334.0 | 334.0 |
| Subtotal Alliance for Progress | 509.7 | 510.0 | 512.1 | 476.2 | 35.9 | 35.9 | - | 368.8 | 42.9 | 1,311.7 | 1,354.6 |
| Contingency Fund | 99.2 | 44.2 | 47.4 | 43.3 | 4.1 | 4.1 | - | 153.3 | 4.1 | 77.1 | 81.2 |
| Other | 812.4 | 820.9 | 843.4 | 822.9 | 20.4 | 17.2 | 3.2 | 779.3 | 17.2 | 752.0 | 769.2 |
| Total Economic Assistance | 2,195.0 | 2,182.8 | 2,210.7 | 2,025.0 | 185.7 | 148.5 | 37.2 | 2,095.8 | 172.5 | 4,129.3 | 4,301.8 |
| Total 1965 | 3,325.0 | 3,375.8 | 3,408.1 | 3,199.7 | 208.4 | 170.7 | 37.7 | 3,368.4 | 194.7 | 6,082.5 | 6,277.2 |
| 1966 | | | | | | | | | | | |
| Military Assistance | 1,470.0 | 1,591.6 | 1,613.8 | 1,150.8 | 463.0 | 463.0 | * | | | | |
| Less: Amounts transferred to Dept. of Defense for Vietnam War | - | 620.4 | 620.4 | 173.5 | 446.9 | 446.9 | - | | | | |
| Total Military Assistance | 1,470.0 | 971.2 | 993.4 | 977.3 | 16.1 | 16.1 | * | 1,114.3 | 16.1 | 1,816.2 | 1,832.3 ^{m/} |
| Economic Assistance: | | | | | | | | | | | |
| Development Loans | 618.2 | 663.4 | 771.6 | 685.0 | 86.6 | 59.1 | -27.5 | 722.3 | 59.1 | 1,951.3 | 2,010.4 |
| Alliance for Progress: | | | | | | | | | | | |
| Loans | 435.1 | 440.8 | 477.5 | 469.2 | 8.3 | 8.3 | - | 295.7 | 8.3 | 1,050.1 | 1,058.4 |
| Technical Cooperation | 75.0 | 75.3 | 80.9 | 80.3 | 0.6 | 0.6 | - | 90.0 | 0.6 | 73.5 | 74.1 |
| IAPSP | - | - | 0.6 | 0.5 | 0.1 | 0.1 | - | 9.3 | 0.1 | 9.0 | 9.1 |
| Chilean Reconstruction | - | - | - | - | - | - | - | 0.1 | - | - | - |
| Social Progress Trust Fund | - | - | - | - | - | - | - | 68.8 | - | 265.2 | 265.2 |
| Subtotal Alliance for Progress | 510.1 | 516.1 | 559.0 | 550.0 | 9.0 | 9.0 | - | 463.9 | 9.0 | 1,397.8 | 1,406.8 |
| Contingency Fund: | | | | | | | | | | | |
| General | 150.0 | 149.8 | 153.9 | 118.2 | 35.7 | 35.7 | - | 101.9 | 35.7 | 93.4 | 129.1 |
| Southeast Asia program | 89.0 | 89.0 | 89.0 | 89.0 | - | - | - | 31.9 | - | 57.1 | 57.1 |
| Other | 1,095.7 | 1,105.0 | 1,122.2 | 1,100.6 | 21.6 | 21.6 | * | 882.5 | 21.6 | 970.0 | 991.6 |
| Total Economic Assistance | 2,463.0 | 2,523.3 | 2,695.7 | 2,542.8 | 152.9 | 125.4 | -27.5 | 2,202.5 | 125.4 | 4,469.6 | 4,595.0 |
| Total 1966 | 3,933.0 | 3,494.5 | 3,689.1 | 3,520.1 | 169.0 | 141.5 | -27.5 | 3,316.8 | 141.5 | 6,285.8 | 6,427.3 |
| 1967 | | | | | | | | | | | |
| Military Assistance | 792.0 | 1,361.2 | 1,377.3 | 1,351.3 | 26.0 | 26.0 | - | 1,055.1 | 26.0 | 2,112.4 | 2,138.4 |
| Economic Assistance: | | | | | | | | | | | |
| Development Loans | 500.0 | 558.9 | 618.0 | 574.1 | 43.9 | 10.2 | -33.7 | 718.5 | 10.2 | 1,806.9 | 1,817.1 |
| Alliance for Progress: | | | | | | | | | | | |
| Loans | 420.3 | 430.1 | 438.4 | 434.1 | 4.3 | 4.3 | - | 418.5 | 4.3 | 1,065.8 | 1,070.1 |
| Technical Cooperation | 87.7 | 88.0 | 88.6 | 88.0 | 0.6 | 0.6 | - | 94.7 | 0.6 | 66.7 | 67.3 |
| IAPSP | - | - | 0.1 | 0.1 | - | - | - | 5.6 | - | 3.3 | 3.3 |
| Social Progress Trust Fund | - | - | - | - | - | - | - | 63.2 | - | 202.0 | 202.0 |
| Subtotal, Alliance for Progress | 508.0 | 518.1 | 527.1 | 522.2 | 4.9 | 4.9 | - | 582.2 | 4.9 | 1,337.8 | 1,342.7 |
| Contingency Fund: | | | | | | | | | | | |
| General | 35.0 | 35.0 | 70.7 | 41.2 | 29.5 | 29.5 | - | 59.1 | 29.5 | 75.4 | 104.9 |
| Southeast Asia Program | - | - | - | -0.2 | 0.2 | 0.2 | - | 39.5 | 0.2 | 17.5 | 17.7 |
| Other | 1,100.5 | 1,153.9 | 1,175.4 | 1,155.0 | 20.4 | 19.7 | -0.7 | 982.0 | 19.7 | 1,143.0 | 1,162.7 |
| Total Economic Assistance | 2,143.5 | 2,265.9 | 2,391.2 | 2,292.3 | 98.9 | 64.5 | -34.4 | 2,381.3 | 64.5 | 4,380.5 | 4,445.0 |
| Total 1967 | 2,935.5 | 3,627.1 | 3,768.5 | 3,643.6 | 124.9 | 90.5 | -34.4 | 3,436.4 | 90.5 | 6,492.9 | 6,583.4 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS
SUMMARY OF AVAILABILITY, OBLIGATIONS, EXPENDITURES, AND BALANCES FOR BUDGET PROGRAMS

PART II (continued)

(In millions of dollars)

| | Appropriated by Congress (1) | Appropriations Adjusted for Transfers and Other Receipts (2) | Total Available for Obligations and Reservations (3) | Obligations and Reservations (4) | Unobligated/Unreserved Balance | | | Gross Expenditures (8) | Unexpended Balance Carried Forward to Subsequent Year | | |
|---|------------------------------|--|--|----------------------------------|--------------------------------|--|-------------------------------------|------------------------|---|-------------------|-----------------|
| | | | | | Total (5) | Carried Forward to Subsequent Year (6) | Reserved for Return to Treasury (7) | | Unobligated (9) | Unliquidated (10) | Unexpended (11) |
| | | | | | | | | | | | |
| 1966 | | | | | | | | | | | |
| Military Assistance | 500.0 | 707.7 | 733.7 | 726.5 | 7.2 | 5.0 | -2.2 | 754.8 | 5.0 | 1,823.0 | 1,828.0 |
| Transferred out of Military Assistance Program 2/ | - | -261.0 | -261.0 | - | - | - | - | - | - | -261.0 | -261.0 |
| Military Assistance (Adjusted) | 500.0 | 446.7 | 472.7 | 726.5 | 7.2 | 5.0 | -2.2 | 754.8 | 5.0 | 1,562.0 | 1,567.0 |
| Economic Assistance: | | | | | | | | | | | |
| Development Loans | 435.0 | 509.2 | 519.4 | 483.4 | 36.0 | 6.1 | -35.9 | 670.0 | 0.1 | 1,620.2 | 1,620.3 |
| Alliance for Progress: | | | | | | | | | | | |
| Loans | 389.0 | 406.0 | 410.3 | 409.6 | 4.8 | 4.8 | - | 328.6 | 4.8 | 1,142.0 | 1,146.7 |
| Technical Cooperation | 80.0 | 80.3 | 80.9 | 80.9 | * | * | - | 88.2 | * | 59.4 | 59.4 |
| Partners of the Alliance | 0.3 | 0.3 | 0.3 | 0.2 | 0.1 | 0.1 | - | 0.2 | 0.1 | * | 0.1 |
| IAPSP | - | - | - | - | - | - | - | 1.7 | - | 1.6 | 1.6 |
| Social Progress Trust Fund | - | - | - | - | - | - | - | 45.5 | - | 156.5 | 156.5 |
| Subtotal Alliance for Progress | 469.3 | 486.6 | 491.5 | 486.7 | 4.9 | 4.9 | - | 464.2 | 4.9 | 1,359.5 | 1,364.3 |
| Contingency Fund: | | | | | | | | | | | |
| General | 10.0 | 7.0 | 36.5 | 19.0 | 17.4 | 17.4 | - | 42.2 | 17.4 | 52.3 | 69.7 |
| Southeast Asia Program | 981.3 | - | 0.2 | -2.5 | 2.7 | 2.7 | - | 1.1 | 2.7 | 13.9 | 16.6 |
| Other | - | 1,021.1 | 1,040.8 | 940.5 | 100.3 | 99.9 | -0.4 | 914.5 | 99.9 | 1,169.0 | 1,268.9 |
| Total Economic Assistance | 1,897.6 | 2,021.9 | 2,085.4 | 1,927.0 | 151.4 | 157.0 | -36.3 | 2,042.0 | 124.0 | 4,231.8 | 4,339.8 |
| Total 1968 | 2,395.6 | 2,470.6 | 2,561.0 | 2,653.5 | 168.6 | 130.0 | -36.5 | 2,846.8 | 130.0 | 5,776.8 | 5,906.8 |
| 1969 | | | | | | | | | | | |
| Military Assistance: | | | | | | | | | | | |
| Grant Assistance | 375.0 | 381.3 | 386.3 | 381.1 | 5.1 | 5.1 | - | 616.9 | 5.1 | 739.0 | 744.2 |
| Foreign Military Credit Sales | 296.0 | 295.9 | 295.9 | 293.7 | 26.3 | - | -56.3 | 263.2 | - | 824.8 | 824.8 |
| Total Military Assistance | 671.0 | 677.2 | 682.2 | 680.8 | 61.3 | 5.1 | -56.3 | 880.0 | 5.1 | 1,563.8 | 1,569.0 |
| Economic Assistance: | | | | | | | | | | | |
| Development Loans | 300.0 | 382.4 | 382.5 | 345.3 | 37.2 | 2.2 | -35.0 | 611.2 | 2.2 | 1,354.3 | 1,356.6 |
| Alliance for Progress: | | | | | | | | | | | |
| Loans | 255.0 | 268.0 | 272.8 | 223.1 | 49.7 | 49.7 | - | 311.3 | 49.7 | 1,053.7 | 1,103.4 |
| Technical Cooperation | 81.5 | 82.3 | 82.3 | 81.9 | 0.5 | 0.5 | - | 75.9 | 0.5 | 65.4 | 65.9 |
| Partners of the Alliance | - | - | 0.1 | - | - | - | - | 0.1 | - | * | * |
| IAPSP | - | - | - | -0.2 | 0.2 | 0.2 | - | 1.2 | 0.2 | 0.2 | 0.4 |
| Social Progress Trust Fund | - | - | - | - | - | - | - | 71.9 | - | 84.5 | 84.5 |
| Subtotal Alliance for Progress | 336.5 | 350.3 | 355.2 | 304.8 | 50.4 | 50.4 | - | 460.4 | 50.4 | 1,204.8 | 1,254.2 |
| Contingency Fund: | | | | | | | | | | | |
| General | 5.0 | 6.8 | 24.2 | 7.3 | 16.9 | 16.9 | - | 24.9 | 16.9 | 34.7 | 51.5 |
| Southeast Asia Program | - | - | 2.7 | 2.5 | 0.2 | 0.2 | - | 3.3 | 0.2 | 13.1 | 13.3 |
| Other | 719.1 | 781.9 | 861.7 | 820.7 | 61.0 | 61.0 | - | 1,000.3 | 61.0 | 989.5 | 1,090.5 |
| Total Economic Assistance | 1,360.6 | 1,821.4 | 1,845.7 | 1,487.7 | 165.8 | 130.8 | -35.0 | 2,100.1 | 130.8 | 3,594.3 | 3,784.1 |
| Total 1969 | 2,051.6 | 2,498.6 | 2,326.7 | 2,101.5 | 277.0 | 135.9 | -91.3 | 2,946.1 | 130.9 | 5,196.1 | 5,294.1 |
| 1970 | | | | | | | | | | | |
| Military Assistance: | | | | | | | | | | | |
| Grant Assistance | 350.3 | 355.7 | 360.8 | 357.2 | 3.6 | 3.6 | - | 592.8 | 3.6 | 543.4 | 547.0 |
| Foreign Military Credit Sales | 70.0 | 67.7 | 67.7 | 67.1 | .6 | - | -0.6 | 253.3 | - | 617.6 | 617.6 |
| Total Military Assistance | 420.3 | 423.4 | 428.5 | 424.3 | 4.2 | 3.6 | -0.6 | 806.1 | 3.6 | 1,161.0 | 1,164.6 |
| Economic Assistance: | | | | | | | | | | | |
| Development Loans | 300.0 | 432.4 | 438.5 | 438.3 | .2 | .2 | - | 569.5 | .2 | 1,223.2 | 1,223.4 |
| Alliance for Progress: | | | | | | | | | | | |
| Loans | 255.0 | 251.7 | 301.4 | 300.4 | 1.0 | 1.0 | - | 312.1 | 1.0 | 1,042.0 | 1,043.0 |
| Technical Cooperation | 81.5 | 81.9 | 82.4 | 81.6 | .8 | .8 | - | 77.4 | .8 | 69.6 | 70.4 |
| IAPSP | - | - | .2 | .2 | - | - | - | -1.1 | - | .4 | .4 |
| Social Progress Trust Fund | - | - | - | - | - | - | - | 26.5 | - | 28.0 | 28.0 |
| Subtotal Alliance for Progress | 336.5 | 333.6 | 384.0 | 382.2 | 1.8 | 1.8 | - | 415.9 | 1.8 | 1,140.0 | 1,141.8 |
| Contingency Fund: | | | | | | | | | | | |
| General | 12.5 | 5.7 | 22.6 | 19.6 | 3.0 | 3.0 | - | 28.6 | 3.0 | 25.7 | 28.7 |
| Southeast Asia | - | .2 | - | -3 | .5 | .5 | - | 4.4 | .5 | 8.4 | 8.9 |
| Other | 778.9 | 840.7 | 901.8 | 878.9 | 22.9 | 22.9 | - | 858.9 | 22.9 | 1,009.3 | 1,032.2 |
| Total Economic Assistance | 1,424.9 | 1,612.4 | 1,747.1 | 1,718.7 | 28.4 | 28.4 | - | 1,907.3 | 28.4 | 3,406.6 | 3,435.0 |
| Total 1970 | 1,845.2 | 2,035.8 | 2,175.6 | 2,143.0 | 32.6 | 32.0 | -0.6 | 2,713.4 | 32.0 | 4,597.6 | 4,619.6 |
| 1948-1970 Cumulative | | | | | | | | | | | |
| Military Assistance | 38,886.0 | 38,374.3 | 37,661.3 | 37,657.7 | N.A. | 3.6 | -733.0 | 16,476.7 | 3.6 | 1,181.0 | 1,184.6 |
| Economic Assistance: | | | | | | | | | | | |
| Development Loans | 7,701.7 | 7,999.2 | 7,792.0 | 7,781.8 | - | .2 | -217.2 | 6,558.6 | .2 | 1,223.2 | 1,223.4 |
| Alliance for Progress: | | | | | | | | | | | |
| Loans | 2,979.4 | 3,221.6 | 3,221.6 | 3,220.7 | - | 1.0 | - | 2,178.6 | 1.0 | 1,042.0 | 1,043.0 |
| Technical Cooperation | 670.4 | 664.2 | 664.2 | 663.5 | - | .8 | - | 593.8 | .8 | 69.6 | 70.4 |
| Partners of the Alliance | 0.3 | 0.3 | 0.3 | 0.3 | - | - | - | 0.3 | - | - | - |
| IAPSP | 110.0 | 110.0 | 110.0 | 110.0 | - | - | - | 109.5 | - | .5 | .5 |
| Chilean Reconstruction | 100.0 | 100.0 | 100.0 | 100.0 | - | - | - | 100.0 | - | - | - |
| Social Progress Trust Fund | 525.0 | 525.0 | 525.0 | 525.0 | - | - | - | 497.0 | - | 28.0 | 28.0 |
| Subtotal Alliance for Progress | 4,385.1 | 4,621.1 | 4,621.1 | 4,619.5 | - | 1.8 | - | 3,479.2 | 1.8 | 1,140.0 | 1,141.8 |
| Contingency Fund: | | | | | | | | | | | |
| General | 1,446.7 | 1,340.5 | 1,340.5 | 1,337.4 | - | 3.0 | - | 1,311.8 | 3.0 | 25.7 | 28.7 |
| Southeast Asia | 89.0 | 89.0 | 89.0 | 88.5 | - | .5 | - | 80.2 | .5 | 8.4 | 8.9 |
| Other | 34,708.0 | 36,039.8 | 35,827.6 | 35,804.7 | - | 22.9 | -212.2 | 34,795.2 | 22.9 | 1,009.3 | 1,032.2 |
| Adjusted for Prior Year Capitalized Interest | - | 29.2 | 29.2 | - | - | - | - | 29.2 | - | - | - |
| Total Economic Assistance | 48,330.5 | 50,114.9 | 49,694.4 | 49,661.1 | N.A. | 28.4 | -429.4 | 46,254.2 | 28.4 | 3,406.6 | 3,435.0 |
| Total 1948-1970 | 87,216.5 | 88,493.1 | 87,355.7 | 87,318.8 | N.A. | 32.0 | -1,142.4 | 62,730.9 | 32.0 | 4,597.6 | 4,619.6 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

SUMMARY OF AVAILABILITY, OBLIGATIONS, EXPENDITURES, AND BALANCES FOR BUDGETED PROGRAMS

(In millions of dollars)

| | Appropriated by Congress (1) | Appropriations Adjusted for Transfer and Other Receipts (2) | Total Available for Obligations and Reservations (3) | Net Obligations and Reservations (4) | Unobligated/Unreserved Balance | | | Unexpended Balance Carried Forward to Subsequent Year | | | |
|---|------------------------------|---|--|--------------------------------------|--------------------------------|--|-------------------------------------|---|-----------------|-------------------|-----------------|
| | | | | | Total (5) | Carried Forward to Subsequent Year (6) | Reserved for Return to Treasury (7) | Gross Expenditures (8) | Unobligated (9) | Unliquidated (10) | Unexpended (11) |
| 1971 Estimate Congressional Presentation | | | | | | | | | | | |
| Military Assistance: | | | | | | | | | | | |
| Grant Assistance | 690.0 | 754.0 | 757.7 | 753.7 | 4.0 | 4.0 | - | 640.0 | 4.0 | 657.1 | 661.1 |
| Foreign Military Credit Sales | 700.0 | 700.0 | 700.0 | 700.0 | - | - | - | 699.0 | - | 698.6 | 698.6 |
| Total Military Assistance | 1,390.0 | 1,454.0 | 1,457.7 | 1,453.7 | 4.0 | 4.0 | - | 1,279.0 | 4.0 | 1,355.7 | 1,359.7 |
| Economic Assistance: | | | | | | | | | | | |
| Development Loans | 420.0 | 557.7 | 558.9 | 558.9 | - | - | - | 575.0 | - | 1,207.1 | 1,207.1 |
| Alliance for Progress: | | | | | | | | | | | |
| Loans | 287.5 | 267.5 | 267.6 | 267.6 | - | - | - | 305.0 | - | 1,004.6 | 1,004.6 |
| Technical Cooperation | 82.9 | 83.1 | 83.9 | 83.9 | - | - | - | 90.0 | - | 63.5 | 63.5 |
| IAPSP | - | - | - | - | - | - | - | .5 | - | - | - |
| Social Progress Trust Fund | - | - | - | - | - | - | - | 15.0 | - | 13.0 | 13.0 |
| Subtotal Alliance for Progress | 370.4 | 350.6 | 351.5 | 351.5 | - | - | - | 410.5 | - | 1,081.1 | 1,081.1 |
| Contingency Fund: | | | | | | | | | | | |
| General | 22.5 | 22.5 | 26.1 | 26.1 | - | - | - | 14.5 | - | 37.3 | 37.3 |
| Southeast Asia | - | - | - | - | - | - | - | 5.4 | - | 3.0 | 3.0 |
| Other | 921.1 | 935.4 | 959.1 | 959.1 | - | - | - | 895.1 | - | 1,073.3 | 1,073.3 |
| Total Economic Assistance | 1,734.0 | 1,866.2 | 1,825.6 | 1,825.6 | - | - | - | 1,900.5 | - | 3,401.8 | 3,401.8 |
| Total 1971 | 3,124.0 | 3,320.2 | 3,333.3 | 3,349.3 | 4.0 | 4.0 | - | 3,179.5 | 4.0 | 4,757.5 | 4,761.5 |
| 1948-1971 Cumulative | | | | | | | | | | | |
| Military Assistance: | | | | | | | | | | | |
| | 40,276.0 | 39,828.3 | 39,115.3 | 39,111.4 | N.A. | 4.0 | -713.0 | 37,755.7 | 4.0 | 1,355.7 | 1,359.7 |
| Economic Assistance: | | | | | | | | | | | |
| Development Loans | 8,121.7 | 8,557.0 | 8,339.7 | 8,339.7 | - | - | -217.2 | 7,133.6 | - | 1,207.1 | 1,207.1 |
| Alliance for Progress: | | | | | | | | | | | |
| Loans | 3,266.9 | 3,489.1 | 3,489.1 | 3,489.1 | - | - | - | 2,483.6 | - | 1,004.6 | 1,004.6 |
| Technical Cooperation | 753.3 | 747.3 | 747.3 | 747.3 | - | - | - | 683.8 | - | 63.5 | 63.5 |
| Partners for the Alliance | 0.3 | 0.3 | 0.3 | 0.3 | - | - | - | 0.3 | - | - | - |
| IAPSP | 110.0 | 110.0 | 110.0 | 110.0 | - | - | - | 110.0 | - | - | - |
| Chilean Reconstruction | 100.0 | 100.0 | 100.0 | 100.0 | - | - | - | 100.0 | - | - | - |
| Social Progress Trust Fund | 525.0 | 525.0 | 525.0 | 525.0 | - | - | - | 525.0 | - | 13.0 | 13.0 |
| Subtotal Alliance for Progress | 4,755.5 | 4,971.7 | 4,971.7 | 4,971.7 | - | - | - | 3,889.7 | - | 1,081.1 | 1,081.1 |
| Contingency Fund: | | | | | | | | | | | |
| General | 1,469.2 | 1,363.0 | 1,363.0 | 1,363.0 | - | - | - | 1,326.3 | - | 37.3 | 37.3 |
| Southeast Asia | 89.0 | 89.0 | 89.0 | 89.0 | - | - | - | 89.7 | - | 3.0 | 3.0 |
| Other | 35,629.1 | 36,975.2 | 36,763.0 | 36,763.0 | - | - | -212.2 | 35,690.3 | - | 1,073.3 | 1,073.3 |
| Adjusted for Prior Year Capitalized Interest | - | 29.2 | 29.2 | 29.2 | - | - | - | 29.2 | - | - | - |
| Total Economic Assistance | 20,064.4 | 21,285.1 | 21,255.6 | 21,255.6 | N.A. | - | -429.4 | 48,154.8 | - | 3,401.8 | 3,401.8 |
| Total 1948-1971 | 90,340.5 | 91,813.4 | 90,870.9 | 90,867.0 | N.A. | 4.0 | -1,142.4 | 85,910.5 | 4.0 | 4,757.5 | 4,761.5 |

Detail may not add to totals due to rounding.

NOTE: The Foreign Assistance Program, as reflected in this schedule, includes the Mutual Security Program and selected antecedent programs and excludes others. For the most part, major foreign aid programs authorized since 1948, exclusive of GAROLA and Korean Civilian Relief and Rehabilitation funds, are included in this schedule. The general "guideline" for including or excluding funds originally appeared in the "Mutual Security Act of 1951" in the form of language bringing forward unexpended balances from certain antecedent programs.

NA--Not applicable.

*Less than \$50,000.

- a/ Obligations reflected in this report are on a net basis and represent commitments made against current year appropriations and unobligated balance continued available, plus reobligations of deobligated prior year funds, minus deobligations. For loan funds, amounts used represent loan commitments rather than actual loan obligations. For Military Assistance, amounts include credit sales.
- b/ "Reservations" represent funds earmarked and set aside in the military assistance account to reimburse the regular military services for procurement of equipment to be used in the MAP program.
- c/ Includes \$200 million transfer from funds available to the Department of Defense as provided in P.L. 83-207, dated August 7, 1953.
- d/ Includes program formerly called Direct Forces Support (the unexpended balance of "Direct Forces Support, Executive, 1956" was transferred to "Military Assistance, Executive, 1957.") "Common-use" remains a separate account but is included under the functional heading of "Military Assistance."
- e/ As a Government Corporation, Development Loan Fund availability included not only cash receipts but also accrued interest not yet collected. For this table only dollar fund activity is included.
- f/ Excludes \$27.1 million unobligated balance and \$0.7 million unliquidated balance transferred to the Investment Guaranty Program.
- g/ Includes obligational authority granted in advance of receipts (collections) FY 1963--\$32.9 million.
- h/ Includes \$4.4 million loan reservations.
- i/ Includes obligational authority granted in advance of receipts (collections) FY 1964--\$62.0 million.
- j/ Represents loan receipts not available for programming in FY 1964 and FY 1965, but held in account pending reappropriation. P.L. 89-273 appropriated them for use in FY 1966.
- k/ Reflects the net of the appropriation of \$50 million and reimbursements of \$2.5 million offset by the transfer of \$75 million to Military Assistance and \$1.6 million to American Schools and Hospitals Abroad. The \$127.1 million in unobligated balances as of 6/30/63 continued available provided sufficient funds for the transfer. (See footnote l/).
- l/ Since prior year unobligated balances carried forward are not included in this column this results in a negative balance for this line but permits the reflection of the proper total for 1964 and the cumulative total thru 6/30/64.
- m/ Reflects the net of the appropriation of \$50 million, reimbursements of \$2.5 million and unobligated carryover of \$127.1 million offset by the transfer of \$75 million to Military Assistance and \$1.6 million to American Schools and Hospitals Abroad.
- n/ Includes obligational authority granted in advance of receipts (collections) of \$25.9 million.
- o/ Excludes \$0.8 million expenditures for capitalized interest which should have been included in FY 1967 but which were erroneously included in 6/30/67 unliquidated balance.
- p/ Transfer out of Military Assistance to Department of Defense appropriations as follows: \$148.5 million for Infrastructure and \$112.5 million for Laos and Thailand.

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

SPECIAL REVOLVING FUNDS

FOREIGN INVESTMENT GUARANTEE FUND

PART III

Status of Fund Availability - Fiscal Years 1948 Through 1971

| | Fiscal Year Transactions | Net Fiscal Year Availability | Net Cumulative Availability |
|---|-----------------------------|------------------------------------|-----------------------------------|
| Master Account: <u>"Economic Cooperation Act of 1948 (P.L. 80-472)"</u> | | | |
| <u>Fiscal Year 1948</u> | | | |
| Public debt authority under P.L. 80-472, dated 4/3/48, Section III(b)(3) - III(c)(2) | \$300,000,000 | \$300,000,000 | \$300,000,000 |
| <u>Fiscal Year 1949</u> | | | |
| P.L. 81-47, dated 4/19/49, Section 6(b)(6) amended P.L. 80-472 by decreasing public debt authority for investment guarantees from \$300,000,000 to \$150,000,000. | -150,000,000 | | |
| Current year fees: | | | |
| In | | | |
| Informational media guarantees (Net). | 423 | | |
| Industrial guarantees | 16,763 | -149,982,814 | 150,017,186 |
| <u>Fiscal Year 1950</u> | | | |
| P.L. 81-535, dated 6/5/50, Section 103(e) amended P.L. 80-472, as amended, by increasing public debt authority from \$150,000,000 to \$200,000,000. | 50,000,000 | | |
| Current year fees: | | | |
| Informational media guarantees. | 24,436 | | |
| Industrial guarantees | 172,609 | 50,197,045 | 200,214,231 |
| <u>Fiscal Year 1951</u> | | | |
| Current year fees: | | | |
| Informational media guarantees. | 81,375 | | |
| Industrial guarantees | 205,663 | 287,038 | 200,501,269 |
| <u>Fiscal Year 1952</u> | | | |
| Current year fees: | | | |
| Informational media guarantees. | 93,451 | | |
| Industrial guarantees | 227,584 | 321,035 | 200,822,304 |
| <u>Fiscal Year 1953</u> | | | |
| Current year fees: | | | |
| Informational media guarantees. | 75,527 | | |
| Industrial guarantees | 216,680 | 292,207 | 201,114,511 |
| <u>Fiscal Year 1954</u> | | | |
| Current year fees: | | | |
| Informational media guarantees. | 61,674 | | |
| Industrial guarantees | 205,662 | 267,336 | 201,381,847 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS
SPECIAL REVOLVING FUNDS
FOREIGN INVESTMENT GUARANTEE FUND
Status of Fund Availability - Fiscal Years 1948 Through 1971

PART III

| | Fiscal Year Transactions | Net Fiscal Year Availability | Net Cumulative Availability |
|---|-----------------------------|------------------------------------|-----------------------------------|
| <u>Fiscal Year 1955</u> | | | |
| Current year fees: | | | |
| Informational media guarantees | \$ 76,946 | | |
| Industrial guarantees | 235,687 | \$ 312,633 | \$201,694,480 |
| <u>Fiscal Year 1956</u> | | | |
| Transfer of informational media guarantees and related public debt authority to USIA, pursuant to P.L. 84-726, dated 7/18/56 (70 Stat. 556) | -38,428,479 | | |
| Transfer of accumulated informational media guarantee fees as of 6/30/56 to USIA, pursuant to P.L. 84-726, dated 7/18/56 (70 Stat. 556) | -530,712 | | |
| Increase in public debt authority (industrial guarantees), pursuant to P.L. 84-726, dated 7/18/56 (70 Stat. 556) | 37,500,000 | | |
| Current year fees: | | | |
| Informational media guarantees | 116,880 | | |
| Industrial guarantees | 330,873 | -1,011,438 | 200,683,042 |
| <u>Fiscal Year 1957</u> | | | |
| Current year fees | 416,515 | 416,515 | 201,099,557 |
| <u>Fiscal Year 1958</u> | | | |
| Current year fees | 654,482 | 654,482 | 201,754,039 |
| <u>Fiscal Year 1959</u> | | | |
| Current year fees | 1,367,334 | 1,367,334 | 203,121,373 |
| <u>Fiscal Year 1960</u> | | | |
| Current year fees | 1,356,227 | 1,356,227 | 204,477,600 |
| <u>Fiscal Year 1961</u> | | | |
| Current year fees | 1,672,830 | 1,672,830 | 206,150,430 |
| <u>Fiscal Year 1962</u> | | | |
| Cash transferred from "Development Loan Fund (Liquidation Account)," pursuant to Public Law 87-195, dated 9/4/61 (75 Stat. 431) | 27,747,864 | | |
| Prior year fees transferred from "Development Loan Fund (Liquidation Account)," pursuant to Public Law 87-195, dated 9/4/61 (75 Stat. 431) | 108,469 | | |
| Current year fees transferred from "Development Loan Fund (Liquidation Account)," pursuant to Public Law 87-195, dated 9/4/61 (75 Stat. 431) | 5,663 | | |
| Proceeds from sale of foreign government assets | 2,298,860 | | |
| Disbursements (Payments) | -659,922 | 29,509,032 | 235,659,462 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

SPECIAL REVOLVING FUND

FOREIGN INVESTMENT GUARANTEE FUND

PART III

Status of Fund Availability - Fiscal Years 1948 Through 1971

| | Fiscal Year Transactions | Net Fiscal Year Availability | Net Cumulative Availability |
|---|-----------------------------|------------------------------------|-----------------------------------|
| <u>Fiscal Year 1963</u> | | | |
| New obligational authority - appropriation | \$ 30,000,000 | | |
| Current year fees | 2,926,017 | | |
| Disbursements (Acquisition of local currency as collateral) | -7,627 | | |
| Sale of acquired collateral | 8,063 | \$32,926,453 | \$268,585,915 |
| <u>Fiscal Year 1964</u> | | | |
| Current year fees | 4,674,441 | | |
| Disbursements (Acquisition of local currency as collateral) | -51,459 | | |
| Sale of acquired collateral | 54,360 | 4,677,342 | 273,263,257 |
| <u>Fiscal Year 1965</u> | | | |
| Current year fees | 7,855,326 | | |
| Disbursements (Acquisition of local currency as collateral) | -8,167 | | |
| Sale of acquired collateral | 10,316 | 7,857,475 | 281,120,732 |
| <u>Fiscal Year 1966</u> | | | |
| Current year fees | 10,179,534 | | |
| Disbursements: | | | |
| Operating expenses | -1,043 | | |
| Acquisition of acquired security as collateral | -190,650 | | |
| Sale of acquired collateral | 8,467 | 9,996,308 | 291,117,040 |
| <u>Fiscal Year 1967</u> | | | |
| Current year fees | 10,572,841 | | |
| Sale of acquired security | 201,795 | | |
| Disbursements: | | | |
| Guarantee claim payments | -59,903 | | |
| Claims investigations | -38,718 | | |
| Acquisition cost of acquired security or collateral | -6,465 | | |
| Adjustments in prior year income: | | | |
| Fees received in prior fiscal year applicable to FY 1967 | -3,673,704 | | |
| Fee income overslated in FY 1966 | -1,040,319 | 5,955,527 | 297,072,567 |
| <u>Fiscal Year 1968</u> | | | |
| Current year fees | 12,955,087 | | |
| Income from other Agencies | 40,165 | | |
| Disbursements: | | | |
| Administrative costs and contract services | -1,090,346 | | |
| Guarantee claims payments | -438,464 | | |
| Acquisition costs of acquired security or collateral | -185,000 | | |
| Borrowing authority rescinded by Act of 90th Congress | -199,071,521 | -187,790,079 | 109,282,488 |
| <u>Fiscal Year 1969</u> | | | |
| Current year fees | 18,732,720 | | |
| Sale of acquired security | 15,842 | | |
| Disbursements: | | | |
| Administrative costs and contract services | -1,937,668 | | |
| Acquisition costs of acquired security or collateral | -10,214,415 | | |
| Interest expense | -7,800 | 6,588,679 | 115,871,167 |

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

PART III

SPECIAL REVOLVING FUND

FOREIGN INVESTMENT GUARANTEE FUND

Status of Fund Availability - Fiscal Years 1948 through 1971

| | Fiscal Year Transactions | Net Fiscal Year Availability | Net Cumulative Availability |
|---|-----------------------------|------------------------------------|-----------------------------------|
| <u>Fiscal Year 1970</u> | | | |
| Current year fees (OPIC and Housing combined) | \$24,049,693 | | |
| Sale of acquired security | 22,950 | | |
| Disbursements: | | | |
| Administrative costs and contract services (OPIC and Housing combined) | - 3,022,407 | | |
| Acquisition costs of acquired security or collateral. | - 5,740,358 | | |
| Unobligated balance transferred to Overseas Private Investment Corporation (OPIC) | -30,099,208 | -14,789,330 | 101,081,837 |
| Overseas Private Investment Corporation (OPIC) ^{a/} | | | (50,983,858) |
| Housing Investment Guaranty Fund. | | | (50,097,979) |
| <u>Fiscal Year 1971</u> | | | |
| Current year fees (Housing only) | 2,100,000 | | |
| Disbursements - administrative costs and contract services (Housing only) | - 1,900,000 | | |
| Unobligated balance transferred to OPIC ^{a/} | -50,792,858 | | |
| Undisbursed obligations transferred to OPIC ^{a/} | - 191,000 | -50,783,858 | 50,297,979 |

^{a/} Under authority of the Foreign Assistance Act of 1969 enacted into law December 30, 1969, 1) the housing programs are to remain in the Foreign Investment Guaranty Fund, and 2) all obligations, assets, related rights and responsibilities for administering the nonhousing programs are to be transferred to the Overseas Private Investment Corporation (OPIC). The Act provides that as of the date of its enactment \$50 million in accumulated fees are to remain in the Foreign Investment Guaranty Fund (to be called "Housing Investment Guaranty Fund") as a reserve to discharge liabilities of the housing programs. Until OPIC can be organized and staffed, A.I.D. must continue to do the accounting for both the housing and non-housing programs. It is estimated that in fiscal year 1971 all assets and obligations of the nonhousing programs will be transferred to OPIC.

ACQUISITION AND UTILIZATION OF U.S. GOVERNMENT-OWNED EXCESS PERSONEL PROPERTY

Policy: Pursuant to the Foreign Assistance Act of 1961, as amended, it has been the policy to promote the optimum utilization of U.S. Government-owned domestic and foreign excess personal property in the implementation of programs and projects. Three major programs have been established for the acquisition of available domestic and foreign excess property to meet material requirements.

Advance Acquisition Program: The Foreign Assistance Act of 1961, as amended, authorizes a revolving fund of \$5,000,000 to administer this program. This fund defrays personnel costs and the expenses incurred in transporting excess property acquired in advance of known requirements from owning agencies to storage facilities and in rehabilitating and storing such property. As reimbursement of the revolving fund to maintain its solvency, all property shipped presently carries service charge of (a) 25% of the standard price of the property for rehabilitated mechanical equipment items and (b) 6% of the standard price of the property for unrehabilitated mechanical equipment items and for items not of a mechanical nature. Additional charges, covering packing and crating, inland transportation, port handling, and ocean transportation costs, will vary depending on the location of property (domestic or overseas).

Direct Acquisition Program: Under this program, Missions acquire foreign excess property directly from owning agencies on an "as is - where is" basis. The Mission defrays the actual cost of any accessorial service which may be furnished in connection with the transfer of the property to its point of use.

Non-Government-Financed Program: Under this program, eligible recipients normally acquire excess property directly from owning agencies on an "as is - where is" basis. Except for ocean transportation cost of excess property acquired by the American National Red Cross or voluntary nonprofit relief agencies registered with and approved by the Advisory Committee on Voluntary Foreign Aid, the recipient defrays from its own free U.S. dollar resources the actual cost of any accessorial service which may be furnished in connection with the transfer of the property to its point of use. However, such recipients are eligible to participate in the foreign excess property Advance Acquisition Program.

UTILIZATION OF U.S. GOVERNMENT-OWNED EXCESS PERSONAL PROPERTY
(Original Acquisition Cost in Millions of Dollars)

| Program | ACTUAL FY 1970 | | | ESTIMATED FY 1971 | | | ESTIMATED FY 1972 | | |
|--|-------------------|---------|-------|----------------------|---------|-------|----------------------|---------|-------|
| | DOMESTIC | FOREIGN | TOTAL | DOMESTIC | FOREIGN | TOTAL | DOMESTIC | FOREIGN | TOTAL |
| ADVANCE ACQUISITION (Section 608) | 2.2 | 5.3 | 7.5 | 3.2 | 3.3 | 6.5 | 6.0 | 4.0 | 10.0 |
| DIRECT ACQUISITION | - | 21.6 | 21.6 | * | * | * | * | * | * |
| NON-GOVERNMENT-FINANCED (Section 607) | 0.3 | 3.5 | 3.8 | * | * | * | * | * | * |
| TOTAL | 2.5 | 30.4 | 32.9 | * | * | * | * | * | * |

* Not Applicable

ECONOMIC AND MILITARY ASSISTANCE PROGRAMS

Special Revolving Funds

ADVANCE ACQUISITION OF PROPERTY

(In millions of dollars)

| | Appropriated by Congress (1) | Appropriations Adjusted for Transfers and Other Receipts (2) | Total Available for Obligation and Reservation (3) | Net Obligations and Reservations (4) | Unobligated/Unreserved Balance | | | Gross Expenditures (8) | Unexpended Balance Carried Forward to Subsequent Year | | |
|----------------------|---------------------------------|---|---|---|--------------------------------|---|--|---------------------------|---|----------------------|--------------------------|
| | | | | | Total (5) | Carried Forward to Subsequent Year (6) | Returned or Reserved for Return to Treasury (7) | | Unobligated (9) | Unliquidated (10) | Total Unexpended (11) |
| | | | | | | | | | | | |
| 1962 | - | 5.0 | 5.0 | - | 5.0 | 5.0 | - | - | 5.0 | - | 5.0 |
| 1963 | - | 0.1 | 5.1 | 1.4 | 3.7 | 3.7 | - | 0.9 | 3.7 | 0.6 | 4.3 |
| 1964 | - | 1.4 | 5.1 | 2.1 | 3.0 | 3.0 | - | 1.9 | 3.0 | 0.8 | 3.8 |
| 1965 | - | 2.8 | 5.8 | 2.0 | 3.8 | 3.8 | - | 1.6 | 3.8 | 1.2 | 5.0 |
| 1966 | - | 5.4 | 9.2 | 5.0 | 4.2 | 4.2 | - | 3.4 | 4.2 | 2.8 | 7.0 |
| 1967 | - | 7.0 | 11.2 | 7.2 | 4.0 | 4.0 | - | 6.7 | 4.0 | 3.3 | 7.3 |
| 1968 | - | 4.8 | 8.8 | 4.1 | 4.7 | 4.7 | - | 5.3 | 4.7 | 2.1 | 6.8 |
| 1969 | - | 3.7 | 8.4 | 3.2 | 5.3 | 5.3 | - | 3.6 | 5.3 | 1.6 | 6.9 |
| 1970 | - | 1.9 | 7.2 | 1.7 | 5.5 | 5.5 | - | 2.0 | 5.5 | 1.3 | 6.8 |
| 1962-1970 Cumulative | - | 32.1 | 32.1 | 26.7 | 5.5 | 5.5 | - | 25.4 | 5.5 | 1.3 | 6.8 |
| 1971 (estimate) | - | 4.1 | 9.6 | 4.1 | 5.5 | 5.5 | - | 4.3 | 5.5 | 1.0 | 6.5 |
| 1962-1971 Cumulative | - | 36.2 | 36.2 | 30.8 | 5.5 | 5.5 | - | 29.7 | 5.5 | 1.0 | 6.5 |

SEC. 634(d) REPORT

REPORT ON SUBSTANTIAL CHANGES IN THE FY 1971 PRESENTATION TO THE CONGRESS

A comparison of the current year programs and activities with those presented to Congress is included in this Presentation pursuant to Section 634(d) of the Foreign Assistance Act of 1961, as amended by P.L. 87-565, Section 302(f)(2), Foreign Assistance Act of 1962.

The applicable portion of Section 634(d) provides:

"There shall also be included in the presentation material submitted to the Congress during its consideration of amendments to this Act, or of any Act appropriating funds pursuant to authorizations contained in this Act, a comparison of the current fiscal year programs and activities with those presented to the Congress in the previous year and an explanation of any substantial changes."

The guidelines used by the Agency for determining "substantial" changes are as follows:

1. 50% or \$5 million more or less than the amount shown in the FY 1971 Presentation (Footnote b/ on tables).
2. Grant or loan programs for which no justifications were presented to Congress (Footnote c/ on tables).

Comparison of FY 1971 Economic Programs as Presented to Congress
with Revised FY 1971 Programs in the FY 1972 Presentation

(In thousands of dollars)

| | Development Loans | | Technical Assistance | | Supporting Asst. | | Contingency Fund | | Other Programs | | Grand Total | |
|--|-------------------|---------|----------------------|---------|------------------|---------|------------------|---------|----------------|---------|-------------|-----------|
| | Proposed | Revised | Proposed | Revised | Proposed | Revised | Proposed | Revised | Proposed | Revised | Proposed | Revised |
| WORLD-WIDE TOTALS | 1,140,265 | 857,301 | 417,250 | 380,434 | 609,280 | 580,437 | 17,000 | 27,300 | 85,280 | 91,640 | 2,269,075 | 1,937,112 |
| Latin America | 449,120 | 290,611 | 96,100 | 87,292 | 1,780 | 2,846 | - | - | - | - | 547,000 | 380,749 |
| Africa | 84,045 | 88,424 | 69,013 | 58,268 | 8,300 | 17,700 | - | - | - | - | 161,358 | 164,392 |
| Near East and South Asia | 444,682 | 327,421 | 33,625 | 31,140 | - | 5,000 | - | - | - | - | 478,307 | 363,561 |
| East Asia | 115,825 | 122,060 | 40,695 | 37,391 | 131,600 | 124,216 | - | 1,500 | - | - | 288,120 | 285,167 |
| Vietnam (Administrative expenses included above) | - | - | - | - | 431,300 | 396,075 | - | - | - | - | 431,300 | 396,075 |
| | | | | | (5,800) | (3,600) | | | | | (5,800) | (3,600) |
| Subtotal Regions and Vietnam | 1,093,672 | 828,516 | 239,433 | 214,091 | 572,980 | 545,837 | - | 1,500 | - | - | 1,906,085 | 1,589,944 |
| Interregional Organizations and Programs | 4,000 | 4,000 | 122,620 | 110,888 | 19,300 | 19,300 | - | - | 14,810 | 12,905 | 160,730 | 147,093 |
| Non-Regional Activities | 35,295 | 30,415 | 70,410 | 62,747 | 24,500 | 21,775 | - | 11,886 | 70,470 | 78,735 | 200,675 | 205,558 |
| Funded from Alliance for Progress for Program Support and Interregional Activities | -9,520 | -30,015 | -15,213 | -7,292 | - | - | - | - | - | - | -24,733 | -37,307 |
| Funded from Vietnam for Program Support and Interregional Activities | - | - | - | - | -7,500 | -6,475 | - | - | - | - | -7,500 | -6,475 |
| Undistributed Contingency Fund | - | - | - | - | - | - | 17,000 | 13,914 | - | - | 17,000 | 13,914 |
| Undistributed ^{a/} | 16,818 | 24,385 | - | - | - | - | - | - | - | - | 16,818 | 24,385 |

^{a/} Includes population.

ECONOMIC ASSISTANCE

Comparison of FY 1971 Economic Programs as Presented to Congress with Revised FY 1971 Programs

in the FY 1972 Presentation

SEC. 634(d) REPORT

(In thousands of dollars)

| | Development Loans | | | Technical Assistance | | | Supporting Assistance | | | Contingency Fund | | |
|--|---------------------|--------------------|-------------|----------------------|--------------------|-------------|-----------------------|--------------------|-------------|---------------------|--------------------|-------------|
| | Proposed FY 1971 | Revised FY 1971 | % Change | Proposed FY 1971 | Revised FY 1971 | % Change | Proposed FY 1971 | Revised FY 1971 | % Change | Proposed FY 1971 | Revised FY 1971 | % Change |
| LATIN AMERICA - TOTAL | 449,120 | 290,611 | | 96,100 | 87,292 | | 1,780 | 2,846 | | - | - | |
| Inter-American Organizations | 10,000 | - | b/ | 13,000 | 13,000 | | - | - | | - | - | |
| Regional Programs | 22,672 | 8,242 | -64b/ | 10,668 | 13,055 | +22 | - | - | | - | - | |
| Argentina | - | - | | 408 | 509 | +25 | - | - | | - | - | |
| Bolivia | 255 | 335 | +31 | 3,443 | 3,250 | -6 | - | - | | - | - | |
| Brazil | 155,000 | 57,500 | -63b/ | 12,711 | 11,200 | -12 | - | - | | - | - | |
| Central American Economic Community: | | | | | | | | | | | | |
| Regional Office of Central America and Panama (ROCAP) | 40,265 | 6,265 | -84b/ | 3,420 | 3,400 | -1 | - | - | | - | - | |
| Costa Rica | 11,443 | 4,588 | -60b/ | 1,550 | 1,592 | +3 | - | - | | - | - | |
| El Salvador | 7,824 | 9,939 | +27 | 2,176 | 2,025 | -7 | - | - | | - | - | |
| Guatemala | 6,549 | 10,977 | +66b/ | 3,651 | 3,450 | -6 | - | 59 | c/ | - | - | |
| Honduras | 9,523 | 2,523 | -74b/ | 3,600 | 2,725 | -24 | - | - | | - | - | |
| Nicaragua | 9,830 | 5,400 | -45 | 2,170 | 2,200 | +1 | - | - | | - | - | |
| Chile | 20,690 | 78 | -99b/ | 2,230 | 1,650 | -26 | - | - | | - | - | |
| Colombia | 75,200 | 76,188 | +1 | 2,795 | 2,750 | -2 | - | - | | - | - | |
| Dominican Republic | 17,091 | 9,000 | -47b/ | 2,905 | 2,572 | -11 | - | - | | - | - | |
| Ecuador | 7,154 | 11,272 | +58b/ | 2,846 | 3,050 | +7 | - | - | | - | - | |
| Guyana | 8,500 | 6,000 | -29 | 1,600 | 1,250 | -22 | - | - | | - | - | |
| Haiti | - | - | | - | - | | 1,780 | 2,787 | +57b/ | - | - | |
| Jamaica | 300 | 11,610 | +3770b/ | 430 | 450 | +5 | - | - | | - | - | |
| Panama | 15,241 | 16,600 | +9 | 3,059 | 3,450 | +13 | - | - | | - | - | |
| Paraguay | 7,355 | 2,471 | -66b/ | 2,315 | 2,270 | -2 | - | - | | - | - | |
| Peru | 300 | 3,360 | +1020b/ | 3,400 | 3,650 | +7 | - | - | | - | - | |
| Uruguay | 5,800 | 18,223 | +214b/ | 1,639 | 1,792 | +9 | - | - | | - | - | |
| Venezuela | 129 | 25 | -81b/ | 521 | 700 | +34 | - | - | | - | - | |
| Eastern Caribbean Regional Programs | - | - | | 350 | 10 | -97b/ | - | - | | - | - | |
| Program Support and Interregional Activities | 9,520 | 30,015 | | 15,213 | 7,292 | | - | - | | - | - | |
| Undistributed Population Grants | 8,479 | - | | - | - | | - | - | | - | - | |

ECONOMIC ASSISTANCE

Comparison of FY 1971 Economic Programs as Presented to Congress with Revised FY 1971 Programs

in the FY 1972 Presentation

SEC. 634(d) REPORT

(In thousands of dollars)

| | Development Loans | | | Technical Assistance | | | Supporting Assistance | | | Contingency Fund | | |
|--|---------------------|--------------------|--------------------|----------------------|--------------------|-------------------|-----------------------|--------------------|--------------------|---------------------|--------------------|-------------|
| | Proposed FY 1971 | Revised FY 1971 | % Change | Proposed FY 1971 | Revised FY 1971 | % Change | Proposed FY 1971 | Revised FY 1971 | % Change | Proposed FY 1971 | Revised FY 1971 | % Change |
| AFRICA - TOTAL | 84,045 | 88,424 | | 69,013 | 58,268 | | 8,300 | 17,700 | | - | | |
| Regional Programs | (19,450) | (27,598) | | (27,382) | (23,502) | | (800) | (500) | | - | - | |
| Africa Regional Programs | 17,450 | 20,098 | +15 | 22,642 | 22,337 | -1 | 800 | 500 | -38 | - | - | |
| East Africa Reg. Activities | (2,000) | (7,500) | | (4,740) | (1,165) | | - | - | | - | - | |
| Development Emphasis Countries: | | | | | | | | | | | | |
| East Africa | (6,222) | (8,165) | | (12,384) | (8,238) | | - | - | | - | - | |
| East Africa Reg. Activity | 2,000 | 7,500 | +275 ^{b/} | 4,740 | 1,165 | -75 ^{b/} | - | - | | - | - | |
| Kenya | 500 | 150 | -70 ^{b/} | 2,494 | 1,973 | -21 | - | - | | - | - | |
| Tanzania | 2,500 | 800 | -68 ^{b/} | 2,619 | 2,410 | -8 | - | - | | - | - | |
| Uganda | 1,222 | 165 | -86 ^{b/} | 2,531 | 2,710 | +7 | - | - | | - | - | |
| Ghana | 15,433 | 15,983 | +4 | 1,871 | 1,752 | -6 | - | - | | - | - | |
| Tunisia | 5,354 | 10,350 | +93 ^{b/} | 2,325 | 1,980 | -15 | - | - | | - | - | |
| Ethiopia | 14,100 | 8,230 | +42 ^{b/} | 5,898 | 5,272 | -11 | - | - | | - | - | |
| Liberia | 175 | 228 | +30 | 4,640 | 4,348 | -6 | - | - | | - | - | |
| Morocco | 13,310 | 7,920 | -40 ^{b/} | 2,634 | 1,737 | -34 | - | - | | - | - | |
| Nigeria | 2,001 | 5,000 | +150 ^{b/} | 11,019 | 9,496 | -14 | 7,500 | 17,200 | +129 ^{b/} | - | - | |
| Congo (Kinshasa) | 10,000 | 12,000 | +20 | 2,000 | 1,278 | -36 | - | - | | - | - | |
| Other Bilateral Aid Countries: | | | | | | | | | | | | |
| Somali Republic | - | - | | 1,950 | 360 | -82 ^{b/} | - | - | | - | - | |
| Other African Countries: | | | | | | | | | | | | |
| Botswana | - | - | | * | * | | - | - | | - | - | |
| Burundi | - | - | | * | * | | - | - | | - | - | |
| Cameroon | - | - | | * | * | | - | - | | - | - | |
| Central African Countries | - | - | | * | * | | - | - | | - | - | |
| Chad | - | - | | * | * | | - | - | | - | - | |
| Dahomey | - | - | | * | * | | - | - | | - | - | |
| Equatorial Guinea | - | - | | * | * | | - | - | | - | - | |
| Gabon | - | - | | * | * | | - | - | | - | - | |
| Gambia | - | - | | * | * | | - | - | | - | - | |
| Guinea | - | - | | * | * | | - | - | | - | - | |
| Ivory Coast | - | - | | * | * | | - | - | | - | - | |
| Lesotho | - | - | | * | * | | - | - | | - | - | |
| Malagasy Republic | - | - | | * | * | | - | - | | - | - | |
| Malawi | - | - | | * | * | | - | - | | - | - | |
| Mali | - | - | | * | * | | - | - | | - | - | |
| Mauritania | - | - | | * | * | | - | - | | - | - | |
| Mauritius | - | - | | * | * | | - | - | | - | - | |
| Niger | - | - | | * | * | | - | - | | - | - | |
| Rwanda | - | - | | * | * | | - | - | | - | - | |
| Senegal | - | - | | * | * | | - | - | | - | - | |
| Sierra Leone | - | - | | * | * | | - | - | | - | - | |
| Swaziland | - | - | | * | * | | - | - | | - | - | |
| Togo | - | - | | * | * | | - | - | | - | - | |
| Upper Volta | - | - | | * | * | | - | - | | - | - | |
| Zambia | - | - | | * | * | | - | - | | - | - | |
| Self-Help Projects | - | - | | 1,650 | 1,450 | -12 | - | - | | - | - | |

* Self-help funds only were indicated in the Congressional Presentation. Projects for these countries are included in Self-Help Projects.

ECONOMIC ASSISTANCE

Comparison of FY 1972 Economic Programs as Presented to Congress with Revised FY 1971 Programs

in the FY 1972 Presentation

SEC. 634(d) REPORT

(In thousands of dollars)

| | Development Loans | | | Technical Assistance | | | Supporting Assistance | | | Contingency Fund | | |
|--|-------------------|---------|--------------------|----------------------|---------|----------|-----------------------|---------|-------------------|------------------|---------|----------|
| | Proposed | Revised | % Change | Proposed | Revised | % Change | Proposed | Revised | % Change | Proposed | Revised | % Change |
| NEAR EAST AND SOUTH ASIA - TOTAL | 444,682 | 327,421 | | 33,625 | 31,140 | | - | 5,000 | | - | - | |
| Afghanistan | 265 | 1,700 | +542 ^{b/} | 6,463 | 7,000 | + 8 | - | - | | - | - | |
| Ceylon | 7,000 | - | b/ | - | - | | - | - | | - | - | |
| India | 266,700 | 175,530 | - 34 ^{b/} | 9,850 | 9,000 | - 7 | - | - | | - | - | |
| Jordan | - | - | | 1,886 | 1,000 | -47 | - | 5,000 | b/ | - | - | |
| Nepal | 492 | 706 | + 43 | 2,099 | 1,925 | - 8 | - | - | | - | - | |
| Pakistan | 119,300 | 82,840 | - 31 ^{b/} | 5,847 | 6,000 | + 3 | - | - | | - | - | |
| Turkey | 50,000 | 65,000 | + 30 ^{b/} | 4,220 | 3,385 | -20 | - | - | | - | - | |
| CENTO | 100 | 40 | - 60 ^{b/} | 506 | 380 | -25 | - | - | | - | - | |
| Regional Programs | 825 | 1,605 | + 95 ^{b/} | 2,754 | 2,450 | -11 | - | - | | - | - | |
| EAST ASIA - TOTAL | 115,825 | 122,060 | | 40,695 | 37,391 | | 131,600 | 124,216 | | - | 1,500 | |
| Cambodia | - | - | | - | - | | 70,000 | 70,000 | | - | - | |
| Indonesia | 81,400 | 58,100 | -29 ^{b/} | 5,116 | 5,432 | + 6 | - | - | | - | - | |
| Korea | 25,800 | 55,800 | +116 ^{b/} | 3,500 | 3,400 | - 3 | - | - | | - | - | |
| Laos | 925 | 925 | | 10,038 | 6,600 | -34 | 35,135 | 38,400 | + 9 | - | - | |
| Philippines | 4,500 | 5,000 | +11 | 4,323 | 4,300 | | - | - | | - | 1,500 | a/ |
| Thailand | 1,700 | 1,395 | -18 | 6,118 | 6,100 | | 26,265 | 15,600 | -41 ^{b/} | - | - | |
| Regional Programs | 1,500 | 840 | -44 | 11,600 | 11,559 | | 200 | 216 | + 8 | - | - | |
| VIETNAM - TOTAL | - | - | | - | - | | 431,300 | 396,075 | - 8 ^{b/} | - | - | |
| Country Programs | - | - | | - | - | | 418,000 | 386,000 | | - | - | |
| Expanded Vietnam Program: | | | | | | | | | | | | |
| Administrative Expenses | - | - | | - | - | | 5,800 | 3,600 | | - | - | |
| Program Support and Interregional Activities | - | - | | - | - | | 7,500 | 6,475 | | - | - | |

ECONOMIC ASSISTANCE PROGRAMS

Comparison of FY 1971 Economic as Presented to Congress with Revised FY 1971 Programs in the FY 1972 Presentation

| | (In thousands of dollars) | | | | | | | | | | | | | | |
|--|---------------------------|---------|----------|----------------------|---------|-------------------|-----------------------|---------|----------|------------------|---------|----------|----------------|----------|-------------------|
| | Development Loans | | | Technical Assistance | | | Supporting Assistance | | | Contingency Fund | | | Other Programs | | |
| | Proposed | Revised | % Change | Proposed | Revised | % Change | Proposed | Revised | % Change | Proposed | Revised | % Change | Proposed | Revised | % Change |
| <u>INTERNATIONAL ORGANIZATIONS AND PROGRAMS</u> | 4,000 | 4,000 | | 122,620 | 110,888 | | 19,300 | 19,300 | | - | - | | 14,810 | 12,905 | |
| MULTILATERAL ORGANIZATIONS - TOTAL | 4,000 | 4,000 | | 122,620 | 110,888 | | - | - | | - | - | | - | - | |
| International Atomic Energy Agency Operational Program | - | - | | 1,550 | 1,550 | | - | - | | - | - | | - | - | |
| International Secretariat for Voluntary Services | - | - | | 70 | 70 | | - | - | | - | - | | - | - | |
| Special Contributions for Vietnam | - | - | | 950 | 950 | | - | - | | - | - | | - | - | |
| UN Children's Fund | - | - | | 13,000 | 13,000 | | - | - | | - | - | | - | - | |
| UN Development Program | -- | - | | 100,000 | 86,268 | -14 ^{b/} | - | - | | - | - | | - | - | |
| UN Food and Agriculture Organization World Food Program | - | - | | 1,500 | 1,500 | | - | - | | - | - | | - | - | |
| UN Institute for Training and Research | - | - | | 400 | 400 | | - | - | | - | - | | - | - | |
| UN Fund for Drug Abuse Control | - | - | | - | 2,000 | c/ | - | - | | - | - | | - | - | |
| UN Population Programs | 4,000 | 4,000 | | 3,500 | 3,500 | | - | - | | - | - | | - | - | |
| World Health Organization Medical Research | - | - | | 150 | 150 | | - | - | | - | - | | - | - | |
| World Meteorological Organization Voluntary Assistance Program | - | - | | 1,500 | 1,500 | | - | - | | - | - | | - | - | |
| UN FORCE IN CYPRUS | - | - | | - | - | | 6,000 | 6,000 | | - | - | | - | - | |
| UN RELIEF AND WORKS AGENCY | - | - | | - | - | | 13,000 | 13,000 | | - | - | | - | - | |
| ARAB REFUGEE TRAINING (UNRWA) | - | - | | - | - | | - | - | | - | - | | 1,000 | 1,000 | |
| INDUS BASIN DEVELOPMENT, LOAN | - | - | | - | - | | - | - | | - | - | | 7,960 | 6,980 | -12 |
| INDUS BASIN DEVELOPMENT, GRANT | - | - | | - | - | | - | - | | - | - | | 5,850 | 4,925 | -16 |
| <u>NON-REGIONAL ACTIVITIES - TOTAL</u> | 35,295 | 30,415 | | 70,410 | 62,747 | | 17,000 | 15,300 | | - | 11,886 | | 70,470 | 78,735 | |
| AMERICAN SCHOOLS AND HOSPITALS ABROAD | - | - | | - | - | | - | - | | - | - | | 8,895 | 13,419 | +51 ^{b/} |
| ADMINISTRATIVE EXPENSES, A.I.D. (Regular Expenses) | - | - | | - | - | | - | - | | - | - | | 57,375 | 60,944 | + 6 |
| (Reimbursable Costs) | - | - | | - | - | | - | - | | - | - | | (55,075) | (59,654) | |
| ADMINISTRATIVE AND OTHER EXPENSES, STATE | - | - | | - | - | | - | - | | - | - | | (2,300) | (1,290) | |
| DEVELOPMENT RESEARCH | - | - | | 5,000 | 3,500 | -30 | 5,000 | 5,000 | | - | - | | 4,200 | 4,372 | + 4 |
| INSTITUTIONAL GRANTS, SEC. 211(d) | - | - | | 7,500 | 4,500 | -40 | - | - | | - | - | | - | - | |
| PROGRAM SUPPORT AND INTERREGIONAL ACTIVITIES | 35,295 | 30,415 | -14 | 57,910 | 54,747 | - 5 | 12,000 | 10,300 | -14 | - | 11,886 | a/ | - | - | |

a/ Contingency Fund uses have been justified in regular quarterly reports.

b/ Program is 50% or 5 million more or less than the Congressional Presentation. Narrative explanation is furnished.

c/ Program was not included in the Presentation. Narrative explanation is furnished.

SECTION 634(d) REPORT

LATIN AMERICA

(In thousands of dollars)

CONTRIBUTIONS TO INTER-AMERICAN ORGANIZATIONS

| | |
|----------------------------|---------------|
| Development Loans | |
| Congressional Presentation | 10,000 |
| Revised Program | - |
| Decrease | <u>10,000</u> |

The FY 1971 Congressional Presentation indicated that A.I.D. planned, subject to appropriate consultations with the Congress, to provide (a) FY 1970 technical assistance funds for an initial payment of \$5 million for a CIAP project development fund to be administered by the Inter-American Development Bank (IDB); and (b) depending upon the requirements of this fund, up to \$10 million in FY 1971 through transfer from Alliance Loan funds. Following the Congressional consultations, it was decided instead to establish the fund through financing from other available sources, and the second increment of \$10 million planned for FY 1971 was cancelled.

REGIONAL PROGRAM

| | |
|----------------------------|---------------|
| Development Loans | |
| Congressional Presentation | 22,672 |
| Revised Program | <u>8,242</u> |
| Decrease | <u>14,430</u> |

The downward revision is a result of the elimination of the \$10 million loan to the Andean Development Corporation and the \$5 million loan to the Coffee Diversification Fund. Because the Andean Development Corporation's administrative procedures were not yet fully established, a loan in FY 1971 was considered premature. Administrative problems of the Coffee Diversification Fund, coupled with high coffee prices, reduced the urgency of implementing the loan in FY 1971. Regional population grants funded from Development Loans were increased by \$570,000 to \$8.242 million.

BRAZIL

| | |
|----------------------------|---------------|
| Development Loans | |
| Congressional Presentation | 155,000 |
| Revised Program | <u>57,500</u> |
| Decrease | <u>97,500</u> |

The lending program proposed in the FY 1971 Congressional Presentation included: a \$50 million program loan; loans in the education and agriculture sectors totalling \$25 million and \$45 million respectively; and project loans totalling \$35 million. The program loan was not made, in view of Brazil's favorable balance of payments position, with resulting excess foreign exchange, arising from several years of continued economic growth and higher export earnings.

Because of the complexity of education sector loans made in FY 1969 and FY 1970, and resulting delays in their implementation, it was decided not to make additional education sector loans in FY 1971. The only major project loan made was a \$15 million loan in the "new initiative" area of capital markets. A loan of \$2.5 million for participant training related to previous A.I.D. loans in the power sector will also be made this fiscal year. The totals for the loans in the agriculture sector are now estimated at \$40 million instead of the \$45 million initially proposed.

A key factor accounting for the reduced lending program in Brazil, as in other Latin American countries, was the Congressional cut in overall appropriations for Alliance for Progress Loans.

CENTRAL AMERICA (ROCAP)

(In thousands of dollars)

| | |
|----------------------------|---------------|
| Development Loans | |
| Congressional Presentation | 40,265 |
| Revised Program | <u>6,265</u> |
| Decrease | <u>34,000</u> |

In the FY 1971 Congressional Presentation, A.I.D. proposed a loan program consisting of a \$30 million export development loan, a \$10 million loan to support Central American monetary stabilization and \$265,000 from loan funds for population activities. With an acceleration, the preparedness of the Central American Bank for Economic Integration to process sub-loans under the Export Development loan program, A.I.D. was able to authorize the export loan late in FY 1970. The creation of the Monetary Stabilization Council ahead of schedule enabled A.I.D. to authorize the monetary stabilization loan in FY 1970 also. ROCAP then proposed and A.I.D. authorized for FY 1971 a new loan of \$6 million to the Latin American Agribusiness Development Corporation (LAAD) to promote in Central America the production and export of non-traditional agribusiness products.

SECTION 634(d) REPORT

LATIN AMERICA

COSTA RICA

| | |
|----------------------------|----------------------------------|
| Development Loans | <u>(In thousands of dollars)</u> |
| Congressional Presentation | 11,443 |
| Revised Program | <u>4,588</u> |
| Decrease | 6,855 |

The FY 1971 Congressional Presentation figure of \$11.443 million included: (a) \$10 million for an agricultural sector loan, (b) \$1.2 million for a port administration loan and (c) \$243,000 for family planning. The actual program of \$4.588 million is made up of the following: (a) a \$3.6 million loan for municipal development, (b) a \$600,000 loan for malaria eradication and (c) \$388,000 for family planning.

Because of the pressing need for the agricultural sector loan, it was authorized in June 1970 in the amount of \$16.4 million. The \$1.2 million loan for port administration did not materialize as expected and was deleted from the FY 1971 program.

Municipal development, originally a sub-project of the agricultural sector loan, was authorized as a separate loan for \$3.6 million. Given the good record of the malaria eradication program in Costa Rica, and the fact that Costa Rica is considered to have the most favorable circumstances in Central America to achieve eradication, a loan for \$600,000 to help finance the completion of the attack phase was requested and approved during FY 1971, earlier than anticipated.

GUATEMALA

| | |
|----------------------------|---------------|
| Development Loans | |
| Congressional Presentation | 6,549 |
| Revised Program | <u>10,977</u> |
| Increase | 4,428 |

The FY 1971 Congressional Presentation, A.I.D. proposed a loan program consisting of \$1.2 million for malaria eradication; \$2 for rural health training; \$0.6 million for air cargo terminal construction; \$2.4 million for vocational training; and \$349,000 in loan funds for population control. Shifts in priority developed when the new Guatemalan Government took office on July 1, 1970. Guatemala took over funding malaria costs with its own resources and that loan was dropped. The Air Cargo Terminal loan was deferred to a later date pending restudy of exports of

air freight from Central America. Vocational training is considered to be of lower priority than the following projects requested by the Government, which are being undertaken.

A \$4.4 million loan for urban development/housing, sites and services to provide urban resettlement for lowest income families in slum sites of Guatemala City and a \$5.8 million loan for rural electric cooperatives, in coordination with other development activities of the rural development plan, to extend electric service into rural areas. Loan funds for population activities have been increased from the \$349,000 to \$777,000.

| | |
|------------------------------|----------------------------------|
| <u>Supporting Assistance</u> | <u>(In thousands of dollars)</u> |
| Congressional Presentation | |
| Revised Program | 59 |
| Increase | <u>59</u> |

This amount was programmed in FY 1970 for short-term public safety consultants as part of a package of emergency assistance for the Guatemalan police forces who bear the brunt of the urban guerrillas' terror campaign in their country. However, because it was late in the fiscal year, this part of the package, amounting to \$59,000, was provided in FY 1971.

HONDURAS

| | |
|----------------------------|--------------|
| Development Loans | |
| Congressional Presentation | 9,523 |
| Revised Program | <u>2,523</u> |
| Decrease | 7,000 |

A proposed FY 1971 loan of \$9 million for forestry development has been indefinitely postponed as the U.S. company involved decided in the fall of 1970 not to participate in the \$100 million pulp and paper project which the A.I.D. loan would have supported by financing necessary infrastructure. A.I.D. does anticipate an FY 1971 loan of \$2 million for a revolving fund to Educredito to enable it to expand its student loan program and become a self-sustaining institution.

CHILE

| | |
|----------------------------|-----------|
| Development Loans | |
| Congressional Presentation | 20,690 |
| Revised Program | <u>78</u> |
| Decrease | 20,612 |

SECTION 634(d) REPORT

LATIN AMERICA

The FY 1971 Congressional Presentation called for a \$10 million education sector loan, a \$10 million agriculture sector loan and \$690,000 for population/family planning activities.

The education sector loan and the agricultural sector loan are not being authorized. In part this is because the agricultural and education policies of the new Chilean government which took office in November, 1970 have not been fully formulated, although it appears clear that current conditions are not conducive to a gradual, orderly reform in these sectors. In addition, the Chilean government has stressed reducing its dependence on foreign sources of finance. The population/family planning program is being cut back sharply to include only the financing of the attendance of officials and opinion leaders at population/family planning conferences and seminars and technical training for a limited number of professionals.

DOMINICAN REPUBLIC(In thousands of dollars)

| | |
|----------------------------|--------------|
| Development Loans | |
| Congressional Presentation | 17,091 |
| Revised Program | <u>9,000</u> |
| Decrease | 8,091 |

The FY 1971 Congressional Presentation included loans of \$12 million for agriculture and \$5 million for tourism. The agriculture loan will not be authorized in FY 1971 because of difficulties in completing the administrative arrangements for implementing the loan. The tourism loan is not being made because an overall tourism development plan, establishing priority areas of development, has not yet been completed. The \$91,000 designated for population was not used because the project was terminated. A \$9 million loan, building on a previous loan made in FY 1968, is planned for training of teachers, curriculum development, and improvement of educational administration, at the secondary level.

ECUADOR

| | |
|----------------------------|---------------|
| Development Loans | |
| Congressional Presentation | 7,154 |
| Revised Program | <u>11,272</u> |
| Increase | 4,118 |

The \$6.5 million development loan for advisory and credit assistance proposed in the FY 1971 Congressional Presentation will not be authorized in FY 1971 because of technical difficulties in developing the project. Instead, a \$10 million program loan was made. This loan supports the major fiscal and monetary reform program undertaken by the Government of Ecuador last year, which included imposition of new taxes and a 39% devaluation of the sucre (from 18 to 25 to the dollar). The IMF also supported the Government of Ecuador program with a \$22 million Standby Agreement. The remainder of the increase is due to an expansion of the population project because of greater acceptance of family planning in Ecuador.

HAITI(In thousands of dollars)

| | |
|----------------------------|--------------|
| Supporting Assistance | |
| Congressional Presentation | 1,780 |
| Revised Program | <u>2,787</u> |
| Increase | 1,007 |

The increase in funding can be attributed to the following factors: (a) the new figure is for a 15-month period, to enable existing projects to function more smoothly; (b) funding has been increased from \$320,000 to \$495,000 for an A.I.D.-funded, CARE-administered, community development, health care and family planning project in the rural northwest of Haiti, and (c) an additional \$100,000 is planned for the Special Development Activities account for small pilot humanitarian projects.

JAMAICA

| | |
|----------------------------|---------------|
| Development Loans | |
| Congressional Presentation | 300 |
| Revised Program | <u>11,610</u> |
| Increase | 11,310 |

The increase was provided to accommodate the recommendations of the Economic and Social Development Commission appointed by President Nixon. A \$11.1 million loan for feeder roads will not only contribute to Jamaican economic development, but will also provide employment in rural areas and thus address the serious and growing political instability of the country. Population programs financed from Development Loan funds will be increased from \$300,000 to \$510,000.

SECTION 634(d) REPORT

LATIN AMERICA

PARAGUAY

(In thousands of dollars)

| | |
|----------------------------|--------------|
| Development Loans | |
| Congressional Presentation | 7,355 |
| Revised Program | <u>2,471</u> |
| Decrease | 4,884 |

The FY 1971 Congressional Presentation proposed the following loans: \$1.5 million for fertilizer imports, \$2 million for a municipal development bank, and \$3.5 million for education. In addition, \$355,000 for population programs was included.

The inclusion of the fertilizer import loan was based on the assumption that earlier agricultural loans would be fully disbursed. Because of delays in implementing them, a new fertilizer import loan was not authorized.

The education loan (in the amount of \$4.2 million) was made in late FY 1970.

The population program grant was increased from \$355,000 to \$471,000.

PERU

| | |
|----------------------------|--------------|
| Development Loan | |
| Congressional Presentation | 300 |
| Revised Program | <u>3,360</u> |
| Increase | 3,060 |

An earthquake of May 1970 created an unforeseen requirement for reconstruction assistance to Peru. The increase is for a loan for community development and reconstruction in the devastated areas, and for \$60,000 in additional population activities financed by Development Loan funds.

URUGUAY

| | |
|----------------------------|---------------|
| Development Loans | |
| Congressional Presentation | 5,800 |
| Revised Program | <u>18,223</u> |
| Increase | 12,423 |

The FY 1971 Congressional Presentation proposed two loans -- \$5 million for the private sector through a private development

corporation and \$800,000 to increase financing for improvements to the Carrasco (Montevideo) Airport.

It was possible to make the airport loan for \$400,000 in late FY 1970 rather than FY 1971.

The private development corporation loan was authorized in FY 1971 for a reduced amount -- \$3 million -- since some of the needs of the private sector were being met through a capital goods import loan made in FY 1970. An additional loan of \$15 million is now planned to finance a supervised credit program in the agriculture sector. This loan was originally planned for FY 1972, but additional credit to support increased agricultural production for export is needed at an earlier date.

A population grant of \$223,000 is included in the revised figure, but was not listed in the FY 1971 Congressional Presentation.

VENEZUELA

(In thousands of dollars)

| | |
|----------------------------|-----------|
| Development Loans | |
| Congressional Presentation | 129 |
| Revised Program | <u>25</u> |
| Decrease | 104 |

Actual obligations in FY 1971 for population and demography were \$104,000 less than proposed in the FY 1971 Congressional Presentation because of the phasedown of the A.I.D. program in Venezuela, and of the meeting of assistance needs by other donors.

EASTERN CARIBBEAN REGIONAL PROGRAMS

| | |
|----------------------------|-----------|
| Technical Assistance | |
| Congressional Presentation | 350 |
| Revised Program | <u>10</u> |
| Decrease | 340 |

Because of the uncertainties associated with the reshaping of Caribbean institutions, most of the funds originally proposed are not being used, pending redirection of A.I.D. assistance to regional economic development in the area.

SECTION 634(d) REPORT

AFRICA

(In thousands of dollars)

EAST AFRICA REGIONAL ACTIVITIES

| | |
|----------------------------|--------------|
| Technical Assistance | |
| Congressional Presentation | 4,740 |
| Revised Program | <u>1,165</u> |
| Decrease | 3,575 |

The cut in Technical Assistance in the East Africa Regional program was caused by a variety of factors involving fifteen projects.

Five projects were not implemented, reducing the program by \$1,949,000. A range water development project could not be carried out with the Somali Republic. Four others -- regional cooperatives, port management, tutor training in East Africa and East African Examinations Council -- were not developed into firm projects.

Three projects, accounting for \$751,000, were transferred to other programs. They are graduate agriculture faculty, University of Nairobi veterinary science faculty, and printing trades (through the African-American Labor Center).

There were significant reductions in three projects totalling \$1,013,000. The animal and crop production and the East African community support project obligations were reduced because of slow recruitment and internal problems within the East African Community. And because of reduced Mission strength, fewer funds are required for regional program support costs.

Four projects for various reasons were increased by a total of \$138,000 -- major cereals and legume improvement, Nairobi veterinary faculty, education research and development, and supply management.

These changes resulted in a net program decrease of \$3,575,000.

| | |
|----------------------------|--------------|
| Development Loans | |
| Congressional Presentation | 2,000 |
| Revised Program | <u>7,500</u> |
| Increase | 5,500 |

The proposed \$2 million loan to the East African Community to help construct a headquarters building in Arusha, Tanzania,

did not materialize. The Community found other means of financing the construction.

Late in FY 1971 it was determined to help build the Dar es Salaam Bypass Road connecting the TanZam Highway to the Dar es Salaam port and to reconstruct a section of the southern-most section of the TanZam Highway in Tanzania. Because of unusual soil conditions and previous underdesign of the road under soil and loan conditions, the Bypass and reconstruction will cost about \$7.5 million.

KENYA

(In thousands of dollars)

| | |
|----------------------------|------------|
| Development Loans | |
| Congressional Presentation | 500 |
| Revised Program | <u>150</u> |
| Decrease | 350 |

There are two main reasons for the decrease in funds. The first is that the Government of Kenya has not yet agreed to go forward with a number of the activities in the family planning program. Delayed activities include our provision of physicians for the faculty of the University of Nairobi Medical School. The second is that the Swedish International Development Agency (SIDA) provided some of the needed commodities that A.I.D. had intended to provide for the program.

TANZANIA

| | |
|----------------------------|------------|
| Development Loans | |
| Congressional Presentation | 2,500 |
| Revised Program | <u>800</u> |
| Decrease | 1,700 |

In the FY 1971 Congressional Presentation it was intended to make loans to Tanzania for agricultural commodities and equipment (\$1 million) in support of the agricultural sector technical assistance projects, and for highway maintenance and training (\$1.5 million).

The agricultural assistance is in the form of an \$800,000 loan authorized for livestock improvement by providing funds for equipment for tsetse fly eradication and control. The loan is being negotiated with the Tanzania Government.

The highway maintenance and training loan will not be made in FY 1971. It may be made later after studying both the magnitude of the highway maintenance job and the need for change in government organization to perform the required maintenance.

SECTION 634(d) REPORT

AFRICA

UGANDA

(In thousands of dollars)

| | |
|----------------------------|--------------|
| Development Loans | |
| Congressional Presentation | 1,222 |
| Revised Program | 165 |
| Decrease | <u>1,057</u> |

The proposed \$1 million livestock loan has not yet been approved and, as teams are currently in the field doing water and feasibility surveys for the loan, we do not expect the loan to be ready by the end of FY 1971. The loan was delayed because of a long delay in recruitment of a livestock economist to do the survey, and because of the overthrow of the government in January 1971. Both the livestock economist and the water resources technicians (to carry out the water resources survey of the proposed loan area), who had just arrived in the country at the time of the coup, were forced to leave, returning six weeks later to begin their work anew.

TUNISIA

| | |
|----------------------------|--------------|
| Development Loans | |
| Congressional Presentation | 5,354 |
| Revised Program | 10,350 |
| Increase | <u>4,996</u> |

The difference is made up of an increase of \$5 million for Development Loans and a decrease of \$4,000 for family planning (from \$354,000 to \$350,000).

The FY 1971 Congressional Presentation included a \$5 million program loan and also stated that another \$4 million might be used for a loan for groundwater development. In fact, a \$10 million program loan was made to finance imports for economic development purposes, including requirements for groundwater development.

ETHIOPIA

| | |
|----------------------------|--------------|
| Development Loans | |
| Congressional Presentation | 14,100 |
| Revised Program | 8,230 |
| Decrease | <u>5,870</u> |

The \$14.1 million planned Development Loan program was reduced

by \$6.6 million because of three items: (a) the planned FY 1971 agriculture sector loan for \$5 million was postponed to FY 1972 because of slow implementation of the FY 1970 agriculture sector loan; (b) the proposed \$1.5 million Borkenna Valley loan was dropped when the African Development Bank took it under consideration; and (c) a proposed \$100,000 population project could not be started.

The balance was increased by \$700,000 because requirements for the malaria eradication project increased from \$3 million to \$3.7 million as a result of increased prices of commodities and because the Development Loan program absorbed some of the costs formerly covered by grants.

MOROCCO

(In thousands of dollars)

| | |
|----------------------------|--------------|
| Development Loans | |
| Congressional Presentation | 13,310 |
| Revised Program | 7,920 |
| Decrease | <u>5,390</u> |

The decrease is attributable almost entirely to elimination of two proposed development loans: a \$3 million project loan to the National Economic Development Bank (BNDE) and a \$2 million project loan for grain marketing and storage. The BNDE loan was delayed because of slow drawdown of a previous A.I.D. project loan to the Development Bank. The grain marketing and storage loan was delayed pending preliminary Moroccan Government studies.

NIGERIA

| | |
|----------------------------|--------------|
| Development Loans | |
| Congressional Presentation | 2,001 |
| Revised Program | 5,000 |
| Increase | <u>2,999</u> |

The Western Avenue/Agege Road loan, for which \$1.5 million was proposed in the FY 1971 presentation a year ago, will probably be obligated at about \$2.5 million late in the fiscal year, reflecting cost escalations resulting from the delay and the inflation caused by the war.

The Ibadan water supply loan was to have been amended in FY 1970, but because of lack of funds it was not authorized until FY 1971, adding \$2.5 million to the Development Loans authorized this year.

SECTION 634(d) REPORT

AFRICA

(In thousands of dollars)

NIGERIA (continued)

A planned \$501,000 grant for population programs under Title X of the Foreign Assistance Act is not being made in FY 1971.

| | |
|----------------------------|---------------|
| Supporting Assistance | |
| Congressional Presentation | 7,500 |
| Revised Program | <u>17,200</u> |
| Increase | 9,700 |

The FY 1971 Congressional Presentation proposed at least \$1 million for emergency assistance in the war area. This figure was based on very preliminary estimates, as hostilities had ceased only a few weeks before. Therefore, at the time of the presentation, it was not possible to get adequate estimates of emergency assistance needs, especially in view of the travel restrictions into former Biafra. The present estimate for emergency assistance is \$2.2 million.

The estimated U.S. contribution to funding for reconstruction-integration was \$6.5 million. This figure was also an early estimate based on inadequate and incomplete assessment of reconstruction needs. As it has turned out, the FY 1971 reconstruction loan authorized is for \$15 million.

SOMALIA

| | |
|----------------------------|------------|
| Technical Assistance | |
| Congressional Presentation | 1,950 |
| Revised Program | <u>360</u> |
| Decrease | 1,590 |

Because of the failure of the new Somali regime to take appropriate steps to stop its flag shipping to North Vietnam, Section 620(n) of the Foreign Assistance Act, which directs the cessation of all further assistance in such cases, was invoked on June 1, 1970. The Somalia program is now being phased out under Section 617, which allows up to one year for winding up the on-going program. Funds have been obligated only for necessary continuation of activities to achieve their completion or a stage of implementation where operations can efficiently be assumed by Somalia. Small amounts were required for terminal contract expenses, participant training and technical support.

SECTION 634(d) REPORT

NEAR EAST AND SOUTH ASIA(In thousands of dollars)AFGHANISTAN

| | |
|----------------------------|--------------|
| Development Loans | |
| Congressional Presentation | 265 |
| Revised Program | <u>1,700</u> |
| Increase | <u>1,435</u> |

These loan funds are for use on a grant basis under Title X of the Foreign Assistance Act to finance family planning activities in Afghanistan. During the past year, we have developed a project, requiring \$1.7 million in FY 1971, with the University of Buffalo to undertake a sample census, over a three year period, to provide preliminary base data to assist in developing population programs and in measuring their effectiveness.

CEYLON

| | |
|----------------------------|--------------|
| Development Loans | |
| Congressional Presentation | 7,000 |
| Revised Program | - |
| Decrease | <u>7,000</u> |

The proposed loan for Ceylon was predicated on the Government of Ceylon taking certain economic actions recommended by the IBRD in early CY 1970. A change of government occurred in Ceylon in May 1970, and new economic policies and programs introduced by the new government have been the subject of review and analysis by the IBRD and the IMF during the past three months. It is therefore unlikely that a development loan will be authorized this fiscal year.

INDIA

| | |
|----------------------------|----------------|
| Development Loans | |
| Congressional Presentation | 266,700 |
| Revised Program | <u>175,530</u> |
| Decrease | <u>91,170</u> |

The proposed loan program has been severely reduced because of Congressional cuts in Development Loan funds. \$530,000 of revised amount represents grant funding for population programs under Title X of the Foreign Assistance Act, a decrease of \$170,000 from the proposed level.

JORDAN(In thousands of dollars)

| | |
|----------------------------|--------------|
| Supporting Assistance | |
| Congressional Presentation | - |
| Revised Program | <u>5,000</u> |
| Increase | <u>5,000</u> |

Because of the civil conflict in September and the accompanying human suffering and political and economic deterioration, a cash grant was made available to meet a portion of Jordan's reconstruction/rehabilitation requirements.

PAKISTAN

| | |
|----------------------------|---------------|
| Development Loans | |
| Congressional Presentation | 119,300 |
| Revised Program | <u>82,840</u> |
| Decrease | <u>37,460</u> |

As a result of the reduction in the availability of funds, development lending has been reduced. The revised figure includes \$2,840,000 in grants for population programs under Title X of the Foreign Assistance Act, an increase of \$540,000 from the proposed program.

TURKEY

| | |
|----------------------------|---------------|
| Development Loans | |
| Congressional Presentation | 50,000 |
| Revised Program | <u>65,000</u> |
| Increase | <u>15,000</u> |

In FY 1971 we originally planned a \$40 million production loan and \$10 million for project loans for support of Turkey's development program. However, in August 1970, the Turkish Government announced a major economic reform program, including devaluation of the lira. The reform entailed substantial economic risks and required supplemental assistance. In response to the reform effort, A.I.D. authorized a \$25 million loan early in FY 1971 as the U.S. contribution to the supplemental, multilateral financing program arranged by the IMF to support the reform. Also a production loan of \$25 million and a project loan of \$15 million for expansion of the Ereğli Steel Mill are planned to support the 1971 Turkish Annual Development Program.

SECTION 634(d) REPORT

NEAR EAST AND SOUTH ASIA(In thousands of dollars)CENTO

| | |
|----------------------------|-----------|
| Development Loans | |
| Congressional Presentation | 100 |
| Revised Program | 40 |
| Decrease | <u>60</u> |

The proposed amount, funded under Title X of the Foreign Assistance Act, was to be used for seminars and observation tours relating to family planning activities. Fewer seminars were held than originally scheduled.

REGIONAL PROGRAMS

| | |
|----------------------------|------------|
| Development Loans | |
| Congressional Presentation | 825 |
| Revised Program | 1,605 |
| Increase | <u>780</u> |

A number of contracts for population activities, funded under Title X of the Foreign Assistance Act, were ready for financing sooner than expected. The major activities are a research grant to The American University of Cairo and a significant increase for the operations of the Pathfinder Fund.

EAST ASIAINDONESIA

| | |
|----------------------------|---------------|
| Development Loans | |
| Congressional Presentation | 81,400 |
| Revised Program | 58,100 |
| Decrease | <u>23,300</u> |

The \$81.4 million Development Loan proposal in the FY 1971 Congressional Presentation included \$15 million for an agriculture sector loan, \$20 million for essential imports, \$45 million for capital projects and \$1.4 million for population programs.

Funds appropriated for Development Loans allowed for a program of \$58.1 million. Indonesian foreign exchange requirements necessitated a \$30 million production and basic import loan in FY 1971, an increase of \$10 million over the amount originally proposed. The remaining \$28.1 million was used for two power loans which were ready for implementation and \$1.75 million for population programs under Title X.

The \$15 million agricultural sector loan was deferred pending completion of an A.I.D.-financed rice handling, storage and

marketing study. The proposed \$15 million construction loan for the Djakarta/Bogor highway has been deferred to FY 1972, because of revised estimates of the time required to complete the engineering and design of the project. The remainder of the loans are still under consideration.

KOREA(In thousands of dollars)

| | |
|----------------------------|---------------|
| Development Loans | |
| Congressional Presentation | 25,800 |
| Revised Program | 55,800 |
| Increase | <u>30,000</u> |

An increase in the Congressional Presentation level by \$30 million was made to enable the authorization of a \$35 million loan for rice for Korea. In reporting the FY 1971 Foreign Assistance Appropriation Act, the Senate Committee on Appropriations urged "the Administration to use at least \$35 million of the funds made available hereunder for dollar repayable loans to finance the purchase of rice by Korea and other developing nations." This loan, which was not planned at the time of the Congressional Presentation, enabled the United States to respond to an increased demand for rice due to lower than anticipated Korean output caused by poor weather. Economic development purposes have been identified for the local currency proceeds.

THAILAND

| | |
|----------------------------|---------------|
| Supporting Assistance | |
| Congressional Presentation | 26,265 |
| Revised Program | 15,600 |
| Decrease | <u>10,665</u> |

Project commodity decreases of almost \$3 million in the rural public safety program were made as a result of project reviews which determined that the commodity element should be reduced pending improvement of Thai project management.

An estimated \$10.1 million was requested for rural development and education. Within this, the agricultural development and rural education projects are in the process of changes which have taken longer to complete than was originally expected. Prudent management dictated that parts of these programs, amounting about \$2.5 million, be deferred from FY 1971 to FY 1972.

The Northeast Economic Development planning project, also a part of our rural development plans, provided for A.I.D. funding of development activities to be identified during the planning process. Activities with sufficiently high priority were not identified and savings of an estimated \$4.5 million were realized.

SECTION 634(d) REPORT

VIETNAM

(In thousands of dollars)

| | |
|----------------------------|----------------|
| Supporting Assistance | |
| Congressional Presentation | 366,300 |
| Supplemental | 65,000 |
| Total | <u>431,300</u> |
| Revised Program | 396,075 |
| Decrease | <u>35,225</u> |

The total Vietnam appropriation request for FY 1971 amounted to \$431.3 million -- \$366.3 million originally proposed and a supplemental request of \$65 million, of which \$15 million was for land reform and \$50 million for the Commercial Import Program.

The reduction of \$35.2 million shown above is attributable to (1) the unwillingness of the Congress to approve the \$15 million for land reform in the supplemental request; (2) a \$3 million reduction in expanded Vietnam program administrative and program support costs; and (3) a \$17.2 million reduction in the project program. The reduction in projects includes nearly \$1 million in the education scholarship program, \$4.6 million in provincial roads and quarries, \$2 million in the municipal utilities loan fund, \$1.5 million in public health, \$5 million in USAID and CORDS technical support, \$1.3 million in refugee relief and \$1.4 million in public safety. Reductions, in most instances, are attributable to decreased requirements for commodities resulting from a decreased level of hostilities and to significant reductions in personnel.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

MULTILATERAL ORGANIZATIONS AND PROGRAMS

United Nations Development Program

| | |
|----------------------------|---------------|
| Congressional Presentation | 100,000 |
| Revised Program | <u>86,268</u> |
| Decrease | <u>13,732</u> |

In view of the substantial reduction of \$17.6 million (approximately 14 1/2 percent) in the Technical Assistance appropriation for voluntary contributions to multilateral organizations below the amount requested, the UNDP program level has been reduced to \$86.3 million.

United Nations Fund for Drug Abuse Control

| | |
|----------------------------|--------------|
| Congressional Presentation | - |
| Revised Program | <u>2,000</u> |
| Increase | <u>2,000</u> |

The United Nations Fund for Drug Abuse Control was established by resolution 1559 (XLIX) adopted by the Economic and Social Council on November 11, 1970 and endorsed by the United Nations General Assembly at its 25th Session. Because of strong U.S. interest in drug abuse control, the United States has pledged to contribute \$2 million to the Fund.

NON-REGIONAL PROGRAMS

(In thousands of dollars)

American Schools and Hospitals Abroad

| | |
|----------------------------|---------------|
| Congressional Presentation | 8,895 |
| Revised Program | <u>13,419</u> |
| Increase | <u>4,524</u> |

This change represents the following:

| | |
|---|------------------|
| Congressional add-ons: | |
| American University of Beirut | 800,000 |
| Robert College, Istanbul | 500,000 |
| Weizmann Institute, Israel | 500,000 |
| International Eye Foundation | 200,000 |
| Igud Leiluf Hanour, Israel | 750,000 |
| Hachayim Girls College, Israel | 500,000 |
| Vocational School of the Under-privileged, Israel | 250,000 |
| Hospital Home for the Aged, Israel | 500,000 |
| | <u>4,000,000</u> |

| | |
|---|---------|
| Supporting Assistance funds transferred to Project Hope in accordance with Presidential Determination No. 71-1 of July 18, 1970 | 500,000 |
|---|---------|

| | |
|---|---------------|
| Carryover from FY 1970 of unobligated funds for program support | <u>24,000</u> |
|---|---------------|

4,524,000

PLANS FOR REDUCING AMOUNTS OF SUPPORTING ASSISTANCE PROVIDED ON A GRANT BASIS
PURSUANT TO SECTION 634(e) OF THE FOREIGN ASSISTANCE ACT

Section, as amended, 634(e) of the Foreign Assistance Act of 1961 requires the President to report to the Congress on plans for reducing amounts of Supporting Assistance provided on a grant basis. It is proposed to put Supporting Assistance on a new basis, as part of International Security Assistance. The total funding proposed for FY 1972 increases over FY 1971, due to increasing requirements for economic assistance in Southeast Asia, particularly as U.S. force levels are reduced in Vietnam. The proposed shift of all public safety programs, wherever located, to funding under Supporting Assistance also means an increase in the number of countries in which one element of U.S. assistance

will be funded from Supporting Assistance. Other than public safety programs, however, only the following are proposed for Supporting Assistance funding in FY 1972; in Latin America only the Haiti program; in Africa only the final funding of the rehabilitation effort in Nigeria and refugee education; in the Near East and South Asia only the Jordan program.

As in the past, Supporting Assistance is not regarded as a form of indefinite assistance for any recipient. It is to be reduced, then eliminated, as rapidly as progress in recipient countries and our own interests permit.