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QUARTERLY REPORT

Contract AID/otr-C-1718

TO: Agency for International Development
 FROM: National Savings and Loan League
 PERIOD COVERED: October 1 - December 31, 1979

I. ADMINISTRATION

A. Contract

Three contract amendments were issued during the reporting period as follows: Amendment No. 2 and 4 to provide additional funding to meet projected expenditures through the end of the budget year, February 29, 1980; and amendment No. 3 to deobligate HG funds and obligate an equal amount in order to provide mission funding for financial technical assistance to the Jordan Valley Authority and the Jordan Housing Bank in the area of repayment scheduling.

B. Staff

Mr. Christopher Lee, who had joined the Contractor's staff on August 26, 1979, as a housing finance economist, resigned from that post on December 7 to rejoin the Chase Manhattan Bank. Although immediate efforts were launched to recruit a qualified candidate to replace Mr. Lee, the position remained vacant through the end of the reporting period.

C. Management

Dr. James W. Christian, Senior Vice President, attended the National Savings and Loan League's 36th Annual Meeting in Kansas City, Missouri, October 14 - 18. Inasmuch as the NSLL has planned a substantive program for its International Committee over a two-year period, one of the main segments of the Annual Meeting's program was devoted to the work of this committee; and since a significant part of the two-year effort will concern the development of new housing finance systems in Third World countries and continuing U.S. assistance with "second generation" problems of existing housing finance systems, an AID Office of Housing official was invited to address the League's membership on these issues.

Following the introduction of the program in Kansas City, the International Committee met in Washington, D.C., on December 3. One of the key issues discussed at this meeting was the special responsibility of the U.S. savings and loan system to share its experience and ingenuity with other countries of the world, most of which have far more acute housing needs than the United States. To approach the issues of the worldwide need for housing and the mobilization and allocation by the housing finance systems of the financial resources required to meet this growing need vis-a-vis

the rapidly-changing economic environment, the Committee adopted some major objectives, among which, the proposal to explore ways of expanding U.S. technical assistance in housing finance.

Plans are currently being made for the first of four study trips projected for the two-year period. This first trip will begin with attendance at the XVIII Inter-American Savings and Loan Conference in Paraguay, continuing through Brazil, Argentina, Peru, and Venezuela. A tour of AID-sponsored housing projects and discussions with AID officials has been programmed for the Peru stop.

The preparation of course materials for the AID Shelter Training Workshop, initiated during the preceding quarter, was completed and presentations made at the Workshop in the early part of November.

II. CONSULTANT ACTIVITY

A. VI African Conference on Housing

Ms. Sonia Hammam traveled to Rabat, Morocco, October 14-21, to present a paper on financing in the informal sector at the VI African Conference on Housing.

B. Chile

Mr. William G. Schuett, President, Security Savings and Loan Association, Milwaukee, Wisconsin, was selected to visit Santiago, Chile,

for the purpose of presenting information on the home finance system in the United States at the Seminar on Home Financing Market. This assignment was carried out during the period October 1 - 4 in conformance with DS/H request of September 26.

C. Panama

Pursuant to request for services No. 37, dated October 5, Mr. Fernando Arana traveled to Panama to conduct a fiscal and management review of Project 525-HG-005. Mr. Arana's field work was conducted October 5 - 25, and his report, which included the recommendation that AID consider technical assistance to implement a recovery plan, mainly in the areas of marketing, administration, and finance in order to curtail the serious delinquency problem, was submitted to the Office of Housing on January 11, 1980.

D. Ecuador

In response to request for services of October 5, Ms. Janet Kennedy and Mr. William Roach were selected as urban planner/sociologist and financial analyst respectively to complete the design work for Ecuador Project 518-HG-005. The two consultants were joined in their effort by three members of the contractor's staff operating under both this contract and contract 1453. The team's final report on this assignment was submitted to the Office of Housing on December 18.

E. Lebanon

Mr. James R. Keen visited Lebanon during the period October 3 - 31 to provide technical assistance to that country's new housing bank with respect to the management of its operations. The consultant's report on this assignment was in the revision process at the conclusion of the reporting period.

F. Tunisia

Upon completion of the Lebanon assignment and pursuant to request for services dated October 30, Mr. Keen proceeded to Tunisia where he assisted that country's government and the national savings and loan bank (CNEL) in the preparation of terms of reference for technical assistance to that institution under the 004 Loan. The reporting requirements on this assignment consisted of a debriefing session with Office of Housing staff, which took place on November 9.

G. Ivory Coast

Mr. James Keen also visited the Ivory Coast for the purpose of assisting RHUDO in the preparation of project design work for Project 681-HG-004. Mr. Keen's field assignment was carried out during the period December 1 - 15, and his trip report is currently being written.

H. Shelter Training Workshop

Professor Coralee Bryant of American University was employed

as a consultant for a period of four days in October to prepare course materials on techniques for housing market analysis. These course materials were used in connection with the AID Shelter Training Workshop.

I. Honduras

As a follow up to his two previous INVA evaluation assignments performed under this contract, Mr. Frank Connor returned to Honduras to (1) develop indicators to measure INVA's institutional improvement; (2) to identify specific areas where technical assistance is to be offered; and (3) to update a 1978 management and evaluation analysis. Mr. Connor's field work was carried out during the period October 1 - November 14, and a draft report was submitted to RHUDO/ROCAP prior to his return to the United States. The final version of the report was under preparation at the conclusion of the quarter.

J. Guinea

Following her selection as team leader for the upcoming shelter sector assessment in Guinea, Ms. Sonia Hammam commenced work on this assignment on December 16 to collect such data as was available in Washington in preparation for the field work scheduled for early January. (RFS No. 44, 12/6/79).

III. STAFF ACTIVITY

A. Field Work

1. Ecuador

a. Project 518-HG-005 October 15 - November 7

Mr. Edward Robbins, Vice President, Financial Systems, was assigned to lead the project design team in completing work for Project 005. The team's report was submitted to the Office of Housing on December 18 (see II.D. above).

b. Project 518-HG-003 October 15 - November 2

Pursuant to DS/H letter of June 27 which requested that several evaluations of administrators and borrowers be scheduled according to priority, a fiscal and management review of Ecuador Project 003 was carried out. The review showed the Administrator for this project to be in need of a wide variety of technical assistance, particularly in the area of management information systems; however, given the relatively small magnitude of the loan and its problems, NSLL's recommendations as stated in the trip report submitted to the Office of Housing on November 11 were limited to those likely to yield maximum improvement at minimal cost.

B. Other Work Performed by Staff

Togo - In compliance with DS/H request of October 29, an analysis was made of the International Monetary Fund report entitled "Togo

Debt Renegotiation" with a view toward evaluating the present economic and financial situation in Togo and the near and long-term outlook for that country's balance of payments. The findings and recommendations concerning the advisability of a \$15 million Housing Guaranty loan were presented to the Office of Housing in a report dated December 4.

PROJECTED FIELD WORK SCHEDULE

January 1 - March 31, 1980

I. STAFF ASSIGNMENTS

<u>Name</u>	<u>Country (Project)</u>	<u>Duration</u>
Christian	Jordan	1 week
Robbins	El Salvador	10 days
Peck	Guyana	3 weeks
Peck	El Salvador	2 weeks

II. CONSULTANT ASSIGNMENTS

Arana	Dominican Republic	3 weeks
Alexander	Jordan	1 week
Hammam	Guinea	10 weeks
Perry	Guinea	6 weeks
Keen	Tunisia (CNEL)	3 weeks
Keen	Tunisia (003)	3 weeks
Keen	Ivory Coast	3 weeks

Cost Review of Contract Operations
during Fourth Quarter of 1979 and Projected Costs
for Contract Operations during First Quarter of 1980

	<u>4th Quarter 1979</u>		<u>1st Quarter 1980</u>
	<u>Projected Costs</u>	<u>Actual Costs</u>	<u>Projected Costs</u>
Salaries and Wages	33,700	32,304	33,500
Fringe Benefits	9,500	9,563	8,500
Consultant Fees	28,000	43,627*	30,000
Travel and Transportation	24,000	22,308	20,000
Materials and Supplies	800	520	400
Other Direct Costs	<u>13,000</u>	<u>14,688</u>	<u>13,000</u>
Total Direct Costs	109,000	123,010	105,400
Overhead	<u>28,340</u>	<u>31,983</u>	<u>27,404</u>
Total Costs	<u>137,340</u>	<u>154,993</u>	<u>132,804</u>

* Payments made on various outstanding vouchers for previous quarter; also, Connor (Honduras) assignment longer than projected and following not projected: Keen (Ivory Coast); Clifton (BIAPE); Bryant (Workshop).