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INTERNATIONAL COOPERATION ADMINISTRATION

PN-672-7-51

**COUNTERPART
FUNDS AND ICA
FOREIGN CURRENCY
ACCOUNTS**

Data as June 30, 1956

OFFICE OF STATISTICS AND REPORTS

NOTICE TO REGULAR MAIL RECIPIENTS OF THIS REPORT:

This quarterly publication is a consolidation of the separate reports on "Local Currency Counterpart Funds" for the European Program and for the Far East Program, published through June 30, 1954. Data on counterpart funds in the Near East, Africa, and South Asia and in Latin America are also included. In addition, this report covers the status of ICA foreign currency proceeds from the sales of surplus agricultural commodities and from the sale of coal. Data for the quarter ended September 30, 1955 were not published.

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OCTOBER 31, 1956



**COUNTERPART FUNDS
AND
ICA FOREIGN
CURRENCY ACCOUNTS**

Prepared By
OFFICE OF STATISTICS AND REPORTS

CONVERSION RATES IN EFFECT APRIL 1 THROUGH JUNE 30, 1956

(Units of Local Currency per U.S. Dollar)

COUNTRY	UNIT OF CURRENCY	RATE		
		COUNTERPART ACCOUNT ^{1/}	U.S.-OWNED FOREIGN CURRENCY ACCOUNTS	
			SECTION 402	OTHER ^{2/}
Afghanistan	afghanl			21
Argentina	peso			13.9525
Austria	schilling	26	26	26.08
Belgium-Luxembourg	franc	50		
Bolivia	boliviano	600	600	
Brazil	cruzeiro			50.06
Burma	kyat	4.7825		
Cambodia	riel	35	34.82	
Chile	peso			289.254
China (Taiwan)	New Taiwan dollar	24.78	24.78	15.05
Colombia	peso			2.51
Denmark	kroene	6.907	6.907	
Ecuador	sucre			15.15
Egypt	pound		.3480889	.34942
Finland	Finmark			230 ^{1/}
France	franc	350	349.980	350
Germany (Fed. Rep.)	Deutsche Mark	4.2	4.22 ^{1/4}	4.20428
Greece	drachma (new issue)	30	30	30
Guatemala	quetzale	1	1	
Iceland	krona	16.2857		
Indonesian Republic	rupiah	11.43		11.325
India	rupee		4.79619	4.773269
Iran	rial	89.9 & 91.25 ^{3/}	84	76.50
Ireland	pound	\$2.80 ^{4/}		
Israel	pound	1.033518	1.80	1.00 & 1.80 ^{5/}
Italy	lira	625	625	625
Japan	yen			360
Jordan	dinar	.35698 & .3597122		
Korea	hwan	500	500	500
Laos	kip	35	34.82	
Netherlands	guilder	3.8		3.7956
Norway	kroner	7.143		7.14286
Pakistan	rupee	4.76		Various
Paraguay	guaranies			60
Peru	sole			19
Philippines	peso	2	2	
Portugal	escudo	28.75		28.60
Spain	peseta	35	38.57	38.95
Thailand	baht	20.4338		Various
Trieste	Italian lira	625		
Turkey	lira	2.8	2.8	2.8252
United Kingdom	pound Sterling	\$2.80 ^{4/}	\$2.7993 ^{4/}	\$2.80 ^{4/}
Vietnam	plastre	35	34.82	
Yugoslavia	dinar	300	300	300

^{1/}In Austria, Denmark, Finland, France, Italy, and the United Kingdom, these rates were used also for the Coal Program sales accounts.

^{2/}Represents Sec. 550, Title I of P.L. 480 and loans under Sec. 505 (b).

^{3/}Average rates used for Accounts 60 and 5, respectively.

^{4/}In U.S. dollars per unit of local currency.

^{5/}First rate used for Sec. 550.

PREFACE

There are currently under the ICA non-military programs a variety of "local" or foreign currency accounts. These are of two general types: 1) "local currency counterpart" accounts; and 2) foreign currency accounts deposited in payment for purchases of United States surplus agricultural commodities.

The local currency counterpart accounts are generated in various foreign countries as a result of dollar grant aid (usually nonmilitary aid) extended by the International Cooperation Administration and its predecessor agencies. These "special accounts," as provided in the original legislation, are "held or used within such country for such purposes as may be agreed to between such country and the Administration in consultation with the National Advisory Council on International Monetary and Financial Problems for a variety of purposes consistent with the objectives of the Act." ^{1/}A portion of these "counterpart" deposits is usually reserved for United States use; the balance is used by the participating country for purposes agreed to by ICA that are in furtherance of the Mutual Security Program. The ICA or the U.S. Government does not have possession of or spend the foreign countries' portion of counterpart funds. They belong to and are disbursed by the country concerned, once ICA has authorized the country to withdraw specific amounts within an approved program. (For further details on the handling of counterpart funds, see page 2 of this report.)

In contrast, foreign currencies deposited in payment for U. S. surplus agricultural commodities sold abroad belong 100 percent to the U.S. Government. Foreign currency sales proceeds from Sec. 550 (Mutual Security Act of 1951, as amended), Sec. 402 (Mutual Security Act of 1954, as amended), and Title I, P.L. 480, as amended, transactions are first deposited in U.S. Treasury Accounts abroad. These deposits are available for a variety of purposes, including off-shore procurement of military end-items, provision of assistance to defense support and economic development programs, purchase of

materials for United States stockpiles, etc. Sec. 550 and Sec. 402 deposits and in some instances, P.L. 480, Title I deposits, are available to ICA without the payment in dollars to the U.S. Treasury ordinarily required for the use of U.S. foreign currency assets. (See page 42 for additional details.) Particular care should be taken not to confuse foreign currency funds arising from the surplus agricultural disposal programs, which belong to the U.S. Government, with local currency counterpart funds which belong, except for an initial amount reserved for U.S. use, to the various countries receiving ICA-grant aid. The fact that withdrawals from the foreign countries' portion of the counterpart funds are subject to prior ICA approval should not be allowed to obscure the basic difference in the two types of accounts - i.e., the difference in actual ownership of the funds.

In addition to these two types of accounts, a variation of each of them developed in fiscal 1955: 1) As U.S.-owned foreign currencies from surplus agricultural sales are used for grant aid, particularly for aid to a third country, this aid generates "counterpart" just as dollar aid generates counterpart. Any required deposits of local currencies are made into the "special accounts" already in use for regular dollar-aid counterpart deposits. 2) U.S. coal was sold under the FY 1955 ICA "Coal Program" to some countries for foreign currency and not supplied as part of the country's regularly programmed ICA aid. The foreign currency received in payment is used to aid some third country as part of its ICA aid program. The final aid recipient country may or may not have been known at the time the U.S. coal was shipped to the second country. This facet of the Coal Program is somewhat analogous to the surplus agricultural commodities disposal program in that the foreign currencies received in payment are used for ICA purposes to extend aid to third countries. (For further details on the "Coal Program" see page 43 of this report.)

^{1/}Sec. 115, Public Law 472, 80th Cong.
(The Economic Cooperation Act of 1948.)

Note: Whenever "ICA" is used above or elsewhere in this publication, it should be considered to include ICA's predecessor agencies.

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**LOCAL
CURRENCY
COUNTERPART
FUNDS**



SUMMARY OF COUNTERPART FUNDS

GENERATION AND USE OF COUNTERPART FUNDS

In each country where nonmilitary assistance is provided on a grant basis by the International Cooperation Administration there is usually created a special local currency account pursuant to the provisions of bilateral agreements entered into between the United States and the various countries concerned. These deposits, which are called counterpart funds, are used in general by the depositing country to carry out mutual security objectives agreed to jointly with the United States.

Deposit Requirements

In the past, each recipient country in Europe and in Greece and Turkey was committed by the bilateral agreements to deposit the full commensurate value of all grant aid received. The Mutual Security Act of 1954 required counterpart deposits based on sales proceeds to the recipient nation from the import or sale of commodities furnished on a grant basis (except for military grant aid). As a matter of policy, ICA has continued under existing bilateral agreements to require counterpart deposits commensurate with grant aid expenditures where they are in excess of the sales proceeds.

In the Far East under the previous law, it was possible to tailor actual deposit requirements to the financial conditions existing in the particular Far East country. Although ICA, by the terms of the bilateral agreements, has the right to require deposits of counterpart funds up to a maximum of the equivalent of the dollar grant aid furnished, some Far Eastern countries, confronted with serious budgetary deficits, are required to deposit in their counterpart accounts only the local currency obtained from the import and sale of ICA-financed commodities and services. Other countries deposit counterpart on a commensurate value basis. As the Mutual Security Act of 1954 required counterpart deposits based on sales proceeds to the recipient nation, deposit requirements in the Far East were largely unaffected. Countries actually on a commensurate value deposit basis have as a matter of policy continued on that basis where such deposits are in excess of the sales proceeds.

One important effect of the present law, however, is to require counterpart deposits in all regions whenever a country receives local currency import or sales proceeds from nonmilitary grant aid. Previously in Latin America and the Near East, Africa, and South Asia areas (except for Greece and

Turkey), where programs were conducted under the Act for International Development and the Mutual Security Act of 1951, as amended, the bilateral agreements did not generally provide for counterpart deposits. There were several exceptions, however, notably Israel, Jordan, Pakistan and Bolivia. Counterpart deposits were made in these countries against commodity grant aid received.

In addition, Pakistan established a separate counterpart account for the sales proceeds of wheat imported under Public Law 77, 83d Congress. In the case of Bolivia, the bilateral agreement provided that any local currency sales proceeds from imports under the Famine Relief Act (P.L. 216, 83d Congress) would be deposited in the same special counterpart account established for counterpart generated by MSP-financed imports.

In the event that grant aid under Title II of Public Law 480, 83d Congress, generates local currency sales proceeds in the recipient country, the United States requires that these funds be deposited in a counterpart account to be used only by mutual consent of the United States and the recipient country.

United States Portion

In the European countries, and in Greece and Turkey, there is reserved for United States use at least 5 percent of the counterpart funds deposited to match the dollar funds obligated prior to June 20, 1952, and 10 percent of the counterpart deposited to match dollar funds obligated on and after that date.

In the Far East, each country has agreed to make available upon request local currencies from the special account to meet United States administrative and operating expenses payable in local currency. The bilateral agreements in this area, with two exceptions, do not specify a fixed portion of the counterpart deposits to be set aside for United States use, as do the European agreements. The bilateral agreement with the Philippine government provides that 5 percent of the counterpart deposits are to be set aside for use by the United States, and the bilateral agreement with the Republic of Korea provides that an amount not exceeding 5 percent will be set aside for local expenses of the United States and the United Nations organization administering the aid program.

Under the current law (Sec. 142 of the Mutual Security Act of 1954, as amended), no fixed minimum amount for United States use

SUMMARY OF COUNTERPART FUNDS

is required, but countries must make available to the United States any portion of the special account necessary for U.S. requirements; countries previously required to reserve 10 percent for United States use must continue to do so.

Under Section 1415 of Public Law 547, approved July 15, 1952, all of the United States portion of counterpart funds generated after June 30, 1953, is deposited in U.S. Treasury accounts overseas. In addition, unobligated balances as of July 1, 1953, have been transferred to these accounts. Government agencies, including ICA, needing foreign currencies purchase the required currencies from U.S. Treasury Disbursing Officers with appropriated dollar funds. Local currencies deposited in payment for surplus agricultural commodities sold under Section 550 of the Mutual Security Act of 1951, as amended, and Sec. 402 of the Mutual Security Act of 1954, as amended are not "counterpart funds" and are exempt from this dollar purchase requirement. Local currencies deposited under these two sections are available for ICA purposes upon deposit by the purchasing country. (See page 42 for further details.)

Use By Depositing Countries

The bulk of the counterpart funds is available for use by the depositing countries. Withdrawals from the special account may be made only after ICA has agreed to the proposed use. Proposals for the utilization of counterpart funds are generally formulated by the depositing government in consultation with the United States Operating Mission in that country. The recommendations of the Mission are reviewed by ICA in Washington. The National Advisory Council on International Monetary and Financial Problems is consulted on policy matters. As provided by the Mutual Security Act of 1952 and subsequent legislation, counterpart funds are to be used to carry out the same purposes for which dollar aid is currently authorized.

In general, the first step in approving the utilization of counterpart funds is agreement on the general level of expenditures during the fiscal year. The second is agreement on the specific programs to be financed with counterpart funds. The final step is the release by ICA (approvals for withdrawal) permitting funds to be withdrawn from the special account for agreed upon uses.

Dollar Equivalents

Counterpart fund accounts are in local currencies of the various cooperating countries. In order to establish a common denomination for these currencies they have been translated into United States dollar equivalents.

Dollar equivalents of deposits are computed at the agreed rate in effect at the time ICA disburses dollar aid funds. The dollar equivalents of withdrawals, however, are in general calculated at the rate in effect at the time the funds are withdrawn from the special account and the unwithdrawn balances are computed at the current rate. When there has been a change in the exchange rate, the rates for withdrawals and balances will differ from the deposit rates making it necessary to compute an adjusted dollar equivalent of the total deposits to reflect the difference between the rates at the time of deposit and at the time of utilization. The bulk of these adjustments were made at the time of the general devaluation of European currencies in September 1949, when the unwithdrawn balances in the special accounts were revalued to reflect the new rates. In some cases where the fluctuations in deposit rates have been small, an average rate for deposits has been used to calculate dollar equivalents. In other instances, particularly where exchange rates vary between commodities as well as between time periods, average rates have been used for both deposits and withdrawals.

Status of Accounts

Through June 30, 1956, the equivalent of \$14,474.6 million had been deposited in the various counterpart accounts in ICA-aided countries. Of this amount, the equivalent of \$12,723.5 million had been approved for withdrawal for country use and \$12,611.3 million had been withdrawn. In addition, the equivalent of \$722.3 million had been transferred for United States use, leaving a balance equivalent to \$1,141.2 million in the various accounts. Most of these funds were earmarked for agreed-upon programs. Regional and country detail are shown on the following page.

Approvals for withdrawal and withdrawals from these accounts have been made for a wide variety of purposes; a world-wide summary of the country uses of counterpart funds is difficult, as the objectives of the various regional programs varied and the statistical categories used to classify the various uses were necessarily different. In Europe, for instance, the emphasis was long on the promotion of production, and approvals for this purpose were grouped in accordance with the type of industry benefitted. In the Far East and other areas, the primary emphasis has been on technical assistance, and the use of counterpart was classified by the various fields of technical assistance -- such as agriculture, health and sanitation, etc. Accordingly, this report includes regional summaries but no world-wide summary of approvals for withdrawal for country purposes.

SUMMARY
STATUS OF LOCAL CURRENCY COUNTERPART FUNDS ACCOUNTS
APRIL 3, 1948 - JUNE 30, 1956
(Dollar equivalents of the local currencies in millions of dollars)

REGION AND COUNTRY	ADJUSTED DEPOSITS ^{1/}	TRANSFERRED FOR U.S. USE	TOTAL DEPOSITS AVAILABLE FOR COUNTRY USE	APPROVED FOR WITHDRAWAL	WITHDRAWALS FOR COUNTRY USE
GRAND TOTAL	\$14,474.6	\$722.3	\$13,752.5	\$12,723.5	\$12,611.3
EUROPE, TOTAL	11,828.4	620.7	11,007.7	10,505.7	10,481.9
Austria	885.5	39.0	846.5	681.3	674.1
Belgium-Luxembourg	33.6	2.0	31.6	31.0	30.9
Denmark	239.6	12.6	227.0	227.0	227.0
France	3,406.3	165.1	3,241.2	3,240.6	3,231.2
Germany (Fed. Rep.)	1,220.4	69.2	1,151.2	1,133.6	1,133.3
Iceland	29.6	1.7	27.9	15.8	15.8
Ireland	18.2	0.9	17.3	8.8	2.9
Italy	1,529.7	77.7	1,452.0	1,370.5	1,338.3
Netherlands	901.1	15.6	885.5	747.6	732.9
Indonesia	4.8 ^{2/}	4.8	—	—	—
Norway	385.1	19.3	365.8	353.1	351.2
Portugal	24.6	1.3	23.3	20.2	20.2
Spain	64.9	7.9	57.0	46.1	45.9
Trieste	37.1	1.8	35.3	35.1	35.1
United Kingdom	2,575.9	149.0	2,426.9	2,426.3	2,424.8
Yugoslavia	272.0	22.8	249.2	168.8	168.3
NEAR EAST, AFRICA, AND SOUTH					
ASIA, TOTAL	1,590.0	84.4	1,505.6	1,171.5	1,158.4
Greece	825.3	56.5	768.8	522.9	522.3
Iran ^{3/}	96.3	—	96.3	96.1	96.1
Israel	207.1	0.3	202.8	206.2	201.7
Jordan	5.1	0.1	5.0	5.3	4.5
Pakistan ^{4/}	130.9	5.4	125.5	33.7	26.5
Turkey	329.3	22.1	307.2	307.2	307.2
FAR EAST, TOTAL	1,208.8	17.2	1,182.2	1,007.1	982.4
Burma	7.8	0.6	7.2	7.0	7.0
Cambodia ^{5/}	46.3	0.2	46.1	39.6	39.5
China (Taiwan) ^{6/}	340.3	4.5	335.8	322.1	304.6
Indonesian Republic ^{7/}	54.3	—	54.3	16.1	12.9
Korea ^{8/}	251.2	4.4	246.8	160.8	160.8
Laos ^{9/}	58.4	"	58.4	58.4	57.3
Philippines	74.7	3.6	71.2	63.4	63.2
Thailand	34.0	1.2	32.9	24.2	23.9
Vietnam ^{5/}	342.8	2.7	340.1	315.4	313.4
LATIN AMERICA, TOTAL	46.4	*	46.4	39.2	38.6
Bolivia	45.3	*	45.3	37.6	37.6
Guatemala	1.1	—	1.1	1.6	1.0

NOTE: Totals shown are sums of unrounded figures, hence may vary slightly from totals of rounded amounts.

^{1/} Represents country deposits adjusted for exchange rate fluctuations plus repayments of loan principal and interest; also reflects net transfers, principally unencumbered balances from P.L. 84 and 389 (80th Congress) counterpart deposits and transfers to the GARIOA account in Germany. Excludes German GARIOA counterpart funds.

^{2/} Balance of this account was transferred to the Republic of Indonesia from the Netherlands under a tripartite agreement.

^{3/} Includes fiscal year 1954 and prior account under unilateral control. See page 24.

^{4/} Includes P.L. 77, 83d Congress, wheat counterpart account.

^{5/} Includes purchased local currency.

^{6/} Deposits of new Taiwan dollars only.

^{7/} Includes the equivalent of \$43.4 million transferred from the Netherlands under a tripartite agreement.

^{8/} Represents counterpart deposits for grant aid on and after August 28, 1953, the effective date of the current bilateral agreement.

* Less than the equivalent of \$50,000.

SUMMARY						
STATUS OF LOCAL CURRENCY COUNTERPART FUNDS ACCOUNTS						
JULY 1, 1955 - JUNE 30, 1956						
(Dollar equivalents of the local currencies in millions of dollars)						
REGION AND COUNTRY	ADJUSTED DEPOSITS ^{1/}	TRANSFERRED FOR U.S. USE	TOTAL FY 56 DEPOSITS AVAILABLE FOR COUNTRY USE	UNRELEASED BALANCE AS OF JULY 1, 1955	APPROVED FOR WITHDRAWAL	WITHDRAWALS FOR COUNTRY USE
GRAND TOTAL	\$823.0	\$23.3	\$805.7	\$1,003.7	\$780.0	\$832.5
EUROPE, TOTAL	120.4	10.1	110.3	645.5	253.9	288.8
Austria	7.0	—	7.0	166.8	8.6	10.7
Belgium-Luxembourg	0.1	*	0.1	0.7	0.2	0.6
Denmark	0.1	*	0.1	*	0.1	4.4
France	5.5	0.5	5.0	33.4	37.8	42.2
Germany (Fed. Rep.)	5.2	0.3	4.9	6.2	-6.5	2.5
Iceland	0.3	—	0.3	12.4	0.6	0.6
Ireland	—	—	—	17.2	8.7	2.8
Italy ^{2/}	4.4	0.4	4.0	98.9	21.4	31.7
Netherlands	-3.7	-0.2	-3.5	136.0	26.6	34.7
Norway	1.7	0.1	1.6	14.3	3.2	4.2
Portugal	0.8	*	0.8	3.3	1.0	1.0
Spain	52.5	5.3	47.2	9.6	45.9	45.7
Trieste	*	—	*	0.2	—	—
United Kingdom	8.1	0.7	7.4	1.0	7.8	9.2
Yugoslavia	38.4	3.0	35.4	143.5	98.5	98.5
NEAR EAST, AFRICA, AND SOUTH ASIA, TOTAL	193.0	8.0	185.0	264.7	115.3	120.7
Greece	25.8	2.6	23.2	250.0	27.3	27.4
Iran	7.1	—	7.1	0.4	7.3	7.3
Israel	30.6	—	30.6	-5.0	29.1	34.4
Jordan	n.a.	—	n.a.	n.a.	n.a.	n.a.
Pakistan ^{3/}	84.0	1.4	82.6	19.3	10.1	10.1
Turkey	45.5	4.0	41.5	—	41.5	41.5
FAR EAST, TOTAL	486.4	5.2	481.2	87.1	382.5	395.3
Burma	0.1	—	0.1	*	—	*
Cambodia ^{4/}	29.1	*	29.1	3.0	25.5	25.5
China (Taiwan)	48.1	0.3	47.8	13.0	47.1	30.5
Indonesian Republic	—	—	—	46.8	8.6	12.1
Korea	160.2	4.3	155.9	15.1	84.9	84.9
Laos ^{4/}	43.7	*	43.7	*	43.7	42.6
Philippines	12.4	0.5	11.9	4.7	8.8	10.4
Thailand	18.3	0.1	18.2	-1.6	7.9	9.9
Vietnam ^{4/}	174.5	—	174.5	6.1	155.9	179.4
LATIN AMERICA, TOTAL	29.2	—	29.2	6.4	28.3	27.7
Bolivia	28.1	—	28.1	6.4	26.7	26.7
Guatemala	1.1	—	1.1	—	1.6	1.0

NOTE: Totals shown are sums of unrounded figures, hence may vary slightly from totals of rounded amounts.

^{1/}Represents country deposits adjusted for exchange rate fluctuations plus repayments of loan principal and interest; also reflects transfers to the GARIOA account in Germany. Excludes German GARIOA counterpart funds.

^{2/}Includes activity in the P.L. 84 and 389 (80th Congress) account.

^{3/}Includes P.L. 77, 83d Congress, wheat counterpart account.

^{4/}Includes purchased local currency.

n.a. Not available.

* Less than the equivalent of \$50,000.

EUROPEAN PROGRAM COUNTERPART FUNDS

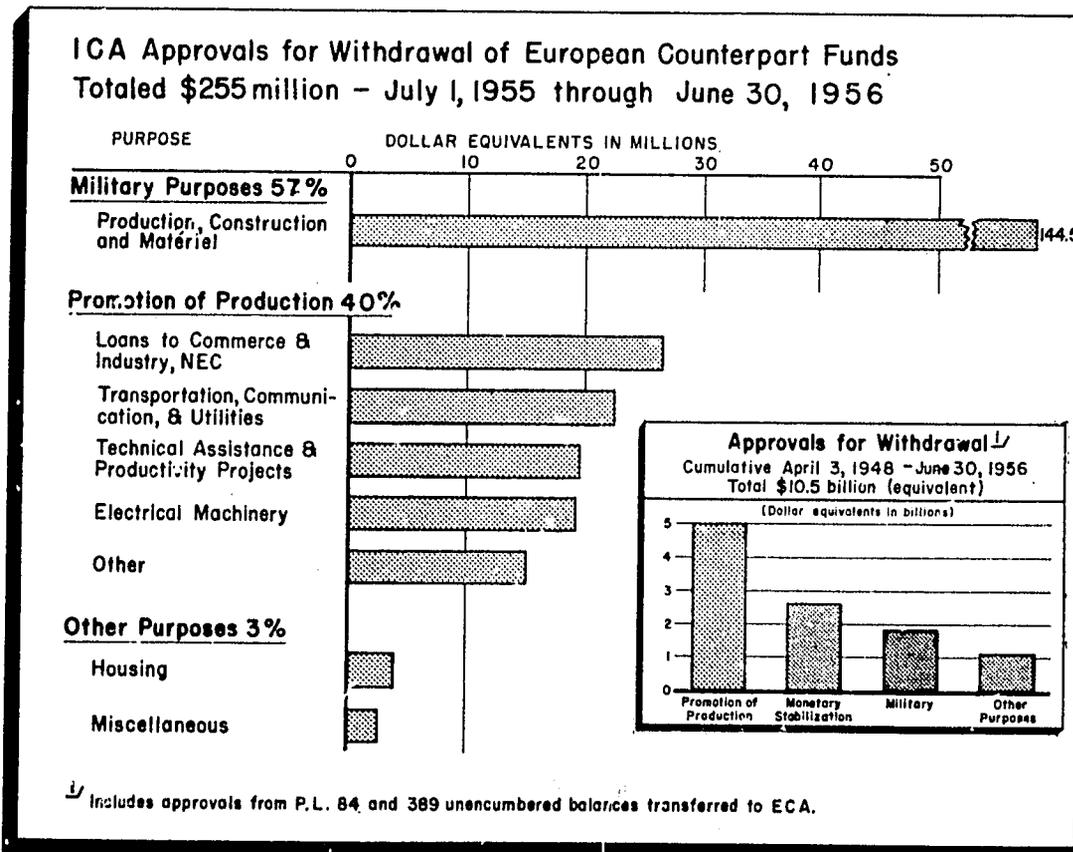
During the fiscal year 1956, the equivalent of \$755.8 million was available in the European special accounts for release by ICA to finance counterpart programs in the participating countries. Of this total, ICA approved the withdrawal of the equivalent of \$253.9 million, or 34 percent of the funds available. Austria, the Netherlands, Yugoslavia, and Italy accounted for the bulk of the unreleased funds, which, except for Austria, had been earmarked for agreed-upon programs and were to be released as required.

Fifty-seven percent of all funds approved for withdrawal in fiscal 1956 were released for military purposes. Six countries--France, Spain, the Netherlands, Norway, the United Kingdom and Yugoslavia--accounted for the total of \$144.5 million in dollar equivalents approved for military purposes. This use of counterpart funds for military production, construction and procurement was a continuation of the previous years' emphasis on such releases begun under the Mutual Security Act of 1951.

Other significant releases in this period were, in millions of dollar equivalents: \$19.8 for technical assistance, principally in Germany and Ireland; \$19.3 for the manufacture of electrical machinery, \$11.1 for agriculture and natural resources, and \$11.0 for railroads, all in Yugoslavia; and \$9.5 for communication facilities in Germany.

The release of the equivalent of \$8.7 million from the special account in Ireland, principally for technical assistance to agriculture, was made under the 1955 statutory approval of the final disposition of funds in the Irish counterpart account. The largest single approval, amounting to the equivalent of \$4.9 million, was for the distribution of ground limestone. Other approved projects were for the eradication of bovine tuberculosis and the extension of pasteurization.

Note that Greece and Turkey, formerly included in the European Program, are now shown in the Near East, Africa, and South Asian Program.



ECA APPROVALS FOR WITHDRAWAL OF EUROPEAN COUNTERPART FUNDS AND ACTUAL WITHDRAWALS ^{1/}			
JUNE 30, 1956			
(Dollar equivalents of the local currencies in millions of dollars)			
PURPOSE	CUMULATIVE APRIL 3, 1948 - JUNE 30, 1956		FISCAL YEAR ^{2/} JULY 1, 1955 - JUNE 30, 1956
	APPROVED FOR WITHDRAWAL	WITHDRAWALS	APPROVED FOR WITHDRAWAL
TOTAL	\$9,916.2	\$9,842.4	\$254.7
Military Purposes	1,796.1	1,786.2	144.5
Production, Construction, and Materiel	1,796.1	1,786.2	144.5
Monetary and Financial Stabilization	2,510.8	2,510.8	--
Debt Retirement	2,510.8	2,510.8	--
Promotion of Production	4,434.9	4,393.8	103.2
Agriculture and Natural Resources	929.3	924.8	19.2
Land Reclamation, Irrigation, etc.	415.1	414.9	0.3
Research and Extension Services	38.2	37.3	0.9
Farm Credit	74.2	74.2	--
Forestry	24.5	23.6	0.3
Fishing	1.5	1.5	0.1
Other Agricultural Programs	375.9	373.4	17.7
Extractive Industries	474.2	474.0	-4.5
Coal Mining	454.2	454.0	-4.5
Metal Mining	17.1	17.1	--
Other Mining and Quarrying	2.9	2.9	--
Manufacturing	775.2	772.3	18.6
Food Products	19.4	19.4	-0.3
Basic Textiles	34.2	34.2	0.1
Primary Metals	329.0	328.4	-2.0
Lumber and Sawmill Products	10.7	10.5	0.2
Stone, Clay, and Glass Products	15.7	15.7	--
Fertilizer	26.1	26.1	--
Chemicals, except Fertilizer	36.6	36.5	-2.1
Petroleum and Coal Products	15.3	15.3	--
Pulp, Paper, and Paper Products	54.0	54.0	-0.2
Rubber and Rubber Products	4.6	4.6	--
Electrical Machinery	30.6	30.6	19.5
Machinery, except Electrical	55.0	54.1	0.9
Miscellaneous Manufactures	93.9	93.1	2.6
Transportation, Communication, and Utilities	1,820.2	1,819.9	22.5
Railroads	440.1	440.1	10.0
Waterways and Harbors	66.2	66.2	--
Merchant and Fishing Fleet	133.9	133.9	--
Airports	5.6	5.4	0.3
Roads and Highway Bridges	163.9	163.9	9.9
Communication Facilities	55.2	55.2	9.5
Electric, Gas, and Power Facilities	915.8	915.7	-5.5
Water Systems	39.5	39.5	-1.7
Deficiency Materials	38.5	38.5	--
Technical Assistance	43.2	37.2	19.6
Loans to Commerce and Industry, N.E.C.	289.3	263.2	26.6
Undistributed	64.9	63.9	1.3
Productivity Projects	94.0	72.5	0.2
Intra-European Projects	6.6	6.6	--
Agriculture	12.9	10.5	--
Industry	48.4	41.0	--
Labor	3.6	1.2	0.1
Overseas Territories	2.5	0.7	--
Other	20.0	12.6	0.1
Other Purposes	1,080.3	1,079.0	6.6
Housing and Public Buildings	830.6	829.7	4.0
Housing	779.3	778.4	4.0
Public Buildings	51.3	51.3	--
Special Relief Projects	24.2	24.2	0.8
Health and Sanitation	8.9	8.9	--
Miscellaneous Social Services	0.5	0.5	--
Transportation of Relief Packages	14.8	14.8	0.8
Tourism	50.5	50.1	1.8
Payments to German Exporters	143.7	143.7	--
Special Program Sec. 513(b)	2.9	2.9	--
Undistributed	28.4	28.4	--

^{1/}Excludes approvals for use of counterpart generated under Public Laws 84 and 389, 80th Congress, and unencumbered when ECA assumed responsibility for approving utilization.

^{2/}Approvals for withdrawal during current fiscal year are based on new releases only and are not affected by the reassignment by purposes of funds released in prior years, except for Austria and Germany which are on a net basis. *Less than \$50,000.

STATUS OF LOCAL CURRENCY COUNTERPART FUNDS
PUBLIC LAWS 84 AND 389, 80th Congress^{1/}
CUMULATIVE APRIL 3, 1948 - JUNE 30, 1956

PURPOSE	TOTAL	AUSTRIA		FRANCE		ITALY	
	DOLLAR EQUIVALENTS (Millions of Dollars)	LOCAL CURRENCY (Millions of Schillings)	DOLLAR EQUIVALENTS (Millions of Dollars)	LOCAL CURRENCY (Billions of Francs)	DOLLAR EQUIVALENTS (Millions of Dollars)	LOCAL CURRENCY (Billions of Lire)	DOLLAR EQUIVALENTS (Millions of Dollars)
DEPOSITS	\$594.3 ^{2/}	1,158.7	\$112.1	68.3	\$308.9	105.4	\$173.0
TRANSFERRED TO PUBLIC LAW 472 ACCOUNT . . .	3.6 ^{2/}	70.6	3.3	--	--	--	--
BALANCE AVAILABLE FOR USE	590.7	1,088.1	108.8	68.3	308.9	105.4	173.0
TOTAL APPROVED FOR WITHDRAWAL	589.5	1,088.1	108.8	68.3	308.9	104.7	171.8
DEBT RETIREMENT	72.5	725.0	72.5	--	--	--	--
PROMOTION OF PRODUCTION	503.0	317.6	31.7	68.3	308.9	98.8	162.4
Agriculture and Natural Resources	36.3	14.8	1.4	--	--	21.8	34.9
Land Reclamation	32.2	2.3	0.2	--	--	20.0	32.0
Farm Credit	2.4	--	--	--	--	1.5	2.4
Forestry	0.1	1.4	0.1	--	--	--	--
Other Agricultural Programs	1.6	11.1	1.1	--	--	0.3	0.5
Coal Mining	34.1	--	--	7.5	34.1	--	--
Manufacturing	21.4	--	--	4.8	21.4	--	--
Primary Metals	4.9	--	--	1.1	4.9	--	--
Stone, Clay, and Glass Products	0.9	--	--	0.2	0.9	--	--
Fertilizer	1.4	--	--	0.3	1.4	--	--
Chemicals, except Fertilizer	0.7	--	--	0.2	0.7	--	--
Petroleum and Coal Products	7.7	--	--	1.7	7.7	--	--
Electrical Machinery	5.0	--	--	1.1	5.0	--	--
Miscellaneous Manufactures	0.8	--	--	0.2	0.8	--	--
Transportation, Communication, and Utilities	339.9	302.8	30.3	56.0	253.4	32.3	56.2
Railroads	129.6	245.8	24.6	12.4	56.3	28.0	48.7
Waterways and Harbors	4.4	--	--	1.0	4.4	--	--
Merchant and Fishing Fleet	29.7	--	--	5.0	22.7	4.0	7.0
Airports	0.5	--	--	--	--	0.3	0.5
Roads and Highway Bridges	1.1	5.0	0.5	0.1	0.6	--	--
Communication Facilities	5.1	51.4	5.1	--	--	--	--
Electric, Gas, and Power Facilities	169.4	--	--	37.5	169.4	--	--
Water Systems	0.1	0.6	0.1	--	--	--	--
Technical Assistance	4.5	--	--	--	--	2.8	4.5
Undistributed	66.8	--	--	--	--	41.9	66.8
Other Purposes	14.0	45.5	4.6	--	--	5.9	9.4
Housing	5.7	--	--	--	--	3.6	5.7
Public Buildings	4.4	43.8	4.4	--	--	--	--
Health and Sanitation	0.8	--	--	--	--	0.5	0.8
Miscellaneous Services	1.7	--	--	--	--	1.1	1.7
Tourism	1.2	--	--	--	--	0.8	1.2
Undistributed	0.2	1.7	0.2	--	--	--	--
Total Withdrawn	589.5	1,088.1	108.8	68.3	308.9	104.7	171.8

^{1/}Includes only those portions of deposits which were unencumbered at the time MSA/ECA assumed responsibility for approving utilization. Approvals shown here are excluded from the country table.
^{2/}Includes 190 million lire (equivalent to \$0.3 million) deposits by Trieste under P.L. 84. All of this balance was transferred to the P.L. 472 account.

AUSTRIA				
STATUS OF COUNTERPART FUNDS				
JUNE 30, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Schillings)	(Millions of Dollars)	(Millions of Schillings)	(Millions of Dollars)
Deposits in Special Account	15,845.0	\$955.2	-0.4	\$ *
Adjusted Dollar Equivalents of Deposits		759.0		*
Reserved for United States Use	864.6	39.0	--	--
Balance for Austria	14,980.4	720.0	-0.4	*
Other Deposits	446.91/	17.71/	182.3	7.0
Unreleased Balance July 1, 1955			4,336.6	166.8
Total Available for Approval	15,427.3	737.7	4,518.5	173.8
Total Approved for Withdrawal	11,133.7	572.5	224.9	8.6
Debt Retirement	125.0	12.5	--	--
Promotion of Production	9,677.7	497.7	205.3	7.9
Agriculture and Natural Resources	1,734.9	85.3	81.5	3.1
Land Reclamation, Irrigation, etc.	108.9	5.1	3.0	0.1
Research and Extension Services	344.8	15.7	18.5	0.8
Forestry	361.7	17.3	8.6	0.3
Fishing	4.6	0.1	--	--
Other Agricultural Programs	914.9	47.1	50.6	1.9
Extractive Industries	565.0	30.7	7.0	0.3
Coal Mining	330.3	18.4	7.0	0.3
Metal Mining	222.5	11.8	--	--
Other Mining and Quarrying	12.2	0.6	--	--
Manufacturing	3,458.1	171.9	95.6	3.7
Food Products	11.0	0.7	1.3	0.1
Basic Textiles	315.4	15.1	0.1	*
Primary Metals	1,119.1	58.3	15.9	0.6
Lumber and Sawmill Products	197.4	9.7	4.7	0.2
Stone, Clay, and Glass Products	88.6	4.2	-0.5	*
Fertilizer	76.0	4.6	--	--
Chemicals, except Fertilizer	145.9	6.5	2.7	0.1
Pulp, Paper, and Paper Products	841.5	41.0	0.1	*
Rubber and Rubber Products	29.8	2.1	--	--
Electrical Machinery	136.7	8.0	5.0	0.2
Machinery, except Electrical	320.3	14.6	19.7	0.8
Miscellaneous Manufactures	175.5	7.1	46.6	1.8
Transportation, Communication, and Utilities	3,675.0	198.9	2.0	0.1
Railroads	804.1	52.3	--	--
Waterways and Harbors	6.6	0.6	--	--
Roads and Highway Bridges	230.6	12.6	--	--
Communication Facilities	210.4	12.0	--	--
Electric, Gas, and Power Facilities	2,396.4	119.2	2.0	0.1
Water Systems	27.9	1.4	--	--
Technical Assistance	68.4	2.9	9.2	0.4
Loans to Commerce and Industry, N.E.C.	172.0	7.9	10.0	0.4
Undistributed	3.3	0.1	--	--
Productivity Projects	234.0	9.0	--	--
Intra-European Projects	20.8	0.8	--	--
Agriculture	60.9	2.4	--	--
Industry	124.5	4.7	--	--
Labor	0.3	*	--	--
Other	27.5	1.1	--	--
Other Purposes	1,097.0	53.3	19.6	0.7
Housing	607.1	29.1	--	--
Public Buildings	78.7	3.9	--	--
Health and Sanitation	1.0	*	--	--
Miscellaneous Social Services	10.0	0.5	--	--
Transportation of Relief Packages	41.3	2.2	6.3	0.2
Tourism	345.5	16.9	13.3	0.5
Undistributed	13.6	0.7	--	--
Total Withdrawn^{2/}	10,947.8	565.3	280.8	10.7
Balance of Approvals to be Withdrawn	185.9	7.2		
Promotion of Production	144.0	5.6		
Productivity Projects	7.6	0.3		
Other Purposes	34.3	1.3		

^{1/}Includes the unused balance of 70.6 million schillings (equivalent to \$3.3 million) transferred from P.L. 84 and 389 accounts and 375.4 million schillings (equivalent to \$16.4 million) from repayments of loans and interest redeposited. Also includes refund from Austrian Government of 822 thousand schillings (equivalent to \$32 thousand). Excludes repayments of pre-Zabljak loans not redeposited in Special Account but subject to USA program approval.

^{2/}Includes 28.6 million schillings (equivalent to \$1.0 million) transferred to the Special Coal Proceeds Account, to be reimbursed; and 117 million schillings (equivalent to \$4.5 million) transferred to the Sec. 402 account, to be reimbursed.

*Less than \$10,000.

BELGIUM-LUXEMBOURG				
STATUS OF COUNTERPART FUNDS				
JUNE 30, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Francs)	(Millions of Dollars)	(Millions of Francs)	(Millions of Dollars)
Deposits in Special Account	1,680.1	\$34.0	3.8	\$0.1
Adjusted Dollar Equivalents of Deposits		33.6		0.1
Reserved for United States Use	102.9	2.0	0.4	*
Balance for Belgium-Luxembourg	1,577.2	31.6	3.4	0.1
Unreleased Balance July 1, 1955			33.0	0.7
Total Available for Approval	1,577.2	31.6	36.4	0.8
Total Approved for Withdrawal	1,553.1	31.0	12.3	0.2
<u>Promotion of Production</u>	<u>1,507.6</u>	<u>30.1</u>	<u>12.3</u>	<u>0.2</u>
Agriculture and Natural Resources	116.6	2.3	--	--
Research and Extension Services	101.6	2.0	--	--
Farm Credit	15.0	0.3	--	--
Coal Mining	1,205.7	24.1	--	--
Technical Assistance	185.3	3.7	12.3	0.2
<u>Productivity Projects</u>	<u>45.0</u>	<u>0.9</u>	<u>--</u>	<u>--</u>
Intra-European Projects	4.0	0.1	--	--
Industry	41.0	0.8	--	--
<u>Other Purposes</u>	<u>0.5</u>	<u>*</u>	<u>--</u>	<u>--</u>
Transportation of Relief Packages	0.5	*	--	--
Total Withdrawn	1,548.1	30.9	29.5	0.6
<u>Balance of Approvals to Be Withdrawn</u>	<u>5.0</u>	<u>0.1</u>		
Research and Extension Services	5.0	0.1		

* Less than \$50,000.

TRIESTE				
STATUS OF COUNTERPART FUNDS				
JUNE 30, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Lire)	(Millions of Dollars)	(Millions of Lire)	(Millions of Dollars)
Deposits in Special Account	22,221	\$36.8	--	\$ --
Adjusted Dollar Equivalents of Deposits		36.2		--
Reserved for United States Use	1,111	1.8	--	--
Balance for Trieste	21,110	34.4	--	--
Other Deposits	591	0.9	1	*
Unreleased Balance July 1, 1955			169	0.2
Total Available for Approval	21,701	35.3	170	0.2
Total Approved for Withdrawal	21,531	35.1	--	--
<u>Promotion of Production</u>	<u>21,502</u>	<u>35.1</u>	<u>--</u>	<u>--</u>
Mining and Quarrying	19	*	--	--
Manufacturing	1,084	1.7	--	--
Food Products	300	0.5	--	--
Basic Textiles	450	0.7	--	--
Chemicals, except Fertilizer	45	*	--	--
Machinery	140	0.2	--	--
Miscellaneous Manufactures	149	0.3	--	--
Transportation, Communication, and Utilities	20,399	33.4	--	--
Waterways and Harbors	8	*	--	--
Merchant and Fishing Fleet	20,391	33.4	--	--
<u>Other Purposes</u>	<u>29</u>	<u>*</u>	<u>--</u>	<u>--</u>
Transportation of Relief Packages	29	*	--	--
Total Withdrawn	21,531	35.1	--	--

* Less than \$50,000.

DENMARK				
STATUS OF COUNTERPART FUNDS				
JUNE 30, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948- JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Kroner)	(Millions of Dollars)	(Millions of Kroner)	(Millions of Dollars)
Deposits in Special Account	1,655.0	\$271.7	0.6	\$0.1
Adjusted Dollar Equivalents of Deposits		239.6		0.1
Reserved for United States Use	86.1	12.6	0.1	*
Balance for Denmark	1,568.9	227.0	0.5	0.1
Unreleased Balance July 1, 1955			0.1	*
Total Available for Approval	1,568.9	227.0	0.6	0.1
Total Approved for Withdrawal	1,568.9	227.0	0.6	0.1
Military Production, Construction, and Matériel . .	135.5	19.6	--	--
Debt Retirement	898.7	130.1	--	--
<u>Promotion of Production</u>	<u>447.5</u>	<u>84.7</u>	<u>--</u>	<u>--</u>
Agriculture and Natural Resources	152.6	22.0	+	--
Research and Extension Services	12.6	1.8	--	--
Fishing	10.0	1.3	--	--
Other Agricultural Programs	130.0	18.9	--	--
Extractive Industries - Coal Mining	0.2	*	+	--
Manufacturing	57.9	8.4	--	--
Food Products	6.1	0.7	--	--
Lumber and Sawmill Products	6.2	1.0	--	--
Stone, Clay, and Glass Products	5.0	0.7	--	--
Chemicals, except Fertilizer	3.3	0.5	--	--
Petroleum and Coal Products	0.1	*	--	--
Pulp, Paper, and Paper Products	8.2	1.2	--	--
Rubber and Rubber Products	0.3	*	--	--
Electrical Machinery	4.8	0.7	--	--
Machinery, except Electrical	8.5	1.3	--	--
Miscellaneous Manufactures	15.4	2.3	--	--
Transportation, Communication, and Utilities . .	189.0	27.1	--	--
Waterways and Harbors	16.9	2.4	--	--
Merchant and Fishing Fleet	19.2	2.6	--	--
Communication Facilities	72.0	10.4	--	--
Electric, Gas, and Power Facilities	80.9	11.7	--	--
Technical Assistance	30.4	4.3	--	--
Undistributed	17.3	2.9	+	--
<u>Productivity Projects</u>	<u>61.8</u>	<u>8.9</u>	<u>0.6</u>	<u>0.1</u>
Intra-European Projects	1.7	0.2	--	--
Agriculture	26.0	3.8	--	--
Industry	33.0	4.8	--	--
Labor	1.0	0.1	0.6	0.1
<u>Other Purposes</u>	<u>25.6</u>	<u>3.7</u>	<u>--</u>	<u>--</u>
Tourism	15.6	2.3	+	--
Undistributed	10.0	1.4	--	--
Total Withdrawn	1,568.9	227.0	29.9	4.4

*Less than \$50,000.

FRANCE				
STATUS OF COUNTERPART FUNDS				
JUNE 30, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948- JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Billions of Francs)	(Millions of Dollars)	(Billions of Francs)	(Millions of Dollars)
Deposits in Special Account	983.5	\$3,122.5	1.9	\$5.5
Adjusted Dollar Equivalents of Deposits		3,097.4		5.5
Reserved for United States Use	57.2	165.1	0.2	0.5
Balance for France	926.3	2,932.3	1.7	5.0
Unreleased Balance July 1, 1955			11.7	33.4
Total Available for Approval	926.3	2,932.3	13.4	38.4
Total Approved for Withdrawal	926.1	2,931.7	13.2	37.8
Military Production, Construction, & Materiel	261.8	748.1	13.1	37.4
Debt Retirement	45.0	171.4	--	--
Promotion Of Production	482.2	1,611.5	--	--
Agriculture and Natural Resources	80.9	253.0	--	--
Land Reclamation, Irrigation, etc.	30.7	100.0	--	--
Farm Credit	12.0	36.5	--	--
Forestry	0.9	3.0	--	--
Other Agricultural Programs	37.3	113.5	--	--
Extractive Industries	86.9	308.6	--	--
Coal Mining	86.1	306.2	--	--
Other Mining and Quarrying	0.8	2.4	--	--
Manufacturing	74.1	230.8	--	--
Food Products	1.4	5.3	--	--
Basic Textiles	2.0	7.1	--	--
Primary Metals	52.6	162.5	--	--
Stone, Clay, and Glass Products	0.6	1.8	--	--
Fertilizer	4.2	13.4	--	--
Chemicals, except Fertilizer	0.9	3.3	--	--
Petroleum and Coal Products	1.6	5.1	--	--
Pulp, Paper, and Paper Products	0.9	2.9	--	--
Rubber and Rubber Products	0.2	0.7	--	--
Electrical Machinery	1.6	5.4	--	--
Miscellaneous Manufactures	8.1	23.3	--	--
Transportation, Communication, & Utilities	230.3	781.0	--	--
Railroads	34.3	125.1	--	--
Waterways and Harbors	6.6	21.3	--	--
Merchant and Fishing Fleet	13.0	48.4	--	--
Airports	1.4	4.0	--	--
Roads and Highway Bridges	4.8	15.2	--	--
Electric, Gas, and Power Facilities	169.1	563.9	--	--
Water Systems	1.1	3.1	--	--
Deficiency Materials	10.0	38.1	--	--
Productivity Projects	10.1	29.0	--	--
Intra-European Projects	0.8	2.4	--	--
Agriculture	1.2	3.4	--	--
Industry	3.1	8.9	--	--
Labor	1.2	3.4	--	--
Overseas Territories	0.6	1.8	--	--
Other	3.2	9.1	--	--
Other Purposes	126.9	371.7	0.1	0.4
Housing	120.1	350.3	--	--
Public Buildings	3.1	8.9	--	--
Health and Sanitation	0.5	1.4	--	--
Transportation of Relief Packages	0.8	2.4	0.1	0.4
Tourism	2.4	8.7	--	--
Total Withdrawn	922.8	2,922.3	14.8	42.2
Balance of Approvals to Be Withdrawn	3.3	9.4		
Productivity Projects	3.3	9.4		

GERMANY (FEDERAL REPUBLIC)

STATUS OF COUNTERPART FUNDS

JUNE 30, 1956

PURPOSE	CUMULATIVE, APRIL 3, 1948- JUNE 30, 1956		JULY 1, 1955. ^{1/} JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Deutsche Marks)	(Millions of Dollars)	(Millions of Deutsche Marks)	(Millions of Dollars)
Deposits in Special Account	5,756.92 ^{2/}	\$1,505.5	9.2	\$2.2
Adjusted Dollar Equivalents of Deposits		1,409.2		2.2
Reserved for United States Use	290.4	69.2	1.2	0.3
Transfers to GARIOA Counterpart Funds	835.1	198.9	--	--
Balance for Germany	4,631.4	1,141.1	8.0	1.9
Other Deposits ^{3/}	42.5	10.1	12.6	3.0
Unreleased Balance July 1, 1955			25.9	6.2
Total Available for Approval	4,673.9	1,151.2	46.5	11.1
Total Approved for Withdrawal	4,599.9	1,133.6	- 27.5	- 6.5
<u>Promotion of Production</u>	<u>3,447.2</u>	<u>832.3</u>	<u>- 28.5</u>	<u>- 6.8</u>
Agriculture and Natural Resources	448.6	106.4	--	--
Land Reclamation, Irrigation, etc.	45.9	10.8	--	--
Research and Extension Services	1.5	0.4	--	--
Farm Credit	108.6	25.8	--	--
Forestry	11.4	2.6	--	--
Other Agricultural Programs	281.2	66.8	--	--
Extractive Industries	422.5	104.7	- 20.0	- 4.8
Coal Mining	422.3	104.7	- 20.0	- 4.8
Other Mining and Quarrying	0.2	*	--	--
Manufacturing	1,199.6	285.1	- 16.8	- 4.0
Food Products	50.5	12.2	--	--
Basic Textiles	47.7	11.4	0.4	0.1
Primary Metals	255.7	60.8	- 11.0	- 2.6
Stone, Clay and Glass Products	37.6	9.0	--	--
Chemicals, Except Fertilizer	110.9	26.3	- 9.1	- 2.2
Petroleum and Coal Products	43.4	10.2	--	--
Pulp, Paper, and Paper Products	37.9	8.9	- 0.9	- 0.2
Rubber and Rubber Products	8.4	1.8	0.2	*
Electrical Machinery	197.1	47.2	0.1	*
Machinery, Except Electrical	163.9	38.9	0.3	0.1
Miscellaneous Manufactures	246.5	58.4	3.2	0.8
Transportation, Communications, and Utilities	1,222.1	299.4	- 32.5	- 7.7
Railroads	62.8	18.4	- 40.0	- 9.5
Waterways and Harbors	27.1	6.6	--	--
Merchant and Fishing Fleet	148.0	35.7	--	--
Communication Facilities	84.8	20.1	40.0	9.5
Electric, Gas, and Power Facilities	812.4	197.8	- 23.5	- 5.6
Water Systems	87.0	20.8	- 9.0	- 2.1
Technical Assistance	86.9	20.9	41.5	9.9
Loans to Commerce and Industry, N.E.C.	67.4	15.8	17.3	4.1
Undistributed	--	--	- 18.0	- 4.3
Productivity Projects - Industry	37.8	9.0	--	--
<u>Other Purposes</u>	<u>1,115.1</u>	<u>282.2</u>	<u>1.0</u>	<u>0.2</u>
Housing	546.9	130.8	--	--
Transportation of Relief Packages	34.6	8.2	1.0	0.2
Tourism	27.5	6.6	--	--
Payments to German Exporters	494.0	143.7	--	--
Special Program - Section 513(b)	12.2	2.9	--	--
Total Withdrawn	4,598.9	1,133.3	10.7	2.5
Balance of Approvals to be Withdrawn	1.0	0.2		
Promotion of Production - Misc. Manufactures	1.0	0.2		

^{1/}Data are on a net activity basis.

^{2/}Includes 494.0 million DM deposited in counterpart fund account to match conditional aid prior to December 1949. These conditional deposits of counterpart were used to pay German exporters for goods shipped to other participating countries.

^{3/}Repayments of principal and interest on loans; also includes deposits for Special Program under Section 513(b).

*Less than \$50,000.

GERMANY (FEDERAL REPUBLIC)
STATUS OF GARIOA COUNTERPART FUNDS
JUNE 30, 1956

PURPOSE	CUMULATIVE APRIL 3, 1948 JUNE 30, 1956		JULY 1, 1955 - 1/ JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Deutsche Marks)	(Millions of Dollars)	(Millions of Deutsche Marks)	(Millions of Dollars)
Deposits ^{2/}	4043.2	\$486.5	--	\$ --
Repayments ^{3/}	157.4	37.4	29.6	7.0
Other Deposits ^{4/}	54.0	12.9	--	--
Unreleased Balance July 1, 1955			181.2	43.2
Total Available^{5/}	2,254.6	536.8	210.8	50.2
Disbursements at the Request of the U.S.	2,173.9	518.8	135.1	32.2
Unemployment Relief in Berlin	636.9	151.7	50.0	11.9
HICOG Expenses	463.0	110.2	--	--
Berlin Stockpile	200.5	47.8	4.5	1.1
Support of Berlin Government	145.0	34.5	--	--
Berlin Orders Financing Program	87.0	20.7	--	--
Flour Shipments to Yugoslavia	33.3	7.9	--	--
Berlin Congress Hall	5.0	1.2	5.0	1.2
Other	0.7	0.2	0.4	0.1
Berlin Investment Program	607.5	144.6	75.2	17.9
<u>Promotion of Production</u>	<u>578.6</u>	<u>137.7</u>	<u>61.2</u>	<u>14.6</u>
Agriculture	1.5	0.4	0.7	0.2
Manufacturing	410.9	97.8	56.8	13.5
Food Products	7.9	1.9	1.1	0.3
Basic Textiles	30.6	7.4	11.6	2.7
Primary Metals	47.6	11.2	11.7	2.8
Stone, Clay, and Glass Products	16.1	3.7	2.4	0.6
Chemicals, except Fertilizer	20.7	5.0	1.4	0.3
Pulp, Paper, and Paper Products	16.3	3.9	--	--
Rubber and Rubber Products	4.1	0.9	1.1	0.3
Electrical Machinery	152.9	36.5	5.5	1.3
Machinery, except Electrical	58.3	14.0	6.5	1.5
Miscellaneous Manufactures	56.4	13.3	15.5	3.7
Transportation, Communication, & Utilities	132.5	31.4	-0.2	-0.1
Railroads	27.6	6.4	1.4	0.3
Merchant and Fishing Fleet	7.2	1.7	0.1	0
Communication Facilities	27.9	6.7	--	--
Electric, Gas, and Power Facilities	59.8	14.2	-1.7	-0.4
Water Systems	10.0	2.4	--	--
Loans to Commerce and Industry, N.E.C.	33.7	8.1	3.9	1.0
<u>Other Purposes</u>	<u>28.9</u>	<u>6.9</u>	<u>14.0</u>	<u>3.3</u>
Housing	14.9	3.6	--	--
Tourism	14.0	3.3	14.0	3.3
Balance on Hand^{6/}	75.7	18.0		

^{1/}Data are on a net activity basis.

^{2/}Includes counterpart transferred from special account, deposits against releases from grain and other reserves and counterpart deposits commensurate with ECA-financed GARIOA dollar procurement.

^{3/}Repayments of working capital provided for Berlin Investment Program and principal and interest payments on loans.

^{4/}Transferred from local currency collections of principal on U.S. surplus property credits.

^{5/}Excludes funds transferred from the Sec. 402 account.

^{6/}The United States has priority on use of this balance.

ICELAND				
STATUS OF COUNTERPART FUNDS				
JUNE 30, 1956 ^{1/}				
PURPOSE	CUMULATIVE, APRIL 3, 1948- JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Kronur)	(Millions of Dollars)	(Millions of Kronur)	(Millions of Dollars)
Deposits in Special Account	461.6	\$29.8	--	\$ --
Adjusted Dollar Equivalents of Deposits		28.4		--
Reserved for United States Use.	27.8	1.7	--	--
Balance for Iceland	433.8	26.7	--	--
Other Deposits ^{2/}	20.8	1.2	5.0	0.3
Unreleased Balance July 1, 1955			202.7	12.4
Total Available for Approval.	454.6	27.9	207.7	12.7
Total Approved for Withdrawal	<u>257.5</u>	<u>15.8</u>	<u>10.5</u>	<u>0.6</u>
Promotion of Production	<u>257.5</u>	<u>15.8</u>	<u>10.5</u>	<u>0.6</u>
Agriculture, Other Programs.	21.5	1.3	10.5	0.6
Fertilizer	76.0	4.7	--	--
Electric, Gas, and Power Facilities.	160.0	9.8	--	--
Total Withdrawn.	257.5	15.8	10.5	0.6

^{1/}Data as of March 31, 1956. June 30, 1956 data not available.

^{2/}Represents loan repayments and interest, less administrative expenses for the Icelandic Development Bank.

IRELAND				
STATUS OF COUNTERPART FUNDS				
JUNE 30, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948- JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Pounds)	(Millions of Dollars)	(Thousands of Pounds)	(Millions of Dollars)
Deposits in Special Account	6,501.6	\$18.2	--	\$ --
Adjusted Dollar Equivalents of Deposits		18.2		--
Reserved for United States Use.	325.1	0.9	--	--
Balance for Ireland	6,176.5	17.3	--	--
Unreleased Balance July 1, 1955			6,142.6	17.2
Total Available for Approval.	6,176.5	17.3	6,142.6	17.2
Total Approved for Withdrawal	<u>3,143.9</u>	<u>8.8</u>	<u>3,110.0</u>	<u>8.7</u>
Promotion of Production	<u>3,143.9</u>	<u>8.8</u>	<u>3,110.0</u>	<u>8.7</u>
Agricultural Research and Extension Services.	8.7	"	--	--
Technical Assistance.	3,135.2	8.8	3,110.0	8.7
Total Withdrawn	1,025.9	2.9	992.0	2.8
Balance of Approvals to be Withdrawn	<u>2,118.0</u>	<u>5.9</u>		
Technical Assistance	2,118.0	5.9		

^{*}Less than \$50,000.

ITALY
STATUS OF COUNTERPART FUNDS
JUNE 30, 1956

PURPOSE	CUMULATIVE, APRIL 3, 1948 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Billions of Lire)	(Millions of Dollars)	(Billions of Lire)	(Millions of Dollars)
Deposits in Special Account	846.2	\$1,387.4	2.8	\$4.4
Adjusted Dollar Equivalents of Deposits . . .		1,356.7		4.4
Reserved for United States Use.	48.0	77.7	0.3	0.4
Balance for Italy	798.2	1,279.0	2.5	4.0
Unreleased Balance July 1, 1955			61.6	98.5
Total Available for Approval.	798.2	1,279.0	64.1	102.6
<u>Total Approved for Withdrawal</u>	<u>748.0</u>	<u>1,198.7</u>	<u>13.9</u>	<u>22.2</u>
Military Production, Construction, and Matériel	34.0	54.4	--	--
<u>Promotion of Production</u>	<u>561.6</u>	<u>899.9</u>	<u>13.8</u>	<u>22.1</u>
Agriculture and Natural Resources	161.8	259.0	--	--
Land Reclamation, Irrigation, etc.	134.2	214.7	--	--
Research and Extension Services	1.9	2.8	--	--
Farm Credit	1.5	2.4	--	--
Other Agricultural Programs	24.3	39.1	--	--
Manufacturing - Primary Metals.	14.1	22.6	--	--
Transportation, Communication, and Utilities.	200.8	322.6	--	--
Railroads	137.4	220.8	--	--
Waterways and Harbors	16.3	26.1	--	--
Merchant and Fishing Fleet.	8.0	12.8	--	--
Airports.	0.8	1.3	--	--
Roads and Highway Bridges	24.6	39.5	--	--
Communication Facilities.	4.3	7.1	--	--
Electric, Gas, and Power Facilities	0.8	1.2	--	--
Water Systems	8.5	13.8	--	--
Loans to Commerce and Industry, N.E.C.	166.1	265.6	13.8	22.1
Undistributed	18.8	30.1	--	--
<u>Productivity Projects</u>	<u>12.9</u>	<u>20.6</u>	<u>0.1</u>	<u>0.1</u>
Intra-European Projects	1.1	1.8	--	--
Industry.	6.6	10.5	--	--
Other	5.2	8.3	0.1	0.1
<u>Other Purposes.</u>	<u>139.4</u>	<u>223.8</u>	<u>--</u>	<u>--</u>
Housing	103.1	165.5	--	--
Public Buildings.	22.5	36.1	--	--
Health.	3.4	5.6	--	--
Tourism	8.0	12.8	--	--
Undistributed	2.4	3.8	--	--
Total Withdrawn ^{1/}	727.8	1,166.5	20.3	32.5
<u>Balance of Approvals to Be Withdrawn.</u>	<u>20.2</u>	<u>32.2</u>		
Loans to Commerce and Industry, N.E.C.	16.3	26.1		
Productivity Projects - Other	3.9	6.1		

^{1/} Excludes 47.7 billion lire loaned by the Bank of Italy to the Ministry of Treasury.

NETHERLANDS^{1/}STATUS OF COUNTERPART FUNDS
JUNE 30, 1956

PURPOSE	CUMULATIVE, APRIL 3, 1948 - JUNE 30, 1956		JULY 1, 1955 JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Guilders)	(Millions of Dollars)	(Millions of Guilders)	(Millions of Dollars)
Deposits in Special Account	3,319.0	\$973.4	- 13.9	\$- 3.7
Adjusted Dollar Equivalents of Deposits		901.1		- 3.7
Reserved for United States Use	171.1	45.6	- 0.7	- 0.2
Balance for Netherlands	3,147.9	855.5	- 13.2	- 3.5
Unreleased Balance July 1, 1955			524.7	138.0
Total Available for Approval	3,147.9	855.5	511.5	134.5
<u>Total Approved for Withdrawal</u>	<u>2,737.2</u>	<u>747.6</u>	<u>100.8</u>	<u>26.6</u>
Military Production, Construction, and Matériel	324.0	85.2	61.5	16.2
Debt Retirement	750.0	197.4	--	--
<u>Promotion of Production</u>	<u>1,252.0</u>	<u>336.1</u>	<u>39.2</u>	<u>10.3</u>
Agriculture and Natural Resources	658.8	179.8	16.9	4.4
Land Reclamation, Irrigation, etc.	293.7	80.9	0.7	0.2
Research & Extension Services	55.7	14.6	0.5	0.1
Farm Credit	30.0	7.9	--	--
Forestry	1.4	0.3	--	--
Fishing	0.8	0.1	0.2	0.1
Other Agricultural Programs	277.2	76.0	15.4	4.1
Manufacturing	103.9	27.3	--	--
Primary Metals	94.3	24.8	--	--
Miscellaneous Manufactures	9.6	2.5	--	--
Transportation, Communication, & Utilities	363.8	95.7	--	--
Waterways and Harbors	32.2	8.4	--	--
Roads and Highway Bridges	313.7	82.6	--	--
Communication Facilities	17.9	4.7	--	--
Technical Assistance	5.0	1.4	1.0	0.3
Undistributed	120.5	31.8	21.3	5.6
<u>Productivity Projects</u>	<u>11.3</u>	<u>3.0</u>	<u>0.1</u>	<u>*</u>
Intra-European Projects	0.9	0.3	--	--
Agriculture	2.0	0.5	--	--
Industry	8.3	2.2	--	--
Other	0.1	*	0.1	*
<u>Other Purposes</u>	<u>399.9</u>	<u>125.9</u>	<u>--</u>	<u>--</u>
Housing	299.8	99.6	--	--
Health & Sanitation	6.7	1.8	--	--
Transportation of Relief Packages	0.5	0.1	--	--
Tourism	7.5	1.9	--	--
Undistributed	85.3	22.5	--	--
Total Withdrawn	2,681.5	732.9	131.9	34.7
<u>Balance of Approvals to be Withdrawn</u>	<u>55.7</u>	<u>14.7</u>		
Military Production, Construction, and Matériel	37.8	9.9		
<u>Promotion of Production</u>	<u>9.3</u>	<u>2.5</u>		
Agriculture	5.1	1.4		
Technical Assistance	0.3	0.1		
Undistributed	3.9	1.0		
<u>Productivity Projects</u>	<u>8.6</u>	<u>2.3</u>		
Agriculture	1.6	0.5		
Industry	6.9	1.8		
Other	0.1	*		

^{1/}Excludes Indonesia.

*Less than 50,000 units.

NORWAY				
STATUS OF COUNTERPART FUNDS				
JUNE 30, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948- JUNE 30, 1956		JULY 1, 1955 JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Kroner)	(Millions of Dollars)	(Millions of Kroner)	(Millions of Dollars)
Deposits in Special Account	2,590.4	\$398.7	12.0	\$1.7
Adjusted Dollar Equivalents of Deposits		385.1		1.7
Reserved for United States Use	137.6	19.3	1.2	0.1
Balance for Norway	2,452.8	365.8	10.8	1.6
Unreleased Balance July 1, 1955			102.1	14.3
Total Available for Approval	2,452.8	365.8	112.9	15.9
Total Approved for Withdrawal	2,362.9	353.1	23.0	3.2
Military Production, Construction, and Materiel	343.0	48.0	23.0	3.2
Debt Retirement	1,931.0	292.7	--	--
Promotion of Production	60.0	8.4	--	--
Extractive Industries	41.0	5.7	--	--
Coal Mining	3.0	0.4	--	--
Metal Mining	38.0	5.3	--	--
Railroads	19.0	2.7	--	--
Productivity Projects	28.6	4.0	--	--
Intra-European Projects	2.3	0.3	--	--
Agriculture	6.0	0.8	--	--
Industry	10.0	1.4	--	--
Other	10.3	1.5	--	--
Other Purposes	0.3	*	--	--
Transportation of Relief Packages	0.3	*	--	--
Total Withdrawn	2,348.9	351.2	30.0	4.2
Balance of Approvals to Be Withdrawn	14.0	1.9		
Productivity Projects	14.0	1.9		
Agriculture	1.2	0.2		
Industry	6.8	0.9		
Other	6.0	0.8		

* Less than \$50,000.

PORTUGAL				
STATUS OF COUNTERPART FUNDS				
JUNE 30, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948- JUNE 30, 1956		JULY 1, 1955 JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Escudos)	(Millions of Dollars)	(Millions of Escudos)	(Millions of Dollars)
Deposits in Special Account	707.2	\$25.1	23.9	\$0.8
Adjusted Dollar Equivalents of Deposits		24.5		0.8
Reserved for United States Use	39.8	1.3	1.8	*
Balance for Portugal	667.4	23.2	22.1	0.8
Other Deposits	2.3	0.1	0.8	*
Unreleased Balance July 1, 1955			94.8	3.3
Total Available for Approval	669.7	23.3	117.7	4.1
Total Approved for Withdrawal	582.0	20.2	30.0	1.0
Promotion of Production	514.0	17.8	30.0	1.0
Agriculture and Natural Resources	80.0	2.6	--	--
Land Reclamation, Irrigation, etc.	40.0	1.3	--	--
Farm Credit	40.0	1.3	--	--
Manufacturing	17.0	0.6	-10.0	-0.4
Food Products	--	--	-10.0	-0.4
Fertilizer	17.0	0.6	--	--
Transportation, Communication, and Utilities	417.0	14.6	40.0	1.4
Railroads	40.0	1.4	40.0	1.4
Merchant and Fishing Fleet	27.0	1.0	--	--
Electric, Gas, and Power Facilities	350.0	12.2	--	--
Other Purposes	68.0	2.4	--	--
Public Buildings	68.0	2.4	--	--
Total Withdrawn	582.0	20.2	30.0	1.0

* Less than \$50,000.

SPAIN
STATUS OF COUNTERPART FUNDS
JUNE 30, 1956

PURPOSE	CUMULATIVE JULY 1, 1953 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Pesetas)	(Millions of Dollars)	(Millions of Pesetas)	(Millions of Dollars)
Deposits in Special Account	2,270.1	\$64.9	1,837.4	\$52.5
Adjusted Dollar Equivalents of Deposits		64.9		52.5
Reserved for United States Use	276.8	7.9	184.4	5.8
Balance for Spain	1,993.3	57.0	1,653.0	47.2
Unreleased Balance July 1, 1955			334.3	9.6
Total Available for Approval	1,993.3	57.0	1,987.3	56.8
<u>Total Approved for Withdrawal</u>	<u>1,614.3</u>	<u>46.1</u>	<u>1,608.3</u>	<u>45.9</u>
Military Production, Construction, and Materiel	1,162.8	33.2	1,162.8	33.2
<u>Promotion of Production</u>	<u>451.2</u>	<u>12.9</u>	<u>445.2</u>	<u>12.7</u>
Transportation, Communication, and Utilities	440.2	12.6	440.2	12.6
Railroads	247.3	7.1	247.3	7.1
Airports	12.1	0.3	12.1	0.3
Roads and Highway Bridges	168.3	4.8	168.3	4.8
Water Systems	12.5	0.4	12.5	0.4
Technical Exchange	11.0	0.3	5.0	0.1
Other Purposes - Undistributed	0.3	*	0.3	*
Total Withdrawn	1,607.8	45.9	1,601.8	45.7
<u>Balance of Approvals to be Withdrawn</u>	<u>6.5</u>	<u>0.2</u>		
Airports	6.5	0.2		

*Less than \$50,000.

UNITED KINGDOM STATUS OF COUNTERPART FUNDS JUNE 30, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Pounds)	(Millions of Dollars)	(Thousands of Pounds)	(Millions of Dollars)
Deposits in Special Account	836,860	\$2,668.6	2,880	\$8.1
Adjusted Dollar Equivalents of Deposits		2,575.9		8.1
Reserved for United States Use	50,724	149.0	269	0.7
Balance for United Kingdom	786,136	2,426.9	2,620	7.4
Unreleased Balance July 1, 1955			386	1.0
Total Available for Approval	786,136	2,426.9	3,006	8.4
Total Approved for Withdrawal	785,930	2,426.3	2,800	7.8
Military Production, Construction, and Materiel	249,800	699.4	2,800	7.8
Debt Retirement	528,950	1,706.7	--	--
Promotion of Production	3,100	8.7	--	--
Agricultural Research and Extension Services	251	0.7	--	--
Extractive Industries, Coal Mining	155	0.4	--	--
Transportation, Communication, and Utilities	2,260	6.3	--	--
Railroads	475	1.3	--	--
Waterways and Harbors	323	0.9	--	--
Roads and Highway Bridges	1,462	4.1	--	--
Deficiency Materials	92	0.4	--	--
Technical Assistance	342	0.9	--	--
Productivity Projects	3,415	9.6	--	--
Intra-European Projects	257	0.7	--	--
Agriculture	700	2.0	--	--
Industry	2,225	6.2	--	--
Labor	32	0.1	--	--
Overseas Territories	201	0.6	--	--
Other Purposes	605	1.9	--	--
Transportation of Relief Packages	665	1.9	--	--
Total Withdrawn	785,404	2,424.8	3,288	9.2
Balance of Approvals to be Withdrawn	526	1.5		
Productivity Projects	526	1.5		

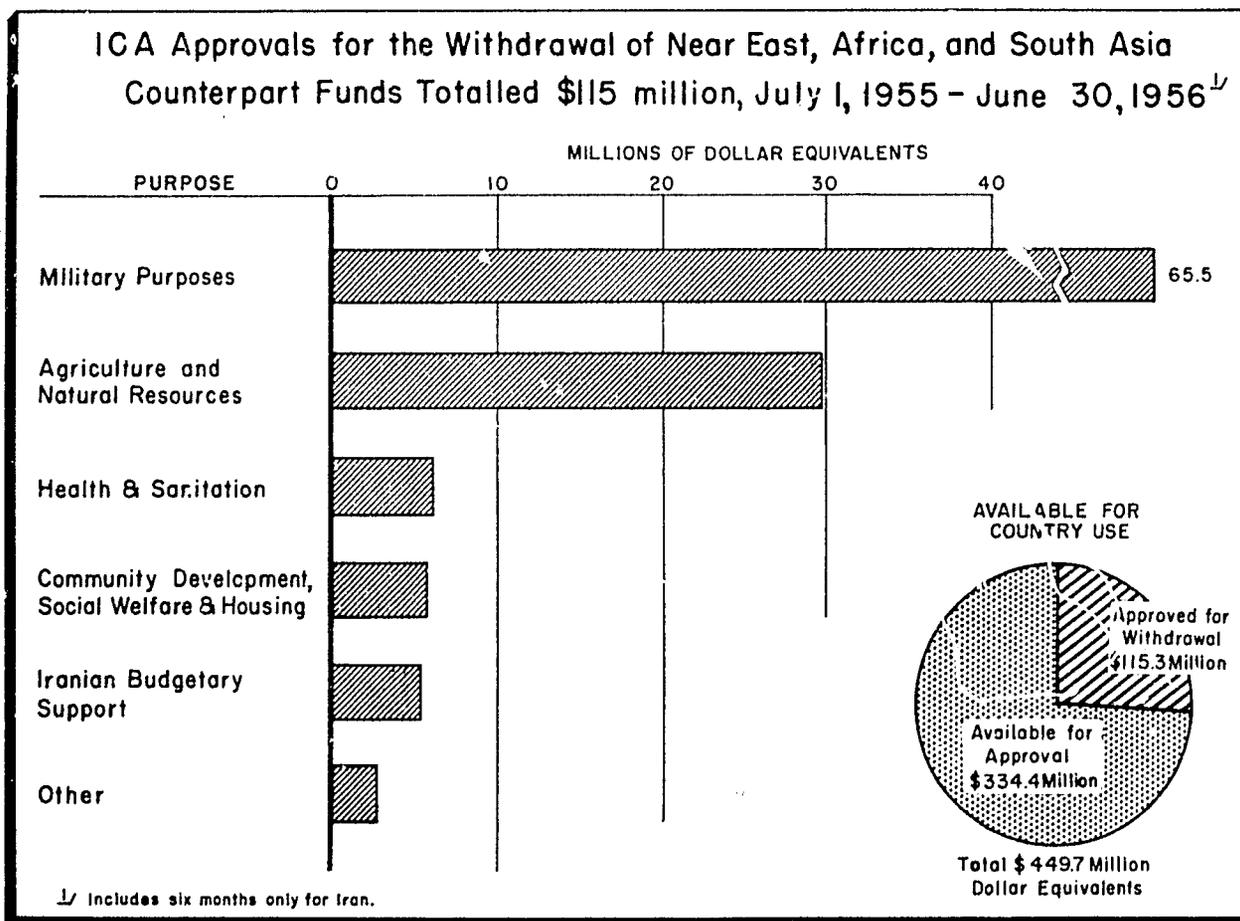
YUGOSLAVIA STATUS OF COUNTERPART FUNDS JUNE 30, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Dinars)	(Millions of Dollars)	(Millions of Dinars)	(Millions of Dollars)
Deposits in Special Account ^{1/}	81,595.8	\$300.1	11,512.0	\$38.4
Adjusted Dollar Equivalents of Deposits		272.0		38.4
Reserved for United States Use	6,834.6	22.8	910.1	3.0
Balance for Yugoslavia	74,761.2	249.2	10,601.9	35.4
Unreleased Balance July 1, 1955			43,064.3	143.5
Total Available for Approval	74,761.2	249.2	53,666.2	178.9
Total Approved for Withdrawal	50,652.8	168.8	29,557.8	98.5
Military Production, Construction, and Materiel	32,474.0	108.2	14,011.0	46.7
Promotion of Production	16,535.2	55.1	13,940.2	46.5
Agriculture and Natural Resources	5,069.0	16.9	3,354.0	11.1
Land Reclamation, Irrigation, etc.	688.0	2.3	--	--
Research and Extension Services	55.0	0.2	--	--
Forestry	399.0	1.3	--	--
Other Agricultural Programs	3,947.0	13.1	3,334.0	11.1
Manufacturing	6,628.6	22.1	5,788.6	19.3
Fertilizer	840.0	2.8	--	--
Electric Machinery	5,788.6	19.3	5,788.6	19.3
Transportation, Communication, and Utilities	4,817.6	16.1	4,817.6	16.1
Railroads	3,284.6	11.0	3,284.6	11.0
Roads and Highway Bridges	1,533.0	5.1	1,533.0	5.1
Other Purposes	1,643.6	5.4	1,606.6	5.3
Housing	1,200.0	4.0	1,200.0	4.0
Health and Sanitation	30.5	0.1	-6.5	*
Transportation of Relief Packages	13.1	*	13.1	*
Tourism	400.0	1.3	400.0	1.3
Total Withdrawn	50,501.6	168.3	29,557.8	98.5
Balance of Approvals to be Withdrawn	151.2	0.5		
Agriculture and Natural Resources	151.2	0.5		
Research and Extension Services	48.2	0.2		
Other Agricultural Programs	103.0	0.3		

^{1/} Includes deposits of Title II, Pl. 480 sales proceeds. *Less than \$50,000.

NEAR EAST, AFRICA, AND SOUTH ASIAN PROGRAM COUNTERPART FUNDS

Counterpart deposits equivalent to \$1,590 million were made through June 30, 1956, by the six countries in this region reporting counterpart accounts by that date. ICA approvals for withdrawal for country purposes amounted to the equivalent of \$1,172 million, or 76 percent of the total counterpart funds available for country use. Withdrawals for country purposes were the equivalent of \$1,158 million and transfers to the U.S. account were equivalent to \$84 million. Greece and Pakistan accounted for nearly all of the unreleased balances at the end of June.

During the twelve months ended June 30, 1956, the equivalent of \$115.3 million was approved by ICA for withdrawal for country use, of which \$65.5 million was for military purposes in Turkey and Greece and \$29.9 million was for agriculture and natural resources projects in Israel, Pakistan and Turkey. Other important releases were \$6.1 million for health and sanitation projects and \$5.7 million for community development, social welfare and housing projects, all in Israel; and \$5.4 million released in Iran for budgetary support.



NEAR EAST, AFRICA, AND SOUTH ASIAN PROGRAM COUNTERPART FUNDS

In this region, Greece and Turkey have counterpart accounts similar to the European counterpart accounts, both in deposit requirements and in the purposes for which the country portion is used. The Israeli account is also on a commensurate deposit basis, but the uses of the counterpart are more like the Far East project-type assistance. The Jordan account and both Pakistan accounts are on a sales proceeds basis and the country uses are classified on a field of activity basis.

The special local currency account in Iran prior to July 1, 1954, (the so-called "Account 5"), was not a true counterpart account, but rather the proceeds in rials of the sale of U.S. aid dollars to the Bank Mellī of Iran. These funds were used by Iran for

various government purposes and were withdrawn from the account as needed by the government of Iran without requiring specific approval by ICA. "Account 60," in which counterpart funds generated by fiscal year 1955 and subsequent aid are deposited, is a true counterpart account, with deposits on a sales proceeds basis and withdrawals subject to ICA approval. No report has been received since December 1955.

In addition, Egypt, Lebanon, Libya and Nepal have received aid requiring counterpart deposits. Through June 30, 1956, no reports had been received covering deposits in these countries. In the case of India, no counterpart deposits were required through the end of fiscal 1956 as all aid generating sales proceeds was classified as loan aid.

ICA APPROVALS FOR WITHDRAWAL OF NEAR EAST, AFRICA, AND SOUTH ASIA COUNTERPART FUNDS AND ACTUAL WITHDRAWALS

JUNE 30, 1956

(Dollar equivalents of the local currencies in thousands of dollars)

	CUMULATIVE APRIL 3, 1948 - JUNE 30, 1956		FISCAL YEAR JULY 1, 1955 - JUNE 30, 1956
	APPROVED FOR WITHDRAWAL	WITHDRAWALS	APPROVED FOR WITHDRAWAL
TOTAL ^{1/}	<u>\$1,171,516</u>	<u>\$1,158,378</u>	<u>\$115,247^{2/}</u>
Agriculture and Natural Resources	207,311	199,241	29,851
Industry and Mining	157,296	153,930	} -701 ^{3/}
Transportation	98,668	98,482	
Health and Sanitation	21,845	21,168	6,136
Education	2,168	2,168	---
Community Development, Social Welfare and Housing	226,628	226,502	5,684
General and Miscellaneous	15,912	15,799	---
Military Purposes	324,900	324,900	65,500
Undistributed Technical Assistance	14,710	14,110	1,510
Famine Relief	6,061	6,061	---
Iranian Budgetary Support	81,467	81,467	5,375
Undistributed ^{4/}	14,651	14,651	1,892

^{1/}Includes approvals for withdrawal of deposits under P.L. 77, Pakistan Wheat Program. Includes data for Iran only through December 31, 1955; no later report received.

^{2/}Excludes any activity for Jordan.

^{3/}Includes decrease of \$1,101 thousand for "Industry and Mining" and "Transportation" in Israel, for which fiscal year data are not available separately.

^{4/}Represents program support funds for Iran handled through the Master Joint Fund.

GREECE				
STATUS OF COUNTERPART FUNDS				
JUNE 30, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948. JUNE 30, 1956		JULY 1, 1955 JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of New Issue Drachmas) ^{1/}	(Millions of Dollars)	(Millions of New Issue Drachmas) ^{1/}	(Millions of Dollars)
Deposits in Special Account	17,824.4	\$1,133.7	773.7	\$25.8
Adjusted Dollar Equivalents of Deposits		824.0		25.8
Reserved for U.S. Use	1,116.8	56.5	77.3	2.6
Balance for Greece	16,707.6	767.5	696.4	23.2
Other Deposits ^{2/}	39.9	1.3	--	--
Unreleased Balance July 1, 1955			7,500.0	250.0
Total Available for Approval	16,747.5	768.8	8,196.4	273.2
Total Approved for Withdrawal	9,370.1	522.9	819.0	27.3
Military Production, Construction, and Materiel	3,072.8	108.8	800.0	26.7
Promotion of Production	3,614.3	216.5	--	--
Agriculture and Natural Resources	1,046.0	64.9	--	--
Land Reclamation, Irrigation, etc.	624.2	38.6	--	--
Research and Extension Services	98.3	5.6	--	--
Farm Credit	115.3	6.3	--	--
Forestry	60.2	4.0	--	--
Fishing	19.6	1.2	--	--
Other Agricultural Programs	128.3	9.2	--	--
Extractive Industries	225.1	10.8	--	--
Coal Mining	136.0	6.8	--	--
Metal Mining	88.6	4.0	--	--
Other Mining and Quarrying	0.5	*	--	--
Manufacturing	317.0	18.9	--	--
Food Products	59.9	3.9	--	--
Basic Textiles	36.0	1.8	--	--
Primary Metals	179.9	11.8	--	--
Chemicals, except Fertilizer	19.0	0.6	--	--
Electrical Machinery	*	*	--	--
Miscellaneous Manufactures	22.2	0.8	--	--
Transportation, Communication, and Utilities	1,540.6	93.3	--	--
Railroads	223.3	15.4	--	--
Waterways and Harbors	112.6	8.9	--	--
Airports	29.4	1.8	--	--
Roads and Highway Bridges	342.8	27.0	--	--
Communication Facilities	26.5	1.8	--	--
Electric, Gas, and Power Facilities	746.9	34.3	--	--
Water Systems	59.1	4.1	--	--
Technical Assistance	161.1	10.7	--	--
Loans to Commerce and Industry, N.E.C.	206.0	13.6	--	--
Undistributed	118.5	4.3	--	--
Productivity Projects	45.0	1.5	18.0	0.6
Intra-European Projects	2.4	0.1	--	--
Other	42.6	1.4	18.0	0.6
Other Purposes	2,638.0	196.2	1.0	*
Housing	796.4	61.2	--	--
Public buildings	66.0	4.8	--	--
Health and Sanitation	126.4	8.7	--	--
Care of Refugees	1,233.5	97.9	--	--
Miscellaneous Social Services	238.3	11.8	1.0	*
Transportation of Relief Packages	13.1	0.8	--	--
Tourism	65.0	4.5	--	--
Undistributed	99.3	6.5	--	--
Total Withdrawn	9,352.1	522.3	823.0	27.4
Balance of Approvals to be Withdrawn	18.0	0.6	--	--
Productivity Projects - Other	18.0	0.6	--	--

^{1/}On May 1, 1954, old drachmas were exchanged for new issue drachmas at 1,000 to 1. All local currency data have been converted to a new issue drachma basis.

^{2/}Includes items totaling 39.9 million new issue drachmas (equivalent \$1.3 million) deposited in the special account, as follows, in millions: repayment of P.L. 472 loans 0.8; repayment of P.L. 75 AMAG loans, 7.0; P.L. 84 proceeds of sales, 0.3; and other, 23.8.

* Less than 50,000 units.

IRAN
STATUS OF COUNTERPART FUNDS
JUNE 30, 1956

PURPOSE	CUMULATIVE THRU JUNE 30, 1956		JULY 1, 1955- JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Rials)	(Thousands)	(Millions of Rials)	(Thousands)
"ACCOUNT 60"				
Deposits in Special Account ^{1/}	2,499	\$27,795	516	\$5,737
Transfers to U.S. Portion	--	--	--	--
Balance for Iran	2,499	27,795	516	5,737
Unreleased Balance July 1, 1955			29	322
Total Available for Approval	2,499	27,795	545	6,059
Total Approved for Withdrawal	2,491	27,704	536	5,967
Iranian Budgetary Support	1,902	21,150	366	4,075
Program Support ^{2/}	589	6,554	170	1,892
Total Withdrawn	2,491	27,704	536	5,967
"ACCOUNT 5"				
Deposits in Special Account ^{3/}	6,250	\$68,497	123	\$1,345
Transfers to U.S. Portion	--	--	--	--
Balance for Iran	6,250	68,497	123	1,345
Unreleased Balance July 1, 1955			3	38
Total Available for Approval	6,250	68,497	126	1,383
Total Approved for Withdrawal	6,243	68,414	119	1,300
Iranian Budgetary Support	5,504	60,317	119	1,300
Program Support ^{2/}	739	8,097	--	--
Total Withdrawn	6,243	68,414	119	1,300

NOTE: Data are as of December 31, 1955. No June 1956 report received. Data are based on average conversion rates of 89.9 rials to \$1 for "Account 60" and 91.25 rials to \$1 for "Account 5" on unrounded amounts of rials.

^{1/}Data cover deposits into "Account 60" generated by fiscal year 1955 and subsequent aid.

^{2/}Data by field of activity not available as funds were released to the Master Joint Fund, and commingled rials were in turn released to individual projects.

^{3/}Data cover deposits into "Account 5" established prior to fiscal year 1955. This account was under unilateral control of the Government of Iran so it is not a true counterpart account, although in practice releases are made according to a "planning" table approved by GOI, Ministry of Finance and Director of USOM/Iran.

ISRAEL STATUS OF COUNTERPART FUNDS JUNE 30, 1956				
PURPOSE	CUMULATIVE JULY 1, 1951 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Israeli Pounds)	(Thousands)	(Thousands of Israeli Pounds)	(Thousands)
Deposits in Special Account	196,544 ^{1/}	\$203,132	29,649	\$30,642
Transfers to U.S. Portion	338	349	--	--
Balance for Israel	196,206	202,783	29,649	30,642
Unreleased Balance July 1, 1955			-4,837	-4,999
Total Available for Approval	196,206	202,783	24,812	25,643
Total Approved for Withdrawal	199,547^{2/}	206,236^{2/}	28,153	29,096
Agriculture and Natural Resources	92,487	95,587	17,883	18,482
Industry and Mining	37,649	38,911	} -1,065 ^{2/}	-1,101 ^{2/}
Transportation	23,044	23,817		
Health and Sanitation	7,785	8,046	5,835	6,051
Education	2,000	2,067	--	--
Community Development, Social Welfare and Housing	36,582	37,808	5,500	5,684
Total Withdrawn	195,201	201,744	33,267	34,382
Balance of Approvals to be Withdrawn	4,346	4,492		
Agriculture and Natural Resources	1,501	1,551		
Industry and Mining	1,899	1,963		
Transportation	169	175		
Health and Sanitation	655	677		
Community Development, Social Welfare and Housing	122	126		

^{1/} Excludes 851 thousand Israeli pounds representing interest and repayment of principal on loans.
^{2/} This amount represents total of approved counterpart projects, the withdrawals for which are subject to availability of funds.
^{3/} Fiscal year data not available separately for these two fields of activity.

JORDAN STATUS OF COUNTERPART FUNDS JUNE 30, 1956		
PURPOSE	CUMULATIVE JULY 1, 1951 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Jordan Dinars)	(Thousands)
Deposits in Special Account ^{1/}	1,817	\$5,063
Transfers to U.S. Portion	22	63
Balance for Jordan	1,795	5,000
Other Deposits ^{2/}	1	3
Total Available for Approval	1,796	5,003
Total Approved for Withdrawal	1,908^{3/}	5,314^{3/}
Agriculture and Natural Resources	1,348	3,752
Industry and Mining	12	32
Transportation	373	1,036
Health and Sanitation	36	101
Education	36	101
General and Miscellaneous	104	292
Total Withdrawn	1,607	4,477
Balance of Approvals to be Withdrawn	301	887
Agriculture and Natural Resources	292	812
Industry and Mining	"	1
General and Miscellaneous	8	23

^{1/} Represents FY 52 "Wheat Account" plus counterpart generated by FY 1956 commodity import program. Data for FY 1956 activity not available separately.
^{2/} Represents bank deposit interest.
^{3/} Approvals temporarily exceed availability.

PAKISTAN

STATUS OF COUNTERPART FUNDS

JUNE 30, 1956

PURPOSE	CUMULATIVE, JULY 1, 1951 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Rupees)	(Thousands)	(Thousands of Rupees)	(Thousands)
Regular MSP Account:				
Deposits in Special Account ^{1/}	514,622	\$124,704	399,768	\$89,898
Adjusted Dollar Equivalents of Deposits		112,118		83,985
Transfers to U.S. Portion	15,383	4,048	6,599	1,387
Balance for Pakistan	499,239	108,070	393,169	82,598
Unreleased Balance July 1, 1955			37,452	7,868 ^{2/}
Total Available for Approval	499,239	108,070	430,621	90,466
Total Approved for Withdrawal^{3/}	70,118	17,918	1,500	315
Agriculture and Natural Resources	47,942	12,003	--	--
Industry and Mining	17,400	4,653	--	--
Transportation	66	15	--	--
Health and Sanitation	1,795	497	500	105
Community Development, Social Welfare and Housing	728	220	--	--
General and Miscellaneous	1,187	320	--	--
Undistributed Technical Assistance	1,000	210	1,000	210
Total Withdrawn	35,798	10,708	1,500	315
Balance of Approvals to be Withdrawn	34,320	7,210		
Agriculture and Natural Resources	27,167	5,707		
Industry and Mining	6,671	1,402		
Transportation	54	11		
General and Miscellaneous	427	90		
Public Law 77 (83d Cong.), Wheat Account:				
Deposits in P.L. 77 Account	90,426	\$27,402	--	\$ --
Adjusted Dollar Equivalents of Deposits		22,356	--	--
Transfers to U.S. Portion	4,500	1,364	--	--
Other Transfers ^{4/}	11,637	3,526	--	--
Balance for Pakistan	74,289	17,466	--	--
Unreleased Balance July 1, 1955			54,289	11,405 ^{2/}
Total Available for Approval	74,289	17,466	54,289	11,405
Total Approved for Withdrawal	66,500	15,830	46,500	9,769
Famine Relief Program	20,000	6,061	--	--
Storage for Food Grains	24,000	5,042	24,000	5,042
"Grow More Food" Project	22,500	4,727	22,500	4,727
Total Withdrawn	66,500	15,830	46,500	9,769

^{1/}Includes deposits in special account under Article IV of Agreement dated January 11, 1955 and special account established on the books of the Accountant General of the Government of Pakistan under the Bilateral Agreement of February 2, 1952. Also includes deposits against P.L. 480, Title II.

^{2/}Converted at rate of 4.76 rupees to \$1. ^{3/}Based on June 30, 1955 report.

^{4/}Includes sea freight charges and local distribution costs.

TURKEY				
STATUS OF COUNTERPART FUNDS				
JUNE 30, 1956				
PURPOSE	CUMULATIVE APRIL 3, 1948- JUNE 30, 1956		JULY 1, 1955 ^{1/} JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Liras)	(Millions of Dollars)	(Millions of Liras)	(Millions of Dollars)
Deposits in Special Account	922.0	\$329.3	127.3	\$45.5
Adjusted Dollar Equivalents of Deposits		329.3		45.5
Transfers to U.S. Portion	61.9	22.1	11.1	4.0
Balance for Turkey	860.1	307.2	116.2	41.5
Unreleased Balance July 1, 1955			--	--
Total Available for Approval	860.1	307.2	116.2	41.5
<u>Total Approved for Withdrawal</u>	<u>860.1</u>	<u>307.2</u>	<u>116.2</u>	<u>41.5</u>
Military Production, Construction, and Materiel	604.9	216.1	108.6	38.8
Promotion of Production	<u>217.7</u>	<u>77.7</u>	<u>7.6</u>	<u>2.7</u>
Agriculture and Natural Resources	59.6	21.3	4.5	1.6
Land Reclamation, Irrigation, etc.	14.4	5.1	0.4	0.2
Research & Extension Services	21.0	7.5	3.9	1.4
Farm Credit	19.3	6.9	--	--
Forestry	0.8	0.3	0.3	0.1
Other Agricultural Programs	4.1	1.5	-0.1	*
Extractive Industries	42.5	15.2	*	*
Coal Mining	35.1	12.6	--	--
Metal Mining	5.7	2.0	0.1	*
Other Mining & Quarrying	1.7	0.6	-0.1	*
Manufacturing	59.0	21.0	1.4	0.5
Food Products	13.1	4.7	-0.2	-0.1
Basic Textiles	14.0	5.0	*	*
Primary Metals	0.6	0.2	0.6	0.2
Lumber & Sawmill Products	0.1	*	--	--
Stone, Clay & Glass Products	4.8	1.7	0.5	0.2
Chemicals, Except Fertilizer	4.1	1.5	*	*
Machinery, Except Electrical	0.1	*	*	*
Miscellaneous Manufactures	22.2	7.9	0.5	2.2
Transportation, Communication, & Utilities	59.8	21.3	--	--
Railroads	2.3	0.8	--	--
Waterways and Harbors	1.6	0.6	--	--
Merchant and Fishing Fleet	1.9	0.7	--	--
Roads and Highway Bridges	52.3	18.6	--	--
Electric, Gas, and Power Facilities	1.7	0.6	--	--
Technical Assistance	4.0	1.4	2.0	0.7
Loans to Commerce & Industry, N.E.C.	-7.2 ^{2/}	-2.6 ^{2/}	-0.3	-0.1
Productivity Projects	<u>2.5</u>	<u>0.9</u>	<u>--</u>	<u>--</u>
Intra-European Projects	0.2	0.1	--	--
Industry	1.4	0.5	--	--
Labor	0.9	0.3	--	--
Other Purposes	<u>35.0</u>	<u>12.5</u>	<u>--</u>	<u>--</u>
Health & Sanitation	1.0	0.4	--	--
Care of Refugees	30.0	10.7	--	--
Miscellaneous Social Services	4.0	1.4	--	--
Total Withdrawn	860.1	307.2	116.2	41.5

^{1/}Data are on net activity basis.

^{2/}Represents Industrial Development Bank's commitments in excess of counterpart withdrawals.

* Less than 50,000 units.

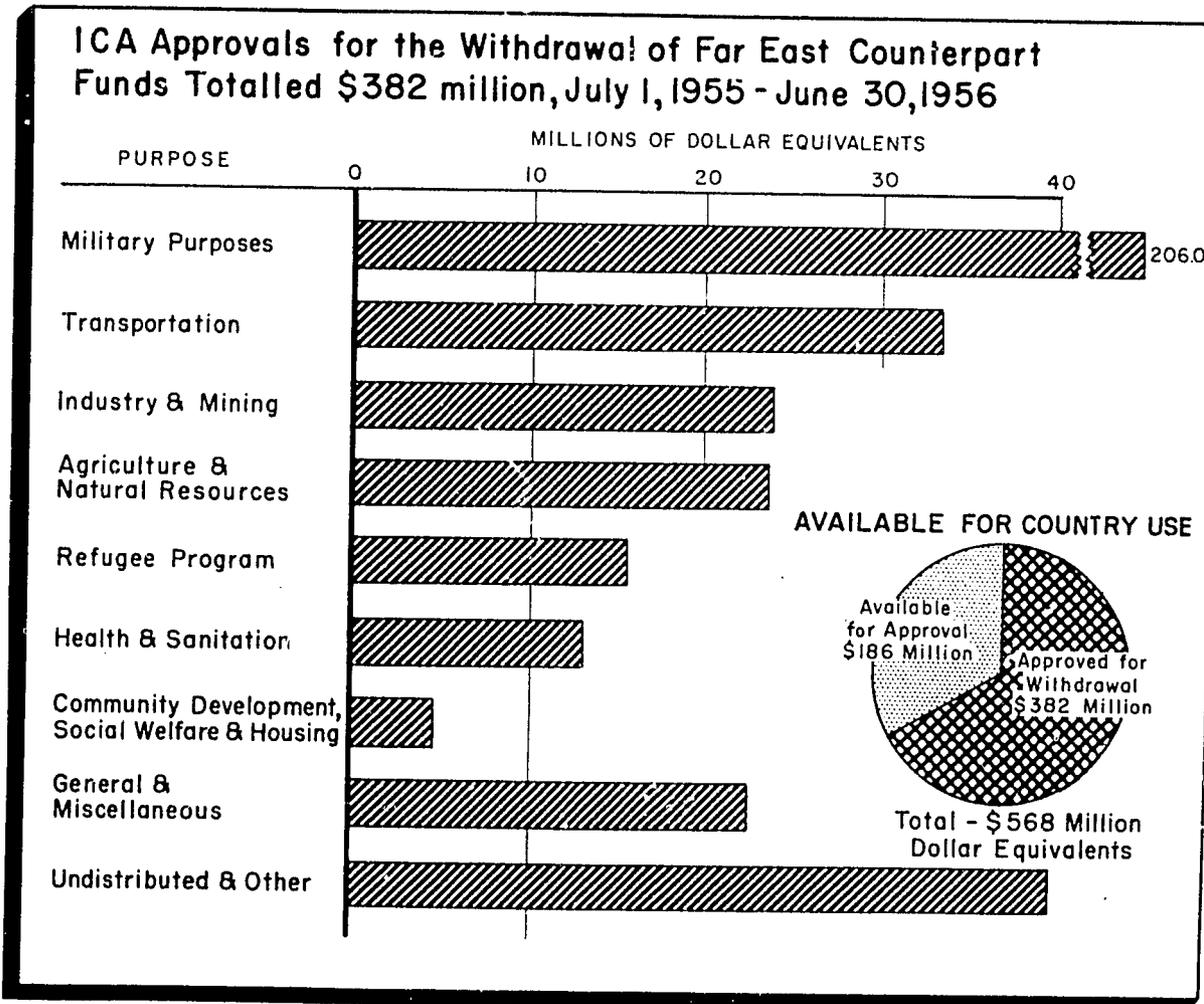
FAR EAST PROGRAM COUNTERPART FUNDS

The equivalent of \$568.3 million was available in the various Far East special counterpart accounts for release by ICA to finance country programs in FY 1956. This included in the cases of Cambodia, Laos and Vietnam, certain deposits of local currencies purchased with U.S. Treasury checks or U.S.-owned French francs from Section 402 sales. Of the total amount available, the equivalent of \$382.5 million was approved for withdrawal. More than half, or the equivalent of \$206.0 million was released for military purposes, the bulk of it in Vietnam and Laos. The principal nonmilitary uses were in the fields of transportation, with approvals equivalent to \$33.3 million, and industry and mining, with approvals equivalent to \$23.9 million. Korea accounted for the bulk of the releases in both fields. Other significant releases were the equivalent of \$23.6 million for agriculture and natural resources projects and the equivalent of \$15.6 million for the Refugee Program in Vietnam. Actual with-

drawals for fiscal year 1956, amounted to the equivalent of \$395.3 millions.

On a cumulative basis, releases by ICA for country use in the Far East were equivalent to \$1,007.1 million by the end of June 1956, out of a total available for country use equivalent to \$1,192.8 million. Total withdrawals for country use were equivalent to \$982.4 million, while transfers to the U.S. account were equivalent to \$17.2 million.

It should be noted that the previous single account for the former "Associated States of Indo-China" has been distributed among the three separate countries - Cambodia, Laos, and Vietnam. Sufficient data are not available, however, to determine the value by purpose categories of withdrawals made for the benefit of each country prior to the 1953 currency devaluation. Dollar equivalents for Cambodia and Laos are all figured at the current rate. Dollar equivalents for Vietnam reflect earlier withdrawals at the former rate.



**ICA APPROVALS FOR WITHDRAWAL OF FAR EAST
COUNTERPART FUNDS AND ACTUAL WITHDRAWALS**

JUNE 30, 1956

(Dollar equivalents of the local currencies in thousands of dollars)

PURPOSE	CUMULATIVE APRIL 3, 1948 - JUNE 30, 1956 ^{1/}		FISCAL YEAR JULY 1, 1955 - JUNE 30, 1956
	APPROVED FOR WITHDRAWAL	WITHDRAWALS	APPROVED FOR WITHDRAWAL
TOTAL	\$1,007,113	\$982,403	\$382,491
Agriculture and Natural Resources	113,696	112,455	23,564
Industry and Mining	82,385	81,810	23,932
Transportation	94,089	90,493	33,333
Labor	336	336	51
Health and Sanitation	28,559	23,434	13,082
Education	17,381	15,159	4,212
Public Administration	14,309	12,605	2,348
Community Development, Social Welfare and Housing	10,188	8,154	4,434
General and Miscellaneous	26,746	26,734	22,620
Military Purposes	494,406	488,219	205,989
Undistributed Technical Assist. .	19,357	16,572	5,169
Refugee Program - Undistributed .	44,179	44,179	15,608
Undistributed	61,482	62,254 ^{2/}	28,148

^{1/}Includes activity for China from January 1, 1949; Korea from August 28, 1953, the effective date of the current bilateral agreement.

^{2/}Includes the equivalent of \$772 thousand undistributed withdrawals in Laos made against approvals distributed by field of activity.

BURMA

STATUS OF COUNTERPART FUNDS

JUNE 30, 1956

PURPOSE	CUMULATIVE JULY 5, 1950-- JUNE 30, '56		JULY 1, 1955-- JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Kyats)	(Thousands)	(Thousands of Kyats)	(Thousands)
Deposits in Special Account	37,184	\$7,775	514	\$108
Transfers to U.S. Portion	2,969	621	--	--
Balance for Burma	34,215	7,154	514	108
Unreleased Balance July 1, 1955			53	10
Total Available for Approval	34,215	7,154	567	118
Total Approved for Withdrawal^{1/}	33,647	7,036	--	--
Agriculture and Natural Resources	3,899	815	--	--
Industry and Mining	1,366	286	--	--
Transportation, Communication and Power	5,825	1,218	--	--
Health and Sanitation	3,373	705	--	--
Education	8,006	1,674	--	--
General and Community Development Projects	3,556	744	--	--
Technical Assistance Trust Fund	4,397	919	--	--
Other	3,226	675	--	--
Total Withdrawn	33,359	6,975	5	1
Balance of Approvals to be Withdrawn	288^{2/}	60^{2/}		
Technical Assistance Trust Fund	288	60		

^{1/}Represents withdrawals from the Special Account plus transfers to the Trust Fund Account. Total approved for withdrawal not available as of June 30, 1956.

^{2/}Transferred to the Trust Fund Account but not withdrawn.

CAMBODIA
STATUS OF COUNTERPART FUNDS
JUNE 30, 1956

PURPOSE	CUMULATIVE, JUNE 5, 1950 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Riels)	(Thousands)	(Thousands of Riels)	(Thousands)
Deposits in Special Account	1,200,540 ^{1/}	\$34,301 ^{1/}	810,072	\$23,145
Transfers to U.S. Portion	7,245	207	1,500	43
Balance for Cambodia	1,193,295	34,094	808,572	23,102
Purchased Riels ^{2/}	420,000	12,000	210,000	6,000
Unreleased Balance July 1, 1955			103,807	2,966
Total Available for Approval	1,613,295	46,094	1,122,379	32,068
Total Approved for Withdrawal^{3/}	1,384,740	39,564	893,824	25,538
Agriculture and Natural Resources	134,443	3,841	46,784	1,337
Industry and Mining	877	25	284	8
Transportation	186,861	5,339	71,864	2,053
Health and Sanitation	43,961	1,256	16,374	468
Education	31,905	911	13,799	394
Public Administration	22,783	651	7,932	227
Community Development, Social Welfare and Housing	9,140	261	3,132	89
General and Miscellaneous	3,493	243	4,378	125
Military Purposes ^{4/}	920,277	26,294	710,277	20,294
Undistributed Technical Assistance ^{5/}	26,000	743	19,000	543
Total Withdrawn^{6/}	1,382,150	39,490	892,362	25,496
Balance of Approvals to be Withdrawn	2,590	74		
Undistributed Technical Assistance	2,590	74		

NOTE: Data are preliminary. Dollar equivalents are computed at current rate.

^{1/}Includes Cambodia's share of the counterpart account of the Associated States of Indochina.

^{2/}U.S. Treasury checks used to purchase riels for Military Support Programs.

^{3/}Data represent actual withdrawals for projects and transfers to the Trust Fund Account.

^{4/}Includes 50,913 thousand riels, equivalent to \$1,455 thousand, special customs release.

^{5/}Represents transfers to the Trust Fund Account.

^{6/}Excludes advances of 19,276 thousand riels, equivalent to \$551 thousand, for housing project and construction of office buildings.

CHINA (TAIWAN)
STATUS OF COUNTERPART FUNDS^{1/}
JUNE 30, 1956

PURPOSE	CUMULATIVE JANUARY 1, 1949- JUNE 30, 1956		JULY 1, 1955- JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS ^{2/}	LOCAL CURRENCY	DOLLAR EQUIVALENTS ^{2/}
	(Thousands of New Taiwan Dollars)	(Thousands)	(Thousands of New Taiwan Dollars)	(Thousands)
Deposits in Special Account	5,297,900 ^{3/}	\$371,003	1,192,068	\$48,423
Adjusted Dollar Equivalents of Deposits		340,300		48,106
Reserved for U.S. Use	55,920	4,464	7,000	282
Balance for China (Taiwan)	5,241,980	335,836	1,185,068	47,824
Unreleased Balance July 1, 1955			321,275 ^{4/}	12,965 ^{4/}
Total Available for Approval	5,241,980	335,836	1,506,343	60,789
Total Approved for Withdrawal	4,902,789^{5/}	322,148	1,167,152	47,100
Agriculture and Natural Resources	936,633	65,311	187,417	7,563
Industry and Mining	595,413	41,286	-14,776	-597
Transportation	388,784	30,360	62,191	2,510
Labor	2,189	136	153	6
Health and Sanitation	256,172	12,441	183,515	7,406
Education	56,860	3,926	12,455	503
Public Administration	88,851	6,024	20,457	825
Community Development, Social Welfare, and Housing	71,377	3,569	50,601	2,041
General and Miscellaneous	236,168	10,560	215,357	8,691
Direct Military Support	2,246,533	147,554	440,000	17,757
Undistributed Technical Assistance	23,809	961	9,782	395
Total Withdrawn	4,467,076	304,565	764,869	30,498
Balance of Approvals to be Withdrawn	435,713	17,583		
Agriculture and Natural Resources	20,723	836		
Industry and Mining	6,963	281		
Transportation	60,706	2,450		
Health and Sanitation	123,850	4,998		
Education	3,912	158		
Public Administration	4,028	162		
Community Development, Social Welfare, and Housing	48,784	1,969		
General and Miscellaneous	200	8		
Direct Military Support	153,316	6,187		
Undistributed Technical Assistance	13,231 ^{6/}	534 ^{6/}		

^{1/}Excludes mainland deposits consisting of gold and silver yuan and sales proceeds from ECA-financed goods safehavened in Hong Kong at the time of evacuation. A portion of the Hong Kong sales proceeds amounting to the equivalent of approximately \$3.5 million was utilized for the benefit of the economy of Taiwan.

^{2/}Dollar equivalents used in this table are preliminary.

^{3/}Includes 97,983 thousand N.T. dollars interest from counterpart loans, 492,385 thousand repayment of principal, and 8,804 miscellaneous receipts. Also includes 368,695 thousand N.T. dollars (equivalent to \$20,788 thousand), from sales proceeds account in use prior to June 25, 1951.

^{4/}Includes 304,610 thousand N.T. dollars, (equivalent to \$12,293 thousand), which represents the balance on hand in the sales proceeds account on June 25, 1951, when the commensurate deposit special account was established. This balance was frozen at that time and is not currently available for counterpart program purposes.

^{5/}Includes 115 thousand N.T. dollars net gain on exchange transactions for the Trust Fund Account.

^{6/}Represents balance in the Trust Fund Account.

INDONESIAN REPUBLIC
STATUS OF COUNTERPART FUNDS^{1/}
JUNE 30, 1956

PURPOSE	CUMULATIVE JUNE 5, 1950 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Rupiahs)	(Thousands)	(Thousands of Rupiahs)	(Thousands)
Deposits in Special Account	620,959	\$54,327	-1	\$ -*
Transfers to U.S. Portion ^{2/}	--	--	--	--
Balance for Indonesia	620,959	54,327	-1	-*
Unreleased Balance July 1, 1955			534,817	46,791
Total Available for Approval	620,959	54,327	534,816	46,791
<u>Total Approved for Withdrawal^{3/}</u>	<u>184,431</u>	<u>16,136</u>	<u>98,288</u>	<u>8,600</u>
Agriculture and Natural Resources	47,439	4,150	39,719	3,475
Industry and Mining	1,439	126	-511	-45
Transportation	--	--	-8,083	-707
Health and Sanitation	37,760	3,304	37,760	3,304
Education	30,000	2,625	30,000	2,625
Public Administration	13,565	1,187	-8,627	-755
General and Miscellaneous ^{4/}	47,400	4,147	31,900	2,791
Technical Assistance Trust Fund	6,828	597	-23,870	-2,088
Total Withdrawn	147,366	12,893	139,098	12,170
<u>Balance of Approvals to be</u>				
<u>Withdrawn</u>	<u>37,065</u>	<u>3,243</u>		
Education	22,500	1,969		
Public Administration	13,565	1,187		
General and Miscellaneous	1,000	87		

^{1/} Includes the equivalent of \$43.4 million transferred to the Republic of Indonesia by the Netherlands under a tripartite agreement at the time the Republic of Indonesia was established.

^{2/} Excludes transfers to the U.S. account prior to Indonesian independence.

^{3/} Minus values in the fiscal year activity reflect a reevaluation of counterpart approvals.

^{4/} Includes 46.4 million rupiahs (equivalent to \$4.1 million) for housing for technicians.

* Less than \$500.

KOREA^{1/}

STATUS OF COUNTERPART FUNDS

JUNE 30, 1956

PURPOSE	CUMULATIVE AUGUST 28, 1953 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Hwan)	(Thousands)	(Millions of Hwan)	(Thousands)
Deposits in Special Account	101,317	\$293,590	80,123	\$175,846
Adjusted Dollar Equivalents of Deposits		251,209		160,246
Transfers to U.S. Portion	2,180	4,397	2,170	4,341
Balance for Korea	99,137	246,812	77,953	155,905
Unreleased Balance July 1, 1955			7,532	15,064
Total Available for Approval	99,137	246,812	85,485	170,969
<u>Total Approved for Withdrawal^{2/}</u>	<u>56,117</u>	<u>160,772</u>	<u>42,465</u>	<u>84,929</u>
Agriculture and Natural Resources	4,532	9,064	4,532	9,064
Industry and Mining	12,578	30,831	10,982	21,963
Transportation	13,438	37,071	10,571	21,143
Health and Sanitation	995	2,658	808	1,616
Community Development, Social Welfare, and Housing	686	1,570	630	1,258
General and Miscellaneous	4,641	9,281	4,641	9,281
Military Purposes	19,247	70,297	10,302 ^{3/}	20,604 ^{3/}
Total Withdrawn	56,117	160,772	42,465	84,929

^{1/}Represents counterpart deposits for grant aid on and after August 28, 1953, the effective date of the current bilateral agreement.

^{2/}Data based on actual withdrawals; amounts approved for withdrawal and not withdrawn were not reported.

^{3/}Includes 600 million hwan (equivalent to \$1.2 million) withdrawn in July to cover FY 1955 program.

LAOS
STATUS OF COUNTERPART FUNDS
JUNE 30, 1956

PURPOSE	CUMULATIVE JUNE 5, 1950 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Kips)	(Thousands)	(Thousands of Kips)	(Thousands)
Deposits in Special Account	33,237 ^{1/}	\$ 950 ^{1/}	23,706	\$ 678
Transfers to U.S. Portion	1,000	29	1,000	29
Balance for Laos	32,237	921	22,706	649
Purchased Kips ^{2/}	2,012,330	57,495	1,507,280	43,065
Unreleased Balance July 1, 1955			199	6
Total Available for Approval	2,044,567	58,416	1,530,185	43,720
Total Approved for Withdrawal	2,043,730^{3/}	58,392	1,529,348	43,696
Agriculture and Natural Resources	21,251	607	13,997	400
Industry and Mining	13,819	395	—	—
Transportation	105,050	3,001	58,180	1,662
Health and Sanitation	8,632	247	2,603	74
Education	20,938	598	5,316	152
Public Administration	81,155	2,319	55,438	1,584
Community Development, Social Welfare and Housing	61,345	1,753	32,286	923
General and Miscellaneous	9,990	285	7,986	228
Military Purposes	1,721,550	49,187	1,251,500	35,757
Undistributed	—	—	102,042 ^{4/}	2,916
Total Withdrawn	2,005,008^{3/}	57,286	1,490,626	42,589
Balance of Approvals to be Withdrawn	38,722	1,106		
Agriculture and Natural Resources	10,738	307		
Industry and Mining	788	23		
Transportation	39,781	1,136		
Health and Sanitation	1,259	36		
Education	1,359	39		
Public Administration	12,417	355		
Community Development, Social Welfare and Housing	2,275	65		
General and Miscellaneous	-2,890	-83		
Undistributed	-27,005 ^{5/}	-772		

NOTE: Data are preliminary. Dollar equivalents are computed at current rate.

^{1/}Includes Laos' share of the counterpart account of the Associated States of Indochina.

^{2/}U.S. Treasury checks used to purchase kips to finance military program and economic aid program.

^{3/}Approvals and withdrawals include 56.1 million kip, equivalent to \$1.6 million, "provided from other sources", and not distributed by field of activity. The USOM cash report, however, excludes this sum from reported deposits, resulting in an understatement of the amount available for approval.

^{4/}Represents adjustments in FY 1956 for prior year approvals not distributed by field of activity.

^{5/}Represents withdrawals for the American Economic Aid Committee not yet distributed by field of activity.

PHILIPPINES
STATUS OF COUNTERPART FUNDS
JUNE 30, 1956

PURPOSE	CUMULATIVE JUNE 5, 1950 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	<i>Thousands of Pesos</i>	<i>(Thousands)</i>	<i>(Thousands of Pesos)</i>	<i>(Thousands)</i>
Deposits in Special Account	148,529	\$74,265	24,409	\$12,205
Transfers to U.S. Portion	7,118	3,559	1,089	545
Balance for Philippines	141,411	70,706	23,320	11,660
Other Deposits ^{1/}	943	471	483	242
Unreleased Balance July 1, 1955			9,383	4,691
Total Available for Approval	142,354	71,177	33,186	16,593
Total Approved for Withdrawal	126,850	63,425	17,682	8,841
Agriculture & Natural Resources	46,322	23,161	1,136	568
Industry and Mining	16,653	8,327	5,079	2,539
Transportation	25,291	12,646	6,662	3,331
Labor	258	129	89	45
Health and Sanitation	5,686	2,843	-64	-32
Education	9,997	4,998	391	196
Public Administration	8,070	4,035	825	412
Community Development, Social Welfare and Housing	3,390	1,695	-15	-7
General and Miscellaneous	300	150	300	150
<u>Technical Assistance</u>	<u>10,883</u>	<u>5,441</u>	<u>3,279</u>	<u>1,639</u>
Type A	2,648	1,324	1,057	528
Type B	8,235	4,117	2,222	1,111
Total Withdrawn ^{2/}	126,309	63,155	20,786	10,394
Balance of Approvals to be Withdrawn.	541^{3/}	270^{3/}		
Industry and Mining	541	270		

^{1/} Represents interest on investment bonds and dividends on paid-up bank capital.

^{2/} Does not include counterpart funds authorized to be temporarily advanced to finance a Philippine Special Program (JUSMAG). As of June 30, 1956, there were outstanding 4,820 thousand pesos of such advances.

^{3/} Represents unwithdrawn balance in sub-account for Industrial Guarantee and Loan Fund.

THAILAND
STATUS OF COUNTERPART FUNDS
JUNE 30, 1956

PURPOSE	CUMULATIVE JUNE 5, 1950 JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Bahts)	(Thousands)	(Thousands of Bahts)	(Thousands)
Deposits in Special Account ^{1/}	695,568	\$34,040	373,806	\$18,294
Transfers to U.S. Portion	24,100	1,179	2,800	137
Balance for Thailand	671,468	32,861	371,006	18,157
Unreleased Balance July 1, 1955			-33,109 ^{2/}	-1,620 ^{2/}
Total Available for Approval	671,468	32,861	337,897	16,536
Total Approved for Withdrawal	494,642	24,207	161,071	7,883
Agriculture and Natural Resources	137,878	6,747	23,630	1,157
Industry and Mining	22,656	1,109	1,306	64
Transportation	91,015	4,454	68,266	3,341
Labor	1,458	71	—	—
Health and Sanitation	104,308	5,105	5,032	246
Education	54,120	2,649	6,992	342
Public Administration	1,902	93	1,129	55
Community Development, Social Welfare, and Housing	11,766	576	2,650	130
General and Miscellaneous	42,503 ^{3/}	2,060 ^{3/}	27,668	1,354
Undistributed Technical Assistance	27,036 ^{4/}	1,323 ^{4/}	24,397	1,194
Total Withdrawn	488,038	23,884	202,359	9,903
Balance of Approvals to be Withdrawn	6,604	323		
Agriculture and Natural Resources	2,009	98		
Industry and Mining	22	1		
Transportation	200	10		
Health and Sanitation	1,854	91		
Education	1,148	56		
Public Administration	5	*		
Undistributed Technical Assistance	1,366 ^{5/}	67 ^{5/}		

^{1/}The exchange rate used in computing dollar equivalents of deposits is preliminary; reconciliation of counterpart deposits to grant aid received for June 30, 1956 not received in ICA/W.

^{2/}Approvals exceed available funds at June 30, 1955. Dollar equivalent figure revised.

^{3/}Includes 9.5 million baht (equivalent to \$465 thousand) withdrawn from the special account to establish two revolving funds.

^{4/}Includes 4 million baht (equivalent to \$196 thousand) withdrawn from the special account to establish a revolving fund.

^{5/}Represents balance in the Trust Fund account.

* Less than \$500 equivalents.

VIETNAM
STATUS OF COUNTERPART FUNDS
JUNE 30, 1956

PURPOSE	CUMULATIVE, JUNE 5, 1950 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Piastres)	(Thousands)	(Thousands of Piastres)	(Thousands)
Deposits in Special Account	5,155,544 ^{1/}	\$158,354	3,628,625	\$103,675
Adjusted Dollar Equivalents of Deposits		153,924		103,675
Transfers to U.S. Portion	73,271	2,672	--	--
Balance for Vietnam	5,082,273	151,252	3,628,625	103,675
Purchased Piastres ^{2/}	6,609,802	188,851	2,477,415	70,783
Unreleased Balance July 1, 1955			214,039	6,116
Total Available for Approval	11,692,075	340,103	6,320,079	180,574
Total Approved for Withdrawal^{3/}	10,828,609	315,433	5,456,613	155,903
Military Purposes	7,037,594	201,074	3,905,206	111,577
Refugee Program	1,546,264	44,179	546,264	15,608
Economic & Technical Projects, Undistributed ^{4/}	1,916,706	60,807	883,142	25,232
Technical Assistance Trust Fund	328,045	9,373	122,000	3,486
Total Withdrawn^{5/}	10,756,839	313,383	6,279,619	179,417
Balance of Approvals to be Withdrawn	71,770	2,050		
Technical Assistance Trust Fund ^{6/}	71,770	2,050		

NOTE: Data are preliminary.

- ^{1/}Includes Vietnam's share of the counterpart account of the Associated States of Indochina. Excludes 26.9 million piastres (equivalent to \$768 thousand) of Sec. 402 funds deposited in error and to be transferred in July.
- ^{2/}Includes 1.4 billion piastres for the Refugee Program, purchased with U.S. Treasury checks for \$40.3 million; and 5.2 billion piastres (equivalent to \$148.6 million) purchased with U.S. Treasury checks and U.S.-owned French francs from Section 402 sales.
- ^{3/}Data represent actual withdrawals for economic and technical projects, and for military purposes; transfers to the Trust Fund Account; and deposits of purchased piastres earmarked for special purposes.
- ^{4/}Represents transfers to the Economic Aid Committee and reflects Vietnam's share of the combined Indochina account part of which was withdrawn at the old rate of exchange of 20.587 piastres to \$1.
- ^{5/}Excludes advances of 21.5 million piastres for mission offices and lodgings.
- ^{6/}Represents balance in Trust Fund Account, plus advances to the American Economic Aid Committee, and advances for mission offices and lodgings not actually available for program use.

LATIN AMERICAN PROGRAM COUNTERPART FUNDS

As of June 30, 1956, Bolivia and Guatemala were the only Latin American countries to have special counterpart accounts. Aid requiring counterpart deposits was also extended to Haiti, however, and a special counterpart account should be established there shortly.

During the twelve months ended June 30, 1956, 6 billion Bolivianos were deposited by Bolivia in the special counterpart account, bringing the cumulative total of deposits to 9.2 billion Bolivianos through June 30, 1956. These amounts were equivalent to \$30.4 million and \$48.5 million, respectively, at the agreed rate of 190 to 1. The deposits represented gross sales proceeds of the imported commodities, including any import taxes collected. They also included any sales proceeds under the Famine Relief Act (P. L. 216, 83d Congress) and under Title II of Public Law 480, 83d Congress. After transfers for inland transportation and handling costs and a small transfer to the U.S. account, there was available for country use some 8.6 billion Bolivianos, equivalent

to \$45.3 million. Of this amount, the equivalent of \$37.6 million had been approved for withdrawal, and withdrawn, by the end of June 1956.

More than two-thirds of the withdrawals were for agriculture and natural resources projects, for which the equivalent of \$25.0 million was released. Sizeable sums were also approved for transportation projects (\$4.7 million) and educational projects (\$3.0 million).

The first deposits in the Guatemala special counterpart account were made in fiscal 1956 and by June 30, 1956, a total of 1,075 thousand Quetzales had been deposited, equivalent to the same amount in dollars at an even exchange rate. This sum represented net proceeds from the sale of Title II, P.L. 480 corn imports. Approvals for withdrawal amounted to 1.6 million by the end of June 1956, with the bulk, or 1.5 million, approved for road projects. Actual withdrawals were 1,026 thousand and included small amounts for projects in the fields of agriculture and natural resources and industry and mining.

GUATEMALA		
STATUS OF COUNTERPART FUNDS		
JUNE 30, 1956		
PURPOSE	CUMULATIVE ^{1/}	
	JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	<i>(Thousands of Quetzales)</i>	<i>(Thousands)</i>
Deposits in Special Account	1,075 ^{2/}	\$1,075
Transfers to U.S. Portion	--	--
Balance for Guatemala	1,075	1,075
Unreleased Balance July 1, 1955	--	--
Total Available for Approval	1,075	1,075
Total Approved for Withdrawal^{3/}	1,646	1,646
Agriculture and Natural Resources	75	75
Industry and Mining	71	71
Transportation	1,500	1,500
Total Withdrawn	1,026	1,026
Balance of Approvals to be Withdrawn	620	620
Transportation	620	620

^{1/}Note cumulative and fiscal year 1956 data are identical.

^{2/}Represents sales proceeds under Title II of P. L. 480, 83d Congress. Excludes 1.4 million quetzales (equivalent to \$1.4 million dollars) paid for transportation and distribution costs and cash on hand withheld from the special account for expenses payable.

^{3/}Approvals for withdrawal temporarily in excess of deposits.

BOLIVIA
STATUS OF COUNTERPART FUNDS
JUNE 30, 1956

PURPOSE	CUMULATIVE, JULY 1, 1953 - JUNE 30, 1956		JULY 1, 1955 - JUNE 30, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Bolivianos)	(Thousands)	(Thousands of Bolivianos)	(Thousands)
Deposits in Special Account ^{1/}	9,208,283	\$48,465	5,766,822	\$30,352
Transfers to U.S. Portion	1,050	6	--	--
Other Transfers ^{2/}	601,248	3,164	437,433	2,302
Balance for Bolivia	8,605,985	45,295	5,329,389	28,050
Unreleased Balance July 1, 1955			1,206,596	6,350
Total Available for Approval	8,605,985	45,295	6,535,985	34,400
Total Approved for Withdrawal	7,149,000	37,626	5,079,000	26,732
Agriculture and Natural Resources	4,753,000	25,016	3,620,000	19,053
Industry and Mining	90,000	474	90,000	474
Transportation	895,000	4,710	310,000	1,632
Health and Sanitation	496,000	2,610	429,000	2,258
Education	577,000	3,037	427,000	2,247
Public Administration	23,000	121	23,000	121
General and Miscellaneous	315,000	1,658	180,000	947
Total Withdrawn	7,149,000	37,623	5,079,000	26,732

^{1/} Includes deposits of sales proceeds under P.L. 216, 83d. Congress, and Title II of P.L. 480, 83d. Congress.

^{2/} Includes cost of inland transportation, forwarding and insurance charges and miscellaneous expenses.



ICA

**FOREIGN CURRENCY
ACCOUNTS**



From Surplus

Agricultural

Commodity Sales

and

Coal Procurement Fund

ICA FOREIGN CURRENCY ACCOUNTS

Sections 550 and 402

Under the provisions of Sec. 550 of the Mutual Security Act of 1951, as amended, not less than \$100 million and not more than \$250 million worth of U.S. surplus agricultural commodities were to be sold abroad in fiscal 1954 for foreign currencies. In fiscal 1955, at least an additional \$350 million worth was required to be sold under Sec. 402 of the Mutual Security Act of 1954. As amended for fiscal 1956, Sec. 402 requires that not less than \$300 million of the funds made available in FY 1956 shall be used for such sales.

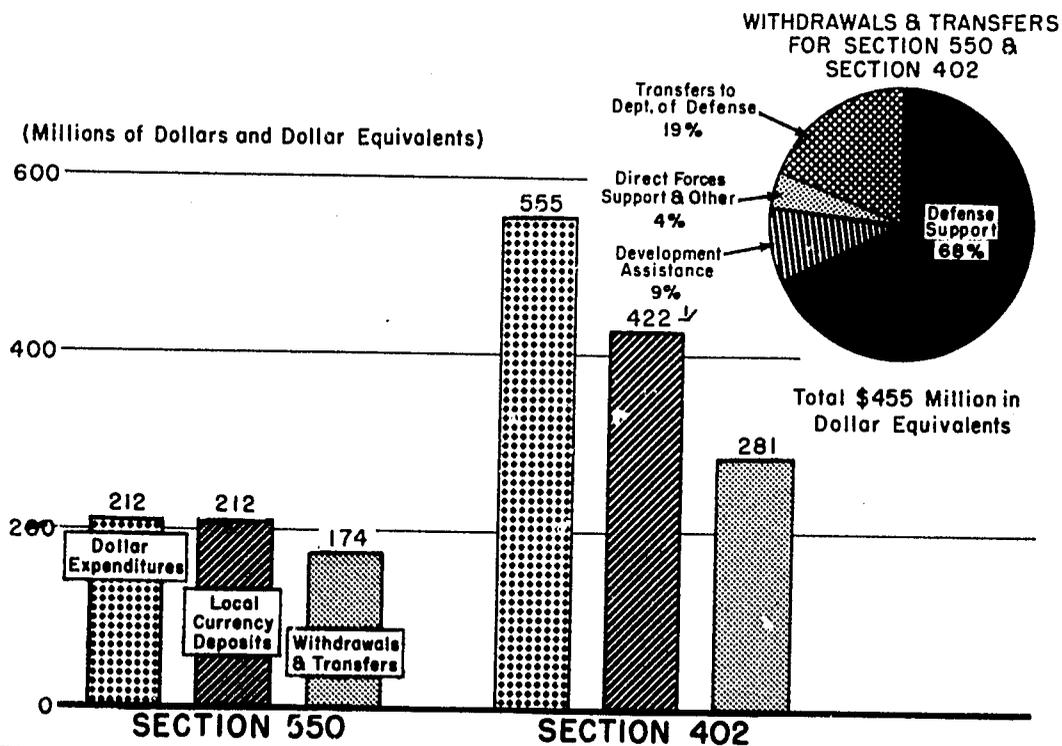
Foreign currencies received in payment for these surplus agricultural commodities are deposited to the account of the U.S. Government abroad and belong 100 percent to the U.S. Government. They should not be confused with "counterpart funds", which belong in large part to the various foreign governments, subject to certain restrictions on withdrawals. Once the foreign currency commodity payments are deposited to the U.S. Treasury accounts by the purchasing governments, they are transferred to an ICA account and are available to ICA for a variety of purposes, without the payment in dollars to the U.S. Treasury required for the use of the U.S. portion of counterpart funds. The Mutual Security Appropriation Acts for 1955 and 1956, Section 104, require that local currency deposits from Section 402 sales be

utilized only for the same purposes for which the dollar funds were appropriated.

Ordinarily the general purposes for which the foreign currencies will be used by ICA are determined at the time the sale of the surplus agricultural commodities is negotiated with the purchasing country. ICA may program these foreign currencies for a variety of purposes consistent with the objectives of the Mutual Security Act, including offshore procurement of military end-items and provision of assistance to defense support and economic development programs. The planned uses of the local currencies paid or to be paid for commodities sold under Sections 550 and 402 are shown in dollar equivalents on pages 44 and 46 respectively.

By June 30, 1956, sales under Sec. 550 amounted to \$213.5 million and sales under Sec. 402 amounted to \$814.9 million. The latter figure includes sales from reallocations of debilitated funds originally obligated prior to fiscal year 1956. The accompanying chart shows for the two programs through June 30, 1956, dollar expenditures to be repaid in foreign currencies, the dollar equivalents of local currencies deposited and the amounts withdrawn for ICA program purposes or transferred to the Department of Defense for off-shore procurement or naval base construction.

Status of Section 550 and Section 402 Programs As of June 30, 1956



Adjusted dollar equivalent after devaluation.

ICA FOREIGN CURRENCY ACCOUNTS

Coal Procurement Fund

A \$20 million dollar fund was authorized late in 1954 by the President from available fiscal 1955 Mutual Security Program funds to finance sales of U.S. coal to foreign countries not receiving coal as part of the country's regularly programmed ICA aid. Purchasing countries pay for the coal in foreign currency which is then used to procure commodities needed by some third country as part of their ICA aid program.

As the coal is shipped and dollars are disbursed to the U.S. suppliers, the purchasing country is notified of the dollar expenditures, and deposits an equivalent amount of its currency in a special account. ICA then issues against these funds "Supply Credit Allotments" and subsequently "Supply Credit Authorizations" which make the foreign currency available to pay for third country commodity procurement. Simultaneously, the dollar allotment of the particular third country is reduced an amount equivalent to the Supply Credit Allotment.

Through June 30, 1956, dollar procurement authorizations from the \$20 million coal fund amounted to \$18.8 million, of which \$16.9 million had been shipped and paid for, including the cost of any ocean freight for which foreign currency was to be deposited. Deposit requirements were waived for additional expenditures of \$748 thousand for ocean freight. Actual deposits of local currency by the end of June 1956 totalled the equivalent of \$16.9 million. Supply credit authorizations equivalent to \$12.9 million were issued by that date in favor of twelve different countries. Disbursements reached the equivalent of \$6.5 million, of which \$3.6 million was from the United Kingdom account for the benefit of Jordan. The equivalent of \$1.8 million was disbursed for aid to Korea, with \$1,383 thousand, \$363 thousand and \$23 thousand coming from the accounts of Italy, France and Denmark, respectively. The balance of the disbursements, amounting to the equivalent of \$1.1 million was from the accounts in France, Finland and Italy, for aid to Turkey, Iran, Israel, Greece and Vietnam.

STATUS OF COAL FUND FOREIGN CURRENCY ACCOUNT								
JUNE 30, 1956								
ITEM	CURRENCY	TOTAL	PURCHASING COUNTRIES					
			AUSTRIA	DENMARK	FINLAND	FRANCE	ITALY	UNITED KINGDOM
Coal Procurement Authorizations Issued	Thousands of Dollars	\$18,828	\$3,800	\$3,812	\$1,984	\$1,940	\$3,382	\$3,910
Dollar Expenditures to be Repaid in Foreign Currency	"	16,918 ^{1/}	3,472 ^{1/}	2,857 ^{1/}	1,984	1,704 ^{1/}	3,167 ^{1/}	3,654
Deposits in Foreign Currency	Thousands of Dollar Equivalents	16,905	3,440	2,725	1,984	1,786	3,316	3,654
Supply Credit Allotments Issued	"	14,129	2,417 ^{2/}	1,306	1,971	1,786	3,049	3,600
Supply Credit Authorizations Issued, Total	"	12,948	1,317 ^{2/}	1,306	1,971	1,786	2,968	3,600
<i>In Favor of:</i>								
Cambodia	"	50	--	50	--	--	--	--
China (Taiwan)	"	300	--	--	--	--	300	--
Greece	"	680	--	--	680	--	--	--
Indonesian Republic	"	34	--	34	--	--	--	--
Iran	"	302	--	21	--	222	58	--
Israel	"	199	--	--	--	199	--	--
Jordan	"	3,600	--	--	--	--	--	3,600
Korea	"	4,358	707	1,000	--	863	1,785	--
Spain	"	1,291	--	--	1,291	--	--	--
Thailand	"	200	--	200	--	--	--	--
Turkey	"	500	--	--	--	500	--	--
Vietnam	"	1,435	610	--	--	--	825	--
Disbursements	"	6,489 ^{3/}	--	23 ^{4/}	167 ^{4/}	1,254 ^{4/}	1,445 ^{4/}	3,600
Unexpended Balance	"	10,416	3,440	2,702	1,816	532	1,872	54

^{1/}Excludes expenditures of \$747,680 for which deposits of foreign currency have been waived, as follows: \$85,677 in Austria; \$35,353 in Denmark; \$155,787 in France; \$214,780 in Italy; and \$256,053 in the United Kingdom.

^{2/}Allotments and SCA documents show dollar equivalents based on a rate of 28.08 schillings to \$1; data shown here are based on the deposit rate of 26 to 1.

^{3/}Disbursements against Supply Credit Authorizations, as follows, in thousands of dollar equivalents: \$167 for Greece; \$346 for Iran; \$199 for Israel; \$3,600 for Jordan; \$1,788 for Korea; \$500 for Turkey; and \$8 for Vietnam.

^{4/}Entire amount disbursed for Korea.

^{5/}Entire amount disbursed for Greece.

^{6/}Disbursed as follows, in thousands of dollar equivalents: \$192 for Iran; \$199 for Israel; \$363 for Korea; and \$500 for Turkey.

^{7/}Disbursed as follows, in thousands of dollar equivalents: \$56 for Iran; \$1,383 for Korea; and \$6 for Vietnam.

PROGRAMMED USE OF SECTION 550 FOREIGN CURRENCY SALES PROCEEDS

JUNE 30, 1956

REGION AND COUNTRY	TOTAL	PURPOSE		
		MILITARY ASSISTANCE ^{1/}	DEFENSE SUPPORT ^{2/}	DEVELOPMENT ASSISTANCE
(Thousands of Dollar Equivalents)				
GRAND TOTAL	\$213,494^{3/}	\$80,594	\$120,927	\$11,972
EUROPE TOTAL	142,496	37,207	105,289	--
Finland	--	(4/)	(4/)	--
France ^{5/}	10,613	10,613	--	--
Germany (Fed. Rep.)	16,549 ^{6/}	--	16,549 ^{2/}	--
Italy ^{5/}	17,818	17,818	--	--
Netherlands	4,000	--	4,000	--
Norway	2,275	1,775	500	--
Spain	13,956	--	13,956	--
United Kingdom ^{5/}	40,296 ^{7/}	--	40,296	--
Yugoslavia	34,853	4,865	29,988	--
Europe, Undistributed	2,135	2,135	--	--
NEAR EAST, AFRICA, AND SOUTH ASIA TOTAL . .	12,972	--	1,000	11,972
Afghanistan	1,172	--	--	1,172
Greece	1,000	--	1,000	--
Israel	1,196	--	--	1,196
African DOT's ^{8/}	9,604	--	--	9,604
France	5,000	--	--	5,000
Italy	300	--	--	300
United Kingdom	4,304	--	--	4,304
FAR EAST TOTAL	58,026	43,387	14,638	--
China (Taiwan)	9,638	5,000	4,638	--
Japan	48,387	38,387	10,000	--

^{1/}Available for payment for military offshore procurement contracts let by U.S. Government, deliveries against which may go to other countries.

^{2/}Includes Joint Control Areas.

^{3/}Local currency sales proceeds shown are based on dollar authorizations; actual local currency proceeds for a particular country may be less due to freight waivers or refunds.

^{4/}Tentatively programmed for purchase of Finnish commodities, as follows, in dollar equivalents: \$1.8 million for Berlin refugees; \$2.1 million for other European countries; and \$1 million for Greece.

^{5/}Excludes purchases by the mother country, the sales proceeds of which will be used for the dependent overseas territories.

^{6/}Includes the equivalent of \$1.8 million in Finnmarks.

^{7/}Local currency sales proceeds are \$1,435 thousand less than the U.S. dollar cost of the commodities.

^{8/}Sales proceeds of purchases by the mother countries will be used in the Africa DOT's as follows, in dollar equivalents: France, \$5 million; Italy, \$300 thousand; and the United Kingdom, \$4.3 million.

STATUS OF SECTION 550 FOREIGN CURRENCY ACCOUNTS

JUNE 30, 1956

REGION AND COUNTRY	DOLLAR EXPENDITURES TO BE REPAID IN FOREIGN CURRENCIES	USE OF FOREIGN CURRENCIES PAID TO THE UNITED STATES							BALANCE ON DEPOSIT
		TOTAL DEPOSITS BY FOREIGN COUNTRIES	TRANSFERS TO DEPT. OF DEFENSE	STATUS OF USE BY FOREIGN COUNTRIES			WITHDRAWN		
				ALLOTTED BY ICA/W	OBLIGATED	TOTAL	DEFENSE SUPPORT	DEVELOPMENT ASSISTANCE	
GRAND TOTAL . . .	<i>(Thousands)</i> \$212,190	\$211,814	\$86,508	\$96,458	\$92,324	\$87,372	\$80,697	\$6,675	\$37,934
EUROPE TOTAL	153,096	153,109	43,838	72,261	68,552	66,695	66,695	--	37,102
Finland	4,927	4,927	1,999	2,800 ^{1/}	2,800	1,000	1,000 ^{2/}	--	1,929
France	15,613	15,613	10,526	5,000 ^{3/}	5,000 ^{3/}	5,000 ^{3/}	--	5,000 ^{3/}	87
Germany (Fed. Rep.)	14,757	14,758	--	14,686 ^{4/}	14,686	14,629	14,629	--	129
Italy	18,118	18,120	17,590	300 ^{3/}	300 ^{3/}	300 ^{3/}	--	300 ^{3/}	230
Netherlands	4,000	4,000	--	4,000	790	790	790	--	3,209
Norway	2,275	2,275	--	500	--	--	--	--	2,275
Spain	13,956	13,958	13,722 ^{5/}	--	--	--	--	--	235
United Kingdom	44,599	44,599	--	43,911 ^{6/}	43,521 ^{6/}	40,450 ^{6/}	40,275	175 ^{6/}	4,149
Yugoslavia	34,850	34,858	--	10,000	10,000	10,000	10,000	--	24,858
NEAR EAST, AFRICA, AND SOUTH ASIA, TOTAL	2,368	1,979	--	10,136	9,746	6,675	--	6,675	779
Afghanistan	1,172	779	--	--	--	--	--	--	779
Israel	1,196	1,200	--	1,200	1,200	1,200	--	1,200	--
African DOT's ^{2/}	--	--	--	8,936	8,546	5,475	--	5,475	--
France	--	--	--	5,000	5,000	5,000	--	5,000	--
Italy	--	--	--	300	300	300	--	300	--
United Kingdom	--	--	--	3,636	3,246	175	--	175	--
FAR EAST TOTAL	56,726	56,726	42,670	14,061	14,027	14,003	14,003	--	53
China	9,638	9,638	5,000	4,643	4,638	4,615	4,615	--	24
Japan	47,087	47,087	37,670	9,417	9,388	9,388	9,388	--	29

^{1/}The equivalent of \$1,800 thousand in Finmarks has been allotted to Germany for Refugee housing, and the equivalent of \$1,000 thousand for aid to Greece.

^{2/}Transferred to a special account in Helsinki subject to the order of Greek importers, for defense support aid for Greece.

^{3/}Sales proceeds of purchases by France and Italy programmed for use in their African DOT's. Amounts not included in European totals.

^{4/}Excludes the equivalent of \$1,800 thousand in Finmarks.

^{5/}Transfers to Department of Defense for base construction, considered defense support.

^{6/}Includes sales proceeds of purchases by the United Kingdom programmed for use in her African DOT's, as follows: the equivalent of \$3,636 thousand allotted; the equivalent of \$3,246 thousand obligated; and the equivalent of \$175 thousand withdrawn. These amounts are not included in European totals.

^{7/}No sales were made to African DOT's but portions of the sales proceeds of purchases by France, Italy, and the United Kingdom have been allocated to and used in their African DOT's.

PROGRAMMED USE OF SECTION 402 FOREIGN CURRENCY SALES PROCEEDS

JUNE 30, 1956

REGION AND COUNTRY	TOTAL	PURPOSE				
		MILITARY ASSISTANCE ^{1/}	DIRECT FORCES SUPPORT	DEFENSE SUPPORT	DEVELOPMENT ASSISTANCE	OTHER ^{2/}
(Thousands of Dollar Equivalents)						
GRAND TOTAL	\$814,862^{1/}	\$39,424	\$30,246	\$596,463	\$104,669	\$44,060
EUROPE, TOTAL	302,394	39,424	--	218,910	--	44,060
Austria	869 ^{2/}	--	--	4/	--	869
Denmark	5/	--	--	5/	--	--
France	6/	--	--	6/	--	--
Germany (Fed. Rep.) ^{2/}	43,191	--	--	--	--	43,191
Italy	25,573 ^{2/}	381	--	25,192 ^{2/}	1/	--
Netherlands	3,710	--	--	3,710	--	--
Spain	82,336 ^{2/}	--	--	82,336	--	--
United Kingdom	94,534 ^{10/}	38,900	--	55,634	--	--
Yugoslavia	48,181	143	--	48,038	--	--
Europe, Undistributed	4,000	--	--	4,000	--	--
NEAR EAST AFRICA AND SOUTH ASIA, TOTAL	170,582	--	10,000	79,013	81,569	--
Egypt	5,247	--	--	--	5,247	--
Greece	46,830	--	--	46,830	--	--
India, Total	39,940	--	--	--	39,940	--
Direct purchases	35,999	--	--	--	35,999	--
Triangular Trade (Italy)	2,300	--	--	--	2,300	--
Triangular Trade (Germany)	1,641	--	--	--	1,641	--
Iran	2,977	--	--	300	2,677	--
Israel	33,044	--	--	--	33,044	--
Pakistan, Total	20,180	--	10,000	--	--	--
Direct Purchases	12,321	--	10,000	10,180	--	--
Triangular Trade (Austria)	2,000	--	--	2,321	--	--
Triangular Trade (Germany)	5,859	--	--	2,000	--	--
Turkey, Total	21,703	--	--	21,703	--	--
Direct Purchases	16,603	--	--	16,603	--	--
Triangular Trade (Austria)	2,750	--	--	2,750	--	--
Triangular Trade (Italy)	2,350	--	--	2,350	--	--
African DOT's ^{11/}	660	--	--	--	660	--
United Kingdom	660	--	--	--	660	--
FAR EAST, TOTAL	318,788	--	20,246	298,540	--	--
Cambodia, Total	3,569	--	--	3,569	--	--
Direct Purchases	2,469 ^{2/}	--	--	2,469	--	--
Triangular Trade (Austria)	250	--	--	250	--	--
Triangular Trade (Germany)	500	--	--	500	--	--
Triangular Trade (Italy)	350	--	--	350	--	--
China (T'wan)	72,187	--	13,296	58,891	--	--
Korea	78,905 ^{2/}	--	--	78,905	--	--
Laos	370	--	--	370	--	--
Philippines	26,610	--	2,210	24,400	--	--
Vietnam, Total	97,147 ^{2/}	--	4,740	92,407 ^{2/}	--	--
Direct Purchases	18,902	--	4,740	14,162	--	--
Triangular Trade (France)	30,000	--	--	30,000	--	--
Cash Transfer of Francs	48,245	--	--	48,245	--	--
Cambodia, Laos and Vietnam, Undist.	39,997 ^{2/}	--	--	39,997 ^{2/}	--	--
LATIN AMERICA, TOTAL	23,100	--	--	--	23,100	--
Bolivia	19,200	--	--	--	19,200	--
Guatemala	3,900	--	--	--	3,900	--

^{1/}Available for payment for military offshore procurement contracts by U.S. Government, deliveries against which may go to other countries.

^{2/}Represents Special Assistance in Joint Control Areas; proceeds of sales to the Federal Republic of Germany will be used for West Berlin and other Joint Control Area projects.

^{3/}Local currency sales proceeds shown are based on dollar authorizations; actual local currency proceeds for a particular country may be less due to freight waivers or refunds. Excludes \$7 million authorized for Sugar Subsidy costs.

^{4/}Excludes sales proceeds equivalent to \$5 million from purchases by Austria for triangular trade benefitting Pakistan; Turkey and Cambodia and shown under those countries.

^{5/}Sales proceeds equivalent to \$4 million from purchases by Denmark will be used for other ICA countries.

^{6/}Sales proceeds, equivalent to \$118.2 million from purchases by France will be used: \$78.2 million for Vietnam; and \$40 million for Cambodia, Laos, and Vietnam, undistributed.

^{7/}Includes sales proceeds to be used for East Germany. Excludes sales proceeds equivalent to \$8.0 from purchases by Germany for triangular trade benefitting India, Pakistan and Cambodia.

^{8/}Excludes sales proceeds equivalent to \$5.0 million from purchases by Italy for triangular trade benefitting India, Turkey and Cambodia and shown under those countries.

^{9/}Includes the equivalent of \$11 million (20% of Sec. 109 purchases by Spain) which may be retained by the U.S. for base construction in Spain.

^{10/}Excludes sales proceeds equivalent to \$660 thousand from purchases by the United Kingdom, which will be used for her dependent overseas territories.

^{11/}Sales proceeds of purchases by the United Kingdom will be used in her African DOT's.

STATUS OF SECTION 402 FOREIGN CURRENCY ACCOUNTS

JUNE 30, 1956

REGION AND COUNTRY	DOLLAR EXPENDITURES TO BE REPAYED IN FOREIGN CURRENCIES	USE OF FOREIGN CURRENCIES PAID TO THE UNITED STATES								BALANCE ON DEPOSIT
		TOTAL DEPOSITS BY FOREIGN COUNTRIES	ALLOTMENTS FOR COUNTRY USE	OBLIGATIONS	WITHDRAWALS					
					TOTAL	DIRECT FORCES SUPPORT	DEFENSE SUPPORT	DEVELOPMENT ASSISTANCE	OTHER ^{1/}	
	(Thousands)	(Thousands of Dollar Equivalents)								
GRAND TOTAL	\$554,943	\$421,882^{2/}	\$347,613	\$330,617	\$281,313	\$6,847	\$229,721	\$34,604	\$10,141	\$140,569
EUROPE TOTAL	307,818	250,513	191,372	178,524	155,383	--	145,243	--	10,141	95,130
Austria	2,977	5,341 ^{3/}	2,250 ^{4/}	--	--	--	--	--	--	5,341
Denmark	3,961	3,597	2,316 ^{5/}	2,316 ^{5/}	2,316 ^{5/}	--	2,316	--	--	1,270
France	68,940	69,290 ^{3/}	7,518 ^{6/}	69,290 ^{6/}	69,290 ^{6/}	--	69,290	--	--	--
Germany (Fed. Rep.)	39,521	31,705	24,819 ^{7/}	22,650	10,141	--	--	--	10,141	21,564
Italy	22,093	20,241	13,304 ^{8/}	10,654	10,654	--	10,654	--	--	9,587
Netherlands	3,664	--	--	--	--	--	--	--	--	--
Spain	72,961	50,189	45,424	42,341	31,923	--	31,923	--	--	27,266
United Kingdom	48,886	38,035	21,740 ^{9/}	21,272 ^{9/}	21,059	--	21,059	--	--	16,975
Yugoslavia	44,916	23,126	10,000	10,000	10,000	--	10,000	--	--	13,126
NEAR EAST, AFRICA, AND SOUTH ASIA TOTAL	111,233	78,290	75,294	75,157	63,226	--	30,122	33,104	--	15,064
Egypt	5,247	5,230	2,335	2,320	2,320	--	--	2,320	--	2,909
Greece	41,796	34,298	34,298	34,298	22,367	--	22,367	--	--	11,931
India	21,808	10,542	10,542	10,542	10,542	--	--	10,542	--	--
Iran	2,675	2,820 ^{3/}	2,820	2,820	2,820	--	--	2,820	--	--
Israel	25,154	17,646	17,544	17,422	17,422	--	--	17,422	--	224
Pakistan	584	--	--	--	--	--	--	--	--	--
Turkey	13,969	7,755	7,755	7,755	7,755	--	7,755	--	--	--
FAR EAST TOTAL	125,096	89,835^{2/}	77,703	75,286	61,203	6,847	54,356	--	--	28,631
Cambodia	1,026	--	--	--	--	--	--	--	--	--
China (Taiwan)	62,867	43,106 ^{10/}	37,030	34,612	27,521	6,847	20,674	--	--	15,585
Korea	46,573	33,179 ^{11/}	32,609	32,609	32,609	--	32,609	--	--	571
Philippines	8,905	8,423	8,065	8,065	1,074	--	1,074	--	--	7,349
Vietnam	5,725	5,126	--	--	--	--	--	--	--	5,126
LATIN AMERICA	10,797	3,244	3,244	1,650	1,500	--	--	1,500	--	1,744
Bolivia	10,188	3,244	3,244	1,650	1,500	--	--	1,500	--	1,744
Guatemala	609	--	--	--	--	--	--	--	--	--

NOTE: Data in this table are based on the status of the foreign currency account in the purchasing country; allotments, obligations, and withdrawals for triangular trade are shown under the first-leg country, and are footnoted to indicate the aid-receiving country.

^{1/}Represents Special Assistance in Joint Control Areas.

^{2/}Reflects a downward adjustment in the dollar equivalent of country deposits due to exchange rate changes in China and Korea.

^{3/}Includes advance deposit.

^{4/}Represents the equivalent of \$2 million allotted for Pakistan and the equivalent of \$250 thousand allotted for Cambodia.

^{5/}Represents kroner loaned to Denmark for reloan to Iceland.

^{6/}Includes the equivalent of \$60.4 million in French francs used for the benefit of Vietnam.

^{7/}Includes amounts for the benefit of West Berlin and East Germany. Also includes the equivalent of \$497 thousand allotted for Cambodia and the equivalent of \$1.6 million allotted for India.

^{8/}Includes the equivalent of \$2.3 million allotted for India and the equivalent of \$350 thousand allotted for Cambodia.

^{9/}Includes sales proceeds of purchase by the United Kingdom programmed for use in her African XII's, as follows: the equivalent of \$659 thousand allotted and the equivalent of \$191 thousand obligated.

^{10/}New Taiwan dollars have been deposited at varying exchange rates; the dollar equivalent for these deposits, however, is figured as the current rate of NT \$24.78 to U.S. \$1.00, at which the currency has been used.

^{11/}Ihwan deposits have been made at varying exchange rates; the dollar equivalent for these deposits, however, is figured at the current exchange rate of 500 Ihwan to \$1.00 at which the currency has been used.

ICA FOREIGN CURRENCY ACCOUNTS

Public Law 480

ICA has acted in an advisory capacity in developing proposed sales programs under Title I of the Agricultural Trade Development and Assistance Act of 1954 (P.L. 480), as amended. "Package" programs for various countries have been developed and presented to an interagency committee so that the proposed sales of U.S. surplus agricultural commodities for foreign currencies may be integrated as between Sec. 402 of the Mutual Security Act of 1954, as amended, and Title I sales.

Foreign currency sales receipts under Public Law 480 are available for a variety of purposes as specified in the act. They are U.S. Government assets but the specific purposes for which they are to be used generally are negotiated with the purchasing country at the time of sale. By Executive Order 10560, ICA is responsible for utilization of these monies for the purposes stated in Section 104, subsections (d), (e) and (g). Section 104 (d) provides "for financing the purchase of goods or services for other friendly countries" and Section 104(e) provides "for promoting balanced economic development and trade among nations." If foreign currencies are used for either of these purposes on a grant basis ICA must pay the Commodity Credit Corporation in appropriated dollars equivalent to the dollar value of the currencies used, unless the President exercises his waiver authority. ICA may, however, use these foreign currency sales proceeds under Sec. 104 (g), "for loans to promote multilateral trade and economic development" without payment in appropriated dollars.

Under Title I PL 480 sales agreements signed through June 30, 1956, the equivalent of \$546.4 million in foreign currencies was programmed for ICA use in accordance with Sec. 104 (d), (e) and (g), and a special sub-allocation to ICA under Sec. 104 (c). This total excluded additional as yet undetermined amounts of currency in Burma, Finland and Israel to be allocated to ICA to finance aid for other friendly countries under Sec. 104 (d). Of the total programmed for ICA use, the Bureau of the Budget had allocated the equivalent of \$445.9 million to ICA by the end of June 1956, and had apportioned to ICA the equivalent of \$108.2 million by that time. Allotments by ICA for country use were equivalent to \$106.4 million.

Through June 30, 1956, actual deposits of PL 480 foreign currencies in ICA accounts amounted to the equivalent of \$106.5 million, of which \$57.8 million or more than half, was in Japanese yen. Other large deposits were \$15.4 million in Israeli pounds and \$10.5 million in Spanish pesetas. Obligations at the end of June 1956 were equivalent to \$100.7 million, of which \$96.8 million had been with-

drawn. Loans for economic development were \$84.6 million, while the equivalent of \$6.2 million was on a grant basis for earthquake rehabilitation in Greece.

Advances under the loan to Japan through the end of June 1956 were for the following purposes, in millions of dollar equivalents: development of electric power resources, \$49.1; irrigation, drainage, reclamation and their incidental works \$8.0; and promotion of productivity of the Japanese economy, \$0.4.

In Israel, the equivalent of \$15.4 million was advanced against loans through June 30, 1956. Of this, \$4.9 million Israeli pounds was for various irrigation schemes and \$0.8 million was for the development and cultivation of fruit plantations; \$6.5 million was for electric power facilities; and \$3.1 million for housing development.

Withdrawals in Spain equivalent to \$9.0 million were for agriculture and natural resources projects; the \$2.6 million withdrawn in Peru was for an irrigation project.

Sec. 505 (b) Loan Program

Under the provisions of Sec. 505 (b) of the Mutual Security Act of 1954, at least \$200 million of the assistance provided under the Act was to be on terms of repayment. The required \$200 million in loans could be either in dollars or in foreign currencies accruing to the United States under Sec. 402, or in a combination of the two. The authorizing legislation for fiscal 1956 provides that assistance "shall emphasize loans rather than grants wherever possible," but does not stipulate a fixed amount. As of June 30, 1956, loan agreements signed under the fiscal 1955 program totalled \$194.5 million in dollars and dollar equivalents, exclusive of a \$15 million dollar loan to Peru financed from Military Assistance funds and not under ICA jurisdiction, although to be included in determining compliance with the statutory requirement. Loan agreements against fiscal 1956 funds signed by the end of June 1956 amounted to \$102.3 million.

Of the total ICA loans for fiscal 1955 and 1956, \$177.7 million were planned as dollar loans and the balance, equivalent to \$119.1 million was to come from the U.S.-owned Section 402 foreign currency accounts in seven different countries. Advances under these loan agreements by June 30, 1956, amounted to \$195.5 million--\$97.3 million in dollars, principally to Iran and Vietnam, and the equivalent of \$98.3 million in U.S.-owned foreign currencies, with four countries accounting for more than 75 percent.

ICA FOREIGN CURRENCY PROGRAM UNDER TITLE I OF P.L. 480

JUNE 30, 1956

(Thousands of Dollar Equivalents)

REGION AND COUNTRY	FOREIGN CURRENCY SALES PROCEEDS FROM TITLE I, P.L. 480				STATUS OF ICA ACCOUNTS FROM TITLE I, P.L. 480			
	PROGRAMMED FOR ICA ^{1/} USE ^{2/}	ALLOCATED BY THE BUREAU OF THE BUDGET	APPORTIONED BY THE BUREAU OF THE BUDGET	ALLOTTED BY ICA	DEPOSITS ^{2/}	OBLIGATIONS	WITHDRAWALS	BALANCE ON DEPOSIT
GRAND TOTAL . . .	\$546,367	\$445,881	\$108,218	\$106,404	\$106,505	\$100,691	\$96,783	\$9,722
EUROPE TOTAL	132,271^{2/}	112,771	12,000	12,000	12,000	8,986	8,986	3,014
Austria	18,000	16,000	1,500	1,500	1,500	—	—	1,500
Italy	34,600	32,500	—	—	—	—	—	—
Portugal	3,400	—	—	—	—	—	—	—
Spain	67,271	64,271	10,500	10,500	10,500	8,986	8,986	1,514
Yugoslavia	9,000	—	—	—	—	—	—	—
NEAR EAST, AFRICA AND SOUTH ASIA TOTAL . . .	100,510	25,560	21,927	21,927	21,927	21,524	21,524	403
Egypt	15,600	13,600	—	—	—	—	—	—
Greece	15,970	11,670	6,570	6,570	6,570	6,167	6,167	403
Iran	2,500	2,500	—	—	—	—	—	—
Israel	31,890 ^{2/}	28,790	15,357	15,357	15,357	15,357	15,357	—
Pakistan	12,500	12,500	—	—	—	—	—	—
Turkey	22,050	16,500	—	—	—	—	—	—
FAR EAST TOTAL	203,979^{2/}	143,700	65,500	63,686	63,797	63,540	63,540	247
Indonesian Republic	77,400	77,400	—	—	—	—	—	—
Japan	119,779	59,500	59,500	57,686	57,787 ^{4/}	57,540	57,540	247
Korea	6,000 ^{5/}	6,000	6,000	6,000	6,000 ^{5/}	6,000	6,000	—
Thailand	800	800	—	—	—	—	—	—
LATIN AMERICA TOTAL . .	109,607	103,850	8,791	8,791	8,791	6,641	2,733	6,058
Argentina	21,000	20,000	—	—	—	—	—	—
Brazil	31,327	31,320	—	—	—	—	—	—
Chile	31,680	31,680	3,908	3,908	3,908	3,908	—	3,908
Colombia	10,500	10,000	—	—	—	—	—	—
Ecuador	3,100	3,100	483	483	483	103	103	380
Paraguay	2,250	—	—	—	—	—	—	—
Peru	9,750	7,750	4,400	4,400	4,400	2,630	2,630	1,770

^{1/}Includes those funds to be used for the purposes of subsections (d), (e) and (g) of Sec. 104 of P.L. 480, as provided in the various sales agreements signed with the individual countries; also includes any allocations to ICA under Sec. 104 (c).

^{2/}Represents actual transfers to the ICA P.L. 480 accounts. Through June 30, 1956, all deposits were for loans for multilateral trade and economic development under Sec. 104 (g), except: \$6.6 million in Greece for purposes of Sec. 104 (e); and \$6.0 million in Korea allocated to ICA under Sec. 104 (c).

^{3/}Excludes additional amounts as yet undetermined which will be allocated to ICA to finance the purchase of goods or services for other friendly countries under Sec. 104 (d) in Burma, Finland and Israel.

^{4/}Under agreement with Japan, funds are transferred to the ICA account prior to allotment by ICA; in all other countries allotment precedes the transfer to the ICA account.

^{5/}Represents suballocation to ICA from Department of Defense in Account 72-97 FT 580.

STATUS OF FY 1955 AND FY 1956 LOAN PROGRAM UNDER SEC. 505 (b)

JUNE 30, 1956

(Millions of Dollars and Dollar Equivalents)

REGION AND COUNTRY	LOAN AGREEMENTS SIGNED			ADVANCES UNDER LOAN AGREEMENTS		
	TOTAL	DOLLARS	U.S.-OWNED FOREIGN CURRENCY (\$ EQUIVALENTS)	TOTAL	DOLLARS	U.S.-OWNED FOREIGN CURRENCY (\$ EQUIVALENTS)
GRAND TOTAL	\$296.8^{1/}	\$177.7	\$119.1^{2/}	\$195.5	\$97.3	\$98.3
EUROPE, TOTAL	22.3	--	22.3	22.3	--	22.3
Denmark	2.3 ^{2/}	--	2.3	2.3	--	2.3
Spain	20.0	--	20.0	20.0	--	20.0
NEAR EAST, AFRICA, AND SOUTH ASIA, TOTAL	229.5	152.7	76.8	130.4	72.3	58.1
Afghanistan	5.0	5.0	--	--	--	--
Egypt	7.5	7.5	--	--	--	--
Greece	25.0	--	25.0	22.4	--	22.4
India	45.0	29.0	16.0 ^{4/}	20.8	10.2	10.6
Iran	42.0	42.0	--	42.0	42.0	--
Israel	30.0	2.0 ^{5/}	28.0 ^{5/}	17.4	--	17.4
Pakistan	20.0	20.0	--	7.7	7.7	--
Thailand	10.0	10.0	--	*	*	--
Turkey	45.0	37.2	7.8	20.0	12.2	7.8
FAR EAST, TOTAL	45.0	25.0	20.0	42.8	25.0	17.8
China (Taiwan)	20.0	--	20.0	17.8	--	17.8
Vietnam	25.0	25.0	--	25.0	25.0	--

^{1/}Excludes loan of \$15 million to Peru from Military Assistance funds, in FY 1955; also excludes short-term loans from Military Assistance funds totalling \$885 thousand in FY 1956.

^{2/}Local currency loans from U.S.-owned foreign currencies derived from surplus agricultural commodity sales under Section 402.

^{3/}Represents kroner loaned to Denmark for reloaning to Iceland.

^{4/}Represents maximum possible availability of rupees under the revised FY 1955 Sec. 402 sales program; any shortfall will be covered by additional charges of dollar expenditures against the total loan agreement of \$45 million.

^{5/}Loan to Israel will utilize Section 402 local currency proceeds up to maximum of the equivalent of \$28 million; balance to be a dollar loan. * Less than \$50,000.