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INTERNATIONAL COOPERATION ADMINISTRATION

**COUNTERPART
FUNDS AND ICA
FOREIGN CURRENCY
ACCOUNTS**

Data as of December 31, 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 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.

Please address correspondence with respect to revisions in the name or address to which this report is mailed, or for changes in the number of copies required, to the International Cooperation Administration, Office of Statistics and Reports, 815 Connecticut Avenue, N.W., Washington 25, D.C. If you no longer require this report, we would appreciate receiving information to that effect.

MAY 24, 1957



**COUNTERPART FUNDS
AND
ICA FOREIGN
CURRENCY ACCOUNTS**

Prepared By
OFFICE OF STATISTICS AND REPORTS

CONVERSION RATES IN EFFECT JULY 1 THROUGH DECEMBER 31, 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	afghani			21
Argentina	peso			17.6519
Austria	schilling	26	26.041812	25.92
Belgium-Luxembourg	franc	50		
Bolivia	boliviano	345	755.02	
Brazil	cruzeiro			50.06
Burma	kyat	4.7825		
Cambodia	riel	35	34.82	
Chile	peso			292.0588735
China (Taiwan)	New Taiwan dollar	24.78	24.78	15.65
Colombia	peso			6.802721
Denmark	kroner	6.907	6.90714	
Ecuador	sucre			15.15
Egypt	pound		.3480889	.350318
Finland	Finmark			230 ^{2/}
France	franc	350	349.981827	350
Germany (Fed. Rep.)	Deutsche Mark	4.2	4.212464	4.204
Greece	drachma (new issue)	30	30	30 & 30.10 ^{3/}
Guatemala	quetzale	1	1	
Iceland	krona	16.2857		
India	rupee		4.79619	4.78011
Indonesian Republic	rupiah	11.43		11.325 ^{3/}
Iran	rial	84.95535 & 92.663 ^{4/}	84	76
Ireland	pound	\$2.80 ^{5/}		
Israel	pound	1.00572	1.80	1.00 & 1.80 ^{3/}
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	3.622269	3.795625
Norway	kroner	7.143		7.14286
Pakistan	rupiah	Various	4.765	4.78011
Paraguay	guaranies			60
Peru	sole	19		19
Philippines	peso	2	2	
Portugal	escudo	28.75		28.60
Spain	peseta	35	35 & 38.95	35 & 38.95 ^{3/}
Thailand	baht	20.4338		20.54
Trieste	Italian lira	625		
Turkey	lira	2.8	2.8	2.8252
United Kingdom	pound Sterling	\$2.80 ^{5/}	\$2.8023541 ^{5/}	\$2.80 ^{5/}
Vietnam	piastre	35	35	
Yugoslavia	dinar	300	300	300 & 600 ^{3/}

^{1/}In Austria, Finland, 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/}First rate used for Sec. 550.

^{4/}Average rates used for Accounts 60 and 5, respectively.

^{5/}In U.S. dollars per unit of local currency.

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 44 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 45 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 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 415 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 44 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 December 31, 1956, the equivalent of \$14,899.8 million had been deposited in the various counterpart accounts in ICA-aided countries. Of this amount, the equivalent of \$13,112.0 million had been approved for withdrawal for country use and \$13,058.0 million had been withdrawn. In addition, the equivalent of \$728.1 million had been transferred for United States use, leaving a balance equivalent to \$1,113.5 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 - DECEMBER 31, 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	\$14,899.8	\$728.1	\$14,171.5	\$13,112.04	\$13,058.0
EUROPE TOTAL	11,655.2	623.0	11,032.1	10,584.9	10,549.9
Austria	889.3	39.0	850.3	690.9	683.6
Belgium-Luxembourg	33.7	2.0	31.7	31.0	30.9
Denmark	239.7	12.6	227.1	227.1	227.1
France	3,406.4	165.1	3,241.3	3,240.9	3,233.6
Germany (Fed. Rep.)	1,223.6	69.3	1,154.2	1,134.7	1,133.9
Iceland	30.2	1.7	28.5	15.8	15.8
Ireland	18.2	0.9	17.3	8.8	4.1
Italy	1,529.7	77.7	1,452.0	1,370.7	1,361.6
Netherlands	901.1	45.6	855.5	760.9	758.9
Indonesia	4.8 ^{2/}	4.8	—	—	—
Norway	385.6	19.4	366.2	362.5	361.4
Portugal	24.7	1.3	23.4	20.2	20.2
Spain	80.3	9.7	70.6	60.3	59.2
Trieste	37.1	1.8	35.3	35.1	35.1
United Kingdom	2,575.9	149.0	2,426.9	2,426.3	2,425.3
Yugoslavia	274.9	23.1	251.8	199.7	199.2
NEAR EAST AND SOUTH ASIA TOTAL	1,694.2	87.4	1,606.8	1,257.9	1,248.3
Greece	826.4	56.7	769.7	526.9	526.3
Iran ^{3/}	108.3	—	108.3	103.2	103.2
Israel	210.0	0.3	209.6	207.1	205.9
Jordan	5.2	0.1	5.2	5.3	4.7
Pakistan ^{4/}	178.8	5.5	173.3	74.8	67.6
Turkey	365.5	24.9	340.6	340.6	340.6
FAR EAST TOTAL	1,523.4	17.7	1,505.6	1,242.8	1,234.0
Burma	7.8	0.6	7.2	7.0	7.0
Cambodia ^{5/}	61.3	0.3	61.0	51.7	51.4
China (Taiwan) ^{6/}	366.5	4.5	362.0	332.3	328.8
Indonesian Republic ^{7/}	56.5	—	56.5	19.4	19.3
Korea ^{8/}	364.9	4.4	360.5	224.8	224.8
Laos ^{9/}	79.7	*	79.6	79.6	79.1
Philippines	81.4	4.0	77.3	69.9	67.3
Thailand	43.7	1.3	42.4	31.3	31.0
Vietnam ^{5/}	461.8	2.7	459.1	426.8	425.3
LATIN AMERICA TOTAL	27.0	*	27.0	26.4	25.8
Bolivia	25.5	*	25.5	24.4	24.4
Guatemala	1.2	—	1.2	1.6	1.1
Peru	0.3	—	0.3	0.3	0.3

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 GARICA account in Germany. Excludes German GARICA 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 - DECEMBER 31, 1956
(Dollar equivalents of the local currencies in millions of dollars)

REGION AND COUNTRY	ADJUSTED DEPOSITS ^{1/}	TRANSFERRED FOR U.S. USE	TOTAL FY 57 DEPOSITS AVAILABLE FOR COUNTRY USE	UNRELEASED BALANCE AS OF JULY 1, 1956 [†]	APPROVED FOR WITHDRAWAL	WITHDRAWALS FOR COUNTRY USE
GRAND TOTAL	\$446.8	\$5.7	\$441.1	\$1,027.4	\$409.1	\$467.5
EUROPE TOTAL	26.1	2.2	23.9	502.3	79.2	118.1
Austria	3.8	*	3.8	165.2	9.6	9.5
Belgium-Luxembourg	0.1	*	0.1	0.6	*	*
Denmark	0.1	*	0.1	—	0.1	0.1
France	0.1	*	0.1	0.6	0.3	2.4
Germany (Fed. Rep.)	3.1	0.1	3.0	17.6	1.2	0.6
Iceland	—	—	—	12.7	—	—
Ireland	—	—	—	8.5	—	1.2
Italy ^{2/}	—	—	—	81.5	0.2	23.3
Netherlands	*	—	*	107.9	13.4	26.0
Norway	0.5	0.1	0.4	12.6	9.4	10.4
Portugal	0.1	*	0.1	3.1	—	—
Spain	15.4	1.7	13.7	10.8	14.2	13.3
Trieste	—	—	—	0.2	—	—
United Kingdom	*	—	*	0.6	—	0.5
Yugoslavia	2.9	0.3	2.6	80.4	30.8	30.8
NEAR EAST AND SOUTH ASIA TOTAL.	106.3	2.9	103.4	334.1	88.7	92.1
Greece	1.0	0.1	0.9	245.9	3.9	3.9
Iran	8.5	—	8.5	0.5	3.9	3.9
Israel	12.3	—	12.3	-3.4	6.4	9.6
Jordan	0.2	—	0.2	-0.3	—	0.2
Pakistan ^{3/}	48.2	0.1	48.1	91.4	41.1	41.1
Turkey	36.2	2.7	33.4	—	33.4	33.4
FAR EAST TOTAL	313.5	0.6	312.9	187.3	237.2	253.2
Burma	—	—	—	0.1	—	*
Cambodia ^{4/}	15.0	0.1	14.9	6.5	12.1	11.9
China (Taiwan)	26.2	—	26.2	13.7	10.1	24.2
Indonesian Republic	2.2	—	2.2	38.2	3.3	6.4
Korea	113.6	—	113.6	86.0	64.1	64.1
Laos ^{4/}	21.2	—	21.2	1.6	22.8	23.4
Philippines	6.6	0.5	6.2	7.8	6.5	4.1
Thailand	9.6	0.1	9.5	8.7	7.1	7.1
Vietnam ^{4/}	119.0	—	119.0	24.7	111.4	111.9
LATIN AMERICA TOTAL	0.9	—	0.9	3.7	4.0	4.1
Bolivia	0.6	—	0.6	4.2	3.7	3.7
Guatemala	0.1	—	0.1	-0.6	—	0.1
Peru	0.3	—	0.3	—	0.3	0.3

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 PL 84 and 389 (80th Congress) account.

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

^{4/}Includes purchased local currency.

[†]Minus entries indicate approvals for withdrawal exceeded available funds on June 30, 1956.

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

EUROPEAN PROGRAM COUNTERPART FUNDS

In the first six months of the fiscal year 1957, the equivalent of \$526 million was available in the European special accounts for release by ICA to finance counterpart programs in the participating countries. Nearly all of this amount represented unreleased balances carried over from prior fiscal years; only the equivalent of \$24 million was available as the result of new deposits. Of the amount available, ICA approved the withdrawal of the equivalent of \$79 million, or 15 percent of the total. Austria, the Netherlands, Italy and Yugoslavia 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.

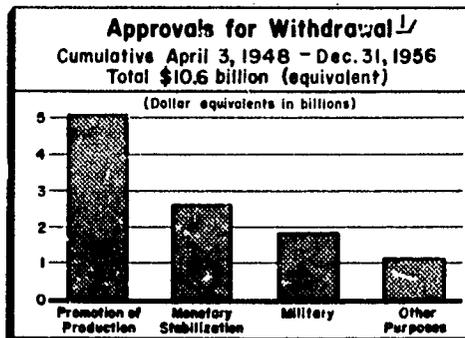
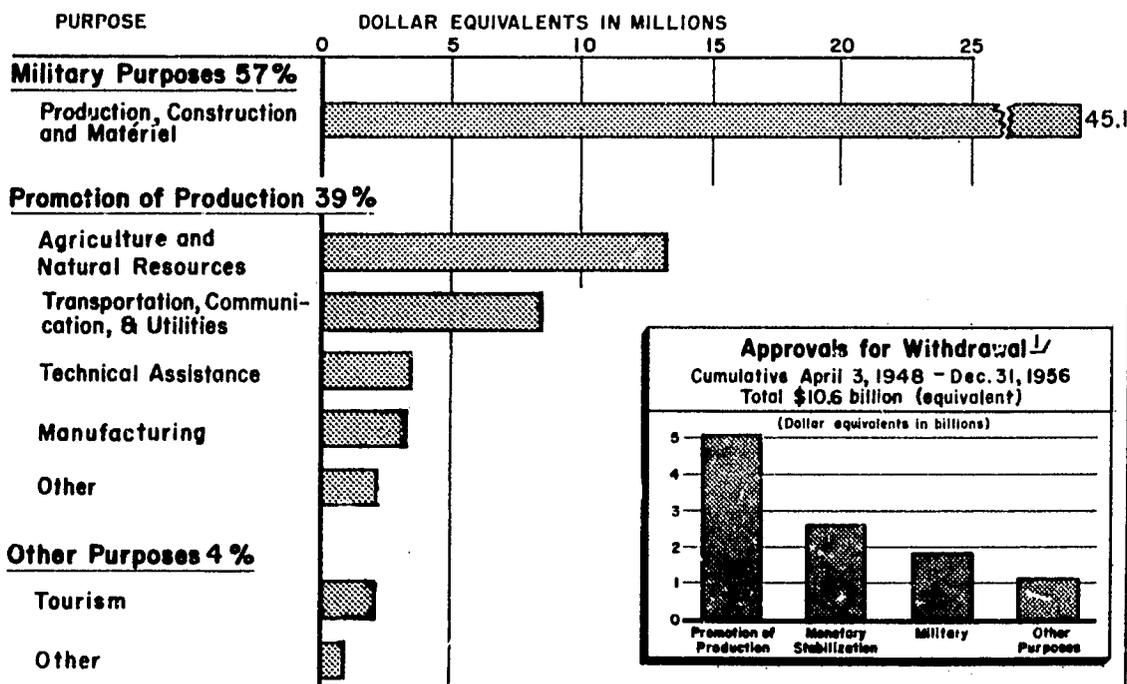
Fifty-seven percent of the funds approved for withdrawal so far in fiscal 1957 were released for military purposes. Five countries—Yugoslavia, the Netherlands, Norway, Spain and France—accounted for the

total of \$45 million in dollar equivalents approved for military purposes; Yugoslavia alone had nearly half of these releases. 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: \$13.3 for agriculture and natural resources, principally in Yugoslavia, with small amounts in the Netherlands and Austria; \$3.6 for technical assistance in Norway, Germany, Austria and the Netherlands; \$2.7 for railroads in Spain; \$2.7 for electric, gas and power facilities in Austria; and \$2.1 for tourism, also in Austria.

Note that Greece and Turkey, at one time included in the European Program, are now shown in the Near East and South Asian Program.

ICA Approvals for Withdrawal of European Counterpart Funds Totalled \$79 million - July 1, 1956 through Dec. 31, 1956



↓ Includes approvals from P.L. 84 and 389 unencumbered balances transferred to ECA.

ICA APPROVALS FOR WITHDRAWAL OF EUROPEAN COUNTERPART FUNDS AND ACTUAL WITHDRAWALS^{1/}

DECEMBER 31, 1956

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

PURPOSE	CUMULATIVE APRIL 3, 1948 - DECEMBER 31, 1956		FISCAL YEAR ^{2/} JULY 1, 1956 - DECEMBER 31, 1956
	APPROVED FOR WITHDRAWAL	WITHDRAWALS	APPROVED FOR WITHDRAWAL
TOTAL	\$9,995.2	\$9,960.2	\$79.0
Military Purposes	1,841.4	1,841.4	45.1
Production, Construction, and Materiel	1,841.4	1,841.4	45.1
Monetary and Financial Stabilization	2,510.8	2,510.8	--
Debt Retirement	2,510.8	2,510.8	--
Promotion of Production	4,465.7	4,448.7	30.9
Agriculture and Natural Resources	943.0	940.2	13.3
Land Reclamation, Irrigation, etc.	417.0	417.0	*
Research and Extension Services	36.5	35.8	0.1
Farm Credit	74.1	74.1	-0.1
Forestry	24.9	24.0	0.4
Fishing	1.7	1.7	*
Other Agricultural Programs	388.9	387.7	13.0
Extractive Industries	475.2	475.1	1.4
Coal Mining	453.8	453.7	*
Metal Mining	17.1	17.1	--
Other Mining and Quarrying	4.3	4.3	1.4
Manufacturing	780.7	777.9	2.9
Food Products	19.7	19.7	--
Basic Textiles	34.6	34.2	0.4
Primary Metals	329.0	328.8	*
Lumber and Sawmill Products	10.4	10.4	--
Stone, Clay, and Glass Products	15.7	15.7	*
Fertilizer	26.1	26.1	--
Chemicals, except Fertilizer	36.6	36.6	--
Petroleum and Coal Products	15.3	15.3	--
Pulp, Paper, and Paper Products	54.0	54.0	--
Rubber and Rubber Products	4.6	4.6	*
Electrical Machinery	80.6	80.5	--
Machinery, except Electrical	56.0	54.8	1.3
Miscellaneous Manufactures	98.1	97.3	1.2
Transportation, Communication, and Utilities	1,829.1	1,828.0	8.5
Railroads	442.7	442.7	2.7
Waterways and Harbors	66.7	66.2	--
Merchant and Fishing Fleet	133.9	133.9	--
Airports	5.8	5.8	0.1
Roads and Highway Bridges	166.6	165.5	2.3
Communication Facilities	55.2	55.2	--
Electric, Gas, and Power Facilities	918.5	918.5	2.7
Water Systems	40.2	40.2	0.7
Deficiency Materials	38.5	38.5	--
Technical Assistance	46.8	41.4	3.6
Loans to Commerce and Industry, N.E.C.	289.7	286.0	0.4
Undistributed	62.7	62.7	0.7
Productivity Projects	84.0	77.0	*
Intra-European Projects	6.6	6.6	--
Agriculture	13.2	11.2	--
Industry	48.6	42.1	--
Labor	3.6	1.2	--
Overseas Territories	2.4	0.6	--
Other	19.6	15.4	*
Other Purposes	1,083.5	1,081.4	3.0
Housing and Public Buildings	830.6	830.1	--
Housing	779.3	778.8	--
Public Buildings	51.3	51.3	--
Special Relief Projects	25.3	25.2	0.8
Health and Sanitation	8.9	8.9	--
Miscellaneous Social Services	1.1	1.1	0.6
Transportation of Relief Packages	15.3	15.2	0.2
Tourism	52.4	50.9	2.1
Payments to German Exporters	143.7	143.7	--
Special Program Sec. 513(b)	2.9	2.9	--
Undistributed	28.6	28.6	0.1

^{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 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-DECEMBER 31, 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	\$594.32 ^{1/}	1,158.7	\$112.1	68.3	\$308.9	105.4	\$173.0
TRANSFERRED TO PUBLIC LAW 472 ACCOUNT . . .	3.62 ^{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	589.7	1,088.1	108.8	68.3	308.9	104.8	172.0
DEBT RETIREMENT	72.5	725.0	72.5	--	--	--	--
PROMOTION OF PRODUCTION	503.2	317.6	31.7	68.3	308.9	98.9	162.6
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	67.0	--	--	--	--	42.0	67.0
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	589.7	1,088.1	108.8	68.3	308.9	104.8	172.0

^{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 tables.
^{2/}Includes 190 million lire (equivalent to \$0.3 million) deposits by Trieste under P.L. 86. All of this balance was transferred to the P.L. 472 account.

AUSTRIA				
STATUS OF COUNTERPART FUNDS				
DECEMBER 31, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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	-0.1	\$ -*
Adjusted Dollar Equivalents of Deposits		759.0		
Reserved for United States Use	864.6	39.0	-*	-*
Balance for Austria	14,980.4	720.0	-0.1	-*
Other Deposits	545.91/	21.51/	99.0	3.8
Unreleased Balance July 1, 1956			4,293.6	165.2
Total Available for Approval	15,526.3	741.5	4,392.5	169.0
Total Approved for Withdrawal	11,383.9	582.1	250.2	9.6
Debt Retirement	125.0	12.5	--	--
Promotion of Production	9,871.7	505.1	193.9	7.5
Agriculture and Natural Resources	1,767.2	86.5	32.3	1.2
Land Reclamation, Irrigation, etc.	108.9	5.1	--	--
Research and Extension Services	344.7	15.7	-0.1	-*
Forestry	371.5	17.7	9.8	0.4
Fishing	4.6	0.1	--	--
Other Agricultural Programs	937.5	47.9	22.6	0.9
Extractive Industries	564.9	30.7	-0.1	-*
Coal Mining	330.2	18.4	-0.1	-*
Metal Mining	222.5	11.8	--	--
Other Mining and Quarrying	12.2	0.5	--	--
Manufacturing	3,541.5	175.1	83.4	3.2
Food Products	11.9	0.7	--	--
Basic Textiles	325.4	15.4	10.0	0.4
Primary Metals	1,120.1	58.3	1.0	*
Lumber and Sawmill Products	197.4	9.7	--	--
Stone, Clay, and Glass Products	88.6	4.2	--	--
Fertilizer	76.0	4.6	--	--
Chemicals, except Fertilizer	145.9	6.5	--	--
Pulp, Paper, and Paper Products	841.6	41.0	--	--
Rubber and Rubber Products	29.8	2.1	--	--
Electrical Machinery	136.7	8.0	--	--
Machinery, except Electrical	353.3	15.9	33.0	1.3
Miscellaneous Manufactures	214.9	8.6	39.4	1.5
Transportation, Communication, and Utilities	3,746.5	201.6	70.5	2.7
Railroads	804.1	52.3	--	--
Waterways and Harbors	6.6	0.5	--	--
Roads and Highway Bridges	230.6	12.6	--	--
Communication Facilities	210.4	12.9	--	--
Electric, Gas, and Power Facilities	2,467.0	121.9	70.5	2.7
Water Systems	27.9	1.4	--	--
Technical Assistance	73.3	3.1	4.9	0.2
Loans to Commerce and Industry, N.E.C.	175.0	8.0	3.0	0.1
Undistributed	3.3	0.1	--	--
Productivity Projects	234.0	9.0	--	--
Intra-European Projects	20.8	0.8	--	--
Agriculture	68.5	2.7	--	--
Industry	126.8	4.8	--	--
Labor	0.5	*	--	--
Other	17.5	0.7	--	--
Other Purposes	1,153.3	55.5	56.8	2.2
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	44.3	2.4	3.0	0.1
Tourism	398.6	18.9	53.3	2.1
Undistributed	13.6	0.7	--	--
Total Withdrawal ^{2/}	11,196.0	574.8	248.2	9.5
Balance of Approvals to be Withdrawn	187.9	7.2		
Promotion of Production	183.0	5.1		
Productivity Projects	1.5	0.1		
Other Purposes	3.5	2.1		

^{1/}Includes the unused balance of 79.8 million schillings (equivalent to \$3.3 million) transferred from P.L. 86 and 389 accounts and 471.4 million schillings (equivalent to \$18.7 million) from repayments of loans and interest redeposited. Also includes refunds from Austrian Government of \$51 thousand schillings (equivalent to \$21 thousand). Excludes repayments of pre-Zuslocht loans not redeposited in Special Accounts but subject to ICA program approval.

^{2/}Includes 4.5 million schillings (equivalent to \$0.2 million) transferred to the Special Coal Proceeds Account, to be rebalanced.

*Less than 50,000 units.

BELGIUM-LUXEMBOURG				
STATUS OF COUNTERPART FUNDS				
DECEMBER 31, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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	1,683.7	\$34.1	3.7	\$0.1
Adjusted Dollar Equivalents of Deposits		33.7		0.1
Reserved for United States Use	103.3	2.0	0.4	*
Balance for Belgium-Luxembourg	1,580.4	31.7	3.3	0.1
Unreleased Balance July 1, 1956			24.1	0.6
Total Available for Approval	1,580.4	31.7	27.4	0.7
<u>Total Approved for Withdrawal</u>	<u>1,553.7</u>	<u>31.0</u>	<u>0.6</u>	<u>*</u>
Promotion of Production	1,508.2	30.1	0.6	*
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	185.9	3.7	0.6	*
Productivity Projects	45.0	0.9	--	--
Intra-European Projects	4.0	0.1	--	--
Industry	41.0	0.8	--	--
Other Purposes	0.5	*	--	--
Transportation of Relief Packages	0.5	*	--	--
Total Withdrawn	1,548.7	30.9	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				
DECEMBER 31, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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	--	--
Unreleased Balance July 1, 1956			170	0.2
Total Available for Approval	21,701	35.3	170	0.2
<u>Total Approved for Withdrawal</u>	<u>21,531</u>	<u>35.1</u>	<u>--</u>	<u>--</u>
Promotion of Production	21,502	35.1	--	--
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	--	--
Other Purposes	29	*	--	--
Transportation of Relief Packages	29	*	--	--
Total Withdrawn	21,531	35.1	--	--

* Less than \$50,000.

DENMARK

STATUS OF COUNTERPART FUNDS

DECEMBER 31, 1956

PURPOSE	CUMULATIVE, APRIL 3, 1948 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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	1,655.4	\$271.8	0.4	\$0.1
Adjusted Dollar Equivalents of Deposits		239.7		0.1
Reserved for United States Use	86.2	12.6	0.1	*
Balance for Denmark	1,569.2	227.1	0.3	0.1
Unreleased Balance July 1, 1956			--	*
Total Available for Approval	1,569.2	227.1	0.3	0.1
<u>Total Approved for Withdrawal</u>	<u>1,569.2</u>	<u>227.1</u>	<u>0.31/</u>	<u>0.11/</u>
Military Production, Construction, and Matériel	135.5	19.6	--	--
Debt Retirement	898.7	130.1	--	--
Promotion of Production	447.4	64.6	--	--
Agriculture and Natural Resources	153.3	22.2	--	--
Research and Extension Services	13.3	1.9	--	--
Fishing	10.0	1.5	--	--
Other Agricultural Programs	130.0	18.9	--	--
Extractive Industries - Coal Mining	0.2	*	--	--
Manufacturing	76.2	11.0	--	--
Food Products	7.1	1.0	--	--
Lumber and Sawmill Products	4.9	0.7	--	--
Stone, Clay, and Glass Products	4.8	0.7	--	--
Chemicals, except Fertilizer	3.0	0.5	--	--
Petroleum and Coal Products	0.1	*	--	--
Pulp, Paper, and Paper Products	8.1	1.2	--	--
Rubber and Rubber Products	0.3	*	--	--
Electrical Machinery	4.6	0.7	--	--
Machinery, except Electrical	7.1	1.0	--	--
Miscellaneous Manufactures	36.2	5.2	--	--
Transportation, Communication, and Utilities	187.9	27.1	--	--
Waterways and Harbors	16.9	2.4	--	--
Merchant and Fishing Fleet	18.1	2.6	--	--
Communication Facilities	72.0	10.4	--	--
Electric, Gas, and Power Facilities	80.9	11.7	--	--
Technical Assistance	29.8	4.3	--	--
Productivity Projects	61.7	8.9	--	--
Intra-European Projects	1.7	0.2	--	--
Agriculture	26.0	3.8	--	--
Industry	33.0	4.8	--	--
Labor	1.0	0.1	--	--
Other Purposes	26.0	3.8	0.3	0.1
Tourism	15.7	2.2	--	--
Undistributed	10.4	1.6	0.3	0.1
Total Withdrawn	1,569.2	227.1	0.4	0.1

1/ Withdrawn in advance of formal approval.

*Less than 50,000 units.

FRANCE				
STATUS OF COUNTERPART FUNDS				
DECEMBER 31, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948- DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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	983.6	\$3,122.6	"	\$0.1
Adjusted Dollar Equivalents of Deposits		3,097.5		0.1
Reserved for United States Use	57.2	165.1	"	"
Balance for France	926.4	2,932.4	"	0.1
Unreleased Balance July 1, 1956			0.2	0.8
Total Available for Approval	926.4	2,932.4	0.2	0.7
Total Approved for Withdrawal	926.2	2,932.0	0.1	0.3
Military Production, Construction, & Materiel	261.9	748.3	0.1	0.2
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	--	--
Fishing	"	"	"	"
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	20.0	--	--
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	127.0	371.8	"	0.1
Housing	120.1	350.3	--	--
Public Buildings	3.1	8.9	--	--
Health and Sanitation	0.5	1.4	--	--
Transportation of Relief Packages	0.9	2.5	"	0.1
Tourism	2.4	8.7	--	--
Total Withdrawn	923.7	2,924.7	0.8	2.4
Balance of Approvals to be Withdrawn	2.6	7.3		
Productivity Projects	2.6	7.3		

*Less than 50 million francs or less than \$50,000 equivalents.

GERMANY (FEDERAL REPUBLIC)

STATUS OF COUNTERPART FUNDS

DECEMBER 31, 1956

PURPOSE	CUMULATIVE, APRIL 9, 1948- DECEMBER 31, 1956		JULY 1, 1956- ^{1/} DECEMBER 31, 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	5,762.42 ^{2/}	\$1,506.8	5.5	\$1.3
Adjusted Dollar Equivalents of Deposits		1,410.5		1.3
Reserved for United States Use	291.0	69.3	0.5	0.1
Transfers to GARIDA Counterpart Funds	835.1	198.9	--	--
Balance for Germany	4,636.3	1,142.3	5.0	1.2
Other Deposits ^{3/}	50.2	12.0	7.7	1.8
Unreleased Balance July 1, 1956			74.0	17.6
Total Available for Approval	4,686.5	1,154.2	86.7	20.6
Total Approved for Withdrawal	4,604.8	1,134.7	4.9	1.2
Promotion of Production	3,452.1	833.5	1.9	1.2
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	--	--
Coal Mining	422.3	104.7	--	--
Other Mining and Quarrying	0.2	*	--	--
Manufacturing	1,198.3	284.8	-1.3	-0.3
Food Products	50.5	12.2	--	--
Basic Textiles	47.6	11.4	--	--
Primary Metals	255.7	60.8	-0.1	--
Stone, Clay and Glass Products	37.8	9.0	0.1	*
Chemicals, Except Fertiliser	110.8	26.3	--	--
Petroleum and Coal Products	43.4	10.2	--	--
Pulp, Paper, and Paper Products	37.9	8.9	--	--
Rubber and Rubber Products	8.3	1.8	-0.2	*
Electrical Machinery	197.1	47.2	--	--
Machinery, Except Electrical	163.9	38.9	--	--
Miscellaneous Manufactures	245.3	58.2	-1.2	-0.3
Transportation, Communication, and Utilities	1,222.1	299.4	--	--
Railroads	62.8	18.4	--	--
Waterways and Harbors	27.1	6.6	--	--
Merchant and Fishing Fleet	148.0	35.7	--	--
Communication Facilities	84.8	20.1	--	--
Electric, Gas, and Power Facilities	812.4	197.8	--	--
Water Systems	87.0	20.8	--	--
Technical Assistance	91.9	22.1	5.0	1.2
Loans to Commerce and Industry, N.E.C.	68.6	16.1	1.3	0.3
Productivity Projects - Industry	37.6	9.0	--	--
Other Purposes	1,115.1	292.2	--	--
Housing	546.9	130.8	--	--
Transportation of Relief Packages	34.6	8.2	--	--
Tourism	27.5	6.6	--	--
Payments to German Exporters	494.0	143.7	--	--
Special Program - Section 513(b)	12.2	2.9	--	--
Total Withdrawn	4,601.3	1,133.9	2.5	0.6
Balance of Approvals to be Withdrawn	3.5	0.8		
Promotion of Production	3.5	0.8		
Miscellaneous Manufactures	0.5	0.1		
Technical Assistance	3.0	0.7		

^{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
DECEMBER 31, 1956

PURPOSE	CUMULATIVE APRIL 3, 1948 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956 ^{1/}	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Deutsche Marks)	(Millions of Dollars)	(Millions of Deutsche Marks)	(Millions of Dollars)
Deposits ^{2/}	2,043.2	\$486.5	--	\$ --
Repayments ^{3/}	178.0	42.3	20.6	4.9
Other Deposits ^{4/}	54.0	12.9	--	--
Unreleased Balance July 1, 1956			75.7	18.0
Total Available^{5/}	2,275.2	541.7	96.3	22.9
Disbursements at the Request of the U.S.	2,265.1	539.3	66.2	20.5
Unemployment Relief in Berlin	671.9	160.0	35.0	8.3
HICOG Expenses	463.0	110.2	--	--
Berlin Stockpile	200.5	47.8	--	--
Support of Berlin Government	145.0	34.5	--	--
Berlin Orders Financing Program	88.0	20.9	1.0	0.2
Flour Shipments to Yugoslavia	33.3	7.9	--	--
Berlin Congress Hall	5.0	1.2	--	--
Other	0.8	0.2	0.2	.
Berlin Investment Program	657.5	156.5	50.0	11.9
Promotion of Production	629.9	149.9	51.3	12.2
Agriculture	1.9	0.4	0.4	0.1
Manufacturing	456.1	108.6	45.2	10.8
Food Products	8.0	1.9	0.1	.
Basic Textiles	37.5	9.0	6.9	1.6
Primary Metals	49.8	11.8	2.2	0.5
Stone, Clay, and Glass Products	21.6	5.1	5.5	1.3
Chemicals, except Fertilizer	23.3	5.6	2.5	0.6
Pulp, Paper, and Paper Products	18.9	4.5	2.5	0.6
Rubber and Rubber Products	5.1	1.2	1.1	0.3
Electrical Machinery	165.2	39.4	12.3	2.9
Machinery, except Electrical	62.1	14.9	3.8	0.9
Miscellaneous Manufactures	64.7	15.3	8.3	2.0
Transportation, Communication, & Utilities	144.1	34.2	11.7	2.8
Railroads	28.8	6.7	1.2	0.3
Merchant and Fishing Fleet	7.2	1.7	--	--
Communication Facilities	27.9	6.7	--	--
Electric, Gas, and Power Facilities	70.3	16.7	10.5	2.5
Water Systems	10.0	2.4	--	--
Loans to Commerce and Industry, N.E.C.	27.8	6.6	-6.0	-1.4
Other Purposes	27.6	6.6	-1.3	-0.3
Housing	14.9	3.6	--	--
Tourism	12.7	3.0	-1.3	-0.3
Balance on Hand^{6/}	10.1	2.4		

^{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 FCA-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.

. Less than 50,000 units.

ICELAND				
STATUS OF COUNTERPART FUNDS				
DECEMBER 31, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948- DECEMBER 31, 1956		JULY 1, 1956 DECEMBER 31, 1956 ^{1/}	
	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/}	29.8	1.8	--	--
Unreleased Balance July 1, 1956			206.2	12.7
Total Available for Approval.	463.6	28.5	206.2	12.7
Total Approved for Withdrawal	<u>257.5</u>	<u>15.8</u>	--	--
Promotion of Production.	<u>257.5</u>	<u>15.8</u>	--	--
Agriculture, Other Programs.	21.5	1.3	--	--
Fertilizer	76.0	4.7	--	--
Electric, Gas, and Power Facilities.	160.0	9.8	--	--
Total Withdrawn.	257.5	15.8	--	--

^{1/}Fiscal year data reflect unpublished data for June 30, 1956.
^{2/}Represents loan repayments and interest, less administrative expenses for the Icelandic Development Banks

IRELAND				
STATUS OF COUNTERPART FUNDS				
DECEMBER 31, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948- DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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, 1956			3,032.6	8.5
Total Available for Approval.	6,176.5	17.3	3,032.6	8.5
Total Approved for Withdrawal	<u>3,143.9</u>	<u>8.8</u>	--	--
Promotion of Production	<u>3,143.9</u>	<u>8.8</u>	--	--
Agricultural Research and Extension Services.	8.7	*	--	--
Technical Assistance.	3,135.2	8.8	--	--
Total Withdrawn	1,449.2	4.1	423.3	1.2
Balance of Approvals to be Withdrawn	<u>1,694.7</u>	<u>4.7</u>		
Technical Assistance	1,694.7	4.7		

*Less than \$50,000.

ITALY
STATUS OF COUNTERPART FUNDS
DECEMBER 31, 1956

PURPOSE	CUMULATIVE, APRIL 3, 1948 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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	--	\$ --
Adjusted Dollar Equivalents of Deposits . . .		1,356.7		--
Reserved for United States Use	48.0	77.7	--	--
Balance for Italy	798.2	1,279.0	--	--
Unreleased Balance July 1, 1956			50.2	80.3
Total Available for Approval	798.2	1,279.0	50.2	80.3
Total Approved for Withdrawal	748.0	1,198.7	--	--
Military Production, Construction, and Matériel	34.0	54.4	--	--
Promotion of Production	561.6	899.9	--	--
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	--	--
Undistributed	18.8	30.1	--	--
Productivity Projects	12.0	20.6	--	--
Intra-European Projects	1.1	1.8	--	--
Industry	6.6	10.5	--	--
Other	5.2	8.3	--	--
Other Purposes	139.5	229.8	--	--
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/}	742.3	1,189.6	14.4	23.1
Balance of Approvals to be Withdrawn	5.7	9.1		
Loans to Commerce and Industry, N.E.C.	2.3	3.7		
Productivity Projects - Other	3.4	5.4		

^{1/}Excludes 39.3 billion lire loaned by the Bank of Italy to the Ministry of Treasury and 3.1 billion lire advanced to the Sec. 402 account.

NETHERLANDS^{1/}

STATUS OF COUNTERPART FUNDS
DECEMBER 31, 1956

PURPOSE	CUMULATIVE, APRIL 3, 1948 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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	3,319.1	\$ 973.4	0.1	\$ *
Adjusted Dollar Equivalents of Deposits		901.1		*
Reserved for United States Use	171.1	45.6	--	--
Balance for Netherlands	3,148.0	855.5	0.1	*
Unreleased Balance July 1, 1956			410.7	107.9
Total Available for Approval	3,148.0	855.5	410.8	107.9
<u>Total Approved for Withdrawal</u>	<u>2,788.0</u>	<u>760.9</u>	<u>50.8</u>	<u>13.4</u>
Military Production, Construction, and Matériel	369.4	97.2	45.4	11.9
Debt Retirement	750.0	197.4	--	--
<u>Promotion of Production</u>	<u>1,257.4</u>	<u>337.5</u>	<u>5.4</u>	<u>1.4</u>
Agriculture and Natural Resources	661.3	180.5	2.5	0.6
Land Reclamation, Irrigation, etc.	293.7	80.9	0.1	*
Research & Extension Services	55.9	14.7	0.2	0.1
Farm Credit	29.8	7.8	-0.2	-0.1
Forestry	1.4	0.3	--	--
Fishing	1.0	0.1	0.1	*
Other Agricultural Programs	279.5	76.7	2.3	0.6
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	5.4	1.5	0.4	0.1
Undistributed	123.1	32.5	2.6	0.7
<u>Productivity Projects</u>	<u>11.3</u>	<u>3.0</u>	<u>*</u>	<u>*</u>
Intra-European Projects	0.9	0.3	--	--
Agriculture	2.0	0.5	--	--
Industry	8.3	2.2	--	--
Other	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	2,780.2	758.9	98.7	26.0
<u>Balance of Approvals to be Withdrawn</u>	<u>7.8</u>	<u>2.1</u>		
<u>Productivity Projects</u>	<u>7.8</u>	<u>2.1</u>		
Agriculture	1.2	0.3		
Industry	6.5	1.7		
Other	0.1	*		

^{1/}Excludes Indonesia.

*Less than 50,000 units.

NORWAY				
STATUS OF COUNTERPART FUNDS				
DECEMBER 31, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948- DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Krone)	(Millions of Dollars)	(Millions of Krone)	(Millions of Dollars)
Deposits in Special Account	2,594.0	\$399.2	3.5	\$0.5
Adjusted Dollar Equivalents of Deposits		385.6		0.5
Reserved for United States Use	138.0	19.4	0.3	0.1
Balance for Norway	2,456.0	366.2	3.2	0.4
Unreleased Balance July 1, 1956			69.9	12.6
Total Available for Approval	2,456.0	366.2	93.1	13.0
Total Approved for Withdrawal	<u>2,430.3</u>	<u>362.5</u>	<u>67.4</u>	<u>9.4</u>
Military Production, Construction and Materiel	381.0	58.8	38.0	5.3
Debt Retirement	1,931.0	292.7	--	--
Promotion of Production	<u>85.0</u>	<u>11.8</u>	<u>25.0</u>	<u>3.5</u>
Extractive Industries	51.0	7.1	10.0	1.4
Coal Mining	3.0	0.4	--	--
Metal Mining	38.0	5.3	--	--
Other	10.0	1.4	10.0	1.4
Railroads	19.0	2.7	--	--
Technical Assistance	15.0	2.1	15.0	2.1
Productivity Projects	<u>28.6</u>	<u>4.0</u>	--	--
Intra-European	2.3	0.3	--	--
Agriculture	6.0	0.8	--	--
Industry	10.0	1.4	--	--
Others	10.3	1.5	--	--
Other Purposes	<u>4.7</u>	<u>0.7</u>	<u>4.4</u>	<u>0.6</u>
Miscellaneous Social Services	4.4	0.6	4.4	0.6
Transportation of Relief Packages	0.3	0.1	--	--
Total Withdrawn	2,422.0	361.4	73.1	10.4
Balance of Approvals to be Withdrawn	<u>8.3</u>	<u>1.1</u>		
Productivity Projects	<u>8.3</u>	<u>1.1</u>		
Industry	3.8	0.5		
Other	4.5	0.6		

PORTUGAL				
STATUS OF COUNTERPART FUNDS				
DECEMBER 31, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948- DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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	707.4	\$ 25.2	0.2	\$ *
Adjusted Dollar Equivalents of Deposits		24.6		*
Reserved for United States Use	39.8	1.3	*	*
Balance for Portugal	667.6	23.3	0.2	*
Other Deposits	3.3	0.1	1.0	0.1
Unreleased Balance July 1, 1956			87.7	3.1
Total Available for Approval	670.9	23.4	88.9	3.2
Total Approved for Withdrawal	<u>582.0</u>	<u>20.2</u>	--	--
Promotion of Production	<u>514.0</u>	<u>17.8</u>	--	--
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	--	--
Food Products	--	--	--	--
Fertilizer	17.0	0.6	--	--
Transportation, Communication, and Utilities	417.0	14.6	--	--
Railroads	40.0	1.4	--	--
Merchant and Fishing Fleet	27.0	1.0	--	--
Electric, Gas, and Power Facilities	350.0	12.2	--	--
Other Purposes	<u>88.0</u>	<u>2.4</u>	--	--
Public Buildings	68.0	2.4	--	--
Total Withdrawn	582.0	20.2	--	--

* Less than 50,000 units.

SPAIN
STATUS OF COUNTERPART FUNDS
DECEMBER 31, 1956

PURPOSE	CUMULATIVE JULY 1, 1953 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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	2,810.1	\$80.3	540.0	\$15.4
Adjusted Dollar Equivalents of Deposits		80.3		15.4
Reserved for United States Use	338.0	9.7	61.2	1.7
Balance for Spain	2,472.1	70.6	478.8	13.7
Unreleased Balance July 1, 1956			379.0	10.8
Total Available for Approval	2,472.1	70.6	857.8	24.5
<u>Total Approved for Withdrawal</u>	<u>2,112.2</u>	<u>60.3</u>	<u>497.9</u>	<u>14.2</u>
Military Production, Construction, and Matériel	1,457.9	41.7	295.1	8.4
<u>Promotion of Production</u>	<u>654.0</u>	<u>18.7</u>	<u>202.8</u>	<u>5.8</u>
Transportation, Communication, and Utilities	643.0	18.4	202.8	5.8
Railroads	341.1	9.7	93.8	2.7
Airports	16.1	0.5	4.0	0.1
Roads and Highway Bridges	248.3	7.1	80.0	2.3
Water Systems	37.5	1.1	25.0	0.7
Technical Exchange	11.0	0.3	—	—
Other Purposes - Undistributed	0.3	*	--	--
Total Withdrawn	2,072.2	59.2	464.4	13.3
<u>Balance of Approvals to be Withdrawn</u>	<u>40.0</u>	<u>1.1</u>		
Promotion of Production - Roads and Highway Bridges.	40.0	1.1		

*Less than \$50,000.

UNITED KINGDOM				
STATUS OF COUNTERPART FUNDS				
DECEMBER 31, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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	836,867	\$2,668.6	7	\$.
Adjusted Dollar Equivalents of Deposits Reserved for United States Use	50,723	2,575.9	--	--
Balance for United Kingdom	786,144	2,426.9	7	--
Unreleased Balance July 1, 1956			207	0.6
Total Available for Approval	786,144	2,426.9	214	0.6
Total Approved for Withdrawal	785,930	2,426.3	--	--
Military Production, Construction, and Material	249,800	899.4	--	--
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	15	--	--	--
Transportation, Communication, and Utilities	2,402	6.7	--	--
Railroads	475	1.3	--	--
Waterways and Harbors	323	0.9	--	--
Roads and Highway Bridges	1,604	4.5	--	--
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	665	1.9	--	--
Transportation of Relief Packages	665	1.9	--	--
Total Withdrawn	785,507	2,425.3	183	0.5
Balance of Approvals to be Withdrawn	343	1.0		
Productivity Projects	343	1.0		

YUGOSLAVIA				
STATUS OF COUNTERPART FUNDS				
DECEMBER 31, 1956				
PURPOSE	CUMULATIVE APRIL 3, 1948 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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/}	82,458.8	\$309.0	863.0	\$2.9
Adjusted Dollar Equivalents of Deposits Reserved for United States Use	6,920.9	274.9	86.3	2.9
Balance for Yugoslavia	75,537.9	231.8	776.7	0.3
Unreleased Balance July 1, 1956			24,108.4	2.0
Total Available for Approval	75,537.9	251.8	24,885.1	80.4
Total Approved for Withdrawal	59,902.6	199.7	9,249.8	30.8
Military Production, Construction, and Material	88,256.8	127.5	5,782.8	19.3
Promotion of Production	18,996.1	66.7	3,460.9	11.5
Agriculture and Natural Resources	8,549.9	28.5	3,460.9	11.5
Land Reclamation, Irrigation, etc.	688.0	2.3	--	--
Research and Extension Services	55.0	0.2	--	--
Forestry	399.0	1.3	--	--
Other Agricultural Programs	7,407.9	24.7	3,460.9	11.5
Manufacturing	6,628.6	22.1	--	--
Fertilizer	840.0	2.8	--	--
Electrical Machinery	5,788.6	19.3	--	--
Transportation, Communication, and Utilities	4,817.6	16.1	--	--
Railroads	3,284.6	11.0	--	--
Roads and Highway Bridges	1,533.0	5.1	--	--
Other Purposes	1,849.7	5.5	6.2	--
Housing	1,200.0	4.0	--	--
Health and Sanitation	30.5	0.1	--	--
Transportation of Relief Packages	19.2	0.1	6.2	--
Tourism	400.0	1.3	--	--
Total Withdrawn	59,751.4	199.2	9,249.8	30.8
Balance of Approvals to be Withdrawn	131.2	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.

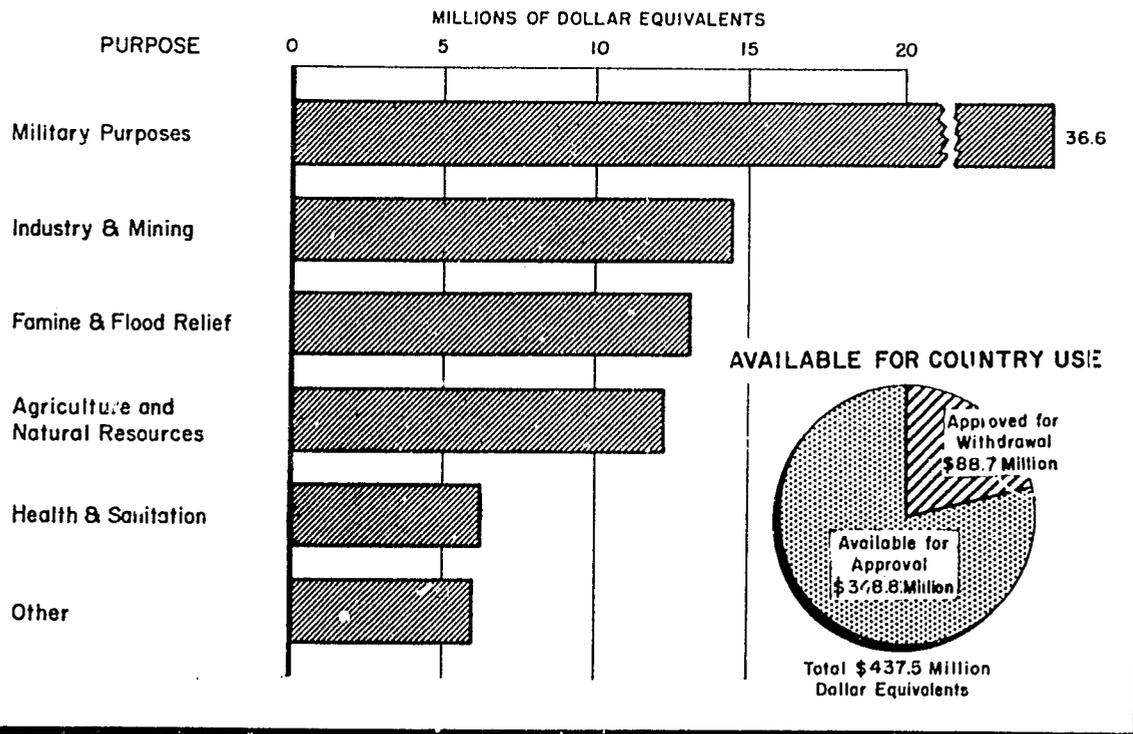
NEAR EAST AND SOUTH ASIAN PROGRAM COUNTERPART FUNDS

Counterpart deposits equivalent to \$1,694 million were made through December 31, 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 \$1,258 million, or 78 percent of the total counterpart funds available for country use. Withdrawals for country purposes were the equivalent of \$1,248 million and transfers to the U.S. account were equivalent to \$87 million. Greece and Pakistan accounted for nearly all of the unreleased balances.

During the six months ended December 31, 1956, the equivalent of \$438 million was available for approval for country purposes in the Near East and South Asia. Of this total, the equivalent of \$88.7 million was

approved by ICA for withdrawal, principally in Pakistan and Turkey. Pakistan alone accounted for almost half of the total releases, with the equivalent of \$13.1 million going for flood relief, \$12.1 million for agriculture and natural resources, \$7.9 million for industry and mining projects, \$6.3 million for health and sanitation, and minor amounts for technical assistance projects, and community development, social welfare and housing. The largest single release of counterpart funds in this region was for military purposes in Turkey—the equivalent of \$32.7 million, or 37% of the total. The only other sizeable releases were the equivalent of \$6.4 million in Israel for industry and mining projects, \$3.9 million for military purposes in Greece, and \$3.9 million in Iran for budgetary support.

ICA Approvals for the Withdrawal of Near East and South Asia Counterpart Funds Totalled \$89 million, July 1, 1956- December 31, 1956



NEAR EAST 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.

various government purposes and were withdrawn from the account as needed by the government of Iran without requiring specific approvals by ICA. "Accounts 60 and 74" in which counterpart funds generated by fiscal year 1955 and subsequent aid are deposited, are true counterpart accounts, with deposits on a sales proceeds basis and withdrawals subject to ICA approval.

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 Mellat of Iran. These funds were used by Iran for

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

DECEMBER 31, 1956

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

PURPOSE	CUMULATIVE APRIL 3, 1948 - DECEMBER 31, 1956		FISCAL YEAR JULY 1, 1956 - DEC. 31, 1956
	APPROVED FOR WITHDRAWAL	WITHDRAWALS	APPROVED FOR WITHDRAWAL
TOTAL ^{1/}	\$1,257,893	\$1,248,267	\$88,707
Agriculture and Natural Resources	216,865	210,440	12,154
Industry and Mining	171,412	169,362	14,500
Transportation	98,267	98,208	166
Health and Sanitation	27,932	27,676	6,347
Education	2,112	2,112	—
Community Development, Social Welfare and Housing	225,915	225,790	207
General and Miscellaneous	15,210	15,098	—
Military Purposes	361,391	361,391	36,619
Undistributed Technical Assistance	16,431	15,831	1,728
Famine and Flood Relief	19,162	19,162	13,101
Iranian Budgetary Support	86,446	86,446	3,884
Undistributed ^{2/}	16,750	16,750	—

^{1/}Includes approvals for withdrawal of deposits under PL 77, Pakistan Wheat Program.

^{2/}Represents program support funds for Iran handled through the Master Joint Fund.

GREECE				
STATUS OF COUNTERPART FUNDS				
DECEMBER 31, 1956				
PURPOSE	CUMULATIVE, APRIL 3, 1948 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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	17,855.0	\$1,134.8	30.6	\$1.0
Adjusted Dollar Equivalents of Deposits		825.1		1.0
Reserved for U.S. Use	1,120.0	56.7	3.1	0.1
Balance for Greece	16,735.0	768.4	27.4	0.9
Other Deposits 2/	39.9	1.3	--	--
Unreleased Balance July 1, 1956			7,377.3	245.9
Total Available for Approval	16,774.9	769.7	7,404.7	246.8
Total Approved for Withdrawal	9,486.1	526.9	118.0	3.9
Military Production, Construction, and Materiel	3,190.8	112.7	118.0	3.9
Promotion of Production	3,611.4	216.4	--	--
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	19.7	1.2	--	--
Other Agricultural Programs	128.3	9.2	--	--
Extractive Industries	225.9	10.8	--	--
Coal Mining	136.0	6.8	--	--
Metal Mining	89.5	4.0	--	--
Other Mining and Quarrying	0.5	*	--	--
Manufacturing	336.6	19.6	--	--
Food Products	63.7	4.1	--	--
Basic Textiles	37.6	1.8	--	--
Primary Metals	179.9	11.9	--	--
Chemicals, except Fertilizer	23.7	0.8	--	--
Electrical Machinery	*	*	--	--
Miscellaneous Manufactures	31.7	1.1	--	--
Transportation, Communication, and Utilities	1,540.7	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	10.6	--	--
Loans to Commerce and Industry, N.E.C.	206.8	13.6	--	--
Undistributed	94.3	5.5	--	--
Productivity Projects	45.0	1.5	--	--
Intra-European Projects	2.4	0.1	--	--
Other	42.6	1.4	--	--
Other Purposes	2,641.0	196.3	--	--
Housing	796.5	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	11.9	--	--
Transportation of Relief Packages	13.1	0.8	--	--
Tourism	68.0	4.6	--	--
Undistributed	99.3	6.5	--	--
Total Withdrawn	9,470.1	526.3	118.0	3.9
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 to \$1.3 million) deposited in the special account, as follows, in millions: repayment of P.L. 472 loans 8.8; 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
DECEMBER 31, 1956

PURPOSE	CUMULATIVE THRU DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Rials)	(Thousands)	(Millions of Rials)	(Thousands)
"ACCOUNTS 60 AND 74"				
Deposits in Special Account ^{1/}	3,380	\$40,192	694	\$8,579
Transfers to U.S. Portion	--	--	--	--
Balance for Iran	3,380	40,192	694	8,579
Unreleased Balance July 1, 1956			38	451
Total Available for Approval	3,380	40,192	732	9,030
<u>Total Approved for Withdrawal^{2/}</u>	<u>2,977</u>	<u>35,047</u>	<u>330</u>	<u>3,884</u>
Iranian Budgetary Support	2,232	26,271	330	3,884
Program Support ^{3/}	746	8,776	--	--
Total Withdrawn	2,977	35,047	330	3,884
"ACCOUNT 5"				
Deposits in Special Account ^{4/}	6,315	\$68,149	-8	\$-90
Transfers to U.S. Portion	--	--	--	--
Balance for Iran	6,315	68,149	-8	-90
Unreleased Balance July 1, 1956			8	90
Total Available for Approval	6,315	68,149	--	--
<u>Total Approved for Withdrawal^{2/}</u>	<u>6,315</u>	<u>68,149</u>	<u>*</u>	<u>*</u>
Iranian Budgetary Support	5,576	60,175	*	*
Program Support ^{3/}	739	7,974	--	--
Total Withdrawn	6,315	68,149	*	*

NOTE: Fiscal year data are based on unpublished June 30, 1956, reports. Dollar equivalents are figured on average conversion rates of 84.95535 rials to \$1 for "Account 60"; 76 rials to \$1 for "Account 74"; and 92.663 rials to \$1 for "Account 5". Data shown exclude "Account 67", consisting of 525 million rials purchased with \$7 million cash grant for Budgetary Support.

- ^{1/}Data cover deposits into "Account 60" generated by fiscal year 1955 and subsequent aid; and "Account 74" representing rials generated for the military construction program.
- ^{2/}Data based on actual withdrawals; amounts approved for withdrawal and not withdrawn were not reported.
- ^{3/}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.
- ^{4/}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 were made according to a "planning" table approved by GOI, Ministry of Finance and Director of USOM/Iran. This account was closed in October 1956 and the balance transferred to "Account 60".

* Less than 500,000 rials or \$500.

ISRAEL STATUS OF COUNTERPART FUNDS DECEMBER 31, 1956				
PURPOSE	CUMULATIVE JULY 1, 1951 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Israeli Pounds)	(Thousands)	(Thousands of Israeli Pounds)	(Thousands)
Deposits in Special Account	208,794 ^{1/}	\$209,988	12,250	\$12,320
Transfers to U.S. Portion	338	339	--	--
Balance for Israel	208,456	209,649	12,250	12,320
Unreleased Balance July 1, 1956			-3,341 ^{2/}	-3,360
Total Available for Approval	208,456	209,649	8,909	8,960
Total Approved for Withdrawal	205,912	207,090	6,365	6,401
Agriculture and Natural Resources	92,487	93,016	--	--
Industry and Mining	44,014	44,266	6,365	6,401
Transportation	23,044	23,176	--	--
Health and Sanitation	7,785	7,830	--	--
Education	2,000	2,011	--	--
Community Development, Social Welfare and Housing	36,582	36,791	--	--
Total Withdrawn	204,747	205,918	9,546	9,601
Balance of Approvals to be Withdrawn	1,165	1,172		
Agriculture and Natural Resources	96	96		
Industry and Mining	645	649		
Transportation	48	48		
Health and Sanitation	254	256		
Community Development, Social Welfare and Housing	122	123		

^{1/}Excludes 6,313 thousand Israeli pounds representing interest and repayment of principal on loans.
^{2/}Approvals for withdrawal exceeded available funds on June 30, 1956.

JORDAN STATUS OF COUNTERPART FUNDS DECEMBER 31, 1956				
PURPOSE	CUMULATIVE JULY 1, 1951 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Jordan Dinars)	(Thousands)	(Thousands of Jordan Dinars)	(Thousands)
Deposits in Special Account ^{1/}	1,883	\$5,245	66	\$183
Transfers to U.S. Portion	22	63	--	--
Balance for Jordan	1,861	5,182	66	183
Other Deposits ^{2/}	1	3	--	--
Unreleased Balance July 1, 1956			-112*	-311
Total Available for Approval	1,862	5,185	-46	-128
Total Approved for Withdrawal	1,908^{2/}	5,314^{3/}	--	--
Agriculture and Natural Resources	1,348	3,752	--	--
Industry and Mining	12	32	--	--
Transportation	373	1,037	--	--
Health and Sanitation	36	101	--	--
Education	36	101	--	--
General and Miscellaneous	104	292	--	--
Total Withdrawn	1,677	4,670	69	193
Balance of Approvals to be Withdrawn	232	644		
Agriculture and Natural Resources	224	622		
General and Miscellaneous	8	22		

^{1/}Represents FY 52 "Wheat Account" plus counterpart generated by FY 1954 commodity import program.
^{2/}Represents bank deposit interest. ^{3/}Approvals temporarily exceed availability.
* Approvals for withdrawal exceeded available funds on June 30, 1956.

PAKISTAN

STATUS OF COUNTERPART FUNDS

DECEMBER 31, 1956

PURPOSE	CUMULATIVE, JULY 1, 1951 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 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/}	746,253	\$172,423	231,632	\$47,734
Adjusted Dollar Equivalents of Deposits		159,954		48,175
Transfers to U.S. Portion	15,383	4,048	--	--
Balance for Pakistan	730,871	155,906	231,632	48,175
Unreleased Balance July 1, 1956			429,121	89,813
Total Available for Approval	730,871	155,906	660,753	137,987
Total Approved for Withdrawal^{2/}	267,616	58,990	197,498	41,071
Agriculture and Natural Resources	106,342	24,157	58,400	12,154
Industry and Mining	55,400	12,561	38,000	7,908
Transportation	66	15	--	--
Health and Sanitation	32,295	6,844	30,500	6,347
Community Development, Social Welfare and Housing	1,728	427	1,000	207
General and Miscellaneous	1,187	320	--	--
Flood Relief	62,952	13,101	62,952	13,101
Undistributed Technical Assistance	7,646	1,563	6,646	1,353
Total Withdrawn	233,296	51,780	197,498	41,071
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	4,764	1,419	264	56
Other Transfers ^{3/}	11,637	3,526	--	--
Balance for Pakistan	74,025	17,410	-264	-56
Unreleased Balance July 1, 1956			7,789	1,636
Total Available for Approval	74,025	17,410	7,525	1,580
Total Approved for Withdrawal	66,500	15,830	--	--
Famine Relief Program	20,000	6,061	--	--
Storage for Food Grains	24,000	5,042	--	--
"Grow More Food" Project	22,500	4,727	--	--
Total Withdrawn	66,500	15,830	--	--
^{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/} Based in part on June 30, 1955 report. ^{3/} Includes sea freight charges and local distribution costs.				

TURKEY				
STATUS OF COUNTERPART FUNDS				
DECEMBER 31, 1956				
PURPOSE	CUMULATIVE APRIL 3, 1948- DECEMBER 31, 1956		JULY 1, 1956 ^{1/} DECEMBER 31, 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	1,023.3	\$365.5	101.3	\$30.1
Adjusted Dollar Equivalents of Deposits		365.5		36.1
Transfers to U.S. Portion	69.6	24.9	7.7	2.7
Balance for Turkey	953.7	340.6	93.6	33.4
Unreleased Balance July 1, 1956			--	--
Total Available for Approval	953.7	340.6	93.6	33.4
<u>Total Approved for Withdrawal^{2/}</u>	<u>953.7</u>	<u>340.6</u>	<u>93.6</u>	<u>33.4</u>
Military Production, Construction, and Materiel	696.5	248.7	91.5	32.7
Promotion of Production	219.7	78.5	2.1	0.7
Agriculture and Natural Resources	59.6	21.3	--	--
Land Reclamation, Irrigation, etc.	14.4	5.1	--	--
Research & Extension Services	21.0	7.5	--	--
Farm Credit	19.3	5.9	--	--
Forestry	0.8	0.3	--	--
Other Agricultural Programs	4.1	1.5	--	--
Extractive Industries	43.3	15.6	1.3	0.4
Coal Mining	35.1	12.6	--	--
Metal Mining	5.5	2.3	0.8	0.3
Other Mining & Quarrying	2.1	0.7	0.5	0.1
Manufacturing	67.0	23.9	8.0	2.9
Food Products	14.3	5.1	1.2	0.4
Basic Textiles	18.4	6.6	4.4	1.6
Primary Metals	0.2	0.1	-0.4	-0.1
Lumber & Sawmill Products	0.5	0.2	0.4	0.1
Stone, Clay & Glass Products	19.5	7.0	14.7	5.2
Chemicals, Except Fertilizer	8.2	2.9	4.1	1.5
Machinery, Except Electrical	0.1	*	--	--
Miscellaneous Manufactures	5.9	2.1	-16.4	-5.8
Transportation, Communication, & Utilities	60.2	21.5	0.4	0.2
Railroads	2.3	0.8	--	--
Waterways and Harbors	1.6	0.6	--	--
Merchant and Fishing Fleet	2.4	0.9	0.4	0.2
Roads and Highway Bridges	52.3	18.6	--	--
Electric, Gas, and Power Facilities	1.7	0.6	--	--
Technical Assistance	5.1	1.8	1.1	0.4
Loans to Commerce & Industry, N.E.C.	-15.9 ^{3/}	-5.7 ^{3/}	-8.8	-3.1
<u>Productivity Projects</u>	<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	--	--
<u>Other Purposes</u>	<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	553.7	340.6	93.6	33.4

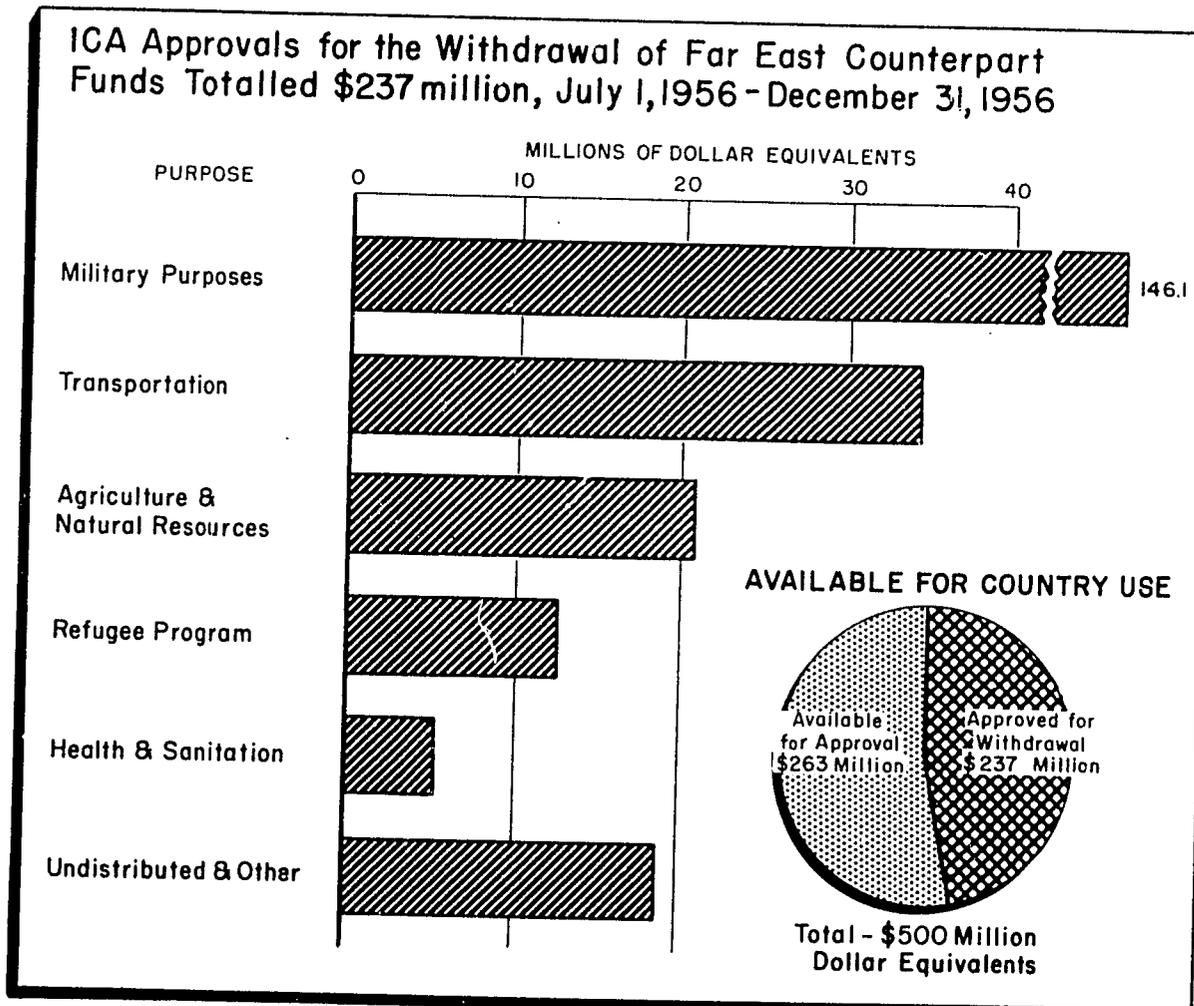
^{1/}Data are on a net activity basis. ^{2/}Data represent actual withdrawals.
^{3/}Represents Industrial Development Bank's commitments in excess of counterpart withdrawals.
* Less than \$50,000.

FAR EAST PROGRAM COUNTERPART FUNDS

In the first six months of fiscal 1957, the equivalent of \$500.2 million was available in the various Far East special counterpart accounts for release by ICA to finance country programs. This included in the cases of Cambodia, Laos and Vietnam, certain deposits of local currencies purchased with U.S. Treasury dollar checks or U.S.-owned French francs from Section 402 sales. Of the total amount available, the equivalent of \$237.2 million was approved for withdrawal. Nearly two-thirds, or the equivalent of \$146.1 million was released for military purposes, primarily in Vietnam and Korea, but also in Laos, Cambodia, and China. The principal nonmilitary uses were in the fields of transportation and agriculture and natural resources, with the equivalent of \$34.2 million and \$20.7 million released for these fields respectively. Another significant release during this quarter was the equivalent of \$12.3 million for the Refugee Program in Vietnam. Actual withdrawals in the July-- December period amounted to the equivalent of \$253.2 million.

On a cumulative basis, releases by ICA for country use in the Far East were equivalent to \$1,242.8 million through December 31, 1956, out of a total available for country use equivalent to \$1,505.6 million. Total withdrawals for country use were equivalent to \$1,234.0 million, while transfers to the U.S. account were equivalent to \$17.7 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
DECEMBER 31, 1956**

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

PURPOSE	CUMULATIVE APRIL 3, 1948 - DEC. 31, 1956 ^{1/}		FISCAL YEAR JULY 1, 1956 - DEC. 31, 1956
	APPROVED FOR WITHDRAWAL	WITHDRAWALS	APPROVED FOR WITHDRAWAL
TOTAL	\$1,242,753^{2/}	\$1,234,016^{2/}	\$237,243
Agriculture and Natural Resources	134,434	134,058	20,737
Industry and Mining	86,043	83,386	3,657
Transportation	128,257	127,103	34,167
Labor	288	288	-48
Health and Sanitation	33,711	31,825	5,154
Education	19,589	18,940	2,208
Public Administration	15,720	15,623	1,412
Community Development, Social Welfare and Housing	11,637	11,739	1,451
General and Miscellaneous	26,231	26,098	-517
Military Purposes	640,521	640,296	146,114
Undistributed Technical Assist. .	23,455	20,818	4,098
Refugee Program	56,518	56,518	16,339
Undistributed	67,954	68,929 ^{3/}	6,472

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

^{2/}Includes cumulative totals for Laos which exclude 56.1 million kips, equivalent to \$1,604 thousand "provided from other sources", which are included in the USOM distribution by field of activity. Detail shown adds to this much more than the total approvals shown.

^{3/}Includes the equivalent of \$975 thousand undistributed withdrawals in Laos made against approvals distributed by field of activity.

BURMA

STATUS OF COUNTERPART FUNDS

DECEMBER 31, 1956

PURPOSE	CUMULATIVE JULY 5, 1950- DECEMBER 31, 1956		JULY 1, 1956- DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	<i>(Thousands of Kyats)</i>	<i>(Thousands)</i>	<i>(Thousands of Kyats)</i>	<i>(Thousands)</i>
Deposits in Special Account	37,184	\$7,775	--	\$ --
Transfers to U.S. Portion	2,969	621	--	--
Balance for Burma	34,215	7,154	--	--
Unreleased Balance July 1, 1956 . . .			568	118
Total Available for Approval	34,215	7,154	568	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	3,006	1,674	---	---
General and Community Development Projects	3,556	744	---	---
Technical Assistance Trust Fund . .	4,397	919	---	---
Other	3,226	675	---	---
Total Withdrawn	33,375	6,979	16	4
Balance of Approvals to be Withdrawn .	272^{2/}	57^{2/}		
Technical Assistance Trust Fund .	272	57		

NOTE: Data are as of June 30, 1956, except for Trust Fund balance, which is as of December 31, 1956.

^{1/} Represents withdrawals from Special Account plus transfers to the Trust Fund Account. Total approved for withdrawal not available.

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

CAMBODIA
STATUS OF COUNTERPART FUNDS
DECEMBER 31, 1956

PURPOSE	CUMULATIVE. JUNE 5, 1950 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Riels)	(Thousands)	(Thousands of Riels)	(Thousands)
Deposits in Special Account	1,723,952 ^{1/}	\$49,256 ^{1/}	523,412	\$14,955
Transfers to U.S. Portion	9,245	264	2,000	57
Balance for Cambodia	1,714,707	48,992	521,412	14,898
Purchased Riels ^{2/}	426,000	12,000	--	--
Unreleased Balance July 1, 1956			228,555	6,530
Total Available for Approval	2,134,707	60,992	749,967	21,428
Total Approved for Withdrawal	1,807,797	51,651	423,057	12,087
Agriculture and Natural Resources	139,541	3,987	5,098	146
Industry and Mining	820	23	-57	-2
Transportation	260,975	7,457	74,114	2,118
Health and Sanitation	49,724	1,421	5,763	165
Education	50,133	1,432	18,228	521
Public Administration	--	--	-22,783	-651
Community Development, Social Welfare, and Housing	10,232	292	1,092	31
General and Miscellaneous	37,591	1,074	29,098	831
Military Purposes ^{3/}	1,217,791	34,794	297,504	8,500
Undistributed Technical Assistance ^{4/}	41,000	1,171	15,000	428
Total Withdrawn^{5/}	1,799,664	51,419	417,514	11,929
Balance of Approvals to be Withdrawn	8,132	232		
Undistributed Technical Assistance	2,269	65		
General and Miscellaneous	5,863	167		

NOTE: Dollar equivalents are computed at 35 riels to \$1 for the entire period.

^{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/}Includes 186,123 thousand riels, equivalent to \$5,318 thousand, special customs release.

^{4/}Represents transfers to the Trust Fund Account.

^{5/}Excludes advances of 27,720 thousand riels, equivalent to \$792 thousand, for housing project and construction of office buildings.

CHINA (TAIWAN)
STATUS OF COUNTERPART FUNDS^{1/}
DECEMBER 31, 1956

PURPOSE	CUMULATIVE JANUARY 1, 1949- DECEMBER 31, 1956		JULY 1, 1953- DECEMBER 31, 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	5,946,483 ^{3/}	\$397,177	648,583	\$26,174
Adjusted Dollar Equivalents of Deposits		366,474		26,174
Reserved for U.S. Use	55,920	4,464	--	--
Balance for China (Taiwan)	5,890,563	362,010	648,583	26,174
Unreleased Balance July 1, 1956			339,191 ^{4/}	13,688 ^{4/}
Total Available for Approval	5,890,563	362,010	987,774	39,862
Total Approved for Withdrawal	5,153,677^{5/}	332,273	250,888	10,125
Agriculture and Natural Resources	977,917	66,977	41,284	1,666
Industry and Mining	596,225	41,319	812	33
Transportation	388,650	30,355	-134	-5
Labor	184	55	-2,005	-81
Health and Sanitation	276,216	13,250	20,044	809
Education	62,191	4,141	5,331	215
Public Administration	100,684	6,502	11,833	478
Community Development, Social Welfare, and Housing	75,852	3,769	4,475	181
General and Miscellaneous	349,034	15,115	112,866	4,555
Direct Military Support	2,290,197	149,317	43,664	1,762
Undistributed Technical Assistance	36,528	1,474	12,719	513
Total Withdrawn	5,067,588	328,798	600,512	24,234
Balance of Approvals to be Withdrawn	86,089	3,474		
Agriculture and Natural Resources	2,132	86		
Industry and Mining	3,260	132		
Transportation	9,206	371		
Health and Sanitation	44,607	1,800		
Education	1,335	54		
Public Administration	3,460	140		
General and Miscellaneous	130	5		
Direct Military Support	5,575	225		
Undistributed Technical Assistance	16,384 ^{6/}	661 ^{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 109,557 thousand N.T. dollars interest from counterpart loans, 526,324 thousand repayment of principal, and 41,371 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 122 thousand N.T. dollars net gain on exchange transactions for the Trust Fund Account.

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

INDONESIAN REPUBLIC
STATUS OF COUNTERPART FUNDS^{1/}
DECEMBER 31, 1956

PURPOSE	CUMULATIVE JUNE 5, 1950 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Rupiahs)	(Thousands)	(Thousands of Rupiahs)	(Thousands)
Deposits in Special Account. . .	645,817	\$56,502	24,858	\$2,175
Transfers to U.S. Portion ^{2/} . . .	--	--	--	--
Balance for Indonesia.	645,817	56,502	24,858	2,175
Unreleased Balance July 1, 1956			436,528	38,191
Total Available for Approval . .	645,817	56,502	461,386	40,366
<u>Total Approved for Withdrawal. .</u>	<u>221,839</u>	<u>19,409</u>	<u>37,408</u>	<u>3,273</u>
Agriculture and Natural Resources.	71,939	6,294	24,500	2,143
Industry and Mining	1,439	126	—	—
Health and Sanitation.	43,256	3,784	5,496	481
Education.	31,142	2,725	1,142	100
Public Administration.	19,835	1,735	6,270	549
General and Miscellaneous ^{3/} . . .	47,400	4,147	—	—
Technical Assistance Trust Fund.	6,828	597	—	—
Total Withdrawn.	220,697	19,309	73,331	6,416
<u>Balance of Approval to be Withdrawn.</u>	<u>1,142</u>	<u>100</u>		
Education	1,142	100		

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

KOREA^{1/}
STATUS OF COUNTERPART FUNDS
DECEMBER 31, 1956

PURPOSE	CUMULATIVE AUGUST 28, 1953 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Millions of Hwan)	(Thousands)	(Millions of Hwan)	(Thousands)
Deposits in Special Account	158,141	\$407,238	56,824	\$113,648
Adjusted Dollar Equivalents of Deposits .		364,857		113,648
Transfers to U.S. Portion	2,180	4,397	--	--
Balance for Korea	155,961	360,460	56,824	113,648
Unreleased Balance July 1, 1956			43,020 ^{2/}	86,040 ^{2/}
Total Available for Approval	155,961	360,460	99,844	199,688
Total Approved for Withdrawal^{2/}	88,144	224,827	32,027	64,054
Agriculture and Natural Resources . .	11,882	23,765	7,350	14,701
Industry and Mining	12,881	31,438	303	606
Transportation	26,852	63,899	13,414	26,828
Health and Sanitation	2,614	5,895	1,619	3,237
Education	218	436	218	436
Comm. Develop., Social Wel. & Housing .	1,365	2,929	680	1,359
General and Miscellaneous	1,140	2,280	-3,501	-7,002
Military Purposes	31,191	94,186	11,945	23,889
Total Withdrawn	88,144	224,827	32,027	64,054

^{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. Fiscal year data by field of activity are preliminary.

LAOS
STATUS OF COUNTERPART FUNDS
DECEMBER 31, 1956

PURPOSE	CUMULATIVE JUNE 5, 1950 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Kips)	(Thousands)	(Thousands of Kips)	(Thousands)
Deposits in Special Account	70,236 ^{1/}	\$ 2,007 ^{1/}	36,999	\$ 1,057
Transfers to U.S. Portion	1,000	29	--	--
Balance for Laos	69,236	1,978	36,999	1,057
Purchased Kips ^{2/}	2,718,420	77,669	705,090	20,174
Unreleased Balance July 1, 1956			56,963	1,628
Total Available for Approval	2,787,656	79,647	800,052	22,859
Total Approved for Withdrawal	2,784,549^{3/}	79,558^{3/}	796,945	22,770
Agriculture and Natural Resources	24,689	705	3,438	98
Industry and Mining	14,955	427	1,136	32
Transportation	117,446	3,356	12,396	354
Health and Sanitation	11,549	330	2,917	83
Education	40,392	1,154	19,454	556
Public Administration	113,247	3,236	32,092	917
Community Development, Social Welfare and Housing	57,234	1,635	-4,111	-117
General and Miscellaneous	15,435	441	5,445	156
Military Purposes	2,436,000	69,600	714,450	20,413
Undistributed Technical Assistance	9,728	278	9,728	278
Total Withdrawn	2,769,346^{3/}	79,124^{3/}	820,464	23,442
Balance of Approvals to be Withdrawn	15,203	434		
Agriculture and Natural Resources	8,851	253		
Industry and Mining	1,915	55		
Transportation	24,136	690		
Health and Sanitation	2,265	65		
Education	16,737	478		
Public Administration	-1,485	-43		
Community Development, Social Welfare and Housing	-3,573	-102		
General and Miscellaneous	-2,035	-58		
Undistributed Technical Assistance	2,510	72		
Undistributed	-34,118 ^{4/}	-975 ^{4/}		

NOTE: Data are preliminary. Dollar equivalents are computed at 35 kips to \$1.

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

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

^{3/}Approval and withdrawal cumulative totals exclude 56.1 million kip, equivalent to \$1,604 thousand, "provided from other sources," which are included in the USOM distribution by field of activity. Detail shown adds to this much more than the total approvals shown.

^{4/}Represents withdrawals for the American Economic Aid Committee not yet distributed by field of activity.

PHILIPPINES
STATUS OF COUNTERPART FUNDS
DECEMBER 31, 1956

PURPOSE	CUMULATIVE JUNE 5, 1950-- DECEMBER 31, 1956		JULY 1, 1956-- DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Pesos)	(Thousands)	(Thousands of Pesos)	(Thousands)
Deposits in Special Account	157,240	\$78,620	8,711	\$4,355
Transfers to U.S. Portion	8,064	4,032	946	473
Balance for Philippines	149,176	74,588	7,765	3,882
Other Deposits ^{1/}	5,522	2,761	4,579	2,290
Unreleased Balance July 1, 1956			15,504	7,752
Total Available for Approval	154,698	77,349	27,848	13,924
Total Approved for Withdrawal	139,786	69,893	12,936	6,468
Agriculture and Natural Resources	49,045	24,523	2,723	1,362
Industry and Mining	22,533	11,267	5,880	2,940
Transportation	26,991	13,496	1,700	850
Labor	325	162	67	33
Health and Sanitation	5,743	2,871	57	28
Education	10,404	5,202	407	204
Public Administration	8,226	4,113	156	78
Community Development, Social Welfare, and Housing	3,384	1,692	-6	-3
General and Miscellaneous	300	150	--	--
<u>Technical Assistance</u>	<u>12,835</u>	<u>6,417</u>	<u>1,952</u>	<u>976</u>
Type A	3,191	1,595	543	271
Type B	9,644	4,822	1,409	705
Total Withdrawn ^{2/}	134,572	67,286	8,263	4,131
Balance of Approvals to be Withdrawn	5,214^{3/}	2,607^{3/}		
Industry and Mining	4,939	2,470		
Undistributed Technical Assistance	275	137		

^{1/}Represents advances by aid recipient and 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 December 31, 1956, there were outstanding 4,927 thousand pesos of such advances. Also excludes a temporary cash advance of 150 thousand pesos for administrative expenses.

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

THAILAND
STATUS OF COUNTERPART FUNDS
DECEMBER 31, 1956

PURPOSE	CUMULATIVE JUNE 5, 1950 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Bahts)	(Thousands)	(Thousands of Bahts)	(Thousands)
Deposits in Special Account ^{1/}	892,004	\$43,653	196,436	\$9,613
Transfers to U.S. Portion	25,600	1,253	1,500	73
Balance for Thailand	866,404	42,400	194,936	9,540
Unreleased Balance July 1, 1956			176,826	8,654
Total Available for Approval	866,404	42,400	371,762	18,194
Total Approved for Withdrawal	629,830	31,312	145,188	7,105
Agriculture and Natural Resources	150,565	7,368	12,687	621
Industry and Mining	23,642	1,157	986	48
Transportation	173,200	8,476	82,185	4,022
Labor	1,458	71	—	—
Health and Sanitation	111,477	5,455	7,169	351
Education	57,724	2,825	3,604	176
Public Administration	2,733	134	831	41
Community Development, Social Welfare and Housing	11,766	576	—	—
General and Miscellaneous	61,785 ^{2/}	3,024 ^{2/}	19,282	943
Undistributed Technical Assistance	45,480 ^{3/}	2,226 ^{3/}	18,444	903
Total Withdrawn	633,684^{4/}	31,011^{4/}	145,646	7,128
Balance of Approvals to be Withdrawn	6,146	301		
Agriculture and Natural Resources	750	37		
Transportation	1,902	93		
Health and Sanitation	425	21		
Education	346	17		
General and Miscellaneous	400	19		
Undistributed Technical Assistance	2,323 ^{5/}	114 ^{5/}		

- ^{1/}The exchange rate used in computing dollar equivalents of deposits is preliminary; reconciliation of counterpart deposits to grant aid received for December 31, 1956, not received in ICA/W. Deposits include 20 million baht (equivalent to \$979 thousand) contribution by the Thai government over and above required counterpart deposits.
- ^{2/}Includes 9.5 million baht (equivalent to \$465 thousand) withdrawn from the special account to establish two revolving funds.
- ^{3/}Includes 4 million baht (equivalent to \$196 thousand) withdrawn from the special account to establish a revolving fund.
- ^{4/}Excludes 5 million baht inadvertently withdrawn by TTEC from the proceeds of the Grant Commercial Procurement Program instead of the Loan Commercial Procurement Program. This will be corrected during January, 1957.
- ^{5/}Represents balance in the Trust Fund account.

VIETNAM
STATUS OF COUNTERPART FUNDS
DECEMBER 31, 1956

PURPOSE	CUMULATIVE JUNE 5, 1950 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Piastres)	(Thousands of Dollars)	(Thousands of Piastres)	(Thousands of Dollars)
Deposits in Special Account	8,269,956 ^{1/}	\$247,337	3,114,413	\$88,983
Adjusted Dollar Equivalents of Deposits		242,908		88,983
Transfers to U.S. Portion	73,271	2,672	--	--
Balance for Vietnam	8,196,685	240,236	3,114,413	88,983
Purchased Piastres ^{2/}	7,661,296	218,893	1,051,493	30,043
Unreleased Balance July 1, 1956			863,466	24,670
Total Available for Approval	15,857,981	459,129	5,029,372	143,696
Total Approved for Withdrawal^{3/}	14,726,254	426,794	3,897,645	111,361
Military Purposes	10,241,847	292,624	3,204,253	91,550
Refugee Program	1,978,137	56,518	431,873	12,339
Economic and Technical Projects, Undistributed ^{4/}	2,143,225	67,279	226,519	6,472
Technical Assistance Trust Fund	363,045	10,373	35,000	1,000
Total Withdrawn^{5/}	14,672,671	425,263	3,915,832	111,881
Balance of Approvals to be Withdrawn	53,583	1,531		
Technical Assistance Trust Fund ^{6/}	53,583	1,531		

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

^{2/}Includes 1.4 billion piastres for the Refugee Program, purchased with U.S. Treasury checks for \$40.3 million; and 6.3 billion piastres (equivalent to \$178.6 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 39.4 million piastres for mission offices and lodgings, and miscellaneous.

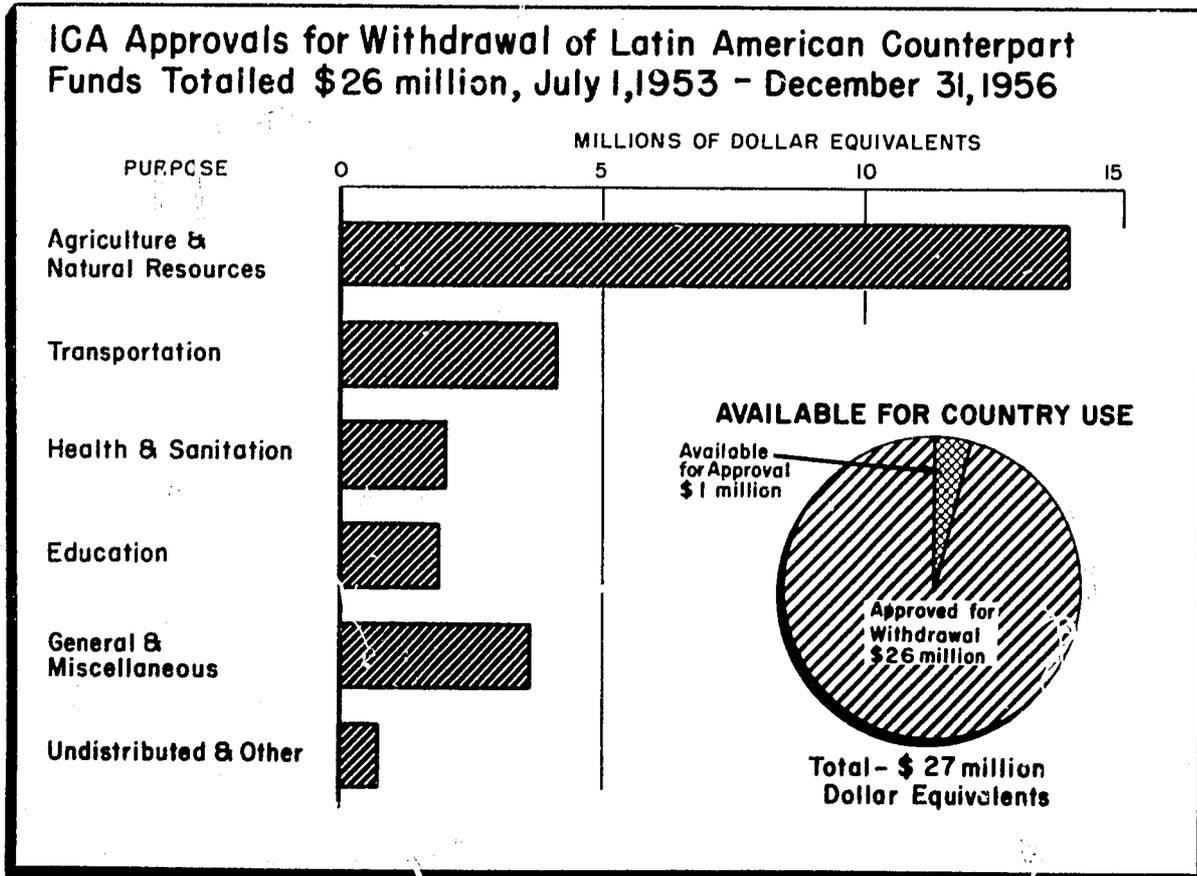
^{6/}Represents balance in Trust Fund Account, plus advances to the American Economic Aid Committee, and advances for mission offices and lodgings, and miscellaneous, not actually available for program use.

LATIN AMERICAN PROGRAM COUNTERPART FUNDS

As of December 31, 1956, Bolivia, Guatemala and Peru 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. In the cases of Guatemala and Peru, the local currency deposits were entirely from sales proceeds under Title II of PL 480; in the case of Bolivia, the local currency deposits represented in addition sales proceeds under PL 216 and from non-project dollar grant aid. Dollar equivalents shown for the Bolivian account

have been revised to reflect the dollar cost of the commodities generating the deposits, instead of being based on the unrealistic par rate of 190 Bolivianos to \$1.

Through the end of December 1956, the equivalent of \$27.0 million was available in the special counterpart accounts for release by ICA for country use in Latin America. Of this amount, the equivalent of \$26.4 million had been approved for withdrawal, and



LATIN AMERICAN PROGRAM COUNTERPART FUNDS

the equivalent of \$25.8 million was actually withdrawn. Most of this activity was prior to fiscal 1957, as approvals for withdrawal and withdrawals during the first half of fiscal 1957 amounted only to the equivalent of \$4.0 million and \$4.1 million, respectively.

On a use basis, more than half of the approvals were for projects in the field of agriculture and natural resources, for which the equivalent of \$13.9 million was approved

for withdrawal. Other significant releases were the equivalent of \$4.0 million for transportation, the equivalent of \$2.0 million for health and sanitation, and the equivalent of \$1.9 million for education. The balance of the approvals were for industry and mining, public administration, and general and miscellaneous, and for undistributed public works in Peru. By December 31, 1956, all of the funds approved for withdrawal had been withdrawn, with the exception of the equivalent of \$550 thousand approved for transportation projects and not yet withdrawn.

ICA APPROVALS FOR WITHDRAWAL OF LATIN AMERICAN COUNTERPART FUNDS AND ACTUAL WITHDRAWALS DECEMBER 31, 1956 (Dollar equivalents of the local currencies in thousands of dollars)			
PURPOSE	CUMULATIVE JULY 1, 1953 - DECEMBER 31, 1956		FISCAL YEAR JULY 1, 1956 - DEC. 31, 1956
	APPROVED FOR WITHDRAWAL	WITHDRAWALS	APPROVED FOR WITHDRAWAL
TOTAL	\$26,379	\$25,829	\$4,012
Agriculture and Natural Resources . . .	13,910	13,910	58
Industry and Mining	622	622	290
Transportation	4,036	3,486	-58
Health and Sanitation	2,017	2,017	580
Education	1,875	1,875	203
Public Administration	67	67	—
General and Miscellaneous	3,565	3,565	2,652
Undistributed ^{1/}	287	287	287

^{1/}Undistributed Public Works projects in Peru.

BOLIVIA
STATUS OF COUNTERPART FUNDS
DECEMBER 31, 1956

PURPOSE	CUMULATIVE, JULY 1, 1953- DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS ^{1/}	LOCAL CURRENCY	DOLLAR EQUIVALENTS ^{1/}
	(Thousands of Bolivianos)	(Thousands)	(Thousands of Bolivianos)	(Thousands)
Deposits in Special Account ^{2/}	9,455,431	\$27,407	247,148	\$ 716
Transfers to U.S. Portion	1,050	3	--	--
Other Transfers ^{3/}	652,961	1,893	51,713	150
Balance for Bolivia	8,801,420	25,511	195,435	566
Unreleased Balance July 1, 1956			1,456,985	4,223
Total Available for Approval	8,801,420	25,511	1,652,420	4,789
Total Approved for Withdrawal	8,434,000	24,446	1,285,000	3,725
Agriculture and Natural Resources	4,773,000	13,835	20,000	58
Industry and Mining	190,000	551	100,000	290
Transportation	875,000	2,536	-20,000	-58
Health and Sanitation	696,000	2,017	200,000	580
Education	647,000	1,875	70,000	203
Public Administration	23,000	67	--	--
General and Miscellaneous	1,230,000	3,565	915,000	2,652
Total Withdrawn	8,434,000	24,446	1,285,000	3,725

^{1/}Basis for calculating dollar equivalents was revised in September 1956. Instead of using par rate of 190 to \$1, an average rate of 345 to \$1 has been used, based on the dollar expenditures generating the local currency deposits.

^{2/}Includes deposits of sales proceeds under PL 216, 83d Congress, and Title II of PL 480, 83d Congress. Excludes 12,964 thousand bolivianos duplicated payment to be reimbursed.

^{3/}Includes cost of inland transportation, forwarding and insurance charges and miscellaneous expenses.

GUATEMALA STATUS OF COUNTERPART FUNDS DECEMBER 31, 1956				
PURPOSE	CUMULATIVE JULY 1, 1955 - DECEMBER 31, 1956		JULY 1, 1956 - DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Quetzales)	(Thousands)	(Thousands of Quetzales)	(Thousands)
Deposits in Special Account	1,169 ^{1/}	\$1,169	94	\$ 94
Transfers to U.S. Portion	--	--	--	--
Balance for Guatemala	1,169	1,169	94	94
Unreleased Balance July 1, 1956			-571*	-571
Total Available for Approval	1,169	1,169	-477	-477
<u>Total Approved for Withdrawal</u> ^{2/}	<u>1,646</u>	<u>1,646</u>	<u>--</u>	<u>--</u>
Agriculture and Natural Resources	75	75	--	--
Industry and Mining	71	71	--	--
Transportation	1,500	1,500	--	--
Total Withdrawn	1,096	1,096	70	70
<u>Balance of Approvals to be Withdrawn</u>	<u>550</u>	<u>550</u>		
Transportation	550	550		

^{1/}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.

^{2/}Approvals for withdrawal temporarily in excess of deposits.

* Approvals for withdrawal exceeded available funds on June 30, 1956.

PERU STATUS OF COUNTERPART FUNDS DECEMBER 31, 1956				
PURPOSE	CUMULATIVE JULY 1, 1955- DECEMBER 31, 1956		JULY 1, 1956- DECEMBER 31, 1956	
	LOCAL CURRENCY	DOLLAR EQUIVALENTS	LOCAL CURRENCY	DOLLAR EQUIVALENTS
	(Thousands of Soles)	(Thousands)	(Thousands of Soles)	(Thousands)
Deposits in Special Account ^{1/}	5,459	\$287	5,459	\$287
Transfers to U.S. Portion	--	--	--	--
Balance for Peru	5,459	287	5,459	287
Unreleased Balance July 1, 1956			--	--
Total Available for Approval	5,459	287	5,459	287
<u>Total Approved for Withdrawal</u>	<u>5,459^{2/}</u>	<u>287^{2/}</u>	<u>5,459</u>	<u>287</u>
Undistributed Public Works Projects	5,459	287	5,459	287
Total Withdrawn	5,459 ^{2/}	287 ^{2/}	5,459	287

^{1/}Funds represent sales proceeds from Title II, PL 480 commodity grants for drought relief. Program was initiated in FY 1956, but deposits were first reported in FY 1957.

^{2/}Excludes expenditures of 2,015 thousand soles (equivalent to \$106 thousand) from additional funds made available by the Peruvian Government for purposes of the Title II program.



**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 and 1957, Sec. 402 requires that not less than \$300 million in FY 1956 and \$250 million in FY 1957 of the funds made available 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, 1956 and 1957, require that local currency deposits from Section 402 sales be utilized only for

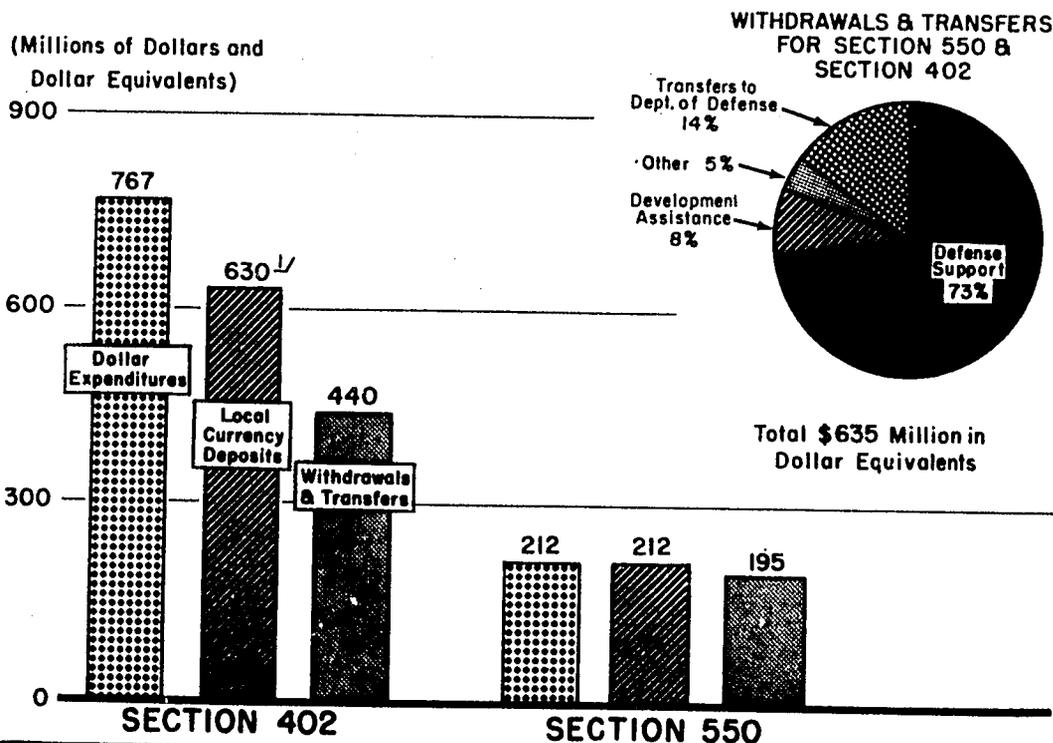
the same purposes for which the dollar funds were appropriated.

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 46 and 48 respectively.

By Dec. 31, 1956, sales under Sec. 550 amounted to \$213.5 million and sales under Sec. 402 amounted to \$927.0 million. The latter figure includes sales from reallocations of obligated funds originally obligated prior to fiscal year 1957. The accompanying chart shows for the two programs through Dec. 31, 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 402 and Section 550 Programs As of December 31, 1956

(Millions of Dollars and Dollar Equivalents)



^{1/}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 Dec. 31, 1956, dollar procurement authorizations from the \$20 million coal fund amounted to \$18.8 million, of which \$17.3 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 \$907 thousand for ocean freight. Actual deposits of local currency by the end of Dec. 1956 totalled the equivalent of \$17.3 million. Supply credit authorizations equivalent to \$14.6 million were issued by that date in favor of thirteen different countries. Disbursements reached the equivalent of \$10.2 million, of which \$3.6 million was from the United Kingdom account for the benefit of Jordan. The equivalent of \$2.7 million was disbursed for aid to Korea, with \$1,783 thousand, \$851 thousand and \$33 thousand coming from the accounts of Italy, France and Denmark, respectively. The balance of the disbursements, amounting to the equivalent of \$3.9 million was from the accounts in Austria, France, Finland and Italy, for aid principally to Spain, Vietnam, Greece and Turkey.

STATUS OF COAL FUND FOREIGN CURRENCY ACCOUNT								
DECEMBER 31, 1956								
ITEM	CURRENCY	TOTAL	PURCHASING COUNTRIES					
			AUSTRIA	DENMARK	FINLAND	FRANCE	ITALY	UNITED KINGDOM
Coal Procurement Authorizations Issued	Thousands of Dollars	\$18,819	\$3,800	\$3,812	\$1,975	\$1,940	\$3,382	\$3,910
Dollar Expenditures Requiring Foreign Currency Deposits	"	17,267 ^{1/}	3,484 ^{1/}	3,265 ^{1/}	1,975	1,784 ^{1/}	3,131 ^{1/}	3,627 ^{1/}
Deposits of Foreign Currency	Thousands of Dollar Equivalents	17,313	3,477	3,309	1,984	1,784	3,131	3,627
Supply Credit Allotments Issued	"	15,521	3,392	1,806	1,971	1,784	2,968	3,600
Supply Credit Authorizations Issued, Total	"	14,589	2,488 ^{2/}	1,806	1,971	1,756	2,968	3,600
<i>In Favor of:</i>								
Cambodia	"	50	--	50	--	--	--	--
China (Taiwan)	"	300	--	--	--	--	300	--
Greece	"	680	--	--	680	--	--	--
Indonesian Republic	"	34	--	34	--	--	--	--
Iran	"	272	--	21	--	192	58	--
Israel	"	199	--	--	--	199	--	--
Jordan	"	3,600	--	--	--	--	--	3,600
Korea	"	4,355	705	1,000	--	865	1,785	--
Pakistan	"	500	--	500	--	--	--	--
Spain	"	2,466	1,175	--	1,291	--	--	--
Thailand	"	200	--	200	--	--	--	--
Turkey	"	500	--	--	--	500	--	--
Vietnam	"	1,433	608	--	--	--	825	--
Disbursements	"	10,183 ^{3/}	18 ^{3/}	41 ^{3/}	1,967 ^{3/}	1,742 ^{3/}	2,816 ^{3/}	3,600
Unexpended Balance	"	7,130	3,459	3,269	17	42	315	27

^{1/}Excludes expenditures of \$906,855 for which deposits of foreign currency have been waived as follows: \$85,677 in Austria; \$132,159 in Denmark; \$155,787 in France; \$250,531 in Italy; and \$282,701 in the United Kingdom.

^{2/}Disbursements against Supply Credit Authorizations, as follows, in thousands of dollar equivalents: \$285 for China (Taiwan); \$675 for Greece; \$8 for Indonesia; \$246 for Iran; \$199 for Israel; \$3,600 for Jordan; \$2,671 for Korea; \$1,291 for Spain; \$500 for Turkey; and \$707 for Vietnam.

^{3/}Disbursed \$5 thousand for Korea and \$13 thousand for Vietnam.

^{4/}Disbursed \$8 thousand for Indonesia and \$33 thousand for Korea.

^{5/}Disbursed \$675 thousand for Greece and \$1,291 thousand for Spain.

^{6/}Disbursed as follows, in thousands of dollar equivalents: \$192 for Iran; \$199 for Israel; \$851 for Korea; and \$500 for Turkey.

^{7/}Disbursed as follows, in thousands of dollar equivalents: \$285 for China (Taiwan); \$54 for Iran; \$1,783 for Korea; and \$694 for Vietnam.

PROGRAMMED USE OF SECTION 550 FOREIGN CURRENCY SALES PROCEEDS

DECEMBER 31, 1956

REGION AND COUNTRY	TOTAL	PURPOSE		
		MILITARY ASSISTANCE ^{1/}	DEFENSE SUPPORT ^{2/}	DEVELOPMENT ASSISTANCE
<i>(Thousands of Dollar Equivalents)</i>				
GRAND TOTAL	\$213,493^{3/}	\$80,586	\$120,934	\$11,972
EUROPE TOTAL	142,495	37,198	105,296	--
Finland	—	(4/)	(4/)	—
France ^{5/}	10,613	10,613	—	—
Germany (Fed. Rep.)	16,557 ^{6/}	—	16,557 ^{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/}	40,295 ^{7/}	—	40,295	—
Yugoslavia	34,853	4,865	29,988	—
Europe, Undistributed	2,127	2,127	—	—
NEAR EAST AND SOUTH ASIA TOTAL	3,368	--	1,000	2,368
Afghanistan	1,172	—	—	1,172
Greece	1,000	—	1,000	—
Israel	1,196	—	—	1,196
AFRICA TOTAL	9,604	--	--	9,604
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 Finmarks.

^{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

DECEMBER 31, 1956

REGION AND COUNTRY	DOLLAR EXPENDITURES REQUIRING FOREIGN CURRENCY DEPOSITS	USE OF FOREIGN CURRENCIES PAID TO THE UNITED STATES								
		TOTAL DEPOSITS BY FOREIGN COUNTRIES	TRANSFERS TO DEPT. OF DEFENSE	STATUS OF USE BY FOREIGN COUNTRIES			WITHDRAWN			BALANCE ON DEPOSIT
				ALLOTTED BY ICA/W	OBLIGATED	TOTAL	DEFENSE SUPPORT	DEVELOPMENT ASSISTANCE		
	(Thousands)	(Thousands of Dollar Equivalents)								
GRAND TOTAL . . .	\$212,190	\$212,195	\$86,801	\$116,815	\$113,036	\$108,093	\$100,674	\$7,419	\$17,301	
EUROPE TOTAL	153,096	153,097	44,131	92,166	88,457	86,647	86,647	--	16,099	
Finland	4,927 ^{1/}	4,927	1,999	2,800 ^{1/}	2,800	1,000	1,000 ^{2/}	--	1,929	
France	15,613	15,613	10,613	5,000 ^{3/}	5,000 ^{3/}	5,000 ^{3/}	--	5,000 ^{3/}	--	
Germany (Fed. Rep.)	14,757	14,758	--	14,758 ^{4/}	14,758	14,748	14,748	--	10	
Italy	18,118	18,118	17,590	300 ^{3/}	300 ^{3/}	300 ^{3/}	--	300 ^{3/}	228	
Netherlands	4,000	4,000	--	4,000	790	790	790	--	3,209	
Norway	2,275	2,275	--	500	--	--	--	--	2,275	
Spain	13,956	13,956	13,929 ^{5/}	--	--	--	--	--	27	
United Kingdom	44,596	44,599	--	44,368 ^{6/}	44,328 ^{6/}	41,195 ^{6/}	40,275	919 ^{6/}	3,405	
Yugoslavia	34,853	34,850	--	29,833	29,833	29,833	29,833	--	5,017	
NEAR EAST AND SOUTH ASIA TOTAL . . .	2,368	2,372	--	1,200	1,200	1,200	--	1,200	1,172	
Afghanistan	1,172	1,172	--	--	--	--	--	--	1,172	
Israel	1,196	1,200	--	1,200	1,200	1,200	--	1,200	--	
AFRICA TOTAL	--	--	--	9,393	9,352	6,219	--	6,219	--	
African DOT's ^{7/}	--	--	--	9,393	9,352	6,219	--	6,219	--	
France	--	--	--	5,000	5,000	5,000	--	5,000	--	
Italy	--	--	--	300	300	300	--	300	--	
United Kingdom	--	--	--	4,093	4,052	919	--	919	--	
FAR EAST TOTAL	56,726	56,726	42,670	14,056	14,027	14,027	14,027	--	29	
China (Taiwan)	9,638	9,638	5,000	4,638	4,638	4,638	4,638	--	--	
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 \$4,093 thousand allotted; the equivalent of \$4,052 thousand obligated; and the equivalent of \$919 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

DECEMBER 31, 1956

REGION AND COUNTRY	TOTAL	PURPOSE				
		MILITARY ASSISTANCE ^{1/}	DIRECT FORCES SUPPORT	DEFENSE SUPPORT	DEVELOPMENT ASSISTANCE	OTHER ^{2/}
(Thousands of Dollar Equivalents)						
GRAND TOTAL	\$926,964^{2/}	\$39,424	\$29,814	\$709,444	\$104,450	\$43,832
EUROPE TOTAL	320,598	39,424	—	237,343	—	43,832
Austria	869 ^{3/}	—	—	(4/)	—	869
Denmark	(5/)	—	—	(5/)	—	—
France	(8/)	—	—	(8/)	—	—
Germany (Federal Republic) ^{7/}	42,963	—	—	—	—	42,963
Iceland - Triangular Trade (Denmark)	2,316	—	—	2,316	—	—
Italy	25,573 ^{8/}	381	—	25,192 ^{8/}	(8/)	—
Netherlands	3,710	—	—	3,710	—	—
Spain, Total	102,136	—	—	102,136	—	—
Direct Purchases	100,836 ^{9/}	—	—	100,836 ^{9/}	—	—
Triangular Trade (Denmark)	1,300	—	—	1,300	—	—
United Kingdom	94,534 ^{10/}	38,900	—	55,634	—	—
Yugoslavia	48,113	143	—	47,971	—	—
Europe, Undistributed	384	—	—	384	—	—
NEAR EAST AND SOUTH ASIA TOTAL	189,223	—	10,000	97,734	81,489	—
Egypt	5,247	—	—	—	5,247	—
Greece	66,000	—	—	66,000	—	—
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	32,965	—	—	—	32,965	—
Pakistan, Total	20,015	—	10,000	10,015	—	—
Direct Purchases	12,321	—	10,000	2,321	—	—
Triangular Trade (Austria)	2,000	—	—	2,000	—	—
Triangular Trade (Germany)	5,694	—	—	5,694	—	—
Turkey, Total	21,419	—	—	21,419	—	—
Direct Purchases	16,319	—	—	16,319	—	—
Triangular Trade (Austria)	2,750	—	—	2,750	—	—
Triangular Trade (Italy)	2,350	—	—	2,350	—	—
African DOT's - United Kingdom ^{11/}	660	—	—	—	660	—
FAR EAST TOTAL	386,481	—	19,814	366,607	—	—
Cambodia Total	3,650	—	—	3,650	—	—
Direct Purchases	2,741	—	—	2,741	—	—
Triangular Trade (Austria)	250	—	—	250	—	—
Triangular Trade (Germany)	309	—	—	309	—	—
Triangular Trade (Italy)	350	—	—	350	—	—
China (Taiwan)	88,280	—	12,990	75,282	—	—
Korea	123,681	—	—	123,681	—	—
Laos	370	—	—	370	—	—
Philippines	26,610	—	2,210	24,400	—	—
Vietnam, Total	103,920 ^{6/}	—	4,606	99,314 ^{6/}	—	—
Direct Purchases	25,738	—	4,606	21,133	—	—
Triangular Trade (France)	30,000	—	—	30,000	—	—
Cash Transfer of France	48,182	—	—	48,182	—	—
Cambodia, Laos and Vietnam, Undistr.	39,970 ^{6/}	—	—	39,970	—	—
LATIN AMERICA TOTAL	30,661	—	—	7,700	22,961	—
Bolivia	26,936	—	—	7,700	19,236	—
Guatemala	3,726	—	—	—	3,726	—

^{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 \$6.9 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, \$2.3 million for Iceland, \$1.3 million for Spain and \$0.4 million 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 \$7.6 million 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

DECEMBER 31, 1956

REGION AND COUNTRY	DOLLAR EXPENDITURES TO BE PAID 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	\$766,913	\$629,624^{2/}	\$513,378	\$481,819	\$440,025	\$9,920	\$366,037	\$44,057	\$20,010	\$189,600
EUROPE TOTAL	413,781	375,979	275,967	269,241	235,525	--	211,453	4,062	20,010	140,454
Austria	5,730	5,696	4,882 ^{3/}	4,248	--	--	--	--	--	5,696
Denmark	3,887	3,887	3,887 ^{4/}	3,616 ^{4/}	2,316 ^{4/}	--	2,316	--	--	1,570
France	111,246	106,671	103,321 ^{5/}	103,321 ^{5/}	103,321 ^{5/}	--	103,321	--	--	3,351
Germany (Fed. Rep.)	49,451	49,401	39,763 ^{6/}	39,339	21,672	--	--	1,662 ^{7/}	20,010	27,729
Italy	26,713	28,943 ^{8/}	15,754 ^{8/}	13,404	13,054	--	10,654	2,400 ^{7/}	--	15,889
Netherlands	3,664	3,664	3,664	--	--	--	--	--	--	3,664
Spain	90,324	74,922	62,283	59,428	49,941	--	49,941	--	--	24,981
United Kingdom	75,187	57,879	36,413 ^{10/}	35,885 ^{10/}	35,221	--	35,221	--	--	22,658
Yugoslavia	47,580	44,916	10,000	10,000	10,000	--	10,000	--	--	34,916
NEAR EAST AND SOUTH ASIA TOTAL	156,609	96,65^{1/}	85,777	84,901	84,152	--	50,355	33,7^{1/}	--	12,499
Egypt	5,247	5,230	3,628	2,751	2,751	--	--	2,751	--	2,478
Greece	55,098	43,503	43,348	43,348	42,600	--	42,600	--	--	903
India	34,876	10,542	10,542	10,542	10,542	--	--	10,542	--	--
Iran	2,677	2,820 ^{8/}	2,820	2,820	2,820	--	--	2,820	--	--
Israel	32,171	26,802	17,684	17,684	17,684	--	--	17,684	--	9,118
Pakistan	11,343	--	--	--	--	--	--	--	--	--
Turkey	15,196	7,755	7,755	7,755	7,755	--	7,755	--	--	--
FAR EAST TOTAL	177,859	149,026^{2/}	139,871	120,289	114,14^{3/}	9,920	104,229	--	--	34,877
Cambodia	2,145	(11 ^{1/})	--	--	--	--	--	--	--	--
China (Taiwan)	70,049	58,264 ^{2/}	57,884	41,877	41,904	9,920	31,984	--	--	16,332
Korea	68,818	63,220 ^{2/}	60,342	60,342	60,342	--	60,342	--	--	2,878
Laos	80	--	--	--	--	--	--	--	--	--
Philippines	21,170	18,395	14,588	11,013	4,846	--	4,846	--	--	13,549
Vietnam	15,598	9,175	7,057	7,057	7,057	--	7,057	--	--	2,118
LATIN AMERICA TOTAL	18,665	7,968	7,763	7,389	6,198	--	--	6,198	--	1,770
Bolivia	15,750	7,015	7,015	6,641	5,450	--	--	5,450	--	1,565
Guatemala	2,914	953	748	748	748	--	--	748	--	205

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/}Represents the equivalent of \$2 million allotted for Pakistan, the equivalent of \$250 thousand allotted for Cambodia, and \$2,249 thousand allotted for Turkey.

^{4/}Includes the equivalent of \$2.6 million allotted for Iceland and \$1.3 million allotted for Spain.

^{5/}Includes the equivalent of \$70.9 million in French francs used for the benefit of Vietnam.

^{6/}Includes amounts for the benefit of West Berlin and East Germany. Also includes the equivalent of \$499 thousand allotted for Cambodia, the equivalent of \$1.6 million allotted for India, and the equivalent of \$5.4 million allotted to Pakistan.

^{7/}Represents withdrawals for triangular trade benefitting India.

^{8/}Includes advance deposits.

^{9/}Includes the equivalent of \$2.4 million allotted for India, the equivalent of \$350 thousand allotted for Cambodia, and the equivalent of \$2,350 thousand for Turkey.

^{10/}Includes sales proceeds of purchase by the United Kingdom programmed for use in her African DOT's, as follows: the equivalent of \$660 thousand allotted and obligated, and the equivalent of \$9 thousand disbursed.

^{11/}Section 402 deposits have been made to the Special Counterpart Account in error.

^{12/}New Taiwan dollars have been deposited at varying exchange rates; the dollar equivalent for these deposits, however, is figured at the current rate of NT \$24.78 to U.S. \$1.00, at which the currency has been used.

^{13/}Hwan deposits have been made at varying exchange rates; the dollar equivalent for these deposits, however, is figured at the current exchange rate of 500 Hwan 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 Dec. 31, 1956, the equivalent of \$1,180 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 in Burma, Finland, India, Israel, and Italy 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 \$646 million to ICA by the end of Dec. 1956, and had apportioned to ICA the equivalent of \$199 million by that time. Allotments by ICA for country use were equivalent to \$159 million.

Through December 31, 1956, obligations of PL 480 currencies in ICA accounts were equivalent to \$125 million, of which \$122 million had been withdrawn. Loans for economic development accounted for the equivalent of \$108 million of the obligations; \$6 million was on a grant basis for earthquake rehabilitation in Greece; \$2.5 million in Italian lire was used for triangular trade

with Israel; \$6 million was a suballocation from the Department of Defense for military uses in Korea; and \$2 million in Japanese yen was allocated to the Department of Defense.

Advances under the loan to Japan through the end of December 1956 amounted to the equivalent of \$73.6 million, for the following purposes, in millions: development of electric power resources, \$58; irrigation, drainage, and reclamation, \$11; promotion of productivity of the Japanese economy, \$3; and agriculture and natural resources, \$2.

In Israel, the equivalent of \$15.4 million was advanced against loans through December 31, 1956. Of this, \$4.9 million in 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 \$4.6 million withdrawn in Peru was for an irrigation project; \$3.2 million withdrawn in Chile was for roads; and \$1.8 million in Ecuador was divided, \$1.2 million for agricultural projects and \$0.6 million for industrial development.

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 FY 1956 & 1957 provides that assistance "shall emphasize loans rather than grants whenever possible," but does not stipulate a fixed amount. As of Dec. 31, 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. At the same date, FY 1956 loans amounted to \$210.8 million, while one FY 1957 loan had been signed for \$4 million.

Of the total ICA loans for FY 1955-1957 to date, \$218.6 million were planned as dollar loans and the balance, equivalent to \$190.7 million was to come from the U.S.-owned Section 402 foreign currency accounts in ten different countries. Advances under these loan agreements by Dec. 31, 1956, amounted to \$238.8 million—\$130.2 million in dollars, principally to Iran, Turkey, and Vietnam, and the equivalent of \$108.7 million in U.S.-owned foreign currencies, with four countries accounting for 81 percent.

ICA FOREIGN CURRENCY PROGRAM UNDER TITLE I, PL 480

DECEMBER 31, 1956

(Thousands of Dollar Equivalents)

REGION AND COUNTRY	FOREIGN CURRENCY SALES PROCEEDS FROM TITLE I, PL 480				STATUS OF ICA ACCOUNTS FROM TITLE I, PL 480			
	TOTAL PROGRAM (ALL PURPOSES)	PROGRAMMED FOR ICA USE ^{1/}	ALLOCATED TO ICA BY THE BUREAU OF THE BUDGET	APPORTIONED TO ICA BY THE BUREAU OF THE BUDGET	ALLOTTED BY ICA ^{2/}	OBLIGA- TIONS	WITH- DRAWALS	BALANCE OF ALLOT- MENTS
GRAND TOTAL . . .	\$1,927,477	\$1,179,892	\$645,896	\$199,048	\$158,698	\$124,887	\$122,034	\$36,664
EUROPE TOTAL	606,987	303,351	128,171	18,700	18,700	11,486	9,337	9,363
Austria	28,200	18,000	16,000	5,700	5,700	—	—	5,700
Finland	23,940	(3/)	—	—	—	—	—	—
France	2,050	660	—	—	—	—	—	—
Germany (Fed. Rep.)	1,200	—	—	—	—	—	—	—
Italy	118,800	90,800	32,500	2,500	2,500	2,500	351	2,149
Netherlands	275	—	—	—	—	—	—	—
Portugal	7,100	3,400	3,400	—	—	—	—	—
Spain	176,822	107,791	67,271	10,500	10,500	8,986	8,986	1,514
United Kingdom	27,200	—	—	—	—	—	—	—
Yugoslavia	221,400	82,700	9,000	—	—	—	—	—
NEAR EAST AND SOUTH ASIA TOTAL	692,140	442,860	95,410	26,127	21,927	21,503	21,503	424
Egypt	19,600	15,600	13,600	—	—	—	—	—
Greece	37,600	27,970	15,970	10,770	6,570	6,146	6,146	424
India	360,100	288,100 ^{3/}	—	—	—	—	—	—
Iran	12,100	2,500	2,500	—	—	—	—	—
Israel	51,640	39,890 ^{4/}	28,790	15,357	15,357	15,357	15,357	—
Pakistan	120,700	23,600	12,500	—	—	—	—	—
Turkey	90,400	45,200	22,050	—	—	—	—	—
FAR EAST TOTAL	340,300	204,179	196,320	118,120	81,970	81,640	81,640	330
Burma	21,700	(3/)	—	—	—	—	—	—
China (Taiwan)	9,800	—	—	—	—	—	—	—
Indonesia	96,700	77,400	77,400	—	—	—	—	—
Japan	150,800	119,779	112,120	112,120	75,970 ^{5/}	75,640 ^{6/}	75,640 ^{6/}	330
Korea	58,800	6,000 ^{7/}	6,000	6,000	6,000	6,000	6,000	—
Thailand	2,500	1,000	800	—	—	—	—	—
LATIN AMERICA TOTAL	288,050	229,502	225,995	36,101	36,101	10,258	9,554	26,548
Argentina	31,100	21,000	20,000	—	—	—	—	—
Brazil	179,920	151,222	149,215	24,494	24,494	—	—	24,494
Chile	39,600	31,680	31,680	3,895	3,895	3,895 ^{8/}	3,191	704
Colombia	16,900	10,500	10,000	—	—	—	—	—
Ecuador	4,000	3,100	3,100	2,346	2,346	1,753	1,753	594
Paraguay	3,000	2,250	2,250	—	—	—	—	—
Peru	13,530	9,750	9,750	5,366	5,366	4,610	4,610	756

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

^{2/}Through December 31, 1956, all allotments 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); \$6.0 million in Korea allocated to ICA under Sec. 104 (c); \$2.5 million in Italy for a loan to Israel for purposes of Sec. 104 (d); and \$2.0 million in Japan reallocated by ICA to the Department of Defense for use under Sec. 104 (d).

^{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).

^{4/}Includes the equivalent of \$2 million allocated and transferred to the Department of Defense.

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

^{6/}Based on final weighted average exchange rate of 292.0588735 pesos to \$1 for disbursement under FY 1955 sales agreement.

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

DECEMBER 31, 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	<u>\$409.3^{1/}</u>	<u>\$218.6</u>	<u>\$190.7^{2/}</u>	<u>\$238.8</u>	<u>\$130.2</u>	<u>\$108.7</u>
EUROPE TOTAL	<u>41.3</u>	<u>3.4</u>	<u>37.0</u>	<u>22.3</u>	<u>--</u>	<u>22.3</u>
Denmark	2.3 ^{3/}	--	2.3	2.3	--	2.3
Iceland	4.0	3.4	0.6	--	--	--
Spain	20.0	--	20.0	20.0	--	20.0
Yugoslavia	15.0	--	15.0	--	--	--
NEAR EAST AND SOUTH ASIA TOTAL	<u>283.0</u>	<u>176.9</u>	<u>106.1</u>	<u>160.1</u>	<u>90.0</u>	<u>61.0</u>
Afghanistan	5.0	5.0	--	0.1	0.1	--
Egypt	7.5	7.5	--	1.5	1.5	--
Greece	25.0	--	25.0	25.0	--	25.0
India	82.5	46.5 ^{4/}	36.0 ^{5/}	24.7	14.1	10.6
Iran	42.0	42.0	--	42.0	42.0	--
Israel	30.0	2.0 ^{5/}	28.0 ^{5/}	19.7	2.0	17.7
Pakistan	46.0	46.0	--	11.5	11.5	--
Turkey	45.0	27.9	17.1	35.6	27.8	7.8
FAR EAST TOTAL	<u>85.0</u>	<u>38.3</u>	<u>46.7</u>	<u>50.5</u>	<u>31.2</u>	<u>25.3</u>
China (Taiwan)	40.0	--	40.0	25.3	--	25.3
Philippines	10.0	3.3	6.7	--	--	--
Thailand	10.0	10.0	--	6.2	6.2	--
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 preliminary distribution between dollars and U.S.-owned foreign currency.

^{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.