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BANGLADESH  
INDIA  
AND  
POLAND  
A REPORT ON FINDINGS

PREPARED FOR:  
THE PRESIDENT,  
FOUNDATION FOR COOPERATIVE HOUSING

BY:  
JACK EDMONDSON  
DIRECTOR OF INTERNATIONAL PROGRAMS  
FCH SERVICES, INC.



Cooperative Housing.  
International  
Hist beyond

SER/H REFERENCE FILE

TRIP REPORT ON

Bangladesh, India & Europe

Prepared by

FCH Services Inc.

Under the Auspices of the

Office of Housing

AGENCY FOR INTERNATIONAL DEVELOPMENT

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Exhibit #1 -- Agenda

Exhibit #2 -- Draft Project Proposal by CARE

Exhibit #3 -- Draft Report by the Ministry of Relief and Rehabilitation

Exhibit #4 -- Aide Memoire of September 19, 1972

Exhibit #5 -- Letter to Mr. S.J. Darda of October 2, 1972

Exhibit #6 -- Minutes of Annual Meeting of the Board of Directors in  
Warsaw (draft), September 27, 1972

Exhibit #7 -- Paper on Cooperative Housing and Development by W.J. Campbell

Enclosure: ICHDA 1972 Activities and Programs



# M E M O R A N D U M

DATE October 16, 1972

TO: Wallace J. Campbell  
President, Foundation for Cooperative Housing

FROM: Jack Edmondson  
Director of International Programs, Foundation for Cooperative Housing

SUBJECT: Trip Report on Sweden, Bangladesh, India and Warsaw, (Sept. 3 - Oct. 3, 1972)

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I. London: (September 4) I spent one day in London to meet with the officials of the International Cooperative Alliance (ICA) who are jointly sponsoring the Bangladesh Cooperative Housing workshop with ICHDA and the Bangladesh Samabaya Union. Mr. Robert Davies was present and we discussed at length the strategy for conducting the workshop and especially the role of the ICA Regional Office in Delhi.

II. Sweden: (September 5-6) The purpose of the Swedish stopover on the way to Dacca was to meet with officials of the ICHDA member organizations, the HSB and the Svenska Riksborgen and the Swedish Cooperative Center (SCC). In meetings with Dr. Mauritz Bonow, President of the ICA, and members of his staff, along with Mr. Ake Johnsson (HSB) we discussed the entire background of the workshop, including the proposed Swedish Cooperative Center (SCC) financial support for the workshop to the extent of SKr. 50,000. Dr. Bonow said that in recent meetings with officials from the Swedish SIDA, with the ICHDA member organizations in Stockholm, and the SCC, SIDA had agreed in principal to reimburse the SCC for the costs incurred in carrying out the workshop pending a formal request from the Bangladesh Government.

III. Bangladesh (September 9 -20)

1. Workshop on Cooperative Housing

A principal purpose of my visit to Bangladesh was to organize and coordinate the workshop on behalf of ICHDA and the ICA. The concept of the workshop grew out of suggestions and recommendations by officials of the Ministry of Cooperative and Rural Development during the visit earlier this year of an ICIDA team to Bangladesh. The purpose of the workshop will be to assist the cooperative movement and related government agencies in the development of a national housing strategy, particularly in the rural sector. Civil strife and the natural disasters have resulted in massive destruction of housing throughout the country with some estimates running up to 2 million units. Sizable rural development programs, and housing rehabilitation and reconstruction efforts are now underway or in the planning stages for the rural areas. The workshop will, therefore, direct special attention at the integration of the projected widespread rural cooperative housing efforts into the overall rural development plan of the government. Development of the guidelines for these short range rehabilitation programs should form the basis for the longer range institution building.

The workshop is conceived to assist the cooperative movement in clarifying its organizational structure, including local, intermediary and national financial and credit mechanisms for the mobilization and disposition of savings and capital, the vertical integration of housing cooperatives, the management aspects of such enterprises, and education and training programs at the various levels and the technical services required. The urban scene will also be scrutinized during the workshop deliberations.

It is important to underscore here the strong support and interest for the workshop given by the Secretary of Cooperatives Rural Development, Mr. Obaidullah Khan, his Deputy Secretary, Mr. Shahid Latif, and the Executive Director of the Integrated Rural Development Program (IRDP), Mr. Mokammel Haque. This Ministry and Agency will have primary responsibility for all of the cooperative and financial aspects of the government program. The physical construction will be undertaken by the Directorate of Rural Housing, under the Ministry of Relief and Rehabilitation.

Working Committee: During my visit we established a working committee made up of representatives from ICHDA. An official from the Samabaya Union and the Deputy Secretary of the Ministry of Rural Development and Cooperatives are acting as informal coordinating chairmen. The committee met on three occasions and prepared the draft Agenda for the Workshop ~~which is attached hereto~~ (Exhibit #1)

Bangladesh paper: A major recommendation of the committee was that a background paper would be prepared in cooperation with Mr. Lionel Gunawardana of the ICA Regional Office in Delhi. Accordingly, Mr. Gunawardana, will journey to Dacca on approximately the 20th of October to work with the workshop sub-committee in the preparation of the background paper. The paper would not attempt to evaluate or make recommendations but rather provide a factual status report on housing in Bangladesh, with particular emphasis on the rural housing experience on the part of the government and the various voluntary agencies involved in shelter programs during the past several years. The report would be prepared and distributed prior to the conference to both the international resource experts and the participants.

Outside Resource People: It is anticipated that two representatives from the Gesamtverband will participate, one representative from the Swedish HSB, one or possibly two experts from the Foundation for Cooperative Housing, one from the Cooperative Housing Federation of Malaysia, one from the Bombay Cooperative Housing Finance Society, one from the Indian Ministry of External Affairs with experience in the field of rural housing and finance, one official from the UN Centre for Housing. Building and Planning, two from the ICA Regional Office in Delhi, and perhaps one expert from ECAFE Office in Bangkok. It was proposed and accepted that the outside resource people come to Bangladesh 4 to 5 days prior to the commencement of the workshop in order to have a period of brief exposure to some of the rural housing programs and rural housing conditions existing in Bangladesh today.

Participants: In the attached agenda, there is a list of proposed participants who would take part in the conference deliberations. They include leadership from the pertinent government agencies involved in housing, as well as organizations such as the Bangladesh Academy for Rural Development, the University of Dacca, and representatives from the private voluntary agencies who are carrying on housing and shelter programs in Bangladesh today. These latter include CARE, the Mennonite group and the CORR (CRS) organization.

The dates of the workshop have shifted somewhat in order to attempt to accommodate the staff of the ICA office in Delhi and presently the workshop would take place from November 29 through December 6. The international resource people would arrive in Dacca on approximately November 24 for four to five days of visitations.

Swedish Contribution: The Swedish Cooperative Center as indicated above, has agreed to provide up to SKr.50,000 for the workshop. To secure reimbursement for these expenses from the Swedish SIDA, requests from the Samabaya Union to

the Ministry of Cooperatives and Rural Development have been initiated indicating the nature of the program and asking that the Ministry, request SIDA for this reimbursement. The request should now have been remitted to the Swedes from the Ministry.

Agenda Items: There will be seven principal themes discussed during the workshop deliberation. These are detailed in the attached draft agenda. Briefly they include the following: Housing problems in the rural areas; Housing and shelter in the urban areas, Cooperative housing organization in Bangladesh, the Financing of cooperative housing, Artisan and building production cooperatives, Education, training and research, and the Legislative and legal aspects of rural and cooperative housing programs.

## 2. Technical Assistance to CARE

The second purpose of my visit to Bangladesh was to discuss with the outgoing CARE Mission Director, Mr. Henry Selz, his staff, and with Mr. George Taylor, the incoming Director, the technical assistance requirements and needs for the CARE rural housing program.

CARE is about to undertake a large scale (15,000 units over three years) rural housing program in the Delta region of Bangladesh, commencing this Fall. The first year contemplates 5,000 units in three districts, Barisal, Patuakhali, and Noakhali. This program will begin as soon as the CARE 7,200 unit 62-village emergency housing program has been completed, which should be within the next month or so.

The so called Delta program will run for a period of three years and as can be seen from the attached Draft Project Proposal (Exhibit #2), prepared by the CARE organization, the program is designed to meld into the Integrated Rural Development Program (IRDP) of the Ministry of Cooperatives and Rural

Development.

The CARE experience in housing in Bangladesh to date has not involved cooperative elements nor has it called for repayment of the cost of dwelling units. In the new 15,000 unit program in the Delta, repayment concepts must be incorporated into the program. The details of the reimbursement process and the recuperation of the housing investment have not been worked out in detail. The institutional responsibility for these aspects of the program rests basically with the IRDP. The cooperative housing workshop to be held in December will be used in part by the government and the housing cooperative movement to clarify overall objectives and provide guidelines for the national cooperative rural housing program. Recognizing its own limitations in manpower and skills CARE has requested that ICHDA consider making available technical assistance for the Delta program in the field of cooperative organization and finance.

A cable has been sent to CARE/New York outlining this request and proposing that ICHDA come forward with a proposal. In late September Mr. Samia and Ralph Devone, CARE/New York, came to Washington to discuss the proposal with Mr. Wallace Campbell and Mr. Clarence Shubert. The proposal has now been accepted in principal by CARE officials and final negotiations are now underway. The proposal calls for one cooperative finance specialist to be attached to the CARE organization in the development of the Delta program. The specialist will assist in all areas of cooperative development, and specifically in developing methods procedures and evaluation techniques for the financial organization and control of the Delta program.

It is anticipated that the contract between ICHDA and CARE will begin on or about November 1, and would provide for orientation in Washington, New York, London, Stockholm and Cologne prior to permanent assignment in Bangladesh. It is further hoped that the technician can be present during the workshop commencing on November 29th.

Officials in AID/Bangladesh and AID/Washington have been advised of these negotiations and the likelihood that they will be concluded in the near future. *po*

3. Swedish Longer Range Cooperation

*may be  
to  
competitor  
to ICHDA  
technical*

The Swedish SIDA will be sending a high level team to Bangladesh the latter part of October to discuss with the government the possibilities of funding a cooperative housing specialist and other SIDA inputs for the 1973-74 period. The Ministry of Cooperatives and Rural Development are alerted to this visit and in accordance with a request from the Secretary of that Ministry an Aide Memoire was prepared as a means of providing him with the background on this visit. The prospect of technical assistance in the field of cooperative housing from SIDA seems fairly certain, if the government comes forward with a strong request.

It is not certain how this technical assistance would be channeled, namely, whether it would be through the ICHDA organization or rather a straight bilateral agreement between the Government of Sweden and the Government of Bangladesh.

4. National Program for Rural Housing

The Government, under the auspices of the Ministry of Relief and Rehabilitation, has a variety of programs undergoing consideration at the present time and one of the largest of these in the field of rural housing involves the construction of over 169,000 units in the rural areas, not including the CARE Delta program of 15,000 units. This would be broken down into 150,000 semi-pucca units at approximately \$200 and an additional 19,000 pucca units in the \$300 range. The total estimated cost of the program is roughly 267 million Taka. Translated into U.S. dollars at the official exchange rate, this amounts to U.S. \$35 million.

Attached to this report is a copy of this draft program (Exhibit #3). It will undoubtedly undergo modification over the next several months. One change which has already occurred since the paper was drafted six weeks ago is the question of subsidy. The National Planning Commission met to consider this project in mid-September and concluded that the program should not incorporate subsidies from the Government and that the entire capital cost of the program should be recuperated.

Presently it is proposed that the IRDP act as the principal organization and structure through which the cooperative motivational and initial community organization efforts are made. IRDP will also be charged with the longer range problem of debt recuperation and management of the diverse revolving funds that would be used for additional housing shelter and home improvement.

Housing Directorate: The Ministry of Relief and Rehabilitation in mid-September set up a Directorate of Rural Housing under Mr. A. Zaman. Mr. Zaman will act as the coordinator and director of the entire rural housing program and be responsible to <sup>an</sup> inter-ministerial committee made up of the Ministries of Relief and Rehabilitation, the Rural Development and Cooperatives, Agriculture, Education and Health, and Flood Control and Water Resources. The IRDP will also be present on the committee.

Exhibit #3 outlines in detail the organizational structure of the program, but as can be seen from a careful analysis of the paper, sufficient thought has not as yet been directed at the question of establishment, control and management of the revolving funds, the problem of debt recuperation, collection procedures, etc. Nevertheless, this paper is significant if only to note the enormity of the program proposed.

At the request of the Secretary of Cooperatives and Rural Development, I prepared an Aide Memoire (Exhibit #4) which discusses the various kinds of

external technical assistance which might appropriately be incorporated into this national program. Briefly they are in the following fields: financial management and organization, cooperative organization and management, cooperative training and education, research and development, program evaluation, and legal and legislative matters, etc. This memorandum was also sent to the Director of the IRDP, Mr. Mokammel Haque, and the Deputy Secretary of the Ministry of Rural Development and Cooperatives, Mr. Shahed Latif.

AID discussions: Subsequent to the various meetings with the Ministry of Rural Development and Cooperatives, the Bangladesh Samabaya Union, and the Ministry of Relief and Rehabilitation, I talked with the AID representatives in Bangladesh. Coincidentally, the AID Bangladesh Desk Officer, Fred Thomas, was present during my entire visit and was extremely helpful in bringing our conversations to fruition. Mr. Larry Heilman, the new Program Officer with responsibility for rural development, was particularly helpful in bringing into focus potential technical assistance on the national scale from ICHDA or FCH. Mr. Ed Glazer, AID Liaison Officer for the Voluntary Agencies, was also helpful.

At this moment the AID Mission is making its program proposals for consideration by AID/Washington. A major sub-project proposed is in the field of rural development, and specifically in connection with the integrated rural development program. At this time there is no specific request from the Government of Bangladesh for assistance in field of housing or cooperative housing. Nevertheless, it is evident from discussions with the Bangladesh officials that the GOB intends to proceed with its housing program utilizing resources it has received from the United States Government, the Indian Government, the UN, and a host of other bilateral donations. Recognizing the size and scope of the undertaking, and the likelihood that the Government will in fact be making requests of AID for technical assistance in the field of cooperative housing, AID officials indicated that these requests would be duly and fairly considered.

Informal requests for assistance from both Mr. Obaidullah Khan and Mr. Mokammel Haque have been made to representatives of AID, and it is felt that once these are formalized by the Government, they would be considered in a favorable climate by the AID Mission pending availability of funds and appropriate justification.

In the execution of the national larger rural housing program AID might entertain a request from the GOB to provide some of the dollar costs for the program as well as the outside technical assistance requirements. It is recommended that the ICHDA mechanism would be a logical vehicle if AID funds can be made available -- particularly recognizing the fact that it would be possible through this mechanism to provide experts not only from the U.S., but also from our member organization countries. This would be desirable, considering the political overtones of a too-large U.S. presence.

##### 5. Labor Participation

At the suggestion of Mr. V.S. Mathur, the Asian Regional Secretary for the ICFTU, I met with a Mr. Mapara, the ICFTU's representative in Dacca. Mr. Mapara is residing in Dacca for an indeterminate period to assist the National Jatio Shramik League in various program development activities. One of the areas that the League is interested in pursuing is worker housing. It was suggested by Mr. Mapara that the Shramik League participate in the cooperative housing workshop, scheduled to take place under the sponsorship outlined above. In view of the specialized nature of the worker housing being proposed by the League and by Mr. Mapara, it seemed that this should be undertaken separately, namely, a workshop specifically designed for worker housing.

During my visit in Dacca, I met with the President of the League Mr. Mahmud Shahajahan, on two occasions, to discuss different aspects of housing development for his constituency. Insufficient consideration, I felt, and been given to sources of long term financing for worker housing to be sponsored by the League.



office from the capital to Bombay is unfortunate in one sense, but on the other hand it should facilitate close coordination among the new Secretary and the President, both of whom have had substantial experience in the field of cooperative housing.

It was agreed in Bombay that the Pilot Project proposal would be redrafted at an early date after consultations with Secretary of Housing, Mr. Prabhakar Rao. The NCHF is also to advise us confirming the workshop program. Tentative dates for the workshop are December 11th through 14. Upon returning to Delhi Mr. Maddock, Dr. Dwivedi and I met with Mr. Rao who had just returned from attending the UN Conference on Housing Finance in Copenhagen, and the Conference on the Environment in Stockholm. During those visits he met numerous cooperative housing officials and apparently saw various examples of cooperative housing programs. Mr. Rao's attitude towards cooperatives has measureably improved since last talking with him in March of this year. In fact he enthusiastically supported the concept of housing cooperatives. Mr. Rao supported the proposal for the workshop.

Attached hereto is my letter of October 2, 1972, to Mr. Darda concerning our Rao meeting (Exhibit #5) which highlights the points he raised and which hopefully have been discussed personally with him by officials of the Federation. I am optimistic that with this change in attitude the time is ripe to proceed with all dispatch on the implementation of the pilot program.

In Delhi I also met with Mr. C.S. Chandrasekhara, the Additional Chief and Planner, Town and Country Planning Organization of the Ministry of Works and Housing. This gentleman felt that there were indeed areas in which cooperatives could work effectively, particularly with the newly emerging municipal development authorities, such as the ones in Delhi, Calcutta and Bombay.

Gujarat: It is worth noting here that the Swedish Svenska Riksbyggen has received a request from the State Government of Gujarat for technical and financial assistance in the organization and development of a pre-fabricated housing enterprise. Svenska Riksbyggen and HSB have in turn jointly discussed this with the Swedish SIDA officials who have indicated their willingness to consider a concessional loan for this project, as well as technical assistance, perhaps through ICHDA. The Ministry of Housing in Gujarat must now generate a request from the Federal Government to SIDA. The project contemplates a substantial investment and would also include cooperative inputs as well. It is impossible to judge at this stage the timing for this activity, although it is hoped that the appropriate requests will have gone to the Federal Government by the time the Swedish SIDA team is in India in November of this year.

V. Warsaw (Sept. 26 - Oct. 8)

1. ICHDA Annual Meeting

A principal purpose of my visit to Warsaw was to participate in the ICHDA annual meeting which took place on September 27 in the offices of the Polish Central Union of Housing and Building Cooperatives. Attached is a copy of the draft minutes of the ICHDA meeting (Exhibit #6). Prior to the meeting, invitations had been extended by the ICHDA President to the Polish and French groups. While the acceptance of both of these groups was not formally taken up at the meeting, it is likely that the Polish group will probably join ICHDA and the French organization will also. The French are in the process of forming a consortium of the various cooperative housing and financing organizations in France, and once this organization is legally constituted, it will become the member organization of ICHDA.

2. The ICA Housing Executive Committee

I also attended this meeting on behalf of FCI and ICHDA which took place prior to the general meetings of the International Cooperative Alliance. The principal points of discussion in the Executive Committee were the formulation of a new criteria for contributions from the member organizations. Likewise this was a major point of discussion in the Congress itself.

At the Housing Committee meetings, which took place on September 28th and September 29th Mr. Campbell's paper on cooperative housing in developing countries was presented and discussed. A copy of this paper is attached to this report (Exhibit #7).

D R A F T

A G E N D A

for

WORKSHOP COOPERATIVE HOUSING

November 29 thru December 6th

SPONSORED BY THE BANGLADESH JATIYO SAMABAYA UNION IN CONJUNCTION WITH THE INTERNATIONAL COOPERATIVE ALLIANCE AND THE INTERNATIONAL COOPERATIVE HOUSING DEVELOPMENT ASSOCIATION.

SUPPORTING PARTNERS:

- The Peoples Republic of Bangladesh
- (Ministries of Cooperatives and Rural Development, Relief and Rehabilitation and Ministry of Public Works and Urban Development)
- The Swedish SIDA
- The Swedish Cooperative Centre (SCC).

PURPOSE: The principal aim of the workshop will be to assist the cooperative movement and related government agencies in the development of a national cooperative housing strategy. Civil strife and natural disasters have resulted in massive destruction in housing throughout the country. Sizable housing rehabilitation and reconstruction efforts are now underway in the rural areas. Special attention, therefore, will be directed in the workshop at the integration of the projected widespread rural cooperative housing efforts into the overall rural development plan of the government. The development of guidelines for these short range rehabilitation programs should form the basis in part for the longer range institution building efforts.

The workshop is also conceived to assist the movement in clarifying its organizational structure, including local, intermediary and national financial and credit mechanisms for mobilization and disposition of savings and capital, the vertical integration of housing cooperatives, the management aspects of such enterprises, and education and training programme at the various levels and technical services available. The concept of the clustered village will also be considered as well as the question of different shelter designs for the diverse areas of the country.

The urban sector will also be scrutinized.

A careful review of existing and projected programs, against a background of experience in other regions of the world, should result in a constructive and positive recommendations for action.

FORMAT: The workshop will last for approximately 7 to 8 working days. An initial background paper will be prepared in Bangladesh in cooperation with the ICA. This paper would give a status report on the present housing situation in the country, as well as outlining existing experience in the field of low-cost rural and urban housing including cooperatives.

The outside resource experts would then give brief outlines of other experience in the developed and developing countries in the field of cooperative housing.

After this initial phase, the workshop will divide into smaller working groups (perhaps 2 or 3 concurrently) to discuss the various agenda items in detail. The working groups will formulate proposals and recommendations for consideration by the entire group to be discussed at the final part of the workshop.

PARTICIPANTS: Apart from resource persons representatives from the following organisations will be the participants.

1. Bangladesh Jatiyo Samabaya Union	--	2
2. Ministry of Public Works & Urban Development		
Engineers	2	
Town Planners	1	
Architect	1	
Administrative Officer	1	
Building Research Expert	<u>1</u>	6
3. Ministry of Relief & Rehabilitation (Directorate General of Rural Housing)		2
4. Ministry of Local Government, Rural Development and Cooperatives		3
5. Ministry of Planning (Housing Sector)		1
6. Cooperative Directorate including four divisions and one from H.Q.	4	
Cooperative Officials	<u>1</u> <u>2</u>	7
7. Housing Cooperative Societies including four divisions		4
8. Thana Central Cooperative Association		3
9. Integrated Rural Development Programme		2
10. BARD		2
11. Engineering University		1
12. Dacca University - Department of Sociology	1	
Economist	<u>1</u>	2
13. Ministry of Law		1
14. Ministry of Finance		1
15. House Building Finance Corporation		1
	Sub-Total	<u>38</u>

## 16. Foreign Agencies:

CARE	2	
MENONITE	1	
CORR	1	4

Total 42

AGENDAPART I Introduction

Introduction remarks by: Mr. Raushan Ali  
 Local and International Dignitaries: Min. of Cooperative and Rural Development  
 Min. of Relief and Rehabilitation  
 Min. of Public Works and Urban Development  
 ICA  
 ICHDA

PART II Background Paper

The status of cooperative and rural housing programmes in Bangladesh today.

This will include a review of the housing experience of the diverse voluntary agencies as well. It will address the existing organizational, financial and legal structure of housing cooperatives in the rural and urban setting. It should also be provided some data on overall housing requirements in rural and urban areas, including any information obtainable on the bustee and squatter settlements. This paper will be prepared in advance of the workshop and distributed to the resource people and participants.

Sub-Committee:

A workshop Sub-Committee is to be formed with the following local resource persons to assist resource persons from ICA and other international organizations to prepare the background paper for the workshop. It is to be composed of the following people and Organizations:

1. Mr. L. Gunawardana, ICA, Delhi
2. Mr. N. Islam, Superintending Engineer
3. Mr. Zaman, Rep., Ministry of Relief and Rehabilitation
4. Mr. A. T. M. Matloob Hossain, Deputy Registrar, Cooperative Societies (Extension)
5. Mr. A. K. M. Zahirul Haque, Prashasanik Karmadhakha and Administrative Officer, N.R.C., Bangladesh Jatiyo Samabaya Union.
6. Mr. Mokammel Haque, Executive Director, IRDP
7. Mr. Shahid Latif, Deputy Secretary, Ministry of Rural Development and Cooperatives
8. Mr. James Borton, CARE

PART III Cooperative Housing Activities in the developed and developing countries.

The international resource experts will provide a backdrop of their special experience in various countries. The purpose of these presentations will be to define cooperative housing in the broad sense and illustrate, with specific examples, the variety of cooperative housing experience in different parts of the world.

Tentative list of international experts.

Germany	Gesamtverband	2 experts
Sweden	HSB	1 expert
USA	FCH	1 or 2 experts
Malaysia	Cooperative Housing Foundation	1 experts
India	Bombay Cooperative Housing Financial Society	1 expert
Govt. of India - Ministry of External Affairs		1 expert
ICA	Delhi	2 experts
ECAFE	Bangkok	1 expert
UN	New York	1 expert

PART IV

AGENDA ITEMS

1. Housing Problems in the Rural Areas

- Rehabilitation and reconstruction efforts in the coastal and non-coastal areas.
- Integrated Development.
- Management of Revolving Funds for Cooperative Housing Problems relating to collections and delinquencies, repayment arrangements transfer of credits, credit criteria, etc.
- Problem of marginal and subsistence farmer.
- Technical assistance requirements for rural housing.
- Examination of the Clustered Housing approach.

2. Housing and Shelter in Urban Areas.

- Examination of the bustee and squatters and means by which cooperative approaches can assist in solving these problems, including cooperative and other self-help and mutual aid schemes, site and service programs, savings programs, house improvement, etc.
- Government assistance in this area.
- Multi-family dwelling programs
- Cooperative housing approach as applied to public housing and government staff housing including the development, conversion and management of such schemes.

3. Cooperative Housing Organization in Bangladesh

- Adequacy or inadequacy of existing framework.
- Organization structure and integration with other allied groups.
- The urban and rural settings.
- Provision of technical and management expertise for cooperative housing.
- Relations with the Government and the Government's role in promotion and support of rural and urban low cost housing.

4. Financing of Housing and Financing for Cooperative Housing

- Rural Sector, Revolving funds for expanding and extending of housing.
- Mobilization of savings and capital; institutional structures.
- Need for Cooperative Housing Finance.
- Organization and the relationships with the HBFC, the National Cooperative Bank, Land Mortgage Bank, Commercial Banks, and Insurance Companies.

- Desirability of development of relationships with trade unions.

5. Artisan and Building Production Cooperatives

- Their relation to housing cooperatives in the rural and urban sectors.
- Question of employment generation.

6. Education Training and Research

- Examination of housing design and cost for different geographic areas and income levels; what kind of housing needed in different zones.
- Research Organizations:

Experience to date in different construction techniques and use of indigenous materials industries.

- Assess what has proved operational and effective.
- Longer range training of cooperative housing personnel and membership.
- Cooperative Housing Training Institute.

7. Legislative and Legal aspects

- Need for Cooperative Housing legislation
- Requisition, acquisition and disposition of land in rural and urban areas for cooperatives and members.
- Discussion of utilization of HBF Corporation, or adaptation of some for Cooperative housing for lower income groups, legal implications.
- Mortgage law and the concept of the cooperative single mortgage.

PART V Summary and Recommendations:

The group will convene as a whole and discuss the findings and recommendations of each of the working groups.

PROJECT PROPOSAL: BANGLADESH DELTA COAST AND ISLANDS  
COOPERATIVE HOUSING (WITH FARMERS'  
AND FISHERMEN'S SELF-HELP SUPPORT  
COMPONENT)

*C. H. S. 10/5/70*

This proposal/work plan details Phase One of a three year rural self-help development project comprising self-help construction of low-cost cyclone-resistant housing along with provision of improved coastal fishing boats to prospective house-owners who are fishermen and improved seed, fertilizer and bullocks for participating farmers.

The Ministry of Relief and Rehabilitation will act as sponsor for this project which will benefit the Delta districts effected by the 1970 cyclone.

The Integrated Rural Development Program (IRDP) will develop a new division for Rural Housing throughout Bangladesh. The Rural Housing Division of IRDP will be the executing agency for Government of Bangladesh, sharing joint responsibility with CARE for Delta Coast and Islands Housing.

The project will be jointly administered with the Thana Central Cooperatives of the Cyclone Belt districts of Bangladesh. The basic purpose of the project is two-fold: (1) to develop a house which will, as far as practicable, withstand recurrent seasonal winds and flooding which accompany the cyclone season; and (2) to encourage and assist individual self-help rehabilitation through development of expanded and improved fishing and farming practices contributing to increased production and income, enabling further self-help development. All project objectives will be met through the Thana Central Cooperative's structure and facilities.

CARE's previous experience with low-cost cyclone-resistant housing has resulted in construction of more than 4,000 ten-by-twenty foot houses in Chittagong and Noakhali coastal districts and, from March through May of this year, construction of forty-six villages of approximately 125 houses each on sites which suffered heavy damage during last year's war for independence. CARE will have completed its 10,000th house in Bangladesh before the end of August. CARE has also designed and constructed in Dacca, the experimental "Delta Basic House No.1" of fibre glass with a compressed jute core. The prototype model is now being reproduced: test sites will be selected in especially critical cyclone-effected areas of the Delta coast and islands. Field testing may be evaluated reliably before the end of this year.

*[Faint stamp and handwritten notes]*

An ongoing grant for research and testing of new and improved rural construction materials and techniques for Bangladesh is scheduled to compile a survey of the various experimental low-cost permanent houses which have already been constructed and evaluated. Information compiled therefrom should enable us to move with maximum assurance into further research and testing of new materials, preferably indigenous or processed from indigenous raw materials.

Delta coast and islands low-cost cyclone-resistant house construction will begin in the coastal areas where wind and flood intensity is more severe than conditions withstood by previous CARE houses, but not so severe as the most-affected island and coastal strip. As information becomes available from our research and testing and pilot utilization of the Delta Basic House, the decision will be made as to which type of construction will provide maximum safety at minimum cost. A pilot village (one of our ongoing 62-village project sites) will be constructed on Bhola Island after the monsoon. That too will provide basic information and experience on which the subsequent cyclone belt housing in the most harshly afflicted areas can be undertaken on a large-scale with reasonable confidence.

It is planned that construction of low-cost cyclone-resistant housing will only be undertaken in the vicinity of an adequate community shelter, either a pukka building with an area sufficiently higher than the normal ground level to offer protection or a raised earthen mound of the type now under construction in the Delta.

## II. PROJECT BACKGROUND

The Bangladesh Delta coastal strip and islands support approximately 4,250,000 inhabitants within an area of 4,000 sq. miles. Seasonal cyclonic winds and flooding recur with varying severity, but more often than not leave disaster in their wake. Ninety percent of the population are farmers or fishermen. The Delta has lived isolated from inland Bangladesh, more so from the rest of the world between major disasters until recently- perhaps the thirteen November 1970 cyclone and tidal wave/bore put the Delta on the world map permanently.

This project was conceived and developed in response to the devastation of the 1970 cyclone. In its original form it was limited to emergency relief housing to alleviate in part the post-cyclone devastation. Since the project will not get underway until two years after the emergency, advantage has been taken of the interim to revise the project to include economic rehabilitation - post-cyclone and post-war as well - of the farmers and fishermen who will benefit from the improved housing.

This revision of the original project also includes the IRDP and the Thana Central Cooperative of the Delta Region as local counterpart agencies. The Central Cooperative will "sell" the house, an estimated 50% of material and skilled labor cost of the house will be repaid into a Cooperative revolving loan fund to be established for the purpose. It is believed by all concerned that the recipient of the improved house should purchase it in large part, and that the provision of improved seed, fertilizer and bullocks for the farmer or of a coastal fishing boat for group fishing will enable project participants to afford partial payment and achieve a continuing improvement in his standard of living and working.

We should benefit from on-site testing of the CARE Delta Basic House No. 1 scheduled for June of this year. The experience gained by erection of six of these locally-designed and constructed cyclone-resistant houses will influence the decision on what kind of improved housing will be utilized in the overall project.

We should also benefit from post-monsoon 1972 construction of Cyclone Belt of Barisal and Patuakhali district demonstration villages as the last phase of CARE's ongoing 62-village construction project. CARE's preceding low-cost rural self-help housing project resulted in completion of approximately 4,000 houses in Chittagong and Noakhali districts; 2,000 of these houses have withstood seasonal winds and flooding. The apparent success of this housing project led the Government of Bangladesh to request CARE to undertake current construction of 62 demonstration villages, one in every sub-division, to re-house a fraction of displaced families returning to villages destroyed or largely damaged by the war and to acquaint the new nation as a whole with the advantages of this (as of now) cheapest per square foot permanent house which can be constructed on a largely self-help basis. As of August, CARE estimates it will have completed more than 5,600 of its scheduled 62-village project - 7,500 houses - within five months under post-war conditions which have combined shortage of construction materials with disruption of transport facilities throughout a period in which transport of essential foodgrains has indisputable priority for limited transport available.

### III. PROJECT JUSTIFICATION

Most of the coast and island families live in woven bamboo thatch-roofed houses incapable of withstanding seasonal winds or flooding. After almost any cyclone season, the family must pay to repair walls or roof or both. Government

has spent an average \$8,000,000 yearly from 1960-68 on relief and rehabilitation of the Delta area. Much of that amount served to rebuilt damaged or destroyed houses. A low-cost house which could withstand normal winds and flooding (it is doubtful whether anything could withstand the Delta cyclones at their worst) would pay for itself within a few years by: (1) providing personal protection against moderately hostile elements; (2) affording protection to farming and fishing implements, livestock and draft animals, and (3) reducing or eliminating annual repair expenditure after every cyclone season.

CARE's soil/sand/cement pressed block house has proved itself in the cyclone belt, but not yet on the hardest hit coastal or island area. Therefore we propose to introduce it by stages into areas of worsening cyclonic intensity rather than attempt to solve the housing problem in the hardest hit areas first. We will be constructing a "demonstration village" on the model of our ongoing 62-village project in cyclone-affected sub-divisions of Patuakhali and Barisal districts, including Bhola Island; construction will begin in October after the monsoon period. This construction, coupled with introduction of the Bangladesh manufactured Delta Basic House No.1 prior to the normal cyclone season next autumn, should provide us with basic experience on which to base an intelligent decision concerning how we built where in the cyclone belt to maximize safety and economy in an acceptable house. It should be noted that we are currently testing a variation on the original experimental Delta Basic House in the USA, and that a comprehensive report and evaluation of techniques utilized and the product achieved should be forthcoming within the next month - this too will effect the final decision on improved housing under Delta weather conditions.

Supporting, and in effect justifying our improved housing project component is the provision (by means of revolving fund loans through the Thana Central Cooperative) of farmer-and-fishermen-house-holders with the means whereby they can increase agricultural yields or return from sea with a better catch of fish. This project component will enable the recipient of the improved house to repay the construction cost in part to the Cooperative where revolving fund loans will be made available to others to build additional houses.

The project is designed as a rehabilitation-through-development effort to bring the farmer and fishermen the tools he needs to do better work and the house he deserves (and can afford) to provide the maximum degree of safety short of the community cyclone shelter for his family and possessions.

IV. OBJECTIVES

- (1) To construct during Phase One of this project 5,500 improved cyclone-belt houses designed to provide maximum practicable protection to participating family life and property; it should be noted that construction of houses presupposes the existence of a community cyclone shelter which can provide protection in the event of tidal wave/bore water reaching a level which submerges the community temporarily;
- (2) To provide by means of revolving fund loans to farmers and fishermen who will be "buying" their improved houses against a revolving fund loan from the Thana Central Cooperative the "tools of their trades"- for farmers, bullocks, seed and fertilizer, for fishermen, an eight-man sea fishing boat, nylon twine for netmaking, sail, anchor, etc. Agricultural and fishing equipment too will be purchased against a revolving fund loan from the Cooperative.
- (3) To assist farmers and fishermen in developing the capacity for further self-help improvement - they should have the tools to do the job better, thereby increasing their incomes and securing their own control over their improving future;
- (4) To assist expansion and improvement of the Cooperative movement in the Delta region where it has got off to a late, good start already. All project funds for purchase of farmers' and fishermen's materials and equipment will return to the Thana Central Cooperative as revolving fund loans are repaid, and serve thereafter for further loans to facilitate further improvement. An estimated 50% of the cost of construction materials and skilled labor will be repaid the Cooperative into its revolving fund for housing - this too will serve to extend project results beyond the completion of fifteen thousand houses within the three-year project period scheduled herein,
- (5) Although this project is limited to the Delta region, the relationship established and developed with the Cooperative will, if successful, spread elsewhere in Bangladesh because if it works there it will presumably work elsewhere under easier circumstances.

V. PROJECT DESCRIPTION, IMPLEMENTATION, AND ADMINISTRATION

A. Description

It is proposed that 5,000 (of a three-year 15,000 total) low-cost cyclone-resistant houses be constructed by June, 1973. Initial construction will concentrate on

Cinva-Ran compressed soil/sand/cement block house with C.I. sheet roofing which has proved its merit and acceptability. However, on-site testing of the CARE Delta Basic House No. 1 in the Delta region will be undertaken in especially cyclone-prone communities during the 1972 post-monsoon cyclone season, and should this or other types of low-cost housing provide greater protection at comparable cost, they will of course, be utilized on a broader scale thenceforth.

Of the Ts. 30,000,000 required to construction 15,000 houses (at Ts. 2,000 per unit), CARE will provide Ts. 24,000,000 over a three-year period. The Ministry of Relief and Rehabilitation will contribute Ts. 6,000,000 or Ts. 400 to CARE's Ts. 1,600 per unit.

Sixty villages will be constructed over the three-year project period. There will be an average 250 housing units per village.

The project villages will be selected from among the most vulnerable thanas of the coastal districts of Barisal, Patuakhali and Noakhali. On the basis of population and area, it has been agreed to apportion the project as follows:

Three-Year Housing Component

<u>District</u>	<u>Total Villages</u>	<u>Villages per thana</u>	<u>Total Thanas</u>	<u>Total Houses</u>
Barisal	30	5	6	7,500
Patuakhali	18	6	3	4,500
Noakhali	12	6	2	3,000
				<u>15,000</u>

The three-year project would be phased as follows:

First and Second Year -

<u>District</u>	<u>Total Villages</u>	<u>Total Thanas</u>	<u>Total Houses</u>
Barisal	10	2	2,500
Patuakhali	6	1	1,500
Noakhali	6	1	1,500

Third Year

Barisal	10	2	2,500
Fatuakhali	6	1	1,500

---

Four Thanas, twenty-two villages, 5,500 houses are scheduled for both first and second project years. Noakhali District programming will be completed within two years, and third year programming will be limited to three thanas, sixteen villages, 4,000 houses in Barisal and Fatuakhali Districts.

The four thanas for the first project year have been tentatively selected as follows:

Barisal District:           Bhola, Daulatkhan

Noakhali District:       Lakshmpur

Patuakhali District:     Bauphal

This project will undertake a village approach (as with the ongoing 62 village project) rather than the scattered individual family approach utilized in prior projects.

Villages will be selected from among those with access to a cyclone shelter already constructed or scheduled for completion before or long with low-cost house construction.

Villages will also be selected from among those which are motivated, or can be motivated by the Cooperative Movement's staff, to self-help development efforts made practicable by self-help housing, fishing and farming components of this project. Clustered villages will be given preference, although willingness to cluster formerly scattered houses will not be a necessary pre-condition to inclusion in the project.

In addition to the construction of 15,000 houses over a three-year period in an estimated 60 villages, this project proposes to provide (against a revolving fund loan repayable to the Thana Central Cooperative) improved tools-of-the-trade units of assistance to farmers and fishermen recipients of the 15,000 houses. The farmers' unit will include bullocks, improved seed and fertilizer. The fishermen's unit will include joint-ownership of a 45-foot sea fishing boat (to be constructed through the Thana Central Cooperative) equipped with sail, anchor and twine for netmaking. Like the house, both farmers' and fishermen's tools-of-the-trade units will be issued against the recipients' agreement to repay the Thana Central Cooperative's revolving fund (for such future loans) to be established for that purpose.

Selection of participating villages should be within reasonable access of each other to enable responsible Cooperative and CARE staffmembers maximum time to supervise project activities on the spot. If one or two Thanas is too narrow a spread, then the first project year's construction of 5,000 houses should be confined to more than two sub-divisions in any event.

It cannot be overstressed that the selection of villages is of basic and overriding importance to the success of this project. Without community initiative and support, delay and failure to meet project objectives are unavoidable. Prospective villages for inclusion in this project must be surveyed jointly by the Thana Level Cooperative and CARE to be sure it qualifies for selection.

Construction work should begin from October 1972 and the first phase 5,000 houses be completed by June, 1973. Where Cinva-Ram handpressed blockmaking machines are used for construction, blocks will be moulded with between ten and twelve percent cement. Burnt brick foundations will support the house. The outside walls will be plastered with a half-inch protective cover to provide extra protection from flooding and erosion. Blocks will be moulded by participants for an approximately 10' x 20' x 7' house. C.I. sheet roofing will be anchored to the building by tie-rods.

Detailed specifications for alternative type housing will be submitted, as appropriate, for approval of all concerned.

The Thana Central Cooperative will be responsible for securing partial payment for the house and total payment for the farmers' and fishermen's tools-of-their-trade units as follows:

1. Houses

15,000 houses @ Ts. 2,000 each = Ts. 30,000,000  
House-owner will pay Ts. 500 over a  
five-year period to the TCC revolving  
fund.

CARE will provide Ts. 1,600 per housing unit, Ts. 24,000,000 over the three-year project period for construction of 15,000 units.

The Ministry of Relief and Rehabilitation, through the Relief Budget, will provide Ts. 400 per housing unit, Ts. 6,000,000 over the three-year project period for construction of 15,000 units.

2. Farmers' Unit

- (a) 10,000 farmers with an average 2-acre holding, 20,000 acres in all:

A Ts. 800 pair of bullocks can plough four acres per season:

$$5,000 \times 800 = \underline{\text{Ts. 4,000,000}}$$

Farmer will pay Ts. 400 over a five-year period to begin the second year.

- (b) Per acre improved seed cost Ts. 15  
 $20,000 \times 15 = \underline{\text{Ts. 300,000}}$   
This Ts. 30 hard loan is repayable following the harvest.

- (c) Per acre fertilizer cost is Ts. 47

$$20,000 \times 47 = \underline{\text{Ts. 940,000}}$$

This Ts. 94 hard loan is repayable following the harvest.

Total Farmers' Unit Cost: Ts. 5,240,000

Ts. 4,000,000 will be provided on medium term loan from the Cooperative Bank through IRDP.

Ts. 3,940,000 will be provided in short term cooperative credit by the Thana Central Cooperative Associations (TCCAs)/Central Banks.

3. Fisherman's Unit

8,000 fishermen\*

8-mar. 45 ft. boat costs Ts. 5,600\*\*  
with sail, anchor and twine for net-making: 1,000 x 5,600 =

Ts. 5,600,000.

This Ts. 700 loan is repayable by deduction of 1/8th of every catch; another 1/8th is deductible for Coop subsidy.

\* Of the above, 8,000 fishermen, it is estimated that 3,000 will be young fishermen without immediate need of housing; houses will go to an estimated 5,000 fishing families.

...../10

\*\* The 45 ft. sea fishing boat will be constructed by the Thana Central Cooperative, enlarging on the successful cooperative boat construction project undertaken in the Delta islands and coastal strip last year.

Ts. 4,500,000 for boat construction will be provided from Works Programme funds; Ts. 1,100,000 will be provided by CARE to cover cost of essential equipment - nylon twine for nets, sail, anchor.

#### B. Area of Operations

The project will focus on those 23 thanas declared a Disaster Area following the historic 1970 cyclone. Because of the complex pattern of rivers and waterways, communications and logistics will prove extremely difficult. Therefore, initial construction should be concentrated. It is also advisable that we begin Delta house construction in an area outside the most severely affected strip while our present cyclone-resistant house is constructed stage by stage in more afflicted areas and on-site testing of experimental houses affording even greater protection from cyclonic winds and flooding. By the second project year, we should be able to construct in the worst-affected Delta areas with reasonable confidence in a successfully tested house.

#### C. Program Duration and Timing

Based on combined experience of the original Chittagong/Noakhali housing project and the ongoing 62-village construction project, two field construction units will be responsible for construction of 2,500 houses in an estimated ten villages with an average 200 houses per village. The first year would include a total of twenty-two villages.

The full village program will run for twelve months, construction phase only about six months.

For construction only, two expatriate staffmembers will be required; two additional staffmembers for farmers' and fishermen's cooperative support components.

A ten-village field construction unit will begin in two villages the first month, add four the second month and another four (making up the full ten villages).

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1. Comparing the Pucca and the Kutch House

The farmer or fisherman will pay 75%, 50% or 25% of Ts. 2,000 over a ten-year period for his pucca house. The kutch house alternative costs about Ts. 400.

A recent Government survey in Rangati Thana, Noakhali District confirms an annual average repair cost of Ts. 70 for the kutch house compared with Ts. 15 for the pucca house.

The kutch house will last three years, then need more-or-less total replacement. The pucca house should last twenty years and more.

The above being so, a ten-year comparative outlay for kutch and 25% subsidized pucca house is as follows:

	<u>Kutch House</u>				<u>Pucca House</u>		
<u>Year</u>	<u>New</u>	<u>Repair</u>	<u>Total</u>		<u>New</u>	<u>Repair</u>	<u>Total</u>
1st	400	-	400	2,000 (@ 150 per yr.)	-	-	150
2nd	-	70	470		15		315
3rd	-	70	540		15		480
4th	400	-	940		15		645
5th	-	-	1,010		15		810
6th	-	70	1,080		15		975
7th	400	-	1,480		15		1,140
8th	-	-	1,500		15		1,305
9th	-	70	1,620		15		1,470
10th	400	-	2,020		15		1,635

By the end of ten years, the kutch house-holder will have paid out Ts. 2,020 and the 25% subsidy pucca householder will have overpaid his required Ts. 1,500 by Ts. 135. Even the unsubsidized Ts. 2,000 house is demonstrably cheaper than the kutch house in the long run, but partial subsidy is recommended in this first phase of the Delta Project.

Finally, though it should be remembered that the pucca house was intended to provide a degree of safety for the family and security for indispensable household possessions unknown to the kutchra householder. That is the primary purpose of introducing the improved house; the economic justification is persuasive but secondary.

## 2. The Farmer

The farmer-householder with the average two-acre plot will be able to purchase against a revolving fund credit from his Cooperative half-ownership of a pair of bullocks - the pair of bullocks can plow four acres per planting season.

Against the cost of Ts. 800 for the pair of bullocks, the farmer will repay four annual installments of Ts. 100 to begin the second year.

He will also receive on revolving fund credit improved seed at Ts. 15 per acre and fertilizer at Ts. 47 per acre: seed and fertilizer will be provided against a hard loan to be repaid - Ts. 30 for seed, Ts. 94 for fertilizer to a total Ts. 124 - promptly following the harvest.

Improved seed will enable the farmer to plant IR-20 rice on his two acres of land - this should yield approximately 53 maunds of paddy compared with the prior average of 46 maunds.

At a market price of Ts. 30 per maund for paddy, the IR-20 increase of 34 maunds will bring in additional income of Ts. 1,020 for the single harvest. If a second crop, the Boro, is practicable (as it is on most delta farmland), another 34 maunds crops increase will bring him a further Ts. 1,020 to provide Ts. 2,040 additional income for two harvests per year.

After repaying his hard loan for seed and fertilizer - Ts. 124 after the first harvest - Ts. 896 additional income remains; if he harvests a Boro crop also, another Ts. 896 should result in a total additional income of approximately Ts. 1,800.

The two-acre farmer can purchase his pucca house against a long-term revolving fund loan repayable at Ts. 200 per year over a ten-year period.

The farmer with less than two acres to plant should be proportionately subsidized - probably by 25% or 50% at most, repaying his revolving fund credit at Ts. 150 or Ts. 100 per year over the same ten-year period.

### 3. The Fisherman

The fisherman will be able to purchase against a revolving fund credit from his Cooperative a 45-ft. group fishing boat to accommodate eight fisher at a joint purchase cost of Ts. 5,600 (including anchor, sail and nylon twine for nets), or Ts. 700 per individual fisherman.

The work-life of a delta fishing boat of the above sort averages no longer than six years without major overhaul or replacement, so the fisherman must be enabled to repay the cost of the boat within a four-year period by annual installments of Ts. 1,400 for the group, or Ts. 175 per individual fisherman. The group of eight fishermen will own their boat without indebtedness for the fifth and sixth year, enabling them to pay for major overhaul or replacement with less or no credit when the need arises.

Estuary fishing can be undertaken an average of two hundred days per year. The average day's catch comes to 2.5 maunds of fish marketable at a wholesale rate of Ts. 40 per maund to a gross income of Ts. 100.

Operating costs per fishing-day are as follows:

Three maunds of ice	... Ts.	10.00
Transport and handling	... Ts.	3.00
0.5 commission on gross income	... Ts.	2.50
Repair of boat and nets (Ts. 800 per year)	... Ts.	4.00
Contingencies	... Ts.	3.00
Total:		<u>Ts. 22.50</u>

After paying daily operating costs of Ts. 22.50 from their gross income of Ts. 100, the group retains a gross profit of Ts. 77.50.

50% of the daily Ts. 100 gross income goes directly to the individual fishermen at the rate of Ts. 6.25 for subsistence with a margin of between one and two Takas to spare. This leaves a daily group balance of Ts. 27.50.

2.5% of the gross daily income (or Ts. 250) goes to the Thana Central Cooperative as a service charge, leaving a group balance of Ts. 25.

The annual group installment of Ts. 1,400 on the 45-ft. fishing boat and equipment must be paid from this daily group balance of Ts. 25 over 200 fishing days per year with a total balance of Ts. 5,000.

After repaying their annual installment of Ts. 1,400 from the 200-day balance of Ts. 5,000, the group of eight fisherman retain a combined balance of Ts. 3,600. These group funds may be divided among the eight fishermen at Rs. 450 each.

Each of the eight fishermen will purchase his 50% subsidized pucca house at a cost of Ts. 1,000 in annual Ts. 100 installments over a ten-year period.

After paying his annual installment of Ts. 100, the fisherman retains Ts. 350 (in addition to 200 fishing-days' subsistence income of Ts. 6.25 per day to total of Ts. 1,250).

It should be noted, however, that the fisherman has 165 days per year when his boat lies idle, and estuary fishing is impracticable. It is assumed that he has a subsistence income from off-shore fishing, or trest relief work. Otherwise, he must fall back on the Ts. 350 remaining after paying the annual installment on his pucca house to sustain his family during the period throughout which no fishing can be done.

Exhibit #3

GOVERNMENT OF BANGLADESH  
Ministry of Relief and Rehabilitation

PROGRAMME OF THE MINISTRY OF  
RELIEF AND REHABILITATION FOR  
THE YEAR 1972-73

I N D E X

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400,000,000

150,000 semi pucca houses  
19,000 pucca - 18 Coastal  
↳ @ 2400 Tk or Tk 3.20  
↳ CARE housing

RURAL HOUSING REHABILITATION PROJECT.

1. Objectives.

Under the Rural Housing Rehabilitation Project, Reconstruction of houses destroyed by the occupation army in rural areas will be given top priority. According to the estimates 2.3 million houses have been totally destroyed and another 1.00 million partially damaged by the Pak Army, rendering almost 2 to 3 million families without any shelter. Under the Housing Reconstruction Project in 1972-73 the Ministry of Relief and Rehabilitation will aim at construction of 1,50,000 semi-pucca houses in the rural areas and 190,000 pucca houses in 19 coastal Thanas. The programme will be launched in conjunction with the Integrated Rural Development Programme of the Ministry of Rural Development, with a view to supporting the improved housing project with the investment efforts under IRDP for economic development through Co-operatives in the rural areas.

2. Post Liberation Efforts for Housing Reconstruction.

Following the war of independence the Relief and Rehabilitation Ministry had drawn up a project proposal for reconstruction of totally destroyed and partially damaged houses at a cost of Tk. 85.00 crores. A revised programme for Tk. 70.00 crores was also submitted to the Planning Commission for payment of house building grants @ Tk. 300/- for a completely damaged house and @ Tk. 100/- for a partially damaged one. The Ministry, however, received initially a sanction of Tk. 20.00 crores as house building grant, which has been distributed among the affected families. With this amount, results achieved, have been below the expectation; because the amount was sanctioned on piecemeal basis and at best could be utilised only for construction of temporary shelters and not for raising permanent and durable structures. Subsequently, an additional amount Tk. 10.00 crores have now been released for procurement and supply of house building materials to the affected villagers.

3. Rationale of the Project.

With a view to undertaking housing rehabilitation in more concrete terms the Ministry now proposes to shift its focus from temporary to semi-permanent construction and durable and pucca dwelling houses in the devastated rural

areas of Bangladesh. In the absence of a project for construction of pucca houses in the past, Government were traditionally required to undertake temporary shelter buildings year-in and year-out, following the cyclonic storms and floods which occur in rapid succession. Previous programme invariably concentrated on distribution of H.E. grants. The house building programme aimed at erection of temporary shelter rather than permanent dwelling houses. Execution of a comprehensive project for construction of pucca and semi-pucca dwelling houses in the villages in this context, will be a radical departure from the previous practice. The Rural Housing Project for 1972-73 will, therefore, mark the beginning of a phased programme towards a bold attempt at raising pucca and semi-pucca dwelling houses in the villages of Bangladesh.

4. Linking up housing project with the project for integrated village development.

Construction of pucca and semi-pucca houses under the rehabilitation project of this Ministry will be a component of the over all rural development programme which is being launched through IMP and the Co-operatives. In order to enable a farmer to maintain a pucca house, it will be an essential pre-requisite to simultaneously raise his economic well-being.

This can only be done if the rural housing project becomes a part of the programme for development of rural infra-structure and raising the level of agricultural production. Overall development programme in the rural sector will accordingly have the following components which will have to be co-ordinated by the concerned Ministry/Agency.

<u>Programme component.</u>	<u>Implementing Agencies.</u>
a. <u>Rural Housing.</u>	
i. Semi-pucca	1,50,000 units Ministry of Relief and Rehabilitation (Executing Agency will be set up).
b. <u>Physical Infrastructure.</u>	
i. Roads	Through Works programme. Ministry of Rural Development.
ii. Drainage	
iii. Embankments	Ministry of Flood Control & Water Resources.
iv. Flood Control	

c. Irrigation

- i. Low Lift Power Pumps 35000
- ii. Tubewells 2000
- iii. Minor irrigation

Ministry of Rural Development/Ministry of Agriculture under TIP.

Ministry of Rural Development/Ministry of Agriculture under TIP. Test Relief allocations.

d. Institutional infrastructure

IRDP under Ministry of Rural Development (CC Thanas) TSCAS in non IRDP Project.

e. Supply of Agriculture inputs and extensions.

Ministry of Agriculture.

f. General Education

Ministry of Education.

h. Rural Health Service

Ministry of Health.

5. In view of the Government policy to promote rural development through co-operatives, village cooperative societies will be the focal points for all development projects and Government activities. The housing project proposed to be launched by the Ministry of Relief and Rehabilitation will also be an integral element in the village based cooperative movement.

6. Supporting Services/Programmes.

The 'Integrated Approach' underlines the necessity of coordinating the efforts of various govt. programmes at the village/thana level, and intensify their implementation/application by the concerned agencies in the villages selected under the Rural Housing Project. These villages with cooperative housing are expected to form the nucleus for rapid expansion of such integrated efforts in future.

Amongst various supporting services/programmes to this project Rural Works Programme will cater to the special needs of these villages in providing a network of roads drainage etc. If the project develops on the expected lines, perhaps some common facilities at village level, like community centres etc. may also be arranged through the Ministry of L.G. R.D & Coop. This Ministry would also provide support to agricultural development through fielding of power pumps/Tube Wells for irrigation in

conjunction with Ministry of Agriculture/BARC. Ministry of Relief & Rehabilitation will help in constructing minor irrigation channels through Test Relief works in cooperation with the Ministry of RE & C. Supply of other agriculture inputs and services to farmer cooperatives will be provided by Ministry of Agriculture and its Agencies and Directorates. For Developing fisheries, cattle stock etc. Ministry of Forestry, Fisheries & Livestock will intensify their efforts. Embankment and flood control measures will have to be planned and implemented by the Ministry of Flood Control and Water Resources. Directorate of Public Health Engineering will provide the rural water supply and sanitation requirements. While rural & mass education efforts will be intensified by the Ministry of Education, Rural health measures, along with family planning, will have to be looked after by the Ministry of Health. Other departments and agencies are also expected to intensify their efforts, whenever relevant to the successful implementation of this Project and in the context of overall rural development. The overall Institutional infrastructure through promotion and growth of local cooperatives will be provided by the IRD, Bangladesh.

7. The elements of the Rural Housing Project.

i. It is proposed to undertake construction of 200 pucca houses in each of the devastated villages.

ii. Individuals for whom a housing unit will be constructed will be motivated to organise themselves into a primary village society.

iii. Village level societies will be federated into a Thana level association under the IRDP.

iv. A house building revolving fund amounting to Tk. 2,00,000/- will be set up for each village of semi pucca houses and Tk. 5.00 lakh will be set up for each coastal village society of pucca houses.

v. Each member of the cooperative will be provided with a pucca house having C.II sheet roofing (20' x 10') costing approximately Tk. 2,500/- in the coastal zone and similar semi pucca houses of cost Tk. 1400/- each for other areas. The total cost for 200 houses in each coastal village will amount to Tk. 500,000/- and Tk. 2,50,000/- in other areas.

Fund

vi. In order to ensure future expansion of the construction programme at village level and multiplication of housing projects through demonstration of model villages, it will be necessary to recover part of the project cost from the beneficiaries. Recovery can be effected in kind or cash/and in easy instalments. The villager's capacity to pay back part of cost will increase along with his increase in real income on account of investments for higher production. Recovery can also be effected by allowing the beneficiaries to repay his loan through contribution of labour.

vii. Even if 50% of the housing construction cost is recovered in each village, Rs. 2,50,000 will be pumped back into the building revolving fund in case of coastal villages and Rs. 1,40,000/- each in other villages. With this amount it will be possible to undertake construction of additional units within the same village or in contiguous areas in the subsequent years.

Fund

3. Criteria for selection of project areas.

a. A project for 1,50,000 semi pucca housing units, grouped into 750 villages of 200 units each and 19000 units of pucca houses in 19 coastal thanas will be taken up under the project. Secondly, housing will constitute a part of the total development of the village as envisaged under the expanded version of the integrated Rural Development Programme. Consequently, if the villages are selected at random, the wide dispersal without any rationale will seriously inhibit programme implementation if not entirely negate the very basis of the large scale programme. The location of the programme has to be decided on a thana and then village basis in order to fit in with IMP model. After careful consideration of the related problems in all its multidimensional aspect, following criteria may be taken into account for selection of thanas under the programme.

1. The Project may concentrate in those thanas where there has been maximum damage to residential houses in relation to the total number of households in the thana.

ii. Secondly, the Project may concentrate in the natural hazard prone areas. The cyclone affected parts of the coastal region will come under this category. The flood prone areas which have been secured through water control projects may also be considered for inclusion under the project.

iii. For ensuring the necessary support from the IIMP, as envisaged under the scheme stipulations, it is essential that where the cooperative infrastructure has been a sizable impact, only there the housing Project may concentrate.

The above three criteria do not necessarily complement each other, they however provide the guidelines for selection of thana areas. A particular thana might deserve inclusion simply due to the intensity of devastation but there may not be any programme under IIMP. Such Thanas might have to be included in the IIMP for developing the necessary institutional support.

b. Once thana selection is completed, selection of villages also needs to be decided on a certain rationale. An average thana in Bangladesh consists of 150-200 villages. Obviously there <sup>\* Can't be</sup> any thana based saturation programme. The following criteria laid down for the selection of villages in the project thanas:

i. It is basically a co-operative housing project where all the resources are channelled through the village cooperatives. The Viability of the village co-operative the quality of leadership involved and the coverage of co-operative membership in relation to the number of farm families in the village are all important considerations to take into account for this purpose.

ii. Preference may be given where there has been concentrated damage over a number of villages instead of one isolated village which has suffered destruction. This will greatly reduce the logistical problems and on the other hand, generate a sizable impact due to concentration of efforts.

iii. Each village will have 200 housing units. The project as a part of an integrated programme will be channelled through the village cooperative. It is, therefore, essential to ensure that each of these village co-operatives have a number of 200 farm families who are all well qualified to receive the Govt. support in the form of an housing project. Obviously co-operative of the surplus farmers will not do. The middle and the landless peasantry has to be drawn into the co-operative fold for this purpose. The housing project acting as the incentives, the suitable cooperative could be organised.

iv. The selected village sites should be suitable from the transport point of view. Construction materials like Cement, bricks, timber, C.I. sheets etc. have to be carried to the site. Unless there is a link to the village by road or river, it may become extremely difficult if not impossible to carry on with the project.

*note* c. In selecting sites, particularly in coastal areas, Thanas to be taken up by C.M.S. under Delta Housing Project during the current year is to be left out.

9. Size of the project.

The target of the housing programme on a co-operative basis is to construct 1,50,000 units of semi-pucca & 10000 units of pucca houses between October, 1972 and June '73 a period of eight months only. Before that the project organisation has to be set up from national right down to the village level. Since ISEP frame work will be utilised, it can safely be assumed that the cooperative infrastructure will be available in the areas selected for the housing project.

Secondly, it is essential that we take up at least 15 villages, that is 3000 housing units in each selected Thana for semi-pucca housing programme and 1000 housing units in each Coastal Thana. There are 62 subdivisions in Bangladesh out of which 12 coastal subdivisions will be covered by the C.M.S. delta project and 10000 pucca housing project mentioned above.

The remaining 50 Subdivisions will be covered by the semi-pucca project of 1,50,000 houses @ 1 Thana per Subdivision. The project may, therefore, be concentrated in 50 thanas of semi-pucca project and 18 Thanas of coastal programme. The suggestion is being made keeping in view the objective of completing such a huge project within so short a time. An efficient project implementation system has to be built in. This will be possible if supervisory personnel are thinly spread out over a wide area. Concentration instead of diffusion is the only way and therefore we select from amongst the IEP thanas keeping in view the disaster that have been sustained in the areas selected.

10. Type of House:

The following four alternative types of low-cost house pattern have been considered and the 2nd & the 4th have been taken up for immediate execution.

- i. CHIVRAM block walls and C.I. sheet roofing.
- ii. 5" brickwall and C.I. sheet roofing.
- iii. Brickwall and pre-cast slab concrete roofing (hyperbolic or folded plate).
- iv. Pre-cast concrete post & C.I. sheet roofing.

The CHIVRAM block housing was first tried in Chittagong area after the flood of 1969. The 62 model village programme which is at present under implementation, also uses the CHIVRAM blocks. The houses that have already come up withstood the onslaught of natural calamities. So far 3000 CHIVRAM houses have been constructed. This is an ideal type of low-cost house involving a minimum quantity of imported material like coal etc. for burning bricks. But the limiting factor in CHIVRAM housing is the acute shortage of block making machine. Secondly, block making is a time consuming operation where the beneficiaries who have to donate their free labour have to be taught the method of operation. Trained manpower working for a project area is difficult to get. Consequently, in large scale programme CHIVRAM housing is not feasible.

5" Brick wall with C.I. sheet roofing can be extensively adopted for the coastal pucca housing programme. It is proposed to construct 19,000 units of this type in 19 Thanas at coastal belt. Local Masons and carpenters are available and can easily perform the job without the need for any special training. Provided the construction materials like cement, coal, timber, H.S. Rods, C.I. sheets etc. are made available at the right time and place ahead of the working period, it is considered feasible to complete 19,000 units by June '73. The third type is a very recent development and need skilled supervision. So, for this massive programme this be eliminated. The fourth type is considered very easy and suitable for such large scale programme. The H.C.C. posts can be precast at any central place even in the rainy season and easily carried to site and fixed very quickly. So, a programme of 1,50,000 such units have been drawn for the year 1972-73 in the whole of Bangladesh other than the coastal area, where there is a separate programme of 19000 pucca houses during the year 1972-73.

*Mtdid*

REQUIREMENT OF MATERIALS

The key construction materials required for the projects are C.I. sheet, cement, coal, steel, timber etc. Which are all importable items. Some quantity is no-doubt locally available but in such a large scale programme local source is wholly inadequate. Secondly, local procurement will shoot up the prices to such an extent that the project will be rendered uneconomic. Thirdly, it is considered desirable to have the local resources for other construction programme both public and private sectors.

The position item-wise is as follows:

<u>Item</u>	<u>Quantity required</u>	<u>Fund required in million Tk.</u>
1. C.I. sheet	20,000 tons	60.00
2. Cement	52,500 "	18.90
3. Bricks	22.5' crores	39.375
4. H.S. Bars	11400 tons	23.50
5. C.I. Ridges	505 tons	2.40
6. Nails & Screws	470 tons	1.41
7. Timber	1.65 million cft.	49.50
8. Sand	6 million cft.	3.00

203.665

The foreign exchange component for the programme of 1,50,000 Semi-pucca units is as follows:-

<u>Item</u>	<u>Total amount million/Tk.</u>
1. C.I. sheet @ 2500/- c & f value/ton	50.00
2. Cement @ Tk. 300 tons C. & F value	15.75
3. Coal for burning bricks	3.94
4. M.S. Bar	25.00
5. G.I. Ridge	2.34
6. Nails & Screws	1.175
7. Timber	41.25
<b>Total</b>	<b>139.535</b>

II. Materials requirement for the project of 19,000 pucca housing units:-

<u>Item</u>	<u>Quantity required</u>	<u>Fund required in million/Tk.</u>
1. C.I. sheet	2,036 tons	0.50
2. Cement	19,000 tons	6.04
3. Bricks	7.6 crores	13.30
4. M.S. Bar	144 tons	0.33
5. G.I. Ridges	78 tons	0.30
6. Nails & screws	30 tons	0.13
7. Timber	3040 tons	10.23
8. Sand	2.66 million cft.	1.33
<b>Total</b>		<b>41.07 million</b>

The foreign exchange components for the project of 1,50,000 units of pucca houses:-

<u>Item</u>	<u>Rate (C &amp; F)</u>	<u>Total amount in million/Tk.</u>
1. C.I. sheet	2500/- per tons	7.090
2. Cement	300/- per tons	5.700
3. Coal (19000 tons)	70/- per tons	1.330
4. M.S. Bars	2200/- -do-	0.323
5. G.I. Ridges.	3950/- -do-	0.293
6. Nails & Screws	2500/- -do-	0.150
7. Timber	1250/- -do-	6.550
<b>Total</b>		<b>23.432</b>

It is essential that construction materials of all types should reach the thana level by 30th September, 1972. Bricks kilns will be set up at the thana centres. We will therefore require at least 70 brick kilns and coal must reach the kilns by September 1972 at the latest. It is understood that sufficient foreign exchange have been provided in the Relief and Rehabilitation budget. The Relief Ministry may immediately arrange for the procurement of the above items. Any delay in this respect will completely dislocate the project schedule.

THE PROJECT ORGANISATION.

As this is an ambitious project expected to cost about Taka 27 crores and the construction of these houses will have to be completed by the end of fiscal year 1972-73, the administration of this project will have to be strengthened and coordinated in such a manner that the decisions could be taken quickly and implemented.

(2) For this it is proposed to set up a Housing Rehabilitation Committee with the following:-

- |   |            |
|---|------------|
| i. Minister for Relief & Rehabilitation                               | Chairman.  |
| ii. Minister, Work  | Member.    |
| iii. Minister for Local Government, Byrak Development & Cooperatives. | Member.    |
| iv. Secretary, Relief & Rehabilitation.                               | Secretary. |

This Committee will lay down over all policy for this project approve the final selection of villages thanas located in various districts, ensure proper coordination amongst various Ministries/ Agencies involved in implementing this project. The Committee will also lay down the phase-wise targets, oversee the supply of materials and review the progress from time to time.

(3) The Executive Committee of the Housing Rehabilitation Committee is proposed to consist of the following:-

- |                                       |           |
|---------------------------------------|-----------|
| 1. Secretary, Relief & Rehabilitation | Chairman. |
| 2. Secretary, Works,                  | Member.   |

3. Secretary, Agriculture	Member.
4. Secretary, Rural Development & Cooperatives	Member.
5. Secretary, Local Government Division	Member.
6. Registrar, Cooperative Societies	Member.
7. Executive Director, IRR.	Member.
8. Chief Engineer, Housing & Settlement	Member & Engineering.
9. Town Planner	Member Advisor.
10. Joint Secretary, Relief & Rehabilitation	Member Secretary.

The Executive Committee shall have power to co-opt members as and when necessary.

(4) The main functions of this Committee will be to provide routine decision and oversee the implementation of the policy decisions by the Housing Rehabilitation Committee; removal of bottlenecks at various levels and review progress of work. The Executive Committee will periodically report to the Housing Rehabilitation Committee and also ensure supply of various construction materials. This committee will also coordinate the integration of efforts of various agencies as well as ensure promotion of cooperatives around the nucleus housing. The Committee will also achieve coordination at appropriate levels for speedy implementation of the project.

(5) FIELD ORGANISATION:

As this project is an ambitious one with very long span of control located in remote villages all over Bangladesh, an effective head quarters organisation located at Dacca consisting of a Director General in-charge of the Rural Housing Rehabilitation Project who will have two full-time Directors with him. One will be Director (Engineering) who will be in-charge of all construction and engineering matters related to this project. There will be another full-time Director in-charge of the project (administration and coordination).

(6) The engineering staff required for 1,50,000 houses in roughly about 750 villages ( @ 200 houses per village ) will be as follows:-

- |   |                                    |
|---|------------------------------------|
| a. Director (Engineering & Construction) I. (with 4 Deputy Directors with rank of Dy. Chief Engineer) |                                    |
| b. Suptg. Engineers   | 4 (one in each Divn)               |
| c. Executive Engineers  | 20 (16 in field & 4 in HQ).        |
| d. Asstt. Engineers   | 55 (one in each thana & 5 Reserve) |
| e. Sub-Assistant Engineer/overscers.  | 200 (40-50 Reserve)                |
| f. Field Supervisors  | 750 (one in each village).         |

Supervision of Engineering aspects of the 19000 houses in the Cyclone-belt has been agreed by the Ministry of Works to be looked after by their present set-up in these areas, which has been strengthened for supervising reconstruction works.

(7) Administration & Co-Ordination Division will require the following nucleus staff :-

- |  |   |
|--|---|
| a. Director (Administration & Co-ordination) I (with 4 Deputy Directors at H.Q.) |   |
| b. Project Director  | 15 (with necessary staff)               |
| c. Thana Project Officers one in each Thana.                                     | (with Typist out side the IRDP Thanas). |
| d. Thana Inspectors -Two in each Thana.  | (One for 5 villages on an average.)     |

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Many of the proposed 70 thanas to be taken up are expected to be synonymous with the thanas covered under IRDP. This will provide institutional infrastructure support to the Project through the thana cooperatives and their key personnel. In case of selected thanas/Districts falling outside IRDP areas, provisions will have to be made to appoint special project Officers/Project Directors with their ancillary staff to carry on motivational work for the integrated village development approach on cooperative basis.

The ancillary staff like Section Officer, U.D.A, L.D.C., Typist, Stenographer, etc. will be <sup>re-</sup>terminal and approved by the executive committee depending on requirement.

For the success of the Project, it will be essential to bring a capable Senior officer on deputation for filling in the post of Director, Administration and Coordination. He will provide full support to the Director-General in the over all achievement of objectives.

The total administrative costs are expected to be well below 5% of the estimated cost of the Project.

8. While this nucleus headquarters staff will oversee the entire national programme all over Bangladesh, it will be necessary to have coordination at the field level to supervise actual implementation and removal of bottlenecks. It is proposed that the following committee may be set up for the coordination purpose:-

District Rural Housing Rehabilitation Project Committee:-

- |   |                |
|---|----------------|
| 1. Chairman, District Relief Committee.         | Chairman.      |
| 2. Deputy Commissioner                          | Vice-Chairman. |
| 3. S.D.O. concerned                             | Member.        |
| 4. Representatives of Relief Committees:        | Member.        |
| a. District level                               |                |
| b. Subdivision level,                           |                |
| c. Thana level,                                 |                |
| 5. District Agriculture Officer,                | Member         |
| 6. A.D.R.S.                                     | Member.        |
| 7. Asstt. Registrar, Cooperative Societies.     | Member.        |
| 8. District Fisheries Officer.                  | Member.        |
| 9. Project Director, IDP,                       | Member.        |
| 10. District Manager, SACS.                     | Member.        |
| 11. District Animal Husbandry Officer.          | Member.        |
| 12. Executive Engineer, P.W.D.                  | Member.        |
| 13. Executive Engineer-in-charge Rural Housing. | Member-Secy.   |

This Committee is expected to meet from time to time for ensuring speedy progress in construction. They are expected to solve problems regarding supply of materials from various points. Another important aspect of their job will be to ensure that the over all Cooperative and integrated development aspect of the project will also go hand in hand with the construction of houses. This necessitates presence of officers of various nation-building Departments who will help promote development of Cooperatives around the nucleus of housing. This committee is expected to meet at least once a month.

It is considered that there is no necessity of having any committee below this level because various officials as well as non-officials concerned are all represented in this committee.

Administration of the 10,000 houses in cyclone affected areas will be the responsibility of Ministry of Works as well as the Urban Reconstruction Programme for which an amount of Takas 4 crores will be provided by the Ministry of Relief & Rehabilitation under the supervision of the Housing Rehabilitation Board.

Motivation:

13. The success of the housing project will depend on the following:-

a. Motivation of the villagers in devastated areas with a view to organizing them into a cohesion in village cooperative society.

b. Implementation of the components of the overall development project in the rural areas. Unless the economic lot of the villager is improved it will not be at all a practical proposition to foist on him a pucca house which he can not maintain with his existing level of income.

c. Organisational efficiency of the implementing agency in arranging supply of construction materials and ensuring supervision of construction work. The requirements of various construction materials required for the project is given above.

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14. The housing project outlined above will be a significant departure from the previous experience acquired in relief and rehabilitation programme administration. Instead of merely disbursing funds, the utilisation of which which has never before produced the results expected, it is now envisaged that housing construction under the Rehabilitation project will be taken up as special project. It is further proposed that this project be made an essential component in the rural development programme. While there has been a number of isolated projects in the past, each aiming at integrated rural development, the Rehabilitation project for 1972-73 offers an opportunity through coordinated efforts of different agencies to launch such a project on massive scale.

On the Housing side, the experience of CHIVAMK houses already constructed by CARI and the "Biswagram" project of the Bangladesh Samabaya Union/World Bank have already indicated the feasibility of mounting such a project. The Ministry of Rural Development has also outlined the strategy for "Clustered village" programme. The Ministry of Relief and Rehabilitation feels that with the given allocation, it will be feasible to implement during 1972-73 a meaningful rehabilitation project in rural areas, not only to provide for the first time pucca and semi-pucca houses for, 1,69,000 families devastated in the war and other natural calamities but also to open up for them new opportunities for raising their levels of income.

Cost of estimate for 1 Unit of Semi-pucca houses ( 1,50,000 )

<u>Item</u>	<u>Quantity</u>	<u>Price Tk.</u>	<u>Total cost Tk.</u>
1. C.I. sheet	0.133 tons	3000/per ton	400
2. Cement	0.35 tons	350/tons	125
3. Timber	11.00 cft.	30/ cft	330
4. Bricks	1500 nos.	175/ thousand	263
5. Sand	42 cft.	100/ cft.	21
6. H.S. Bars	170 lbs	2000/ ton	152
7. G.I. Ridges	9 lbs	4000/ tons	17

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<u>Item</u>	<u>Quantity</u>	<u>Price Tk.</u>	<u>Total cost Tk.</u>
8. Nails & Screws	7 lbs.	3000/ ton	10
9. Labour cost (skilled)	7 mandays	8.00/ day	56
10. Labour cost (unskilled)	5%	4.00/ day	20
11. Supervisory L.S. cost & overhead			45
12. Tools & Plant cost L.S. charges			
<b>Total</b>			<b>1435 9190</b>

Cost per unit : Tk. 1435

Cost for 1,50,000 Units: Tk. 219.75 say 220 millions.

Table : 2

Cost estimate for the 5" brick wall with C.I. sheet roofing unit (coastal belt 19,000 units)

<u>Item</u>	<u>Quantity</u>	<u>Price Tk.</u>	<u>Total cost Tk.</u>
1. C.I. sheet	3.15 ton	3000/ ton	450
2. Cement	200 ton	300/ ton	300
3. Timber	18 cft.	30/ cft	540
4. Bricks	4000 nos.	100/ thousand	720
5. Sand	150 cft.	100/100 cft	150
6. M.S. Bars	17 lbs	2500/ ton	22
7. G.I. Ridge	9 lbs	4000/ ton	17
8. Nail & Screw	7 lbs	2500/ ton	10
9. Labour Cost (Skill)	14 mandays	8/ mandays	112
10. Labour Cost (unskilled)	14 mandays	4/ "	56
11. Supervisory L.S.			70
12. Tools & plant (Prorate charge)			50

Total Tk. 2497  
Say : Tk. 2500

Cost per Unit : Tk. 2500

Cost of 19,000 units Tk. 47.5 million.

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220  
 47  
 -----  
 267, million

Schedule of project implementation.

- 31st August, 1972. Final approval of the project.
- 15th Sept., 72. Setting up of the project Organisation upto thana level.
- ii) Selection of project thanas.
- 31st Sept., 72. i) Tender for procurement of Coal, Cement, Timber, C.I. sheet other steel materials etc. to be finalised and work order issued.
- 30th Oct., 72. i) Delivery of Coal at entry points of ports of Bangladesh, immediate distribution to thana level starts.
- ii) Finalising tender for brick manufacturing at 70 different locations.
- iii) Motivation work for village co<sup>o</sup>peration.
- iv) Completion of recruitment & posting of all field staff
- 30th Nov., 72. i) Delivery of one third of the other construction material to be imported.
- ii) Finalising tender for construction and carting works of imported materials.
- iii) Supply and carting of materials available from local sources.
- iv) Finalisation of the village co-operatives with names of beneficiaries and other details.
- 31st Dec., 72. i) Delivery of further one third of imported construction materials and carrying to sites.
- ii) Brick burning progress 10%.
- iii) Construction work 10% on average.
- 15th Jan., 73. i) Completion of supply of all imported materials.
- ii) Brick burning operation 25%.
- iii) Construction progress 20%.
- 31st Jan., 73. i) Brick burning progress 50%.
- ii) Construction progress 35%.
- 28th Feb., 73. i) Brick manufacturing operation 80%.
- ii) Construction progress 55%.
- 31st March, 73. i) Brick manufacturing progress 100%.
- ii) Construction progress 75%.
- 30th April, 73. i) Construction progress 85%.
- 31st May, 73. i) Construction progress 95%.
- 30th June, 72. i) Construction progress 100%.

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10. S U M M A R Y S H E E T.

1. Type of houses and target;
1. Semi-pucca type house of 200 sft. plinth area built with burnt bricks up to plinth 10 nos. of present RCC. posts in superstructure and C.I. sheet roof.  
on top 1,50,000 units.
  2. Houses of same size built with 400 nos of burnt bricks (5" wall & 10" pillar) in superstructure) & C.I. Sheet roofing on top ..... 19,000
- Total Houses 1,69,000 units.

- ii. Plan period ..... 1972-73
- iii. Total No. of Thanas to be covered ..... 70
- iv. Total No. of villages (845)
- vi. No. of villages per Thana (average) 15 in  
case of semi-pucca housing project and 5 village in coastal thanas (pucca houses).

- vii. Over all cost per unit;
- i. Semi-pucca type ..... TK. 1465/-
  - ii. 5" brick wall type ..... Tk. 2500/-
- Viii. Over all cost of the project:-
- i. Semi-pucca type 22,00,00,000/-
  - ii. 5" brick wall type 4,75,00,000/-
- Total: TK. 26,75,00,000/-  
Says 27 crores.

- ix. Foreign Exchange component :-
- i. Semi-pucca type ..... TK. 13.95 crores.
  - ii. Pucca type ..... TK. 2.34 crores.
- Total TK. 16.29 crores.

50% of the expenditure is intended to be grant and the balance loan.

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Other plans of this Ministry.

Urban Housing:

Cost ... .. 4 Crores.

The organization proposed to be set up will also be responsible for supervision of Urban Housing at a cost of Tk. 4 crores to be under-taken in the financial year 1972-73. The Project highlights the construction of multistoried building in Urban areas. The proposal is to take up 4 divisional headquarters at a cost of Tk. 1 crore for each division. The construction work will be undertaken by the Ministry of Works.

Coastal Housing Programme:

Cost .... .. 4.75 crores.

The Ministry of Relief & Rehabilitation also proposes to construct 19,000 houses in 19 thanas in coastal belt areas @ 1,000 pucca houses per thana.

This is the first phase of the Project and the Govt. is likely to undertake the construction of more houses in the coastal belt areas in subsequent years. The Ministry of Works has also been designated to undertake construction work in the coastal belt areas under the World Bank Programme. Houses in these 19 thanas are also to be constructed by the Ministry of works with the existing set up so as to ensure coordination and effective planning. This will also help in reducing cost of construction in the coastal areas <sup>and</sup> will also form part of integrated Rural Dev. programme and Cooperatives. IDDP will designate officers in these areas to ensure community dev. This scheme will also be implemented under the supervision of the committee.

Govt. contribution to Housing Programme of C.A.M. and other voluntary organizations.

Cost .... .. 1.25 crores with  
F.S. component of .. 0.27 crores.

Voluntary agencies both foreign and local have constructed 2,03,634 houses upto June 72 and will construct 1,25,000 houses during 1972-73. Besides there was a scheme of construction of 24,000 CHNVA type of

Low-Cost Housing in collaboration with C.A.B. during the 4th Five year plan at the rate of 4,000 houses per year. But on account of various reasons only 1,370 houses could be built up to June '72. It is proposed to revise the scheme Govt. contribution for the Project has been estimated at 1.03 crores.

MINI HOUSING PROJECT:

C.A.B. has undertaken to construct another 15,000 houses under MINI project in 3 years @ of 5000 houses per year. Govt. contribution being 20% of the total cost will amount to Tk. 20 lacs for the current year.

This is also intended to be an integrated project.

Distribution of C.I. sheets.

Cost ..... 5 crores.

The peoples of this country have traditional preference to C.I. sheets roofing houses. Since Govt.'s contribution programme will be quite insignificant compared to the needs, it is proposed to provide construction materials specially C.I. sheets as far as possible instead of cash grants. It is proposed to import about 17,000 tons of C.I. sheets for the purpose.

Rehabilitation of Bazars and Small Traders.

Cost. .... 2.50 crores.

In Bangladesh there are about 10,000 ha/tas/ bazars of which 3,300 are Govt. managed. These hats/ Bazars are the nerve centres of the rural economy of the country. During the period of occupation about 50% of the ha/tas/Bazars were destroyed badly damaged. Reconstruction of these hats/bazars is required to be taken up immediately for regenerating economic activities of the country and rehabilitation of small traders of these hats/bazars. Rehabilitation work will involve earth work, rebuilding of godowns, sheds, provision of ancillary facilities. It is proposed to make Tk. 2.50 crores available for reconstruction of these bazars. A large number of these coming within the purview of integrated development project will be given priority.

Food Relief

Cost

7 crores.

In order to revive the rural economy of Bangladesh it is necessary to create large employment opportunity in areas where acute distress prevails. It is proposed to launch labour intensive programme designed to reconstruct the shattered infrastructure including minor irrigation in the villages, generate employment opportunity. An amount of Tk. 7 crores is proposed to be spent for the purpose.

Rehabilitation of Fishermen and Weavers.

Cost.

6.25 crores.

F.B. Component

5 crores.

(a) Fishermen:

i. Total number of fishermen in the country has been estimated at 8 lacs of which 2,40,000 belong to fishermen cooperatives. Out of 2,40,000 fishermen members of cooperatives societies 40,000 have been affected during War of Liberation. Cooperative Soc. has a scheme for rehabilitation of 15,000 fishermen of which 8000 will be rehabilitated during the current year at a cost of Tk. 75 lacs. The Directorate propose to rehabilitate further 12,000 fishermen from the rehabilitation fund from this Ministry during this year at a cost of Tk. 90 lacs by supplying boats, nylon twine and synthetic float.

ii. Fisheries Directorate has a scheme costing Tk. 4 crores for Rehabilitation of 60,000 fishermen during the current year. It is proposed to spent another Tk. 152.40 lacs out of the rehabilitation fund of this Ministry for rehabilitation of 1 lac fishermen by supplying boats, synthetic float and nylon twine.

iii. Fisheries Development corporation scheme for rehabilitation of 10,000 fishermen at cost of Tk. 14 million during the current year. It is proposed to rehabilitate another 10,000 at a cost of Tk. 95 lacs from the rehabilitation fund by supplying boats, nylon twine and other accessories. Total number of fishermen to be rehabilitated by combined efforts of Relief Ministry Co-operative Directorate, Fisheries Directorate and Fisheries Development corporation will be 2 lacs.

(b) Weavers:

Out of 3 lacs hand looms in the country 2,70,000 are covered by cooperatives. 69,000 looms were (33 completely and 36,000 partially damaged during the liberation war. Cooperative Directorate has a scheme for repair and replacement of looms costing Tk. 10.00 million. 45,000 looms will be repaired and replaced during the current year. Even after repair and replacement of the looms the weavers will require working capital in the shape of yarn and dyes. The month's requirements of each loom has been estimated at 30 pounds costing Tk. 600 + dyes Tk. 30. The requirement for this purpose has been estimated at Tk. 307.5 lacs as working capital during the current year. It is proposed to make the amount available to the Cooperative Directorate for the purpose.

Rehabilitation of Artisans and Vocational Groups:

Cost . . . 1 crore.

During the war of liberation various groups of artisans suffered tremendous loss, both in physical assets and human lives. The surviving family members have to be effectively engaged in their own trades and vocations for which operational infrastructure and capital grant for purchase of equipments and raw materials are necessary. Brass and Bell-metal workers need special mention. There are cooperative societies of this group. Rehabilitation programme can be undertaken through the cooperative Directorate. Rehabilitation project will be executed through cooperative where those exist, otherwise through the D.C.'s. An amount Tk. 1 crore is proposed to be allocated for the purpose.

Rehabilitation grants to special groups, organisation and institution

Cost ... Tk. 4 crores.

Provision for grants specially to the following has to be made.

- i. Central Organisation for Women's rehabilitation.
- ii. People affected by erosion.
- iii. Relief and Rehabilitation of the stranded Bangladeshi in Pakistan after their repatriation.
- iv. Affected institutions and organisations needing special attention.

Besides, there are proposals for rehabilitation grants for such groups as pan-growers, horijans.

Rehabilitation of disabled freedom fighters and dependants of Shahids

Cost ... Tk. 1 crore

It is proposed to set up a foundation to look after rehabilitation of the disabled freedom fighters and the dependants of Shahids. An amount of Tk. 1 crore will be given to the foundation as grant for the purpose.

Overhead expenditure contingency

Cost ... Tk. 5 crores

R.E. Component ... approx. Tk. 3 crores

This amount will be spent on the following :-

- i. Maintenance and operation of Transports.
- ii. Radio-tele Communication.
- iii. Purchase of Speed boats, Cargo boats and other equipments.
- iv. Transportation charges.
- v. Administration of Relief Committees.
- vi. Contingencies.

Rehabilitation grant on account of natural calamities.

Cost .... Tk. 1.25 crores

Provision for natural calamities arising out of cyclons, flood etc.

REHABILITATION BUDGET OF THE MINISTRY

4517/84  
375,000,000

A. Housing (including distribution of building materials)	Tk. 37.00 crores
B. Rehabilitation of Bazaars and Small Traders. Construction of sheds in the Bazaars & Bazaars.	Tk. 3.50 crores
C. Test Relief	Tk. 7.00 "
D. Rehabilitation of Fishermen, weavers.	Tk. 6.25 "
E. Rehabilitation of Artisans and Vocational Groups	Tk. 1.00 "
F. Rehabilitation Grants to special Groups, Organisations and Institutions.	Tk. 4.00 "
G. Rehabilitation of disabled Freedom Fighters & dependants of Shahids.	Tk. 1.00 "
H. Overhead Expenditure and Contingencies	Tk. 5.00 "
I. Rehabilitation Grant on account of Natural Calamities.	Tk. 1.25 "

Taka 66.00 crores.

37.00 Crore  
5,000,000  
7137,000,000

September 19, 1972

TO : Mr. A.Z.H. Obaidullah Khan  
Secretary  
Rural Development and Cooperative

FROM : John Edmondson  
Executive Assistant to President  
ICRDA

INTRODUCTION:

In accordance with discussions with you and your colleagues during the past ten days and more particularly our talk on September 18th, I would like to set down here some impressions and thoughts which might be useful points of reference in meetings which you may be having in the near future in connection with the extensive national rural cooperative housing program to be undertaken shortly. I should like especially to direct my comments towards the cooperative components of the program as presently conceived and the possible outside technical assistance that might be considered in the formulation and execution of the program.

BACKGROUND:

Substantial experience in the field of rural housing exists in Bangladesh, and there are several programs being presently carried out in cooperation with your government pursuant to the reconstruction and relief program which serve as practical guides to future activity in this area. By and large these programs have not utilized what can be said to be "cooperative" mechanisms as such, but rather they were pragmatic programs carried out under most adverse conditions with an eye of reaching a broad cross-section of the population with tangible help. Two ICRDA representatives were here in March of this year to review the CARE program and you have our report on that program. None of these programs had a solid cooperative base, nor was there intended to be a means of recuperating the cost of the house.

It is understood that the new programs to be initiated by your government contemplate both a sound cooperative base prior to, during and after project execution. The housing component will be one of the many inputs into the village community. Moreover, it is expected that a cooperative mechanism will be incorporated to recuperate the considerable investment in housing for regeneration in new housing, home improvement and shelter loans throughout the country.

The pivot organization to achieve maximum return on the housing investment will be the cooperative organization itself, and as presently outlined the IRDP will have an intimate relationship with the cooperative groups over a long period of time. Accordingly, a soundly conceived program is essential.

OBSERVATIONS RE CATEGORIES OF TECHNICAL ASSISTANCE:

Without detailing here more of the structure as it has presently been laid down in various program discussion papers, may I suggest a number of general areas where specialized technical assistance might be of value.

For maximum impact consideration should be given to a multi-disciplinary team approach.

National level: Assuming the IRDP were to have primary and long term responsibility for the housing inputs (not including the physical construction) and subsequent outputs (recovery, distribution and investment of capital), the following kind of expertise might assist in the development and implementation of the program:

1. Financial Management and Organization:

To assist in developing the concepts, guidelines and procedures for the national program. This should include assistance in the overall financial management strategy at the village, thana, sub-division, district and national levels. Consideration should be given to establishing a separate self-sustaining rural housing financial institution or mechanism for the mobilization of savings, recuperation of loans, to act as a depository for funds, and for inter-lending among thanas and districts. Such a structure might be attached to or incorporated into an existing institutional framework such as the TCCA. The assistance would also involve the management and establishment of the revolving funds. A systems approach to debt recovery should be created which would afford a continuing means of evaluation. Accounting procedures, forms, and systems should be developed as well. This specialist might also assist in coordination of various external financial inputs into the program.

2. Cooperative Organization and Management:

A specialist in cooperative organization of housing programs would be used to work in conjunction with the integrated rural development program and the multiple agencies having roles in the program. Housing is one of the diverse physical inputs which include, water supply, embankments, roads, family planning, fertilizers etc. This technician would assist in melding the cooperative housing component into such an integrated structure of agricultural and fishing cooperatives. It would involve the development of sound program strategy from the time of the selection, motivation and organization of the villagers through the period of recuperation of the housing loan. This job would contemplate a thorough understanding of cooperatives and housing cooperatives as well as the concept of multipurpose cooperatives. The specialist would assist in cooperative organization of the development of appropriate by-laws for primary, secondary, and tertiary cooperatives. This technician would assist in devising the appropriate kind of national or district federations or organizations which might agglomerate lower level groups into a cohesive and strong force for the continuing development of housing programs.

### 3. Cooperative Training and Education:

One or more specialists should be used to assist in the development of appropriate training mechanism for housing and cooperative housing. The training would take place at various levels, perhaps using the BARD as a point of departure at the national level for creating an Institute for Cooperative Rural Training. The training activity would also have to reach the Thana Training Development Center as well. For leadership training out of Comilla and perhaps at the Thana level emphasis would be placed in the following areas: Cooperative housing as an aspect of total rural development; cooperative national techniques; management and organizational aspects of cooperative as it relates to housing; financial, accounting and evaluation matters; house conservation and maintenance for tropical climates; selfhelp, mutual self-help and aided self help programs, etc. Insofar as possible the training should be action oriented.

Where appropriate training might also be arranged outside of Bangladesh.

### 4. Research and Development and Evaluation:

One specialist, perhaps an environmental planner could be used to assist in the evaluation of ongoing programs. This technician would also develop specific program evaluation and review techniques to be used on a continuing basis.

Examination of the clustered village approach to rural development would also be contemplated within the scope of work. Assistance to appropriate agencies for the development of a rural building research facility would also be useful including building materials, house design, indigenous materials, roof research etc.

Production cooperatives for building materials (bricks, door and window frames, etc) would also be explored, as would building materials supply cooperatives. These development tools have proven successful in many settings and are important employment generators.

### 5. Other areas:

The legislative and legal side of housing cooperatives also deserves attention and specialised assistance might be helpful here. Legal arrangement for debt recovery, the form of the obligation, and means to enforce payment of delinquent accounts would also be examined.

Collection procedures at the village and thana levels merits special attention, for if the system goes awry, it will probably there. Care must be exercised in designing a workable and understandable recuperation plan at the lowest level. Depending on resources, a number of local or district level experts with specialized experience in this aspect of cooperative housing, would be most valuable. This could also be used effectively

AIDE MEMOIR (continued)

in training activities at the T.T.D.C. and for the T.C.C.A.

These are the principal areas of technical assistance which come to mind. There may be other important areas which you and your associates have in mind as well. I would be interested in receiving your reactions to these thoughts.

It has been a pleasure working with you these past ten days and I hope some concrete results will be forthcoming from the talks.

cc: Mr. Shahed Latif  
Deputy Secretary  
Rural Development and Cooperative

Mr. Mokammel Huque  
Director  
IRDP

bcc: CARE-Bangladesh

Mr. Wallace Campbell  
President, ICHLA

October 2, 1972

Mr. S.J. Darda, M.L.C.  
President  
National Cooperative Housing Federation  
c/o The Maharashtra Cooperative Housing Finance  
Society Ltd.  
Rajabhadur Building, 20, Hamam Street  
Fort, Bombay - 1, INDIA

Dear Mr. Darda,

May I first express my sincerest thanks and appreciation to you and your associates of the cooperative housing movement of India and more particularly of Bombay for the gracious reception you accorded me in mid-September. The dinner you offered was delightful and as you know we went well into the next day discussing various matters.

Mr. Naik was especially helpful in providing me with background information, and our discussions, I feel, have given me a much better feeling of the cooperative housing movement in your country.

You have probably heard by now from Dr. Dwivedi concerning our very fruitful meeting with the Secretary of the Ministry of Housing Mr. P. Rao. Mr. Maddock of the CLUSA also attended. I think all three of us left that meeting with a renewed sense of hope for a strengthened role for cooperative housing in India. Mr. Rao pointed out a number of specific areas where he felt the cooperatives might and should be involved. I was particularly taken with his feeling that the primary societies could play a major role in capturing and mobilizing public savings for housing. I personally feel this is one key which can unlock untold funds from the private sector. There were other matters discussed regarding HUDCO, making land available more readily to the coops, (perhaps through the emerging municipal development authorities and agencies), and rural coop housing and production cooperatives. It was a far ranging talk and I feel that Mr. Rao's recent visits to Stockholm and Copenhagen where he had an opportunity to meet with some of our member organizations may have broadened his perspective of what cooperatives can accomplish.

An early meeting with Mr. P. Rao, yourself, Mr. Naik and Dr. Dwivedi would go a long way towards bringing timely and positive resolutions regarding the Pilot Program, the Workshop and the longer range aspects of coop-housing in your country.

a world-wide non-profit organization devoted to technical assistance and development in the field of cooperative housing  
suite 1007 1012-14th street, n. w., Washington, D.C. 20005 tel. 202 737-3411 cable ICHDA telex 440271



Centro Operacional de Poblamiento  
y Vivienda A.C. COPEVI  
Mexico City, Mexico

Cooperative Planning  
London, England

East Midlands  
Housing Association  
Leicester, England

Faellesorganisationen af  
Almennyttige Danske Boligselskaber  
Copenhagen, Denmark

Foundation for  
Cooperative Housing  
Washington, D.C., U.S.A.

Gestamverband gemeinnutziger  
Wohnungsunternehmen  
Cologne, Germany

HSB's Riksforbund  
Stockholm, Sweden

Instituto de Viviendas  
Populares INVICA  
Santiago, Chile

Kutusosuosuskuntien  
Keskusliitto: KK  
Helsinki, Finland

National Cooperative  
Housing Federation  
New Delhi, India

Shikun Ovdim  
Tel Aviv, Israel

Svenska Riksbyggen  
Stockholm, Sweden

TECNICOOP  
Santiago, Chile

p. 2

I am sorry about any confusion I may have caused in reference to the Warsaw meeting. We shall be looking forward to seeing you in Washington or New York in early October. In addition to meeting with us at ICHDA and FCH in Washington I do feel you should meet the people in N. Y. at the U.N. Center for Housing, Building and Planning.

Once again, please accept my thanks for your collaboration.

Respectfully yours,

John Edmondson  
Special Assistant to the  
President

JE:ev

cc: Mr. D.D. Naik, The Maharashtra Cooperative Housing Finance Society Ltd.  
Dr. Dwivedi, Cooperative Union of India  
Mr. Wally Maddock, CLUSA, Delhi

D R A F T

I C H D A

MINUTES of ANNUAL MEETING of the BOARD OF DIRECTORS

9:30 a.m., Wednesday, 27 September 1972

Office of Centralny Zwiasek Spoldzedni  
Poland

Present: Ake Johnsson, HSB, Vice President  
Olle Linsdrom, Svenska Riksbyggen  
Harry Moncrieff, Cooperative Planning Ltd.  
Thorbjorn Hjuler, Boligselskabernes Landsforening  
Wolfgang Ambrosius, Gesamtverband  
Jorma Jalava, Kulutusosuuskuntien Keokusliitto: KK  
Stanislaw Kukuryka, Centralny Zwiasek Spoldzielni  
Wladyslaw Wawrzewski, Centralny Zwiasek Spoldzieni  
Jack Edmondson, Foundation for Cooperative Housing

Call to order:

Mr. Johnsson called the meeting to order and indicated that he would be presiding in the absence of Mr. Wallace J. Campbell, whose attendance was regretablely cancelled at the last moment. He then expressed on behalf of the board, his warmest thanks to Mr. Kukuryka and his associates of the Central Union of Building and Housing Cooperatives for their generous hospitality. Mr. Kukuryka was then introduced to the group.

Mr. Kukuryka welcomed the ICHDA board cordially on behalf of the Polish cooperative housing movement, and said that while the Union was not presently a member of ICHDA, it certainly shared its aims. He stated that in most of the many years. He concluded by stressing his desire to be able to extend cooperation among different countries in carrying out the goals of improved housing facilities in the developing countries.

Mr. Johnsson thanked Mr. Kukuryka and then explained briefly the roles of the Housing Committees of the ICA and its relationship to the ICHDA organization. Mr. Johnsson then applauded the work of the Polish Cooperative Housing movement and thanked Mr. Kukuryka again for being such a gracious host.

Agenda

The agenda was then discussed and Mr. Edmondson suggested the addition of two points, 1) the election of Officers, and 2) the question of the expansion of membership. These were accepted as additions. Mr. Moncrieff then suggested that in view of the limited time frame of the meeting it would be desirable to consider such indispensable things as the financial report and election of officers as early as possible, perhaps right after the President's report. It was so approved.

Minutes

Mr. Johnsson then asked for and received the approval of the minutes of the last annual meeting.

Mr. Moncrieff then questioned the chairman and the board whether or not the board had in fact examined the point that he had raised at the last annual meeting. Reference was made to page 13 of the minutes wherein Mr. Moncrieff requested the board examine the basic approach and philosophy of ICHDA prior to the convening of the succeeding annual meeting. Mr. Moncrieff strongly urged that the board come to grips with and discuss openly the policy and objectives which ICHDA is to pursue, if in fact the board is to undertake its responsibilities forthrightly. A dialogue then issued between the chair and Mr. Moncrieff concerning this issue. Mr. Lindstrom also felt this point should be examined at the appropriate time. It was agreed that the minutes of this meeting should reflect this preoccupation on the part of some of the board members and that it would be addressed by the officers and/or the board prior to the next annual meeting.

- 1) Report on the Chile Seminar: The chair briefly outlined this most recent activity in which ICHDA Board Members, Peter Elderfield and Benno Heinen and Wallace J. Campbell's representative, Charles Dean, along with other cooperators from Argentina and Uruguay, had participated in just two weeks

previously.

Mr. Edmondson added that a joint ICHDA/INVICA International proposal for the development of a cooperative housing production enterprise for Chile had been submitted to the Inter-American Foundation. The project would be undertaken by INVICO? and INVICA in Chile with possible technical assistance thru ICHDA from the Svenska Ryksbyggen.

2) Training: The Gesamtverband's signal contribution in the field of training, through its international arm DESWOS, was then outlined. Mr. Johnsson said this would be discussed in more detail in the deliberations of the Housing Committee.

3) Liberia: The Chair then referred to the ICHDA efforts in Liberia, described in more detail in the report itself.

4) Tanzania: In describing the ICHDA on going involvement in Tanzania Mr. Johnsson mentioned the major problem of long term financing for the pilot scheme. He said that pursuant to the recommendations of the UN/ICHDA technician, the Government was now considering establishing a national housing bank. In fact, he said, Mr. Robert Merrill, of the United Nations in New York was currently on his way for assignment to Dar-es-Salaam as housing advisor and would be especially concerned with this issue. He also indicated that a Norwegian, Mr. Egil Berg, was being selected for Tanzania as the Associate Expert in charge of the Mwenge Cooperative Housing project and that NORAD (Norwegian aid) would probably underwrite the costs.

5) Ghana: Brief mention was made of Ghana and Mr. Edmondson stated that Mr. Francois Pfister was about to return to that country and would continue his association with the project.

6) India and Bangladesh: It was agreed that these subjects would be discussed somewhat latter by Mr. Edmondson who had just returned from these countries.

European Office: There then ensued an abbreviated discussion of the European ICHDA office. Mr. Johnsson said the funds for the office hadn't been forthcoming to the extent anticipated. Mr. Hjuler wanted it made clear for the record that his organization had specifically earmarked US\$1,000 for this activity, once decisions as to location and commencement were made.

Election of Officers:

The chair then proposed that elections of officers be held. At the outset it was proposed that the entire board, be re-elected, but the chair recalled that the by-laws provided for up to five Vice Presidents.

Mr. Edmondson then nominated Mr. Olle Lindstrom for Vice President, noting his substantial and continuingly valuable contribution in the Swedish cooperative housing movement as well as internationally with the observation that this designation should strengthen ICHDA leadership at the top. Mr. Moncrieff raised the question as to whether alternate board members could be elected as officers, and a short discussion followed, with the chair ruling that this was possible. Mr. Jalava then nominated Mr. Edmondson as Secretary Treasurer. The following slate of officers was then placed in nomination:

Wallace J. Campbell, President  
Ake Johnsson, Vice President  
Benno Heinen, Vice President  
Olle Lindstrom, Vice President  
John Edmondson, Secretary Treasurer

The entire list of present directors was then placed in nomination with the addition of Mr. J. Darda, and Mr. Enrique Ortiz, from the National Housing Federation of India and COPEVI of Mexico respectively, the two newest member organizations. Both slates were seconded and unanimously approved.

Financial Statement

The chair requested comments on the Financial Statement distributed to the board. Mr. Jalava asked if ICHDA had auditors and Mr. Johnsson replied that it was his understanding that ICHDA was a D.C. corporation and as such was under the scrutiny of the registrar of cooperatives for the city. Mr. Edmondson clarified this and indicated that ICHDA was obliged to submit annual reports to the city. The report was approved.

Bangladesh:

Mr. Edmondson then reported on his recent trip to Bangladesh. A Cooperative Housing Workshop will be sponsored by the Bangladesh Samabaya Union, the ICA, and ICHDA with the support of the Swedish Cooperative Center and the Swedish SIDA, the latter contributing SKr. 50,000 to the effort. The program is scheduled to take place from November 29th thru December 6th, 1972 and enjoys the full support of the Government of Bangladesh, and the Ministries of Relief and Rehabilitation, Cooperatives and Rural Development, and Housing and Public Works, as well as the integrated Rural Development Program. Mr. Lionel Gunawardana of the ICA Regional Office in Delhi will proceed to Dacca on about October 20th and work with a group of private and government people to prepare the background paper which will serve as point of departure for the conference. Mr. Edmondson applauded the strong support from the government for this effort and felt confident that it would definitely lead to a continuing relationship by ICHDA to the wide spread rural cooperative housing program about to be initiated. The program contemplates 169,000 new housing units throughout the country.

He then said that the CARE organization would contract with ICHDA for the provision of one cooperative housing expert to be attached to the Delta housing program being carried out by CARE in three distinct coastal areas. He also mentioned possibilities of additional technical assistance thru the Swedish

SIDA and the US AID program. A trip report will be prepared and distributed to the board.

Liberia:

Mr. Johnsson then highlighted the situation with respect to the ICHDA/LAMCO project and said that attention must be focused on certain legislative and legal matters. He further explained the nature of the HSB/LAMCO negotiations which led up to the LAMCO/ICHDA agreement itself in which Mr. Paul Campbell of FCH visited Liberia for about a month early in 1972 and came up with an action program for the LAMCO group.

Mr. Moncrieff then requested clarification as to exactly what the ICHDA was doing or purported to do in Liberia especially concerning the direction and tenor of the recommendations being made in the cooperative field. He reiterated his concern that the board should and must be concerned with and give direction to the general approaches being taken by the ICHDA experts in the field. Mr. Lindstrom agreed in theory with this thought but averred that it would be impractical for the board to be involved to this extent, but rather the board should rely on the professional ability of the member organization given the responsibility of carrying out a particular task.

Mr. Moncrieff remarked that it was incumbent upon the board to provide policy guidance and the wisdom of its collective judgement in carrying out programs, which would have the beneficial effect of avoiding badly conceived projects and programs. A dialogue proceeded among Mr. Johnsson and Mr. Moncrieff concerning the degree to which the board was, is and should be informed on programs undertaken as well as the matter of general board involvement in policy guidelines.

Mr. Johnsson then adjourned the meeting at 12:45 p.m. and called for a reconvening again on September 28th at 5 p.m.

# EXHIBIT #7

A paper for presentation to the International Cooperative Housing Conference sponsored by the Housing Committee of the International Cooperative Alliance  
Warsaw, Poland  
September 28-29, 1972

Wallace J. Campbell, President,  
International Cooperative Housing  
Development Association and the  
Foundation for Cooperative Housing

## COOPERATIVE HOUSING AND DEVELOPMENT

### With Particular Concern for the Less Developed Countries

Because of the universal concern with the need to provide more adequate housing for the people in all countries of the world, this paper will devote itself to several aspects of the problem and recommendations for their solution:

First, is a brief description of the need for more adequate shelter and community development; second, the role of housing in development; third, cooperative housing as a technique for mobilizing resources for adequate housing; fourth, examples of the achievements of cooperative housing in the developing world; fifth, recommendations for action (a) on the part of cooperative movements within all countries, (b) recommendations for government action as a stimulus to further cooperative housing development; and finally, (c) recommendations for action in the United Nations to create a worldwide program for housing and community development.

#### 1. A Need So Great It Has Paralyzed Action

Recent reports from the United Nations have spelled out in some detail the desperate need of the world's population for decent and adequate housing.

According to the United Nations, the world's population is likely to double by the end of the century to nearly 7,000 million people. Crisis conditions already exist in many cities. In some developing areas more than 30 per cent of the big city populations live in slums and "uncontrolled settlements," which is a pleasanter term for squatter settlements, where the annual population growth rate may be as high as 20 percent resulting from immigration as well as reproduction.

In order to accommodate this projected growth, the U.N. has estimated that more than 45 million new dwellings will be needed every year until the end of the century.

This enormous need is inadequately met and there are no signs of an adequate program for the solution of the problem. This is in spite of the fact that in almost every country there is an abundance of labor, adequate raw materials for the creation of building materials, technical skills in engineering, architecture, etc., and both the potentials and the patterns for mobilizing financial support within the countries.

In other words the basic ingredients for the solution of the problem are at hand. Unfortunately, this is a problem which is best described by the Director of the Centre for Housing, Building and Planning of the United Nations who said, in a statement to his Committee October 18-29, 1971, that, and I quote:

One of the basic reasons for lack of substantial achievement in that field seems to be that the very magnitude of the cost of improving human settlements paralyzed the will to act. In no other sector of national life, except for health and education, did investment have so wide and so profound an effect on economic and social development and on the quality of life in general as in the housing sector.

As we have pointed out repeatedly, even though housing is a No. 1 priority in the field of development and even though many of the major cities of the world are threatened with destruction as squatters form "rings of misery" around the cities, and as the inner-cities destroy themselves with the twin

cancers of poverty and pollution, there is relatively low activity and equally low priority for mobilizing the available resources for a solution of the problems of housing.

Even in the developed countries, the housing problems have not been fully solved. The Executive Director of the Economic Commission for Europe recently emphasized the enormity of the problems in the field of Human Settlements and stated that no country, not even the developed countries in the Economic Commission for Europe, have so far been able to provide enough housing located in the right places and of satisfactory quality.

In the developing countries the per capita housing production is equal to about one-third of the rates of housing production in the developed area of the Economic Commission for Europe. Housing conditions are continuously deteriorating in the less developed areas, and if the population of the world continues to increase, an estimated 23 per cent by the end of this decade, those conditions will deteriorate further. The Secretary of the E.C.E. put the problem in dramatic terms when he said, "To accommodate the increased urban population, the equivalent of 67 new cities of one million inhabitants each would need to be built every year."

For those who are concerned with the threatened deterioration of the environment throughout the world, it is important to note that a family's home is the environment in which it spends the majority of all of its living hours. Squalid and inadequate conditions at home become the most overwhelming factors in the environment. The result is that in the drive to improve the quality of life through improving the environment, better housing and community development must receive the highest possible priority.

#### Housing As A Factor in Development

When the United Nations launched the Second Development Decade in the beginning of 1970, the Secretary-General of the U.N. noted and I quote:

Development concerns not only man's material needs but also the improvement of the social conditions of his life and his broad human aspiration. Development is not just economic growth; it is growth plus change.

In a recent study the United Nations Secretariat pointed out that "development is a cyclical process of cumulative effects." "Improvement in the condition of the individual increase his level of participation in society and help achieve the objectives of economic development. Improvement of the individuals' economic position in turn increases his general well-being and the efficiency of his participation in society, thereby beginning the cycle again."

Later in that same study, the United Nations officials point out that "housing has an essential place in the cumulative development process, which may be summarized as follows:"

- 1) Adequate shelter is essential for human dignity. "The home provides the physical framework in which the human, social, economic and cultural resources of the individual are released, enriched and integrated.
- 2) Because adequate housing reinforces human dignity and status, it creates the political and social climate for orderly development of society. This climate is necessary for economic and social development.
- 3) Adequate housing contributes directly to individual health and productivity, which are essential for national economic growth.
- 4) Housing is itself an important economic activity providing substantial direct and indirect employment of a type which is easier to create than many other types of employment.
- 5) A strong housing sector helps the development of an efficient construction industry, which is essential for economic and social development since 50 to 60 per cent of capital investment typically is in construction.
- 6) The construction industry itself has a very high, if not the highest, accelerator effect on the rest of the economy, among all industries.
- 7) The location of housing can be used to distribute population in accordance with overall national objectives.

- 8) Housing provides a focus and incentive for personal monetary savings. Much of this is now dissipated in inadequate shelter but can be increased and put to better and more durable use by effective planning.
- 9) Housing for low-income families provides an effective and acceptable means of redistributing incomes.

The role of housing in the process of development is constantly downgraded by economists who erroneously jump at the conclusion that housing is a "consumer-end product" and therefore should not be included in the development process. Unfortunately, that theory is often coupled with statistics on the costs of housing and through ignorance of the process of housing development and community development are downgraded. As a result, both of these important tools are overlooked in the national process and in international programs of development.

#### Increased Productivity

In a recent study entitled "Housing--Step-Child of Development?", Dr. Leland S. Burns and Dr. B. Khing Tjioe of the Graduate School of Business Administration of the University of California in Los Angeles have summarized the role of housing and development. They point out that the economic factors in development created by better housing include: 1) greater work efficiency, 2) less absenteeism from work, 3) reductions in the need for medical care, and 4) improved school attendance.

Drs. Burns and Tjioe conducted an economic study of these factors in carefully selected areas in the United States and in South Korea. They concluded that comparisons made before and after rehousing indicate that work efficiency improved and days lost from work due to illness or other reasons were reduced. As a consequence, incomes from the rehoused workers increased.

In their well-controlled experiment in South Korea, they concluded that, "the housing improvement was responsible for a remarkable productivity gain exceeding 30 per cent."

Dr. Burns and Tjioe also concluded that for the average rehoused family the number of clinical visits dropped 16.4 per cent. At the same time that the families who remained in the old housing had an increase in the number of visits to health clinics. The study concludes that while there is an actual savings on health care, the monetary gain represents only a small part of the increase in well-being resulting from better health--a benefit attributable in this case to safer, more sanitary housing.

The authors also measured the value to the employers. While we are not as concerned about the employers as we are about the employees, it is an interesting measure of the importance of good housing. The study concludes that "higher incomes earned by the employee increased output of the corporation and with medical costs saved--yields a total 'profitability' estimate of impressive size."

It is even more important, however, to report a later conclusion of that study that "finally, the analysis of this section demonstrates that qualitative improvements in housing translate favorably and significantly into increases in labor productivity."

*Productivity of public sector also increases.*

#### Housing Creates More Jobs

The economic impact of housing in the process of edevelopment includes several factors in addition to productivity. New housing creates jobs and probably creates jobs more rapidly than any other industrial investment. In my own country, there has been a great deal of experimentation with labor saving devices but no technical advancement or improved system has altered the fact that labor is the prime factor in home construction. A study made by a former FCH housing specialist for Development Research Associates in Los Angeles showed that in the state of California, every job created on the building site produced another 1.57 jobs as a result.

The author points out that "among<sup>gt</sup> construction types, home building has the greatest employment impact--far exceeding highway building which is often cited as a great employment stimulus in job production.

The study points out the continuing labor intensity of housing in Latin America and cites in Argentina as one example that labor accounts for 55 per cent to 60 per cent of the costs of construction of dwelling units. Cement work, foundation preparation, carpentry, electrical and plumbing installation, roofing, painting and tile setting may never be automated even though some of this work will be done in housing factories rather than on the site.

A further economic impact of housing in development is the creation of a building supply industry which includes everything from cabinet work to construction of bricks and building blocks, plumbing equipment and electrical supplies.

Each new community that is built stimulates jobs in the production of appliances for the home where electricity is available. These appliances call for highly skilled work stimulating another branch of industry.

Financial impact of housing is difficult to measure even though the mortgage investment amounts can readily be totaled in a computer. Actually, the savings from housing come less from large banks, insurance companies and mortgage companies than they do from home savings institutions, mobilizing the savings of middle and low income families.

#### Mobilizing Savings

In Latin America the greatest miracle of development in recent years has been the mobilization of savings of people in the lower middle income and lower income groups through credit unions and mutual savings and loan associations. When <sup>the</sup> U.S. Agency for International Development first offered assistance to credit union and savings and loan organizations to help them organize savings institutions in Latin

America, it was felt that the resources for saving were very small indeed. As a matter of fact in the ten years since the program began, credit unions in those Latin countries have acquired savings of well over \$100 million and savings and loan associations now have assets of \$500 million saved primarily by people who were not regular savers before. It is from these two classes of savings--both of them cooperative in character--that hundreds of thousands of homes or home improvements have come. There are opportunities in every country in the world for the mobilization of some savings for housing.

*See Exhibit  
Financing Housing  
Latin America  
points out that  
being able to  
start with  
small amounts  
used for  
improvements*

A final word about resources. The manpower for both the highly technical aspects of housing as well as the labor for construction is available in almost every country. There is need for its employment and for effective use. In nearly every country in the world there are architects and engineers who have completed their education in colleges in the developed countries. Their skills are comparable to those of the developing countries. In addition, they have a greater familiarity with the problems, the prospects, and materials in their own countries.

An important part of the development process is the mobilization and use of the human resources in the less developed countries to match the financial resources from both inside those countries and from outside sources.

The Accomplishments Are Positive and Multipliable

If the theory of development is viable, it must result in concrete results in examples that can be used as a pattern for expanded development.

Such examples exist and the exchange process is already underway.

It is always easier to cite examples which are close at hand than it is to find new ones. So perhaps I will be forgiven if I cite prime examples from the experience of the Foundation for Cooperative Housing and its related organizations.

In 1962 the Foundation for Cooperative Housing was requested by the Agency for International Development to undertake a program of technical assistance for the

encouragement of cooperative housing in Latin American countries. In the ten year period that has followed, FCH has assisted in the development of very substantial cooperative housing projects in a large number of countries in Latin America.

Even more important than the development of projects is the process of "institution building." In each of the countries where FCH specialists have worked, the principal objective was to assist the local people in the creation of a Technical Service Organization. This TSO could provide the architectural, engineering, organization and educational services necessary for the development of a cooperative housing project. The staffs and resources were assembled with the assistance of FCH but with the objective of operating independently and eventually on their own resources.

Five such Technical Service Organizations (TSO's) have been brought into being. In addition, several other similar organizations created earlier have been assisted by FCH to become strong, viable organizations.

Perhaps the statistics on the programs completed to date will give you a tangible indication of the progress on which we are building.

The following figures cover the countries of Honduras, Panama, Colombia, Guatemala, Jamaica and Venezuela. In those countries, twenty-seven housing projects and a large number of small rural cooperatives and home improvement programs have been completed. These projects included 5,437 units as of September, 1971. The value of the projects was \$25,289,000. The local co-op members made down payments of \$2,728,000 and an additional \$7,866,000 in local capital was invested in the projects.

The cost of the housing varied from \$500 for a self-help home or a home improvement loan up to a top figure of \$8,053. The average cost per unit is estimated at \$4,651.

The costs of the housing, of course, vary from country to country and from

community to community. The objective of the local cooperative, the technical service organization and the Foundation for Cooperative Housing is to provide the best possible housing at the lowest possible cost for that quality of housing. The rural projects under construction in Panama at the present time, for example, run from \$800 to \$1,000 per completed home.

At this point we are proud to add some new factors. These are the self-generating projects initiated by the local technical service organizations and completed with the labor and/or financial assistance of the local cooperatives.

#### INTERVICO Pattern for Latin America

The technical service organizations mentioned above have now come together to form their own federation or corporation devoted to further development of cooperative housing. The organization is called INTERVICO. Its member organizations are FUNDAVICO of Panama, PROVICOOP of Colombia, INVICA and TECNICOOP of Chile, Mutual Housing Services Ltd. of Jamaica, FEHCOVIL of Honduras and INVICA of Venezuela with FCH International of the U.S. as an equal member.

Although all of these are relatively young organizations and most of them have been organized within the last seven years, their accomplishments are already a very promising indication of the validity of the theory of local self-help. These TSO's have organized 298 cooperative associations. The housing completed to date includes 15,050 units. The value of the housing is estimated at something over \$64,600,000. (These statistics, of course, do not include the cooperative projects initiated by FCH in the U.S.A.)

In addition to these programs, the INTERVICO members outside of the United States have 6,800 units under construction. These are in 67 new cooperatives and the value of the housing is estimated at something more than \$59 million.

The above statistics are important primarily as an illustration of accomplishment. They indicate something of the ability to achieve cooperative development once the local institutions are created and have developed their own technical capabilities to the point where they can carry forward on their own.

An even more ambitious program of development has been initiated by the national cooperative housing associations in the developed countries which are anxious to assist in the development of cooperatives in the newly developing countries.

The organization is the International Cooperative Housing Development Association, ICHDA, which was organized in 1966 at the time of the World Congress of the International Cooperative Alliance.

ICHDA came into being when the first five organizations contributed \$1,000 each for preliminary operating capital and authorized incorporation of ICHDA under the Cooperative Corporations Act of the District of Columbia.

ICHDA's first project was to undertake a study for the United Nations Centre for Housing, Building and Planning. The study was on financial sources for the building of cooperative housing in a number of the developed countries.

ICHDA grew slowly. It was invited to send representatives to a seminar in North Africa conducted by the United Nations. This led to an invitation to undertake a study leading to the selection of a country in East Africa where a pilot cooperative housing project could be undertaken. This survey was made by representatives of Gesamtverband Gemeinnütziger Wohnungsunternehmen e.V. in Germany and FCI in the U.S. Tanzania was selected as the site of the pilot project with full cooperation of the government of Tanzania. The United Nations financed a senior housing advisor (Mr. Sten Johnsson of HSB Sweden) to serve as advisor for this first pilot project. A site was selected on the outskirts of Dar es Salaam. Four hundred-forty sites and services plots were identified; a model house was erected and technical assistance provided for the construction of homes under an aided self-help system. The project is now nearing completion. Mr. Johnsson has returned to Sweden and a new advisor on housing finance and an associate expert on cooperative housing, both financed by the United Nations, will return to Tanzania this fall to work on the expansion of the cooperative housing program to other areas throughout the country.

Specialists from several ICIDA countries visited the project during development and construction periods. Most important, however, DESWOS, the international development arm of Gesamtverband, undertook a training course for potential leaders in cooperative and other nonprofit housing. Eighteen young executives from five East African countries were brought to Germany for fourteen months of training with a grant made to DESWOS by the government of West Germany. These young men are now returning to stimulate and guide the development of cooperative housing programs.

During this period ICIDA signed a Memorandum of Understanding with the United Nations. Under this agreement any member government of the United Nations may turn to ICIDA for technical assistance in the cooperative housing field.

At the invitation of the U.N.,  
Mr. Ervan Bueneman, the director of international programs for the Foundation for Cooperative Housing, joined a United Nations team as a representative of ICIDA to study housing possibilities in seven West African countries. A pilot program in Ghana is expected to be the next point of consideration for technical assistance from ICIDA in West Africa. In the meantime, ICIDA has provided technical assistance in Liberia on the selection of a site and recommended organization procedure for a cooperative housing project in Buchanan, Liberia. The project is to be sponsored by LAMCO, the Liberian-American Swedish Mining Company. LAMCO is anxious to provide better housing for its employees and for other members of the community but is anxious that this become a cooperative community instead of a company town. Continuing technical assistance will be provided through ICIDA by Mr. Ake Johnsson and Mr. Sten Johnsson of HSB in Stockholm. Sources of capital are being sought for the project and we expect more will be reported to you on this development at our next meeting.

The expansion of ICIDA has been very encouraging. There are now thirteen national member organizations from Sweden, Denmark, Finland, West Germany, Israel, Great Britain, Chile, the U.S., India and Mexico.

An ICIDA team has made several visits to India and is expected to provide technical assistance through the National Cooperative Housing Federation of India, ICIDA's member organization. The plans call for a multinational team to serve in India assisting in the organizational and other programs of the National Cooperative Housing Federation as it expands its program.

*Report continued on page 14.*

The most exciting part of the ICIDA program in the immediate future looks to be the assistance to the new nation of Bangladesh in the enormous problem of rebuilding that war-torn country.

The Cooperative for American Relief Everywhere (CARE) started as a relief organization at the close of WWI. By the early 1950's it coupled that relief program with one of self-help. Early in the self-help program, the prime projects were plows, hand tools and other equipment for increasing the effectiveness of labor. As the years went on, the CARE self-help program became more sophisticated and included school construction, village water systems and work with small cooperative production and marketing enterprises.

As emergencies hit country after country, CARE found that providing the equipment for self-help housing became a very satisfactory supplement to relief. For example, CARE assisted in the rebuilding of an entire village in Iran following the earthquakes in that country nearly ten years ago. The earthquake in Peru in 1969 led to the reconstruction of two villages in the mountain earthquake area and plans for other self-help housing programs in that country.

Following the typhoons in what was then East Pakistan, CARE was asked to build emergency housing in the Chittagong area. The first <sup>3,000</sup> homes were built with Cinva Ram blocks and steel corner anchoring rods for metal roofs. The typhoon which hit a year later left the self-help houses standing although thousands of homes in the vicinity were swept away. The government then asked CARE to undertake a more ambitious program. Before this could be undertaken, the civil war engulfed what is now Bangladesh. When the new nation was created the housing problem was even more acute and CARE was asked to undertake an even larger emergency housing program.

At this point the Executive Director of CARE asked the Foundation for Cooperative Housing and ICIDA to send a team to Bangladesh to take a look at the emergency

housing program and make recommendations for a long range housing program which might incorporate in it cooperative aspects which would lead to the expansion of the program from within through repayments for the housing, the use of cooperative techniques in the mobilization of financial resources and other aspects of the program.

An ICIDA team visited Bangladesh in March of this year. Following that mission the Swedish cooperative housing organizations and the Swedish Cooperative Center requested assistance from SIDA, Swedish International Development Association, for an ICIDA sponsored seminar in Bangladesh. The proposed seminar would be designed to develop long range plans for cooperative housing programs as well as mobilizing emergency short term resources for the housing program in that country. The reaction of SIDA was favorable. The International Cooperative Alliance will serve as a principle sponsor of the program and the Southeast Asia center of the ICA will participate actively in the further development of the program.

A number of other ICIDA countries have indicated interest in assisting both with technical assistance and other resources. It is hoped that Bangladesh can be a further demonstration of the effectiveness of cooperative housing in the development process.

The Development Process and the U.N.

As pointed out earlier in this paper the role of cooperative housing is one which grows out of small scale or what might be called "microeconomic" demonstrations which when multiplied have a "macroeconomic" impact upon the economy. This has happened in villages, in rural areas, in resettlement programs and with regularly planned cooperative development thru indigenous technical service organizations.

In the most recent issue of the magazine, International Development Review, Kenneth R. Schneider, a consultant for the U.N. Centre for Housing, Building and Planning has cited some statistics which put in most vivid form the problems to which we must find adequate solutions.

"Already, cities of the poor lands have experienced explosive growth. Delhi more than tripled between 1940 and 1960, as did Sao Paulo and Mexico City. Most large cities more than doubled in that period. Yet only about one-third of the world's people were urban by 1970. In some poor countries the level remains as low as ten percent.

Moreover, a recent United Nations report to the General Assembly revealed that in Dar es Salaam, Tanzania, more than one-third of the population of 273,000 was living in miserable slum and squatter conditions. In Seoul, a city with three times its 1950 population of 1,500,000, some 970,000 families (or about 3.6 million persons) live in only 440,000 dwellings. Yet Seoul continues to grow by about 400,000 people annually! In Guayaquil, Ecuador, half of the 730,000 people live in squatter suburbs, a large part in shacks built on stilts over stenching tidal flats. In Brazil, while all cities over 100,000 are expected to double in less than twelve years, the favelas, or squatter settlements, are expected to multiply sixfold.

A study in India found that whereas 34 percent of the rural families lived in one room the figure rose to 44 percent in the urban areas, 67 percent in the four largest cities and 79 percent in Calcutta. Plainly, the process of urbanization has not acted to improve the physical living conditions of the majority of Indians, especially those who move to the largest cities."

Dr. Schneider concludes with an extremely pertinent observation:

"With the dire poverty that village people bring to the city, the world of the year 2000 might well inherit another 200 Calcuttas, each with five or ten million souls struggling to survive on sidewalks, by railroads and in squatter shantytowns by the hundreds of square miles. The point is that while the world has been determined to improve health, to expand food supplies, and to industrialize, the will to build sound cities is not yet clearly demonstrated. It is significant that the World Health Organization, the Food and Agriculture Organization, and the UN Industrial Development Organization are not matched by a world Urban Development Organization, despite the fact that housing and human environment constitute one of the few basic human needs."

### Recommendations

The action which is needed to help solve the critical housing shortage comes in several packages. The job of home construction and the development of multi-family communities is one which must always come primarily within each country.

(1) The prime responsibility of each of us is to stimulate the activities of cooperative organizations and the cooperative movement within each country to focus greater resources on cooperative housing development. It should be pointed out at this juncture that investments made in housing <sup>have</sup> an enviable record for increasing equity. Housing can and should be self-supporting. It not only creates additional jobs and greater wealth in each community but it also will open the greatest market that has ever been known for the kinds of goods which are essential for a better quality of life. These tend to follow the development of better housing and the increased productivity of every well housed family.

In other words, funds which are devoted to housing have a splendid record of repayment and where the financial structure is well planned and well developed, the repayments for housing loans constitute a gradually increasing fund for further development. For this reason cooperative organizations outside of the housing field are urged to use their experience and their resources to sponsor and promote further development of cooperative housing and to guarantee the soundness and effectiveness of the production by creating technical service organizations which can mobilize resources within the country.

(2) In countries where there are no adequate government housing agencies, it is recommended that cooperatives take the initiative in creating the machinery for the insurance or guarantee of mortgage investments as a way to extend the period of amortization, thereby reducing the monthly payments for each family in its housing investment.

(3) Internationally it is recommended that the housing organizations in each country become active members of the Housing Committee of the International Cooperative Alliance as well as members of the International Cooperative Housing Development Association.

There are already 22 nations which have housing organizations actively affiliated with the International Cooperative Alliance. These housing cooperatives now have a membership of about six million families. The investment made by cooperative members in their housing projects is already about 50 billion dollars. The figures cited here do not include the cooperative housing organizations in a number of countries which are not yet actively affiliated with the International Cooperative Alliance. The statistics, however, do illustrate the very great reservoir of experience developed by the cooperative housing movement which can be brought to bear in assistance to potential housing cooperatives in the less developed countries.

The International Cooperative Alliance has worked closely with the regional organizations of the United Nations such as the Economic Commission for Europe, the Economic Commission for Latin America and other areas. The E.C.E. last year assembled representatives of more than twenty countries in both the Eastern and Western sections of Europe for intensive discussions of cooperative and other non-profit housing. Meetings of this kind provide an exchange of experience which is often helpful in the development of new types of housing production as well as new methods of organization and finance.

(4) On initiative of the Housing Committee, the ICA voted in 1960 to ask the United Nations to create a specialized agency for housing, this agency would be parallel to the Food and Agriculture Organization, the World Health Organization, the U.N. Education, Scientific and Cultural Organization (UNESCO), International Labor Organization, International Civil Aeronautics Organization and the International Atomic Energy Organization.

Housing ranks in importance with food, clothing, health and education. Equal emphasis should be placed upon the housing field by the United Nations but housing has become a stepchild of the U.N.

In 1966 the ICA again restated its resolution supporting the creation of the U.N. specialized agency for housing. By that time other international organizations and many national organizations had joined in similar requests to the U.N. These fell on deaf ears with the well developed countries who were fearful that the investments in housing would be so great that it would not be possible to fill the need.

(5) In 1972 the ICA Central Committee meeting in Basle, Switzerland combined resolutions introduced by the cooperative organizations of Poland, Sweden and the U.S. The result was a resolution calling for U.N. action in the field of housing which might fall into one of several special forms.

- 1) A specialized agency on housing and community development.
- 2) An international housing finance agency.
- 3) A World Housing Program similar to the World Food Program now administered by the U.N. Food and Agriculture Organization.
- 4) A fund for housing and community development to be a section of the proposed Office of the Environment within the United Nations.

The above resolution was adopted unanimously by the Central Committee of the ICA and it is expected that it will receive similar approval by the ICA Congress in Warsaw in October.

(6) Since the meetings of the ICA in Basle, the United Nations convened a Conference on the Human Environment in Stockholm in the month of June. Housing and community development are an essential part of the environment and Committee I of the Stockholm Conference was given responsibility for the field of "Human Settlements" which is the U.N. term for housing and community development.

At its plenary session the U.N. Conference in Stockholm adopted a resolution calling for a creation of a Trust Fund for Human Settlements which will be located in the Office of the Environment of the United Nations. The trust fund would be staffed by personnel from the U.N. Centre for Housing, Building and

Planning so that it would start with an existing staff of well-qualified specialists in this field. The funds in the Trust Fund for Human Settlements will be used primarily for seed capital and technical assistance for the development of housing in the newly developing countries. The trust fund would not be exclusively for cooperative housing but in many countries throughout the world cooperative housing is looked on as a principal method of securing home ownership for families in the low and middle income housing brackets. It is expected that as time goes by, the demonstrated value of the cooperative technique will increase the cooperative part of the housing sector.

If the resolution of the creation of the trust fund is to be approved by the U.N. General Assembly meeting in New York on September 15 until December, it is essential that the cooperative movements in each country indicate to the United Nations that this program has their wholehearted support.

Cooperative housing is an essential factor in the process of development not only in the newly developing countries, but in all parts of the world. There is an enormous responsibility for the cooperative movement in this field.

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