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SECOND ANNUAL REPORT

to

THE CONGRESS
(Fiscal Year 1963)

A. I. D.
HISTORICAL
COLLECTION

ON IMPLEMENTATION OF THE HUMPHREY AMENDMENT

to the

FOREIGN ASSISTANCE ACT OF 1961

International Cooperative Development Service
Office of Material Resources
Agency for International Development
Department of State

"Free and democratic cooperatives have an important role to play in this critical decade of development throughout the countries of the world . . . U. S. Missions report that the governments of developing countries . . . see cooperatives as institutions that not only will increase productivity, income and standards of living, but also provide an essential instrument for the implementation of sound agrarian reform programs, capital formation and expanded ownership of capital, and an effective training ground in social and political democracy . . ."

Statement from Report by
Special Advisory Committee on Cooperatives
November 1961

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FOREWORD

Cooperatives today are recognized as an essential and vital part of the economies of developing countries. They have long records of service and are firmly established in the economies of the older and industrialized nations of the Free World.

This report presents an account of the AID cooperative activities during the fiscal year of 1963. It is a summary of the efforts to fulfill the intent of Congress, as set forth in the Humphrey Amendment (Section 601) in the Foreign Assistance Act of 1961.

Cooperative projects established in foreign countries in previous years continued to be directed and supervised by AID on a country and regional basis, as in the past years. The first fiscal year under the new program (FY 1962) was devoted to developing new projects and enlisting trained personnel for special assignments to host countries. A recommendation to AID that non-government organizations be contracted to carry out AID projects, as one means of maximizing the resources of cooperatives, was approved.

The first world-wide contracts with non-government organizations to help carry out the AID cooperative program in developing countries were signed in FY 1963. The foundation for these contracts was laid through regional programs begun in 1962. Among these were programs: to train and develop cooperative leaders in one pilot country in East Africa and one in West Africa; to develop young agricultural and cooperative leaders in three pilot Latin American countries (Brazil, Colombia, Argentina) through on-the-job training in the United States; to develop a regional training center in

Peru for Latin American credit union leaders; and to establish a National Cooperative Training Center for cooperative leaders from developing countries on the campus of the University of Wisconsin.

The world-wide contracts are supervised by the International Cooperative Development Service staff, in the Office of Material Resources, AID, and form the basis on which regional (Latin America, Near East and South Asia, Far East and Africa and Europe) activities in the cooperative field can be developed.

There were cooperative programs in effect in 48 nations for FY 1963, compared to 36 nations for FY 1962.

The following non-government organizations were the signers of global cooperative contracts with AID in FY 1963:

Credit Union National Association (CUNA) - helping people of the developing countries to establish credit union programs, to federate local credit unions into national organizations, and to train local leaders. The greatest development has been in Latin America, where over 400 credit unions were established during FY 1963.

Cooperative League of the USA (CLUSA) - providing service and personnel for training and technical advice, and for general assistance to cooperatives and federations of cooperatives in the developing countries.

National Farmers Union (NFU) - providing training programs in the United States and the developing countries for agricultural

cooperative leadership, and furnishing guidance and technical assistance in the management of cooperative pilot projects.

It is acting in behalf of the United States members of the International Federation of Agricultural Producers (National Grange, National Council of Farmer Cooperatives, National Farmers Union).

National League of Insured Savings Associations (NLISA) -

coordinating its program of establishing savings and loan systems in Latin America (40 organized for FY 1963) in order to provide assistance and technicians to other nations of the Free World.

Foundation for Cooperative Housing (FCH) - developing general guidelines for a program of assistance to be undertaken by AID to develop low-cost cooperative housing projects, largely through local consumer groups and labor organizations.

National Rural Electric Cooperative Association (NRECA) -

engaged in projects in 11 countries to determine the advisability of establishing electric cooperative pilot projects, and in the training of operating and administrative personnel for such projects. It is also prepared to help organize and develop cooperative electrification, rural industries and community facilities in developing countries.

International Cooperative Training Center (ICTC) - offers a basic course for training cooperative leaders from the developing countries and personnel from the United States preparing to work for cooperatives abroad, as well as short-courses tailored to fit the needs of particular groups. The Center is located on

the campus of the University of Wisconsin. It was established with the assistance of funds from AID, and liaison guidance is provided by an advisory committee of 22 cooperative leaders.

These contracts place the experience and operating know-how of cooperative leaders in the United States at the disposal of cooperative planning in the developing countries. Each project, therefore, becomes a part of economic planning, and the cooperative a means for helping achieve over-all economic and social goals, rather than a goal in itself.

Cooperatives have for a long time been recognized as a means for encouraging a peaceful and orderly transition from a primitive state of development to modern day societies. Since 1961 even greater emphasis has been placed on the use of cooperatives in foreign aid efforts.

International Cooperative Development Service (ICDS) completed its first full year of operations in FY 1963 in the Office of Material Resources, under Herbert J. Waters, Assistant Administrator. It is responsible for general liaison and cooperative development programs within AID, as well as with government and non-government agencies and cooperatives.

The cost of all AID cooperative programs in progress or completed in FY 1963 amounted to \$8,479,438. This represents an increase of approximately 300 percent over the \$2,794,400 which was contributed for cooperative purposes in FY 1962, the first year in which there was a central office of cooperative development in the foreign aid program. Contributions by cooperatives on the technical assistance programs approximated \$700,000 in FY 1963. The nature and cost of each of the AID cooperative programs for FY 1963 is given by region and country in the sections which follow.

There were 93 major cooperative programs in 48 countries reported by the Missions in FY 1963. That is almost a four-fold increase over the 25 major operating programs in 36 countries reported for FY 1962. The number of participants for training in cooperatives from the countries where these programs were in effect increased from 203 persons for FY 1962 to 1,675 persons for FY 1963, mainly due to the number of persons engaged in credit union work in Latin America. Participants were trained in the United States or in third countries. Many more people were trained in their home countries through the assistance of AID programs.

The most significant development in staff assistance during FY 1963 has been the number of consultants and technicians employed by the contracting organizations. Through AID, 88 cooperative technicians and 77 consultants were either employed or requested in FY 1963, an increase of 14 and 35 persons respectively over the number for FY 1962. The contracting organizations employed or requested 168 technicians and 45 consultants in FY 1963. Of the 133 specialists employed or requested by AID, 73 were for Latin American projects, and of the 213 employed or requested by the contracting organizations, 182 were for Latin American projects in FY 1963.

Each project has a dramatic story buried in the statistics and official reports. Typical of the cooperative programs contributing to a more stable security and political situation by improving the economic position of the people and their organizations are these examples:

While the jungle war in Vietnam goes on USAID is starting its three-year program to put 200,000 peasant families on a better economic

footing through cooperative effort. Surplus American corn, eight sacks of cement and three pigs for each family project may turn out to be effective counter-insurgency strategy. The cement is to build sanitary pig sties, the corn is to feed the pigs, and the cooperatives are furnishing the necessary farm services to help the peasant families move up the economic ladder.

In Peru, the poor people in the isolated jungle town of Iquitos at the headwaters of the Amazon River showed in less than four years how a credit union can influence a whole community. Organized in the poorest section of the town, the credit union is now the largest in Peru. It has 3,500 members, deposits of approximately \$750,000, and has started to finance a building boom by helping low-cost housing projects among its members.

In Nigeria, the native fishermen of the Western Nigerian Cooperative Fishermen's Association are confidently expecting that their daily catch of fish will increase by 150 percent. Thirty-five fishing boats outfitted with outboard motors and modern fishing gear, will take them out to sea. The fishermen have expanded their cooperative to include transportation, marketing and a boat repair shop.

These examples of how AID seeks to utilize cooperatives in self-help programs extend to agriculture, fish, livestock marketing, dairy, rural electricity, low-cost housing, credit, health insurance, and even taxi and bus cooperatives. In every project of a community nature, the people are encouraged to raise at least a part of their own capital.

An increasing number of cooperative leaders in the developing countries are learning that many of their problems and requirements are much

the same as those which confront other cooperatives. This awareness has helped to bring cooperatives together into regional associations.

In Latin America, for example, the establishment of an Inter-American Cooperative Finance Institute (IACFI) has been recommended by a group of cooperatives. In Central America plans already have been made to form a Central American Credit Union Federation (CACUF). Plans are proceeding with the Organization of the Cooperatives of America. AID has contracted for a survey of Latin American cooperatives as a basis for stepping up the program for bringing all Latin American cooperatives into a single federation.

The International Federation of Agricultural Producers (IFAP), which has farm organizations and cooperative members in 32 countries of the Free World, has encouraged its members to involve more of their people in these cooperative programs. The Northern European countries are receptive to the idea of developing international teams of technicians and specialists for the developing countries.

United States cooperative experts overseas demonstrate to the underdeveloped nations how the United States mobilizes not only the institutional forces of government, but the nation's human resources as well. By their performance, cooperatives bear out what President Kennedy said on March 13, 1961:

". . . that man's unsatisfied aspirations for economic progress and social justice can best be achieved by free men working within a framework of democratic institutions."

FINANCES FOR FY 1962

Washington Operations

International Cooperative Training Center (ICTC)	\$140,000
Credit Union National Association (CUNA)	160,000
Developing Agricultural Cooperative Leadership (IFAP)	<u>180,000</u>
Total Central Funds	480,000

Regional Funds

Latin America	\$689,000	
Far East	1,001,000	
Near East-South Asia	389,000	
Africa	<u>235,000</u>	
Total		<u>2,314,400</u>
Grand Total for FY 1962		\$2,794,400

TOTAL AID CONTRIBUTIONS TO COOPERATIVE PROGRAMS - FY 1963

Washington Operations	\$ 395,300
Latin America	4,045,200
Far East	717,000
Near East-South Asia	2,077,000
Africa-Europe	<u>1,627,438</u>
Total	\$8,861,938

AID cooperative programs can be divided into three categories: global, regional and country. Washington operations approve and supervise contractual agreements with outside participating organizations on a world-wide basis. Regional or country programs are under the supervision of one of the four AID regions (Latin America, Near East and South Asia, Far East, and Africa and Europe). Washington operations serve in an advisory capacity, make evaluations of projects underway, and are a clearing house for cooperative information for the four regions.

WASHINGTON OPERATIONS

(FY 1963 - \$395,000)

The major effort of AID in the cooperative field has been to find ways to bring into active play the resources of cooperative organizations in the United States which would help carry out the AID program in developing countries.

Organizations actively participating in AID programs for FY 1963 are: Credit Union National Association, National Farmers Union, Cooperative League of USA, National League of Insured Savings Associations, American Institute for Free Labor Development, Foundation for Cooperative Housing, and National Rural Electric Cooperative Association, as well as the International Cooperative Training Center at the University of Wisconsin.

These organizations are providing the kind of resources and people which are needed in the developing countries. Some have been doing work in foreign countries for many years. In the past year AID expanded and accelerated this work. It is expected that the coming year will see even broader participation by cooperative organizations.

The central programs initiated during FY 1963 are aimed at expanding the total scope of assistance rather than replacing activities in earlier programs. Therefore, they are an addition to rather than a substitute for older programs. Generally, these projects are focused on bringing the operating know-how of United States cooperative leaders to cooperatives in developing countries.

The importance of non-government agencies to the total AID program has been stressed many times.

President Kennedy said:

"In recent months important new steps have been taken to mobilize on behalf of this program the competence of a variety of nongovernmental organizations and individuals in this country. Cooperatives and savings and loan associations have been very active in establishing similar institutions abroad, particularly in Latin America."

The Clay Committee reported:

"We would stress the importance of Latin American governments consulting with and enlisting in the pursuit of their development programs the support of industrial, financial, labor, cooperatives, and other leaders who believe in the goals of the Alliance."

The central programs are implemented chiefly through inter-regional or global agreements. These agreements have two major advantages: To make available the experience, ability and resources of cooperative organizations; and to make these services available with the minimum program development effort by the AID regions and missions.

The central agreement sets forth very broad general provisions regarding services, enumerates the requirements common to all agreements, and clarifies the legal aspects. Once these have been defined, a regional or mission task order is attached to the central agreement to provide for the specific services required in a particular area. The central agreement is the foundation for establishing individual projects.

1. The Development of Agricultural Cooperatives and Cooperative

Leadership

FY 1963: \$40,000

Cooperatives need competent and trained leadership. In developing countries this is lacking. The Africa-Europe leadership program begun

in FY 1962 had a successful first year. It has been extended through an interregional contract to the other regions.

For legal purposes and specific administrative responsibility, the contract is with the National Farmers Union (NFU). However, NFU is also acting on behalf of the United States members of the International Federation of Agricultural Producers (IFAP), namely the National Grange, the National Council of Farmer Cooperatives and itself.

The IFAP through its members in 32 countries helps in locating technicians and consultants with special qualifications in these countries. An advisory committee, with representatives from the IFAP, the Food and Agriculture Organization (FAO), the International Labor Organization (ILO), The National Council of Farmer Cooperatives (NCFC), the National Grange and NFU, met in Ireland in May 1963, to discuss and indicate in which countries the greatest opportunities prevail for development of cooperative leadership programs.

Under provisions of the central contract, regional and country programs are being established to develop and assist with training programs for agricultural cooperative leadership, to guide and advise management of cooperatives in pilot projects, and to prepare appropriate training material. Agricultural and cooperative specialists have been assigned to projects in Africa, a training team of United States agricultural and cooperative specialists conducted classes and demonstrations in Latin America, 67 young farm leaders from Latin America received on-farm training in the United States, and studies have been made to determine what specific projects can do most to assist the rural communities of the developing countries to achieve conditions

in which they can sustain further progress by their own efforts.

2. Credit Union National Association FY 1963 \$43,000

Another world-wide cooperative program is being developed by the Credit Union National Association. The global AID-CUNA contract agreement provides for technical assistance to any country in the free world interested in starting a credit union program.

Regional and country programs were initiated in Latin America as early as July 1962. Growth of credit unions since January 1, 1963, has been good. Similar regional and country programs are being considered for the other three regions.

Groundwork was laid for village credit union programs, under contract with CUNA, in Costa Rica, El Salvador, Nicaragua, Guatemala, Honduras and Panama, to be carried out in conjunction with the present Mobile Rural Health Program serving 200 communities in these countries. The credit union program envisions establishment of 600 credit unions throughout the region, which would be combined into a Central American Credit Union Federation. The program would provide seven competent professionals to organize the program, recruit 40 field trainees and Peace Corpsmen, and be projected over a five-year period. The health program, which already utilizes the services of Volunteer Agencies, Food for Peace, AID surplus equipment and food, UNICEF and Peace Corps, may be the basis for developing other community-improvement projects.

3. National League of Insured Savings Associations FY 1963 \$37,700

Savings and loan associations in the United States are furnishing qualified technicians to help establish savings and loan systems in many Latin American countries. These Latin American savings and loan associations help mobilize the savings of local citizens and invest them in funds for home mortgage loans, thus giving more families an opportunity to own their own homes.

Under the present program 40 savings and loan associations have been organized in six Latin American countries. Others will be organized in FY 1964. In Chile and Peru, governmental authority has sanctioned the creation of a central banking institution to charter, supervise, and assist in the development of savings and loan association systems. Programs are also under development in the Dominican Republic, Ecuador, Colombia and Venezuela.

A global contract has been developed with the National League of Insured Savings Associations to coordinate the program and provide technicians for other countries in the free world. During the past year a savings and loan association was established in Addis Ababa, Ethiopia, and keen interest is being shown in other countries in Africa and Southeast Asia in the establishment of savings and loan associations.

The Chilean savings and loan associations are accumulating new savings at a rate of more than \$1 million a month. This is being done despite the rampant inflation in the country. A similar success story is shown by the savings and loan associations in Peru.

The savings and loan programs in Chile and Peru have been assisted by AID and the Inter-American Development Bank (IDB). AID has made available \$11.5 million and IDB \$5 million to Chile on a loan basis. Peru has received \$9.5 million from AID and \$1 million from IDB. Loans of limited size have also been made by the AID and the IDB to the Dominican Republic, Venezuela, Ecuador and Guatemala.

The first Inter-American Savings and Loan Conference was held in Lima, Peru, January 20-25, 1963. It was sponsored by AID, IDB, and the National League of Insured Savings Associations, and brought together 183 savings and loan representatives from 19 countries for a week-long technical discussion on savings and loan problems in the American Republics.

4. National Rural Electric Cooperative Association FY 1963 \$34,600

The National Rural Electric Cooperative Association (NRECA), is a private service organization of approximately 1,000 rural electric cooperatives, public power districts, and public utility districts. Among other responsibilities, NRECA maintains a Management Service Department offering a management training program and has a staff of professional management consultants to work with individual electric systems on their internal operating problems.

Under the broad terms of its contract, NRECA will, through country and regional task orders, carry out a program to help organize and develop cooperative electrification, rural industries, and community facilities in developing countries of the free world. Upon request, NRECA will prepare studies as to the advisability of establishing pilot projects and assist in the development, organization, engineering, construction, and management supervision of pilot

projects.

NRECA will further assist in the training of personnel in administration management and other areas of need for the rural electric development of each country and in participant training in the United States.

A task order has been issued to establish a project coordinator and a secretary in Washington, D. C., to maintain liaison between contractors and AID missions.

5. Foundation for Cooperative Housing FY 1963 \$40,000

The Foundation for Cooperative Housing (FCH) under a world-wide contract developed general guidelines for a program of assistance to be undertaken by AID for the development of cooperative housing. An open-end, inter-regional contract was developed, as a continuation of this project, so that FCH could, upon request, extend its services to regions and missions through task orders to the central contract. Reports of activities under existing task orders are included in the Latin America and Africa-Europe sections of this report.

The services of a full-time project coordinator were made available to this project under a task order issued to the Foundation for Cooperative Housing Co., Inc., a major United States organizer, builder, and manager of cooperative housing projects. This company is a non-profit operating arm of the Foundation for Cooperative Housing.

6. Cooperative League of the USA FY 1963 \$35,000

The Cooperative League of the USA is making its services available in all regions, under an open-end agreement. Through regional and country task orders AID will issue under the agreement, and using regional and mission funds, the League will provide training, technical advice and assistance to cooperatives and federations of cooperatives in the developing countries. The League's experience in overseas activity comes in large part from its having financed and supplied technical know-how for projects in recent years in Asia, Africa, Europe, and Latin America. These activities, plus those using AID and ICA funds, are described in more detail elsewhere in this report.

7. International Cooperative Training Center FY 1963 \$165,000

Established in 1962, the Center has developed a balanced program for training cooperative leaders of developing countries and personnel from the United States preparing for work with cooperatives abroad. The two general types of courses are: a basic course for leaders from several countries, and a short course or workshop tailored to the needs of a particular group. AID and the Peace Corps are working jointly on some of the courses.

Originally sponsored by the Cooperative League of the USA, counsel for the Center is now provided by an advisory committee of 22 cooperative leaders. The Center was established with the assistance of funds from AID.

The courses that were held or are planned for the fiscal year include:

One-week course for Latin American Labor leaders.

Three-week training course for agricultural workers from Uganda and Tanganyika.

One-week course for labor leaders from Brazil.

Sixteen-week cooperative seminar for people selected by AID missions, and includes field trips and visits to cooperatives.

Cooperative training for Peace Corps volunteers.

Four-week training course for rural electric technicians.

Four-week course for foreign training division of the Department of Agriculture's Foreign Agricultural Services.

Two-week program for Latin American farm leaders, following on-the-farm experience.

8. Publications

There is always a need for popular-style leaflets, publications and educational training aids to tell the cooperative story simply and accurately so that it can be understood by people with little or no schooling. AID material includes Rural Cooperatives in the U.S.A., for which a companion piece, Urban Cooperatives in U.S.A., is in outline form; Developing COOPERATIVES Overseas, a leaflet backgrounding the AID program; Food for Peace in Development of Cooperatives, explains how the use of food through Public Law 480 can be used to develop cooperatives, raise the living standards, and create markets for United States products abroad; What is a Co-op containing answers

to many common questions about cooperatives, is in manuscript form, as is a booklet explaining how United States material on cooperatives can be adapted to foreign language use in developing countries.

SUMMARY OF COOPERATIVE PROGRAMS IN REGIONS

LATIN AMERICA

Cooperative Development Program

(FY 1963 - \$4,045,200)

Summary of Cooperative Development Programs, FY 1963

Regional	\$1,806,500
Missions	2,238,700
Total	<u>\$4,045,200</u>

Summary of Regional Cooperative Programs

1. Inter-American Cooperative Finance System	\$ 82,000
2. Credit Union National Association	240,000
3. Rural Electrification	167,000
4. Housing Cooperatives	173,000
5. Development of Free Labor Unions	508,000
6. Aid to the Organization of Cooperatives of America (OCA)	343,000
7. Cooperative Advisory Services	88,000
8. Pilot Food Distribution	12,500
9. Survey of Hemisphere-Wide Cooperative Development	30,000
10. Cooperative and Agricultural Leadership Training	163,000
Total	<u>\$1,806,500</u>

1. Inter-American Cooperative Finance System FY 1963 \$82,000

A contract with the Fund for International Cooperative Development (of the Cooperative League of the USA) to determine the feasibility of and to prepare the detailed organizational plan for an Inter-American Cooperative Finance System. The plan, under current AID review, outlines operating procedures for such a system and its working relationships with future national cooperative financing institutions to be created in Latin American countries.

2. Credit Union National Association FY 1963 \$240,000

Two contracts with CUNA provide assistance in the development of

existing credit unions and the organization of new credit unions. CUNA provides a full range of assistance to assure the establishment of successful organizations. The contracts also provide for the establishment of a training center in Peru for credit union directors, officers, and personnel from all of Latin America.

3. Rural Electrification

FY 1963 \$167,000

a.

FY 1963 \$138,000
(three years)

Contract with NRECA to provide a Latin American representative to coordinate the cooperative rural electrification programs being initiated in Latin America.

b.

FY 1963 \$10,000

Contract with NRECA to provide on-the-job training with major United States electric cooperatives and to hold a management institute for participants as part of their three-months training course.

c.

FY 1963 \$5,000

Contract with NRECA to provide visual and other training aids which can be utilized by rural electrification cooperatives in Latin America

d.

FY 1963 \$14,000

Contract with NRECA for an initial survey of most of the Latin American countries to ascertain the possibilities for rural electrification cooperatives on the basis of the sources of power, cooperative-enabling legislation, technical feasibility of construction, and locally generated interest in electrification.

4. Housing Cooperatives FY 1963 \$173,000
a. FY 1963 \$120,000
A two-year contract with FCH to provide for a Latin (two years)

American representative to coordinate the cooperative housing programs being initiated in Latin America.

b. FY 1963 \$53,000

Research contract with FCH to study and analyze financial and manpower requirements necessary to create a cooperative institution that could build 5,000 housing units per year on a self-sustaining basis, and to determine time required to put such a project on a self-sustaining basis.

5. Development of Free Labor Unions FY 1963 \$508,000

A contract with the AIFLD under which its Social Projects Department provides assistance to Latin American free labor unions in the formation and development of social projects, principally in the field of cooperative housing and credit institutions. The AIFLD has analyzed many proposals of programs to meet the housing needs of workers in Latin America. Two projects are now underway, a housing unit in Honduras under a direct AID loan of \$400,000, and a development in Mexico City, under which the AFL-CIO has made a \$10,000,000 loan with AID guarantee. Project proposals in other Latin American countries are under review.

6. ~~Aid to Organization of the Cooperatives of America~~ FY 1963 \$343,000
(two years)
A two-year contract with CLUSA, effective June 1963, to advise

and give training to local leaders of the newly created Organization of the Cooperatives of America. The initial staff, which will aid development of

the hemisphere-wide organization, will consist of five cooperative technicians. one of which will be an editor.

7. Cooperative Advisory Service FY 1963 \$88,000
(two years)

A two-year contract with CLUSA, effective June 1963, to make regional and mission funded services available to evaluate and recommend persons and firms to serve on contract or other basis on projects of technical assistance to cooperatives in the developing countries.

8. Pilot Food Distribution FY 1963 \$12,500

A feasibility study of Buenos Aires, Argentina; Bogota, Colombia; and Santo Domingo, Dominican Republic to determine which of these cities is best suited for a major pilot food distribution system, and thereby reduce costs and expand services and products available to consumers. A detailed proposal has been submitted by an organization of food handling specialists for two selected cities and is now under AID review.

9. Survey of Hemisphere-Wide Cooperative Development FY 1963 \$30,000

A contract with the Cooperative League of the USA to make a socio-economic survey of Latin America to prepare a plan for cooperative development in Latin America. This study is utilizing the volunteer work of the six commissioners and 130 volunteer members of the organization of Cooperatives of America and other outstanding cooperative leaders in Latin America, and will be completed by mid-summer of 1963.

D. Housing Cooperatives AID Cost (see regional project No. 4)

Part of a regional contract with AIFLD to assist Latin American free trade unions in the development of social projects. The AIFLD advised and assisted the Free Trade Union Federation in making trade union cooperative housing projects eligible for IDB loans, and in having \$12 million from the IDB and Argentine Government earmarked for such purpose.

E. Savings and Loan

To help develop a program for "seed" capital AID loan of \$12,500,000 for a savings and loan association. A \$15 million IDB loan to the Government of Argentina and a private bank for housing cooperatives. This includes a loan for union housing cooperatives. (Note: This figure is one-half of a \$30 million loan to Government of Argentina).

F. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract to assist local and regional Latin American leaders develop the OCA.

G. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CIUSA to evaluate and recommend persons and firms to serve on contracts or other basis on projects of technical assistance to cooperatives in Latin America.

BOLIVIA

Total AID Cost FY 1963 \$211,000

A. Credit Unions AID Cost (see regional project No. 2)

Part of a global program with CUNA for the organization and development of Credit Union and National Federations thereof. Eighty credit unions have been chartered in Bolivia.

B. Rural Electrification FY 1963 \$18,000

A contract with NRECA to provide one man six months to assist in the formation and development of rural electric cooperatives in the Santa Cruz area.

C. Housing Cooperatives FY 1963 \$50,000

A contract with FCH to (a) formulate an over-all cooperative housing plan, (b) develop sources of financing, and (c) develop specific projects.

A contract with AIFLD to investigate workers housing situation. Thirteen proposed union cooperative housing projects studied and Trade Union Demonstration Housing Program, embracing Cooley Fund loans, recommended to spur general Bolivian cooperative housing projects through trade unions.

D. Cooperative and Agricultural Leadership Training AID Cost (see regional project No. 10)

Sixteen Bolivian farm leaders were among the 67 farm leaders in four Latin American countries who were brought to the United States under a contract with NFU for the purpose of developing local community leadership by having them observe the role of cooperatives, agricultural credit agencies and other community activities, which had had a part in the development of United States farm communities. A training team of United States specialists conducted meetings and helped establish the basis for selecting and bringing the young leaders to the United States.

E. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract to assist local and regional Latin American leaders develop the OCA.

F. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CLUSA to evaluate and recommend persons and firms to serve on contracts or other basis on projects of technical assistance to cooperatives in Latin America.

G. Mission Cooperative Staff FY 1963 \$143,000

BRAZIL Total AID Cost FY 1963 \$96,000
(Plus amounts included in regional projects)

A. Credit Unions AID Cost (see regional project No. 2)

Part of a global program with CUNA for the organization and development of credit unions and national federations thereof. Twenty-one credit unions have been chartered in Brazil.

B. Rural Electrification (Northeast) FY 1963 \$20,000

A contract (a) to send a two-man team to the Northeast to survey the possibilities of cooperatively electrifying more than 400 rural communities, and (b) to send one man for six months to establish NRECA's program plan for the first 72 communities.

C. Grain Marketing Cooperatives FY 1963 \$25,000

AID Mission furnishes technical assistance and will consider an AID loan to improve storage and handling methods for 15 local cooperatives. AID loan is estimated at \$400,000.

D. Fishing Cooperatives FY 1963 \$15,000

AID Mission furnishes technical assistance in cold storage management and marketing for a federation of 27 fishing cooperatives. AID loan request for approximately \$200,000 for equipment is anticipated.

E. Agricultural Production Cooperatives FY 1963 \$36,000

AID Mission furnishes technical assistance to 20 production cooperatives with 18,000 members.

F. Organization of the Cooperatives of America AID Cost (see regional project No. 6.)

Part of a contract to assist local and regional Latin American leaders develop the OCA.

G. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CIUSA to evaluate and recommend persons and firms to serve on contracts or other basis on projects of technical assistance to cooperatives in Latin America.

BOLIVIA

Total AID Cost FY 1963 \$170,000
(Plus amounts included in regional projects)

A. Rural Electrification FY 1963 \$10,000

A contract with NRECA for one consultant to oversee the preparation of loan applications from 18 electric cooperatives to enable them to serve all lower-income families in their areas of operation.

B. Housing Cooperatives FY 1963 \$2,500
(Including regional project No. 5)

1. A \$5,000,000 loan by the Social Progress Trust Fund (IDB) to a central bank for cooperative housing.
2. A \$2,000,000 loan by the Social Progress Trust Fund (IDB) to the Chilean Government for PROVIEN, a union-sponsored housing project.
3. \$1,500,000 of P.L. 480 funds provided to the Chilean Government's housing agency, CORVI, for cooperative housing.
4. A portion of the regional contract with the AIFLD to assist free trade unions in the development of social projects. The AIFLD

reviewed seven proposed trade union cooperative housing projects. It will assign financial and credit specialists to help the trade unions prepare feasible low-cost cooperative housing programs and make loan applications.

C. Cooperative and Agricultural Leadership Training FY 1963 \$5,000
(Plus amount in regional project No. 10)

A contract with NFU to bring 14 Chilean rural leaders to the United States as part of a four-country training program in cooperatives, agricultural credit agencies, and other rural institutions, with practical on-farm experience. A team of United States cooperative and training specialists helped establish the basis for bringing the young leaders to the United States.

D. Savings and Loan Associations FY 1963 \$2,500

A contract with one consultant to assist in the implementation of a \$11,500,000 AID loan and grant to the central bank for savings and loan associations. Twenty-two savings and loan associations have been chartered in Chile.

E. Consumer Cooperatives

A loan of \$625,000 by IDB to UNICOOP, a cooperative supermarket, to provide for four cooperative supermarkets and a warehouse.

F. Chilean Institute of Cooperative Education FY 1963 \$100,000
(for three years)

A project for assisting the Chilean cooperative movement in the establishment of a broad-scale cooperative leadership training program.

G. Organization of the Cooperatives of America AID Cost (see regional project No.6)

Part of a contract with CLUSA to assist Latin American leaders develop the OCA.

H. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CLUSA to evaluate and recommend persons and firms to serve on projects of technical assistance to cooperatives in Latin America.

I. Mission Cooperative Staff FY 1963 \$50,000

COLOMBIA

Total AID Cost FY 1963 \$144,500
(Plus amounts included in regional projects)

A. Credit Unions AID Cost (see regional project No. 2)

Part of global program with CUNA for the organization and development of credit unions and national federations thereof. One hundred and sixty-two credit unions have been chartered in Colombia.

B. Rural Electrification FY 1963 \$47,000

Two contracts with NRECA to provide four men to organize three or four rural electric cooperatives and complete engineering studies sufficiently to support loan applications. AID loan requests for \$1,500,000 are under review.

C. Pilot Food Distribution AID Cost (see regional project No. 8)

Part of a three-country contract for preparation for a pilot food distribution project.

D. Housing Cooperatives FY 1963 \$20,000

A contract with FCH to study the Federation of Housing Cooperatives,

to help formulate a cooperative housing program, and to develop specific projects.

The AIFLD will assign specialists to work with Colombian trade unions in preparing feasible housing projects and making loan applications.

E. Savings and Loan Associations FY 1963 \$500

Assistance of one man to prepare and draft savings and loan legislation for Colombia.

F. Fishing Cooperatives FY 1963 \$3,000

A 30-day, one-man survey of the fisheries industry, including a fishing cooperative at Cartagena, for the purpose of formulating a program of assistance to the industry.

G. Cooperative and Agricultural Leadership Training AID Cost (see regional project No. 10)

A team of United States cooperative and training specialists held consultations on development of joint agricultural and farm programs, and helped establish the basis for bringing young farm leaders to the United States:

H. Colombian Association of Cooperatives FY 1963 \$25,000

AID assistance enabled the Association to establish two field offices with technical personnel to provide information and guidance in the organization and operation of cooperatives.

I. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CLUSA to assist Latin American leaders develop the OCA.

J. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CLUSA to evaluate and recommend persons and firms to serve on projects of technical assistance to cooperatives in Latin America.

K. Mission Cooperative Staff FY 1963 \$49,000

COSTA RICA Total AID Cost FY 1963 \$16,000

A. Rural Electrification FY 1963 \$6,000

A contract with NRECA to provide one person to undertake a survey to determine the country's potential for rural electric cooperatives.

B. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CLUSA to assist Latin American leaders develop the OCA.

C. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CLUSA to evaluate and recommend persons and firms to serve on projects of technical assistance to cooperatives in Latin America.

D. Mission Cooperative Staff FY 1963 \$10,000

DOMINICAN REPUBLIC Total AID Cost FY 1963 \$285,500
(Plus amounts included in regional projects)

A. Credit Unions FY 1963 \$99,000

A contract with CUNA to assist in the organization and operation of a credit union movement.

B. Rural Electrification FY 1963 \$3,500

A contract with NRECA to survey the potential for rural electrification.

C. Pilot Food Distribution AID Cost (see regional project No. 8)

Part of a three-country contract for presentation of a plan for a pilot food distribution project.

D. Cooperative Development Administration FY 1963 \$113,000

A contract with the Cooperative Development Administration of the Commonwealth of Puerto Rico to create a cooperative development administration in the Dominican Republic. This will include technical assistance for the analysis and recommendations needed to further the cooperative movement. It will provide for training in the philosophy and management of these cooperatives.

E. Agricultural Cooperatives FY 1963 \$40,000

AID has financed one-half of a contract with the International Development Services for development of cooperatives in new settlements being created under the agrarian reform program.

F. Peace Corps Volunteers FY 1963 No cost

Thirty Peace Corps volunteers trained in cooperative work were assigned to the Dominican Republic in February 1963.

G. Savings and Loan Associations

1. FY 1963 \$5,000

AID provided technical assistance in the preparation of legislation for establishing a National Housing Bank and Savings and Loan Association.

2. FY 1963 No Cost
AID loan of \$2,100,000 to the National Housing Bank to assist in capitalizing the savings and loan association. (\$100,000 of the loan is for contractual technical assistance.)

H. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CIUSA to assist Latin American leaders develop the OCA.

I. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CIUSA to evaluate and recommend persons and firms to serve on projects of technical assistance to cooperatives in Latin America.

J. Mission Cooperative Staff FY 1963 \$25,000

ECUADOR

Total AID Cost FY 1963 \$277,800
(plus amounts included in regional projects)

A. Credit Unions FY 1963 \$22,000

A contract with CUNA for the purpose of organizing and developing credit unions and a federation thereof. Seventy-eight credit unions have been chartered in Ecuador.

B. Rural Electrification FY 1963 \$31,500

Two contracts with NRECA and five people to organize four cooperatives and to complete engineering studies sufficiently to support loan applications.

C. Cooperative Marketing and Credit

Three contracts with the United States cooperative associations to study the feasibility of and to develop plans for pilot cooperatives in (a) small grain marketing cooperative, (b) livestock marketing, slaughter and meat processing cooperatives, and (c) agricultural production credit association.

D. National Cooperative Development Plan FY 1963 \$5,500

A contract with a cooperative specialist to assist in the preparation of a national cooperative development plan.

E. National Cooperative Financing Institution FY 1963 \$25,000

A contract to study the feasibility of the organization and initial management of a national cooperative financing institution.

F. Savings and Loan Association FY 1963 \$53,000

Technicians to assist in implementation of AID "seed" capital of \$5,000,000 for a savings and loan association.

G. Housing Cooperatives

1. FY 1963 \$7,500

A contract with the Foundation for Cooperative Housing to survey the potential for cooperative housing.

2. AID Cost (see regional project No. 5)

Part of a regional contract to assist Latin American free trade unions in the development of social projects. The AIFLD has developed feasibility studies of proposed six trade union cooperative housing projects and assisted in preparing loan applications.

H. Agricultural Credit

A survey team from Texas A & M University reviewed agricultural programs in Ecuador. Establishment of an agricultural credit corporation on cooperative bank principles was recommended by the group.

I. Cooperative Credit FY 1963 \$15,000

An educational program for cooperative leaders and members to improve organizations and management effectiveness is being prepared under AID contract.

J. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CIUSA to assist Latin American leaders develop the OCA.

K. Cooperative Advisory Service AID Cost (see regional project No. 7.)

Part of a contract with CIUSA to evaluate and recommend persons and firms to serve on projects of technical assistance to cooperatives in Latin America.

L. Mission Cooperative Staff FY 1963 \$25,300

EL SALVADOR Total AID Cost FY 1963 \$61,500
(Plus amounts included in regional projects)

A. Credit Unions FY 1963 \$15,000

A contract with CUNA to assist in the organization and operation of a credit union movement..

B. Housing Cooperatives FY 1963 \$4,500

Part of a regional contract with the AIFLD to assist Latin America

free trade unions in the development of social projects. The AIFLD is assisting AID Mission and Federation of Trade Unions of El Salvador to establish the feasibility of a housing cooperative for a low-cost housing program, and to make a \$1,500,000 loan application to be jointly financed by AID, AFL-CIO, the El Salvador Government, and El Salvador Unions. AID share of the loan will be \$400,000.

C. Savings and Loan Associations FY 1963 \$500
One United States contract consultant for advice on savings and loan legislation.

D. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CLUSA to assist Latin America leaders develop the OCA.

E. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CLUSA to evaluate and recommend persons and firms to serve on projects of technical assistance to cooperatives in Latin America.

F. Mission Cooperative Staff FY 1963 \$41,500

GUATEMALA Total AID Cost FY 1963 \$8,000

A. Savings and Loan

An IDB loan for \$2,000,000 (included in a \$5,300,000 loan) from the Social Progress Trust Fund authorized for a savings and loan system.

B. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CLUSA to assist Latin American leaders develop the OCA.

C. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CIUSA to evaluate and recommend persons and firms to serve on contracts or other basis on projects of technical assistance to cooperatives in Latin America.

D. Mission Cooperative Staff FY 1963 \$8,000

HONDURAS Total AID Cost FY 1963 \$26,800

A. Housing Cooperatives

1. FY 1963 \$21,000

A contract with FCH to develop a plan for a bank for housing cooperatives.

2. AID Cost (see regional project No. 5)

A \$400,000 AID loan to TELA Railroad Company Workers Union of the United Fruit Company to finance low-cost 200-unit housing unit. AIFLD prepared the feasibility study and assisted the union in preparing plans and making loan application.

B. Agricultural Marketing and Cooperatives - Personnel Training. FY 1963 \$5,000

C. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CIUSA to assist Latin American leaders develop the OCA.

D. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CIUSA to evaluate and recommend persons and firms to serve on contracts or other basis on projects of technical assistance to cooperatives in Latin America.

C. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CIUSA to evaluate and recommend persons and firms to serve on contracts or other basis on projects of technical assistance to cooperatives in Latin America.

D. Livestock Cooperative FY 1963 \$1,000

E. Mission Cooperative Staff FY 1963 \$25,000

PANAMA Total AID Cost FY 1963 \$6,000

A. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CIUSA to assist Latin American leaders develop the OCA.

B. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CIUSA to evaluate and recommend persons and firms to serve on contracts or other basis on projects of technical assistance to cooperatives in Latin America.

C. Mission Cooperative Staff and Consultant FY 1963 \$6,000

PERU Total AID Cost FY 1963 \$211,000
(Plus amount included in regional projects)

A. Credit Unions AID Cost (see regional project No. 2)

1. Part of a global program with CUNA for the organization and development of credit unions and national federation thereof. Two hundred and thirty credit unions have been chartered in Peru. Under this contract a center is to be established in Peru to train credit union leaders, conduct seminars and hold conferences for all Latin American countries. A Latin American credit union conference with AID assistance is scheduled for FY 1964.

2. A loan for \$1,000,000 by IDB from the Social Progress Trust Fund to establish a central lending fund for credit unions.

B. Agricultural Leadership Training FY 1963 \$6,500
(Plus amount included in project No. 10)

A contract with NFU to bring 18 young Peruvian farm leaders to the United States, as part of a four-nation project, for the purpose of developing local community leadership. The group experienced the impact of cooperatives, agricultural credit agencies and other rural institutions on United States farm communities through studies and on-farm living over a four-month period. A team of United States cooperative and training specialists helped establish the basis for bringing the young leaders to the United States.

C. Rural Electrification FY 1963 \$6,500

A contract with the NRECA to survey the potential for establishing rural electrification cooperatives.

D. National Cooperative Finance Institution FY 1963 \$25,000

A contract with the Fund for International Cooperative Development to survey the feasibility of establishing a national cooperative finance institution.

E. Savings and Loan Associations (Technical assistance funded with FY 62 funds)

1. AID loan of \$7,500,000 to Central Home Loan Bank to establish a savings and loan association system. Fourteen savings and loan associations have been chartered in Peru.

2. AID loan of \$1,000,000 and P.L. 480 loan of \$1,000,000 to private savings and loan associations.

3. Assistance in savings and loan program by 27 Peace Corps volunteers.

F. Housing Cooperatives FY 1963 \$28,000

Contract with FCH to develop housing cooperative techniques. The AIFLD reviewed the trade union cooperative housing situation, visited 15 cooperatives in the Lima region and has prepared the outline for a loan application to create a \$9,000,000 revolving fund to finance a cooperative housing movement in Peru.

G. Transportation Cooperatives FY 1963 \$25,000

Provision of 12 surplus, reconditioned buses.

H. Farm Supply and Marketing Cooperatives FY 1963 \$20,000

Portion of a larger AID-Iowa State University contract for research preliminary to formation of cooperatives in a land resettlement area.

I. National Federation of Cooperatives FY 1963 \$50,000

Provision of two technicians through the Cooperative League of the USA to assist on the formation and development of a national cooperative organization.

J. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CIUSA to assist Latin American leaders develop the OCA.

K. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CIUSA to evaluate and recommend persons and firms to serve on contracts or other basis on projects of technical assistance to cooperatives in Latin America.

L. Mission Cooperative Staff FY 1963 \$50,000

URUGUAY

Total AID Cost FY 1963 \$211,000
(Plus amounts included in regional projects)

A. Credit Unions AID Cost (see regional project No. 2)

Part of a seven-country contract with CUNA for organization and development of credit unions and a national federation thereof.

B. National Federation of Cooperatives FY 1963 \$28,000

A contract to analyze the internal management, financial capacity and proposed projects of the Uruguayan National Federation of Cooperatives (FENACOA).

C. Housing Cooperatives AID Cost (see regional project No. 5)

Part of a regional contract with AIFLD to assist Latin American free trade unions in the development of social projects. AIFLD is assisting in a feasibility study and the preparation of project plans and loan applications. The AFL-CIO would make the loan for 5,280 low cost housing units to be build under the sponsorship of the Uruguayan Trade Union Confederation housing cooperative.

D. Rural Electrification FY 1963 \$6,500

A contract with NRECA to undertake a country survey of rural electric cooperative possibilities.

E. Mutual Savings Bank System FY 1963 \$7,500

A contract to conduct a feasibility study for establishment of a mutual savings bank system.

F. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CIUSA to assist Latin American leaders develop the OCA.

G. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CIUSA to evaluate and recommend persons and firms to serve on contracts or other basis on projects of technical assistance to cooperatives in Latin America.

VENEZUELA

Total AID Cost FY 1963 \$17,000
(Plus amounts included in regional projects)

A. Credit Unions AID Cost (see regional project No. 2)

Part of a global program with CUNA for the organization and development of credit unions and national federations thereof. Sixty-two credit unions have been chartered in Venezuela.

B. Cooperative and Agricultural Leadership Training AID Cost (see regional Project No. 10)

Part of a four country contract with NFU for developing community leadership among farm people in Latin America. Nineteen Venezuelan farm leaders were included in the team of 67 persons who underwent a four-month training in the role of cooperatives, agricultural credit agencies and other rural institutions which have contributed to the development of farm communities. The training included practical on-farm living. A team of United States cooperative and training specialists helped establish the basis for bringing the young farm leaders to the United States, and in the process developed training workshops in Venezuela.

C. Savings and Loan Associations FY 1963 \$3,000

AID \$10,000,000 loan to provide "seed capital" for a national savings and loan system and a consultant to help implement the loan.

D. Housing Cooperatives FY 1963 \$12,000

A contract with FCH to survey the possibility of developing a cooperative housing program. The AIFLD made a study of the role of labor in the cooperative movement, particularly in housing and credit, to devise a manner to provide assistance.

E. Rural Electrification FY 1963 \$3,000

Training of local personnel for rural electrification organizations.

F. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CLUSA to assist Latin American leaders develop the OCA.

G. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CLUSA to evaluate and recommend persons and firms to serve on contracts or other basis on projects of technical assistance to cooperatives in Latin America.

REGIONAL OPERATIONS OF CENTRAL AMERICA AND PANAMA (ROCAP) Total AID Cost
FY 1963 \$474,000

A. Housing Cooperatives FY 1963 \$62,000

Survey of the feasibility of establishing a Central American cooperative housing institute and the development of outlines for such an institution.

B. Credit Unions FY 1963 \$412,000

Contract to provide for the development of credit union program in ROCAP countries, including organization of local credit unions and a credit union federation.

JAMAICA

Total AID Cost FY 1963 \$83,600
(Plus amounts included in regional projects)

A. Housing Cooperatives

1. AID Cost (see regional project No. 5)

Contract with AIFLD: (a) to explore feasibility of establishing a trade union-sponsored cooperative low-housing project based on revolving capital, using workers' savings through a national housing cooperative; (b) to study possible external sources of financing a national housing cooperative; and (c) to examine the feasibility of employing modern low-cost construction methods to Jamaica, to examine the possibility of more rational use of indigenous building materials and labor, and to examine land costs and utilization.

2. Personnel training. FY 1963 \$6,000

B. Savings and Loan Associations FY 1963 \$18,600

A survey of available mortgage funds for construction of low-cost housing with recommendations to GOJ on proposed establishment of a government sponsored and operated savings and loan association.

C. Agricultural Credit

1. FY 1963 \$14,000

Contract for a survey of agricultural credit facilities, including streamlining operations of Agricultural Credit Board which regulates the 117 Peoples' Cooperative Banks, and establishing a Jamaican Bank for cooperatives to provide credit to agricultural cooperatives, societies, and credit unions.

2. FY 1963 \$20,000
Provide advice to Agricultural Credit Board in development and presentation of agricultural credit education and training, particularly in credit principles, time saving office work, and membership education.

D. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CLUSA to assist Latin American leaders develop the OCA.

E. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CLUSA to evaluate and recommend persons and firms to serve on contracts or other basis on projects of technical assistance to cooperatives in Latin America.

F. Mission Cooperative Staff FY 1963 \$25,000

TRINIDAD Total AID Cost FY 1963 \$26,000

A. Training of Cooperative Personnel FY 1963 \$26,000

B. Organization of the Cooperatives of America AID Cost (see regional project No. 6)

Part of a contract with CLUSA to assist Latin American leaders develop the OCA.

C. Cooperative Advisory Service AID Cost (see regional project No. 7)

Part of a contract with CLUSA to evaluate and recommend persons and firms to serve on contracts or other basis on projects of technical assistance to cooperatives in Latin America.

AFRICA-EUROPE

Cooperative Development Program

(FY 1963 - \$1,627,438)

Summary of Cooperative Development Programs, FY 1963

Regional	\$ 222,000
Missions	<u>1,405,438</u>
Total	\$1,627,438

REGIONAL

1. Development of Cooperative Leadership FY 1963 \$120,000

There are many agricultural cooperatives in Africa, but few are managed by Africans. With Africans required to take over responsible positions vacated by Europeans, a cooperative training program has become imperative.

As a pilot project, training schools have been established in Uganda and Dahomey to develop cooperative managerial staffs and farm leaders. The contract for this project with NFU utilizes the resources of the International Federation of Agricultural Producers (IFAP) as the source of personnel. The pilot operation in Uganda has three technicians. The one in Dahomey will operate with one technician. A total of \$240,000 has been obligated by AID since the project's initiation in 1962.

2. Cooperative Housing FY 1963 \$60,000

In order to implement Section 601 of the Foreign Assistance Act, which directs AID to "encourage the development and use of cooperatives....," a contract was entered into with the Foundation for Cooperative Housing, as detailed elsewhere in this report. A task order under this contract provides

for a team of cooperative housing experts to visit a number of African countries to determine the feasibility for the establishment of a pilot cooperative housing project. Six countries (Libya, Sudan, Kenya, Nyasaland, Gabon and the Cameroun) requested the team's services and initial reports indicate that pilot projects may be developed in Gabon, the Cameroun, and possibly Kenya.

3. Training of Tunisian Trade Union Cooperative Leaders FY 1963 \$42,000

This regionally funded project provides consultation and training, initially for Tunisian trade union cooperative leaders, on the development of better methods of organization and administration of cooperatives. Purpose of the project is to increase the cooperatives' effectiveness as democratic peoples' organizations, to assist in their expansion into additional economic sectors, and to develop common cooperative interests and the exchange of techniques. The project will emphasize consumer services, transportation, fishing, credit, construction and garment making cooperatives.

MISSIONS

<u>NIGERIA</u>	<u>Total AID Cost FY 1963</u>	<u>\$66,000</u>
A. Agricultural Credit and Cooperatives	FY 1963	\$36,000

Over-all assistance was started in 1959. Assistance involved a two-year technician and three consultants, each for three months. In addition, three participants have been trained. Total AID cost through FY 1962 was \$124,000. The FY 1963 program involves one direct-hire technician

and three participants. The emphasis now is on personnel training. Two more technicians are called for in FY 1964 to assist farmers cooperatives in marketing, credit and consumer fields. The cost of the total program of agricultural credit and cooperatives, past and projected, is calculated to cost the Nigerian Government \$27,423,000, of which AID may provide \$577,000, mostly for technical assistance.

B. Agricultural Supervisory Services FY 1963 \$5,000

The agricultural economist and extension advisors in this project work with the Central Government officials to help develop the agricultural economy through the use of cooperatives in credit and marketing.

C. Fisheries Development FY 1963 \$20,000

AID is assisting the Western Nigerian Cooperative Fishermen's Association in improving boats and gear for in-shore fishing. Thirty-five demonstration boats, outfitted with outboard motors, will be maintained by a boat gear and engine repair shop in Epe. New boats and gear will probably enable fishermen to increase their catch by 150 percent. One specialist assists in organizing the fleet and a second specialist works with transportation and marketing problems.

D. Agricultural Production & Distribution, Eastern Region FY 1963 \$5,000

The principal activity in this project is the organization of cooperatives to furnish production supplies to farmers, with emphasis on fertilizers, insecticides, fungicides, animal feeds and seeds and small tools.

GHANA

Total AID Cost FY 1963 \$90,000

A. Agricultural Extension

FY 1963 \$60,000

AID technicians have been advising the Ministry of Agriculture in Accra on national level policies in the field of cooperatives. Cooperatives are a part of the extension program. Cooperative growers of citrus, mango, avocado and cashew, who have planted 6,000 acres to these crops were given valuable technical assistance. Eighty farmers' cooperatives planted 5,000 acres of rubber as the result of technical advice by AID technicians, and the importation of improved planting stock. Seedlings are now grown in six nurseries and the GOG aims to have 35,000 acres planted in rubber by 1970. Cooperatives that grow and process kenaf have started similar activities. Advice and assistance was given to 51 farmers' groups engaged in cooperatively marketing their products.

B. Land Use and Water Development

FY 1963 \$20,000

Assisted the United Ghana Farmer Cooperative in the development of new irrigation areas in the lower Volta flood plain by advising on organization and irrigation principles and practices.

C. Farm Mechanization Training Centers

FY 1963 \$10,000

Three farm mechanization centers were equipped with \$475,000 worth of machinery and supplies purchased with FY 1962 funds. Tractor operators, workshop mechanics and heavy equipment operators from the cooperatives will be trained at these centers.

LIBYA

Agricultural Credit & Cooperatives FY 1963 \$4,000

AID helped develop and train a staff to handle agricultural credit procedures for the National Bank of Libya, by providing training in agricultural loan processing and servicing of individual farmers and farm cooperatives.

SIERRA LEONE

Agricultural Extension and Training FY 1963 \$3,460

To provide fourteen weeks training in agricultural cooperatives for one Sierra Leonean from the cooperative department of the Government of Sierra Leone.

MOROCCO

FY 1963 \$28,000

The Government of Morocco's central, autonomous agricultural credit bank, Caisse Nationale de Credit Agricole (CNCA), officially began operation in October 1962. This bank is charged with the responsibility for developing a national agricultural credit policy, mobilizing necessary financial resources, and directing the flow of funds into the various agricultural regions of the country. The same credit officers will serve cooperative associations, to be organized in a later phase for handling farm supplies, for warehousing, processing, and for marketing farm commodities. A cooperative credit advisor works with this bank to assist in the development of a sound credit program, and to suggest and provide guidance on organization and staffing.

Four participants will study for three months in the United States.

TUNISIA

FY 1963 \$51,000

Agricultural credit and cooperative activities are a part of the project to stimulate agricultural production. The primary purpose of the credit activities is to help establish and implement a sound agricultural credit system through the National Agricultural Bank (BNA) and its loan office. The Government requested assistance to train personnel in the bank organization and others who will develop the cooperative program.

The NFU conducted a survey on cooperative training and educational procedures for AID, and made recommendations on facilities required for carrying out such a program. A rural credit consultant has advised on agricultural banking administration.

Eight Tunisian participants in agricultural credit and cooperative management will attend the Cooperative Training Institute at Madison, Wisconsin.

CAMEROUN

FY 1963 \$7,200

Cooperative training is being provided under the "Manpower Training" project, designed to assist key personnel in the field of agriculture. Agriculture cooperatives are already established in West Cameroun, and the Government, which registers and controls all cooperatives, is strengthening and expanding the movement. There are marketing, producer, processing and credit cooperatives, but at present there is the lack of trained leadership to carry out the cooperative marketing and processing programs.

Participant training will be provided for two persons at the Cooperative Training Center in the United States.

REPUBLIC OF CONGO (Leopoldville) FY 1963 \$48,500

Government Administration Training

With the departure of the Belgians the responsibility for operating the cooperatives passed to Congolese with little or no experience. Consequently, the cooperatives no longer serve an important function in the processing and marketing of agricultural commodities. Absence in the Government of personnel trained for managerial, policy and technical positions makes this one of the more important administrative problems facing the Congo. AID has been working closely with United Nations and other agencies attempting to solve the technical problems relating to training personnel in key agricultural fields. A consultant on temporary duty has planned a redevelopment program for cooperatives. Part of the program will put 10 participants through a four-month training course in cooperatives and agricultural credit.

TOGO FY 1963 \$16,000

Agricultural credit and cooperative activities are part of the rural development project. AID is extending technical advice to the Government, which is establishing a National Rural Development Service. Togo has legislation covering organization and operation of specialized cooperatives and credit agencies for agriculture. Funds for cooperatives and agricultural credit are provided by French assistance and the Togolese Govern-

ment. Cooperatives are operating to improve coffee, cocoa and palm oil marketing and production. Credit and consumer cooperatives now in operation lack good management and member understanding.

A cooperative consultant on temporary duty has advised AID and the Togo Government regarding the type of program needed. One participant on agricultural cooperatives will study in the United States.

CONGO REPUBLIC (Brazzaville)

FY 1963 \$30,000

Three pilot agricultural development, demonstration and training centers, one at Makova and two in the Niari Valley, will be established to encourage better agricultural production. It will be necessary to establish simultaneously a corps of trained Congolese to carry on extension service activity to make the experiment more effective.

The National Development Bank of Congo was authorized in 1961 to engage in any operation offering adequate guarantees of financial stability, including agriculture, stock breeding, fishing, and development of the cooperatives.

Seven Congolese will receive an 18-month training in agricultural credit and cooperatives in the United States

IVORY COAST

FY 1963 \$4,000

Agricultural Credit and Cooperatives

The Caisse Nationale de Credit Agricole was founded in 1959 to provide credit for agricultural cooperatives, plantations, fisheries and related processing industries. The Director of the Bank will receive 18 weeks training in the United States to study banking methods.

DAHOMEY

FY 1963 \$32,000

How to increase agricultural production by expanding agricultural settlement and production cooperatives, and improving practices of existing cooperatives. Emphasis will be given to organizational aspects of cooperatives. Assistance will be given in organizing seminars for key cooperative personnel.

A regional project, "Development of Cooperative Leadership," has been carried out under contract with NFU which has provided a technician to develop the training program and assist in organizing seminars for key cooperative personnel. One participant will be selected to receive training in cooperative program development in the United States.

TANGANYIKA

Total AID Cost FY 1963 \$67,000

A. Agricultural Credit

FY 1963 \$50,000

Program to strengthen and develop two principal agricultural credit institutions, the Cooperative Bank of Tanganyika and the Agricultural Credit Agency. The object is to assure that they become permanent public agricultural credit institutions, equipped to meet the credit needs of Tanganyika's cooperative and livestock producers. One United States technician is assisting.

B. Dairy Production, Processing and Distribution

FY 1963 \$17,000

Two participants, one in the field of dairy processing and marketing and the other in agricultural cooperatives, are in training.

NYASALAND

FY 1963 \$20,000

A program to develop agricultural credit needs, establish an agricultural credit institution, train a local staff, and establish an agricultural cooperative organization sufficient to supply most of the marketing and credit needs of cash-crop farmers. Two consultants are assisting.

KENYA

Total AID cost FY 1963 \$170,000

A. Agricultural Cooperatives and Marketing

FY 1963 \$145,000

A program to increase African cash markets by further development of agricultural cooperatives and marketing institutions, by increasing the supervision and training of cooperative officials, expanding the East African School of Cooperation to a capacity for teaching 100 graduates, and by establishing a Department of Cooperatives in the Ministry of Agriculture.

Eight participants, one technician, and commodities for the training center, are the elements of these projects.

B. Agricultural Credit

FY 1963 \$25,000

A program to establish a supervised institutional credit system to provide supervision to the African farmers who need limited credit. One technician and three participants.

UGANDA

FY 1963 \$495,000

Agricultural Development

This project, under contract with NFU, is to train cooperative personnel, assist in establishing a cooperative bank, expand the cooperative

movement, establish cooperative machinery centers, and to develop a program to cooperatively market such minor crops as ground nuts, maize and castor beans. Three specialists, one in cooperative management, one in cooperative education and one in cooperative field service, are working with the AID staff, the Uganda Government, local cooperative leaders and local participants in setting up training centers and program development.

ZANZIBAR FY 1963 \$5,000

Agricultural Credit and Cooperatives

Part of a program to assist in training for public service, with a participant from the Agricultural Ministry spending six months studying cooperative and credit institutions in the United States and Puerto Rico.

ETHIOPIA Total AID Cost FY 1963 \$47,000

A. Agricultural Education, Research, and Extension FY 1963 \$17,000

One phase of the project provides for participant training for two Ethiopians in the United States, to obtain a Masters Degree in Agricultural Economics, with emphasis on marketing and land economics. The participants will return to Ethiopia to teach in the nation's college of agriculture.

B. Low Cost Urban Housing FY 1963 \$30,000

This project is being implemented through the establishment of the Imperial Savings and Home Ownership Association, similar in many respects to a United States savings and loan association. In February 1963, the Association had over 300 depositors and savings of approximately \$95,000, and anticipated it would start lending operations in the spring of 1963.

NEAR EAST - SOUTH ASIA
Cooperative Development Program
(FY 1963 - \$2,077,000)

NEPAL Total AID Cost FY 1963 \$190,000

Project Description

Agriculture	(\$ 45,000
Credit and Cooperatives		145,000

The program to develop cooperative credit in agriculture has made slow but certain progress. Basic cooperative legislation was enacted in 1959. Over 500 cooperatives have been registered, and 15,000 persons have a paid-up share stock value in these cooperatives of more than \$130,000. Steps are being taken to organize an agricultural bank with the technical assistance of AID. ~~One technician and one consultant~~ are being recruited for this project.

TURKEY Total AID Cost FY 1963 \$115,000

Project Description

Agricultural Credit & Cooperatives	\$55,000
Agricultural Marketing	60,000

The cooperative programs, both credit and marketing, have made considerable progress, even though Turkey does not emphasize cooperatives as a way of servicing farmers and other groups, as do most of the countries in that region. ~~Credit and marketing activities usually are~~ conducted on an individual basis. One United States technician is on

this project and one technician and one consultant are being recruited.

IRAN

Total AID Cost FY 1963 \$66,000

Project Description

Land reform is creating an increased need for credit, marketing, supply, and irrigation services to farmers in rural villages. The United States assistance has helped the Iranian agricultural bank expand the number of cooperatives from 920 to 2,000, and membership from 288,000 to 500,000 in the past few years. The loans to cooperatives increased from \$4,800,000 to \$7,700,000 in the same time. One technician devotes full time to cooperatives, another is being recruited, and seven other technicians devote approximately one-fourth time to cooperatives.

JORDAN

Total AID Cost FY 1963 \$1,046,000

Project Description

Agricultural Credit	\$ 76,000
Cooperative Societies	420,000
Cooperative Marketing Centers	550,000
Livestock Feeding Centers	
Cooperative Canning Unit	
Cooperative Dairy Facilities	

Sizeable budgets and technical assistance have been programmed for FY 1964 to assist the Jordan Government develop cooperative marketing centers, livestock feeding centers, canning units, agricultural credit and cooperative societies. One technician has devoted full time to cooperatives, assisted by one consultant.

INDIA

Total AID Cost FY 1963 \$645,000

Project Description

Poultry Projects	\$211,000
Dairy Projects	434,000

Indirect support to many Indian cooperative activities is given by the AID field staff. None of the AID staff classifies as a cooperative technician, but poultry and dairy advisors have given almost full time for the past four years to helping develop cooperative poultry and milk projects.

PAKISTAN

Total AID Cost FY 1963 \$5,000

Project Description

Two cooperative credit technicians are being recruited for FY 1964, The present extension director, however, has given substantial assistance to the cooperative program in East Pakistan, and the extension technician assisted in the organization of a cooperative for supplying irrigation pumps.

EGYPT

Total AID Cost FY 1963 \$5,000

Project Description

AID has no formal cooperative project in Egypt. Assistance is given to cooperatives, however, by technicians of other projects. Cooperatives are an important source of service in EROS, a reclamation, irrigation and resettlement project, which currently has 3,800 families with a potential capacity for 7,800 families. The community development technician provided advice and assistance to this program.

FAR EAST

Cooperative Development Program

(FY 1963 - \$717,000)

CAMBODIA

FY 1963

\$106,000 (estimated)

Project Description

The project for the development of agricultural cooperatives and production credit is designed to establish an improved and effective multi-purpose cooperative system. Two United States advisers, one in agricultural cooperatives and credit, and the other in agricultural economics and marketing, assist with the program. The project involves five major activities.

1. To increase the effectiveness of the Royal Office of Cooperatives by FY 1963 by training of administration and sub-administrative level officials through participant training, in-service training, and workshops.

2. Development of agricultural demonstration program and information service for cooperative members by FY 1965.

3. Development of multi-purpose cooperatives.

4. The provision of low-cost credit to 65,000 farmers within 30 cooperatives by FY 1964.

5. The facilitating of marketing of agricultural products through orderly marketing processes by FY 1965 for 8,000 cooperative farmers.

CHINA

FY 1963 Estimated subproject cost \$30,000

Project Description

Chinese cooperative activities are largely in agriculture and fisheries, and comprise a major project of the Joint Commission for Rural Reconstruction. Currently about 340 farmers' associations are administered by farmers themselves. These multi-purpose cooperatives engage in cooperative marketing and processing of farm products, purchasing of farm supplies, and sponsoring of agricultural extension service, and various rural welfare services. Financial and technical assistance on management and marketing is also given to about 70 fishermen's associations. One agricultural credit advisor supports this project.

INDONESIA

No funds budgeted in Country Program Book

Project Description

Cooperative activities under the PEKA Railway Workers' Union are still in operation, but currently no further assistance for these activities is programmed. The country's cooperative activities involve rice milling, cloth manufacture and shoe production.

KOREA

FY 1963 Projected Budget \$39,600

In Korea the cooperative program involves not only general cooperative activities but also agricultural credit and rural banking facilities. With the development of the National Agricultural Cooperative Federation (NACF) under the Agricultural Cooperative Act of 1961, which provides for the merging of the agricultural credit bank and the agricultural cooperative credit system, there has been improved efficiency, standardized lending practices and greater availability of farm credit

in local areas. The Korean Government established a Cooperative Training Institute in an effort to develop cooperative leaders. The NACF membership consists of 140 multi-purpose country cooperatives, 113 special purpose cooperatives, and 21,000 village cooperatives.

Fisheries cooperatives, formerly called guilds, serve fishermen in obtaining supplies and services, in marketing, and in credit financing of the industry.

The United States assistance in the fields of cooperatives and credit is provided by one agricultural cooperative advisor (accounting), an agricultural credit advisor (banking), and limited assistance by the agricultural economist assigned to the Mission.

PHILIPPINES

FY 1963 Projected Budget \$80,000 (Est.)

Project Description

The agricultural credit and cooperative project provides for activities directed to the development and strengthening of agricultural cooperatives in the Philippines. Currently the Philippine Government, with AID assistance, is reviewing the National Agricultural Cooperative Program, which may result in a reorganization of Philippine agricultural, credit and cooperative institutions, as well as a re-orientation of the cooperative program. Training is being given top priority, and plans for providing adequate funding for operations and loan purposes are being developed. One agricultural credit cooperative advisor supports the project, with assistance from the agricultural education advisor.

THAILAND

FY 1963 Projected Budget \$140,000 (estimated)

Project Description
Project Descr

The agricultural credit and marketing project is concerned with the development of cooperatives, credit, and marketing facilities. Through this project, assistance will continue to the Cooperative Training Center in Bangkok to 2,000 officials, including cooperative managers and farm leaders. Although legislation was prepared with USOM help for the establishment of a national agricultural credit system, final cabinet action has not yet been taken. The project also proposes to establish a large pilot farm credit cooperative in the strategic northeast area to demonstrate supervised credit methods and practices. This cooperative plans to enroll 1,000 farmers, and to establish two large pilot marketing cooperatives to handle the principal agricultural products of the northeast area. Eight field demonstration projects are in operation, providing production loans to farmers.

VIETNAM

FY 1963 Projected Budget \$322,000 (estimated)

Project Description

The agricultural cooperative and credit program in Vietnam has been curtailed because of security reasons. Instead of operating country-wide, efforts are now concentrated on assisting in the coordination of cooperative and credit facilities as an aid to stabilizing the village economy. The program is designed (1) to expand the training program of the Cooperative Research and Training Center in cooperative marketing and finance, and (2) to expand and upgrade the facilities of the cooperative structure to more adequately service the needs of farmers, including

including establishment of 50 additional National Agricultural Credit Offices and the improvement of facilities of the 48 pilot Farmers' Associations. Since 1954, 263 cooperatives have been established. The Farmers' Association, initiated in 1958, has organized 97 district associations. The Cooperative Research and Training Center, established in 1959, has trained 7,644 participants. Three United States technicians, and a contract group of seven Chinese technicians from Taiwan, serve as advisors to the Vietnamese on cooperative and credit programs.

OTHER AID COOPERATIVE PROGRAMS

AND

RELATED ACTIVITIES

1. Food for Peace and Cooperatives

Under the authorization of P.L. 480, Title II, Section 202, agricultural commodities are available for economic development in AID assisted countries.

Many cooperative activities lend themselves to development through Food for Peace assistance, and the following examples suggest their range and scope.

The Pandorama Colonization Project

This is a Korean agricultural production cooperative serving about 430 families living on 34,000 hectares of land. The number of families is expected to increase by 200 per year for the next five years, until the colony has approximately 1,500 families on the land.

Five small community centers will be established from which Food for Peace commodities will be issued. Basic foods will be flour, corn meal, bulgar, non-fat dry milk and vegetable oils. Each family will be allowed a daily ration of 2,000 grams. Non-surplus foods available under Title II will be bought for cash realized from the sale of surplus foods. Settlers will pay for their food by deductions from the sale of crops. The money so realized will be set aside to help other settlers and to build community institutions.

Various types of cooperatives will serve the settlers, including

joint production, marketing, processing, supply, credit, banking plus debit-credit exchanges and credit unions.

The basic policies for the project will be determined by a committee composed of the Director of the United States Department of Agriculture, or his representative, a representative of the Department of Agriculture of Korea, and the Korean Director of Catholic Relief Services (CRS).

Vietnam Livestock Feed-Grain Program

The Vietnam Livestock Feed-Grain Program under P.L. 480, Title II, Section 202, besides being an extensive hog-feeding cooperative, is also an AID counter-insurgency grant. The project will assist strategically selected families from among the farms within the strategic hamlets in the west central coastal province of Vietnam. The initial experiment will involve several hundred farmers, but eventually may be expanded to embrace many thousands of farm families.

The present plan calls for a five-year program. In the first year AID will provide the families with 21,000 metric tons of corn. Each family will be furnished with a predetermined amount of corn in the form of mixed animal feed, with minerals and vitamins which go into these feeds to be processed at mills set up by the Agricultural Experimental School in Saigon.

In addition to feed grains, each farm family will be furnished with eight bags of cement which will be used in the construction of a pig sty and compost pit. The family will provide supplemental material and do the work, and the cost will be financed under a long-term loan. In addition,

each family will receive three suckling pigs, one a female of improved breeding stock and two market pigs.

The management of the project will be under the Commissariat General for Cooperatives and Agricultural Credit (CGCAC) working through some 100 cooperative associations. The cooperatives will warehouse, sell and distribute the grain. This program will be supervised by Vietnam and AID technicians.

The Cheju-do Island Cooperative Hog Feeding Project

This project is a joint Food for Peace and Voluntary Organization undertaking. Basically a Korean resettlement colony, it will be operated as a production cooperative, and management in the beginning will be under a contract with Catholic Relief Services (CRS), the voluntary organization. The new land that will be developed and the improvements will become the property of the settlers on long-term contracts purchased under favorable credit terms.

The project aims are basically: (1) to increase production of feed grains and hogs for market, as well as to breed hogs on present unarable land; (2) to reclaim in five years 20,000 acres of land through management, cultivation and fertilization. CRS, as sponsor, will be responsible for carrying out the commitments.

United States agricultural surpluses will be made available under Title II, Subtitle 202, and sold at less than the market price in the first year, and then stepped up until the market price is reached in five years.

Ownership of capital assets, in the form of funds, equipment, supplies and real estate, will be in the custody of the CRS during the transition

period. During this period the CRS will undertake to train and organize a complement of participating members to take over the project's assets.

Jada Association Project, West Pakistan

This land resettlement project in the Indus Valley basin is for 600 Christian refugee families living in Karachi slums. During resettlement, 6,000 people were fed under Title III, and AID advised on obtaining AID excess property and on developing cooperatives.

Multiple Assistance of Several Organizations

The El Farallon Fishing Cooperative serves the fishermen at El Farallon and El Hido, Panama. It was set up as a joint-venture effort to help the fishermen of this area build more seaworthy boats. This required establishing an assembly factory to build boats and other equipment, and buying lumber for the boats as well as fishing equipment and a refrigeration truck.

Approximately \$90,000 has been invested in these cooperative facilities, through AID, CARE, the Panamanian Government, and a local welfare organization, the National Association for Economic Development (NAEC). The project also received support from two United States business organizations working through CARE. The Outboard Marine Corporation of New York donated the outboard motors needed for the new boats and the employees of Nationwide Insurance Companies of Columbus, Ohio, contributed \$15,000 to the cooperative.

2. Peace Corps

AID and Peace Corps have much in common regarding their over-all objectives in assisting cooperatives in the developing countries. They are

easily made complementary, but should not be overlapping or duplicating. To assure this the two agencies issued a joint statement of common objectives and methods for achieving them.

The basic nature of these joint contacts is illustrated in the following excerpt from a report by a Peace Corps volunteer sponsored by the National Farmers Union:

"The cooperative movement with the assistance of the Alliance for Progress could very well save South America from communism. The fact that something must be done to improve the living standards of the people and thereby prevent communism has become so obvious that all of the businessmen in the Santa Cruz area (Bolivia) are supporting many different types of cooperatives in the area that has been almost completely isolated until recent years due to vast mountain ranges, great forests and wide rivers. The area surrounding Santa Cruz is vast and has a rich agricultural productive possibility. It is like a sleeping giant, it takes a shot in the arm to awaken it."

3. Inter-American Development Bank

Housing Cooperatives

Argentina

The Inter-American Development Bank (IDB) loan of \$30,000,000 will be matched by an additional \$30,000,000 from Argentina. Of the grand total of \$60,000,000, \$30,000,000 will be available to finance housing built through authentic housing cooperatives, and of this total \$12,000,000 will be for

housing cooperatives made up of trade union members. Technical assistance will continue to be provided to assure that the cooperative program will achieve its full objective.

Bolivia

The IDB loan of \$4,000,000 will be augmented with a contribution from Bolivian sources of \$1,429,000. Approximately 70% of the total proceeds will be utilized for housing cooperatives or the Bolivian variation of housing cooperatives. Technical assistance has been contributed and will be available for at least one year to carry out this facet of the program.

Chile

An IDB loan of \$5,000,000 to the Chilean Savings and Loan System for use by authentic housing cooperatives. The Chilean system is sufficiently sophisticated so that no technical assistance is required.

Ecuador

The IDB loan of \$5,010,000 will be increased by \$800,000 as a local contribution, and will result in the construction of 7,600 homes and the rehabilitation of an additional 1,500. Of this total, 1,000 new homes will be authentic housing cooperatives, which will contribute no less than 20% of the total cost of each unit. Technical assistance in connection with the organization and administration of the housing cooperatives will be provided.

Peru

An IDB loan of \$1,000,000 has been made to the "Mutual El Pueblo," a cooperative, non-profit savings and loan association under the direction of an American priest, Father Daniel MacLellan. No technical assistance is being provided for this program.

Agricultural and Consumer Cooperatives

Brazil

Finance Rural Cooperatives. The application of SUDENE (Agency for Development of Northeast Brazil) for a \$2,000,000 loan is being processed. The purpose of this loan is to establish and finance rural cooperatives which will furnish various types of services needed by low-income rural families in Northeast Brazil.

Chile

Supervised Agricultural Credit. The \$10,000,000 loan for supervised credit in Chile will be used to finance low-income farm families and their cooperatives. Most of the cooperatives will be new organizations and arrangements have been made to furnish technical assistance for their organization and administration. A cooperative expert will be employed for a minimum of two years of this phase of the project.

Colonization. A provision in the \$8,600,000 loan for colonization in Chile requires that technical assistance be provided in the organization and administration of cooperative service organizations for settlers. An expert in agricultural cooperatives will be engaged for a minimum of two years to train the staff in organizing and developing such cooperatives.

Cooperative Marketing. The \$600,000 loan to the Central Consumer Cooperative in Santiago is designed to demonstrate the possibilities of increasing and improving the marketing facilities for low-income farmers by having retail consumer outlets purchase directly from their cooperatives. The consumer markets are mostly in the low and medium income urban areas. The former cooperative marketing processing associations, being organized in relation with two preceding loans, will have these retail outlets in consumer centers. IDB is making a grant of \$45,000 to help finance technical assistance required to get this marketing system well established.

Costa Rica

Production, Processing and Marketing Cooperatives. A loan of \$1,000,000 has been approved to finance new and existing cooperatives which develop the production, processing or marketing of products of agriculture and fishing. The borrower, Banco Nacional de Costa Rica, through its Cooperative Development Department, is responsible for the organization, supervision, and financing of cooperatives. It has an experienced and capable staff to perform this work.

El Salvador

Agricultural Credit. The first agricultural loan made by IDB from Social Progress Trust Funds was approved in August 1961 to

Federacion de Cajas de Credito Rural de EL Salvador, a cooperative system that supervises and finances 32 cooperative lending institutions. This \$2,000,000 loan was to increase the loanable funds of this cooperative system which at that time had more than 24,000 farmer-members. The Federacion is responsible for the organization of rural cooperatives.

Paraguay

Agricultural Cooperatives: The financing of agricultural cooperatives is authorized by the terms of a loan of \$2,900,000 which is to finance the requirements of low-income farmers. Technicians have been selected to assist in getting the project underway.

Peru

Credit Unions. The \$1,000,000 loan to the Central Credit Union is being disbursed to finance local credit unions, which re-loan to their low-income members. Through a technical assistance grant by IDB, the Chief Auditor of the Central Credit Union received special training in the offices of the United States Federal Bureau of Credit Unions, and is now training a staff to supervise and assist local credit unions to function effectively. As a consequence a much larger number of low-income families will be able to receive credit union services.

4. Organization of the Cooperatives in America

Cooperative delegates from 16 North American and Latin American

countries met in Montevideo, Uruguay, in February 1963, to form the Organization of the Cooperatives in America. The objectives of this organization include: dissemination of cooperative information, arranging of technical assistance for members, social and cultural interchange between countries, and correlating of the cooperative laws between countries. It will endeavor to promote closer unity among cooperatives of all countries, the development of new cooperatives and auxiliary institutions, and ultimately some form of an Inter-American Cooperative Association for commercial activity. It also will endeavor to establish cooperative education centers in the various countries in the Americas, and encourage closer relations with other international cooperative bodies, including the International Cooperative Alliance.

For the first two years the organization's headquarters will be in San Juan, Puerto Rico, and then in Santiago, Chile, for the next two years. Members of the Organization of the Cooperatives in America will then select a permanent headquarters. The activities of the organization will be directed by a board of directors of 11 members.

AID encouraged the establishing of the organization and its representatives participated in the proceedings in an advisory capacity.

Looking Ahead

Plans are to continue the general direction of the program begun, and to make some expansion. Official liaison has been established with the four regional bureaus, and the Offices of Education and Social Development, and Research, Evaluation and Planning in AID. Thus, approved channels are established for ready contact.

Existing projects are expected to be expanded beyond the current pilot stages. The pilot activities are expected to expand in two directions:

(1) to other countries in the pilot region, and (2) to other regions. New projects, which will be continually encouraged and assisted, will be guided along the lines of pilot projects, emphasizing education and training. In close followup or in coordination with these efforts, however, should come action cooperative programs.

A "package" of cooperative services will be offered during the coming year. Three types of situations offer opportunities for the use of the "package." They are: (1) the necessary cooperative services connected with agrarian reform project; (2) the cooperative services surrounding an industrial development; and (3) the cooperative services necessary to the servicing of the residents of a housing project.

Programs in Progress

The current programs of the International Cooperative Development Service in AID may be grouped into three general classes: (1) host country, (2) regional, and (3) central. Host country programs apply to a particular country, regional programs to several countries in a particular region, and central programs to more than one region. Activities in each of these three areas increased in FY 1963 as compared with FY 1962.

Prior to 1962, practically all technical assistance to cooperatives was extended through technicians, consultants, and the training of participants, either in the United States or participating third countries. (Tables I,

II, III). This is being continued, and further increases are encouraged, as the expanded phases in implementing the Humphrey Amendment are in addition to, and not substitutes for, programs already established.

Technicians

A total of 88 cooperative technicians are either employed or requested in all regions. This represents an increase over the number for FY 1962. (Table I). An encouraging balance between programs is gradually being effected. For example, the number of credit technicians was maintained in 1963 over 1962, but the proportion decreased, because of the increase in the number of other types of cooperative technicians who were employed. (Table IV). For example, extension service, community development, commodity or other technicians may give substantial assistance to cooperatives in that area as part of their subject-matter programs.

The most significant development in staff assistance during FY 1963 has been through the contractors. (Table V). These technicians generally gave operating assistance to programs that have been developed by program technicians or advisors. As these programs have just begun, the technicians, are now centered in the regions in which they were initiated. It is expected that they will spread to other regions as the services provided by the central contracts are extended. (Tables II, IV, V).

Consultants

Short-term technical personnel are termed consultants. Usually their services are in one of three areas. First, and this probably is the

major area, a small staff of experts may undertake to appraise the opportunities for a particular activity and to make program recommendations regarding it. Second, a consultant team may be requested to review a segment of an on-going program and make recommendations concerning it. Third, consultants frequently assist with technical short courses, workshops and seminars.

There has been an increase in the number of consultants who assisted with program development in FY 1963 as compared to FY 1962. A total of 77 consultants were employed this year as compared to 42 in FY 1962 (Table II). This indicates two encouraging developments, one, that more programs are being developed, and two, that a more systematic approach is being taken to their development.

Another significant development in FY 1963 has been the use of consultants by the various contractors with AID. A total of 45 (Table VI) are being used by these contractors this year. As in the case of technicians, the consultants are being used only in these regions where programs are in operation. Their use will spread to other regions as programs expand.

Participants

Participants are leaders from the developing countries who are sent, under AID sponsored programs, to the United States or some third country to study all phases of cooperatives. The number of regular participants in FY 1963 was approximately the same as last year (Table III). However, the most significant development was the number of trainees coming under the contract programs. As the contract programs develop, the regular participants

may be expected to be concentrated in the cooperative program areas and the contract participants in the operations areas.

Cooperative Programs

The 93 cooperative programs in operation in FY 1963 are almost a three-fold increase over the 35 reported last year (Table VII). In addition to the increase, there has also been an encouraging improvement in balance. Last year the formal programs reported were mostly credit programs. This year the number of cooperative credit unions has been maintained, but others have increased. The overall importance of mutual credit in developing countries, however, is emphasized by the number of new programs in credit unions and savings and loan associations. Cooperative housing also had encouraging increases.

TABLE I. COOPERATIVE TECHNICIANS EMPLOYED OR REQUESTED BY TYPE AND REGION

Type	Region												Total						
	Latin America		Africa- Europe		Near East- South Asia		Far East												
	Em- ployed	Re- quested	Em- ployed	Re- quested	Em- ployed	Re- quested	Em- ployed	Re- quested	Em- ployed	Re- quested	Em- ployed	Re- quested	Em- ployed	Re- quested					
FYS	63	62	63	62	63	62	63	62	63	62	63	62	63	62	63	62			
Credit	8	8	10	3	3	10	10	2	5	3	8	5	8	-	-	18	24	13	28
Marketing	6	3	-	2	-	3	2	-	-	2	1	2	1	-	-	10	4	5	3
Agri. Gen.	2	2	-	1	-	2	1	1	-	-	-	3	4	3	-	6	6	5	2
Housing	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	-	-
Credit Union	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Savings & Loan	2	1	2	1	1	-	-	-	-	-	-	-	-	-	-	3	2	2	2
Mutual Savings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General	6	-	-	1	-	1	2	-	-	-	-	4	1	-	-	11	1	1	2
Other	6	-	-	-	-	1*	-	-	-	-	-	-	-	-	-	6	-	1	-
Combination	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-
Processing	-	-	-	1	-	1	-	-	-	-	-	-	-	-	-	1	-	1	-
TOTAL	35	14	2	13	8	4	18	15	3	5	5	9	14	14	3	60	37	28	37

* Labor

TABLE II. COOPERATIVE CONSULTANTS OR SHORT TIME TECHNICIANS EMPLOYED OR REQUESTED BY TYPE AND REGION*

Type	Region								Total	
	Latin America		Africa-Europe		Near East-South Asia		Far East		FY 63	FY 62
	FY 63	FY 62	FY 63	FY 62	FY 63	FY 62	FY 63	FY 62		
Credit	13	17	13	2	1	-	-	2	27	21
Marketing	-	1	2	-	1	-	3	4	6	5
Processing	-	-	2	-	-	-	-	-	2	-
Agri. General	1	5	-	-	-	-	-	3	1	8
Housing	4	-	5	4	-	-	3	-	12	4
Savings & Loan	14	3	1	-	-	-	-	-	15	3
General	2	-	2	-	2	-	-	-	6	-
Other	5**	-	-	-	-	1	2	-	7	1
Combination	1	-	-	-	-	-	-	-	1	-
TOTAL	40	26	25	6	4	1	8	9	77	42

* On duty not more than six months

** Three Rural Electric and two Education

TABLE III. COOPERATIVE PARTICIPANTS BY TYPE AND REGION

Type	Region										Total
	Latin America		Africa-Europe		Near East-South Asia		Far East				
	FY 63	FY 62	FY 63	FY 62	FY 63	FY 62	FY 63	FY 62	FY 63	FY 62	
Credit	1	36	25	33	16	4	21	37	63	110	
General	4	-	-	4	-	-	5	26	9	30	
Marketing	1	5	5	3	15	-	1	2	22	10	
NFU Contract ^{a/}	75	-	-	-	-	-	-	-	75	-	
CUMA ^{b/}	1,405 ^{c/}	-	-	-	-	-	-	-	1,405	-	
NRECA ^{d/}	12	-	-	-	-	-	-	-	12	-	
Agriculture	11	30	22	-	-	-	2	20	35	50	
Housing	35	2	-	1	-	-	-	-	35	3	
Other	6	-	2	-	-	-	12	-	20	-	
TOTAL	1,550	73	54	41	31	4	41	85	1,676	203	

a/ National Farmers Union
b/ Credit Union National Association
c/ All but two trained in Latin America
d/ National Rural Electric Cooperative Association

TABLE IV. TECHNICIANS ASSIGNED TO OTHER PROJECTS WHO DEVOTED SOME TIME TO COOPERATIVES

Type of Project	Region				Total
	Latin America*	Africa-Europe	Near East-South Asia	Far East	
Extension		1**	1/4	1**	
Credit	7/8**				
Community Development	3/4**		1/4		
Training		1/4		1**	
Poultry			1/2		
Dairy			1/2	1/10	
Food and Agri. Officer	1/5			1-1/3*	
Engineer				1/2	
Int. Volunteer Services				11	
Agriculture	1/5			3/5	
Economics	7/10**			3/4	
Horticulture				1/10	
Agri. Marketing	2-2/5**				
General	3/10				
Clerical	1/2				

* Preliminary

** Represents time equivalent services of part time of a number of people.

TABLE V. COOPERATIVE TECHNICIANS EMPLOYED OR REQUESTED BY CONTRACTORS BY CONTRACT & REGION

Contract	Region				Total
	Latin America*	Africa-Europe	Near East-South Asia	Far East	
Foundation for Cooperative Housing	2		4**		6
National Rural Electric Cooperative Association	2		2		4
Cooperative League of USA	1				1
Fund for International Cooperative Development	15				15
Credit Union National Association	19***		3		22
National Farmers Union (Coop. and Farm Organizations Leadership)			4**		4
National Farmers Union (Agri. Coop. Leadership)		9	4		13
Department of Free Labor Unions	15				15
Savings and Loan	2				2
Pilot Food Distribution	3				3
Survey of Hemisphere Cooperative Development (1)	11				11
Peace Corps (2)	62				62
Total	132	9	17		158

* Preliminary
 ** Some Part Time
 *** Includes 12 Local Hire
 (1) Cooperative League Contract provides one of these technicians.
 (2) Assisting with Projects but not A.I.D. personnel.

TABLE VI. COOPERATIVE CONSULTANTS OR SHORT TIME TECHNICIANS EMPLOYED BY CONTRACTORS*

Contract	Region				Total
	Latin America**	Africa-Europe	Near East-South Asia	Far East	
Foundation for Cooperative Housing	4	3			7
National Rural Electric Cooperative Association	14				14
Cooperative League of USA	1				1
Fund for International Cooperative Development	7				7
Credit Union National Association					
National Farmers Union (Agri. Coop. Leadership)		4			4
Development of Free Labor Unions					
Pilot Food Distribution	3				3
Cooperative Resources Hemisphere-Wide	3				3
Savings and Loan	2				2
Cooperative Communities					
Survey of Hemisphere Cooperative Development					
National Farmers Union (Training and Coop. Leadership)	4				4
Total	38	7			45

* On duty less than six months.

** Details provided later.

TABLE VII. COOPERATIVE PROGRAMS IN OPERATION BY TYPE AND REGION

Type	Region										Total
	Latin America ^{a/}		Africa-Europe		Near East-South Asia		Far East				
	FY 63	FY 62	FY 63	FY 62	FY 63	FY 62	FY 63	FY 62	FY 63	FY 62	
Credit	4	8	7	^{b/} 1	5	^{c/} 5	6	^{a/} 6	22	26	
Marketing	1	-	4	1	3	-	6	1	14	2	
Agri. General	1	-	-	-	-	-	5	-	6	-	
Housing	11	2	-	1	-	-	-	-	11	3	
Credit Unions	10	-	-	-	-	-	-	-	10	-	
Savings & Loan	8	2	-	1	-	-	-	-	8	3	
Rural Electric	8	-	-	-	-	-	-	-	8	-	
General	6	-	-	-	4	-	-	-	10	-	
Other	-	-	-	1	-	-	2	-	2	1	
Combination	-	-	-	-	-	-	2	-	2	-	
TOTAL	49	12	11	11	12	5	21	7	93	35	

^{a/} Preliminary
^{b/} Credit and marketing
^{c/} Also includes marketing, processing and small business
^{d/} Also includes marketing