COOPERATIVE HOUSING FOUNDATION
8601 Georgia Avenue, Suite 800, Silver Spring MD 20910. Phone (301)587-4700 Fax (301) 587-7315

COOPERATIVE DEVELOPMENT PROGRAM (CDP)

SEMI-ANNUAL REPORT

SUBMITTED TO:
USAID

BY:
CHF

JANUARY 26, 2001

C

Cooperative Development Program (CDP)
Program Summary

A. Cooperative Housing Foundation (CHF)

CHF is an international cooperative development organization (CDO) helping low- and moderate-income families around the world to improve their living conditions, livelihoods and communities. CHF currently has programs in housing, community development, microenterprise development and local organizational capacity building. Established in 1952, CHF initially provided housing and related community services to low- and middle-income families in the United States. In 1962, CHF began to apply its expertise internationally. CHF's strategy is based on the fostering of financially sound, member-owned and controlled local organizations as the building blocks of a stable society where self-reliance and human dignity are valued.

B. CDP - Project Description

Through CDP, CHF is working to increase the availability of affordable housing services to under served populations through the promotion and strengthening of cooperative housing systems. CHF continues to work in two focus countries, Philippines and South Africa, having concluded efforts in Poland in December 1999. While the institutional arrangements vary slightly from country to country, the program strategy is to establish sustainable systems by building the institutional capacity of CHF's local partners to provide technical and financial services to indigenous housing cooperatives, condominiums and homeowner associations.

In addition, CHF's CDP has an institutional strengthening component. CHF uses its CDP headquarters funds to strengthen communications and outreach, management information systems, credit management systems, and to establish a network of professional volunteers and institutional and private members.

The program objectives include:

- Creating a model pilot project in each focus country that produces 50 new or improved cooperative units in each country. Assuming an average of 5 family members, a minimum of 750 beneficiaries will receive improved housing.

- Developing a training program to facilitate pilot project implementation, dissemination and replication. Training focuses on the strategic linkages between each sector of the cooperative housing delivery process: individual cooperative members, cooperative management units, NGOs and private businesses who supply services to the cooperatives and government agencies.

- Leveraging $50,000 in non-USAID capital for the development of the pilot projects.
- Developing a manual in each focus country that will document the pilot effort and streamline the improved delivery process.

- Working with the non-profit sector to develop fee-for-services, based on lessons learned during the development and implementation of the pilot project in support of cooperative housing development and management.

C. Activity by Component

1. Focus Country - Poland The CDP Poland closed out in January 2000. As previously reported, CDP Poland was a great success. The CDP assisted in condo development in Poland through training, demonstration/pilot projects, and developing systems, which help to access funding from throughout Poland. Among the many successes of the program, the CDP assisted in the development of 128 unites (78 more than our target of 5o units), and leveraged $82,459 in home improvement credit and capital through private and public sources (exceeding our target of $50K by $32,459). In addition, the Program helped to put into place an innovative private sector approach to finance that will increase overall quality of life through the ability of homeowners to access market-rate finance to improve their dwellings for energy efficiency, replace old pipes to allow for greater heating distribution, and make physical improvements through renovations and repairs.

The CDP institutionalized these processes and procedures through CIM (Center for Housing Initiatives), a local non-profit, fee-for-services organization co-founded by CHF. CIM supports a network of over 30 *Agencies to Support Housing Initiatives (*AWIMs), nonprofit cooperative housing developers that CHF helped to create. CHF helped CIM promote a variety of affordable housing models including cooperatives and the privatization of public housing through creation of condominiums.

2. Focus Country - Philippines CHF is providing technical assistance to the Cooperative Housing Program of the National Housing Authority (NHA), a governmental agency, which is struggling to provide housing to the estimated 3.7 million families in need. CHF is helping NHA to provide better services to existing co-ops, encouraging cooperatives to include housing as a new service for their members; create an enabling environment for the establishment of new housing co-ops; and address issues of co-op financing, management and ownership. CHF is in the process of implementing three pilot projects with NHA and developing a series of training, monitoring and assessment services that can be provided in the future by local NGOs. Addressing a severe shortage of adequate housing units is a priority for the overall well being of the Philippines.

According to the Philippines Census 2000, the population of the Philippines is 75.3 million, with an annual population growth rate of 2%. An estimated 6.3 million [1] people are living in squatter settlements, in areas such as government infrastructure areas, living illegally on private land, government land, and in "Danger Areas" (such as city garbage dumps). According to the National Statistics office, only two out of three families in the lowest 40% income group had sanitary toilets, and the percentage of families (overall) with electricity at home was 73.3% in

1 1,255,382 families, with an average of 5 people per family.

1999. In 1999 the number of families with housing units made out of strong materials was 7.5 million (50% of population), and the number of families that owned a house or housing lot was 10.1 million in 1999. For the lowest 40% income group the percentage was 65.7%. Of the 10.1 million families who owned their own house and/or lot, only 5.9% were able to get assistance from the government housing or financing program.

3. Focus Country - South Africa CHF initiated CDP-South Africa during 1998 to provide consultant and technical assistance to local NGOs, community-based associations and government policy-makers to promote the development of cooperative housing. CDP/SA is currently assisting Afesis-Corplan, a South African NGO based in East London, in its work to build cooperative housing projects for, and with, low-income families. With Afesis-Corplan's guidance and advice from the CDP program manager, this group registered the first housing management cooperative in South Africa in June 1999: the East London Housing Management Cooperative (ELHMC). The ELHMC is now engaged in developing nine separate housing cooperatives with 21 to 22 houses in each in one development called the Amalinda Housing Development.

In South Africa there are more than 8 million of the 39 million population who are living in shacks with no sewer, water or electricity. This creates a great demand for the services of CHF, who is working with local partners to help address these needs. Local community-based organizations and small builders lack skills in organizational management, project management, and technical expertise, and this slows the delivery of new houses. The profound housing shortage in South Africa is compounded by an annual population growth rate of 2.2% and an urban population growth rate of 3.1%. In Port Elizabeth alone, where CHF has its main office, a total of 68,000 housing units must be provided just to eliminate the current deficit. 65,833 additional units will be needed over the next 14 years to house the growth in population. CHF/CDP South Africa is working at the local and municipal level to find feasible cooperative solutions to this huge and growing problem.

4. Institutional Capacity In addition to the focus country activity, CDP has a component that focuses on CHF's ability to manage and provide technical assistance to cooperative housing programs around the world. Currently, CHF is developing a network of membership support to access professionally trained volunteers for its programs. Additionally, CHF continues to systematize its impact and reporting systems to more effectively disseminate international achievements to potential non-USAID donors and the American public at large. Other activities undertaken by CHF include institutionalizing its *Home Improvement Lending Program, Local Environmental Policy and Planning Methodology, Construction Manual, and Umbrella Grant Management*. The institutional Capacity-building component also aids in providing professional development to CHF staff, improving credit and proposal development systems, and outreach via CHF's improved website and monthly, quarterly, and annual publications.

D. Program Highlights to Date

1. Focus Country - Poland The CDP Poland ran successfully from February 1998 to January 31, 2000. The Program helped to put into place an innovative private sector approach to finance that will increase overall quality of life through the ability of homeowners to access market-rate finance to improve their dwellings for energy efficiency, replace old pipes to allow for greater heating distribution, and make physical improvements through renovations and repairs.
The following notable accomplishments were made through the program:

- $82,459 leveraged in home improvement credit and capital through private and public sources.

- Establishment of Renovation Funds at 3 of the 4 pilot projects. Significant reconstruction financed through condo associations, including $38,275 of the condo associations' own private funds.

- Improvement of 128 condominium units and the standard of living for 640 beneficiaries.

- Fielding of 4 volunteers: Joseph Conlon, President of Diamond Realty Management, shared his experience in condo association management with the CIM in Q1 FY 00. NCB President James Glantz evaluated a local bank's loan portfolios and suggested methods to improve access to credit for local condos in Q2 FY 99. Other volunteers to Poland include Maria Rupp, CAI member and treasurer of her condo association who traveled for 3 weeks in 1998, and K. Rosenberry, a legal expert who established contact with policy makers and held a workshop on condo law in Poland in September 1998.

2. Focus Country - Philippines: The CHF assisted Cooperative Housing Program of the Philippines National Housing Authority (NHA) continues to be a resounding success. Over the three-year history of the program to December 31, 2000 one hundred cooperatives have signed Memorandums of Agreement with NHA to build housing projects for their members. Particular program accomplishments to December 31, 2000 include:

- Hosting of a study tour at CHF Washington from October 17-30, 1999. 4 representatives from the National Housing Authority (NHA), and 3 representatives from Filipino cooperatives attended the two week training which took place in Washington, DC and San Francisco, CA;

- Finalizing of agreements with 3 cooperatives in December 1999 during the visit of CHF's Deputy Director of Field Program Management, Barbara Czachorska Jones;
- Fielding of two U.S., and one regional V.I.P. over the life of the project;

- Commencing of a new initiative to create a Cooperative Housing Development Fund by mobilizing capital from the larger "century" cooperatives for the purpose of financing pilot and non-pilot housing projects;

- Groundbreaking for Phase II housing project of Basud Cooperative on December 8, 2000 (possible new pilot project).

3. Focus Country - South Africa The South Africa CDP became fully operational in January 1999, under the direction of Ms Hilary Stewardson and has since been successful in creating a network for cooperative housing institutions, and disseminating information on cooperative practices, and financing of cooperative institutions. Notable accomplishments to date include:

- Establishing the East London Savings and Credit Cooperative Organization with the assistance of a start-up grant of R 69,000 from the Swedish government's international cooperative program by the members of the East London Savings and Credit Cooperative Organization, which has continued saving under their seven savings;2

- Organizing and facilitating a housing conference: *Social Housing – What are the Options?* Eighty-eight representatives of municipal government, community organizations and NGOs attended the seminar, held July 19th in Port Elizabeth. Featured speakers included Judith Hermanson, CHF Vice President and Alain Noudehou, former South Africa Country Director and current Senior Statistics Projects Officer of CHF; Lawrence Ramashamole, Managing Director of the Social Housing Foundation and Housing Institutions Development Fund.

- Revitalizing the Cooperative Housing Working Group with the Social Housing Foundation, a national level working group that works to advise the national government on the structure of a policy environment that facilitates the development of housing cooperatives.

- Facilitating access to government subsidies to build 196 houses for East London Housing Management Cooperative members. The subsidy is R16, 000 for each house ($2,320 U.S.), plus the project has been approved under the Peoples' Housing Process for an additional R 570 per house;3

- Developing and distributing a pamphlet, *Cooperative Housing: More than Just a House,* that outlines what is cooperative housing, and how it can benefit the development of a community. The pamphlet invites individuals, housing associations and housing officials interested in the concept of cooperative housing or in need of assistance with the

2 CHF prepared the financial projections for this venture.
3 The members qualify for this latter subsidy because they are making their own decisions about their housing;

development and/or management of a housing cooperative to contact the CHF CDP Program in South Africa.

- Meeting with Councilor Biyana and the Program Manager of the Port Elizabeth Housing Committee to discuss implementing resident-controlled property management in the five apartment buildings where the City still owns most of the strata units. This would be done either by setting up a cooperative or a housing association.

4. Institutional Strengthening: CHF's institutional strengthening component is moving ahead full force. Accomplishments to date include:

- Fielding of 11 V.I.P.s, including experts in financing cooperatives, co-op management, and cooperative development – in the three CDP focus countries, as well as 2 non-CDP countries (Jordan and Romania);

- Attending of conferences by CHF representatives, including four in October of 2000: Cooperative Housing Coalition Summit, National Association of Housing Cooperatives Annual Meeting, National Association of Housing Redevelopment Officials conference, United Co-op Appeal "county fair;"

- Continuing efforts to enhance CHF publications, such as Newsbriefs, as well as weekly updates of the CHF website. CHF's database includes more than 5,000 contacts, all of which receive CHF publications on a regular basis;

- Strengthening of headquarters program development systems, enabling CHF to diversify it's funding sources to include the Federal Emergency Management Agency, US Department of Housing and Urban Development, MacArthur Foundation, Ford Foundation, and Mercy Corps International, among others;.

- Institutionalizing CHF's *Home Improvement Lending Program, Local Environmental Policy and Planning Methodology, Construction Manual, and Umbrella Grant Management;*

- Publishing of article by CHF Vice President Judith Hermanson, *The Micro-Finance of Housing: The Fundamentals,* for the Collectif D'Echanges Pour La Technologie Appropriee in *Echos du COTA* issue #89: October, November, and December of 2000

E. Component Descriptions

Detailed descriptions of activities follow for each component. At the end of each of these sections, we have included a chart that shows progress within the component during the reporting period against the pre-established workplan targets.

1. Focus Country – Poland: In Poland (Feb/98 – Dec/99) the CDP focused on development of condominium associations, as well as supporting and expanding the capacity of the Center for Housing Initiatives (CIM). The CIM is a local non-profit organization co-founded by CHF to address several issues that have accompanied rapid housing privatization in Poland. These issues include poor physical conditions of housing resulting from extensive deferred maintenance, lack of available systems in property management, lack of systems for effective homeowners associations and financial management, and a large decline in affordable housing units. CIM supports a network of more than 30 Agencies to Support Housing Initiatives (AWIMs), nonprofit cooperative housing developers that CHF helped to create. CHF helped the CIM promote a variety of affordable housing models including cooperatives and the privatization of public housing through creation of condominiums.

The CDP facilitated the addressing of these issues through the CIM. Many condominium associations found themselves with buildings that have been neglected for several decades and they need training and technical assistance in the proper management and maintenance of their housing units. CHF and CIM identified four pilot projects to demonstrate replicable methods and best practices to promote improvements in management, repair and renovation for other condominium associations and co-ops. Renovation funds were established at three of the four projects, more than $82,459 was leveraged in home improvement credit and capital ($32,459more than the established goal), and improvements were made to 128 condominium units, surpassing the goal by 78 units.

Details of the final accomplishments of the work of the CDP Poland can be found in the February 2000 CDP Semi-Annual Report.

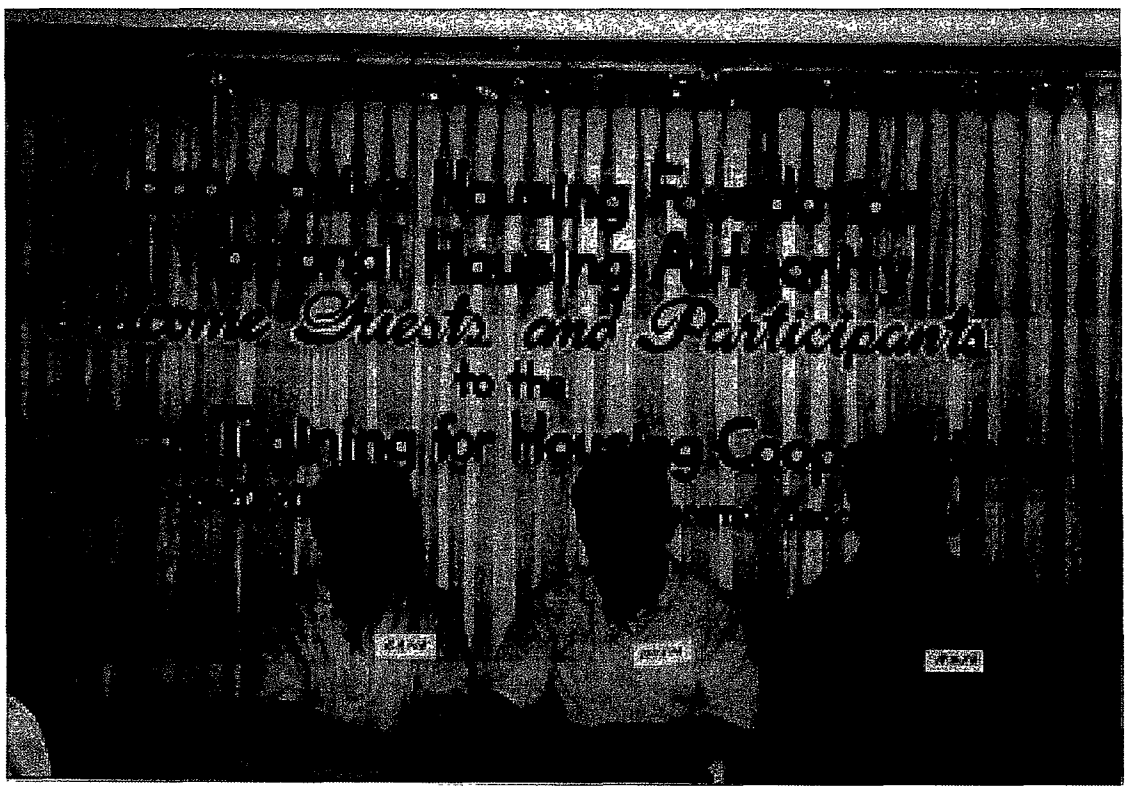
Targets for the Program

Task: Poland	Completed	Comments
OBJECTIVE 1: PILOT PROJECT		
• Access credit and/or government subsidy and implement improvements for fifty families.	X	128 families assisted. $82,459 leveraged.
• Finalize provision of technical assistance to pilot projects; help oversee implementation of physical improvements; assist condo associations in determining next steps and future rehab procedures	X	Renovation funds established at 3 of 4 pilots, totaling $38,275 in condo members' own funds.
• Institutionalize experience of the pilot projects through Center for Housing Initiatives (CIM) and its work with financial institutions /banks (develop proposal to bank BGK with regard to loan monitoring system and/or mortgage brokerage arrangement	X	
OBJECTIVE 2: VOLUNTEER DELIVERY		
• Fielding of four volunteers in the areas of condo association management, improvigng access to credit for local condos through laosn from local banks, establishing contact with policy-makers and discussing condo law in Poland.	X	K. Rosenberry M. Rupp J. Glantz J. Conlon
OBJECTIVE 3: TRAINING AND ADVISORY, TA AND MANUAL		
• Training for condominium based within Gmina Bielany/Warsaw provided; to include experience of existing pilot projects	X	
• Manual published ("Wspolnota Mieszkaniowa – Poradnik Szkoleniowy, Warsaw 1999)	X	Manual published in January 2000
OBJECTIVE 4: INFORMATION SERVICES		
• Prepare brief one to two page informational pieces and distribute to database members in an effort to promote understanding and opportunity.	X	
• Existing database expanded to include up to 50 additional entries	X	Published in January 2000
• Brief informational pieces about CDP-Poland activities continued in local publications (incl. CIM Bulletin)	X	
OBJECTIVE 5: DISSEMINATION OF PROJECT RESULTS		
• Dissemination Workshop organized and conducted (tentative: November 1999); focus on sharing the experience and lessons learned of CDP-Poland program	X	Took place in Q1 2000

2. Focus Country - Philippines: CHF is providing technical assistance to the Cooperative Housing Program of the National Housing Authority (NHA), a governmental agency, which is struggling to provide housing to the estimated 3.7 million families in need. CHF is assisting NHA to provide better services to existing co-ops to help them include housing as a new service for their members; create an enabling environment for the establishment of new housing co-ops; and address issues of co-op financing, management and ownership. CHF has signed agreements to implement 3 pilot housing cooperatives with NHA and develop a series of training, monitoring and assessment services that can be provided in the future by local NGOs.

A. CHF/NHA Partnership

CHF continues to work closely with NHA to implement the Cooperative Development Program and provide technical assistance to cooperatives developing housing projects for their members. The initial agreement between CHF and NHA expired on September 30, 2000 and a new agreement is in the process of finalization. Nonetheless, CHF and NHA continue to work together on the basis of the preceding agreement, as this relationship is key in developing a viable and sustainable cooperative housing sector in the Philippines.

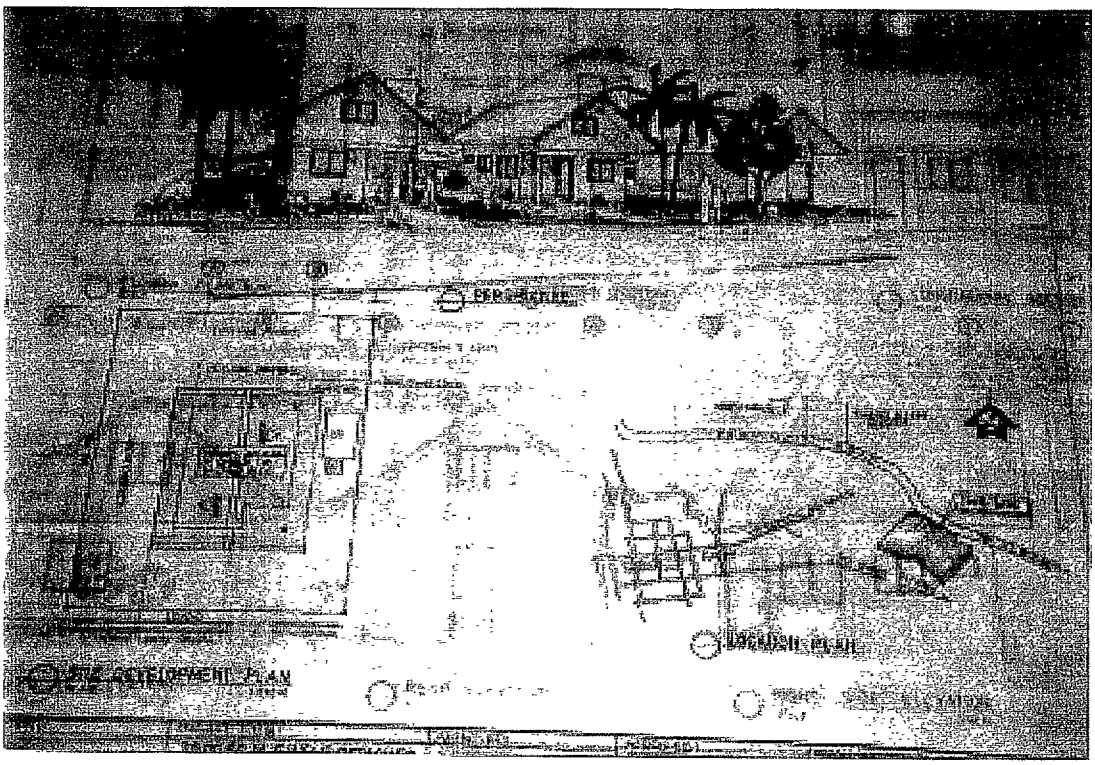


NHA Workshop Leaders at training event in Cagayan de Oro

B. Pilot Projects

Holy Child Multi-Purpose Cooperative

This pilot is well on its way to finalizing all pre-construction clearances and permissions needed to begin building its planned 75 units. They are also completing a financing package that will combine their own savings with loans and lines of credit from several financial institutions. The application for Congressional Housing Fund financing, mentioned in the previous semi-annual report, was withdrawn by the cooperative when they discovered that one of the criteria was tendering of contracts from at least three developers. The cooperative has planned all along to do the development work themselves, and have hired an engineer to oversee construction. Holy Child has also completed a full set of blueprints including housing designs and site plan.



Holy Child Cooperative Housing Project Blueprints – September 2000

Mindanao State University; Iligan Institute of Technology Employee Multi-Purpose Cooperative

MSU-IIT cooperative was ready to begin construction in November, but this was postponed due to a delay in receiving their geological clearance certificate. This matter was near conclusion by mid-December, as was final selection of beneficiaries and completion of a loan application from Land Bank (a government owned financial institution). Construction should begin in early 2001.

Echague Market Vendors Multi-Purpose Cooperative, Inc. (Echague MVMPCI)

Unfortunately, this pilot demonstrated little progress toward achieving its objectives during the reporting period despite repeated assurances from their Board of Directors. As a result, CHF and NHA felt there was no alternative but to terminate the agreement with Echague as a pilot for this program. This decision was made following a site visit in September and a formal letter was sent to the cooperative in November. The "runner-up" to Echague in the pilot selection process, Basud Coop, has been suggested by NHA as a replacement pilot. Echague will continue to be involved in the program as a 'level 2' non-pilot project.

Basud Cooperative

This cooperative, located in Southern Luzon, has already built 70 housing units for its member beneficiaries and is planning a second phase of similar size. They held the groundbreaking for phase II on December 8, 2000. Basud Co-op's primary areas of economic activity, aside from housing, are savings and loans, a consumer's store, and public telephone calling office (domestic and international). Basud Co-op was the "runner-up" to Echague during the pilot selection process last year, and has been an NHA pilot project (although not directly a CHF pilot). NHA has suggested that Basud's phase II project should be selected as the replacement pilot of Echague Co-op for the CDP in the Luzon region.

Non-Pilot Cooperatives (Level 2's)

Over the three year collaboration with CHF, the NHA has signed Memorandums of Agreement with 100 cooperatives as of December 31, 2000 (although they are considering reducing the number to 85 as some have not fulfilled the initial obligations of their agreements). CHF provides assistance to the members of these cooperatives through a variety of training sessions and workshops. Of the non-pilot 'level 2' cooperatives eight have actually succeeded in constructing a total of 225 housing units which are currently occupied by approximately 1,125 member beneficiaries.4 Another 469 units are presently under construction by these same eight cooperatives, and a total of eighteen cooperatives (including pilots) are in the planning or land development stage which will result in 2,490 housing units, benefiting 12,450 members, if all reach completion.

C. Financial Packaging Services

Given the differing financial circumstances of the various cooperatives, and the tendency of financial institutions and government savings plans to favor loans to individuals rather than cooperative entities, it has been difficult to develop a comprehensive financial package that all cooperatives can use. Nevertheless, some initial success has occurred, through exploratory discussions, in attempting to mobilize the financial resources of the cooperative sector as a whole to create a centralized "cooperative housing fund". This initiative, conceived by the CHF Country Representative, is important because there is sufficient liquidity in the cooperative sector to finance most, if not all, planned and proposed housing development mentioned in the section above. Specifically:

Gross assets of the cooperative sector in the Philippines total 350 billion pesos (US$ 7 billion);

4 Using the government statistics office figure of 5 for average family size

Net assets total somewhere between 80 and 90 billion pesos (US$ 1.6 to 1.8 billion) most of which are in the "electrical" cooperatives;
Excluding electrical cooperatives there is net worth of 30 billion pesos (US$ 600 million);
There are 53 "century" co-ops, so-called because they have assets exceeding 100 million pesos (over US$2 million).5

Pilot Cooperatives Developing Workplan
Participant Training Event – Cagayan de Oro, October 18-20, 2000

D. Training & Technical Assistance

A major training event was held October 18-20, 2000 in Cagayan de Oro, Mindanao with 30 representatives from two of the pilot projects, Holy Child Cooperative and MSU-IIT Employees Cooperative. It was a very comprehensive presentation and covered all aspects of housing cooperative development from initial planning through approval processes, construction management, financial planning and management, to property management and democratic functioning. Participant evaluations were very positive and stressed the urgent need for such training since cooperative members are not experts in housing construction and require a thorough understanding of the development process if they are to produce housing projects in an efficient and cost-effective manner.

5 Statistics from the Cooperative Development Authority of the Philippines.

E. Volunteer Delivery

Although two volunteer assignments were planned for December, to coincide with the previously planned National Conference on Housing Cooperatives, they were postponed due to the rescheduling of the conference to April 2001.

F. Information Dissemination

The second edition of "Cooperative Housing News", a joint CHF-NHA publication, is currently under production and will be published during Q2 FY'01

G. USAID Mission Coordination

There was much coordination with USAID during the second half of 2000. In August, the CHF Country Representative, Randall Sach, paid a courtesy call to the new Director of Program Development, Joan Silver, and presented her with a copy of the semi-annual report for the first half of 2000. In October, during the visit of CHF Program Manager Michel Holsten, a meeting was held with Joan Silver and another with Spike Stevenson, new Deputy Director of Mission. Also in October, Randall Sach spent a day in Cebu briefing Judith Gilmore, Director of BHR/PVO office of USAID Washington, on the Cooperative Development Program activities in the Philippines.

Targets for Reporting Period

Task - Philippines	Completed	Comments
OBJECTIVE 1: Linkages with Local Partners and Pilot Projects		
Develop revised work plan for FY01	Q4 FY'00	Revised again Q1 FY'00
Conduct field trips to pilots	Q4 FY'00	Quarterly or semi-annual
Provide financial, organizational, legal and technical assistance		Ongoing
Finalize plans for construction and logistics (bidding, procurement and implementation) 6		Q2 & Q3 FY'01
Conduct site visits and interviews to collect data for 6 Case Studies (3 pilots and 3 other projects) 7	Completed Q4 FY'00	
Develop partnership with NGO(s), specifically Alterplan		Ongoing
Expand links to potential student coops		Ongoing
Plan and hold conference on organizing squatter settlements into cooperatives		Tentatively planned for Q4 FY'01
Assist NHA in providing on-site training sessions to pilots, as determined by the needs assessment	One session held Q1 FY'01	First of series
Hold conference for NHA, pilot housing cooperatives, 'level 2' co-ops, and implementing partners to provide exposure to other cooperative housing models, patterns, systems & procedures.		Re-scheduled for Q3 FY'01
OBJECTIVE 2: Financial Package Services		
Identify funding support to pilot cooperative projects	Some activity Q4 FY'01 & Q1 FY'01	Ongoing
Provide assistance in preparing and making financial applications to access funding for pilot cooperative housing projects	Some activity Q1 FY'01	To be completed Q2 FY'01
Secure funding support for pilot cooperative housing projects	Some activity Q1 FY'01	To be completed Q2 FY'01

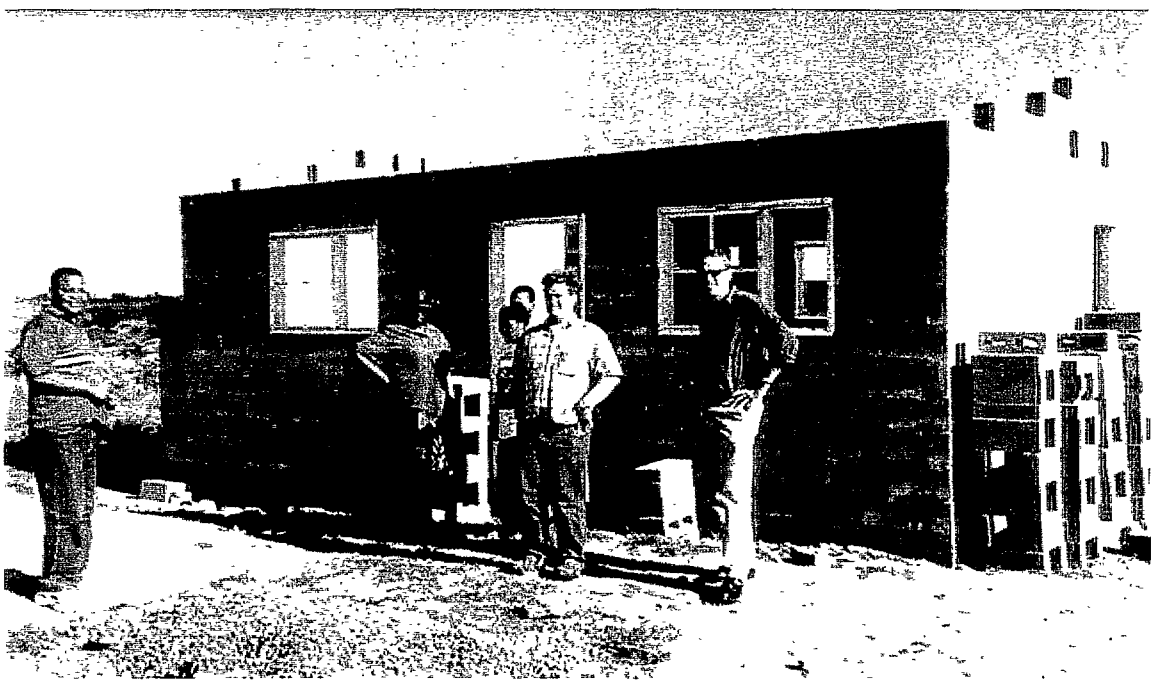
6 Though not included in the original FY00 Workplan submitted to USAID, this objective was added by new Country Representative

7 Though not included in the original FY00 Workplan submitted to USAID, this objective was added by new Country Representative

To the extent possible, assist NHA and implementing partners in replication methods and procedures in preparing financial packages/applications, and financing for non-pilot housing cooperatives		Ongoing
Identify funding support to other cooperative housing projects	Some activity Q1 FY'01	Ongoing
Identify funding sources for future development	Some activity Q1 FY'01	Ongoing
Provide assistance in preparing and making financial applications to access funding for other cooperative housing projects.		Q3 & Q4 FY'01
OBJECTIVE 3: Training & Technical Assistance		
Identify future training needs for NHA and pilots	Completed Q4 FY'00	
Based on the results of the needs assessments, and particularly including the needs assessments of the pilots, develop a comprehensive set of training modules, training materials / manuals to build the capability of NHA, pilot housing cooperatives, & implementing partners	Some activity Q4 FY'00 & Q1 FY'01	To be completed Q3 or Q4 FY'01
Conduct seminar / workshops / study tour for NHA, pilot housing cooperatives, and implementing partners to provide exposure to other cooperative housing models, patterns, systems & procedures	Study Tour completed Q1 FY'01	Conference planned Q3 FY'01
Conduct quarterly technical visits to pilot cooperative housing projects		Ongoing
Produce Concept paper on Technical Service Organizations (TSOs)	Completed Q4 FY'00	
Identify one NGO to act as a TSO, develop a workplan, and enter an agreement with them to deliver training to co-ops on behalf of NHA		To be completed Q2 or Q3 FY'01
Identify appropriate interventions on issues and areas of concern to ensure effective implementation of the housing projects		Ongoing
Develop a cooperative housing manual based on the documentation of the cooperative housing process to serve as a reference tool and a guide in planning & implementing a successful cooperative.	Some activity Q4 FY'00 & Q1 FY'01	Tentatively to be completed by Q4 FY'01
Develop reference materials that document the experiences of cooperative housing pilots & other possible cooperative housing case studies in the Philippines	Near completion Q1 FY'01	To be finalized Q2 FY'01
Identify services & feasibility of partnering with NGO(s), non-profit associations, and/or grouping of individual experts that can act as Technical Service Providers.		Planned for Q3 & Q4 FY'01

Identify appropriate interventions on issues and areas of concern to ensure effective implementation of the housing projects		Ongoing
Facilitate information exchange among implementing partners and various actors in the cooperative development process to improve cooperative housing delivery systems & support the development linkages		Ongoing
OBJECTIVE 4: Visiting International Professionals		
Identify needs, objectives and scope of work of volunteer assignments	First draft completed Q4 FY'00 (under revision)	To be completed Q2'FY'01
Deploy V.I.P.s in-country		To be deployed Q3 & Q4 FY'01
OBJECTIVE 5: Monitoring & Evaluation		
Develop Monitoring and evaluation systems, performance indicators, and a reporting system for CHF, NHA and program partners to monitor the progress of the pilot cooperatives and the Program	Partially completed Q4 FY'00 & Q1 FY'01	Reporting system 'fine-tuning' ongoing; Monitoring ongoing
Conduct Program evaluation and assessment of accomplishments		Q4 FY'01 or Q1' FY'02
OBJECTIVE 6: USAID Mission Coordination		
Make quarterly update visits to USAID Manila Mission	Q4 FY'00 & Q1 FY'01	Ongoing

3. Focus Country - South Africa: The CDP is working to increase the availability of affordable housing for poorly served populations through the promotion and strengthening of cooperative housing systems in South Africa. While the institutional arrangements of CDP vary slightly from country to country, the program strategy is to establish sustainable systems by building the institutional capacity of local organizations to provide technical and financial services to housing cooperatives, condominiums and homeowner associations. CDP programs can serve as a model to assist in addressing some of the needs of the more than 8 million people across South Africa, living in shacks without proper services.



CHF/SA Country Director David Thompson (right) tours a housing development in East London with Afesis-Corplan staff.

A. Pilot Project and Project Start-Up

Contacts have been established with many groups and individuals: Afesis-Corplan, Peoples' Housing Process Partnership, Housing Committee and Engineer's Department of the Port Elizabeth Municipality, Zenzeleni Housing Association, Abahlali Housing Association, Gqebera Development Trust, Urban Services Group, Metroplan urban planners, Clarkson Communal Property Trust, Farmerfield Communal Property Trust, Sanco (local and national), Volkswagon union representatives, Delta Foundation, Cope organization in Johannesburg, the National Cooperative Association of South Africa (NCASA), Johannesburg Housing Company, Africon,

The Social Housing Foundation and Housing Institutions Development Fund (SHF/HIDF), South African Homeless Peoples Federation, financiers and lawyers.

CDP/SA is currently assisting Afesis-Corplan, a South African NGO based in East London, in its work to build cooperative housing projects for, and with, low-income families. With Afesis-Corplan's guidance and assistance from the CDP Program Manager, this group registered the first housing management cooperative in South Africa in June 1999: the East London Housing Management Cooperative (ELHMC). The ELHMC is now engaged in developing nine separate housing cooperatives with 21 to 22 houses in each in one development called the Amalinda Housing Development. Currently, the ELHMC has 230 members

Construction on the Amalinda Housing Development has been delayed because of scheduling with the city-assigned infrastructure engineer. Bush clearing, using self-help labor, will begin in Q2 FY01, and house construction will begin in Q3 FY01. All construction is expected to be completed in Q1 FY02. Another current issue that needs to be resolved is the lack of capacity of the current sewage treatment facility. The city will not allow new additions to this system until the capacity in increased. An alternative solution is being developed so that construction is not further delayed.

The CDP Program Manager and David Thompson, the new CHF South Africa Country Director were briefed on the Amalinda Housing Development and ELSACCO and given a tour of East London area low-cost housing developments by Ronald Eglin of Afesis-Corplan on November 23rd.

CHF is establishing a new partnership with Isandla Partners in Development (IPD). IPD is a new CHF-sponsored South African development housing and community development organization that is being established with the assistance of the Road to Sustainability Program through USAID/SA. CHF is working with IPD on housing and development projects in Colchester, Clarkson and Farmerfield by providing training to community members and technical assistance to IPD.

B. National level input

CHF/CDP is continuing its involvement on the national level through participating in the technical conferences sponsored by the Social Housing Foundation and by serving as a member of the Cooperative Housing Working Group. The Program Manager served as Coordinator of the CHWG until her departure in December 2000. In this reporting period, the Program Manager prepared an action plan, including definitions, for the CHWG. This is currently being reviewed by all working group members for finalization and implementation beginning in Q2 FY01.

CDP South Africa is compiling a library of information about housing cooperatives, with materials from various non-profit cooperative housing organizations throughout the world.

New CDP/SA Program Coordinator Dalikhwezi Ramncwana (left) meets with members of the South African Homeless People's Federation in the Joe Slovo informal settlement in Nelson Mandela Metropole.

C. Financing & Securing Non-USAID Funding

The government of the Republic of South Africa has approved subsidies for 196 houses to be built by the members of the ELHMC, in nine separate housing cooperatives. Each subsidy is for R 16,000 ($2,320 US). In addition, because the members are controlling their own housing development, they qualify for an additional grant of R 570 per house. The total funding approved by the SA government is R 3,247,720 ($470,684 US). This is still conditional upon the municipality building the bulk services.

A Memorandum of Understanding was signed between Afesis-Corplan and CHF/CDP on April 30, 1999. This MOA authorizes CHF/CDP to work with Corplan in a consultative role and for Corplan to provide documentation on the development of this pilot cooperative housing project of the ELHMC in East London. Corplan agreed to provide office space for the program manager when s/he is in East London and to pay his/her accommodation when she needs to stay overnight in East London. Corplan receives financial assistance from the Swedish government, through Swedish cooperative housing organizations, to pay the salaries of three staff members and some administrative and travel costs.

The East London Savings and Credit Cooperative Organization (ELSACCO) has developed from the seven savings schemes of the members of the East London Housing Management Cooperative. The CDP South Africa Manager prepared the financial projections for this venture. She also attended a workshop organized by Afesis-Corplan where David de Jong of SACCOL presented to the board how the credit union could bring in new members and make loans for income. ELSACCO received a start-up grant of R69,000 ($10,000 US) from the Swedish government's international cooperative program, which allowed them to hire a part-time fellow in March 2000, and purchase a computer and software (Pascal and Cubis) from SACCOL – the Savings and Credit Co-operative League of S.A. (Limited).

A comprehensive technical manual on the development of cooperative housing in South Africa, is being produced by a group of professionals and the Corplan staff, funded by the Swedish International Development Agency (SIDA) through Swedish cooperative housing organizations. This document is available to CDP/SA.

D. Training & Technical Assistance

CHF South Africa organized and facilitated a housing seminar: *Social Housing – What are the Options?* Eighty-eight representatives of municipal government, community organizations and NGOs attended the seminar, held July 19th in Port Elizabeth. Featured speakers included Judith Hermanson, Vice President and Alain Noudehou, former South Africa Country Director and current Senior Statistics Projects Officer (HQ) of CHF, and Lawrence Ramashamole, Managing Director of the Social Housing Foundation and Housing Institutions Development Fund. Four other speakers presented their experience in developing social housing, including the role that cooperative housing plays within the South Africa context, rental housing and rent-to-purchase or installment purchase.

CDP/SA issued a pamphlet – *Cooperative Housing: More than just a house* – that is meant to provide basic information on cooperative housing: what is the concept, what are the benefits; and what are the international principles. The pamphlet is meant for distribution to housing associations, local NGOs and government officials, and it invites interested parties to contact CHF and CDP/SA to learn more about cooperative housing and/or to receive assistance with the development and management of a cooperative housing project.

Hilary Stewardson, the departing CDP South Africa Program Manager trained David Thompson, the new CHF/SA Country Director, and Dalikhwezi Ramncwana, the new CDP/SA Program Coordinator in preparation for taking over the management of CDP/SA.

CHF VP Judith Hermanson does a presentation at the July 19th housing conference; Social Housing - What are the Options?

E. Volunteer Delivery

The CDP-South Africa program provides for the involvement of three volunteers (V.I.P.s) whose professional backgrounds can assist the CDP in South Africa. The first volunteer, Alex Miller, worked with ELHMC in October 1999 in the development and management of a housing cooperative. The second volunteer, Jan Reek, worked with ELHMC in March 2000 and shared her experiences as a woman in construction and provided advice on the benefits and setbacks of using a mutual help approach or a contractor or a mixture of the two. She developed a manual for the members of the ELHMC outlining the options and issues in each approach.

The assignment for the third volunteer is currently being prepared. The volunteer, expected to come in Q2 FY 2001, will assist ELSACCO in the development of their services and operational procedures, including the development of an operational procedures manual and the implementation of training for the staff and board of ELSACCO. CDP-South Africa is also planning on arranging an assignment for a fourth volunteer in Q3 FY2001 for a housing development association in Nelson Mandela Metropole (combined area of Port Elizabeth, Uitenhage and Despatch).

F. USAID Mission Coordination

The US Consul General, Mr. Stephen J. Nolan, from the Cape Town consulate visited Port Elizabeth on October 10th and toured CHF housing initiatives and met with CHF partners.

The USAID Director for South Africa, Mr. William Stacy Rhodes, visited Port Elizabeth on November 21-22 and visited CHF housing initiatives and met with CHF partners. Mr. Rhodes was accompanied by Sergio Guzman (USAID/SA Housing and Urban Development Division) and Dorvin Stockdale (USAID/SA SMME and Agribusiness Development).

On July 26, 2000 CHF Vice President Judith Hermanson, Senior Program Manager Michel Holsten, CHF South Africa Country Director David Thompson, and members of ACDI/VOCA and NCBA/CLUSA met with Dorvin Stockdale and Joel Kolker in Pretoria. The discussion was general, and Dorvin Stockdale, on behalf of USAID South Africa, expressed their vision of, concerns with, and desired level of contact with CEBI.

In addition, another meeting was held on October 4, 2000 regarding CEBI. The occasion was to introduce the new CEBI team, including CEBI Executive Director from Isandla Partners in Development, and CHF Country Director, Thompson. The initial meeting was held with Dorvin Stockdale, and then together with Stacy Rhodes. Various ideas were exchanged regarding the CEBI project with Dorvin Stockdale, and Stacy Rhodes expressed the importance of CEBI as a model for entrepreneurial development in the townships.

Targets for the Reporting Period

Task - South Africa	Completed	Comments
OBJECTIVE 1: Pilot Projects		
CHF/CDP provides technical assistance to Afesis-Corplan, a community group in East London.		On-going
With Afesis-Corplan assist the East London Housing Management Cooperative (ELHMC) with its pilot cooperative housing project.		On-going
Assist in providing TA to the ten separate housing cooperatives (three per quarter) under the umbrella of the ELHMC.		On-going
Review final housing cooperative constitutions for registration	Q1FY2001	
Members start construction of 200 houses, which will continue over a period of 10-12 months, since the members are doing part of the construction. CHF to provide documentation and monetary review support.		Scheduled to start in Q3FY2001
OTHER PROJECTS		
Clarkson Community Property Trust		
CHF/CDP works with the Board to establish an action plan to set up a village office and a business plan to establish the levies required from each of the 575 homeowners to pay for maintenance of the infrastructure services, usage fees for electricity and water, staffing and office administration.	Agreement signed in Q1FY2001	To be completed in Q2 FY 01
CDP assists with the implementation of the Action Plan. Office building to be renovated, electricity and phone connected.		Q2FY2001
FARMERFIELD COMMUNAL PROPERTY TRUST		
Meetings held with the families to develop community rules, a business plan and a management plan.		Project not yet approved.
Overall community plan developed for the families		
CHOLESTER – 130 HOUSES TO BE BUILT		
Meetings held with beneficiaries to foster a cooperative working spirit.		Q2FY2001

Installment Purchase Housing Development with Cooperative as the Institution		
Investigate properties with potential for developing a market cooperative on a rent-to-purchase or installment purchase plan under the Institutional Subsidy Program. Do feasibility studies.		Q2-Q3FY2001
MUNICIPALITY FOR PORT ELIZABETH		
Continue discussions with the Housing Committee of the City regarding the idea of instituting cooperative-like, resident-involved property management in those apartment buildings where the City still owns most of the units.		Q2FY2001
PRIVATELY-OWNED RUNDOWN APARTMENT BUILDINGS		
Find and investigate run-down apartment buildings to determine if it is possible and desirable to assist the tenants to purchase, renovate and manage the building as a cooperative.		Q2FY2001
OBJECTIVE 2: Securing Non-USAID Funding		
The pilot project of 9 housing cooperatives 21-22 units each will be financed primarily (88%) from the subsidy program of the South African Government, through its Institutional Subsidy Programme and the Peoples' Housing Process Programme. Additional funds for finishing work will be provided by the members themselves through their savings and loan cooperative.	Phase 1 approved, Q1FY2001	Q3FY2001
Afesis-Corplan funds the hotel accommodation for the Program Manager when he is in East London – approximately twice a month.		On-going
Afesis-Corplan also provides in-kind support by providing office space for the PM when in East London offices.		On-going
Funding from the Swedish government also supports the pilot project. These funds provided Afesis-Corplan with salaries for three staff members, some funds for administration, seminars and educational travel. In addition, SIDA funds the cost of professionals to work on a Manual based on the experience gained developing the pilot project.	FY2001 On-going	
V.I.P.'s time contribution.		Q2&Q3 FY2001
OBJECTIVE 3: Policy & Municipal Government		
Program Manager will continue to work closely with the Social Housing Foundation, a national government agency, and with Afesis-Corplan in East London and the COPE organization in Johannesburg to develop legal frameworks and legislative changes needed to foster the development of cooperative		On-going

housing in various forms.		
The municipal Housing Committee is interested in the CDP approach for the on-going management of 5 apartment buildings (2648 units) where tenants are becoming owners. CHF.CDP could provide TA for research, training.		On-going
Program Manager will continue to attend monthly meetings of the CHWG (Cooperative Housing Working Group) to develop legal frameworks and legislative changes needed to foster the development of cooperative housing in various forms. 1 meeting each month.		On-going
As a member of CHWG, participate in developing promotional material explaining cooperative housing.		On-going
OBJECTIVE 4: Training		
On-going training seminars, by CHF alone or co-sponsored with USG, are planned for the representatives of community-based organizations. These seminars deal with the capacity building of cooperative organizations, how to develop housing under government assisted programs and microeconomics: the start-up and operation of small businesses.	Q4FY2000	Q3FY2001
As a member of the CHWG, contribute to the development of training modules for cooperative members and promoters.		On-going
Provide capacity-building training sessions for community housing groups.		On-going
OBJECTIVE 5: Visiting International Professionals (V.I.P.)		
Prepare a full agenda for 2-3 week assignment, including scope of work, agenda, travel arrangements, meetings and workshops for one V.I.P.		Postponed to Q2 FY2001

4. Institutional Strengthening The institutional strengthening component of CDP incorporates Volunteers, Membership Development, Loan Systems, Proposal Development & Outreach through publications, concept papers, and development of a past performance database; and Professional Development through seminars, brown bag lunches, presentations and staff training.

A. Volunteer Program: Visiting International Professionals (VIP™)

CHF continues to expand its *VIP*™ network and update its database of *VIPs*™. CHF up dated its database and currently has 74 US and 18 international *VIP*™ candidates on file.

CHF's *VIP*™ program has established good inter-institutional relationships with three Associate Members: the National Association of Housing & Redevelopment Officials (NARHO), the National Cooperative Bank (NCB), and the National Association of Housing Cooperatives (NAHC). In addition, CDP South Africa has established productive links with the Canadian Cooperative Housing Federation, Rooftops Canada, COPE (an organization in Johannesburg working to establish cooperatively-owned apartment buildings, supported at present by the Norwegian government) and the East London Housing Management Cooperative.

CHF Romania hosted VIP William Seas for the second time in the past eight months. Mr. Seas visited Timisoara, Romania during the period September 10 to 20, 2000. He investigates establishing a deposit insurance corporation for the regional CFI network that CHF is helping. His scope of work included:

- Review appropriate legislative and regulatory framework for a deposit insurance corporation with CHF staff
- Interview current and potential CFI members regarding their expectations on deposit security
- Interview current and future managers CFI managers regarding their expectations from a deposit insurance mechanism
- Conduct additional interviews as necessary with local and national realities
- Develop a detailed plan for the development, implementation, and management of a functional deposit insurance structure in keeping with local needs and expectations.

B. Member and Partner Development

CHF continues to work with our members and partners to find new ways to keep each other informed and to collaborate.

The week of October 23 was Cooperative week, and several CHF staff represented the organization at a series of cooperative meetings & workshops in Washington DC. Vice President Judith Hermanson and Field Program Management Deputy Director Barbara Czachorska-Jones and Communications Specialist Heather Bowen represented CHF at the Cooperative Housing Coalition Summit. Bowen also exhibited CHF's work at the National Association for Housing Cooperatives (NAHC) annual meeting in DC.

As part of the "institutional strengthening" component of CDP, CHF highlighted its work at several national cooperative conferences during this reporting period. Communication Specialist Heather Bowen signed up two former US Presidents to be added to CHF's contact database at the politically-themed NAHC conference, "Campaigning for Co-ops."

CHF Vice President Judith A. Hermanson presented examples of CHF's innovative housing programs at the 2000 National Association for Housing and Redevelopment Officials (NAHRO) Conference and Exhibition in Phoenix, Arizona, on Monday, October 30, 2000. Leading authorities on global housing and development presented creative, alternative affordable housing and development solutions and policies. She was one of three presenters speaking to housing authority executive directors, development directors, and community development corporation directors and board members on innovative approaches to housing development internationally.

Senior Program Officer Richard Owens attended the United Co-op Appeal "county fair" cooperative exhibit at the National Rural Electric Cooperative Association (NRECA) headquarters on Monday, November 13, from 2 to 4 PM. CHF and around ten other international and domestic organizations exhibited their work through displays and handouts. About 150 people attended. The 'fair' was a kick-off event for the United Cooperative Appeal. Owens said, "The employees looked like they were having a lot of fun."

CHF staff also made a presentation about our work to group of almost 30 employees of the National Telephone Cooperative Association (NTCA) (Q1 FY01) as part their participation in the United Co-op Appeal.

C. Loan System

The CHF headquarters loan tracking system was modified, expanded and refined during the reporting period.

D. Outreach

Our main communications goals for FY2001 are to continue to enhance our publications and website, to ratchet up our outreach efforts, to systematize our public relations efforts, and to prepare for the upcoming 50th anniversary celebration (in FY 2002). CHF's database of contacts has exceeded 5,000. These contacts receive regular updates through written and web-based publications from CHF.

For our publications and annual capability materials, we have produced Summer 2000 CHF Newsbriefs, the CHF holiday cards, and are developing a combined microfinance issue of CHF Newsbriefs for Fall/Winter 2000. We also reproduced an article VP Hermanson had written on CHF's Cooperative Experience. It was distributed at the NAHC conference and other cooperative venues.

A guide on CHF's Home Improvement Loan Program for Microfinance Institutions is at the printer now, and should be ready for distribution by mid- to late-February.

We are in the process of producing the International Program Report, to be published in Early March. Three Impact Posters have been designed and will be distributed in March for each field office.

For our website, we have identified three potential consultants and are in the process of drafting a scope of work to submit to them to determine who will assess interactivity to draw repeat visitors to the site, include a "hot topics" section, and map out how to host secure space for each field office to use on our server.

We continue update the web every Thursday, and have posted CHF publications on the web (Summer 2000 Newsbriefs), as well as promoted articles by CHF appearing in other organizations' journals and newsletters.

In an effort to improve our outreach, a database consultant is scheduled to assess the capacity of CHF to integrate its all-contacts databases with other internal databases, and to determine if we need an SQL server or other requirements to do so.
In the area of public relations, CHF is continuing its outreach to the domestic constituency, providing information about CHF's programs world-wide.

In addition, CHF is developing a detailed workplan for CHF's 50th Anniversary celebration in the year 2002.

E. Professional Development

As part of our professional development program, CHF headquarters has made the strategic decision to add communications modules to existing CHF workshops rather than holding individual communications workshops with field staff. CHF has also begun planning for a communications manual to share ideas, policies, and procedures for promoting CHF programs in the field.

CHF staff attended a " New technology" course by the Academy for Educational Development January 16-17.

We provided 1 PM per semi-annual of staff development assistance: mentor trips to the field for exposure and experience; seminars, workshops and conferences attendance; brown bag meetings; coursework and trainers. All of these things were done even though CHF/Headquarters **moved offices** on Friday, November 17, to give staff more space. A list of the staff development assistance follows:

CHF/Lebanon's Access to Microfinance and Enhanced Enterprise Niches (AMEEN) Program Director Mayada Baydas visited CHF/Headquarters (CHF/HQ) while she was in Washington for microfinance training at the Brookings Institute, October 9-13.

CHF held a workshop highlighting our Central American projects focused on Municipal Strengthening and Development on November 9-10 in Tela, Honduras. The purpose of the two day workshop was three-fold: (1) provide a forum for an exchange of ideas regarding current CHF municipal strengthening methodologies and techniques; (2) solidify existing programs; and (3) plan ways for CHF to expand its impact in the arena of municipal strengthening and development. The workshop focused on the following five programs: Local Environmental Policy & Program Initiative (LEPPI), Honduras' Municipal Community-Based Planning Initiative (MUNIPLAN), El Salvador's Municipal Development Program, Ixcán Road Maintenance Association (AMVI) in Ixcán, Guatemala, and FEMA/Project Impact in El Salvador, Honduras and Nicaragua. Over 20 participants and presenters were present.

Field Program Management held its second retreat Wednesday and Thursday, November 1-2, at the Club at Franklin Square in Washington DC. Last year's retreat focused on ways to streamline and improve inter-departmental activities at headquarters, and this year's retreat focused on Headquarters/Field interaction. Field and headquarters staff participated.

Following the retreat, Pacholek gave an excellent "brown bag" presentation to headquarters staff Friday, November 3. The presentation informed staff of the temporary and permanent shelter programs and the municipal credit program in Honduras.

External Training and Workshops

Director of Field Program Management Franck Daphnis and Vice President Judith Hermanson presented CHF's home improvement lending program (HILP) methodology at the Inter-American Development Bank (IDB)'s first Microfinance conference June 13-14 in Washington, DC. "Microfinance of Housing: Lessons Learned from Practitioners" drew representatives from donor agencies (including the World Bank, IDB, USAID, and HUD), practitioners, and researchers. Daphnis and Hermanson also presented information on CHF's manual "So You Want to do Housing Microfinance? A Guide to Incorporating a Home Improvement Loan Program for Microfinance Institutions." The guide is designed to help microfinance institutions (MFIs) assess the feasibility of incorporating a HILP within their existing operations. It provides a systematic approach to understanding the initial issues an MFI must consider before adding a HILP. Home improvement lending is a growing sector in microfinance. In fact, many MFIs have discovered that borrowers are diverting loan proceeds to improve their homes. Incorporating a HILP allows MFIs to meet client demand for new products, improve client retention, and potentially expand client outreach beyond microentrepreneurs.

In mid-July, Daphnis taught a module on the "microfinance of housing" at a microfinance training course at the Economics Institute of the University of Colorado at Boulder.

Targets for Reporting Period

Task – Institutional Strengthening	Completed	Comments
OBJECTIVE 1: *VIP*™ Program		
• Recruit, provide orientation and place three *VIPs*™		Postponed until Qt2 FY01
• Prepare Scopes of Work for placement of three *VIPs*™	Q2 FY01	
• Recruit one additional Institutional Associate Member.		
• Meet with university to discuss involvement of graduate and doctoral candidates as CHF volunteers. Develop a partnership with at least one university.		Postponed Qt3 FY01
OBJECTIVE 2: Member and Partner Development		
• Maintain relationship with current Associate Members to disseminate program results and advertise volunteer opportunities.	4 conferences attended in Q1 FY01	CHC, NREC, and NAHRO, and NAHC
• Recruit one new Institutional Associate Member.		Postponed Q2 2001
• Recruit one new corporate partner.		Postponed Q2 2001
• Participate in annual meeting of National Association of Housing Cooperatives.	Q1 FY 2001	
• Refine Corporate Partnership Program materials based on seminar input.	Q1 & Q2 FY01	Draft completed; will complete text and upload to web in January 2001
OBJECTIVE 3: Loan System		
• Continue to modify, expand and refine CHF headquarters loan tracking software.	Ongoing	
OBJECTIVE 4: Proposal Development & Outreach		
• One well-developed program funded by non-USAID source.	Q4 & Q1	
• Produce one or more outreach publications quarterly, including CHF news briefs, CHF holiday cards, regional & topical reports, and other reports as needed.	Q4 & Q1	Summer Newsbriefs & Holiday Cards
• Post membership information, news releases, and CHF publications on the web. Post translations of CHF publications on the web.	Q1 & Q4	Updated Every Thursday
• Upgrade CHF website, paying close attention to the need for interactivity to draw repeat visitors. Provide easier	Ongoing	HB writing SOW for

for interactivity to draw repeat visitors. Provide easier access to news releases and "hot topics."		SOW for consultant
• HQ to host secure sites for each field office by the end of the fiscal year. Help each field office to develop web sites using a consistent look with unique characteristics for each office.	Ongoing	HB writing SOW for consultant
• Send news releases to media contacts at least quarterly. Continue to build and cultivate relationships with media and other contacts.	Ongoing	
• Further develop/refine the CHF all-contacts database in Microsoft Access. Continue to build systems to specifically target audience segments.	Ongoing	Consultant Charles Maze coming in February
• Prepare/Develop workplan for CHF's 50th Anniversary celebration	Ongoing	
OBJECTIVE 5: Professional Development Program		
• Provide 1 PM per semi-annual period of staff development assistance: mentor trips to the field for exposure and experience, seminars, attendance of workshops and conferences, brown bag meetings, coursework and trainers.	Q4	
• "New technology" course(s) for Communication Specialist, who will pass along new expertise to interested members of the staff.	Q2 01	AED Conference Jan. 16-17
• "Corporate Volunteer" activities: Involvement in local Silver Spring community development.	Q1 01	
• Upgrade staff capability to enhance the CHF Website (through staff training, updated software, etc.). Communication Specialist to train CHF staff members on HTML coding and web development to increase institutional capability for online output.	Q4 00	Completed

we have a new address

CHF's main office has moved!
Our new address is:

CHF International Headquarters
8601 Georgia Avenue, Suite 800
Silver Spring, MD 20910 USA
(+1) 301.587.4700 phone
(+1) 301.587.7315 fax
mailbox@chfhq.org
www.chfhq.org

TO:

The Cooperative Housing Foundation
is a 501 (c)(3) non-profit organization.
For more information on our international
development programs, see www.chfhq.org
or call 301-587-4700.

Jordan Microfinance Project Influences Banking Sector

CHF's Southern Jordan Access to Credit Project has revolutionized business for both low-income loan recipients and formal sector banks in the country, and world leaders are taking notice of the CHF initiative. Jordan's Queen Rania Al Abdullah, U.S. First Lady Hillary Rodham Clinton, USAID Administrator J. Brady Anderson, U.S. Ambassador William Burns, and troops of reporters have visited the project in recent months to see for themselves the impact of new finance options for low-income microentrepreneurs.

Queen Rania Al Abdullah (center) and First Lady Hillary Rodham Clinton (left) presented CHF/Jordan Country Director Rafael Jabba with an award for project innovation in development finance.

Low-income, small business owners have not traditionally been served by the formal banking sector, because they were seen as high risks for default. Yet through a United States Agency for International Development (USAID) funded CHF project, low-income business owners may now qualify for short-term loans either as a group or as individuals.

In the CHF/Jordan project, established banks distribute loans directly to microentrepreneurs. These loans are funded primarily by USAID, but CHF convinced banks to share part of the loan risk. Banks have found the project to be good business. The low-income borrowers have an average repayment rate of 98 percent. CHF/Jordan Country Director Rafael Jabba said the repayment rates are above normal because, among other activities, "We develop working relationships with the clients."

Small business owners benefit from the loans that are provided at or just above the market rate, and the loans open a new market niche for banks.

Continued on page 3

IN THIS EDITION:

Events & Member News.....2

US/Mexico Transborder Shelter Network Membership Growth.....3

Ixcán Road Maintenance Association Inauguration.....4

Kosovo Reconstruction Update.....5

Market-Driven Housing in Poland.....6

Cooperative Development in the Philippines.....7

CHF Staff News.....7

Greater Washington Reading Council Aids "MIRA" School.....8

Reconstruction Programs Accelerate Toward Development

CHF has begun work on two significant housing reconstruction programs in Honduras thanks to continued support from USAID. In the *HOGAR* ("home") program, CHF will help 3,000 families upgrade core permanent homes on titled and serviced land through local and international nongovernmental organizations (NGOs). Hurricane Mitch destroyed the homes of many low-income Honduran families and has forced them to relocate.

As a long-term development approach in our reconstruction projects, at least 15 Honduran NGOs and municipalities working with CHF will improve their capacity to address housing and community development needs, and five of the NGOs will provide loans to help these low-income families meet their housing needs. *HOGAR* applies sound urban planning techniques in the new communities, providing families access to schools and health services and helping community members find opportunities for economic growth.

In a Starter Home project, CHF and beneficiary teams will construct 500 "starter homes" in hard-hit communities. The program will facilitate a credit/subsidy mix and self-help construction over a 12-month period.

Continued on page 2, col. 1

35

Honduras, continued from page 1

ETS Update

To protect those still without permanent homes nearly two years after the storm, the number of CHF emergency temporary shelters (ETS) in Honduras has grown to 3,349 shelters from 1,961 shelters since we first reported the effort in the Spring/Summer 1999 edition of *CHF Newsbriefs*. 1,371 latrines and 40 permanent houses have been built, up from 610 latrines and 16 model houses built just months after Hurricane Mitch left thousands homeless in the fall of 1998. The ETS are the first step to reconstruction and long-term development. These two additional phases of the ETS project were funded by USAID & the Office of Foreign Disaster Assistance (OFDA). For more information, call CHF or visit our website at www.chfhq.org. Members of the international development community may also be interested in two new books on disaster relief by the Pan American Health Organization (www.paho.org/english/ped/pedhome.htm).

Rebuilding Homes and Lives after Hurricane Mitch

by Lisa Pacholek, CHF/Honduras Country Director

The stories of tenacity, selflessness, hard work and cooperative spirit after Hurricane Mitch are too plentiful to recount. The fact that most of these people lost every worldly possession and many lost one or more family members to flood waters and land slides, makes their stories of courage and strength all the more astonishing. During the execution of the three-phase Emergency Temporary Shelter project, I was constantly overwhelmed by the positive reaction of the people and how in every community in Honduras, community leaders emerged to organize their neighborhoods and coordinate relief and reconstruction efforts.

One moment in the project stands out for me more than any other. A local community, Nueva Esperanza (New Hope), asked us to provide them with temporary homes on a new piece of land that they had just purchased as a group in Tegucigalpa. We had agreed to do so, but our plans were changed when they were not able to acquire the necessary construction permits before they were asked to vacate a local school where more than 150 families were temporarily housed. The group returned to CHF on a Thursday afternoon and said that they had to leave the school by Monday morning. CHF and the community quickly went to work identifying a location to build the temporary shelters. The only place available was a soccer field in the same community. Once agreed that we could build on the field, the community began preparing the field and marking the lots for construction. CHF went to work ordering materials and organizing the work groups. Seeing the motivation of the community and their dire need, CHF staff agreed to work through the weekend to help the community build the homes.

I arrived at the project site on Sunday morning, and I will never forget the image I saw. I stepped out of my car and my eyes filled with tears as I saw literally hundreds of people at work all over the field building their temporary homes The picture was magnificent! It was like looking at an ant colony...everyone was scurrying about with obvious direction and determination. The community was organized into work groups each with a specific task and goal. Women, men, children, and elderly were working together. More than 30 homes had been set up in less than 2 days and materials were prepared and ready for more.

We will never forget the destruction that Hurricane Mitch inflicted on Honduras, and the strength and determination of the Honduran people will stay with me forever.

Events & Member News

Announcements

Joel David Welty received the 1999 Jerry Voorhis Award from the **National Association of Housing Cooperatives (NAHC)**. The award honors individuals who have made an outstanding contribution to the cooperative housing community. NAHC considers the award the highest honor of the U.S. housing cooperative movement.

Welty has 50 years of co-op involvement, and formerly worked with CHF as National Information Officer.

Upcoming Events

The **Building and Social Housing Foundation** has planned an International Study Visit, 4-10 December 2000. Call (+)31 70 328 1504 or visit www.bshf.org for more information.

The **International Federation for Housing and Planning** has many events scheduled in the upcoming months. Call (+)44 (0) 15 30 510 444 or visit www.ifhp.org for more information.

CHF newsbriefs

CHF newsbriefs (ISSN 0895-5735) is published periodically by the Cooperative Housing Foundation (CHF), a private, nonprofit organization for communities, habitat, and finance established in 1952.

Legal counsel for CHF is provided by the firm of Reno & Cavanaugh, PLLC. Material from CHF newsbriefs may be reprinted without prior permission, provided credit is given. Subscriptions are available free of charge.

Chairman: Gordon Cavanaugh
President/CEO: Michael E. Doyle
Editor: Heather L. Bowen

Cooperative Housing Foundation (CHF)
8300 Colesville Road, Suite 420
Silver Spring, MD 20910 USA
Tel.: 301-587-4700
Fax: 301-587-2626
E-mail: mailbox@chfhq.org
Web: www.chfhq.org

Jordan, continued from top of page 1

As impressive as the program's successful repayment rate is the fact that, of the 3,679 loan recipients to date, 68% are women. In the past, women have had an even harder time qualifying for loans than men. Today, many of the women qualify by taking out a group-guaranteed loan from the banks. If one member of the group defaults, others assume the financial burden.

Project Innovation Rewarded

On November 12, Her Majesty the Queen of Jordan Rania Al Abdullah and U.S. First Lady Hillary Rodham Clinton presented CHF and eight other USAID-supported microfinance organizations with awards for project innovation.

The previous day, the First Lady and her daughter Chelsea Clinton, Queen Rania, and the King's sister Her Royal Highness Princess Aisha Al Abdullah had visited a CHF/Jordan-organized bazaar in Petra. At the bazaar, the dignitaries met and reviewed the microenterprise activities of 10 CHF clients.

USAID Administrator and US Ambassador to Jordan Visit

USAID Administrator J. Brady Anderson visited CHF/Jordan in December. Jabba reported, "The visit went well. We discussed the importance of providing individual loans above $300." USAID/Jordan Mission Director Lewis Lucke accompanied them. USAID provides financial support to the program. Bank financing and CHF contributions comprise the project's additional funding sources.

On January 23, the U.S. Ambassador to Jordan William Burns and the USAID Mission Director Lewis Lucke visited CHF/Jordan's Kerak office and discussed the status of CHF/Jordan activities. Burns, Lucke, and Jabba toured a microfinance bazaar that was held at Mutah University, where several CHF clients exhibited their wares.

Ambassador Burns was in Karak for a ribbon cutting ceremony at the University to mark the opening of a USAID exhibition highlighting 50 years of co-

USAID Administrator J. Brady Anderson visited CHF/Jordan microentrepreneurs this winter. Here, he is seen preparing falafel, a local dish (left), and speaking to a small business owner (right).

operation between USAID and Jordan. USAID's involvement has focused on water, health, housing, infrastructure projects and economic opportunities.

CHF/Jordan Business Plan

Operating since December 1997, the project has surpassed many of its goals to date. This March, CHF/Jordan presented to USAID its revised business plan for the next three years. At a luncheon during the business plan review, several CHF/Jordan staff were honored. (See page 7 for information on the honorees.)

The revised business plan will help meet the needs of the growing number of low-income loan clients aided by the highly innovative and widely successful CHF/Jordan microfinance project in the Southern Jordan region.

Networking on the US/Mexico Border

Collaborating with *Fundación Habitat y Vivienda A.C.* (FUNHAVI) and the El Paso Collaborative (EPC), and with financial support from the Ford Foundation, CHF has been actively linking institutions through the Transborder Shelter Network (TSN) along the U.S./Mexico border for the past two years. TSN focuses on establishing an active bi-national housing network, encouraging institutions in the U.S. and Mexico to work together on border issues. The TSN stimulates member institutions to exchange information on border housing topics, identify better housing practices, strengthen housing and infrastructure policies, promote public and private sector interaction, and carry out special initiatives.

TSN's bi-national membership totaled 660 this February, nearly double the membership of one year ago. Partly responsible for this dramatic growth, the *Colegio de la Frontera* (COLEF) has helped TSN find new members in seven major cities in five Mexican border states. Information-sharing mechanisms include seven English- and Spanish-language publications and a TSN website stimulating bi-national exchanges. The Web page (www.tsn.org) has received more than 5,300 visitors.

In 1999, The TSN Steering Committee participated actively in housing conferences and roundtables to promote improved housing. These included: the Ford Devolution Conference, the Colonia Summit, the Border Forum, the Texas Association of Housing and Community Development Corporation Annual Conference, and the El Paso Housing Advisory Council Meetings.

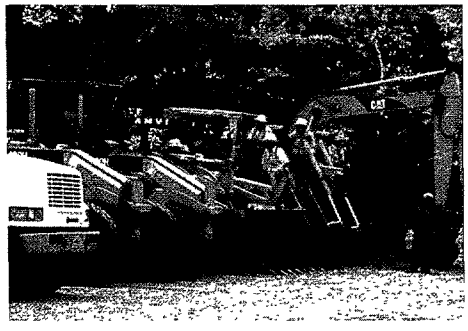
Information from a recent member survey will allow TSN to determine additional needs of members on both sides of the border and respond with appropriate services.

Inauguration Celebrates New Beginning for Ixcán

CHF/Guatemala's Communities in Transition (CIT) program recently celebrated the inauguration of the Ixcán Road Maintenance Association (AMVI). As part of a project begun in 1995, community members working with CHF founded the association in 1998. The inauguration marks one step on AMVI's path to becoming a self-sustaining association.

CHF President/CEO Michael E. Doyle said of the inauguration, "It was a proud moment for everyone involved. This was a truly collaborative effort." He added, "The organization has already made great strides, but the excitement comes from knowing that this organization will be around to build and maintain roads in this area for years to come. Many people said it would be impossible to do this type of work in a place that has so recently emerged from a brutal civil war."

During the week of the ceremony, CIT staff, including Director James Schenck, Associate Director Wilson Castañeda, and Finance Director Randy Lyness, hosted government and USAID officials. US Ambassador to Guatemala Prudence Bushnell, Guatemalan Minister of Agriculture Roger Valenzuela, USAID/Guatemala Mission Director George Carner and USAID Project Officer Brian Rudert. CHF President/CEO Doyle and Senior Program Manager Michael Jenkins also attended.



The Ixcán Road Maintenance Association (AMVI) maintained 128 kilometers of roads in fiscal year 1999, benefitting 21,600 rural residents.

Dignitaries toured AMVI's new office installations and on-site road maintenance machinery before the inauguration ceremony.

Director of CIT James Schenck reported, "The event was a success... representatives discussed the possibility of a road maintenance contract for AMVI... and increased cooperation for road maintenance and bridge-building activities."

CHF President/CEO Michael E. Doyle, USAID/Guatemala Mission Director George Carner (behind Doyle in cap), Vice Minister for Communications Julio Gonzalez (kneeling), Ambassador to Guatemala Prudence Bushnell and FONAPAZ Director Aristides Crespo, kicked off the inauguration ceremony.

Ixcán's Development

With the signing of the National Peace Accords in 1996, Guatemala ended a devastating period in its history that will take generations to heal. The department of Quiché, where Ixcán is located, suffered 344 documented massacres and 45.5% of all human rights violations in the country.[1]

The Ixcán, at one time an uninhabited area where people came to begin a new life, became the site of massacres, kidnapping, and fear. In Kaibil Balaam, 142 people were burned alive, and in Pueblo Nuevo, more than 300 people were murdered in one day. "The Army's perception of Mayan communities as natural allies of the guerillas contributed to increasing...human rights violations against them...that led to [their] extermination en masse...through methods whose cruelty has outraged the moral conscience of the [rest of the] world."[2]

For the first 14 months of CHF's operations in the Ixcán, beginning in 1996, CHF staff worked under civil war conditions, listening to nightly firefights between army and guerrilla troops. Three years later, CHF has established one of the most successful development projects in the region; success in an area where broken promises and a distrust of outsiders have threatened to drain people's hope for a brighter future. Even the best of intentions can be overwhelmed by the lack of infrastructure, communication, and resources in the Ixcán.

Today, the Ixcán is a melting pot of people scarred by war who are looking to settle into a new life once again. Among the 70,000 inhabitants are nine indigenous groups, Ladinos, people from all parts of Guatemala, returnees from Mexico, ex-PAC (military-sponsored community militia groups) and ex-guerrillas. From the beginning, CHF has worked with all inhabitants of the Ixcán. As these groups learn to live and work together, CHF has earned the respect of communities and individuals by building relationships, fulfilling promises and developing responsive programs that have made possible our accomplishments over the past years.

—CHF/Mexico Country Director Eric Adams, who previously worked in the Ixcán with CHF, contributed to this article.

1 Guatemala Memory of Silence UN Truth Commission Report April 1999. P 84
2 Guatemala Memory of Silence UN Truth Commission Report. April 1999. P 34

38

Kosovo Reconstruction Update

In Mitrovica, Kosovo, this winter, CHF staff and local workers built roofs to shelter over 900 families in 300 structures. The families, living in an area torn apart by war, were living out of tents, lean-tos, and chicken coops. Freezing temperatures and frequent snowfall worsened their already devastating living conditions. Families expressed enormous gratitude to CHF as they moved out of these conditions into the reconstructed homes.

CHF staff also supervised the distribution and installation of 900 "warm room" kits provided by CARE and USAID. The kits contained stoves, windows, and doors for homes that CHF had roofed. The warm-room kits enabled nearly a thousand families to be sheltered by a warm room this winter, as families are sharing the shelter of the 300-plus "winterized" homes. In total, this effort provided shelter for over 4,000 individual Mitrovicans.

Mitrovica Residents Face Ongoing Turmoil

In the aftermath of the Kosovo Crisis, no city remains as tense as Mitrovica. With Serbs primarily residing north of the Ibar river and the Albanians living to the south, Mitrovica has become, in effect, two cities. Private cars cannot cross the three bridges across the Ibar and Albanian pedestrians are warned that they go north at their own risk. Part of CHF's effort involved roofing assistance to Albanian families living in predominately Serbian neighborhoods on Mitrovica's north side.

Teams of CHF employees and locally hired workers repaired roofs to provide warmth for nearly a thousand families.

CHF Creates "Kosovo Fund" to Aid Families

While the roofing and warm room kit projects were funded by USAID, staff members from CHF worldwide chipped in their own resources to collect enough money to provide 3 additional homes with warm room kits, housing approximately two dozen more people.

CHF has also established a "Kosovo Fund" to aid families who have lost their homes during the war. CHF will ensure that families receive donations from the Kosovo fund, despite ongoing conflicts. For more information about the fund, call the Kosovo Fund Coordinator at 301-587-4700.

Kosovo Beneficiary Profile: The Story of Dostan Osmani

As Serb forces waged a bombing campaign on the city of Mitrovica, in late March, 1999, Dostan Osmani fled the city with his family. Like thousands of other Kosovar Albanians, they had no choice but to abandon their home.

Lulieta, Dostan, Italije, and Albana Osmani pose in front of a UNHCR tent where the family lived before CHF helped them construct roofs for warm, dry rooms.

Days later, in a nearby village, Serb forces captured and imprisoned Dostan and hundreds of other men. His 15-year old son, Bekim, was shot in the leg trying to remain with his father. After three weeks in prison, Dostan was released. He went to a refugee camp, knowing nothing of his family's safety or whereabouts.

After the NATO treaty was signed on June 6, Dostan returned home. He found his wife and family living amongst the rubble. "For the first week, we were so overjoyed we could hardly speak to each other," Dostan said. "Our home, our valuables and family photos destroyed. But we were all alive."

Dostan gave a heartfelt thanks to NATO and those helping to rebuild Kosovo, including CHF. "I want to thank Americans and people of Western Europe. My wish is also to open up the factories, to help people to work. We are living now only from help – we have no money, no income," said Dostan, who had been a Mitrovica bus driver for 35 years. He added, "We are very thankful for the help we are getting from the international organizations."

Though the immediate family lived, a cousin of the family was murdered, and images of the war still haunt them. The Osmanis look forward to being able to work again, and eventually returning to a life of normalcy.

The Osmani family is one of 900 beneficiary families in CHF's housing reconstruction project in Kosovo. This winter, the Osmani family shared their newly re-roofed and warmed home with two other families whose homes were destroyed.

—Reported by CHF Program Analyst Tara Panek

Letter from Kosovo

"Many humanitarian organizations helped cities of Kosovo, but the first organization who came and seriously helped Mitrovica was CHF.

"We delivered material for 15 houses a day, even with all the [logistical] problems that we faced. People from our districts were impressed by CHF's quick...delivery. People appreciated what we did and how we worked. The team that arrived to Kosovo from CHF was a great one. I am proud that I was part of the CHF team, I am glad that my town received this help. Thanks to God, CHF, and the United States of America."

—Shpend S. Hazhibeqiri, a Kosovar medical student who worked with CHF staff on the project. USAID funded CHF's work in Kosovo.

Market-Driven Housing in Poland

CHF Vice President Judith A. Hermanson (left) presented Deputy Director for Field Program Management Barbara Czachorska-Jones (right) with an award for her eight years of service to the CHF/Poland Housing Delivery in a Market Economy project, which ended in January.

Two CHF projects have contributed to the strengthening of housing delivery in Poland's relatively new market economy. The Housing Delivery in a Market Economy project, which ended in January, generated over 30 non-governmental organizations (called AWIMs, their Polish acronym) to serve residents seeking new homes. AWIMs will continue to offer technical assistance, suited to Poland's new market economy, to develop new housing long beyond CHF's involvement.

Over eight years, CHF and local partners:

- directly helped 1,651 families attain new housing,
- facilitated over 400 mortgages, and
- leveraged over $39 million from private sources.

The CHF-formed Center for Housing Initiatives (CIM) aspires to become the leading national foundation supporting the network of AWIMs. CIM promotes a variety of affordable housing models, including privatization of public housing through creation of condominiums and development of cooperatives.

See www.chfhq.org for more information on the Visiting International Professional (VIP) program and/or the CHF/Poland Market-Economy Housing Delivery final report. If you would like to volunteer your expertise to help low-income families overseas, or to speak with a former VIP volunteer, call the VIP Coordinator at 301-587-4700.

This year marks CIM's first year as a self-sustaining entity. USAID formerly provided funding for the Center through CHF.

CHF Visiting International Professional Consults Condominia in Poland

In February, Joseph Conlon, president of Diamond Realty in the United States, completed a two-week Visiting International Professional (VIP) assignment in Poland. He provided management and financial consulting services to CIM. His trip was supported by USAID's Office of Private and Voluntary Cooperation.

Conlon said, "It was an enjoyable and insightful experience for me. You cannot imagine the differences between the way U.S. citizens and Polish citizens attain housing." He added, "While the challenges are unique to the Polish marketplace, the solutions can be found in the implementation of successful U.S. models and the development and promotion of professional property management practices."

Condominia have been one of the main privatization mechanisms in Poland's transition to a market economy, and the CHF/Poland program has focused on enhancing the management and financial abilities of these associations.

Pilot projects focused on renovation of existing properties owned by condominium and homeowner associations, because several decades of neglect have deteriorated many of the buildings that house the new condominium associations. CHF has helped residents improve 128 units, with an estimated $82,459 leveraged from public and private sources, while providing a model for others to organize financing for improvements.

Condo association members, experiencing private ownership for the first time, now need training and technical assistance for the financial management and long-deferred maintenance of their housing units.

Pilot projects trained residents to manage the implementation and financing of heating, water, gas, electrical, and other systems, and make other renovations. Private sources completely financed all improvements, which were made by replacing or modernizing mechanical systems and other renovations.

Adopt-a-Library Donation Provides Needed Reference

In addition to his financial management duties, Visiting International Professional Joseph Conlon initiated a publications donation by the US-based Community Associations Institute (CAI) Research Center to the Center for Housing Initiatives (CIM) in Poland. The CAI Research Center frequently grants publications to associations as part of its "Adopt a Library" program.

This new library will be a tremendous resource to advance the field of property management and community association development in Poland. The donation is valued at over $800.

The gift is comprised of a complete set of CAI's 27 Guides for the Association Practitioner, offering nuts-and-bolts guides on managing budgets, leadership responsibilities, communication with association members and renters, managing risk, drafting rules, dispute resolution techniques, and working with contractors.

CAI Research Center Executive Director Erin Fuller said, "These publications offer Warsaw residents the answer to any question on how to protect and enhance the community association lifestyle."

CHF Visiting International Professional (VIP) Joseph Conlon advised new condominium and housing associations in Poland on maintenance and financial management.

Co-op Tour Part II

Filipino Housing Leaders Visit California Housing Co-ops

As we went to press with the Fall/Winter edition of CHF Newsbriefs, CHF hosted seven policy makers and housing cooperative officers from the Philippines to study U.S. housing cooperative systems in October. In the second part of the two-week trip, participants explored housing cooperatives in California.

Robert Cox, former CHF Visiting International Professional (VIP) in the Philippines, coordinated much of the second half of the trip. Cox said, "The participants showed an amazing level of enthusiasm for housing cooperative development." Participants visited a variety of organizations in California.

The University Students' Cooperative Association in Berkeley held special interest for Ms. Mantalaba, the Director of the Institute of Cooperatives, Polytechnic University of the Philippines. She hopes to organize similar cooperatives in the Philippines, which would be the first of their kind. The Northern California Land Trust Company in Berkeley acquires land and rehabilitates homes for sale to very low income households. All occupants of Land Trust developments have the option to organize themselves as co-ops. If they choose to do so, Land Trust hires an NGO to train the new cooperatives. Participants also visited the Parker Street Cooperatives in Berkeley and the Temescel Cohousing project in Oakland.

In Davis, considered the "city of cooperatives" because almost all types of businesses there are cooperatives, participants visited several Davis housing co-ops, and met with Mr. David J. Thompson, author and active promoter of co-ops in California.

In San Francisco, participants first visited the city's branch office of the U.S. Department of Housing and Urban Development. Finally, former VIP Cox facilitated a meeting with the founder and

Continued on page 8, col. 2

CHF Staff Workshop in Istanbul

CHF staff members engaged in intensive training and development activities in Istanbul, Turkey this February. The workshop provided a unique opportunity for veteran and new CHF employees to explore CHF's global activities, discuss lessons learned, and begin further development.

CHF Vice President Judith Hermanson said, "The meeting was a valuable forum for the education of both experienced and new CHF staff members. Everyone learned something."

The workshop began with an overview of CHF's successful program models, including: community economic development corporations, emergency employment, and nongovernmental organization (NGO) development. This review was complemented by technical sessions on program development and effective program budgets.

Led by Program Initiatives Director John Chromy, attendees included the following CHF staff members: CHF President Michael Doyle; Vice President Judith Hermanson; Program Development Officer Beverly Hoover; Program Development Officer Tara Williams; Program Development Officer Tim Prewitt; Senior Program Development Officer Tamara Arsenault; Senior Program Development Officer David Dunbar; Senior Program Manager Michel Holsten; Senior Program Officer Matt Chandy; CHF/El Salvador Country Director Brian Holst; CHF/Romania Country Director Matt Lovick; CHF/Romania Deputy Director Jesse Fripp; CHF/South Africa Country Director Alain Noudehou; and CHF Emergency Reconstruction Director Bruce Parmelee.

The workshop accomplished its goal of launching plans for six countries in the Balkans and Caucasus Region. Since the conference, participants have followed up on the six country strategies, a further indication of the conference's success.

As part of CHF's general strategy to build on our experience in Eastern Europe and the Balkans, many CHF program development team members went on to visit countries and CHF projects in Eastern Europe and Eurasia.

CHF Staff Update

New Staff

Byron Chavarria—Financial Research Analyst
Michelle Dacey—Human Resources Assistant
Naeem Green—Staff Accountant
Michel Holsten—Senior Program Manager
Beverly Hoover—Program Development Officer
Randall Sach—CHF/Philippines Country Representative
Tara Williams—Program Development Officer

Assignment Transfers

Eric Adams—Country Director, CHF/Mexico
Steve Beard—Manager, Honduras Municipal Credit Program for Family Sanitation
David Dunbar—Senior Program Development Officer
Bryan Winston—Country Director, CHF/Dominican Republic

In February, CHF Vice President Judith Hermanson (center) presented performance awards to four CHF/Jordan staff members (from the left): Kerak Group Loan Promoter Shireen Madadha; Aqaba Individual Loan Officer, Ghassan Izzat; Mahmoud Oulayan receiving the award for Maan Individual Loan Officer Saliman Nawafleh; and Aqaba Group Loan Promoter Rania Nasser.

Greater Washington Reading Council Aids "MIRA" School

Students in Las Pozas, El Salvador will benefit from the purchase of new books.

CHF thanks the Greater Washington Reading Council for its $1000 donation to enable CHF to purchase books for a school in Las Pozas, El Salvador, as part of the Mitch Integrated Reconstruction Activities (MIRA) program. MIRA works with local organizations and community members to rebuild areas hardest hit by Hurricane/Tropical Storm Mitch in November 1998. Special thanks go to International Literacy Project Chair Kathleen Fay for her involvement in the donations.

Co-op Tour Part II, continued from page 7

first Executive Director of the Low Income Housing Fund (LIHF), Mr. Daniel M. Leibsohn. Participants learned about further non-government financing initiatives.

Post Study Tour Actions

After the tour, one participant, the Philippines National Housing Authority (NHA)'s Ms. Aida deGuia, reported that she found more legislation was needed in the Philippines. She said, "The Philippines has still to develop its own housing act. Legislators have to be oriented and exposed to the housing cooperative programs in the U.S. and other countries, to appreciate the role that housing cooperatives can play in the development of the national shelter program."

Upon their return to the Philippines, those who had visited the U.S. found they were ready to begin groundbreaking cooperative work. Two Memorandums were signed in December: Echague Multipurpose Coop, from Northern Luzon, and MSU-IIT EMPC Mindanao State University's Iligan Institute of Technology Employees Multipurpose Cooperative from Iligan (Mindanao). The co-ops are undergoing site development work now.

CHF will assist the three pilots in these activities, as part of a USAID-funded Cooperative Development Program:

- obtaining financing through local means
- organization and management of the development process
- providing training for co-op boards as needed

In the Philippines, approximately 3 million houses are needed for families who are either homeless or living in substandard housing. CHF is helping the NHA develop a cooperative housing model to serve as a cost-effective housing delivery mechanism for those low-income families.

CHF
Communities Habitat · Finance

Cooperative Housing Foundation
8300 Colesville Road, Suite 420
Silver Spring, MD 20910 USA

Nonprofit Organization
US Postage Paid
Washington, DC
Permit No. 2665

Address Correction Requested

CHF newsletters

Programs Create Jobs in Areas of Former Civil Conflict

Azerbaijani Refugees & Citizens Seek Economic Opportunity

Last year's James Bond thriller, *The World Is Not Enough*, set amidst a trans-Caucasus oil pipeline and .007's signature high tech gadgetry, showed an Azerbaijan rich in oil resources and economic potential. For most Azeri citizens however, economic opportunity remains a Hollywood fantasy. To alleviate poverty and stimulate growth, CHF recently launched a two-and-a-half year Community Employment and Economic Opportunity Program (CEEOP) in South-central Azerbaijan designed to increase earning potential for Azeri farmers and entrepreneurs.

With a per capita gross domestic product (GDP) of $506 and more than two-thirds of the country living in poverty, Azerbaijan faces many challenges. The country, slightly larger than Maine, has endured mass unemployment since gaining independence from the Soviet Union in 1991. In addition, the 1994 conflict with Armenia left more than 700,000 people displaced

continued, top of page 2

Kosovo Construction Industry Will Get a Boost

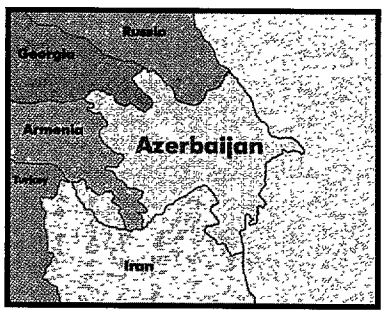
Over a year after hostilities have ceased, Kosovo's economy remains in tatters. Thousands of families live in damaged shelters, many factories and workshops are operating below capacity, and thousands remain unemployed. Under a USAID contract, CHF will work with Save the Children to move beyond our initial role of emergency relief.

CHF will help revitalize the construction industry, one of twin engines of the area's economy (agriculture being the other) by offering technical assistance to businesses in Southern Kosovo, the heart of the construction industry. In the target area, over 70% of the population is unemployed due to economic constraints brought on by war.

Under the new, two-year Kosovo Construction & Employment Program, CHF will, among other program activities:

- Create 260 new full-time jobs and 2,180 person months of part-time employment,

continued, middle of page 2



In Azerbaijan, CHF will work with members of rural communities.

In Kosovo, CHF will focus on the south's construction industry.

700,000 people living in Azerbaijan are displaced or living in camps or shelters as a result of conflict with Armenia.

CHF will work directly with farmers and local business people to improve their economic situations at the grassroots level.

IN THIS EDITION:

Cooperative Development & Disaster Management.....3

Waste Management Education.....4

Promoting a Healthy Environment.....4

CHF/Mexico to Reach $2 million in 2000.....5

South Africa Extends Community Services.....6

Volunteer Story.....6

Events & Member News, Staff Update, In Memoriam.....7

Azerbaijan, continued from bottom of page 1, column 1

and living in camps or shelters.

"Most rural Azeris and internally displaced persons (IDPs) live on the equivalent of a few U.S. dollars per month," said CEEOP Director Christopher Siliski. "We have met with dozens of farmers struggling with marginal irrigation facilities, inadequate transport, and basic financial management issues. They are eager for new community-based economic opportunities."

Siliski said the wife of a shop owner in a refugee camp he had spoken with was a typical entrepreneur. She was peddling *coka-cola*, some potatoes and a few other products. Her husband had built the shop himself for about US $100. She said, "We wouldn't even let our animals live in such conditions ten years ago. If we had only known that we would have been forced to stay here seven years ago when we fled the war, we would have gone to the North where... due to the mountains, there is plenty of water."

Working directly with farmers and local business people like these, CHF's program will:

- Provide rural Azeris and IDPs with skills to manage small businesses,
- Conduct market research to identify new opportunities for area residents, and
- Create and strengthen farmers' associations to process, warehouse, and market goods.

The program, based in Imishli, will serve more than 1,000 people and generate more than 120 full-time jobs. CEEOP is funded by the United States Agency for International Development under Mercy Corps International's Azerbaijan Humanitarian Assistance Program. ■

Above, a store in the Sabirabad region of Azerbaijan, where CHF will work. The region has over 20,000 internationally displaced persons and refugees living in a variety of massive camps, in makeshift mudbrick and swamp reed huts alongside roads, and in train cars and in large tin bins. Many residents depend on the local market for an income of about US $1.00 to $2.00 per day.

Both the Azerbaijan and Kosovo programs will work at the local level to help families improve their income and their lives through jobs creation and through small and micro business development.

Kosovo, continued from bottom of page 1, column 2

- Provide rapid technical assistance to an initial group of promising small and medium-sized enterprises, and
- Improve the ability of 200 businesses to analyze their products and services and lay the groundwork for strategic business planning.

Kosovo Acting Director Timothy Prewitt said, "The program aims to help the people of Kosovo secure jobs, generate income, and re-create markets and infrastructure." These activities aim to improve the country's economy and its residents' quality of life.

CHF will work with construction companies to produce cement, cement blocks, brick, tiles, plumbing supplies, and electronic supplies. ■

CHF provided immediate relief and reconstruction assistance for nearly 1,000 families after the conflict in Kosovo. CHF consultants delivered warm-dry room kits to residents. A new program will stimulate jobs creation for hundreds more in Southern Kosovo's construction industry.

CHF newsbriefs

CHF newsbriefs (ISSN 0895-5735) is published periodically by the Cooperative Housing Foundation (CHF), a private, nonprofit organization established in 1952 to help families throughout the world build better habitats and communities. Legal counsel for CHF is provided by the firm of Reno & Cavanaugh, PLLC. Material from CHF newsbriefs may be reprinted without prior permission, provided credit is given. Subscriptions are available free of charge.

Chairman: Gordon Cavanaugh
President/CEO: Michael E. Doyle
Editor: Heather L. Bowen
Address correspondence to:
Cooperative Housing Foundation (CHF)
[illegible]

The Role of Organizations like CHF in Disaster Management

As of June, CHF's disaster reconstruction program in the Dominican Republic had completed or begun construction on over 800 new houses for families whose homes were damaged by Hurricane Georges.

The 1990s have been called the "Decade of Disasters." Natural threats like hurricanes, floods, earthquakes, and growing numbers of civil conflicts ravaged communities around the globe in the last 10 years. Rural areas and neglected poor urban settlements are exceptionally vulnerable, because communities with a high percentage of low-income residents are more exposed to hazards. They lack the adequate shelter and resources to protect themselves, and they are frequently less organized and equipped to respond to the disaster.

CHF, like other cooperative development organizations, is well suited to aid local communities in times of emergency, because we already have projects operating on the ground and have established relationships with community leaders and representatives of local organizations and municipalities.

In natural or man-made disaster emergencies, organizations like CHF are most able to:

- Rapidly identify risks and vulnerabilities
- Plan effective responses to emergencies in collaboration with local organizations
- Quickly identify and acquire resources needed

Further, we aid long-term community development by:

- Building the technical and organizational capacity of target families, communities, and governmental and non-governmental organizations and representatives.
- Fostering a productive dialogue with municipal, district and national emergency management officials. This affords communities the opportunity to contribute to national disaster prevention, relief, and reconstruction processes and policies, and encourages national organizations to improve their support of local responders.

Rick Hill, CHF Director of Emergency Management said, "Our strategy for emergency relief and reconstruction follows the same principles our other programs follow, meaning that CHF is in a unique position to effectively connect the processes of relief and reconstruction."

CHF program principles include creating positive examples, widening the impact, achieving results quickly, strengthening local institutions, using a business-like approach, and reinforcing democratic principles. These guidelines help us structure our reconstruction programs to make a powerful and long-lasting impact on the communities that turn to us after disasters strike.

When reconstructing a community's housing, CHF rebuilds communities in stages, responding to urgent needs first. For example, in Honduras after Hurricane Mitch, we built thousands of temporary shelters and a few model homes, then embarked on a more permanent development route. CHF reused materials from the temporary shelters to build the new permanent homes.

CHF also works to develop the community's infrastructure. Though adequate shelter is a primary and urgent need, CHF knows that building the physical structure is not enough. In our disaster reconstruction models, as in our community-based development models, CHF integrates program components from various sectors to improve the overall condition of the community. This includes repairing roads, bridges, and schools.

Yet perhaps the most important aspect in successful disaster management is the purposeful capacity-building and institutional strengthening that a cooperative development organization like CHF was founded to carry out.

CHF Disaster Management Experience at a Glance

1999:	Civil Conflict (Kosovo)
1998:	Hurricane Mitch (Honduras, Guatemala, and El Salvador)
1998:	Hurricane Georges (Haiti, Dominican Republic)
1994:	Mt. Pinatubo Eruption (Philippines)
1986:	Earthquake (El Salvador)
1974:	Hurricane Fifi (Honduras)
1972:	Earthquake (Nicaragua)
1970:	Earthquake (Peru)

Recent Disaster Management Success Stories

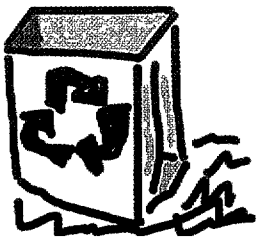
Kosovo

Working against a tight deadline to provide adequate shelter for 952 families before the worst of winter, CHF provided warm-dry room kits and replaced and repaired roofs of over 300 damaged homes.

Honduras

10 days after Hurricane Mitch, CHF was constructing temporary family shelters. Within 90 days, CHF had mobilized over $500,000 and constructed 1,741 temporary shelter homes, 610 latrines, 17 permanent homes and 8 temporary schools in 46 communities.

45



Waste Management Education

U.S. Environmental Protection Agency and CHF Host Study Tour for Central American Community Leaders

Many Central American communities have named solid waste management and wastewater systems and treatment plants as high environmental priorities. As part of a program to solve high-priority environmental problems, CHF hosted a dozen community leaders from six Central American countries for a week-long study tour in Atlanta, Georgia, May 15-19.

Arturo Villalobos, CHF Team Leader for the Local Environmental Policy and Program Initiative (LEPPI), guided the tour, and Environmental Protection Agency (EPA) Region Four representatives in Atlanta coordinated the activities.

The 12 representatives of local governments and Local Environmental Steering Committees (groups working with CHF to plan and implement environmental solutions in their home countries) sought out practical examples of integrated solid waste and wastewater management systems in the Atlanta area.

Participants learned nuts-and-bolts solutions by touring an effective materials recovery facility and a cutting-edge wastewater treatment system, meeting with EPA officials, and attending the industry's largest trade show—the Atlanta 2000 Waste Expo.

Study tour participants indicated that the trip sparked new ideas for them, and they were eager to see how they could apply various solutions to meet local needs back home. They said the visit gave them the opportunity to see that even in the most developed countries, planning for solid waste collection and disposal, and treating wastewater is not easy or simple.

Participants reaffirmed the idea that groups of towns or municipalities must jointly take responsibility for most pollution control efforts, to reduce the cost and effort involved. This includes looking for suitable approaches, administering technical studies, and finding suitable sites.

The CHF/LEPPI project has helped communities throughout Central America build recycling centers, manage wastewater, build sewage systems, prioritize their environmental needs and plan to meet their most urgent goals.

Ongoing LEPPI activities include:

- *Study tours*
- *National and local workshops*
- *Wastewater irrigation*
- *Construction of recycling and solid waste facilities*
- *Development of environmental microenterprises*
- *Environmental education*
- *Policy discussions with practitioners and decision makers*

for more information, visit our website at www.chfhq.org.

Promoting a Healthy Environment

CHF Participates in World Health Organization Conference

The World Health Organization (WHO) selected CHF to present a poster on our Honduras Urban Sanitation Loan program at the 5th Global Conference on Health Promotion in Mexico City this June. The poster outlined a unique CHF home improvement loan program that integrates health promotion with opportunities for families to improve their physical environment through credit.

The loan sanitation project provides small loans for improvements of bathrooms, latrines, and wash basins, and hookups to municipal sanitation lines. The terms of the loan require that borrowers are also given health and sanitation education.

An evaluation of the pilot project found that the program made an impact. For example, knowledge about the importance of:

- washing hands after using latrines or toilets increased from 10% to 40%
- washing hands before eating increased from 18% to 55%
- maintaining sanitation units and keeping them clean increased from 18% to nearly 80%

The project demonstrates CHF's commitment to integrated community-based development programs. Much of the WHO conference focused on this type of cross-sectoral work in health promotion.

Honduras Country Director Lisa Pacholek and Communication Specialist Heather Bowen represented CHF at the WHO conference in Mexico.

CHF/Honduras Country Director Lisa Pacholek (right) explains one of CHF's innovative environmental health programs to conference attendees.

46

CHF/Mexico Loans to Reach $2 Million in Year 2000

CHF and local Mexican organization Funhavi are preparing to celebrate the new millennium by reaching $2 million in loans disbursed to low-income families in the year 2000.

The 1,600 loans to date have benefited 7,200 people over the last 6 years. The majority of these loans go to workers in Juárez's 400 *maquiladora* (assembly) plants. The clients earn only between US $200-500 per month, but 97% are up-to-date on their payments.

With an average of 1,000 people arriving daily in Ciudad Juárez, most of them looking for work, the need for housing is critical for many families throughout the city. An estimated 300,000 people live in substandard housing and do not have access to traditional lenders like banks and credit unions. Families live in homes made of wooden pallets and cardboard, which offer some privacy but little shelter from dust, scorpions and black widow spiders, and no security. Recent heavy rains have flooded and damaged many of the homes.

Funhavi's short-term loans for specific home improvement projects offer low-income workers a chance to better their living situations. CHF founded Funhavi in cooperation with the Mexican organization Sadec. Architect Jesus Gamez Almaguer, who has worked for Funhavi since 1994, explained, "CHF brings the strategy, vision, and experience, while Funhavi has adapted it to the local context."

Working in tandem, CHF and Funhavi have created an operationally sustainable organization that they one day expect to expand along the border. Many low-income families in rapidly growing border communities need home improvement loans.

Funding for the program comes from the Ford Foundation and from area *maquiladoras*, including Johnson & Johnson, Cummins Engine, Eaton Corporation, Contec-Sumitomo Corporation and Outboard Marine Corporation. This novel approach is a good business practice—it allows area companies to improve their employees' living conditions, leading to healthier employees, and ultimately higher productivity.

Considering the unhealthy living conditions for these families, it is not surprising that Hepatitis A, diarrhea, and asthma are prevalent. In response, CHF/Mexico hopes to expand the home improvement loans to include urban sanitation loans, which focus on improvements of the families' physical environment while educating residents about good health and sanitation practices. (See "Promoting a Healthy Environment" on page 4 to learn about CHF/Honduras sanitation loans.)

Beneficiary Profile: Raquel Gonzalez

Raquel Gonzalez (seen here and at lower right with son Luis Angel) used the loan to lay a concrete floor and improve the roof of her family's new home.

Raquel Gonzalez and her husband José Muñez Vasquez moved from Zacatecas to Ciudad Juárez about a year ago to find jobs. Juárez, boasting the highest employment rate in Mexico, is one of the few places in the country where one can see "help wanted" ads. Jose is now a fireman and Raquel works at the Contec *maquiladora* (assembly plant).

They learned about the loan through José's friends who had attended a special Funhavi informational meeting at the fire station. They soon decided to take out a loan to improve the home they were building in the new, quickly growing settlement of *Colonia Fray Garcia de San Francisco* on the outskirts of Juárez. *Maquila* workers began erecting makeshift homes to the south and east of the city because mountains have prevented expansion to the west. *Maquiladoras* decided to move their plants closer to their employees' homes.

Raquel Gonzalez said she was happy with the service and convenience of repayment. "People helped us right away. The process was explained clearly," she said. "We had no problems with the payments." Loan payments can now be made at ATM-type machines in the S-mart food chains throughout Juárez. She added, "It was a quick process to request the loan through CHF. From the time we entered Funhavi, it was less than one month before the materials arrived. The construction was done in six weeks, then the doors, windows, and painting were done in a few days."

Gonzalez is now encouraging her neighbors to follow suit. She said, "I recently talked to a woman who is living in only a wood room... and afterward, that woman went to the Funhavi office to apply for a loan." About 75% of Funhavi's clients hear about the loans from other clients.

The Gonzalez family is just one of thousands who have improved their homes and lives with a CHF loan through the local organization Funhavi.

Low-income families in Ciudad Juarez typically build homes made of wooden pallets and scavenged materials like plastic and cardboard. CHF loans allow families to build safe homes like Raquel Gonzalez's home in the profile above.

Community Services Extended in South Africa

CHF/South Africa will extend its services to low-income residents in South Africa through a new, three year program and through a year-long extension of the Technical Service Center program. USAID will fund both the extension and the new program.

Technical Services Center

The extension will allow CHF to organize the assisted self-help Technical Services Center to become sustainable by the end of fiscal year 2001. The center will be staffed entirely with South Africans and the CHF Country Director's role will be slowly phased-out over the next 14 months.

An excellent example of the Center's effectiveness is the Motherwell Assisted Self-Help Project, which began in December 1996. Seven very poor Motherwell community members, representing over 500 other low-income residents, approached CHF to help them improve their housing. Actively repressed during the era of apartheid, these residents sought out CHF to help them navigate bureaucratic hurdles to home ownership—to plan and implement a housing project of their own.

Today, through assisted self-help and low-cost technology, a sense of community has been reinforced. The community has completed 145 houses, with 250 more planned, for a total of 395 safe, affordable houses. Community members feel a sense of dignity and accomplishment, and a strong community association is now in place to carry out the next phase.

While the new South African government had allocated serviced housing sites to these low-income residents in 1994, they were still living in shacks because they couldn't afford the cost of building new houses at the allocated sites. Residents faced obstacles rooted in the country's history—lack of organizational and technical support, and bridge financing to help them access subsidies, grants, or other finance to be-

continued on page 8

Perspectives on Women Constructing Low Cost Housing

By Janis Reek, CHF Visiting International Professional (VIP)

In March, I completed a three-week assignment as a Visiting International Professional (VIP) for CHF/South Africa's Cooperative Development Program. One reason CHF selected me for this assignment was to share with low-income residents in East London, South Africa, my experience as a *female* carpenter and affordable housing developer. Because of the benefits my career in construction has brought me, I am very interested in promoting the industry to other women.

VIP Janis Reek (center) with two women from the Jo Slovo Housing Project near Uitenhage.

CHF provides technical assistance to Afesis-Corplan, an East London nongovernmental organization that assists a newly-formed grassroots organization, the East London Housing Management Cooperative (ELHMC), to develop a cooperative housing project. Two hundred low-cost homes will be constructed, upgrading the members' housing from shacks in informal settlements to 450 square foot concrete block homes with sewer, water, and electricity.

About 80% of the cooperative's members are women, and most (if not all) of them have never been involved in construction. But because the South African government allots only R 16,000 (US $2,700) per home for land, development soft costs, utilities, labor, and materials, ELHMC members will have to build at least a portion of their homes themselves.

To assure them about their ability and to increase their skills and knowledge, I presented information during a workshop for the ELHMC Board of Directors. I shared my experiences as a woman in construction and taught them about three different ways that they could build their houses—using a contractor, building the houses themselves, or using a combination of the two approaches. By the end of the workshop, the participants seemed much more confident about pitching in on the construction.

These women are energetically and enthusiastically pursuing opportunities to improve their living conditions. Can you picture yourself in their shoes—as a mother raising your children in a shack made out of scrap, with no security and a leaky roof, sharing a water tap and toilet with many other families? The cooperative members in East London have hope today of new homes that will be built partially with their own labor. As more women like them learn to build, a huge resource of women builders will enable an increasing number of homes to be built for families in need.

Janis Reek is Director of Programs at Project Home, Inc., a nonprofit providing affordable home repair, weatherization, and housing development in Madison, Wisconsin. Reek is also a member of the National Association of Women in Construction. During her assignment, Reek and NAWC's new affiliate—South African Women in Construction (SAWIC)—hosted meetings in Cape Town and Port Elizabeth to encourage potential members to join local SAWIC chapters. Women working in fields such as architecture, town planning, commercial development, market rate and affordable housing development, and local government attended the meetings with energy and enthusiasm.

48

Events & Member News

NAHC Conference

The National Association of Housing Cooperatives (NAHC) will hold its *2000 Annual Conference* from October 25-28, 2000, at the Hyatt Regency in Washington DC. For more information, contact NAHC at 202.737.0797.

Meeting on Housing Microfinance

During the InterAmerican Development Bank's first conference on housing microfinance, representatives from donor agencies, practitioners, and researchers convened to share experiences on housing lending abroad. The workshop, *Microfinance of Housing: Lessons Learned from Practitioners*, was held June 13-14 in Washington, DC.

CHF Vice President Judith Hermanson and Field Program Management Director Franck Daphnis presented CHF's home improvement lending program methodology and CHF's new manual, *"So You Want to do Housing Microfinance? A Guide to Incorporating a Home Improvement Loan Program for Microfinance Institutions."*

Home improvement lending is a growing sector in microfinance. Many microfinance institutions have discovered that borrowers use loan proceeds to improve their homes. Incorporating a home improvement loan program (HILP) allows microfinance institutions to meet client demand for new products and improve client retention, and potentially expand client outreach beyond microentrepreneurs.

Hermanson and Daphnis explained that the guide helps microfinance institutions systematically assess the feasibility of incorporating a HILP within their existing operations. The guide may be obtained through CHF's website at www.chfhq.org.

Social Housing Seminar

In July, CHF/South Africa held a very successful housing seminar in Port Elizabeth. Hilary Stewardson, South Africa Cooperative Development Program Manager, organized and facilitated the seminar, *Social Housing— What are the Options?* Participants from local government, community groups, and NGOs said they acquired a great deal of new information.

Country Director Alain Noudehou outlined the achievements of the Technical Services Center in Port Elizabeth and Vice-President Judith Hermanson presented the CHF approach. Keynote speaker Mr. Lawrence Ramashamole, Senior General Manager and Managing Director of the Housing Institutions Development Fund and the Social Housing Foundation of the National Housing Finance Corporation discussed the various tenure options and their financing. Local area government politicians and officials, members of community groups, and staff of NGOs attended.

Field Leadership Training

Staff members from CHF field offices around the globe met June 19-23 in Washington, DC, to build on participants' professional and managerial skills and hear CHF policies and procedures from senior and executive staff.

The *Field Leadership Training Workshop* Presenters included representatives from CHF headquarters, field management, and outside consultants. Program Analyst Tara Panek and Field Program Management (FPM) Deputy Director Barbara Czachorska-Jones coordinated the agenda with FPM Director Franck Daphnis and Chief Financial Officer James Russo. Daphnis and Russo planned and oversaw the event.

Staff attending were: Eric Adams—Program Director, Mexico; Ruby Al Salem—Group and Individual Loan Advisor, Jordan; Steven Beard—Senior Program Manager, Honduras; Viorel Deca—Site Office Manager, Romania; Jesse Fripp—Director, CHF/Romania; Ralph Killian—Project Manager, Port Elizabeth TSC, South Africa; Peter Loach—Program Manager, El Salvador; Randall Lyness—Director of Finance and Accounting, Guatemala; Randall Sach—Country Representative, Philippines; Christopher Siliski—Azerbaijan Project Director, Lebanon; and Alaa Sisalem—HILP Program Director, Gaza.

At a reception on Thursday, June 22, field leaders met with members of the Board of Trustees, who held their semi-annual meeting that Thursday and Friday.

Staff Update

New Staff

Richard Hill—Director, Emergency Management
Mahad Farah—Credit Intern

Staff Changes

David Dunbar—Consultant
Timothy Prewitt—Acting Country Director, CHF/Kosovo
Christopher Siliski—Project Director, CHF/Azerbaijan

Appointments

CHF/South Africa Country Director Alain Noudehou was recently appointed Board Director of the Social Housing Foundation and the Housing Institutions Development Fund. The South African government established both entities.

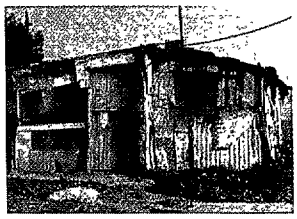
In Memoriam

T. Graydon Upton, CHF Trustee Emeritus, died on May 15, 2000, at the age of 92. Upton was a close friend of many at CHF, and we feel his loss deeply.

Upton first joined the CHF Board of Trustees in the early 1980's, and over the years served on a number of committees, including the Executive Committee. His background in international finance and special interest in low-cost housing made his counsel as a trustee invaluable at a time when CHF's international activities were growing. After his retirement from the board in June 1997, he continued to follow CHF's progress and to offer his wisdom on a number of critical issues.

Upton was a former official of the Treasury Department and the World Bank. He helped establish the InterAmerican Development Bank, retiring as its executive vice president in 1971.

South Africa, continued from page 6



Above, 1.5 million South African families live in self-made shacks.

Below, these children in Motherwell now have safe housing thanks to the CHF/ South Africa Assisted Self-Help program.

gin construction. Their hopes for change had been frustrated.

CHF first helped residents set up the Sakhezethu NgoManyano Housing Association (SNHA), a sustainable community-based organization. Second, CHF developed the Assisted Self-Help approach to maximize housing value by reducing labor and overhead costs and increasing community members' direct activity in the project. These steps empowered residents to meet their own needs and avoid housing units in the area built by private developers and contractors—small, often poorly constructed units of rapidly diminishing value. Third, CHF provided bridge financing so that people could afford to build—a prerequisite to accessing subsidies made available by the government.

Provincial and local governments throughout the country now widely support the innovative Assisted Self-Help approach.

CHF/South Africa has compiled a manual outlining the principles and procedures for replicating the program in other low-income communities. Contact the program director at CHF/ South Africa: (+) 27-41-487-3569 or e-mail chfsa@iafrica.com.

New Business Program

As part of our strategy to help overall community development, CHF is introducing Community Entrepreneurship & Business Initiatives (CEBI), first in Motherwell and then in other townships on the Eastern Cape. CHF is working with two sister cooperative development organizations, ACDI/ VOCA and NCBA/CLUSA.

This substantial new three-year program is funded by USAID and is expected to stimulate and strengthen local economic development in the greater Port Elizabeth area. ■

CHF
Cooperative Housing Foundation
8300 Colesville Road, Suite 420
Silver Spring, MD 20910 USA

Nonprofit Organization
US Postage Paid
Washington, DC
Permit No. 2665

Address Correction Requested

CHF VIP Program

Frequently Asked Questions about Volunteering

Janis Reeks worked with female construction workers during her VIP assignment with CHF in South Africa

Q. What is the VIP Program?
In the Visiting International Professional (VIP) program, CHF recruits experienced subject-area experts for a variety of short volunteer assignments.

Q. What type of work does CHF do?
CHF currently has programs in community development, housing and infrastructure, microenterprise development, and non-governmental organization capacity building, among others. Since 1952, CHF has assisted over 2.1 million families in nearly 100 countries. CHF's programs include local communities and the local private sector in every step of development, resulting in a more stable society where self-reliance and human dignity are valued.

Q. What types of VIP assignments does CHF have?
Our field offices initiate VIP assignments to meet specific needs of CHF's local partners. The host agency may be a governmental agency, nonprofit, or community-based organization; depending on the strategic mission of CHF within a specific country. A VIP may be requested to help an area meet specific development needs, including banking, environment, small business development community development, housing, microenterprise development, or organizational development.

Q. How long do VIP assignments last?
VIP assignments are usually three weeks long. However, a particular assignment may last from two weeks to three months, depending on the needs of the host agency.

Q. What qualifications does a VIP need?
CHF is looking for technically skilled volunteers who have a minimum of five years experience in the requested area. The host agency has the opportunity to request specific skills in a Scope of Work (filled out to initiate a VIP request). Ideally, we prefer that the volunteer have some experience working overseas; however, we will not limit our choices to only those individuals.

Q. I don't have 5 years of experience. Do you have internship opportunities?
Not at this time. Typically, applicants interested in internships must fax a cover letter and resume to the attention of the Human Resources Director. No calls please.

Q. Are all VIP assignments overseas?
Currently, all VIP assignments are overseas. Potentially VIPs can be placed in any of 30 or so countries. CHF has active programs in Latin America and the Caribbean, South Africa, Asia, the Middle East, and Central and Eastern Europe.

Q. Do I need to speak a foreign language?
Speaking a foreign language is not a requirement of the VIP. As a condition of hosting a VIP, the host agency is required to have an English speaker available to work with the volunteer.

Q. What expenses does CHF cover?
CHF will cover applicable expenses related to the VIP assignment. This includes round trip airfare, in country transportation relating to the assignment, housing, meals and incidentals. The cost of any necessary visas and immunizations required by the Center for Disease Control are also covered.

VIP Joseph Conlon worked to improve housing cooperatives in Poland

Q. Who finances CHF programs?
CHF's work is supported in part by grants and contracts awarded by host governments and international development agencies. In addition, private foundations, corporations, organizations, and individuals make contributions to support CHF's activities around the world.

Q. What is the recruitment process?
The first step in the process is to send a cover letter, resume, and a contact list of four references. This information will be stored in CHF's VIP database. The process is demand driven. Sending in a resume does not guarantee a VIP assignment. Check the "VIP opportunities" page for current assignments.

When a Scope of Work is received from the field requesting a VIP, we search the database for the specific skills required and call candidates for interviews. At this point, we discuss availability, and check references. Once headquarters selects a VIP, we send a copy of the resume to the host agency for review. Once approval is received, final project dates are determined and CHF sends the VIP a handbook that includes CHF policies, assignment instructions, and other helpful information.

Q. Will I go alone or with a group?
Currently, our program is placing individual VIPs. However, we will consider placing more than one VIP if a field office requests a team of professionals with specific skills.

Q. Can my spouse join me on assignment?
At this time we are limiting the assignments to the VIPs only. If a VIP's spouse wished to join the expert, CHF cannot cover any of the spouse's expenses. CHF suggests that if a spouse does wish to join the expert on assignment, they visit toward the end of the assignment.

VIP Alex Miller consulted with a new cooperative organization in South Africa

Q. What is required of me as a VIP?
VIPs act as professional representatives of CHF. They must work side by side with the local employees to transfer particular skills. Upon selection, VIPs will receive a Scope of Work defining the specific needs of the host agency. Any requested outputs in the Scope of Work must be completed; this may include training designs, a strategic plan, a business plan, etc. The VIP will also create a list of recommendations for the host agency that will be reviewed with the organization before leaving the country. A final report will be given to CHF within 30 days of the completion of the project. Working in the developing world can be challenging, you may be working and living in conditions that you would not normally be in. We expect volunteers to be realistic about their expectations of the VIP assignment and creative in applying their area of expertise.

Q. Can I travel while I am on assignment?
We request that travel during the VIP assignment be limited to local sight-seeing trips, and that you do not leave the country. Additional travel can be done upon completion of the VIP assignment at the volunteer's expense.

Q. What do I need to do to prepare for the VIP assignment?
Upon selection, the VIP Handbook will provide you with step-by-step instructions. A medical clearance letter must be signed by your doctor and provided to CHF. You must also have a passport and obtain the required visa and vaccinations preparing you for travel. The purchase of a travel guide is also recommended to assist you in packing for the assignment. Professionally, we request that you review the Scope of Work, and compile any materials needed for training, reference or instruction. Once you get in country, reference materials may be limited.

Q. Is there a way to contact previous VIPs before I leave on the assignment?
Yes. Contact the CHF VIP Coordinator for possible references.

Q. How do I sign up?
Send a cover letter, your resume, and four references to:

VIP Coordinator, CHF
8601 Georgia Avenue, Suite 800
Silver Spring, MD 20910
Phone: (301) 587-4700
Fax: (301) 587-2626
E-mail: mailbox@chfhq.org
Web: www.chfhq.org

© 2000, Cooperative Housing Foundation

CHF

Communities - Habitat - Finance

CHF is a private, non-profit organization that has, for more than 40 years, helped families throughout the world build better housing and communities. CHF received the UNCHS(HABITAT)'s 1991 Scroll of Honour for recognition of CHF's "people-orientated approach" to development. A central tenet of CHF's philosophy is to engage people in the resolution of their own problems. By involving local communities and the private sector in every project, CHF seeks to produce more stable societies where self-reliance and human dignity are valued.

COMMUNITIES • HABITAT • FINANCE

CHF

For assistance with developing and managing a cooperative housing project, please contact:

CHF - CDP
Third Floor, Pier 14
444 Govan Mbeki Avenue
PORT ELIZABETH
6001

Postal Address:
PO Box 22090
PORT ELIZABETH
6000

Phone: (041) 487 3569
Fax: (041) 487 3572
Email: chfcdp@iafrica.com

This programme is funded by USAID

USAID

CHF

Cooperative Development Programme

COOPERATIVE HOUSING

More than just a house

- *Empowering* - more control
- *Democratic* - one member one vote

Building a community

~~~~~~~~~~

Working together for a better lifestyle
~~~~~~~~~~

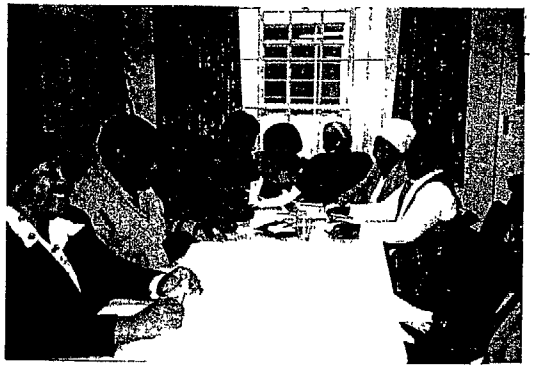
COOPERATIVE HOUSING

WHAT IS IT?

Cooperative housing can take many forms:

- It may be housing that is owned collectively by a group of people - the group together owns all the housing. Each family owns a share and has the right to occupy a unit.
- It may be a group of people who form a cooperative to purchase building materials for their housing and get a better price by purchasing in volume.
- It may be a group of people who come together to develop and organize the construction of their housing.
- These building cooperatives may then continue their cooperative association after occupancy for purposes such as beautifying their neighborhood and building their community spirit.
- It may be a group of tenants in an apartment building who come together to purchase, renovate and manage their apartment building.
- It may be a group of people who have acquired land by legal restitution through a communal property trust and must work together cooperatively to acquire their houses.

In addition to providing housing for its members, a cooperative organization can engage in other activities such as starting income generating businesses or lobbying for improvements in their community.



WHAT ARE THE BENEFITS?

The benefits of forming a cooperative organization and working together are:

- Through cooperation you can create a safe, secure, supportive housing environment and a better standard of living for you and your fellow co-op members.
- It gives more power to your voice because you are speaking from a strong community group.
- It gives you more control over your neighborhood to provide greater security, play areas, etc.
- It provides an organization within which you can expand into other activities such as income generating businesses.
- It provides a place to learn new skills as you take part in managing your cooperative activities - preparing a newsletter, taking minutes, reviewing financial reports, organizing meetings and social functions, etc.

INTERNATIONAL COOPERATIVE PRINCIPLES

The members of a cooperative organization follow the international cooperative principles:

- Democratic control by members: The cooperative is run on democratic principles where each member has one vote.
- Open and voluntary membership: No discrimination, members are free to participate or to leave.
- Security of tenure in a registered housing cooperative: Members have the right to permanent residency as long as they respect the obligations of membership. Shared ownership puts the control of the housing in the hands of the residents.
- Member economic participation: Members of the cooperative contribute to, and share fairly, in the economic affairs of the cooperative.
- Autonomy and independence: The cooperative is free from outside interference in its internal affairs.
- Education and training: The cooperative builds the understanding and skills base of its members.
- Cooperation among cooperatives: housing cooperatives work together with other cooperatives, including other forms of cooperatives such as producer or consumer cooperatives which promote cooperative principles in their work.
- Concern for community and future generations: The cooperative is also concerned about the well being and quality of life of non-members and the children who will inherit the housing and environment created by the cooperative.