



Communities • Habitat • Finance

International Cooperative Alliance

June 30, 2000

Mr. Gerald Britan
(SUP PR ANL)
USAID, PPC/CDIE
Ronald Reagan Building.
Room 6.07-154 6701
Washington, DC 20523-1802

Dear Mr. Britan:

On behalf of the Cooperative Housing Foundation (CHF), I am pleased to transmit to you under cover of this letter, one copy of our second semi-annual report for the Cooperative Development Program (CDP), covering the period January 1, 2000 – June 30, 2000.

You will be pleased to know that the CDP has been a great success. We are well under way with the cooperative pilot process in the Philippines and South Africa, and have completed our program in Poland. In all three countries we have developed excellent working relationships with the USAID Missions, as well as numerous host agencies and cooperatives. In addition to the three initial focus countries, CHF will program a fourth focus country to add to the CDP at the start of fiscal year 2001.

In Poland we assisted existing private sector cooperatives to organize and access market finance to carry out renovations and improvements. At the same time we worked with a national level association of cooperative support organizations (CIM) to enable it to provide similar technical assistance and support in the future. Through the program we leveraged more than \$82,459 in home improvement credit and capital through public and private sources, exceeding our target by \$32,459. The CDP Poland improved the standard of living for 640 beneficiaries in 128 units (78 more than the 50 promised). This was achieved through the use of 4 CHF Visiting International Professionals (VIPs) from the US, the technical expertise of CHF's local staff, and a strong cooperative spirit within the country.

In the Philippines, our CDP strategy is to assist a national ministry to revise their delivery approach from direct implementation to facilitation through a private sector approach. We will use three demonstration projects as the basis of the assistance, working with them and guiding them through the housing development process. The results will include three pilot housing cooperatives with completed units and a revised set of procedures and policies which will enable their replication through similar projects throughout the country, as well as institutionalizing policy and systems to assist housing cooperatives within the Philippines, both technically and financially.

In South Africa the CDP strategy is to work with our local partners to help address the needs of more than 8 million people who are living in sub-standard housing by developing a new housing delivery model through housing cooperatives. CHF and its local partner have identified three groups interested in developing cooperative-style housing, and assist them on

organizing, planning for, developing, implementing and managing a cooperative housing project that will result in more than fifty new homes. The pilot emphasis will be placed on the institutionalization and sustainability of the delivery mechanism. Thus the pilot will work with an NHO or group of NGOs in order to train them, through a demonstration project, in how to organize the cooperatives and deliver the housing. CHF will work with the NGO partner to link its services to additional sectors (formal financial and public) and develop a means of revenue.

Overall CDP progress to date includes the following highlights:

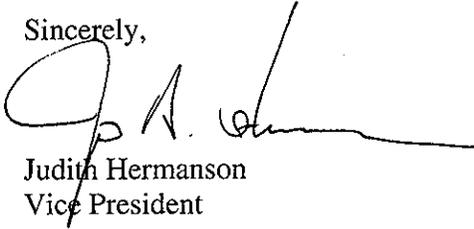
- Fielding of 10 volunteers, including experts in financing cooperatives, co-op management, and cooperative development – in the three CDP focus countries, as well as 2 non-CDP countries (Jordan and Romania);
- Leveraging of significant reconstruction finance through 3 condominium associations in Poland, including \$82,459 in home improvement credit and capital including \$38,275 of the condo associations' own private funds. In addition, the government of South Africa has committed to housing subsidies of \$522,742 (196 homes for \$2,667/unit). In the Philippines the Development Bank of the Philippines and the Land Bank have each made available \$12 million to lend at a rate of 12% for the purpose of cooperative housing;
- Hosting of a Methodology Conference in New York April 3-7, 2000, where 9 CHF staff members formed in-depth documentation of CHF's methodology in these key areas: home improvement lending, umbrella grants management, and new home construction management. In addition 12 CHF field staff attended the Field Leadership Training workshop from June 19-23 in Washington, DC.
- Coordinating of a Program Development Workshop in Istanbul, Turkey, focusing on CHF program strategy in Europe and Eurasia from February 14 – 17, 2000;
- Finalizing agreements with three pilot cooperatives in the Philippines, while assisting the East London Housing Management Cooperative in South Africa, which is engaged in developing 9 separate housing co-ops with 21-22 units each;
- Developing and modifying software for a uniform field loan tracking system, currently being tested in CHF's Jordan and Lebanon offices. CHF is currently in negotiations for a corporate license to the software



Other highlights are included in the body of this report. The report has been structured to conform to the work plan against which we have been working.

We appreciate the opportunity to implement this exciting cooperative development program, through which we are fostering democratic, newly owned cooperatives capable of working in a financially sound manner. We look forward to continuing on the success of this Program in the remaining months of this fiscal year, and the years ahead. Thank you for your continued support of this work. I look forward to receiving your comments.

Sincerely,



Judith Hermanson
Vice President



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COOPERATIVE HOUSING FOUNDATION

8300 Colesville Road, Suite 420, Silver Spring MD 20910. Phone (301)587-4700 Fax (301) 587-2626

COOPERATIVE DEVELOPMENT PROGRAM (CDP)

SEMI-ANNUAL REPORT

C. James ...

SUBMITTED TO:
USAID

BY:
THE COOPERATIVE HOUSING FOUNDATION (CHF)

JULY 1, 2000

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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, concluding 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

Focus Country - Poland 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 units (78 more than our target of 50 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 organization co-founded by CHF. CIM supports a network of over 30 *Agencies to Support Housing Initiatives* (AWIMs), nonprofit cooperative housing developers which 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. The CDP Poland closed out in January 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 helping NHA to provide better services to existing co-ops, encouraging the government 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.

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 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. 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 great potential for 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. This profound housing shortage 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 will work 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 which 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* and training various staff members to better manage cooperative programs. 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: Significant progress has been made in the work with NHA in the development of housing cooperatives, using a private sector approach through the use of national demonstration/pilot projects. Particular accomplishments to date include:

- Securing of 2 hectares of land by the Echague Market Vendors Multi-Purpose Cooperative, Inc in northern Luzon to build 135 units, costing less than \$1,400 each. The low cost will be achieved by members doing most of the construction work themselves;
- Signing of an MOA between the Holy Child Multi-Purpose Cooperative and the NHA on June 13, 2000. The co-op began site development work this period, including laying out of the road system and installation of drainage ditches. They plan to build 75 houses, costing under \$4,300 each;
- Groundbreaking of the Mindanao State University Multi-Purpose Cooperative on June 10, 2000. MSU is planning to begin construction in November of 107 houses of various sizes, with cost averaging \$5,000.

- Releasing of \$24 million in funds available to be lent for the purposes of cooperative housing in-country: \$12 million provided by the Development Bank of the Philippines, and \$12 million by the Land Bank, which has signed an MOA with the NHA. Both banks are offering a special rate of 12-14% to the cooperatives. This financing comes as a result of the CDP Study Tour, held during the last reporting period, and is an illustration of the changes taking place in the thinking of the policy-makers. They now see a greater need for public-private partnerships and for innovative approaches to make cooperative housing more agile and widely accessible.

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:

- Granting of government subsidies to build 196 houses for its 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. The members qualify for this latter subsidy because they are making their own decisions about their housing;
- 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. CHF prepared the financial projections for this venture.
- Fielding of V.I.P., Janis Reek from Madison, Wisconsin, who spent three weeks in South Africa in March 2000 providing advice to the staff of Afesis-Corplan and the members of the ELHMC on mutual help construction and how to utilize a contractor. A one-day workshop was held for the board members of the ELHMC.
- 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 this period include:

- Hosting of a Methodology Conference in New York April 3-7, 2000, where 9 CHF staff members (including 5 field staff participants) finalized papers describing CHF's methodology for three areas of activity: home improvement lending, umbrella grants management, and new home construction management;
- Coordinating of a Program Development Workshop in Istanbul, Turkey, focusing on CHF program strategy in Europe and Eurasia from February 14 – 17, 2000;
- Training of 12 CHF field staff members at a Field Leadership Training workshop from June 19-23 in Washington, DC, for CHF field staff members who have demonstrated exceptional progress in their positions, and have exhibited an interest to increase their roles and responsibilities within CHF.
- Modifying further CHF's loan tracking software, and continuing of testing in the CHF/Jordan and Lebanon offices. CHF continues to work on a world-wide prototype and is in the process of talks with Bankware on the purchase of a license for the software.
- Fielding of 2 volunteers: Janis Reek to CDP South Africa, and William Seas to Timisoara, Romania.

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 which 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 (\$32,459 more 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.

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 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.

Due to the sudden departure of CHF's Country Representative in mid-December 1999 there was little program activity during the first three months of the year. This time was used to recruit a new Country Representative and provide a him with a pre-departure orientation. The new Representative, Mr. Randall Sach, arrived in Manila in early March and has been conducting field visits to the pilot projects as well as meeting with NHA and other key organizations.



CHF Country Representative Randall Sach being introduced to the Board of the Echague Cooperative, April 2000

A. CHF/NHA Partnership

Since the arrival of the new CHF Country Representative regular meetings have taken place to orient the new representative on the current status of the program and to ensure smooth coordination of activities. These meetings are primarily with the Livelihood Development Division (LDD) staff of NHA, however the CHF Representative has worked closely with the Information Division in the production of the first issue of the joint CHF/NHA newsletter

Information Division in the production of the first issue of the joint CHF/NHA newsletter reporting on CDP activities. There was also an introductory meeting, and several informal discussions, with the General Manager of NHA.

B. *Pilot Projects*

Part I: CHF Pilot Cooperatives

During the last semi-annual reporting period three cooperatives, out of a total of 150 applicants, were selected as pilot projects for the CDP. Our aim was to work with one pilot, and the signing on of three has taken us well beyond this goal.

During the current reporting period all three pilot co-ops experienced problems with their respective development processes. Although the problems were different in each case, all of them encountered share a common cause, government bureaucracy. However, in at least two of the three cases, the problems are very near resolution and construction seems probable in the second half of this year.

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

This co-op is located in Isabela Province, northern Luzon. Echague is a small town in a predominately rural area and is the commercial and distribution center for the surrounding farmland. The co-op has secured a site of 2 hectares just outside of the town where it plans to build 135 units costing approximately 57,000 pesos each (less than US\$ 1,400). The low cost will be achieved by members doing the majority of the construction work themselves.

Echague Co-op has had a difficult time receiving permission for zoning conversion of their site from agricultural to residential use. They were caught in a moratorium on conversions of agricultural land imposed by the Department of Agricultural Reform (DAR). Until this problem is resolved no site preparation or construction can commence.

NHA and CHF are currently attempting to intervene with DAR to determine if conversion can be approved in the near future. At the co-ops request CHF has also approached Habitat for Humanity to assist in the 'self-built' housing component of their project.

The CHF Country Representative and an NHA staff person conducted a field visit April 10-12, 2000.

(b) Holy Child Multi-Purpose Cooperative

Located in Bato, Leyte this co-op is primarily a credit union and has over 1,000 members. After much delay, on June 13 Holy Child Co-op signed a Memorandum of Agreement (MOA) with

The co-op has experienced problems receiving official title to a parcel of land severed from a larger tract. However, assured by government officials that this problem will soon be resolved, Holy Child began site development work during this reporting period. This work involved laying of the road system and installation of drainage ditches. This site is located on a scenic spot with a panoramic view of the surrounding mountains where they plan to build 75 houses costing fewer than 180,000 pesos each (approximately US\$ 4,300).

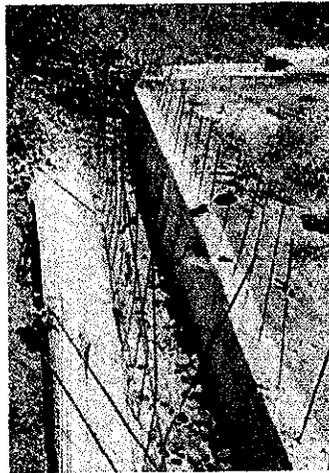
The CHF Country Representative and an NHA staff person conducted a field visit April 27-28, 2000.

(C) Mindanao State University, Iligan Institute of Technology Employee Multi-Purpose Cooperative

MSU's cooperative housing project had been stalled due to an environmental clearance related issue. Formal approval to clearance will be given shortly by the appropriate governmental agency.

On the strength of governmental assurances that this issue is no longer a problem the co-op had its official groundbreaking ceremony on June 10. MSU is planning to begin construction in November of 107 houses of various sizes with the cost of each averaging 210,000 pesos (around US\$5,000).

The CHF Country Representative has not been able to conduct a field visit, or attend the groundbreaking ceremony, due to security concerns related to the rebel insurgency in the region and continuing foreign hostage crisis.



Fragment of drainage pipe foundation from in Bato, Leyte, April 2000

Part II: Non-Pilot Case Studies

NHA, with assistance from CHF, is documenting the experiences of the three pilots of the CDP, mentioned above, and three non-pilot co-ops. These non-pilot housing co-ops are in various stages of development, from long established to fairly recent. CHF will be using the experiences of these pilots for training purposes.

NHA, with assistance from CHF, is documenting the experiences of the three pilots of the CDP, mentioned above, and three non-pilot co-ops. These non-pilot housing co-ops are in various stages of development, from long established to fairly recent.

(a) St. Louis University-St. Vincent Parish Housing Co-operative (SLU-SVP)

Located in Baguio, in Mountain Province north of Manila, SLU-SVP has been in existence for nearly 30 years, and is one of the oldest housing co-ops in the Philippines. The core group of 15 members was formed in 1968. The first four phases of 293 units were started in 1971, with the first 50 houses completed in 1972. The original sites totaling 13 hectares were donated by CICM, an organization of Belgian priests, for the nominal price of 4 pesos per square meter. They secured 'soft loans' for construction from the Co-op Development Loan Fund (CDLF) at 9% (paid back), and some donations from Misereor, a Catholic development agency based in Germany. The original occupants received mortgages at 3% over 20 years, which the co-op board now views as a mistake since more than that level of cash flow was needed for operating costs.

SLU is now developing their phases 5 through 7, with a total of 1,036 residential lots planned. Members contribute to capital formation through the Co-op Housing Investment and Planned Savings (CHIPS) scheme, based on a similar program in Canada.

(b) Polytechnical Institute of the Philippines (PUP) Credit, Housing and Service Cooperative

PUP is located in the Santa Mesa district of Metro Manila and has over 20,000 students. The Co-op began originally in 1986 as a credit union. They decided to build a housing co-op in 1996, and their name was changed to include 'housing'.

PUP Co-op is currently commencing site preparation of a 21-storey building with 246 apartments, 16 commercial units, gymnasium, a student's hostel/hotel, and a parking garage. The selling of shares, with the contractor also taking an equity stake in lieu of payment, finances the project.

(c) Polo Transmitting Community Development Cooperative

Located in the National Capital Region on the outskirts of Manila, Polo Co-op began in 1991 when the Office of the President approved the transfer of ownership of a portion of the Telecommunications Office Polo Transmitting Compound to NHA. This was in response to a request by employees of the facility who were already residing within the compound.

An area of 3,869 square meters was transferred to a cooperative formed of the beneficiaries, and the site was sub-divided into 86 lots. The co-op acted as developer and NHA supplied technical assistance such as funds accessing, capacity building and feasibility studies. Total project costs are estimated at 6.8 million pesos and the price per unit ranging from 90,000 to 100,000 pesos (US\$2,100-2,400).

C. *Financial Packaging Services*

In the previous semi-annual report an initiative was mentioned where the Development Bank of the Philippines (DBP) would provide 500 million pesos (about US\$12 million) to NHA as a capital development fund for housing cooperatives. Unfortunately, the NHA Board of Directors decided against this initiative because NHA is not allowed by its charter to act as a retail lender and may only manage and disburse grants. However, DBP has still made these funds available for cooperative housing development.

Cooperatives, or their members as individuals, may apply for loans under this program. Additionally, approved contractors may access short-term loans (at 14%) for construction purposes through this fund, with the co-ops securing additional loans through the DBP fund, at lower interest rates (12%) and for a longer period, to pay the contractors on completion of the project. Unfortunately, there are currently only five approved contractors who are all in the Manila area. Thus, the pilot projects have not been able to use this program.

Another positive event related to providing funds for cooperative housing development occurred on April 27 when a Memorandum of Agreement (MOA) was signed between NHA and Land Bank, a government owned commercial bank. This MOA will provide another 500 million pesos in funds to Local Government Units (LGUs) for the purpose of low-income housing development. Co-ops can apply directly to their LGU for loans under this program, although interest rates are at 14%, although Land Bank is considering lowering it to 12%. NHA is negotiating for the even lower rate of 9%, which is the rate paid by the LGUs with good credit ratings.



3 representatives from the Landbank and NHA signing MOA, March 2000

D. Training & Technical Assistance

No formal or large-scale training programs were offered during the reporting period. CHF and NHA are currently discussing future training programs.

Technical assistance efforts suffered from the three-month gap in CHF staffing in-country and the need for the new CHF Country Representative to familiarize himself with the current status of the program. Future technical assistance will consist of developing monitoring tools, financial packaging, and volunteer expert missions.

E. Volunteer Delivery

No volunteers were fielded during the reporting period due to the change of CHF Country Representative. Two volunteer assignments will be planned for the next two quarters: one on financial modeling, and the other related to set-up and training of Technical Service Organizations (TSOs) to provide services to developing housing cooperatives.

F. Information Dissemination

The maiden issue of a joint CHF/NHA quarterly newsletter on the CDP in the Philippines, called *Cooperative Housing News*, was published during the reporting period and is currently being distributed in the Philippines and internationally. The mailing list includes 400 organizations and agencies in-country, and 100 in the USA and internationally.

On June 15 the CHF Country Representative, along with NHA staff and members of NGOs active in housing, met with the staff of the Senate of the Philippines Committee on Urban Development,

Development, Planning and Housing. The purpose of this meeting was to explain the cooperative housing concept and to present proposed legislative changes dealing specifically with housing cooperatives, in order to distinguish them from other types of cooperatives.

G. USAID Mission Coordination

CHF Deputy Director of Field Program Management, Barbara Czachorska-Jones, introduced the new CHF Country Representative, Randall Sach, to the USAID mission in Manila in early March. Mr. Sach made a follow-up visit on May 31 and plans to meet USAID staff on at least a quarterly basis.

Targets for Reporting Period 1

Task - Philippines	Completed	Comments
OBJECTIVE 1: CHF/NHA Partnership		
Develop revised work plan for FY01	Q3 FY00	To continue in Q4 FY00
OBJECTIVE 2: Pilot Projects		
Conduct field trips to pilots	Q3 FY00	2/3 pilot visits conducted ²
Conduct needs assessment of the pilots	Q3 FY00	
Prepare needs assessment reports & determine type of assistance that pilots need	Started in Q3 FY00	Completion Postponed Q4 FY00
Provide financial, organizational, legal and technical assistance	Started in Q3 FY00	Completion Postponed Q4 FY00
Finalize plans for construction and logistics (bidding, procurement and implementation) ³	Some activity Q3FY00	To be completed Q4FY00
Conduct site visits and interviews to collect data for 6 Case Studies (3 pilots and 3 other projects) ⁴	5 of 6 done: Q3 FY00	6 th to be completed Q4FY00
OBJECTIVE 3: Financial Package Services		
Identify funding support to pilot cooperative projects	Commenced	To be

1 Many of the objectives that are listed as postponed are so as a result of the sudden departure of CHF Country Representative in December 1999, and the three-month period which ensued until we had a new Country Representative fielded.

2 Visit to Mindanao State University Postponed due to security threats in the region and continuing hostage crisis

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

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

	work in Q3 FY00	completed Q4FY00
Provide assistance in preparing and making financial applications to access funding for pilot cooperative housing projects		Postponed until Q4 FY 00
Secure funding support for pilot cooperative housing projects		Postponed until Q4 FY 00
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		Postponed until Q4 FY 00
Identify funding support to other cooperative housing projects	Q3 FY00	To continue in Q4 FY 00
Identify funding sources for future development	Q3FY00	To be completed Q4FY00
OBJECTIVE 4: Training & Technical Assistance		
Identify future training needs for NHA and pilots		To be completed Q4FY00
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		Postponed until Q4 DY 00
Conduct seminar / workshops / study tour for NHA, pilot housing cooperatives, and implementing partners to provide exposure to other cooperative housing models, patterns, systems & procedures		Postponed until Q4 DY 00
Conduct quarterly technical visits to pilot cooperative housing projects	Q3 FY 00	Not possible in Q2, since no country rep.
Produce Concept paper on Technical Service Organizations (TSOs)		Postponed until Q4F Y00
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	Q3FY00	To be completed Q1FY01
Identify appropriate interventions on issues and areas of concern to ensure effective implementation of the housing		

projects		
OBJECTIVE 6: Volunteer Delivery		
Identify needs, objectives and scope of work of volunteer assignments	Q3 FY00	
Deploy volunteers in-country		To be completed Q1FY01
OBJECTIVE 7: Information Dissemination		
Complete and distribute maiden issue of newsletter	Q3 FY00	
Produce and distribute newsletter on quarterly basis	Q3 FY00	
Facilitate information exchange among implementation partners, politicians, and various other actors in the cooperative development process to improve cooperative housing delivery systems & support the development of linkages and synergies	Q3 FY00	
OBJECTIVE 8: USAID Mission Coordination		
Make quarterly update visits to USAID Manila Mission	Q2 & Q3 FY00	

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 who are living in shacks without proper services.

The South Africa CDP objectives:

- Working on a pilot project that provides at least 50 new or improved cooperative housing units;
- Providing policy input on the national level to promote the development of cooperative housing in South Africa;
- Leveraging capital for the development of the pilot projects;
- Developing a manual that documents the development of the pilot project and which will serve as a guide to streamline the delivery process of future projects. It will provide information about the development process of the pilot project and how it can be replicated. The manual will outline the strategic linkages between each sector of the cooperative housing delivery process: individual cooperative members, cooperative management units, NGOs, provincial government, municipal officials and departments, professionals, builders and private business suppliers; and
- Working with the non-profit sector to develop a fee-for-services approach, based on lessons learned during the development and implementation of the pilot project, to provide for the sustainability of cooperative housing development and management.



Shack area in one of the townships in the East London

A. Pilot Project and Project Start-Up

Contacts have been established with many groups and individuals: Afesis-Corplan, the Peoples Housing Process Partnership, the Housing Committee of Port Elizabeth municipality, the Zenzeleni Housing Association, the Abahali Housing Association, the Urban Services Group, Metroplan urban planners, Clarkson Communal Property Trust; Farmerfield Communal Property Trust, Sanco (local and national), Volkswagon union representatives in Uitenhage, the assistant engineer for PEM, Liz McHugh, and Delta Foundation executive director, Roger Matlock, Cope organization in Johannesburg, the National Cooperative Association of South Africa (NCASA), Johannesburg Housing Company's general manager, Taffy Adler, Africon engineers, Lawrence Ramashamole, Joint General Manager of SHF and HIDEF, financiers and lawyers.

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 has accepted the position as Coordinator of the CHWG.

A library of information about housing cooperatives is being compiled, with materials from various non-profit cooperative housing organizations throughout the world.



The children of Richard, one of the board members of ELHMC in their shack home.

B. 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. So 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.

The members will supply sweat equity and take out loans against their savings.

A Memorandum of Understanding was signed between Afesis-Corplan and CHF/CDP on April 30, 1999 5. 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 she is in East London and to pay 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

5 Attachment No. 9: Letter of Understanding of CHF and Afesis-Corplan.

the seven savings schemes of the members of the East London Housing Management Cooperative. It 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).

The development is going much more slowly than expected. No loans have been issued so far and only one product – the housing savings – is available. Eventually ELSACCO wants to have Christmas savings, back-to-school savings plans, etc. However, it has allowed the collection of the housing savings to be centralized and formalized. The money goes into the First National bank. Previously each collector kept his or her own records in their own way, with no common format. ELSACCO has signed statutes and is registered as an affiliate of SACCOL but is not registered as a cooperative with the registrar of cooperatives. ELSACCO has a board of directors - some are the same as the directors of the ELHMC. The CDP South Africa Manager prepared the financial projections for this venture.⁶ 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.

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.

C. Training & Technical Assistance

The CDP program manager and volunteer, Jan Reek, held information meetings in March with Afesis-Corplan staff.

A one-day workshop was held in March for the members of the board of the ELHMC and presented by Afesis-Corplan, volunteer, Jan Reek, and the CDP program manager.

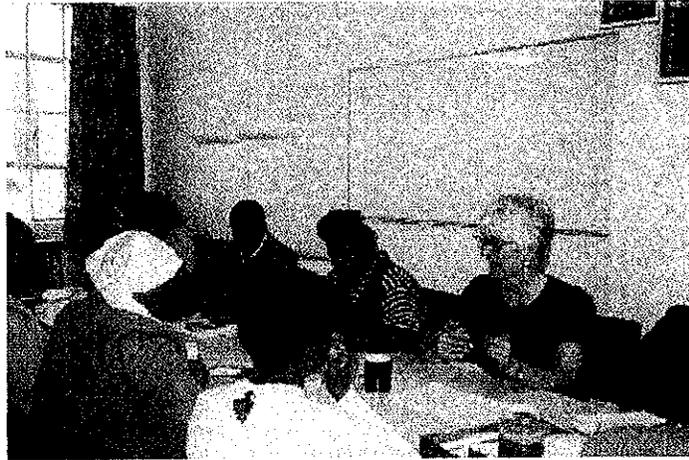
The program manager developed a Management Plan for the Abahlali Housing Association.

D. Volunteer Delivery

The CDP-South Africa program provides for the involvement of three volunteers whose professional backgrounds can assist the CDP here in South Africa. The second volunteer came

⁶ Attachment No. 10: Financial projection for the East London Savings and Credit Cooperative Organization.

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.



Volunteer Janis Reek with Ronald Eglin, planner with Afesis-Corplan in the shack with a member of the ELHMC who rents this shack, March 2000.

E. USAID Mission Coordination

The US Ambassador to South Africa, Mr. Delano Lewis, visited Port Elizabeth March 17th, toured some CHF housing developments; our CDP volunteer, Janis Reek, was introduced to him.

Targets for the Reporting Period

Task - South Africa	Completed	Comments
Organize housing conference for July 19 th . Explain the concepts and principles of cooperative housing as part of the social housing sector.	Q3 FY 00	
Meet with Farmerfield Communal Property Trustees and families to discuss cooperative housing as an appropriate housing tenure for them.	Q 3 & 4	
Meet with various groups interested in developing and supporting cooperative housing to disseminate principles and encourage participation.	Q3 FY 00	Housing Conference
Participate in workshops to facilitate the development of the pilot project and to provide information and motivation to the members.	Q2 & Q3 FY 00	
Organize dialogue between partnering co-ops, government authorities and financial institutions.	Q2 & Q3 FY 00	One of CHWG objectives
Dialogue with the various local funding institutions to ensure these institutions understand cooperative housing	Q2 & Q3 FY 00	One of CHWG objectives
Continue research on potential international donors for leveraging the development of cooperative housing.	Q2 & Q3 FY 00	
Work with national organizations to develop policies for housing cooperatives.	Q2 & Q3 FY 00	One of CHWG goals
Investigate apartment buildings that could benefit from implementing cooperative resident management operation.	Q2 & Q3 FY 00	
Develop the cooperative housing development manual from the experience with the pilot project.	Q4 FY00	On-going with the pilot project
Continue search for suitable land and subsidies to build housing.	Q2 & Q3 FY 00	
Identify scope of work for third volunteer.	Q4 FY00	

Build up library of information about cooperative housing.	Q2 & Q3 FY 00	
Select third volunteer; organize the volunteer's activities in SA. Meet, greet and host the volunteer.	Q4 FY00	#2 Volunteer, Jan Reek, was here in March

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 (V.I.P.)

CHF continues to expand its V.I.P. network and update its database of V.I.Ps. CHF now has more than 90 US and 20 international volunteer candidates on file.

CHF's V.I.P. 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.

CDP South Africa hosted its second volunteer, Janis Reek, from March 11 – 31, 2000. She shared her experiences as a woman in construction, provided advice on the use of mutual-help construction versus the use of a contractor, and developed a manual for the members of the ELHMC outlining the options and issues in each approach. Ms. Reek attended a one-day workshop for the members of the board of the ELHMC.⁷

CHF Romania hosted William Seas, a CHF Visiting International Professional (VIP). Mr. Seas visited Timisoara, Romania during the period May 4, 2000-May 15, 2000. His work included:⁸

- 1) New Product Development for Community Financial Institutions
- 2) Product Marketing for Community Financial Institutions
- 3) Effective Board Management Strategies

Specified outputs of the engagement:

- 1) Training Module
- 2) Workshop Presentation
- 3) Handbook

With the transition from one Country Representative to the next, CHF Philippines did not host a volunteer this reporting period. Two volunteer assignments will be planned for the next two quarters: one on financial modeling, and the other related to set-up and training of Technical

⁷ Attachment 1: Janis Reek Scope of Work

⁸ Attachment 2: Seas SOW and Executive Summary from William Seas trip to Timisoara Romania

Service Organizations (TSOs) to provide services to developing housing cooperatives.

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.

CHF now has active links on our web site to our Institutional Associate Members. We have added a new feature to *CHF newsbriefs* highlighting members news and upcoming events.

CHF recently submitted a proposal to the U.S. Department of Housing and Urban Development to provide assistance for international exchanges and cooperative efforts in the fields of housing and urban development. Three CHF members (Housing Assistance Council, National Association of Housing and Redevelopment Officials, and the Community Associations Institute) became CHF Consortium members on this proposal.

The Community Associations Institute (CAI) has officially become a member of CHF through the value of its "library" donation to our local partner in Poland, the Center for Housing Initiatives (CIM). The gift included a complete set of CAI's 27 Guides for the Association Practitioner, offering how-to advice on issues such as budget management, leadership responsibilities, communication with members, managing risk, and dispute. This donation was prompted by a request from a CAI member who had served as a Visiting International Professional with CHF to assist CIM with its marketing efforts.

CHF has continued to identify potential corporate sponsors for its programs. CHF President and CEO Michael Doyle met in April 2000 with the Vice President for Community Affairs, and the Senior Vice President for Marketing and Communications of The Home Depot. He made a presentation in May 2000 to the Director of Foundation and Community Affairs and the Communications Manager for International Public Relations for Wal Mart Stores, Inc. While neither presentation led to an immediate positive response, we are aware that developing such relationships is a long-term effort and we will continue to follow-up and send additional information.

CHF is still working on developing corporate marketing materials, and improving our marketing documents in general. Two-page marketing documents on CHF's capabilities in the following areas have been developed: disaster response and recovery; Latin America & the Caribbean; NGO sustainability; infrastructure; microfinance; small business lending; environment; local economic development; and housing.

In our last report, we mentioned development of a new concept, the Development Images Bank -- a library of images suitable for editorial and marketing publications that would be marketed to nonprofit and commercial organizations. While photo collection continues from CHF field offices, the major concept is on hold until additional market research can be done to determine the demand for such a library and the ability for it to generate fees that would cover the administrative costs of operating it.

With respect to the 50th Anniversary celebration, the Board of Trustees approved at its most recent meeting in June the creation of a special development position in the Executive Office to manage the fund raising and celebration campaign.

C. *Loan System*

The CHF headquarters and field loan tracking systems continued to be modified, expanded and refined during the reporting period. The software has been revised, and should be completely without bugs by early July. The system has expanded to CHF's AMEEN program in Lebanon, and should expand to CHF Gaza in the next reporting period.

Negotiations between CHF and Bankware 2000, developers of the system, to address the issues of licensing Micro 2000, continue. In addition to the licensing issue is that of developing a worldwide prototype for the system. CHF and Bankware 2000 are in the process of negotiating contract terms. There are some bugs to be worked out of the system before it is distributed worldwide

In the meantime, CHF is actively promoting the software to its field operations. CHF hosted a training session on Micro 2000 this past April in Jordan. CHF Romania and CHF Gaza attended this training.

D. *Outreach*

CHF produced the Spring 2000 Newsbriefs in March 2000.⁹ In addition, CHF At-A-Glance was produced in May, along with its Spanish translation, "CHF de un Vistazo."¹⁰

Major changes have taken place on the News Releases, Volunteer & Employment Opportunities, Programs, and Publications pages of the CHF website.¹¹ Quarterly review meetings were held

⁹ Attachment 3: Newsbriefs Spring 2000 and Fall/Winter 1999

¹⁰ Attachment 4: CHF At-A-Glance and Spanish Translation, "CHF de un Vistazo"

¹¹ Attachment 5: CHF website updates

on Wednesday, March 8 and Friday, May 5 to discuss these changes. PDF files of Fall/Winter Newsbriefs, Spring Newsbriefs, and the BBW 1999 12 were posted and are available online for download. CHF Poland's Final Report is summarized on the web and available by order. Bi-lingual conference poster & handouts for the World Health Organization conference were posted online for download. 13 The slide show on the index page has changed, as well. Updates are typically made every Thursday.

CHF produced an Impact Poster, and overall CHF capability Brochure. Both documents are in draft form. CHF undergoing a series of "message meetings" with members of our 4 target audiences, (we have already met with authorities on congress and on mass media) and has put production of the posters and brochure on hold until the message is refined. In addition, CHF has invested in report covers to more uniformly present and market CHF.14

In addition to CHF produced publications and news releases, CHF has received quite a bit of local news coverage this period, including El Salvador, Romania, Honduras, Jordan and South Africa

CHF has produced a methodology on the Local Environmental Planning and Policy Initiative in Latin America. This document is in final draft form. In addition, The CHF Communications Specialist and Credit Manager have begun working on publishing a manual on CHF's Home Improvement Lending Methodology. It has been published in draft form, and is being finalized.

Professional Development

Website Training

This reporting period, CHF has worked to upgrade Staff capability to enhance the CHF website (through staff training, updated software, etc). The Communication Specialist held three sets of training sessions on Website Training. These sessions were held:

- 8:00 a.m. Tuesday, January 11 HTML Coding – About 14 people
- 8:00 a.m. Thursday, January 13 Changing & Posting Pages– About 7 people
- 8:00 a.m. Tuesday, January 25 Basic Web Design – 4 people

The final session was held by appointment, as a one-on-one session for interested parties CHF has also installed Dreamweaver (a what-you-see-is-what-you-get) software on the Graphic

12 Attachment 6: Building a Better World – CHF's 1999 Annual Report

13 Attachment 7: Bi-lingual conference poster presentation for the World Health Organization conference

14 Attachment 8: CHF sample report cover

Station computer, so anyone can use the same software used by the Communications Specialist. This software was used to produce the web version of CHF Poland's Final Report for USAID. We have also begun working on a web template for our field offices.

Internal CHF Workshops and Conferences

CHF Hosted two internal staff development workshops during this reporting period. The first was Methodology Workshop in New York City, and the second was a Program Development Workshop in Istanbul, Turkey.

- From April 3-7, 2000 nine CHF staff members attended a weeklong Methodology Conference in New York. Participants finalized papers describing CHF's methodology for three areas of activity: home improvement lending, umbrella grants management, and new home construction management. The conference included in-depth discussions of practical "tools" needed to implementing these activities. CHF is finalizing the methodology document and will complete "tool boxes" for each of the three core program areas. This step will help CHF standardize and sustain high-quality program operations.
- From February 14-17, 2000 CHF hosted the Program Development Workshop in Istanbul, Turkey, focusing on CHF program strategy in Europe and Eurasia concluded Thursday, February 17. Many attendees have gone on to visit countries in the region to apply what they have just learned. Fifteen participants from CHF headquarters and field staff were present.

Central America Review took place in Miami March 13-15. CHF/Headquarters staff in attendance were: President/CEO Mike Doyle, VP Judith Hermanson, CFO Jim Russo, FPM Director Franck Daphnis, Sr. Project Manager Michael Jenkins, and OPI Director John Chromy. CHF/Field Directors in attendance were: CHF/Honduras Lisa Pacholek, CHF/El Salvador Brian Holst, CHF/Dominican Republic Brian Winston, and from CHF/Guatemala Jim Schenck. In addition, Project Managers in attendance were: Steve Beard from CHF/Honduras, and Peter Loach from CHF/El Salvador.

CHF Retreats:

- Field Program Management Training January 5-6 in Annapolis, Maryland
- Office of Program Initiatives Retreats held May 16 and June 2, 2000
- Senior Staff held a Retreat April 18 & 19 on the Eastern Shore.

External Training and Workshops

From June 13-14, 2000 in Washington, DC the Inter-American Development Bank hosted a conference on "Microfinance of Housing: Lessons Learned from Practitioners." Participants included representatives from donor agencies, practitioners, and researchers. CHF Vice President, Judith Hermanson, and Director of Field Program Management Franck Daphnis presented CHF's home improvement lending program methodology, and 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 home improvement loan program (HILP) within their existing operations. It provides a systematic approach to understanding the initial issues an MFI must consider before adding a HILP.

CHF President Michael E. Doyle represented CHF at "International Day" for the Maryland state legislature in Annapolis, Maryland on February 24. Heather Bowen staffed a booth for CHF at the all day event. The event provided an opportunity for us to present CHF activities to Maryland Senators and Representatives.

CHF Participated in the World Health Organization Conference June 2000. CHF was invited to present a poster on the CHF/Honduras Loan Sanitation Program at the Fifth Global Conference on Health Promotion, Mexico City, June 5-9 2000. CHF/Honduras Country Director Lisa Pacholek and Communication Specialist Heather Bowen represented CHF at the conference.

Program Officer, Glenn Moller & Senior Program Manager, Michael Jenkins attended a workshop on Business Planning and Financial Modeling from June 11 – 16, 2000 in New Hampshire.

Brown Bag Lunches

Ayman Abdallah, Director of CHF Lebanon's REDI program, and Ghazzi Issa, REDI Computer Engineer Analyst visited CHF/Headquarters and held two informational sessions for CHF/HQ staff. The Thursday March 23rd session covered the REDI Management Information System database. The database is a tool to track program activities and finances, and an efficient way for field program staff to report on their activities. The database is undergoing a copyright process now, and then it will be available for all CHF field offices and for sale to other NGOs in the Middle East. The Friday March 24th session covered the REDI "Cluster" methodology.

William Seas, a CHF Visiting International Professional (VIP) mentioned in our last newsbits, has also returned from his mission abroad. Seas held a brown bag luncheon at HQ on Wednesday, June 7. Mr. Seas discussed his recent trip to Romania. As part of CHF's Integrated

NGO and Economic Develop (INED) Program Mr. Seas provided training to partner NGOs on managing community based financial institutions. Our local partners to continue CHF's current small business and housing lending operations after the close of the INED program in 2002 are forming these institutions.

Arturo Villalobos gave a Brown Bag presentation on the LEPPPI Program Methodology on May 9, 2000. He showed a map of the region in which LEPPPI operates, and identified where LEPPPI activities are taking place. Mr. Villalobos discussed how CHF travels to various communities and works with "local environmental action planning" committees within the community. CHF assists the communities to identify and prioritize environmental problems (such as drainage systems and infrastructure needs), then CHF helps to come up with action plans to alleviate some of the community problems, and to identify other potential donors.

Targets for Reporting Period

Task – Institutional Strengthening	Completed	Comments
• Work with field offices to develop scopes of work for 3 volunteers.	Q2 & Q3 FY00	
• Recruit, provide orientation and place three volunteers (1 in non-CDP country).	Q2 FY00	2 placed, one to be placed Q4
• Volunteers debrief CHF/HQ on assignments, coordinate dissemination of experience to and results of CDP to members, local U.S. community, other constituents	Q2 & Q3 FY00	William Seas at HQ; Jan Reek over the phone
• Recruit one additional Institutional Associate Member.	Q2 FY 00	
• Develop new Corporate Partnership Program materials and a marketing and fundraising strategy for the 50 th anniversary celebration.	Q2 & Q3 FY00	Ongoing
• Expand testing into another field office (Lebanon) to further test and debug the system.	Q2 FY00 Lebanon	Q4 Expand to Gaza office
• Start disseminating system and start distributing to all field offices mid-fiscal year.		Postponed to Q4 FY00
• Develop programs funded by non-USAID monies over next FY.	1 Proposal submitted Q3 FY00	
• Produce annual capability materials: International Program Report, CHF in Brief (Update plus Spanish Translation) in Q1, Impact Posters in Q2, and an overall CHF capability brochure in Q3.	Q2 & Q3 FY00	
• Produce 1 or more outreach publications quarterly including CHF newsbriefs, CHF holiday cards, regional reports, and other reports as needed.	Q2 & Q3 FY00	
• Send news releases to media contacts at least quarterly. Continue to build and cultivate relationships with media and other contacts, with goal of CHF coverage in major newspaper.	Q2 & Q3 FY00	
• Publish articles about CHF in outside journals or newsletters.	Q2 & Q3 FY00	
• Upgrade staff capability to enhance the CHF Website (through staff training, updated software, etc.).	Q2 & Q3 FY00	2 sessions held - Ongoing

Communication Specialist to train CHF staff members on HTML coding and web development to increase institutional capability for online output.		
<ul style="list-style-type: none">• Provide 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.	Q2 & Q3 FY00	

ATTACHMENT 1

JANIS REEK SCOPE OF WORK

Scope of Work

This Scope of Work (SOW) is an agreement between the Cooperative Housing Foundation, Country Office-South Africa and Afesis-Corplan, located in East London, South Africa. This SOW defines the assignment and the skills required from the CHF volunteer. It defines the expectations for both the volunteer and host agency.

1. CHF - GENERAL PROJECT INFORMATION

1.1 CHF Contact Information:

In the US:

In Country:

Cooperative Housing Foundation Dick Owens Volunteer Coordinator 8300 Colesville Rd., Suite 420 Silver Spring, MD 20910 Phone: (301) 587-4700 Fax: (301) 587-2626 e-mail: owens@chfhq.com	Cooperative Housing Foundation Hilary Stewardson Program Manager Pier 14, Third Floor 444 Govan Mbeki Avenue Port Elizabeth, South Africa Phone: (041) 487-3569 Fax: (041) 487-3572 e-mail: chfdp@iafrica.com
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1.2 CHF Cost Center: 23099

1.3 Date Written/Written by: February 11, 2000/ Hilary Stewardson

1.4 Project Title and Number: Cooperative Development Project (CDP) in South Africa

1.5 Project Description:

CDP/SA, with its office in Port Elizabeth, is assisting a non-profit organization, Afesis-Corplan, located in East London, to build a pilot cooperative housing project. The project will consist of 200 houses and the 200 families will form 10 separate housing cooperatives. In June 1999, the constitution of the East London Housing Management Cooperative was officially registered – the first to be registered in South Africa. This co-op will serve as the developer and then property manager for the 10 housing cooperatives. It will also provide education programs for the members.

The building of the houses will not start until July 2000, or later, however, the members want to be well prepared for the construction and management of their housing.

2. HOST AGENCY INFORMATION

2.1 Host Agency:

Name of Agency: Afesis-Corplan
 Contact Name: Ronald Eglin
 Address: Bomac House, 19 Gladstone St.
 East London, South Africa
 Phone: (043) 743-3830
 Fax: (043) 743-2200
 E-mail: corplan@wn.apc.org

2.2 Background:

Afesis-Corplan is a non-profit, non-governmental development consultancy and training organization. It works with disadvantaged communities within the Border-Kei region of the Eastern Cape Province to redress the imbalances caused by apartheid and exploitation. It recognizes the right of communities to basic services such as education, housing and a satisfactory quality of life.

It provides:

- Advice on legal and community development issues;
- Technical support on land issues and physical development projects;
- Education and training in organizational development, local government, development, voting, election management, as well as various technical fields; and
- Research and information services.

It is guided by the understanding that development is a political process and it works to place the needs of the poor and marginalized on the development agenda.

The fundamental principle of the Housing Unit has been empowerment -- to assist communities to realize their own solutions to the numerous problems they face. Three years ago they began their Social Housing Programme which espouses the belief that cooperatives should not just focus on housing but should meet the broader needs of the community through the creation of crèches, schools, playing fields, commercial centres and employment opportunities.

Their relationships with cooperatives can be divided into three primary categories;

- Human resources and skills creation;
- Information sharing; and
- The provision of technical skills and information, and funding.

3. ASSIGNMENT DETAIL

3.1 Proposed Start Date: March 10, 2000

3.2 Expected Length of Assignment: 2.5 weeks

3.3 Assignment Description:

To assist the members of the ELHMC to become conversant with the process and techniques of self-help Construction.

3.4 Volunteer Terms of Reference:

With assistance from the staff of Afesis-Corplan and the Programme Manager, CDP, the Volunteer will be expected to:

- Review the building plans and site plans.
- View the site
- Visit the members' shacks to see what they have constructed
- Review the specifications with staff of Afesis-Corplan.
- Discuss the building time schedule with the staff of Afesis-Corplan
- Meet several times with the host agency to discuss roles and responsibilities in the construction process and matters such as inventory control, when to use contractors, etc.
- Conduct one-day workshop with the members of the board of the ELHMC to share construction experiences and describe the steps to be taken by the members in the building of their houses.
- Motivate members of the cooperative with the self-help approach and assure them that they can build their own houses.
- A report on where it might be advisable to use skilled or professional workers.
- Show where it is advisable to use trained people and where the unskilled member can do the work that is needed. Simplify the process into easily understandable components.
- Discuss with the members the length of time and range of time the building may take.
- Develop a short Construction Steps in a Self-Build Housing Project manual describing a step-by-step simplified approach to follow to build their houses. H.Stewardson can supply photos or drawings to illustrate the steps.

The volunteer will prepare a trip report for assignment describing what was accomplished and recommendation actions. A list of organizations and people met should be attached to the report.

3.5 Logistics:

The international travel arrangements for the Volunteer will be made by CHF Head quarters in Silver Spring, MD. In-country travel arrangements will be organized by the CHF South Africa Office in Port Elizabeth.

ATTACHMENT 2

WILLIAM SEAS SCOPE OF WORK
&
WILLIAM SEAS EXECUTIVE SUMMARY

TITLE	<i>Community Financial Institution (CFI) Development</i>
Date of Services	May 1, 2000 – May 14, 2000
Location of Services	Timisoara, Romania
Description	Deliver training package on 1) product development for community financial institutions, 2) effective CFI product marketing techniques, and 3) effective CFI Board Management strategies.
Content	<ul style="list-style-type: none"> • Interview current CHF project partners regarding perceptions of CFI structures and their applicability in Romanian setting; • Assess existing CHF supported CFI structure regarding three Service Description points; • Prepare training module introducing product development, CFI marketing, and Board management concepts; • Deliver workshop session to CHF staff and partners at Regional Partner Workshop; • Compile results of interviews, assessments, training module, and workshop session into a practical handbook on issues related to successful CFI management.
Outputs	Training module, workshop presentation, handbook
Product due date	May 20, 2000

Executive Summary

This material has been prepared in accordance with the request by the Cooperative Housing Foundation (CHF) to deliver three specific outputs pertaining to the **Community Financial Institution (CFI) Development Project** located in Timisoara, Romania during the period May 4, 2000-May 15, 2000.

The following is a brief description of the topic areas that have been addressed in this material. The topics were also part of the workshop conducted in Romania.

Description:

- 1) New Product Development for Community Financial Institutions
- 2) Product Marketing for Community Financial Institutions
- 3) Effective Board Management Strategies

Specified outputs of the engagement:

- 1) Training Module
- 2) Workshop Presentation
- 3) Handbook

The enclosed material and workshop presentation were structured based upon the results of an assessment of the existing CHF supported CFI, in country interviews with CHF staff, in country interviews with local partners and the review of published material relevant to the topic areas.

The material has been formatted to provide a useful framework that may be utilized by the Board of Directors and/or management in their respective efforts to form and operate community financial institutions committed to meeting the needs of their customer base. This material is not intended to make specific new product or marketing recommendations since each CFI is expected to draw different conclusions based upon the regional economic conditions and local partner participation. Rather, is intended to share the traditional or "conventional" process associated with new product development and marketing which can be useful in a community financial institution setting. Additionally, basic principles of effective board governance have been outlined and presented.

The present status of CARA and the considerable efforts by CHF, and the local partners, to replicate the CFI structure in additional western Romanian counties by the end of 2000 make effective board governance principles particularly relevant. The interviews with CHF staff and local partners indicate that the formation of effective boards committed to the interests of the CFI will be a formidable challenge. Nonetheless, the foundation of success will be firmly linked to the ability of the CFI's to find leadership prepared and committed to act in the interest of the financial institution and the customers it will serve. A diversity of skills and experiences within the leadership will also be important in contributing to the potential for success. The principles of board governance appear quite simplistic and are readily understood. Adhering to them will be the challenge.

The staff and partner interviews conducted also highlighted the need for a simple, yet disciplined, approach to new product development. Presently, there is a limited array of loan and deposit products being offered. The non-loan services and non-deposit product offerings are even more constrained. However, the CHF staff and local partners shared numerous ideas that appear to have tremendous merit. Taking the creative ideas that are being offered and moving them through a disciplined process will permit many of these ideas to be successfully implemented to serve the needs of the customer and the CFI. The challenge for the CFI's, at the beginning stage, will be to balance the diverse product needs of the customers and the creative ideas from staff and local partners, with the internal capacity to effectively deliver them.

The following immediate recommendations are based upon my brief experience with the project, the interviews, and the workshop.

Board Training

It is imperative that the newly created CFI's and the elected, or appointed, board members receive regular training in board governance principles. It was clear that these individuals will be serving as leaders in an unfamiliar setting and could benefit from process training. This is a critical element and will help to reinforce the magnitude of the responsibility. Elements of this training should also include the basics of performance evaluation that they can apply to their own efforts on at least an annual basis.

Insurance Program

Deposit gathering remains a significant hurdle for CARA and will undoubtedly be a challenge for the new CFI's as well. Macro economic conditions, legal issues and a general lack of trust in financial intermediaries are all legitimate barriers. I believe there is an opportunity to develop a competitive advantage by leading the effort to structure a credible deposit insurance program. The structure of an insurance program could take many forms but the objective is to build confidence in the CFI system among the populace. The long term, independent, sustainability of the CFI's will be linked to the success in this effort.

Joint Marketing

The capacity of the local partners to effectively market the products and services of the CFI's is limited. Furthermore, the efforts are generally single dimensional in that they are almost exclusively focused on credit. Feedback from the partners during the interviews indicated a willingness to collaborate on developing and implementing a more structured promotional effort. These efforts might be directed towards expanding membership through education about the CFI, marketing a specific product/service, or providing information that is informative and relevant to their interests (e.g. housing, business law changes).

ATTACHMENT 3

NEWSBRIEFS FALL/WINTER 1999
NEWSBRIEFS SPRING 2000

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CHF Expands Global Emergency Reconstruction Efforts

Since the Spring/Summer edition of *CHF newsbriefs*, CHF has initiated or extended work on several disaster relief assistance programs. The new programs rebuild and strengthen existing homes damaged or destroyed by Hurricane Georges in the Dominican Republic and help winterize homes damaged in war-torn Kosovo. Both programs are funded by USAID. CHF also continued its efforts to rebuild communities damaged by Hurricane Mitch in El Salvador and Honduras, also with support from USAID.



CHF/El Salvador will assist the Municipality of Usulután and build a new school for children in the community of La Poza under a USAID award.

El Salvador: Reconstruction and Community Development

A major new USAID-supported grant, the Mitch Integrated Reconstruction Assistance (MIRA) project, will allow CHF/El Salvador to continue rebuilding communities most severely damaged by the hurricane, while integrating local development techniques. CHF will train community members while boosting agricultural and economic practices. The MIRA project aims to assist 5,000 farmers, build 500 houses plus 80 schools, and engage community members in 30-40 small infrastructure projects in 10 municipalities. Environmental projects and disaster preparedness activities are also planned.

the reconstruction efforts. Team members include the Partners of the Americas; the National Cooperative Business Association (NCBA/CLUSA), a national trade association for cooperative businesses founded in 1916 as the Cooperative League of the USA; and thirteen Salvadoran partners, with pivotal implementation roles played by FUNDASAL, PRISMA, and NALTAL.

Continued on page 2, col. 2

CHF formed a strategic partnership of international and local organizations to carry out

World Food Programme Recognizes CHF/El Salvador with Merit and Efficiency Award

CHF/El Salvador's post-hurricane activities won the "Merit and Efficiency Award 1999" from the World Food Programme. CHF shared the award with 5 NGOs that participated in the program after Hurricane Mitch. The first lady of the Republic of El Salvador and other dignitaries attended the ceremony.

tive with the World Food Programme. In the program, beneficiaries worked with CHF to reconstruct their homes and their neighbors' houses and received food in exchange for their efforts. CHF/El Salvador's technical staff and local beneficiaries completed the construction of 71 new houses and 71 Latrines in the community of Tierra Blanca. The activi-

Continued on page 2, col. 1

Immediately following the destruction of Hurricane Mitch last October and November, CHF participated in a "food-for-work" initia-

At press time, CHF/Honduras won a large USAID award for new reconstruction programs. Look for an update in the next issue of *CHF newsbriefs*.

Emergency Relief Efforts Expand:	
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Dominican Republic.....	2
Kosovo.....	3
Honduras.....	3
Caribbean Housing Conference.....	3
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Middle East Banking Leaders Examine Development Finance.....	4
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*Merit & Efficiency Award,
Continued from bottom of page 1*

ties benefited over 400 community members. Other NGOs, which undertook similar work, were CARE, Catholic Relief Services, World Vision, and the Lutheran World Federation.

In addition to Lourdes de Flores, First Lady & President of the National Family Secretariat, dignitaries present at the award event included Guy Gauvreau, Representative of the World Food Programme in El Salvador, and Francisco Roque Castro, Representative of the World Food Programme in Latin America and the Caribbean.

El Salvador World Food Programme Representative Guy Gauvreau said, "The recognition is shared by the National Family Secretariat and these Non-Governmental Organizations, thanks to their ability to channel this assistance in an efficient way, ensuring that the most families received this assistance."

El Salvador First Lady Lourdes de Flores said, "I want to emphasize the participation and support of the National Family Secretariat and the coordination with the participating NGOs." She added that she was grateful and satisfied with "work well done with the communities."

CHF/El Salvador Director Brian Holst received the award on behalf of the CHF staff. ■

*Emergency Relief Assistance,
Continued from top of page 1*

CHF/El Salvador has opened an office in Usulután to better serve beneficiaries in the areas still recovering after high winds and flooding struck them over a year ago. In the US, Senior Program Officer Dick Owens and Senior Program Manager Michael Jenkins will link CHF with local schools and community groups to raise matching funds.

Dominican Republic

A new award from USAID allows CHF to assist 5,000 Dominican Republic (DR) families to rebuild or repair homes that had been destroyed or seriously damaged by Hurricane Georges. The program will help 2,250 families build new homes and 2,750 more families repair or upgrade hurricane-damaged homes. CHF views this as part of a long-term effort to upgrade and strengthen housing in this region (See boxed article, p 3.), integrating community development with reconstruction as in El Salvador.

CHF launched the two-year campaign on November 1st to assist low income families to rebuild or repair their houses. Using its own and USAID donated funds, CHF will provide planning, technical assistance, grant support and possibly a loan program to make it possible for large numbers of families to finally obtain safe, secure, and dignified housing. Through a bidding process, CHF will select several local non-profit housing organizations to assist in the program.

CHF will bring its worldwide experience and expertise in providing modest but high quality housing in difficult economic situations. The families will be offered opportunities for self-help and trained in housing construction and repair.

CHF anticipates that this major housing effort will generate 2,000 person-months in local employment and more than \$15 million in local economic activity.

The Post Hurricane Housing Reconstruction Program will be managed by Bryan Winston, who as CHF/Mexico Director has just completed Phase II of CHF's \$1.5 million Home Improvement Lending Program in Ciudad Juárez, Mexico, supported by the Ford Foundation and maquiladoras (assembly plants) working on the US/Mexico border. He has also managed projects for CHF/Philippines. Scott Mulrooney is the CHF/Headquarters Program Manager.

CHF will also provide the DR program with proven techniques in hurricane resistant housing construction developed by CHF under the guidance and

CHFnewsbriefs

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

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

CHF Headquarters Staff Update

New Staff

Thea Anderson—Program Analyst
Matthew Chandy—Senior Program Officer
Shanley Cook—Program Development Assistant
Denise Lewis—Administrative Assistant
Mark Miller—Controllor
Elaine Roebuck—Accounts Payable/
Payroll Coordinator.

Promotions

James Russo—Chief Financial Officer
Tara Panek—Program Analyst

New Assignments

Michael Hornblow—Policy and Program Advisor

assistance of the Organization of American States and a USAID/Office of Foreign Disaster Assistance grant.

Honduras

Thanks to continued support from USAID, CHF/Honduras began work on Emergency Temporary Shelter II, building 1,000 temporary shelters plus latrines for families stranded by floods. CHF worked with local NGOs *Centro San Juan Bosco* and *Asociacion de Instituciones Evangelisticas de Honduras*.

This type of program focuses on immediate shelter solutions, but is only the first step in the continuum to development. Look for breaking information on new Honduras reconstruction programs in the next issue of newsbriefs.

Kosovo

A CHF team in Mitrovica, Kosovo, is working under a tight deadline to provide warm, dry lodging for thousands of people before the worst of the winter weather set into the war-torn community.

CHF has organized labor and materials for the winterization of hundreds of houses, benefiting up to 900 families as winter arrived. The total number of beneficiaries is estimated at 5,400.

The CHF field team consists of Bruce Parmelee, Jacques Roy (previously of CHF/Haiti), and Technical Advisor Ralph Killian (from CHF/South Africa). Tim Prewitt, Program Development Officer at CHF/Headquarters, was Team Leader for the initial phases of the project.

"CHF's rapid response was critical," said Prewitt. "Beneficiary families and local officials emphasized the need for roofs. Although homes were set ablaze during the war, many walls remained intact."

CHF/HQ Senior Program Officer Mathew Chandy provides support for the team overseeing the construction management in the city of Mitrovica. ■



At Right: Tim Prewitt, CHF/HQ Program Development Officer (third from left in back), with a family in Kosovo while CHF assists with roof repair for their home. Above: CHF Technical Advisor Ralph Killian presents a beneficiary with a check for roof repair labor.



CHF Collaborates with Organization of the American States on Caribbean Safe Housing Conference

On September 23-24, the Organization of the American States (OAS), in collaboration with CHF, hosted representatives of Caribbean countries in St. Kitts, West Indies. Residents of Caribbean countries often find themselves vulnerable to natural disasters, so leaders of those countries met to explore methods to strengthen housing against hurricanes.

The following Caribbean countries were represented: Antigua & Barbuda, Belize, Dominica, Jamaica, St. Lucia, St. Kitts & Nevis, Turks & Caicos, Monserrat, Barbados, and Grenada. Non-governmental practitioners, housing officials, bankers, insurance representatives, private builders, and OAS representatives engaged in the discussions.

John Chromy, Director of Program Initiatives, and Glenn Moller, Program Officer, represented CHF at the conference. International consultant Carlos Ayerbe accompanied them. The Honorable Timothy Harris, Minister of Agriculture, Lands, and Housing in St. Kitts addressed conference participants during opening ceremonies. Minister Harris emphasized the importance of safer hous-

ing by quoting the United Nations 1948 Declaration of Human Rights, which includes the right of decent shelter for all the world's citizens.

Representatives discussed:

- Best practices and standards for incorporating hurricane and earthquake resistance into housing construction;
- Methods for dissemination of the basic technology to all families, builders, craftsman, inspectors, financiers, and insurers;
- Codes, regulations, and inspection strategies;
- Retrofitting current housing stock;
- Accessing substantial increases in financing for medium to lower income family housing;
- New partnerships needed to construct disaster resistant housing throughout all the regions.

The USAID's Office of Foreign Disaster Assistance financed the conference through the Caribbean Disaster Mitigation Program. The Sustainable Development and Environment Department of the OAS implements the program, with technical assistance from CHF.

CHF Launches Community Services Project in Gaza

In the Middle East, CHF/Gaza has undertaken a new community development program. The program aims to improve infrastructure, social services, and income generation in the Gaza Strip. In an area of about 30 square

miles, 65,000 inhabitants of 5 remote, low-income villages will collaborate with CHF to carry out projects that are important to the communities as a whole. USAID finances the program, which will run for 3 years starting in October 1999, under the direction of CHF's Henri Disselkoen.

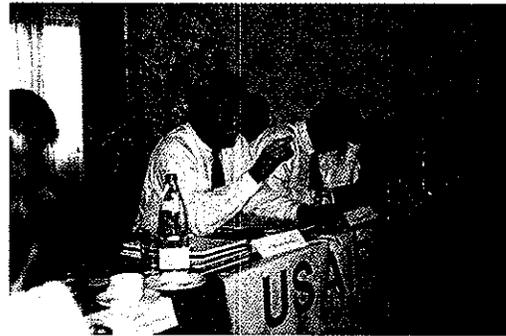
Banks Review CHF Development Finance Projects in Middle East at Roundtable in Paphos, Cyprus

Banks and beneficiaries in the Middle East have made more progress in development finance in the last 10 years than many thought possible. This fall in Paphos, Cyprus, CHF and USAID/Lebanon hosted representatives from private banks in the Middle East to discuss participation of the banking sector in microfinance. The purpose was to further strengthen the banking sector's capacity to meet the demand for alternative financial services, by reviewing and building on CHF's cutting edge development finance initiatives in the Middle East.

Attending bank representatives openly expressed their initial hesitation and skepticism when CHF approached them with the idea of shared-risk partnership for microloans, then emphasized their satisfaction with the effectiveness and value of the programs to date. The CHF shared-risk programs ask the bank to take some financial responsibility for loans that are not repaid, a serious commitment on the part of the bank. Some banks have even gone on to develop microlending programs of their own.

Participating banks included the Arab Bank, the Bank of Jordan, the Bank of Palestine, the Cairo-Amman Bank, the Jammal Trust Bank, and the Central Bank of Lebanon.

Bank representatives discussed their current multi-million dollar partnerships and future options for investment in economic development in Lebanon, Jordan, Gaza, West Bank, and Egypt. The roundtable included an open discussion of methodologies



CHF President Michael E. Doyle leads a Development Banking Discussion at the Roundtable in Cyprus

and sharing of development finance experiences. Representatives reviewed successful CHF programs in Gaza, Jordan, and Lebanon.

Banks representatives reported that the CHF loan programs bring them new customers, they operate the new lending products at a profit, and the borrowers (families and small business owners) use the funds wisely and have an excellent repayment record. Bank representatives recommended the programs be expanded in economic scope, finding that the new lending instruments created in these programs are a legitimate segment of a commercial bank's portfolio.

Key USAID staff members from Lebanon and West Bank/Gaza, including Spike Stephenson, USAID/Lebanon Mission Director, and Johny Zeidan, Private Sector Banking Specialist, USAID/West Bank/Gaza, joined the intense and thorough examinations of current programs and future opportunities of the tri-partite partnerships. CHF Middle East staff and senior staff from CHF/HQ and participants made plans to continue communication and developed specific follow-up projects.

The Gaza Community Services Project (CSP) works with local communities, municipal and NGO leaders to prioritize community needs for improvement of living conditions. The communities desire roads, health clinics, storm water solutions, vocational training centers, and cultural or municipal centers. The CSP helps residents find local or regional solutions to these needs and to plan and develop technically sound projects.

The program also helps existing NGOs improve their structure and organization and it will encourage means of community representation such as neighborhood committees.

Communities have received the program announcement with overwhelming enthusiasm, and sessions have already begun with community mayors and other leaders, NGO representatives, community representatives and municipal employees.

Local institutions (such as municipalities, ministries and the economic council) as well international organizations (e.g. UNDP, World Bank, and other donors) have already expressed their appreciation and support for this new initiative.

The Gaza CSP program is modeled after the Rural Economic Development Initiative in Lebanon. This approach is highly replicable because it encourages strong community support through its values-based methodology.

CHF Newsbriefs Reader Survey

Section I. Content of CHF newsbriefs

What topics in CHF newsbriefs interest you the most?

- Community development
- Housing
- Development finance
- Women's development
- Organizational development
- Feature stories on beneficiaries
- Development community news
- Other(s): _____

Rank the value of these features:

- ___ In-depth articles
- ___ Short articles on new projects, events, etc.
- ___ Member news
- ___ Staff news

What new items or topics would you like to see included in future newsbriefs?

- Letters to the editor
- Calendar of upcoming events
- Other: _____

Section II. Format of CHF newsbriefs

- Are the articles easy to follow? Yes No Suggestions: _____
- Are the page layouts attractive? Yes No _____
- Do the photos complement the articles? Yes No _____

Section III. About you

Current Affiliation(s):

- CHF individual member
- CHF institutional member
- CHF partner organization
- CHF staff member or trustee
- Professional Interested in _____ (field)
- Student Interested in _____ (field)
- US Domestic NGO
- International NGO
- Private Sector
- US Government
- Foreign Government

Reading Habits:

How do you read CHF newsbriefs?

In General, do you:

- Read cover story
- Read all the stories
- Read stories in your field
- Skim stories
- Skim stories in your field
- Hold for later reading

Do you share CHF Newsbriefs with others? Yes No

Have you visited the CHF website at www.chfhq.org? Yes No

If yes, have you downloaded CHF newsbriefs from the CHF website? Yes No

If yes, have you downloaded other publications or ordered publications from the CHF website? Yes No

How often would you like to receive CHF Newsbriefs?

- Two times per year
- Quarterly
- Monthly

Additional Comments: _____

Thank you. Please fax this form to CHF at 301.587.4700 by January 28, 2000.

Update on CHF/Romania Activities

This fall CHF expanded its innovative Integrated NGO Economic Development (INED) program in Romania. USAID recently awarded \$1 million to the program to be used for micro-credit lending in Small and Medium Enterprises (SMEs) in the three Romanian districts bordering the Federal Republic of Yugoslavia. Congress approved the grant amount in September as part of the Balkan reconstruction package.

The INED Methodology

The INED methodology, which is the foundation of CHF's program in Romania, brings about community development through NGO strengthening and the formation of a community financial institution. CHF/Romania has a two-pronged lending strategy that targets homeowners and the private (small business/agribusiness/NGO) sector.

Evidence that the INED methodology is taking hold in Romania is CHF/Romania's receipt of an "Oscar" award in the major national Romanian-language business weekly (Capital) for expansion of activity supporting SME development in the West

Romania region. The "Oscars" are meant to highlight progressive and exceptional efforts for change. Other Oscar winners included the Romanian National Gymnastics team, Proctor and Gamble, and Societe Generale/BRD.

Another example of interest in the INED methodology is that CHF/Romania's Country Director Matthew Lovick and Deputy Director Jesse Frupp recently contributed to a World Bank round-table discussion. The round-table resulted in a draft law for establishing non-profit revolving loan funds and venture capital funds, to be promoted to the Romanian Government by Bank representatives.

CHF/Romania Background

In 1994, CHF created the INED model as a means for decentralized, client-driven, community development activities that, once proven, could be adapted and applied around the world. The model helped Romania's centralized housing sector make the transition to a market economy. In the first five years, the program provided more than \$3.5 million in economic development.

Romania Housing Workshop with UN/ECE planned for January 2000

Following the jointly hosted "Practical Workshop on Housing Privatization" in Poland, CHF and the United Nations Economic Commission for Europe (UN/ECE), together with the Romanian Ministry of Public Works and Regional Planning, will invite housing practitioners and decision-makers from Central and Eastern Europe to explore housing finance issues in Romania.

The "Practical Workshop on Housing Finance" scheduled for January 16-18, 2000, in Timisoara, Romania, will focus on topics including:

- the Romanian process of developing market-oriented activities in the housing sector,
- a comparison of the experiences of other countries in the region, and
- how to apply Romania's successes in developing sources and forms of financing to stimulate new housing development and renovation

CHF Environmental Efforts Grow in Central America

CHF's highly participatory Local Environmental Policy and Program Initiative (LEPPI) in Central America has expanded. This fall USAID agreed to support LEPPI operations in 5 additional locations near the Panama Canal watershed.

The regional LEPPI project operates in Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and now Panama, with only a few technical staff traveling to lead local steering committees. The LEPPI process allows communities, working with municipal officials, to identify and pursue solutions for their highest priority environmental challenges. The team held a Regional Meeting this October,

bringing leaders from each LEPPI community to Costa Rica to present their projects and learn from others in similar situations. Team Leader Arturo Villalobos and Sr. Program Manager Michael Jenkins spoke at the closing event, the inauguration of the Puerto Viejo Solid Waste Transfer Station.

Community leaders identified the LEPPI steering committee as a key success factor in their environmental projects.



The mayor of Puerto Barrios, Guatemala (left), presents a check for the construction of a solid waste transfer station and recycling center to the leader of a local steering committee (right) while LEPPI director Arturo Villalobos (in CHF cap) reviews documents.

CHF Spurs Cooperative Development in Asia and Africa

Filipino Housing Leaders Study US Housing Cooperatives

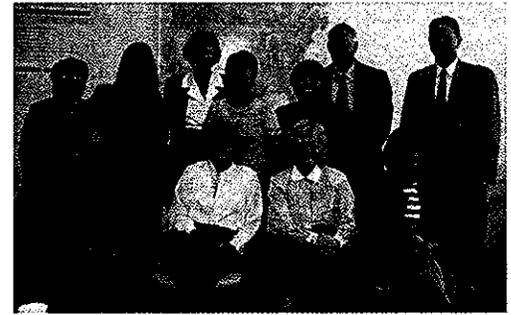
In October, as part of the USAID-funded Cooperative Development Program, CHF brought both policy makers and housing cooperative officers from the Philippines private sector to study US housing cooperative systems. For one week, the 7 housing leaders learned about the history and practices of US cooperatives and visited cooperatives in the Washington, DC, area. For a second week, participants traveled to San Francisco to view cooperatives on the West Coast. Program Analyst Tara Panek organized the trip.

CHF is helping the Philippines National Housing Authority (NHA) facilitate the growth of private sector cooperatives in the Philippines, where CDP participants work to alleviate a backlog of 3 million houses for the homeless and to correct their substandard housing problems.

During the trip, Aida B. DeGuia, NHA Livelihood Development Director said, "We are happy to have gotten into this partnership with CHF. It is a great opportunity."

CHF will implement three pilot projects with the NHA to develop housing cooperatives using a private sector approach. A series of workshops and training sessions will then be conducted to help cooperative members and national and local governmental agencies address their cooperative housing needs. These will also provide a forum for discussion and feedback.

Dionisia P. Vilorio, of the CHF pilot project Echegue Market Multi-purpose Cooperative, said, "We have been able to learn many things—policy making, organization, management. We cannot adapt everything, but we can adapt some of the systems." Ms.

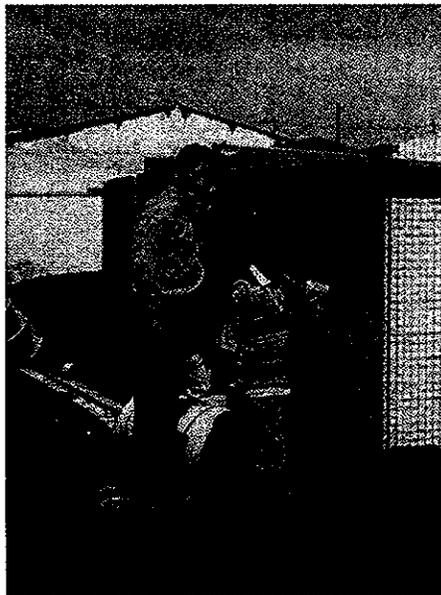


(L to R) Back: Josephine C. Angsico, NHA; Evangelina I. Equipaje, NHA; Judith Hermanson, VP, CHF/HQ; Vilma F. Llanes, Holy Child Multi-Purpose Coop; Ma. Elena S. Mantalaba, PUP; Larry Harms, USAID; Richmond Douglas, CHF Country Representative, Philippines. Front: Aida B. DeGuia, NHA; Dr. Dionisia P. Vilorio, Eschague Market Multi-Purpose Coop; Barbara Jones, CHF/HQ; Ma. Luisa Forneste, NHA.

Viloria said her cooperative is challenged, but determined to proceed. "The most important thing that I have seen in coops in the US is that the people have sincerity and determination to do this."

CHF Volunteer Expert Guides South African Cooperative

For two weeks in October, CHF's most recent volunteer shared his expertise in cooperative housing operations and



Volunteer Expert Alex Miller (L) and CHF/South Africa Program Officer Solomon Kota (R) inspect a house being built by CHF and local organizations.

management with the first housing cooperative to be registered in South Africa.

The volunteer, Alex Miller, is President of the housing cooperative management firm, G&M Management Corporation, in Atlanta, and President of a real estate management software company, CAM Systems, Inc. He also serves on the Board of the National Cooperative Bank in Washington, DC.

CHF's USAID-supported Cooperative Development Program in South Africa (CDP/South Africa) Program Manager Hilary Stewardson said, "I think the most important thing co-op members learned from Alex was to think bigger than their housing cooperative and realize that by working together they can create business cooperatives and generate income. That is one of the greatest needs for most black South Africans."

Miller worked with board members of the newly formed housing management cooperative and staff of the NGO that is advising and supporting them. He said, "The CHF staff is superb. They

made sure my time was well spent."

CHF's CDP/South Africa works with Afesis-Corplan, a local NGO in East London, South Africa, on this pilot project to build 196 houses in 9 housing cooperatives. The East London Housing Management Cooperative (ELHMC) officially registered in June 1999 as the first such cooperative in South Africa. The ELHMC is forming housing cooperatives of 18-22 member families who will build their own housing and community, with management provided by the ELHMC. The members currently live in shacks in several townships located some distance from the city center.

As a CHF Volunteer, Miller worked with Afesis-Corplan staff, reviewing operational management policies, budget, and training needs. He shared his experiences in property management with the members of the board of the ELHMC and provided them with a global view of the cooperative movement. Miller's airfare was provided by the Sollars Fund.

CHF President Named to US-China Residential Building Council

CHF President Michael E. Doyle was one of 18 people from the US appointed to the US-China Residential Building Council in October. During the US-China Presidential Summit in June, 1998, President Clinton announced the Council would be formed as part of the US-China Housing Initiative. The council aims to facilitate US opportunity to meet emerging mar-

ket demands in Chinese housing. The Council will focus on helping China develop a residential housing industry, residential construction and rehabilitation, and a housing finance system. Doyle and other Council members serve in a representative capacity—presenting the views and interests of the business or housing sector in which they operate.

CHF Trustee Paumen wins John D. Lange International Award

The National Association of Housing and Redevelopment Officials (NAHRO) honored Mary Paumen, member of the CHF Board of Trustees, with the 1999 John D. Lange International Award at its national conference in Philadelphia this October. The Lange Award honors professionals who have made outstanding contributions to global understanding and to the exchange of international experience. Mary Paumen was recognized for her dedicated efforts in international housing policy, information sharing and personnel exchanges. In

particular, she was commended for her leadership in solidifying NAHRO's international group into a permanent International Committee, and for her work with the UN's Economic Commission for Europe's Committee on Human Settlements, the UN Habitat II Conference, and Tri-Country (US, UK, and Canada) Conferences. Among previous winners are a number of outstanding people affiliated with CHF, including Vice President Judith Hermanson, Chairman Gordon Cavanaugh, and Secretary of the Board of Trustees, Mary Nenno.

MEMBER NEWS

NAHC

Conference in Toronto

CHF co-hosted a reception during the National Association of Housing Cooperatives (NAHC) Conference in Toronto, Ontario. Tamara Arsenaault, CHF Senior Program Officer represented CHF with CHF Volunteer Expert Alex Miller. Fostering ties between practitioners in the US and those overseas is an important objective of CHF's volunteer expert program, and many other CHF programs.

1999 Housing Journal

The National Association of Housing Cooperative's 1999 *Cooperative Housing Journal* featured an article by CHF Vice President Judith Hermanson titled, "Cooperative Housing Around the World: Examples and Experience." The piece delves into CHF's multi-faceted experience in applying the coop-

erative principles to housing projects around the globe over the years. An overview describes cooperative housing as a framework for international development. CHF's cooperative work in Poland and South Africa is detailed. Call CHF for copies of the article.

NAHRO National Conference

At the National Association for Housing and Redevelopment NAHRO's National Conference in Philadelphia on October 17-20, CHF Vice President Judith Hermanson presented CHF's experience in Housing Privatization in Poland and its experience in Disaster Relief and Reconstruction, focusing on Central America and the Caribbean.

SEEP Annual Workshop

On October 20, Franck Daphnis, Director of Field Program Management and Kimberly Tilock, Credit Manager, represented CHF at the Small Enterprise Education and Promotion

In Memoriam

CHF is sad to report the loss of some very dear colleagues.

Lucky Rainbow worked as Office Aide for CHF beginning in May 1987. He had the heart of a poet and kept the office running smoothly for 12 years.

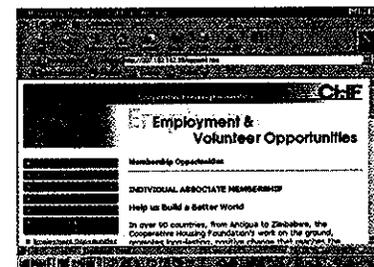
Vertina Harris, Accounting Supervisor, began working for CHF in March 1987. Harris made invaluable contributions to the finance department for over a decade.

Shirley F. Boden co-founded CHF (then the Foundation for Cooperative Housing) in 1952. He was a trustee through 1989, and had served as Chairman. Boden was an early advocate of moderate-income housing in the US and the father of the "mutual housing" concept based on the integrated cooperative program of Scandinavia and some European Housing Cooperatives.

(SEEP) Network Annual Workshop, speaking on CHF's new microfinance program development.

Individual Associate Membership Page on the Web

Now there is a new way to join CHF! See the Membership Opportunity page on the CHF website at www.chfhq.org.



Volunteer Expert Opportunities

For information on how to volunteer your expertise to help low-income families overseas, or to speak with a former volunteer, call the volunteer coordinator at 301-587-4700.

Board of Trustees' Executive Committee Meets in Guatemala

This year the Executive Committee of the CHF Board of Trustees held their annual meeting in Guatemala from September 22-25.

(Chairman), Don H. McCreary, Gordon Lindquist, Chris Sale (Treasurer) and Ambassador Walter Stadtler (Development Committee Chair).

Executive Committee members attending were Gordon Cavanaugh

CHF/LEPPI Team Leader Arturo Villalobos, CHF/Guatemala Director

Jim Schenck, CHF/El Salvador Director Brian Holst, and CHF/Honduras Director Lisa Pacholek presented their programs to the Board members and to CHF leadership. CHF President Michael E. Doyle, Vice President Judith Hermanson, and CFO James Russo attended. The Vice President's Executive Assistant, Tammy Vellines, documented the meeting.



George Carner, Mission Director, USAID/Guatemala (L), meets with Gordon Cavanaugh, Chairman, CHF Board of Trustees (R), in Guatemala.

After the committee meeting, members traveled to see projects in the Ixcán region. Both the Local Environmental Policy and Program Initiative (LEPPI) project and the Communities in Transition (CIT) project operate in the Ixcán. Sites visited included an experimental farm where non-traditional crops such as vanilla and palm heart are being tested, a new intermediate school constructed under CHF's supervision, and a sewage treatment system being built under the LEPPI project.

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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.

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



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.

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

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

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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.

CHFnewsbriefs

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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.

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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.

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."

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

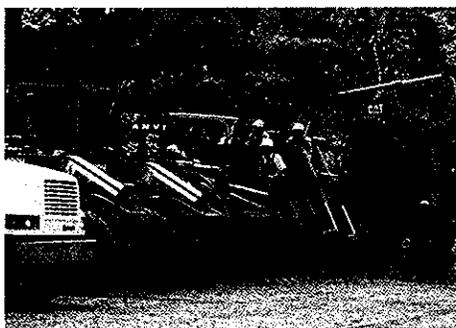


CHF President/CEO Michael E. Doyle, USAID/Guatemala Mission Director George Carner (behind Doyle in cap), Vice Minister for Communications Julio Gonzalez (kneeling), Ambassador to Guatemala Prudence Bushnell and FONAPAZ Director Aristides Crespo, kicked off the inauguration ceremony.

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.



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

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

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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 pre-



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

dominately Serbian neighborhoods on Mitrovica's north side.

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.

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



Luljeta, 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.

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

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 Ern 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.

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.

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 Temescal Co-housing 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 Chrony, attendees included the following CHF staff members: CHF President Michael Doyle, Vice President Judith Hermanson, Program Develop-

ment 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 Frupp; 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 Decem-

ber: 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. ■

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ATTACHMENT 4

CHF AT-A-GLANCE (ENGLISH VERSION)
&
"CHF DE UN VISTAZO" (SPANISH VERSION)

CHF at a glance

Communities • Habitat • Finance

AREAS OF TECHNICAL EXPERTISE

COMMUNITIES

- Economic Development
- Environment, Health & Sanitation
- Municipal Development
- Organizational Development
- Business Plans
- Credit Programs
- Democracy Building
- Financial Management
- Membership Outreach & Services
- Training & Mentoring
- Roads & Bridges
- Sustainable Agriculture
- Women's Development
- Home-Based Businesses
- Leadership Development
- Skills Training

HABITAT

- Association Management
- Cooperative Housing
- Emergency Disaster Response & Reconstruction
- Environmental Planning
- Housing Privatization
- Incremental Home Construction/Assisted Self-Help
- New Affordable Housing

FINANCE

- Home-Improvement Lending
- Home-Based Businesses (Fixed Asset Lending)
- Local Construction and Materials Business Development
- Microenterprise Lending
- Small Business Lending
- Village Banking

CHF is a non-profit international development organization for communities, habitat, and finance. CHF serves as a catalyst for sustainable positive change in low- and moderate-income communities around the world, helping to improve their housing, economic circumstances, and environments. We work with a wide range of organizations to develop systems, policies, and practices that increase access to affordable housing, community services, and finance, and that help people maintain a safe and sustainable natural environment. Since 1952, CHF has worked in nearly 100 countries worldwide.

With 17 field offices, CHF has earned an international reputation for community building. Our core strengths are in finance (including credit), local organizational capacity building, and technical skills transfer. CHF develops program models that are adapted to local needs and priorities. Once tested at the community level, these pilot programs may be scaled up for national implementation. Communities and families depend on a strong local economy and a stable environment. All of CHF's programs are developed on a sound economic basis, foster self-sufficiency, and promote environmental sustainability. Program areas include microenterprise, housing, environment, infrastructure, and post-disaster reconstruction. Credit provision and public/private partnerships are two key tools that CHF uses to stimulate local economic development. CHF programs are building blocks to peaceful, prosperous democratic societies.

A SNAPSHOT OF CHF WORLDWIDE OVER 6 YEARS

Fiscal Years 1994-1999



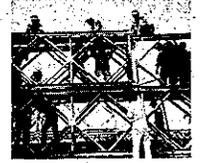
25,000 loans totaling over \$23 million



139,758 women directly assisted



221,748 housing beneficiaries



232,178 jobs created (in person-months)



30,300 people trained (includes direct trainees and loan recipients)



3,050 co-ops and non-governmental organizations (NGOs) assisted



Over 34,100 new and improved homes



\$82,700,660 leveraged and mobilized

FOCUS ON SELECTED PROGRAM ACTIVITIES

Communities: CHF's community-based development programs reflect cooperative principles and values, provide economic opportunities to women as well as men, produce thousands of jobs, and create economic multiplier effects in communities. Local organizations are strengthened and people learn how to bring about and manage long-lasting, positive change within a market economy.

Habitat: CHF disaster response and reconstruction programs have helped build the foundation for long-term recovery and economic development in various countries over the past 20 years. CHF's natural disaster emergency and reconstruction programs create opportunity from disaster, going beyond rebuilding the community to its pre-disaster state. CHF's experience in this arena includes disasters in the Philippines, El Salvador, Peru, Nicaragua, Guatemala, Lebanon, Honduras, and the Caribbean.

Finance: CHF's loan programs operate in extremely challenging situations, serving primarily low-income families. Interest rates are structured to be financially sustainable, and CHF loan programs average an outstanding 97% repayment rate. High rates of capital turnover maximize the number of people served. These loan programs, like all CHF activities, stress sound business practices and transparency. In addition, they often provide commercial banks with new lending opportunities and link the formal and informal sectors.

Cooperative Housing Foundation, 8300 Colesville Road, Suite 420, Silver Spring, MD 20910 USA
Tel.: (+1)301.587.4700, Fax: (+1)301.587.2626, E-mail: mailbox@chfhq.org, Web: www.chfhq.org

HIGHLIGHTS OF CHF'S MULTI-FACETED PROGRAMS

Throughout Central America - Environmental Decision Making

CHF has developed and is using a methodology for communities in six Central American countries to identify and prioritize local environmental problems. Involving local governments and community groups, the goal is to create an open, inclusive, and democratic process for decisions and action.

Gaza - Working with Banks to Improve Homes

Within its first year, CHF disbursed over \$4 million in home improvement loans to low-income families, achieving a 96% repayment rate. Based on this success, three commercial banks are now investing their own capital in the program. Today, more than 1,700 families have tapped over \$7.5 million in loans.

Guatemala - A Transition to Sustainable Communities

In the war-torn Ixcán area, CHF works with Mayan leaders and other residents on projects ranging from agroforestry, to roads and bridges, to schools and health clinics. Village banking opens economic opportunities to many women in the Ixcán area. Reconciliation and democracy-building underpin the program.

Haiti - Post-Hurricane Infrastructure Reconstruction

CHF managed a \$1.2 million post-Hurricane Georges reconstruction effort in the Artibonite Valley of Haiti. CHF and a local partner cleared over 1,500 kilometers of irrigation and drainage canals and constructed access roads. In Jacmel, CHF conducted a study on establishing public/private partnerships responsible for waste management in the city. CHF has also completed a potable water and sanitation study in the neighborhoods of Brise-tout and Bobin north of Port-au-Prince.

Honduras - Emergency Shelter & Hurricane Reconstruction

In response to Hurricane Mitch, CHF and local NGO partners constructed 1,400 low-cost emergency shelters in 6

weeks using framing and roofing suitable for long-term/starter homes. CHF is also assisting families with water, sanitation, and other aspects of reconstruction.

CLIENT-FOCUSED ASSISTANCE

CHF provides tailored training and technical assistance in each of its program service areas. These services include program design, evaluation, feasibility studies, business planning, loan product development, and organizational assessments for a diverse set of clients.

Jordan - Spurring Microenterprise

To foster economic and social stability in Southern Jordan, CHF created a credit program for small and microbusinesses, especially women-run ventures. The program targets home-based production cooperatives and other microenterprises and small businesses seeking expansion capital.

Lebanon - Rebuilding Rural Infrastructure and Economics

CHF is helping repair years of war damage and neglect, rebuilding roads, schools, water/sewer and irrigation systems. Marketing agricultural products and microenterprise income generation are key to this rural economic development initiative.

Mexico - Including Corporations in Worker Housing

A unique CHF partnership with "maquila" factories in Ciudad Juárez created a \$1.3 million loan fund providing workers with small loans for progressive home upgrades, including access to water and sanitation. Training local organizations so this model can be replicated in other communities is part of the program.

Philippines - Cooperative Housing & Alternatives to Welfare

CHF and the Philippines National Housing Authority work to form independent housing cooperatives or train existing cooperatives to build low- and moderate-income housing.

Poland - Creating Housing in a New Market Economy

CHF-initiated housing service centers in over 30 cities across Poland are introducing market-based mortgages and democratically-run cooperatives, creating new systems for building private housing. These centers had produced nearly 2,000 new affordable homes by the end of CHF's involvement, and they continue to provide assistance as self-sustaining entities.

Romania - NGO and Economic Development

CHF is creating a "Living Laboratory" to provide economic development training for our partners and local government throughout Romania. CHF currently works with 10 partner NGOs in 5 counties of Southwest Romania. These local NGOs include housing associations, small business associations and community-based financial institutions. To date CHF has disbursed 719 housing and business loans through these NGOs to their members for a total of \$1.3 million.

South Africa - Financing & Housing Construction

CHF helps form democratic housing associations to organize construction of new core (36 m²) housing for very low-income families. Innovative techniques introduced by CHF allow rapid building with resident "self-help" labor. CHF provides short-term construction loans and helps families secure housing subsidies. CHF also manages large-scale construction of low-cost homes for a municipality.

For the most current project information, see our website at www.chfhq.org.

CHF de un vistazo

Comunidades • Habitat • Finanzas

AREAS DE ESPECIALIZACION

COMMUNIDADES

- Desarrollo económico
- Medio ambiente, Salud y Saneamiento
- Desarrollo de municipios
- Desarrollo de organizaciones
 - Planes de negocio
 - Programas de crédito
 - Democratización
 - Gestión financiera
 - Adiestramiento y capacitación
 - Formación y asesoramiento
- Carreteras y puentes
- Desarrollo agrícola sostenible
- Desarrollo de la mujer
 - Créditos
 - Desarrollo de liderazgo
 - Formación práctica
- Desarrollo de negocios de construcción y suministro de materiales

HABITAT

- Gestión de asociaciones
- Cooperativas de vivienda
- Catástrofes naturales
 - Ayuda de emergencia
 - Reconstrucción
- Planificación medio ambiental
- Privatización de viviendas
- Viviendas progresivas
 - Esfuerzo propio dirigido
- Viviendas nuevas asequibles

FINANZAS

- Préstamos
 - Mejoramiento de la vivienda
 - Sanitación
- Bancos comunales
- Negocios caseros
- Financiación de microempresas
- Financiación de pequeños negocios

CHF es una organización internacional no lucrativa para el desarrollo de comunidades, de hábitats y de recursos financieros. CHF actúa como elemento catalizador en procesos de cambio sostenible para comunidades con bajos o moderados ingresos de todo el mundo mediante ayudas para la mejora de la vivienda, las condiciones económicas y los medios ambientales de dichas comunidades. Trabajamos con una amplia gama de organizaciones para desarrollar sistemas, políticas y prácticas que promuevan el acceso a viviendas asequibles, servicios para la comunidad, e instrumentos de financiación, así como para ayudar a los miembros de estas comunidades a mantener un medio ambiente sano y sostenible. Desde su establecimiento en 1952, CHF ha laborado en cerca de 100 países de todo el mundo.

Con sus 17 oficinas internacionales, CHF se ha ganado una reputación positiva a nivel internacional en el desarrollo de comunidades. Nuestros puntos fuertes son la financiación, el desarrollo de la capacidad de organizaciones a nivel local, y la transferencia de conocimientos técnicos. CHF desarrolla modelos de programas que se adaptan a las necesidades y prioridades locales. Una vez que estos programas piloto se ponen a prueba a nivel de una comunidad, pueden luego ampliarse progresivamente para su aplicación en el ámbito nacional. CHF desarrolla todos sus programas partiendo de bases económicas sanas, fomentando la autosuficiencia y potenciando un medio ambiente sostenible. Estos programas se extienden al ámbito de las microempresas, la vivienda, el medio ambiente, las infraestructuras y la reconstrucción de zonas asoladas por la catástrofe. Dos herramientas fundamentales que utiliza CHF para estimular el desarrollo económico local son la concesión de crédito y la colaboración con socios públicos y privados. Los programas de CHF ponen los cimientos para la construcción de sociedades pacíficas, prósperas y democráticas.

UNOS LOGROS DE CHF A NIVEL MUNDIAL EN LOS ULTIMOS 6 AÑOS

Años Fiscales 1994-1999



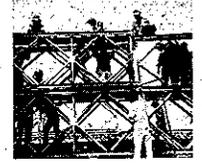
25,000 préstamos por un total de más de US\$23 millones



139,758 mujeres ayudadas directamente



221,748 beneficiados por los programas de vivienda



232,178 empleos creados (en personas laborando por mes)



30,300 individuos receptores de formación (incluyendo los formados directamente y los receptores de préstamos)



3,050 cooperativas y organizaciones no gubernamentales ayudadas



Más de 34,100 viviendas nuevas y renovadas



US\$82,700,660 movilizados

Enfoque de Actividades Seleccionadas de Programas de CHF

Comunidades: Los programas de crédito de CHF se desarrollan en condiciones que suponen auténticos retos y prestan servicio primordialmente a familias con recursos escasos. En los programas de préstamo de CHF se consigue la devolución de las cantidades prestadas en un excelente promedio del 97% de los casos, para lo cual se estructuran los intereses de manera que cubran los costos de operación. Tener unos índices elevados de devolución del capital permite maximizar el número de personas a las que se presta servicio. Como todas las actividades que desarrolla CHF, estos programas de crédito se basan en prácticas comerciales sólidas y hacen hincapié en la transparencia. Además, con frecuencia generan nuevas oportunidades de préstamo de los bancos comerciales y sirven de conexión entre los sectores formal e informal.

Habitat: Los programas de desarrollo de comunidades de CHF se basan en los principios e ideales del cooperativismo, proporcionan oportunidades económicas tanto a hombres como a mujeres, crean miles de empleos y producen efectos económicos tipo dominó en estas comunidades. Por otra parte, las organizaciones locales se ven reforzadas y la gente aprende a iniciar y gestionar reformas positivas duraderas dentro de una economía de mercado.

Finanzas: Los programas de ayuda de emergencia y reconstrucción de CHF han respondido a catástrofes y contribuido a crear las bases para la recuperación a largo plazo y para el desarrollo económico de varios países durante los pasados 20 años. Estos programas de CHF de emergencia y reconstrucción para responder a desastres naturales han producido oportunidades de desarrollo partiendo de la propia situación de catástrofe, aventurándose más allá de la mera reposición en la comunidad de que se trate de las condiciones previas al desastre. La experiencia de CHF en este terreno incluye la respuesta a desastres naturales en Filipinas, El Salvador, Perú, Nicaragua, Guatemala, Honduras y el Caribe.

CARACTERÍSTICAS MAS DESTACADAS DE LOS PROGRAMAS MULTIFACETICOS DE CHF

Centroamérica

Area: Comunidades

CHF ha desarrollado y puesto en práctica una metodología que permite comunidades a identificar y clasificar por orden de prioridad sus problemas medio ambientales. Actualmente, CHF está trabajando en 15 comunidades de seis países centroamericanos con la metodología que desarrolla y pone en marcha un proceso de toma de decisiones que involucre a los gobiernos locales y grupos cívicos.

Guatemala

Areas: Comunidades, Hábitat, y Finanzas

En la zona de Ixcán, asolada por la guerra, CHF colabora con los líderes comunales y organizaciones locales de la zona en proyectos que van del sector agro-forestal a la construcción de puentes, carreteras, escuelas y clínicas. Bancos comunales, establecidos con la ayuda de CHF y un organizaciones no gubernamentales (ONG) socio, abren oportunidades económicas a muchas mujeres en la zona de Ixcán. Este programa se apoya sobre la base de la reconciliación social y la construcción democrática. También, CHF ofrece asesoría técnica al Gobierno de Guatemala en su Programa de Subsidio Directo (SIAVI), en la elaboración de Manuales de Operación para las Ventanillas Social y Comercial, la preparación de un Informe Preliminar del Estudio de Adquisición de Lotes en el Programa, y una evaluación del programa. Adicionalmente, CHF ayudó el Fondo Guatemalteco para la Vivienda ejecutar el Programa SIAVI.

Haití

Area: Comunidades

CHF gestionó labores de reconstrucción posteriores al Huracán George en el Valle Artibonite de Haití por valor de US\$1.2 millones. Se limpiaron más de 1,500 Km de canales de riego y desagües y se construyeron carreteras de acceso en colaboración con un socio local. En Jacmel, CHF realizó un estudio para el establecimiento de sociedades públicas/privadas que se encargasen de la gestión de las aguas residuales en la ciudad. CHF también ha llevado a cabo un estudio sobre agua potable y saneamiento para la ONG Plan Internacional en los barrios de Puerto Príncipe.

Honduras

Areas: Comunidades, Hábitat, y Finanzas

CHF tiene un proyecto de Crédito Municipal para el Saneamiento Familiar en la cual la municipalidad auspicia conexiones domiciliarios a la infraestructura existente y CHF ofrece préstamos para realizar la conexión.

Para paliar los efectos del Huracán Mitch, CHF junto con ONGs locales, construyó 3,349 albergues y 1,371 latrinas en tres etapas de un proyecto de albergues temporales de emergencia.

CHF está prestando asistencia en la reconstrucción de viviendas nuevas para los damnificados de Huracán Mitch en dos programas: CHF está implementando directamente un programa de construcción de 500 viviendas mínimas progresivas, y proporcionando asesoría y financiamiento a ONGs para la reconstrucción de 3,000 viviendas.

También implementa un programa de desarrollo municipal, apoyando cuatro municipalidades en la mitigación de desastres.

República Dominicana

Area: Hábitat

CHF está supervisando un programa de reconstrucción de 5,000 viviendas para los damnificados del Huracán Georges. CHF ofrece asesoría técnica y financiamiento a ONGs que desarrollan proyectos de fortalecimiento estructural, mejoramiento y construcción de viviendas.

El Salvador

Areas: Comunidades, Hábitat, y Finanzas

CHF está implementando el Proyecto MIRA (Actividad de Reconstrucción Integral después de Mitch), cuyo objetivo es la reducción de la vulnerabilidad de las personas pobres en las áreas afectadas por Huracán Mitch. MIRA tiene seis componentes: producción agrícola, pequeña infraestructura, vivienda, escuelas, manejo ambiental y preparación contra desastres.

CHF ha sido calificado por el Gobierno de El Salvador como el único ONG Internacional que puede llevar a cabo diagnósticos participativos de las necesidades de municipalidades en el país. CHF ya ha sido contratado por tres municipalidades para conducir diagnósticos.

CHF tiene un proyecto de créditos a familias de bajos ingresos para mejorar y ampliar sus viviendas. Los fondos de este proyecto provienen de un préstamo de una entidad gubernamental, la Fundación MacArthur y fondos propios. Un banco comercial local también participa en el proyecto de Créditos con Ahorros Previos.

Jordania

Area: Finanzas

Para fomentar la estabilidad económica y social en el sur de Jordania, CHF estableció un programa de asistencia técnica y crédito

para pequeños negocios y microempresas, especialmente aquellas dirigidas por mujeres.

México

Areas: Comunidades y Finanzas

Mediante una asociación exclusiva de CHF con las fábricas "maquilas" en Ciudad Juárez, se estableció un fondo de préstamo de US\$1.3 millones que, a su vez, permitía conceder a los trabajadores pequeños préstamos para llevar a cabo mejoras progresivas de sus hogares, incluyendo el acceso al agua y al saneamiento. Parte del programa consiste en proporcionar la capacitación necesaria a las organizaciones locales para que este modelo se pueda duplicar en otras comunidades.

Filipinas

Area: Hábitat y Finanzas

CHF se ha aliado con diversos socios en dos proyectos: uno con cooperativas independientes para construir viviendas destinadas a familias de recursos escasos o moderados, y el otro con el Ministerio de Bienestar Social y Desarrollo para crear programas de microcréditos y microempresas dirigidos a trabajadores de bajo poder adquisitivo que intentan mejorar su nivel de vida.

Sudáfrica

Areas: Comunidades, Hábitat, y Finanzas

CHF contribuye al establecimiento de asociaciones democráticas para la vivienda que organizan la construcción de nuevos núcleos de viviendas (36m²) para familias de recursos muy limitados. Las técnicas innovadoras que utiliza CHF permiten una construcción rápida utilizando la mano de obra de los propios residentes de la zona. CHF proporciona préstamos a corto plazo para la construcción, y ayuda a las familias a asegurarse subsidios para la vivienda. CHF también maneja la construcción a gran escala de viviendas de bajo costo para una municipalidad.

CHF también asesora una ONG local que está ayudando un grupo de familias a desarrollar e implementar unos proyectos de vivienda. Los beneficiarios van a manejar sus proyectos de vivienda en una forma cooperativa.

Para obtener información actualizada sobre proyectos, visite nuestra página web: www.chfhq.org

ATTACHMENT 5
CHF WEBSITE UPDATES



Communities • Habitat • Finance

- ▶ About CHF
- ▶ Areas of Expertise
- ▶ Programs & Links
- ▶ Publications & Workshops
- ▶ Opportunities at CHF
- ▶ Contact CHF

CHF is a nonprofit international development organization for communities, habitat, and finance. CHF serves as a catalyst for sustainable positive change in low- and moderate- income communities around the world, helping families improve their housing, economic circumstances, and environment. CHF has been providing technical expertise and leadership in international and domestic development since 1952.



What's New?

The World Is Not Enough: CHF Stimulates Sustainable Economic Growth in "James Bond" Setting. See [News Releases](#).

Volunteer & Employment [Opportunities](#) updated June 16, 2000.

CHF presents poster on CHF/Honduras Loan Sanitation Program at World Health Organization Conference (June 5-9), 2000. See [Publications](#) to download PDF file of poster & handouts.

Other new publications: CHF/Poland final report [Executive Summary](#); CHF 1999 program report "[Building a Better World](#)."

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 8300 Colesville Road, Suite 420
 Silver Spring, MD 20910 U.S.A.
 Phone 301.587.4700 Fax 301.587.2626

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Cooperative Housing Foundation



Publications & Workshops

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NEW! CHF Newsbriefs: Spring 2000



Building a Better World: 1999 (International Program Report)

Publications

Use the free [Adobe Acrobat Reader](#) to view any pdf file.

CHF materials for the 5th annual World Health Organization Global Conference on Health Promotion June 5-9, 2000:

[Download PDF File: Poster and Handouts on the CHF/Honduras Urban Loan Sanitation Program](#)

[CHF at a glance-\(English\)](#)
[CHF de un vistazo-\(Spanish\)](#)

International Program Report, "Building A Better World"

Please specify year: 1999, 1998, 1997, 1996, 1995, 1994, 1993, 1992-1991, 1990, 1989 or 1988

Building a Better World: 1999 Online

[\[Download PDF File: Cover + Table of Contents, ppi-ii\]](#)

[\[Download PDF File: Introduction, pp1-2\]](#)

[\[Download PDF File: Program Highlights: Communities, pp3-8\]](#)

[\[Download PDF File: Program Highlights: Habitat, pp9-14\]](#)

[\[Download PDF File: Program Highlights: Finance, pp15-18\]](#)

[\[Download PDF File: Advancing Issues, Program Impact, Providing Opportunities, pp19-22\]](#)

[\[Download PDF File: Thanks: Sponsors & Staff, pp23-28\]](#)

[\[Download PDF File: Thanks: Board Members, pp29\]](#)

Newsletters - CHF Newsbriefs (Free)

CHF Newsbriefs Spring 2000 [\[Download PDF File\]](#)

Cover Articles: Jordan Microfinance Project Influences Banking Sector/Reconstruction Programs Accelerate Toward Development

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CHF Newsbriefs:
Fall/Winter 1999

CHF Newsbriefs Fall/Winter 1999 [[Download PDF File](#)]

Cover Article: CHF Expands Global Emergency Reconstruction Efforts

CHF Newsbriefs Spring/Summer 1999 [[Download PDF File](#)]

Cover Article:

[Practical Workshop on Housing Privatization Held in Krakow, Poland, May 1999](#) Also see the [[Workshop Agenda](#)]

Strengthening a Market-Oriented Housing Delivery System Through NGOs see the [Executive Summary](#) of the final report.

Hurricane-Resistant Home Improvement Program Toolkit

The *Toolkit* provides technical descriptions and guidelines necessary for the implementation of a successful home improvement and hurricane resistant retrofit program. CHF developed the techniques and concepts included in the manual for the Hurricane Resistant Home Improvement Program as part of USAID funded, OAS operated, Caribbean Disaster Mitigation Program (CDMP). CDMP was designed and implemented to promote the concept of pre-disaster mitigation in the homes of low-income families. For printed copies, send a check or money order for US\$4.95 per copy to CHF.

Videos

Ciudad Juárez Community Investment Program (8:41 minutes in VHS format; 1995)

In Their Own Hands (15-minutes in VHS format; 1990)

Beneficiary Profiles

Gilberto Hernandez (Honduras; 1990)

María Josefa Cortez (Honduras; 1990)

Santos Castillo Luna (Honduras; 1990)

Virginia Funez (Honduras; 1990)

Concepts and Methods Series

#1 Cooperatives Build Housing in Many Ways (1982)

#2 Housing Cooperatives for Industrial Workers (1982)

#4 Legal Aspects of Cooperative Housing (1982)

#5 Earth Construction Technology: One Solution to the Worldwide Housing Problem (1985)

#7 The Cooperative Development System (1985)

#7 Le Systeme Cooperatif de Developpement (1985)

#7a El Sistema Cooperativo de Desarrollo: Organizaciones de Servicios Técnicos (1985)

#7b El Sistema Cooperativo de Desarrollo: Cooperativas de Autoconstrucción de Viviendas (1985)

#7c El Sistema Cooperativo de Desarrollo: Mecanismos Crediticios (1985)

#7d El Sistema Cooperativo de Desarrollo: Centros de Producción de Materiales para la Construcción (1985)

#7e El Sistema Cooperativo de Desarrollo: Cooperativas de Mejoramiento de Vencindarios y Cooperativas de Mejoramiento de Aldeas (1985)

Fact Sheets

#3 Banking on the Barrios: Financing Shelter and Jobs for Low-Income Families in Honduras (1988)

#3 Fe en los barrios: Financiación de viviendas y empleos para las familias de ingresos bajos de Honduras (1988)

#4 A Capital Investment: Building Low-Cost Cooperative Housing in Tanzania

#5 After the Earthquake: Helping El Salvador's Slum Dwellers Become Homeowners (1989)

#5 Después del terremoto: Los residentes de las áreas pobres de El Salvador adquieren casas propias (1989)

#6 A Livable Environment: Financing Sanitation Improvements in the Urban Settlements of Honduras (1992)

#7 Toward a Cleaner Community: Mobilizing a Settlement in Côte d'Ivoire to Solve Its Own Environmental problems (1993)

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8300 Colesville Road, Suite 420

Silver Spring, MD 20910 U.S.A.

Phone 301.587.4700 Fax 301.587.2626

General email: mailbox@chfhq.org

ATTACHMENT 6

1999 BUILDING A BETTER WORLD
CHF ANNUAL REPORT

COMMUNITIES · HABITAT · FINANCE



Building a Better World

1999 INTERNATIONAL PROGRAM REPORT

CHIE



Building a Better World

1999 INTERNATIONAL PROGRAM REPORT



OUR MISSION

CHF serves as a catalyst for sustainable positive change in low- and moderate-income communities around the world, helping to improve their housing, economic circumstances, and environments.

We work with a wide range of organizations to develop systems, policies and practices that increase access to affordable housing, community services, and finance. CHF believes that safe, affordable housing is the foundation upon which families can build a livelihood, a healthy community, and a peaceful, democratic society.

Cover Photos:

1. Loan Beneficiaries in Jordan
2. A Hurricane Victim in Honduras
3. Community Leaders Host Participants of a Market Economy Workshop in Poland
4. Constructing Latrines in Honduras
5. New Housing Cooperative Board Members in South Africa
6. A Community Member Leads a Local Development Meeting in El Salvador

Photos, Pages i and ii:

(page i) A small business owner in the Philippines

(page ii)

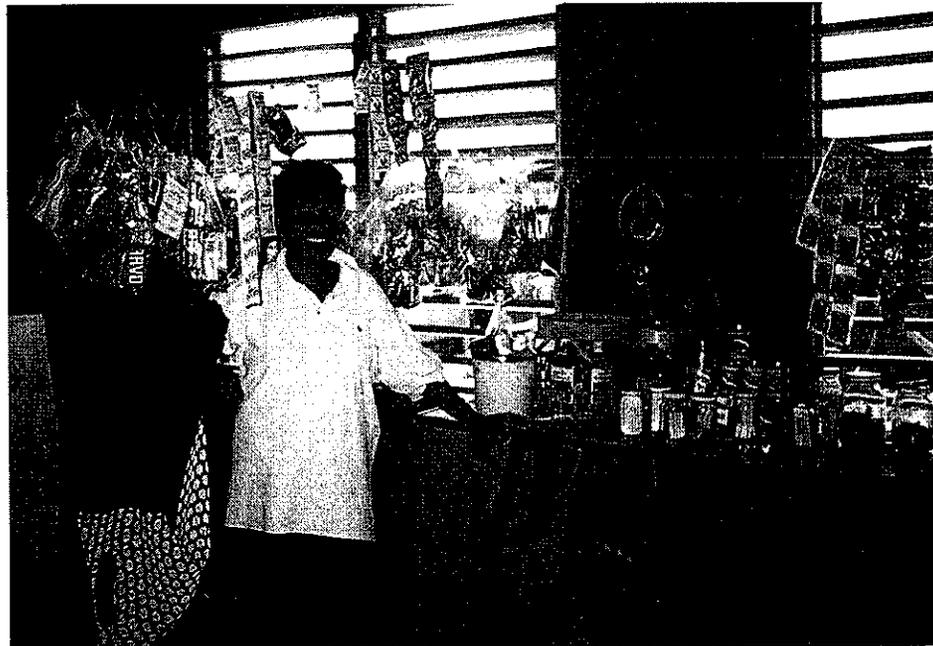
left: Abu Hamour Women's Co-op

upper right: Recycling project in Central America

lower right: Irrigation project in Haiti

CHF works to improve communities, habitat, and finance worldwide. We do this through community-based development.

Building a Better World: 1999 highlights the many facets of CHF's community-based development.



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ACRONYMS & ABBREVIATIONS

AMEEN	Access to Microfinance and Enhanced Enterprise Niches
AMVI	Ixcán Road Maintenance Association
AWIM	Agency to Support Housing Initiatives
CARA	Mutual Assistance House of the Associations
CESIDE	Center for Integrated Social Development
CIM	Center for Housing Initiatives
CIT	Communities in Transition
CHF	Cooperative Housing Foundation
CP	Cooperative Paybayhay Program
ELHMC	East London Housing Management Cooperative
FUNHAVI	Habitat and Housing Foundation
FY	Fiscal Year
HILP	Home Improvement Loan Program
IDB	Inter-American Development Bank
IED	Integrated NGO & Economic Development
JTB	Jammal Trust Bank
LEPPI	Local Environmental Policy and Program Initiative
MIRA	Mitch Integrated Reconstruction Activities
NGO	Nongovernmental Organization
NHA	National Housing Authority (Philippines)
OAS	Organization of American States
PVO	Private Voluntary Organization
REDI	Rural Economic Development Initiative
SIRCT	Sand Island Revitalization Coordination Team
SADEC	Health and Community Development Organization
SEEP	Small Enterprise Education and Promotion Network
TSC	Technical Service Center
UCG	Unité Centrale de Gestion
UNECE	United Nations/Economic Commission for Europe
USAID	United States Agency for International Development



LETTER FROM THE CHAIRMAN

CHF enters the year 2000 under a full head of steam, stoked by a record year of contracts supporting our mission. Congratulations to President Michael Doyle and our hard working staff. We are now active in parts of the world that CHF could not have imagined a few years ago, and we bring techniques that hasten progress for more and more of the world's disadvantaged families.

We are grateful to our federal partner, the United States Agency for International Development, for its exceptional support. Recognition by other governments and continued help from the John D. and Catherine T. MacArthur Foundation and the Ford Foundation are also pleasing. CHF is also indebted to its talented and generous trustees for their guidance.

Sadly, our growth last year resulted partly from CHF's being called upon to aid widespread victims of natural disasters and of wars. The positive side of this is that CHF also brings community-building techniques to its reconstruction activities.

The poverty of the families whom we assist cries out for increased response from the successful nations of the world. CHF assists such families to more democratic and economically stable lives. Our first aim for the millennium is to broaden the reach of our work through private and foundation assistance, because although fiscal year 1999 brought an expansion of our programs, we could do even more.



Gordon Cavanaugh

Gordon Cavanaugh
Chairman, CHF Board of Trustees

MESSAGE FROM THE PRESIDENT

In Spanish, the verb *cumplir* has a very special meaning. The closest English translation is "to fulfill," but it means more than that; the word carries a sense of commitment that defines CHF's operations. The people we work with—our beneficiaries, our program partners, and our donors—know that we will do everything possible to live up to our commitments and achieve our program goals, even under difficult circumstances and in places where others have said, "It can't be done."

Some examples of "impossible" program successes highlighted in this year's *Building a Better World*:

- In Ciudad Juárez, Mexico, others said a home improvement loan program would be too risky because of inflation, and they said no local organization was ready to manage such a program. Starting with capital from the Ford Foundation, CHF trained two local organizations to manage the loan program, enlisted the support of corporations with *maquila* (assembly) plants in the city, and formed partnerships with local contractors and building materials suppliers. One thousand three hundred families have since improved their homes with loans administered by two highly competent local organizations.
- In Gaza, others said commercial banks would not make small loans to lower-income clients in an area of political instability. CHF's lending program in Gaza now operates with three banks that have lent over \$10 million, enabling 2,200 families earning less than \$700 a month to improve their homes. The banks, initially skeptical, are pleased by the new business and say they will continue to serve this segment of the population. The program has also created construction-related employment, contributing to economic development in Gaza.
- In Guatemala, others said it would be too difficult to get former civil war enemies to work together. Four years later, local committees representing all residents of the municipalities of Ixcán and Alta Verapaz have formed 19 village banks with nearly 500 members. The committees now are working together to build bridges, repair roads, and grow marketable crops using organic methods.

We are well aware that CHF's ability to *cumplir* depends on a similar commitment by our partners and sponsors, representing a broad mix of organizations and institutions, who often work together in a single program. The participants in these partnerships, be they private foundations, government agencies, or for-profit companies, have consistently demonstrated their willingness to work together to seek new solutions to old problems. The sponsors and partners named in this report have demonstrated their confidence in CHF and share our commitment to *cumplir*. Together, we are all building a better world.

Michael Doyle

Michael E. Doyle
President/CEO





PERSPECTIVE



Judith A. Hermanson, Ph.D., Vice President

CHF's programs rest on the foundation of communities, habitat, and finance. These are the essential building blocks of a better world. CHF believes in working the "old fashioned way"—with individual families to help them improve their lives—but we use innovative program models to help them accomplish the goals of their community-based programs.

We place a high value on "bottom up" development; the energies and aspirations of individuals are the true engines of democracy and social and economic change. Working worldwide but at the local level, CHF seeks to stimulate economic development, improve services and the physical environment, and enable poor families to access financial resources.

To allow community-based development to have the largest possible impact, we design CHF's programs observing some fundamental principles. CHF's "Seven Principles," characterize our work throughout the world:

1. Creating Positive Examples & Tangible Results

CHF uses the physical products of our activities as a way to generate interest, to show what can be done in a situation, and to validate new approaches. Whether these results are houses, sewers, roads, or new loan products, we are careful to adapt our work to the local context. We also make sure that decision-makers from the public and private sectors understand both the methods and the principles that produced the results so that they can replicate the process in new areas.

2. Widening the Impact

The positive benefits of CHF's work with individual families—for example, a clean water supply, a new clinic, a better "bottom line" for their microenterprise—are extremely important. But CHF also seeks to extend the benefits of our program activities to many more people beyond the initial beneficiaries. Thus, the projects themselves provide a blueprint to establish and document processes and methodologies that can be applied at a broader level. The larger goal is eventually to achieve a scale of activity sufficient to bring about lasting changes in government policy or commercial practice.

3. Achieving Results Quickly

We have found that it is critically important to the credibility of community-based development to produce at least some tangible improvements

in the near term. Abstract concepts and prolonged studies try the patience of those in need of help. Trying something out—based on best practice and an understanding of the local context—to achieve a result in the near term is an important element in CHF's success.

4. Strengthening Local Institutions

In all of our work, CHF works with local partners. An important result is the strengthened capacity of local public, private, and non-profit institutions. CHF works as a facilitator rather than as an implementer. We believe that decisions for or against change are the responsibility of those whom change will affect. Transparency and accountability are central to all of CHF's work.

5. Using a Business-Like Approach

Financial resources are scarce in the regions where CHF works. All of our programs are designed to maximize the impact of finances and to prosper within existing economic conditions. We routinely develop business plans for our activities to ensure that they operate on a sound financial footing.

6. Reinforcing Democratic Principles

CHF works with many international and local partners. We emphasize the importance of democratic structures at the local level and of NGO self-governance based on member ownership and control.

7. Cultivating Intangibles & Synergies

Although CHF is very "results" oriented—insisting upon seeing a

visible difference as a result of our work—we recognize that intangible strengthening occurs when a project is successful. When people mobilize and achieve a goal, they often aspire to bring about another positive change. More importantly, they feel able to do so. Such intangible effects can have a powerful and long-lasting influence on a community or, indeed, a society.

CHF does not use a "cookie cutter" approach in applying the "Seven Principles" to community-based development. But our almost 50 years of experience in nearly 100 countries certainly helps us to make sure that each program is based on sound methodology. CHF has been able to distill our worldwide experience into program models that can be adapted to fit specific situations. These models—described and illustrated in the pages of *Building a Better World: 1999*—include participatory environmental planning, integrated economic development, non-profit strengthening, housing development, lending to microenterprises through commercial banks, and home improvement lending.

We believe CHF community-based development programs are distinguished by the commitment of our staff, our ability to find workable solutions to complex problems, and our development philosophy based on CHF's "Seven Principles."

PROGRAM HIGHLIGHTS

CHF helps low- and moderate-income families access nontraditional services, tailoring development solutions to each community's needs.

Highlighted on the following pages are many of these programs, illustrated through CHF's three areas of concentration: communities, habitat, and finance.



COMMUNITIES

CHF has found that community-based development provides the foundation for peaceful, healthy communities. Grass-roots development allows local governments, private organizations, and public citizens to determine a society's success. In collaboration with CHF, community members and families in developing countries make small steps toward global progress in the areas of environment, economic development, and infrastructure development. We hope these measures will help bring lasting peace.

HIGHLIGHTED COMMUNITY PROGRAMS:

Community & Municipality Assistance

Central America: Local Environmental Policy and Program Initiative Sparks Community Participation

Guatemala: Communities in Transition Program Provides Access to New Opportunities

Institutional Strengthening

Romania: Local Economic Model Introduces New Financial Services While Bolstering Systems

Economic & Infrastructure Development

Lebanon: Rural Economic Development Initiative Maximizes Community Participation to Bring Prosperity and Stability

Haiti: Small Infrastructure Projects Make a Large Impact

Poland: Old Town Klodzko Embraces New Private Sector Approaches

Communities



COMMUNITY & MUNICIPALITY ASSISTANCE

Community-based development includes physical infrastructure and services linked with participation and community planning, priority setting, and ownership. CHF's programs are built from the ground up. Training and workshops are key components.

Central America: Local Environmental Policy and Program Initiative Sparks Community Participation



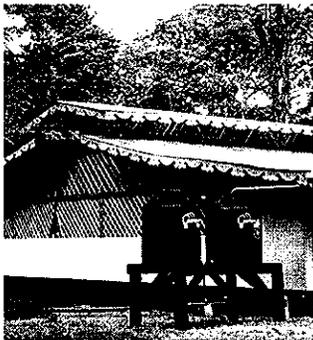
In developing countries, local governments often lack the knowledge and resources to tackle broad environmental concerns. Yet, municipalities are usually charged with the problems of air and water contamination, lack of water and sewage treatment, and insufficient solid waste collection. Communities face deterioration of human health, lowered quality of life, and depletion of natural resources.

The USAID-funded Local Environmental Policy and Program Initiative (LEPPI) helps local governments in Central America pursue sustainable development strategies to overcome their most pressing environmental problems. CHF/LEPPI helps municipalities produce tangible results—recycling centers, waste removal systems, landfills, and wastewater and sewage systems.

Using risk analysis techniques, CHF/LEPPI collaborates with communities and municipalities

to analyze their environment, prioritize their needs, and create environmental solutions.

Locally organized steering committees learn to plan and promote practical solutions to environmental problems in communities. As the backbone of CHF/LEPPI activity, the steering committee ensures high community participation. Committee members include individuals from government institutions, community-based organizations, nongovernmental organizations, educational institutions, businesses, and media, as well as concerned citizens. These voices from the community propel municipalities to grow accountable for local environmental management.



Ensuring Continued Political and Financial Support
Because new administrations sometimes bring priority changes, the program works to institutionalize its programs into local government procedures.

CHF/LEPPI's limited grants cannot fully address environmental risks communities encounter.

Local Environmental Policy and Program Initiative (LEPPI) Sites

In FY99, CHF/LEPPI had eleven projects in communities throughout Central America:
Guatemala: Puerto Barrios, Ixcán,
Departamento de Sacatepequez (four municipalities included in the program)

Honduras: Choluteca, Trujillo
El Salvador: La Union, Usulután
Nicaragua: San Juan del Sur
Costa Rica: Puerto Viejo-Manzanillo
Panama: Bocas del Toro, Chilibre

ter, so staff members introduce communities to alternative means of support and help them develop their own economic resources. Communities may create local environmental businesses, providing environmental improvement and economic development benefits simultaneously.

Guatemala: Communities in Transition (CIT) Program Provides Access to New Opportunities

CHF/Guatemala's Communities in Transition (CIT) program facilitates the development of an

Community Leadership: A Family Tradition for Juan Lux Jr. & Juan Lux Sr.



In 1982, most Ixcán residents fled their homes and communities during the army's "scorched earth" campaign in a community near Santa Maria Tzeja. Within seven days, the army had burned all the houses in Santa Maria Tzeja and 11 people had died. Juan Lux, Sr. his wife, and their seven children escaped by making a five-day trek to Mexico. They returned to Santa Maria Tzeja in 1994. Today,

both Juan Sr. and his son Juan Jr. are community leaders working with CHF.

Juan Lux Jr., 12 years old when his family fled to Mexico, supported his family's decision to return to the Ixcán around the time of the peace accords. Today, as one of 17 CHF local agricultural promoters, Juan Jr. introduces new agroforestry systems to Ixcán farmers. CHF and Juan, Jr., are devising alternatives to the traditional slash and burn agriculture that has left approximately 65% of Ixcán without its pristine forest.

Juan Jr. said through his work with CHF he has, "learned how to manage groups and community projects...and learned the value of protecting the environment for future generations."

Juan had to earn the trust of farmers, skeptical of outsiders after a history of unmet promises to provide

area emerging from civil war. Three years after the signing of the peace accords, CHF has established one of the most successful development projects in the region.

In FY99, CHF/Guatemala helped 93 communities gain access to education, health, economic opportunity, and information-fundamental prerequisites to community-based development. The program, operating in the Ixcán, Quiché, and the neighboring district of Alta Verapaz, achieved record accomplishments in FY99.

cattle, potable water, housing, and solar power plants. The first year, he convinced only one farmer to implement agroforestry systems using "intercropping," where trees are planted among crops and farming methods are 100% organic. Eventually, Juan overcame farmers' deep distrust of outside institutions and increased participants to 35 in the three communities where he works (approximately 15% of households). Juan and other promoters have increased CHF's credibility to meet commitments and get results.

His Father, Juan Sr., a long-time community leader, has also played a critical role in CHF projects, working for the last three years to organize and strengthen the Ixcán Road Maintenance Association (AMVI). When asked about CHF's impact on the Ixcán as a whole, both men point to project results, but they agree that, as Juan Sr. says, "The most important impact has been unifying the people who were divided by war to work together. People who were displaced, militarized, or fled to Mexico are now realizing that if we are willing to work together, we can make changes that would have been impossible a few years ago."

By Eric Adams



Photos:
(Above) A new recycling center in Guatemala was built by a community working with CHF; (Center) Juan Lux, Jr. (Left) Juan Lux, Sr.

Access to Markets

To facilitate travel to and from local markets, CHF co-administered and provided technical assistance to the Ixcán Road Maintenance Association (Spanish acronym "AMVI"). The association, formed as part of the USAID-funded CIT project, is becoming an independent, self-sustaining organization.

AMVI maintained roads in 18 communities and met with additional communities to explain objectives and community financial support needed for road repair. AMVI also conducted an area road inventory, a necessary prerequisite for communities to be considered for government infrastructure contracts.

CHF also completed schools, training centers, health posts, civilian airstrips, and bridges. Ongoing projects will provide even greater access to community services.

Economic Opportunity

CHF collaborated with a local NGO in Ixcán, the Center for Integrated Social Development (Spanish acronym "CESIDE"), to administer a village bank program. Over 1,000 loans were issued with a 100% repayment rate. A program goal is to increase economic opportunity for those who live below the extreme poverty line—over 70% of the population—and opportunity certainly has increased. In FY98, the CIT program had managed 11 village banks, operated a loan portfolio of \$17,600, and enlisted 204 women members. In FY99, the program grew to 19 village banks, a loan portfolio of \$38,000, and 507 women members.

Farming for the Future

Another segment of the CIT program focused on sustainable agricultural production. The program formed a farmer's organization to produce and market entirely organic products

identified as potential crops for commercialization. CHF also implemented school environmental projects, including solid waste management, tree nurseries and gardens, and teacher training.

CHF and local agricultural promoters provided farmers with alternatives to traditional "slash and burn agriculture" which leads to decreasing yields, soil erosion, abandonment of land, and loss of flora and fauna. (See box: Juan Lux Jr. & Sr.) Nearly 700 farmers now use organic agroforestry systems that increase production and improve soil, rather than damage land. Farmers working with CHF have planted 850,000 trees.

All of the CHF/Guatemala CIT program components work in tandem to lay the groundwork for peaceful, prosperous communities after years of civil conflict. To ensure that communities continue to benefit when the CIT program is gone, as in other projects, CHF partnered with local associations and nongovernmental organizations (NGOs) during implementation.

INSTITUTIONAL STRENGTHENING

As part of the seven principles outlined earlier, in all of our work, CHF partners with local partners. CHF frequently works with local NGOs or supports new NGOs to facilitate community-based development. The CHF/Romania economic development program demonstrates the capacity-strengthening and project results when CHF facilitates implementation through local public, private, and non-profit institutions.

Romania: Local Economic Model Introduces New Financial Services While Bolstering Systems

As business, housing, and finance organizations evolve to work within Romania's new market economy, CHF has developed a unique method, the Integrated NGO Economic Development (INED)

model, to help them stimulate the local economy in Romania. The INED model is currently in operation as the INED pilot program in Romania.

CHF's INED program establishes and strengthens local civil society organizations (a non-profit nongovernmental organization—NGO) by providing technical assistance and credit. CHF identifies organizations that may double as community-based lending institutions. Technical assistance focuses on developing organizational and management capacity for business, housing, and finance NGOs and improving the NGO's public relations and member services. Local organizations included in the INED program are membership-based and business-oriented. In addition to providing technical assistance, INED promotes local lending through a revolving loan fund. Loans are processed through participating NGOs and lent to their members. The loan fund becomes an additional service that the NGOs can offer their existing members as well as an incentive for new members to join.

To institutionalize the INED program, CHF and its partner NGOs founded a community-based financial institution called CARA (Casa de Ajutor Reciproc a Asociațiilor/ Mutual Assistance House of the Associations). By allowing CARA to borrow money to lend to NGOs, the INED model will bring new financial services—including economic, social, infrastructure and real estate development—to economically disadvantaged communities.

Since CHF began operations in Romania in 1994, it has worked with 14 local organizations and secured additional lines of credit. At the close of



Photos:
(above) A shoe factory in Romania benefits from a CHF economic development program.



REDI's Accomplishments in Two Years:

- Established and trained 40 local committees to identify, select, and manage high quality, integrated rural development projects.
- Supervised 50 projects in 16 areas of activity, including wastewater treatment, irrigation, potable water hook-ups, public school repair, construction, reforestation campaigns, and training.
- Mobilized over \$2 million in contributions from 82 partner organizations, including 4 Lebanese Ministries, 18 municipalities, 10 local NGOs, 40 CHF committees, 5 local parliament members and governors, and 5 international organizations.

Photos:
 (left) An infrastructure project in Harbata, Lebanon, installed a water filtration system to protect the community from a reservoir's dangerous calcium deposits;
 (right) Before the CHF project added a classroom for students in Ez Zekbi, Lebanon, fuel tanks and other equipment were scattered throughout their school's corridors;
 (lower right) Community members meet in Labweh, Lebanon.

FY99, CHF had disbursed over \$900,000 in loans through local NGOs to local businesses, housing associations, other organizations, and agricultural cooperatives. Other than the Romanian-American Enterprise Fund, CHF is the only American NGO in Romania with an independent legal mandate for lending activities. In the coming fiscal year, CARA will begin dispersing loans directly.

ECONOMIC & INFRASTRUCTURE DEVELOPMENT

CHF works in partnership with urban and rural communities to upgrade quality of life through infrastructure and economic development projects.

Lebanon: Rural Economic Development Initiative Maximizes Community Participation to Bring Prosperity and Stability

CHF's Rural Reconstruction and Economic Development Initiative (REDI), funded by USAID, works with rural families in Lebanon to rebuild infrastructure and economies that have been destroyed by years of civil conflict.

The Cluster Approach

CHF/Lebanon REDI manages projects through a "cluster committee" approach. Several villages comprise a cluster, so that regional, as well as local infrastructure solutions may be considered. Each village within the cluster elects a committee of formal and informal leaders to identify projects with CHF.

During project development, CHF provides technical assistance to the committee and, when applicable, applies community dispute resolution techniques to ensure each project's success. To cultivate local capacity-building and sustainability, the project stipulates that local residents choose, manage, and help finance their own projects. The committee itself is ultimately responsible for project management.

Leveraging Contributions

Communities demonstrate their commitment to REDI through either cash or in-kind contributions. The solicitation of local support draws on the "model approach" CHF has developed. CHF demonstrates to communities and local govern-

ment officials the project model, starting with pilot projects. Community members support these projects because they have lasting impact on the whole area. Local government officials identify the projects as cost-effective and well managed, so other officials may choose to duplicate them on a national scale.

After only two years, CHF/REDI's work has received both local and international acclaim. Lebanese national authorities that once waited to hear from CHF are now taking the initiative to approach CHF with unresolved problems and potential projects, rather than waiting for CHF to make the initial contacts. But more important than earning international and local recognition, CHF's various projects in Lebanon are underpinning the redevelopment of this war-torn society: people who had been displaced by conflict are now finally returning to safer and more prosperous rural environments.





Haiti: Small Infrastructure Projects Make a Large Impact

CHF/Haiti is working to strengthen local municipalities and NGOs and to create jobs for impoverished Haitians in waste disposal, soil conservation, landfill management, road improvement, and irrigation.

CHF started work in Haiti in 1993, with large jobs-creation programs funded by USAID and the World Bank. CHF, with its worldwide expertise in

Resolving Community Disputes

CHF/Lebanon's Rural Economic Development Initiative (REDI) program decided to risk bringing opposition groups together for the first time in nearly a half-century. CHF worked with five villages in Lebanon's historic Bekaa Valley: Ez Zekbi, Fissane, El Boustane, Wadi Saadoune, and Hmaire. The Valley's northern frontier region, along the Syrian border, lacks basic services. Adhering to the community dispute resolution component of its USAID-funded community-based development program, CHF encouraged seemingly unreconcilable communities to address a common need and, in the process, is fostering reconciliation.

Exacerbating the area's problems, the entire region lacks a water system to bring clean, safe, drinking water to people's homes. This adds to the region's already significant health and economic hardships and remains the most contentious political issue.

To bring potable water to over 2,500 homes, a large infrastructure project was needed to build a community reservoir with a 13-kilometer pipe network. However, lack of trust, desire to dominate one's own environment, lack of appreciation for change, and separate socio-political orientations led local and national leaders to propose separate projects. Because one integrated project would be more cost-

effective and sustainable, CHF planned to forge a working relationship between the polarized communities. Although these large projects ended under the purview of CHF/Haiti, many of their activities still continue under the leadership of local municipalities and NGOs, indicating a successful transfer of project ownership. These activities include work in environmental management, construction rehabilitation, infrastructure rehabilitation, and housing

effective and sustainable, CHF planned to forge a working relationship between the polarized communities.

First, CHF convinced local leaders that the problem's solution might involve an integrated plan. After much work, the communities eventually accepted the idea and formed local technical planning and management committees. Typically, the REDI project would have formed one regional committee to coordinate all project activity. However, given the local context, REDI staff determined that separate committee meetings with the same agenda were needed for each village.

After lengthy negotiations with village committees and months of construction work, CHF was able to show the leaders that their willingness to work together was yielding significant results for the entire community. At the close of FY99, the project reached its final stages: 12 kilometers of pipe had been laid and the reservoir was finished.

Leaders of the opposition groups finally met to discuss the quantity of water each village would draw from one common reservoir. The leaders openly recognized that this was the first time that they had met and agreed to continue the process in the future. At the time of this "historic" event, each of the primary leaders thanked CHF for its contribution to building a stronger community.

By Talal Hajj-Dib and Chris Siliski

credit. Since then, CHF/Haiti has shifted focus to small infrastructure projects. Two examples follow.

Water system in "les Zanglais d'Aquin"

Villagers in "les Zanglais d'Aquin," located in southern Haiti, were fed up with health problems caused by polluted drinking water and solicited CHF's assistance. CHF responded in 1997 by working with these villages to implement a small water system, under a contract with the Unité Centrale de Gestion (UCG).

CHF, along with local hires, harnessed a water source three kilometers from the village by laying pipes and constructing reservoirs and public fountains. The project provided safe water for more than 7,000 people and eliminated the grave health problem in the area. Local workers did not use expensive, sophisticated materials to complete the project, demonstrating that other resource-poor villages with similar problems could replicate these results. The project created over 1,058 person-months of employment, and 40% of those employed were women. In addition to providing potable water and creating jobs, the project provided training for the various support staff, such as maintenance personnel and wastewater collectors, needed to maintain the system.



(above) In Haiti, members of a local association for infrastructure development.

Irrigation Project in Pérédot

Another successful small infrastructure project in Haiti is the rehabilitation of an irrigation canal in Pérédot, an agricultural area in the southeast district.

In November 1998, Hurricane Georges damaged Pérédot's main irrigation canal. The

population faced a critical situation as more than 500 hectares of good agricultural land were rendered useless. Under a contract with the Unité Centrale de Gestion (UCG), CHF provided three months of technical assistance to the farmers whose livelihood depended on the land. Community participation was a key component of this project, with



community members contributing 16% of the project cost.

To repair the canal, CHF staff and community members constructed a long siphon under the Fels River. They also cleared canal sections that were obstructed with sand and gravel and rebuilt 200 meters of the canal, using concrete to reduce vulnerability in case of another natural disaster.

The reconstructed canal revitalized the entire agricultural base of Pérédot, allowing farmers to resume growing the main crops of bananas, sweet potatoes, and beans—all heavily dependent on water. The total investment of under \$80,000 for the rehabilitation of the irrigation canal is certain to be offset quickly by the stimulation of healthy economic growth in the village.

Photos: (above) an irrigation project helps crops to flourish; (center) flood waters damage Old Town Klodzko; (right) private-sector preservationists choose to save Old Town.

Poland: Old Town Klodzko Embraces New Private Sector Approaches

In Poland, CHF has introduced new approaches to economic development and community revitalization. After much planning, the Klodzko revitalization project achieved visible results during FY99, including the restoration of several historic structures. For the first time in Klodzko's

history, community members actively participated in decision-making regarding historic preservation. Citizens made strides in community activities supporting both historic preservation and revitalization.

Project History

The capital of the Klodzko District, historically developed by Poles, Czechs, and Germans, was among the cities damaged during a major flood in 1997. In the area known as "Sand Island," 1,000-year-old structures boasting unique architecture were either severely damaged or destroyed.

CHF, which has been active in Poland's housing sector since 1992, saw the tragedy as an opportunity to introduce new approaches to historic preservation in the city. CHF, in collaboration with the Klodzko City Board, outlined the city's first revitalization strategy. The first phase of the project, funded by USAID, began in July 1998. A working group determined the project priorities, timeline, and detailed strategy for reconstruction of the historic buildings of Sand Island.

Introducing Community Revitalization Techniques
Using community-based urban planning techniques, CHF and the Klodzko City Board established the Sand Island Revitalization Coordination Team (SIRCT) to oversee the revitalization efforts.



The team was composed of City Office representatives, CHF staff, consultants, and local leaders and activists. Governmental agencies and professional associations were associated with the team. An "Office of the Revitalization Manager" was formed to institutionalize the city's historic conservation efforts.



In November 1998, CHF and SIRCT gained endorsement from newly elected City Council members to launch a public information campaign to inform residents of the project—an important step in implementing the new democratic processes. Also in line with the new community-based approach, which emphasized inclusion and participation of all affected by the project, the Revitalization Manager and city officers met with residents of Sand Island to gather suggestions for the project scope. City authorities and the SIRCT used the residents' input to design the revitalization strategy.

At the end of the fiscal year, the city began the complex process of privatizing Sand Island properties so private citizens could revitalize them.

HABITAT

Inadequate housing is an immense problem worldwide. Globally, it is daunting; individually, it is devastating. CHF believes that safe, decent housing is a key to development. Our habitat programs recognize that good "housing" includes more than a physical shelter. In our programs, we incorporate home improvement lending, new home construction, cooperative development, sanitation lending, environmental rehabilitation, and emergency disaster response and reconstruction activities.

Highlighted Habitat Programs:

Emergency Disaster Response & Reconstruction Honduras: Emergency Shelters on the Continuum to Development

El Salvador: Major Reconstruction Project Mobilizes Community Action

Caribbean: Disaster Mitigation Program

New Housing Delivery Models

South Africa: Bridging Community Needs

Poland: CHF-Formed Housing NGOs Achieve Self-Sufficiency in Market Economy

Cooperative Housing Development

Philippines: Cooperative Housing Helps Solve Sub-Standard Housing Challenge

Poland: Condominium Development

South Africa: Residents Create the Country's First Registered Housing Cooperative

Policy & Program Design

Guyana: Policy-Level Advice Affects Community-Level Development

Guatemala: Consulting Assignments Enhance Local-Level Housing Activities

EMERGENCY DISASTER RESPONSE & RECONSTRUCTION

Through the years as an international development organization, CHF has provided assistance during disaster emergencies and in the critically important task of reconstruction. In past years, CHF assisted with disaster relief and reconstruction in the Philippines, Nicaragua, Peru, Lebanon, and other regions after volcanoes, hurricanes, earthquakes, and other disasters. In each case, CHF efforts and planning have addressed immediate needs while also establishing the foundation for long-term recovery and economic development.

In FY99, CHF expanded its work in post-disaster housing assessments and reconstruction. This growth stemmed from concern for victims of Hurricane Mitch and Hurricane Georges.

Honduras: Emergency Shelters on the Continuum to Development

In 1998, immediately following Hurricane Mitch, CHF funded the construction of hundreds of temporary shelters for families left homeless from the disaster. Soon after, with a USAID grant, CHF built almost 2,000 more shelters, nearly 600 latrines, and 16 permanent model homes. Working with a variety of partners including local NGOs, municipal leaders, and a Peace Corps volunteer, CHF surpassed original project objectives by 70%.

As one of CHF's oldest programs, CHF/Honduras has responded to a spectrum of needs in Honduras, most recently with a home improvement credit program for sanitation facilities. Begun in October 1998, this program is aimed at low-income neighborhoods in the capital, Tegucigalpa. At the end of the month, however, Hurricane Mitch muscled its way through the country, killing up to 10,000 people. Mitch's winds, mudslides, and floods demolished the homes of hundreds of thousands more. The loan program was put on

hold until the next fiscal year while CHF/Honduras led emergency relief efforts.

Temporary Solutions

Immediately after the storm, families whose homes were washed away were housed in large tents, schools, and other community buildings, or created their own makeshift shelters. While army tents and other large-group shelters offered relief from the elements, people often find these solutions unpleasant and stressful. The tight quarters and limited facilities also often carry a public health risk.

CHF/Honduras offered its housing expertise to build temporary shelters and latrines for newly homeless families. (See box: Shelter Design.) These temporary dwellings allowed families to enjoy some degree of privacy and security while awaiting permanent housing.

Finding land, even for temporary shelters, was extremely difficult. CHF helped some communities find unoccupied land near and outside of Tegucigalpa, while other communities used soccer fields or other open spaces in the city.

El Salvador: Major Reconstruction Project Mobilizes Community Action

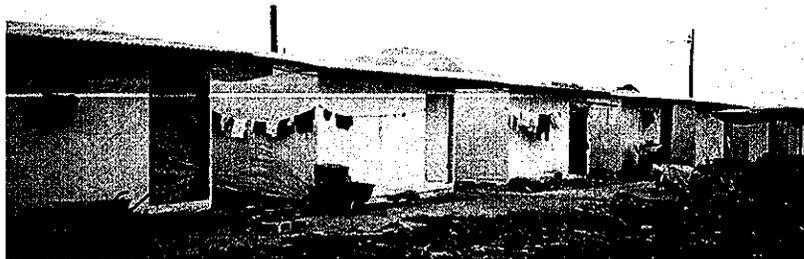
Immediately after the storm, CHF/El Salvador participated in a "food-for-work" initiative with the World Food Programme. Beneficiaries received food in exchange for working with CHF to reconstruct their own and their neighbors' houses. Crews completed over 70 new houses and latrines in the community of Tierra Blanca, benefiting over 400 community members.



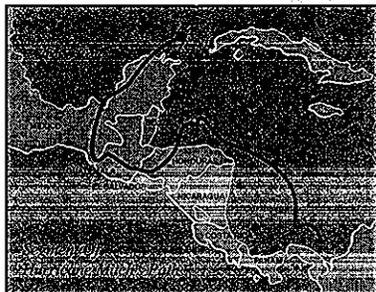
Photo: Beneficiaries of a CHF disaster reconstruction project in El Salvador.



Habitat



Hurricane Mitch's Path



The last days of October 1998 forever changed the lives for millions inhabiting the Central American Isthmus from Costa Rica to Guatemala. During the week of October 25-31, a category five hurricane tore across six nations, leaving a path of destruction in its wake from which it will take years to recover.

Honduras in particular bore the brunt of the storm due to its long Caribbean coastline, where the storm dubbed "Mitch" first entered the

continent. 85,000 homes were lost to the raging walls of water that swept across Honduras for those six grueling days.

La Germania River Community, Honduras

Twenty families inhabiting the Germania River banks on the outskirts of the Honduran capital, Tegucigalpa, were lucky to survive Hurricane Mitch, but, like many others, they lost everything they owned.

"My family has lived alongside this river for generations and we have never seen anything like the way the water rose those days with Mitch, said 46-year-old Emilio Flores. "The water kept rising to the point that we knew it was hopeless. On the second day around noon, we were all forced to abandon our homes and seek shelter. Twelve hours later, the water swept away everything we had ever known."

The families sought shelter in the only safe and accessible building they knew—the local elementary school. Initially, nearly 100 people squeezed into the educational facility. This would become their home for the next four months.

night long," said Maria del Carmen Flores, 37. Later, she moved with her family to a new temporary shelter provided by CHF. "We are much calmer and there is less friction in the community now that we have our own dwellings," she said. "I don't know what we would have done without the temporary homes CHF has provided us."

After the hurricane had torn their lives apart, a community member informed CHF/Honduras staff of the plight of the families. Prohibited from moving back to the riverbanks for safety reasons, they found themselves without the land needed to rebuild. These families rely on the sale of sand they excavate from the Germania River banks, which is used at construction sites in and around Tegucigalpa. Purchasing land was not an option, because area land prices started around \$2,000. Additionally, the government, which faced a shelter deficit and limited resources even before the hurricane, was overwhelmed with demand for housing.

CHF/Honduras and the families convinced a landowner to temporarily donate some high ground on the bluffs overlooking the river. CHF and family members constructed temporary shelters there until a more permanent solution could be hammered out. The shelters housed a total of 68 family members left homeless by Mitch. The community found that the temporary shelter materials provided a basic package to start on the long-term solution to the housing deficit.

A new community Board of Directors then identified possible sites for permanent dwellings and searched for resources (community savings accounts, potential outside donations, etc.) needed for reconstruction.

— Steven Beard, CHF/Honduras

"I wasn't able to get a good night's rest for four months in that school. It was next to the highway and there were trucks and buses passing what seemed like all



Using Appropriate Technology in Emergency Temporary Shelter Design

In CHF's experience, temporary shelters are often used much longer than originally intended, so the frame must be stable. CHF/Honduras teams learned to build a shelter frame in four hours that could last ten years. CHF leaders assembled core teams of seven people each, and beneficiaries contributed several team members to work on each home.

CHF staff taught several simple, yet effective, construction techniques to the workers. The crew also developed a process that required workers to hammer walls together flat against the ground before erecting them rather than nailing boards to already erected corner posts while the posts wobbled in the air.

Local workers also improved upon the original plan, which used staples to tack the plastic siding to the frame. When workers saw the staples would not stay in place due to high winds, they sent children to gather

bottle caps and hammer them flat. Once nailed to the frame, these bottle caps became "washers" with a large enough surface area to ensure the siding would stay in place, even in strong winds.

The CHF shelters were simple yet functional. They also provided basic materials for future permanent shelters, and trained families in construction techniques. Sloping roofs were designed to allow ventilation, keeping sub-tropical daytime temperatures at bay. Screens covered the ventilation areas to guard against mosquitoes. Corrugated zinc roofs were sloped to keep out the rain. After the project's completion, CHF staff revisited the sites to document construction successes and designs to be altered in future relief efforts.



Photos:
(Left) Emergency temporary shelters offer privacy, provide relief from the weather, and make a sturdy foundation for more permanent structures; (Center) In one USAID-funded project, nearly 2,000 shelters were built in three months in Honduras.
(Right) Teams of CHF employees and beneficiaries accomplished more than they thought possible.



These post-hurricane activities won the "Merit and Efficiency Award 1999" from the World Food Programme. CHF shared the award with four other NGOs that participated in the program: CARE, Catholic Relief Services, World Vision, and the Lutheran World Federation.

Major Reconstruction Project

In the third quarter of FY99, USAID contracted CHF to manage a major post-Mitch reconstruction program. Components included agriculture production, small infrastructure development, housing, school rebuilding, environmental improvement, and strengthening buildings against future disasters. Working closely with USAID, CHF is leading a team of technical experts, the national and municipal governments of El Salvador, partner organizations, and residents.

The Mitch Integrated Reconstruction Activity (MIRA) project plans to create opportunity from disaster: beyond rebuilding communities to their pre-hurricane state, it will provide community members with tools to improve their lives beyond the project length. This will be achieved by building the capacity of local organizations and boosting the skills of individuals involved in the reconstruction. MIRA collaborates with community organizations and local governments in the ten municipalities most affected by hurricane Mitch. MIRA aims to:

- Help 5,000 farmers prepare land, providing them with seeds and fertilizer for high-value crops, and assisting with land preparation.
- Stimulate 30 to 40 small infrastructure projects in affected communities.
- Build 500 houses with the help of local residents.
- Provide local governments and communities with the tools needed to implement environmental management plans, including flood and landslide control measures, reforestation, and some infrastructure improvements.
- Train community members through disaster preparedness programs and help municipal governments formulate disaster preparedness plans.

Caribbean: Disaster Mitigation Program

In addition to post-disaster relief work, CHF has also worked to strengthen homes before disaster strikes. CHF's Caribbean Disaster Mitigation Program exemplifies this type of work. Because Caribbean islands are vulnerable to hurricanes and earthquakes, CHF helps residents reduce damage from these natural disasters to their homes. CHF's technical assistance and home improvement loan programs allow low-income families to improve and strengthen their houses, using existing technology and construction materials. These efforts enable homes to withstand hurricane winds of up to 150 mph.

To strengthen homes in areas vulnerable to hurricanes, CHF developed a technical manual on hurricane-resistant construction practices, based on information obtained from the Organization of American States (OAS). The Caribbean Development Bank also committed a large amount to aid hurricane-resistant home improvement during FY99.



Working with Residents of Kosovo to Prepare Damaged Homes for Winter

At the end of FY99, CHF began organizing materials and labor to rebuild homes to provide warmth for over 900 Kosovar families whose homes were destroyed during the war. CHF began the USAID-funded work under a tight deadline to finish before the worst of the winter weather set in. Because most of the war damage was caused by fire, teams focused on roof repair.

Shpend S. Hazhibeqiri, a Kosovar student working on the project wrote CHF, "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."



Photo: (left) a school in El Salvador will benefit from a new building; (right) The CHF reconstruction project in Kosovo created jobs for local workers.



Habitat

CHF/South Africa's Technical Services Center: Self-Help Housing Construction

Phase I: Social Preparation

In the first phase, the TSC provides housing information through workshops and meetings held in partnership with community-based organizations,

schools, and churches. TSC workshops also assist executive committee members of a housing association, another component of this project. Members relay the information to their community. TSC usually holds meetings in the evenings to ensure that employed beneficiaries can attend.

Women in particular have been taking the lead: a high percentage of meeting attendees is female, and women comprise the majority of executive committee members.

Phase II: Technical Preparation

Next, the TSC, along with the new housing association, researches building methods and plans construction. The executive committee focuses on ways to adapt the final house design to their way of living, within the constraints of the available subsidies. Association members then decide on the design plan and submit subsidy applications to the government's Provincial Housing Board.

Phase III: Construction and Implementation

Finally, experts construct a "demo" house, providing local semi-skilled builders hands-on training in the process. As of FY99, 330 male and female workers had received on-site training. Community facilitators, usually including women, organize the logistics and act as community liaisons during the construction. The center provides loans to purchase materials and pay community-based builders and workers until subsidy funds are available.



Photo:
Housing
beneficiaries
in South
Africa.

NEW HOUSING DELIVERY MODELS

In less vulnerable areas of the world, CHF has focused on more permanent housing delivery models and systems. CHF's worldwide experience with community-based activities, habitat development, and development finance puts us in a unique position to develop effective housing delivery models. Examples include self-help housing in South Africa and the creation of NGOs to help the housing sector of Eastern European countries make the transition to newly market-oriented economies.

South Africa: Bridging Community Needs

South Africa faces two immense problems—high unemployment and lack of adequate housing. The unemployment rate ranges from 40% to 80%, depending on the region. The new South African government in 1994 estimated that 2 million black people (70% of the entire population) needed adequate housing. CHF/South Africa's Technical Service Center works to alleviate both problems through its Assisted Self-Help Housing Construction program. Under the program, nearly 800 houses have been built, 55% occupied by female-headed households.

In 1994, the new government began a housing program for low-income families that provides up to R16,000 (US\$2,667) for a family to build or purchase a house. CHF, with funding from USAID, established a Technical Services Center (TSC) in Port Elizabeth in 1996. This center, supplementing the government's aid program, promotes and supports alternative approaches to low-cost housing delivery.

The TSC directly involves the community in projects and provides inherent capacity building and technical support. (See box: Technical Services Center) For these reasons, it enjoys support from beneficiary communities and local

authorities, who are encouraging self-help and community-driven housing delivery methods. The center provides beneficiaries with information on accessing housing subsidies and procedures for cooperative housing development, and assists in housing construction. TSC relies on the labor of family members and semi-skilled laborers from the community. This decreases costs for each recipient and increases the wealth of the community, creating local employment and strengthening local capacity.

The TSC also provides training and technical assistance to local NGOs and small builders involved in social housing delivery. Business skills training and on-site technical assistance increases efficiency. Each TSC project integrates community-based development efforts throughout the housing delivery process.

Poland: CHF-Formed Poland Housing NGOs Achieve Self-Sufficiency in New Market Economy

FY99 was a banner year for housing delivery organizations in Poland. (Also see page 19: Advancing Issues, Housing Privatization.)

When CHF began working in Poland in the early 1990's, the housing sector was just beginning to explore methods of operating in the new market economy. In response to the need for new and improved housing, CHF created the first private, nonprofit nongovernmental organizations (NGOs) to work directly with Polish residents—the debut for housing NGOs in Poland. These NGOs have helped change the face of housing in Poland, creating close to 2,000 new housing units since 1992.

Over the past seven years, CHF has helped institutionalize over 30 such Agencies to Support Housing Initiatives or AWIMs (Agencje Wspierania Inicjatyw Mieszkaniowych), NGOs that helped reform housing delivery to Polish citizens. To fully



understand the impact of these organizations, one must understand the huge distinction between market-economy housing delivery systems, such as those in the United States, and the systems in Poland and Eastern Europe prior to the early '90s. Rather than dictating how residents would live, the new economy offered citizens many housing choices and a new sense of control over their environment. Unfortunately, the disparity between citizens' income and the cost of housing posed a problem. CHF responded to the crisis with a new model. AWIMs offered housing at a rate 10% to 25% cheaper than other institutions, hence their widespread popularity and subsequent success.

CHF also created the first foundation to support NGOs in Poland. The Center for Housing Initiatives (Centrum Inicjatyw Mieszkaniowych—CIM) provides technical support to the AWIMs. In FY00, the USAID funding will end and the CIM will become self-sufficient.

COOPERATIVE DEVELOPMENT

CHF has developed cooperative housing programs since 1952. During FY99, under the USAID-supported Cooperative Development Program, CHF offered unique cooperative development services to countries worldwide. Following are descriptions of CHF's cooperative work in the Philippines, Poland, and South Africa.

Philippines: Cooperative Housing Helps Solve Sub-Standard Housing Challenge

In the Philippines, housing officials face a shortage of an estimated 3 million homes. Private sector funds (mortgages) are expensive and families earning less than \$150/month are generally not eligible for those funds. To help solve the problem, CHF collaborates with the Philippines' National Housing Authority (NHA), the sole govern-

ment agency tasked with the challenge of providing adequate and affordable housing for these families. With assistance from USAID, CHF and the NHA's Cooperative Housing Program (*Cooperative Pabayhay Program—CPP*) contribute to a solution for the ever-increasing need for housing.

Cooperatives are plentiful in the Philippines, but housing cooperatives are not. The government's Cooperative Development Authority promotes the creation and development of cooperatives. Over 40,000 cooperatives exist, including savings and credit agencies, grocery stores, canteens, and farms. CHF and the NHA/CPP program are transferring housing delivery skills to many of these organizations, recognizing that they already operate on a financially and organizationally sound basis and know how to promote cooperative development techniques.

In return for their social commitment, the government offers an income and property tax exemption for housing activities and projects of the CPP program, the cooperatives, and their members. Through the CPP program, cooperatives are saving as much as 40% of housing project costs for services that used to be contracted elsewhere.

By encouraging existing cooperatives to offer housing services, and giving them the tools they need to do so, CHF and partner government and private organizations may help relieve the housing problem for the poor—despite seemingly insurmountable odds.

Poland: Condominium Development

Also under the Cooperative Development Program, CHF has focused on enhancing the management and financial abilities of condominiums in Poland. Pilot projects focused on renovation of existing properties owned by condominium and homeowner associations. As a result, 128 units were improved, with an estimated \$82,459 lever-

aged from public and private sources.

Condominiums have been one of the main privatization mechanisms in Poland's transition to a market economy. Buildings deteriorated by several decades of neglect house many of these new condominium associations. 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 financed nearly all improvements, which were made by replacing or modernizing mechanical systems and other renovations.

An overriding goal of the condominium development project was to institutionalize the pilot condominiums' activities with the previously mentioned NGO development project in Poland. As a result, these NGOs may continue to offer technical assistance (adapted to Poland's new market economy) to thousands of condominium associations beyond the project's longevity.

The CHF-formed Center for Housing Initiatives (CIM) promotes a variety of affordable housing models, including privatization of public housing through creation of condominiums and development of cooperatives. CIM also worked to facilitate loan agreements with banks on behalf of the condominiums. CHF and CIM work with the four pilot projects to demonstrate replicable methods and best practices—promoting improvements in management, repair, and renovation for other condominium associations and cooperatives.



South Africa: Residents Create the Country's First Registered Housing Cooperative

CHF/South Africa, through its Cooperative Development Program in Port Elizabeth, is providing advice and technical support to a local NGO, Afesis-Corplan, which is the driving force behind the establishment of the first

registered housing cooperative in South Africa. The year 2000 will see the cooperative residents moving from shacks into permanent serviced housing. The work and patience will definitely be worth it.

In June 1999, CHF helped residents found the East London Housing Management Cooperative (ELHMC)—the first housing management cooperative to register in South Africa. In addition, the government's Provincial Housing Board has approved their application for 196 housing unit subsidies. The proud members of the Board of Directors hope to start building their houses in six to eight months but must wait for the municipality to install the utilities.

The ELHMC board plans to develop ten separate housing cooperatives with about 20 families in each. The members will have control of their own housing cooperative and the ELHMC will provide management services and member education.

In addition to developing the housing co-ops, the ELHMC is establishing a savings and credit cooperative for its members and for the general

public in East London. The savings aspect is an important one and the allocation of housing units is based on the consistency of the monthly savings of the member-family.

POLICY & PROGRAM DESIGN

In FY99, CHF offered technical assistance in housing policy and program design to the Inter-American Development Bank (IDB). In addition to providing direct services, CHF undertakes policy-level consulting assignments as a way to catalyze community level development.

Guyana: Policy-Level Advice Affects Community-Level Development

The IDB offered the Guyanese government \$25 million for infrastructure improvements. CHF was hired to work with the Ministry of Housing and Water and its Central Housing and Planning Authority.

The main objectives of the projects were to aid the Guyana government in its land divestiture, squatter upgrading efforts, and policy reform. CHF offered advice and helped develop a business plan that covered investment, policy reform, and institutional strengthening. This consultation enabled the government to provide better settlement and shelter programs.

Guatemala: Consulting Assignments Enhance Local-Level Housing Activities

Recognizing CHF's expertise in community housing, land use planning, and design of subsidy programs the IDB solicited CHF for this type of technical assistance in Guatemala. CHF responded by developing an operating manual for the housing program, providing assistance in land

policy, and outlining steps for a subsidy program.

CHF also evaluated incentives to operate a Home Improvement Loan Program or other credit scheme for housing improvement, whether commercial or subsidized. All of these activities helped the IDB design tools and systems for housing delivery to low-income residents of developing countries. In guiding the IDB's plan for service delivery, CHF increased capacity for local development.



Photo: Members of the East London Housing Management Cooperative were the first to register their housing cooperative with the new South African government.

FINANCE

To address the habitat needs of communities in developing countries, CHF pioneered the home improvement lending program methodology, offering low- and moderate-income families short-term credit to improve their homes. CHF has also successfully worked to engage the commercial banking sector in micro-finance activities. CHF also provides funding and oversight for village banks (microenterprise lending now comprises one-third of CHF's lending activities) and operates microenterprise loan projects in Latin America, Eastern Europe, and the Middle East.

Highlighted Finance Programs:

Microfinance

Lebanon: Innovative Microfinance Project Serves Market Niches

Jordan: Small Loans Change Banking in Jordan

Credit for Home Improvement

Gaza: Loans Forge Dramatic Change in Infrastructure

Mexico: Home Improvement Loans Influence Economic Development

Development Finance

Worldwide: CHF Advises Large Lending Institutions

MICROFINANCE

CHF has emerged as a leader in development finance—particularly in microfinance for housing and enterprise—because all of CHF's projects are fiscally sound, working toward financial sustainability for the project and the community.

Lebanon: Innovative Microfinance Project Serves Market Niches

In a new cutting-edge microfinance program in Lebanon, CHF partners with private commercial banks to finance loans for microentrepreneurs. This innovative approach encourages long-term sustainability by introducing banks to a new set of clients: low-income individuals who had never been served by the formal financial sector.

Historically in Lebanon, formal financial markets neglected most microentrepreneurs, forcing them to pay various creditors over 100% in interest per annum. This may be one reason why, even though Lebanon's economy has been growing since the end of the civil war, today's relatively stable macroeconomic environment has not benefited many Lebanese family-owned enterprises.

Lebanese banks are just beginning to recognize the importance of this new niche of low-income clients, thanks in part to CHF's efforts. Banks have demonstrated their strong interest by assuming a share of the risk for loans.

CHF's Access to Microfinance and Enhanced Enterprise Niches (AMEEN, Arabic pronunciation for "trust") program works with the Jammal Trust Bank (JTB), a private/commercial entity that shares 25% of the capital risk.

Careful scrutiny of loan applications and close working relationships between borrowers and AMEEN loan officers account for the program's 100% repayment rate. AMEEN screens the loan applications and passes only strong loan candi-

dates to the bank. A joint CHF/JTB loan approval committee reviews the loans. If approved, the bank then disburses them and borrowers make payments directly to the bank. Borrowers use loans as working capital, for asset accumulation and business expansion. (See Box: Client Profile)

In FY99, the bank issued loans to individuals in Beirut suburbs, and expansion efforts aim to reach businesses in Sidon and other towns in South Lebanon. JTB broadens the program's client base through the bank's 18 branches throughout Lebanon.

During its first five months of lending, CHF's AMEEN program approved over 250 loans with an average loan size close to \$1,300. In the first five years, the program will provide at least 12,000 loans—but this new access to



Photo: A vendor in Lebanon uses a CHF partner bank loan to buy spices for resale.

Client Profile

The typical AMEEN client is a microentrepreneur with one to four employees, has been in business for at least one year, and has collateral or a collateral substitute to secure the loan.

AMEEN clients usually borrow \$500 to \$2,000, slightly more than many CHF programs because of Lebanon's relatively higher cost of living. Repayments are made within six months to one year and are based on a declining balance interest rate of 28 percent—at or below market rate in Lebanon. This project ensures that clients who successfully repay their loans will be eligible for more capital in the future.

**The Reema Group: A model loan story
(Karak Governorate, Jordan)**

One of the first group-guaranteed loans processed through the CHF/Jordan branch in Karak went to the Reema Group, comprised of 5 women. In December, 1998, the group received 750 JD (or 150 JD each). Each member wanted to improve her life and generate additional income to support her family, so the group used the loan for 5 individual small projects.

Ms. Mae Al-Uroud used her CHF loan to open her own grocery store. Similarly, Ms. Sana Al-Ramadeen used her loan to expand her pickle-making business and sell her products to neighboring grocery stores and restaurants. The third group member, Ms. Rajwa Al-Mani, used the loan to make bread and pastries at home and to sell her products to local bakery shops. Ms. Eman Al-Rahaefa and Ms. Hanna Al-Ramadeen each used a portion of the loan to sell traditional embroidery.

Because of their excellent repayment rate, members of CHF's Reema group were able to apply for a second-cycle group loan. In June, 1999, the five members received 1,000 JD or 200 JD each. They are already preparing to deposit their first installment towards their second loan cycle, and their businesses continue to benefit.

Many groups, similar to the Reema group, have successfully paid their initial loans and are currently applying for the second loan through CHF branches. Sixty additional group members have been processed and waiting the disbursal of their second loan.



Photos:
(top) Her Majesty the Queen of Jordan Rania Al Abdullah visited microentrepreneurs with CHF loans in the Fall of 1999; (bottom) a CHF loan beneficiary in Jordan.

microfinance through the formal banking sector could additionally reach tens of thousands of Lebanese microentrepreneurs.

Jordan: Small Loans Change Banking in Jordan

CHF's four-year Southern Jordan Access to Credit Project, funded by the United States Agency for International Development (USAID), provides financial assistance to southern Jordanians, focusing on providing credit to women. The project increases access to business loans for working capital and fixed assets. Existing community banks disburse the loans.

CHF offers group guaranteed loans for microenterprises and individual loans for small business activities. Women represent the majority of beneficiaries from the group-guaranteed loans, and about 20% of individual loan clients. Group members insure the loan by guaranteeing to repay if other members of the group default. Upon successful repayment of the six-month loan, members are eligible to receive a second loan.

Clients of individual loans may receive larger amounts, based on a comprehensive analysis of borrower's cash flow and capacity to repay. (See Box: Jordanian Entrepreneur)

Another goal of this project is to introduce the banks to new markets, namely, these under-served entrepreneurs. CHF encourages local commercial banks to recognize the enormous potential of serving small business owners and microentrepreneurs so they will be confident to serve those clients in the future, without CHF's involvement. Three local banks partner with CHF/Jordan: the Bank of Jordan, the Cairo-Amman Bank, and the Jordan National Bank. CHF screens and identifies clients eligible to apply for business loans through the program and helps them get loans directly from the partner banks.

CREDIT FOR HOME IMPROVEMENT

CHF has found that low- and moderate-income families can make drastic changes in their quality of life using small, short-term loans. By emphasizing credit, not charity, CHF adheres to the first of its "Seven Principles," creating positive examples and tangible results. The credit approach is a positive and sustainable method for community-based development.

Gaza: Loans Forge Dramatic Change in Infrastructure

In the last four years, CHF's Home Improvement Loan Program (HILP) in Gaza disbursed over \$10 million in loans, a dramatic accomplishment after nearly 30 years of very limited public or private investment in housing and infrastructure. The loans have allowed some 2,200 families to improve and expand their homes. Working in extremely difficult economic and political conditions, CHF and the Palestinian Housing Council (PHC) offered the program's services to low-income Palestinian families to improve living conditions and alleviate poverty throughout Gaza.

The program offers short-term loans for families to improve their homes. Loan installments for these small loans (average \$4,800) are limited to 33% of income so that repayments do not overburden families. In an innovative move, CHF encouraged three commercial banks to administer the loans, an unusual arrangement for a credit program serving low-income clients in Gaza. Usually, commercial banks hesitate or refuse to work with low-income people, fearing they are high credit risks; also, small loans cost as much to process as larger, more profitable loans. The Arab Bank, the Cairo-Amman Bank and the Bank of Palestine recognized the importance of home improvements to the community. Since September of 1995, they have not only contributed to the loan



fund, but also demonstrated their faith in the program by sharing loan default risk.

CHF/Gaza's loan programs offer hope for people in despair. After decades of infrastructure neglect and a burgeoning population, housing in Gaza has deteriorated and is in short supply. Multiple extended families typically share housing, leading to crowded, unhealthy conditions. Border closures and restrictions on Palestinians working in Israel have contributed to a 30 percent drop in per capita income since the peace process started six years ago. (See Box: Gaza)

In addition to improving living conditions, CHF's Home Improvement Loan Program brings much needed employment, income, and hope to the area. The program has generated employment for displaced workers, many of whom work in construction. In four years, the program created over 11,000 person months of construction-related employment. Providing opportunities to some of the poorest and hardest-to-reach members of society is an important contribution to continued economic development in Gaza.

As in many areas where CHF operates, home improvement loans not only improve people's immediate living conditions; they also create opportunity for home-based businesses. Space in the home becomes a factory, workshop, and warehouse for many small entrepreneurs.

The peace process affords tangible benefits

such as improved housing—seen in CHF/Gaza's Home Improvement Lending Program. But CHF's work in Gaza—assisting families, strengthening local financial institutions, and adding to the economic development of the entire community—also creates less tangible, but equally important results.

Mexico: Home Improvement Loans Influence Economic Development

CHF/Mexico's home improvement loan program, with support from the Ford Foundation, targets the 250,000 factory workers and their families who work in the city's 400 *maquila* (assembly) plants.

From 1980 to 1999, the population of Ciudad Juárez has doubled to an estimated 1.2 million inhabitants, many of whom live in substandard homes in settlements that have sprouted up on the hillsides surrounding the city. Thousands of families reside in overcrowded, temporary houses patched together from industrial wooden pallets and cardboard. In many neighborhoods, water and sanitation services are either unavailable, or families cannot pay the utility connection fees. More than 100,000 families live in deteriorated housing in need of major upgrading, expansion or repair.

Mexican financial institutions have not viewed these working families as potential credit clients because the families lack sufficient collateral or clear title to their property. Therefore, CHF turned to an unconventional and untried prospective lender: corporations.

After consulting with CHF, corporations on the US/Mexican border discovered that providing loan capital for employees is good business. When companies fund the loans, offering them as employee benefits or donating funds directly to CHF, both the community and the company

CHF Loans Improve Living Conditions in Gaza

Abed Al Kareem Abu Hashish, a 56-year-old Palestinian policeman, was deprived of a stable residential and financial situation for many years. "After 1948, when I was young, we had to leave town because of the war and were moved to the Gaza Strip," he explains. "In Gaza we did not have a settled residence until 1967. Then, after the Israeli occupation of the Gaza Strip in 1967, we lived in a temporary compound where we built our houses from sackcloth and corrugated steel resulting in a very difficult housing situation. Moreover, we lacked the most basic essential services, such as healthcare and sanitation, except for those offered by a clinic set up by the United Nation Relief Working Agency (UNRWA) near our residence."

Abu finally improved his situation by taking a small, short-term loan with easy repayment conditions.

"After the arrival of the Palestinian Authority in Gaza, the new government gave each of the 6,000 families residing in my area US\$3,000 and a piece of land to build a home," he continues. Abu, the sole breadwinner for his family of nine children, makes a monthly salary of US\$600. In early 1998, he started to construct his house. However, the loan combined with his savings was enough to finish only 70% of the framing.

In December 1998, he applied for a loan from CHF's program to finish the construction of his house. He received a loan of US\$5,000.

Though his house is just in the final phase of construction, Abu says that his family's life has already changed. "We are so excited about finishing our new house and living a good life—we feel that we are about to achieve this dream and to end this difficult period of our life."



Photos: (Left) Home improvement loans in Gaza made a difference where others said it couldn't be done; (right) Abed Al Kareem Abu Hashish.

Business Partners working with CHF/Mexico

Carlos Chavez and Gabriela Mata own a small hardware and building materials store—the Ferreteria San Carlos—in Col. Aztecas, Ciudad Juárez. Before making its first loan in 1997, CHF/Mexico partner Funhavi invited suppliers to collaborate in the home improvement loan program. Carlos and Gabriela had just opened their business and were the first to join the new program.

CHF and Funhavi staff helped them and other participating suppliers combine their purchases to deal with larger distributors and obtain better prices. Within a year, the Ferreteria's product line expanded from 50 to 200 items and sales increased fivefold. Funhavi then provided Carlos and Gabriela with a short-term loan to expand their storage space.

Carlos said, "The program has been the main reason for the rapid growth of our business and we are optimistic about the future."

The business responds quickly to borrowers, delivering construction materials to homes spread in distant corners of the city within 24 hours. The couple takes pride in the quality of their service and products. Together with the other program suppliers, they promote the CHF and Funhavi home improvement loan program in their neighborhood to attract new clients.

prosper from increased productivity. CHF/Mexico has greatly expanded its operations using this unprecedented lending method.

Local Corporate Sector Partnerships

Home improvement loans disbursed by CHF/Mexico and its partners provide economic benefits far beyond upgraded shelters. The loans allow borrowers not only to improve their homes, but also to generate personal assets and improve their lives.



Photo: Carlos Chavez and Gabriela Mata.

CHF/Mexico and its local partners collaborate with small contractors and building material suppliers to fund the loans, allowing for longevity of the loan process beyond the project, and contributing to overall economic development of the community.

During FY99, in Ciudad Juárez, CHF/Mexico and its partners, Fundación Habitat y Vivienda A.C. (Funhavi) and Salud y Desarrollo Comunitario de Cd. Juárez A.C. (SADEC), disbursed 502 home improvement loans with a total value of \$722,000.

Small contractors and building material suppliers function as auxiliaries to the program. These individuals and businesses receive referrals of borrowers from Funhavi, in return for guaranteeing construction work and material prices that meet Funhavi's high standards. By 1999, Funhavi had collaborated with six contractors and six material suppliers.

DEVELOPMENT FINANCE

CHF is committed to finding and promoting alternative approaches to traditional finance in the developing world. Institutions and organizations are taking note of CHF's innovations in development finance.

Home Improvement Lending Feasibility Studies

CHF has helped several private voluntary organizations, such as Bancosol (a microfinance organization), and PLAN International (a child sponsorship organization), evaluate the feasibility of adapting a home improvement lending component to their program offerings. CHF also has worked with private corporations, including Chiquita Brands International and *maquila* (assembly) corporations on the US-Mexico border, on employer assisted housing programs.

Microfinance Manuals

In FY99, CHF received a grant from Citibank and the Small Enterprise Education and Promotion (SEEP) Network to design an assessment manual for microfinance institutions interested in adding housing microfinance products to their product line.

Many microfinance institutions provide small loans for small businesses, but SEEP found these entrepreneurs often use the funds to build a house or add a room, often for home-based businesses. CHF noticed the need for product diversification and proposed to develop this manual to help assure that new product development for housing was soundly conceived.

CHF submitted the manual in June, and SEEP plans publish it and make it available to microfinance institutions.

Credit Advisory Roles

CHF's expertise in housing microfinance has led governments, private organizations, international NGOs, and banks to seek our technical assistance in reaching communities through credit. Some examples of CHF's experience in developing implementation tools follow.

- Bancosol, probably the best-known microfinance bank in the world, sought CHF's expertise when it decided to diversify its product line. Traditionally, Bolivia-based Bancosol has provided funds to microentrepreneurs. When it was ready to offer credit, CHF assessed the institution to help it design the credit product.
- The Inter-American Development Bank (IDB) has sought CHF's services in several countries. Currently CHF offers technical assistance in the area of finance with the IDB in Central America.
- PLAN International, one of the largest international NGOs, identifies housing as a key priority in its work. CHF created revolving credit funds for PLAN's beneficiaries.

ADVANCING ISSUES



CHF AND PARTNERS EXAMINE TOUGH DEVELOPMENT ISSUES

CHF hosted conferences and workshops on a variety of development issues during FY99. Some highlights follow.

Housing Privatization

In May, CHF brought together policymakers and housing practitioners from the United States and 14 European countries to discuss Poland's successes and common experiences of other Central and Eastern European housing delivery systems during their transition to market economies.

The "Practical Workshop on Housing Privatization," was co-hosted by CHF, the United Nations Economic Commission for Europe (UN/ECE), and Poland's State Office of Housing and Urban Development (SOHUD) in Krakow, Poland, May 30-June 1, 1999. USAID/Poland also provided support. Participants discussed these key issues:

- emerging role of NGOs in today's market economy;
- increasing affordability;
- balancing homeowner desires and costs; and
- best practices for public-private sector partnerships.

Participants learned about CHF/Poland's successful grassroots, market-oriented housing delivery system and the CIM/AWIM NGO network. (See article, page 12.) Participants traveled by bus to visit housing sites in the towns of Rybnik, Zory,

and Krakow. CHF encouraged participants not to simply replicate the CHF model, but rather to use it as a guide while identifying principles most applicable to their own situations.

Development Finance

In Paphos, Cyprus, in September 1999, CHF brought together banking leaders from the Middle East to review opportunities for development finance. The purpose of the conference was to further strengthen the banking sector's capacity to meet the demand for alternative financial services, by reviewing and building on CHF's cutting edge development finance initiatives in the Middle East.

Bank representatives who had worked with CHF openly admitted their initial skepticism about backing microfinance loans to low-income individuals, but said they were surprised by the success of the projects.

A unique aspect of CHF's development finance programs is that CHF and the banks share the loan risk, a serious commitment on the part of the bank. Loans are processed through the bank, giving low-income borrowers a new way of doing business, and creating a new market niche for the bank. Some banks have even gone on to develop microlending programs of their own, demonstrating the viability of microfinance as a sustainable part of their country's economy.

Banking leaders reported that CHF loan



programs brought them new customers and that they were lending at a profit. They have found that borrowers use the funds wisely and have an excellent repayment record. Bank representatives, finding that the program's new loan products have the potential to become an increasingly important part of a commercial bank's portfolio, recommended expansion of CHF's programs.

Participating banks included the Arab Bank, the Bank of Jordan, the Bank of Palestine, the Cairo-Amman Bank, the Jammal Trust Bank, and the Central Bank of Jordan.

Post-Disaster Reconstruction

Following Hurricane Mitch and Hurricane Georges, CHF brought together leaders from Central America to discuss strategies to deal with post-disaster reconstruction. In Miami, Florida, during May 1999, key representatives met to discuss lessons learned from past reconstruction projects and develop strategies to improve emergency disaster response and community reconstruction following disasters.

The "Post-Disaster Reconstruction Workshop," allowed CHF staff and key development leaders to cover the topics of emergency shelter, permanent model homes, applying sustainable development techniques during reconstruction, how to provide training for the long term in the midst of a disaster, and the use of credit in reconstruction programs, among other issues.

CHF's FY99 programs in the Caribbean, Central America, and Eastern Europe and Eurasia all benefitted from this meeting to advance the issue of Post-Disaster Reconstruction.



Photos:
(left) CHF/Poland hosts a Housing Privatization workshop;
(center) CHF President Michael Doyle leads a roundtable on development finance in the Middle East;
(right) community members receive food aid after Hurricane Mitch.

AREAS OF EXPERTISE

COMMUNITIES

Community Development
Economic Development
Environment, Health, and Sanitation
Municipal Development-Roads and Bridges
Sustainable Agriculture
Women's Development (small businesses, leadership development, and skills training)
Organizational Development (business plans, credit programs, democracy building, financial management, membership outreach, training and mentoring, technical assistance)

HABITAT

Affordable New Housing
Association Management
Cooperative Housing
Housing Privatization
Incremental Home Construction (Assisted Self-Help Housing)
Natural Disaster/Emergency Response Reconstruction

FINANCE

Developing Local Construction and Materials Businesses
Home-Based Businesses (Fixed Asset Lending)
Home Improvement Lending
Microenterprise Lending
Small Business Lending
Village Banking

PROGRAM ACHIEVEMENTS

FISCAL YEARS 1994-1999

CHF's programs benefit families and communities in many different ways.

Some examples of these benefits are shown here.

In the past six years, CHF's work resulted in:

Communities



30,300 People Trained



**221,748 Beneficiaries
Housed**

Habitat



**25,000 Loans Disbursed
to Borrowers Who Banks
Had Considered Too Risky**



Over \$23 Million Lent



**A 97% Repayment Rate
from CHF Beneficiaries
Worldwide**

Jobs in person-months. NGOs=nongovernmental organizations, usually community-based nonprofits.



CHF WORLDWIDE

FISCAL YEAR 1999

Antigua
Belize
Bolivia
Colombia
Costa Rica
Cyprus
Dominica
Dominican Republic
Ecuador*
El Salvador*
Gaza*
Guatemala*
Guyana
Haiti*
Honduras*
Jordan*
Kosovo
Lebanon*
Mexico*
Nicaragua
Panama
Philippines*
Poland*
Romania*
Russia
St. Kitts & Nevis
St. Lucia
South Africa*
United States

* Denotes 1999

Field Office

SINCE 1952

Antigua
Argentina
Armenia
Bangladesh
Barbados
Belize
Bolivia
Bosnia
Botswana
Brazil

Bulgaria
Burundi
Cambodia
Cameroon
Chad
Chile
Congo
Costa Rica
Côte d'Ivoire
Cyprus
Czech Republic
Dominica
Dominican Republic
Ecuador
Egypt
El Salvador
Eritrea
Estonia
Ethiopia
Gabon
Gaza
Ghana
Grenada
Guatemala
Guinea
Guyana
Haiti
Honduras
Hungary
Indonesia
Iran
Jamaica
Jordan
Kazakhstan
Kenya
Kiribati
Korea
Kosovo
Kyrgystan
Lebanon
Lesotho
Liberia
Lithuania
Malawi
Mexico

Montserrat
Morocco
Mozambique
Namibia
Nepal
Nicaragua
Niger
Pakistan
Panama
Paraguay
Peru
Philippines
Poland
Portugal
Romania
Russia
Rwanda
Sao Tome
Senegal
Sierra Leone
Slovak Republic
Somalia
South Africa
South Korea
Sri Lanka
St. Kitts & Nevis
St. Lucia
St. Vincent
Sudan
Swaziland
Tanzania
Thailand
Togo
Trinidad
Tunisia
Uganda
Ukraine
United States
Uruguay
Venezuela
Vietnam
Zaire
Zimbabwe



232,180 Paid Jobs Created



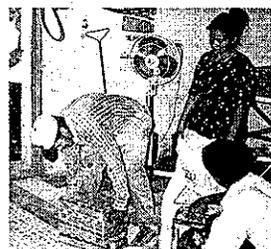
139,760 Women Experiencing Improved Economic Standing



Over 34,100 Homes Built or Improved



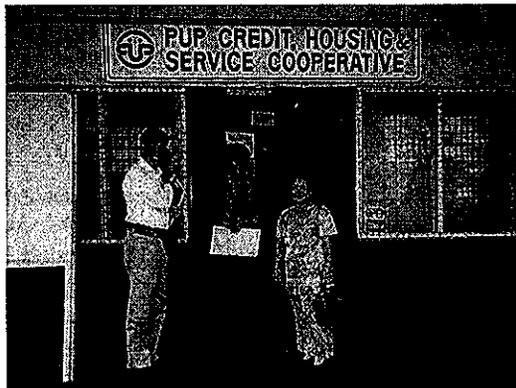
3,050 Local Co-ops & NGOs Formed or Strengthened



\$82,700,660 Leveraged and Mobilized from Donors, Governments, and the Private Sector

Finance

PROVIDING OPPORTUNITIES



VOLUNTEER EXPERT PROGRAM

To enhance our work, CHF uses volunteer experts to help transfer technical skills to local partners in the areas of cooperative housing, urban upgrading, municipal development, environment, microenterprise, microfinance, and capacity building of non-governmental organizations. Several volunteers with cooperative development, finance, and/or property management skills have already been placed in Jordan, South Africa, the Philippines, and Poland.

Following the success of CHF's first-year volunteer expert program in FY98, the USAID-

sponsored Cooperative Development Program (CDP) enabled CHF to send five Volunteer Experts to CHF projects during FY99. Two volunteers aided the CHF/Poland Cooperative

Development Project. Maria Rupp, Facility Planning Consultant and Treasurer of the Village Condominium Association, provided recommenda-

tions to elected condo association boards in two Polish cities. James Glantz, Vice President, Credit Department, National Cooperative Bank, reviewed the structure of a condominium improvement loan program created by the BIG Bank Gdanski (BBG). He presented his findings on the program and the bank's portfolio of current loans to bankers and local government officials.

Three volunteer experts provided assistance to the CHF/Philippines office. David Freed, a member of the National Association of Housing Cooperatives, researched financing and advised the Philippines National Housing Authority (NHA). At a May 1999 cooperative appreciation seminar, Sombat Thavorn, Managing Director of the Building Together Association in Thailand, described his experience with housing cooperatives in Asia to seminar participants. Robert Cox, Project Manager, AF Evans Co, and former Executive Director, North American Student Cooperative Organization, volunteered to describe cooperatives in the United States and Canada to participants at the same conference. Cox also helped the NHA finalize content for two seminars on co-op housing.

We plan to send even more volunteer experts with a wide range of skills and interests to countries where CHF is active in upcoming fiscal years. (See box: Volunteer Expert Opportunities.)



INSTITUTIONAL ASSOCIATE MEMBERS SUPPORTING CHF

These institutions supported CHF through the Associate Institutional Membership Program in FY99:

- California Community Housing Management Services
- Housing Assistance Council
- National Association of Housing Cooperatives
- National Association of Housing and Redevelopment Officials
- National Cooperative Bank
- National Rural Electric Cooperative Association
- Research Institute for Housing America

CHF ASSOCIATE MEMBERSHIP PROGRAMS

CHF has broadened its support base to include associate members. A variety of affiliations are welcome, including individual members, nongovernmental organizations (NGOs), private voluntary organizations (PVOs), trade associations, and corporate supporters.

Benefits include invitations to conferences and special events, free publications, priority consideration for volunteer opportunities, and access to CHF's large international talent database.

CHF's roster of Individual Associate Members supporting CHF's global development activities grew in FY99. Help this momentum continue in FY00. Call CHF's headquarters at (+) 301-587-4700 or e-mail the membership coordinator at mailbox@chfhq.org for more information.

Photos: (left) CHF Volunteer David Freed with local partners in the Philippines; (right) Volunteer Robert Cox encouraged appreciation for cooperative housing.

VOLUNTEER EXPERT OPPORTUNITIES

CHF seeks volunteer expert candidates who have at least five years of technical experience. If you are interested in more information about the volunteer expert program or would like to apply for an assignment, see www.chfhq.org/opport.htm or call the volunteer coordinator at 301-587-4700.

SPECIAL THANKS: CHF SPONSORS & PARTNERS

CHF SPONSORS

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 our members make contributions to support CHF's activities around the world.

CHF is a private, non-profit organization exempt from federal taxation under section 501(c)(3) of the US Internal Revenue Code. Donations are tax deductible to the extent allowed by law. A copy of CHF's audited financial statements is available upon request.

The following institutional sponsors provided support for portions of CHF's international activities during FY99:

Chiquita Brands International (CBI)
Citicorp
Cummins Engine Company
Department of Social Welfare and Development (DSWD), Republic of the Philippines
Eaton Corporation
European Union
National Fund for Popular Housing, El Salvador (Fondo Nacional de la Vivienda Popular-FONAVIPO)
National Fund for Peace, Guatemala (Fondo Nacional para la Paz-FONAPAZ)
Ford Foundation
Government of Haiti
Government of the Philippines
Palestinian Authority (Housing Assistance Fund (HAF), Palestinian Ministry of Housing)
German Technical Assistance (GTZ)
Inter-American Development Bank (IDB)
Johnson & Johnson
Kampsax
John D. and Catherine T. MacArthur Foundation
International Migration Organization (Organización Internacional para las Migraciones-OIM)
Organization of the American States
PLAN International

Romanian American Enterprise Fund (RAEF)
United Nations World Food Programme
United States Agency for International Development (USAID)
United States Department of Housing and Urban Development (HUD)
The World Bank

COLLABORATING PARTNERS WORLDWIDE

REGIONAL PARTNERS

CHF/LEPPI Collaborating Partner Organizations in Central America

LEPPI/Costa Rica
Ministry of Education
Ministry of Health
Ministry of Natural Resources and Environment
Municipal Board and Mayor of Bri-Bri

LEPPI/El Salvador
ANDA (Water & Waste Water Administration)
PROGOLFO (local environmental NGO)
Ministry of Education
Ministry of Environment and Natural Resources (MARN)
Ministry of Health
Ministry of Public Works Road Construction Department
Fundacion Oxelotlán, La Unión
Municipal Board and Mayor of La Unión
Municipal Board and Mayor of Usulután

LEPPI/Guatemala
Chamber of Commerce, Puerto Barrios
FUNDAECO (local NGO)
Human Rights Office, Government of Guatemala
Ministry of Planning, Government of Guatemala
Municipal Board and Mayor of Ixcán
Municipal Board and Mayor of Puerto Barrios
Port Authority of Santo Tomás de Castilla

LEPPI/Honduras
Asociación Calentura y Guamoreto (local NGO)
Forestry Department, Government of Honduras
Municipal Board and Mayor, Choluteca
Municipal Environmental Unit, Choluteca
Municipal Board and Mayor of Trujillo
Ministry of Health
Ministry of Education

LEPPI/Nicaragua
Ministry of Education
Ministry of Environment and Natural Resources (MARENA)
Ministry of Health
Municipal Board and Mayor of San Juan del Sur

LEPPI/Panama
CARIBARO (local environmental NGO, Bocas del Toro)
Fundación ANCON (local environmental NGO, Bocas del Toro)
Institute of Tourism
Lions Club, Bocas del Toro
Ministry of Education
Ministry of Commerce
Ministry of Health
Ministry of Labor, Department of Social Work
Municipal Board and the Mayor of Bocas del Toro
Municipal Board and the Mayor of Chilibre

COUNTRY OFFICES

CHF/El Salvador
BANCASA
Cooperative League (CLUSA)
The European Union
Federation of Institutions in Support of Popular Housing (Federación de Instituciones de Apoyo a la Vivienda Popular, FIDAVIP)
Fund for Social Investment and Local Development (FISDL)
German Technical Cooperation Agency (GTZ)

INSTITUTIONAL MEMBERSHIPS & AFFILIATIONS

CHF is a member or affiliate of many organizations working with the international cooperative movement, institutional strengthening, and international development issues:

American Chamber of Commerce of Cuba
Association of Women in Development
Campaign to Protect US Global Leadership
Council of Practitioners, Microcredit Summit
European Commission on Economics
Global Alliance
Habitat International Coalition
International Cooperative Alliance
Maryland Association of Nonprofit Organizations
National Association of Female Executives
National Association of Housing Cooperatives
National Association of Housing and Redevelopment Officials
National Cooperative Business Association
National Housing Conference
Overseas Cooperative Development Council
Small Enterprise Education and Promotion Network
Society for International Development
Transborder Shelter Network
United States-Mexico Border Progress Foundation

CHF gained Special Consultative Status with the Economic and Social Council of the United Nations (ECOSOC) in FY99.

SPECIAL THANKS: CHF SPONSORS & PARTNERS

Guatemalan Housing Fund (FOGUAVI)
 HABITAT Foundation
 Habitat for Humanity
 Inter-American Development Bank (IDB)
 Ministry of Communications, Public
 Works, Transportation and Housing of
 Guatemala

Municipality of Chirilagua
 Municipality of Concepción Batres
 Municipality of El Tránsito
 Municipality of Jiquilisco
 Municipality of Jucuaran
 Municipality of Nahulingo
 Municipality of Tacuba
 Municipality of Tecoluca
 Municipality of Puerto El Triunfo
 Municipality of San Lorenzo
 Municipality of Usulután
 Municipality of Zacatecoluca
 National Family Secretariat (SNF)
 National Popular Housing Fund
 (FONAVIPO)
 Partners of the Americas
 PLAN International/El Salvador
 Salvadoran Foundation for Development
 and Basic Housing (FUNDASAL)
 Social Housing Fund (FSV)
 Vice Ministry of Housing and Urban
 Development (VMVDU)
 World Food Programme (PMA)

CHF/Gaza

Arab Bank
 Bank of Palestine
 Cairo-Amman Bank
 Palestinian Housing Council (PHC)

CHF/Guatemala

Catholic Relief Services (CRS)
 Center for Integrated Social Development
 (Communal Banking/Microenterprise-
 CESIDE)
 Guatemalan Government Community
 Development for Peace (DECOPAZ)
 Guatemalan Government Fund for Peace
 (FONAPAZ)
 Guatemalan Government Institute for
 Agricultural Science & Technology
 (ICTA)
 Fundación Rigoberta Menchú Tum

(FRMT)
 Ixcán Road Maintenance Association
 (AMVI)
 Municipality of Ixcán

CHF/Haiti

ODVA
 PLAN International-Haiti
 Unité Centrale de Gestion (UCG)

CHF/Honduras

Action for Development Neighborhoods
 (Unidad Ejecutora de Barrios en
 Desarrollo-UEBD)
 Center for Design, Architecture, and
 Construction (Centro de Diseño,
 Arquitectura y Construcción-CEDAC)
 Center San Juan Bosco (Centro San Juan
 Bosco-CSJB)
 Honduran Association of Evangelical
 Institutions (Asociación de Instituciones
 Evangélicas de
 Honduras-AIEH)
 International Migration Organization
 (Organización Internacional de
 Migración-OIM)
 Institute for the Development of
 Honduras (Instituto para el Desarrollo
 Hondureño-IDH)
 Municipality of Nacaome
 Municipality of Yoro
 Municipality of Pespire
 National Water and Sanitation Services of
 Honduras (Servicio Autónomo Nacional
 de Acueductos y Alcantarillado-SANAA)
 Nacaome Health Center (Centro de Salud
 de Nacaome)

Nuestros Pequeños Hermanos
 Red Cross of Honduras (Cruz Roja)
 US Peace Corps, Honduras
 Women's Enterprise Development
 Organization (Organización para el
 Desarrollo Empresarial Femenino-
 ODEF)

CHF/Jordan

The Bank of Jordan
 Cairo-Amman Bank
 Jordan National Bank
 Jordan River Foundation (JRF)
 Social Productivity Program (SPP), Ministry

of Planning (MOP)

CHF/Lebanon

CHF/Lebanon AMEEN program
 Jammal Trust Bank

CHF/Lebanon REDI program

Cooperation for Development (CD)
 General National Union of Cooperatives
 (GNUC)
 Governor of Halba
 Jabbouleh Orphanage
 Local Schools & Municipalities
 Ministry of Hydraulics and Electrical
 Resources (MOHER)
 Ministry of Social Affairs (MOSA)
 Rene Mouawad Foundation (RMF)
 The State University of New York,
 SUNY
 Union of Graduates-Baalbeck
 Association (UGBA)
 United Nations Development Programme
 (UNDP)

CHF/Mexico

Collaborating Organizations:
 Cummins Engine Corporation
 Cementos de Chihuahua
 Eaton Corporation
 El Paso Collaborative
 Ford Foundation
 Inter-American Foundation
 Johnson & Johnson

Intermediary NGOs:

Fundación Habitat y Vivienda A.C.
 Salud y Desarrollo Comunitario de Cd.
 Juárez A.C.

CHF/Philippines Partners

Primary Partners
 Echague Market Vendors Multi-Purpose
 Cooperative
 Holy Child Multi-Purpose Cooperative
 Mindanao State University-Iligan Institute of
 Technology Employees Multi-Purpose
 Cooperative

Secondary Partners

Alabang Caddies MPC

Angono Credit & Devt. Cooperative
 Balagtas Credit Cooperative &
 Com. Devt.
 Barangka Credit Cooperative
 Basud Devt. Cooperative
 Bayanihan Credit Union, Inc.
 Bigay-Buhay MPC
 Bohol Public School TE MPC
 Cagayan Valley Devt. Cooperative
 Calauag Vendors Community
 Cooperative
 Cam. Sur Electric Cooperative II
 City Integrated MPC
 Dumaguete Cathedral Credit Cooperative
 FARBECO
 FEIMCO-MAITIM
 Gen. Mariano Alvarez MPC
 GSSC-SELIM MPC
 Heavenly Homes Foundation
 ILETSCI-Manticao MPC
 ITCTSCI
 KAPITSCO
 Lopez Vendors Development Cooperative
 MAF Camarines Sur Employees
 Cooperative
 Mapatag Life MPC
 Maybunga, MPC
 Menzi Homeowners
 Ormoc City Comm. Credit Cooperative, Inc.
 PACCI
 Paglaum Consolidated MPC
 Palawan State University
 Pasig City Cooperative Devt. Council
 Pasig Parish Credit Cooperative
 PCMP
 PCUP Employees Cooperative
 Project 4 Development Cooperative
 PSSC-Gingoo
 PUDHC
 PUP Credit Housing & Services Cooperative
 Qlty People Network Accom. MPC
 Quezon City Employees Cooperative
 SAFRAGEMC
 Samot-Gamit ng Kooperatiba
 San Dionisio Credit Cooperative
 San Nicolas College FEMUCO
 Silang Municipal Employees Cooperative
 Silangan MP & Transport Service
 Cooperative
 SM Backyard Raisers Cooperative
 SOILTRASCO

Southern Leyte Employees MPC
St. Louis Employees Credit Cooperative
SUMPC/Sors.Stat Col.UNITE MPC
Tanay Market Vendors Cooperative
TELOF Marulas Compound MPC
TUSBU - MPC
Tuy Market Vendors MPC
Water & Sewer Services Cooperative

CHF/Poland

Agencies to Support Housing Initiatives

*(Agencje Wspierania Inicjatyw
Mieszkaniowych-AWIM)*

AWIM Biale-Blota
AWIM Bialystok
AWIM Bielsko-Biala
AWIM Bydgoszcz
AWIM Gdynia
AWIM Grójec
AWIM Hajnowka
AWIM Jastrzebie-Zdrój
AWIM Kraków
AWIM Kutno
AWIM Luban
AWIM Lubliniec
AWIM Namysłów
AWIM Nowy Dwór Mazowiecki
AWIM Olsztyn
AWIM Olsztynek
AWIM Ostrołęka
AWIM Ostrów Wielkopolski
AWIM Oswiecim
AWIM Piaseczno
AWIM Piotrków Tryb
AWIM Plock
AWIM Przemysl
AWIM Rybnik
AWIM Skoczów
AWIM Szczecin
AWIM Torun
AWIM Trzebnia
AWIM Włodawa
AWIM Wrocław
AWIM Zamosc
AWIM Ziebice
AWIM Zory
Center for Housing Initiatives (Centrum
Inicjatyw Mieszkaniowych-CIM)
Bank Gospodarstwa Krajowego (BGK)
Cooperation Fund (Fundacja Inicjatyw
Społeczno-Ekonomicznych-FISE)

Housing and Urban Development Office
(Urząd Mieszkalnictwa i Rozwoju Miast)
Krakow Real Estate Institute Foundation
(Krakowski Instytut Nieruchomosci)
Municipality of Klodsko
Municipality of Bielsko-Biala
Municipality of Gdynia
ORGBUDIN Przedsiębiorstwo Usług i
Wdrożeń, Krakow
Real Estate Assistance Services (REAS)

Cooperative Development Project:

Bank Komunalny w Gdyni
BIG Bank Gdanski
Condominium (Property Management
Company)
Financial Volunteer Services Corps.
Poland
GE Housing Bank (GE Bank
Mieszkaniowy)
Property Management Company Gestor
LTD (Gestor Sp. z o.o.)
Gmina Warszawa Centrum
Krakow Real Estate Institute Foundation
(Krakowski Instytut Nieruchomosci)
National Energy Saving Agency
(Narodowa Agencja Poszanowania
Energii)
National Cooperative Bank,
Washington DC
Polish Real Estate Federation (Polska
Federacja Rynku Nieruchomosci)
Housing Community Association
(Stowarzyszenie Wspólnota
Mieszkaniowa)
Social Housing Association Kutno
(Towarzystwo Budownictwa
Społecznego w Kutnie)
Urząd Miasta Gdynia
Urząd Miasta Sopot
Wspólnota Mieszkaniowa,
Gdynia ul. Slaska 29
Wspólnota Mieszkaniowa,
Kutno ul. Sienkiewicza 36
Wspólnota Mieszkaniowa,
Warszawa ul. Boremlowska 55
Wspólnota Mieszkaniowa,
Warszawa ul. Zakrzewska 2/4
Wspólnota Mieszkaniowa,
Warszawa ul. Marymoncka 35
Związek Banków Polskich

CHF/Romania

Association of Small and Medium
Enterprises (Asociatia Intreprinzatorilor
Mici Si Mijlocii-Resita)
Center for Small and Medium Enterprise
Promotion (Centerul Pentru Dezvoltarea
Intreprinderilor Mici Si Mijlocii - Arad)
Confederation of Private Enterprises
(Confederatia Intreprinzatorilor
Particulari-Timis)
Federation of Housing Associations
(Federatia Asociatiilor de Locatari -
Timisoara)
Local Union of Tenants Associations
Arad (Uniunea Locala a Asociatiilor de
Locatari-Arad)
Master Business Center - Hunedoara
County (Centrul de Afaceri "Master"-
Hunedoara)
Municipal Union of Tenants and
Homeowners Associations (Uniunea
Municipala a Asociatiilor de Locatari
si Proprietari-Resita)
Mutual Assistance House of the
Associations (Casa de Ajutor Reciproc
a Asociatiilor-Timis)
Union of Tenants and Homeowners
Associations - Deva (Uniunea a Asociatiilor
de Locatari si Proprietari-Deva)

CHF/South Africa

AFRICON
Centre for Continuing Education, University
of Port Elizabeth
Delta Foundation
Despatch Municipality
Eastern Cape Provincial Housing Board
Government of South Africa
Port Elizabeth Low Income Housing
Program (PELIP)
Port Elizabeth Municipality
Uitenhage Municipality
Urban Services Group (USG)

SPECIAL THANKS: CHF STAFF



CHF/Headquarters
Senior Staff Members
(From L to R): President
Michael E. Doyle,
Program Initiatives
Director John Chromy,
Human Resources
Director LaVerne Bonelli,
Vice President Judith A.
Hermanson, Field
Program Management
Director Franck Daphnis,
Chief Financial Officer
James Russo.

CHF STAFF MEMBERS FY99

CHF/HEADQUARTERS

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Judith A. Hermanson-Vice President
Patricia Wells-Executive Assistant to
President
Tammy Vellines-Executive Assistant to
Vice President
Heather L. Bowen-Communication
Specialist

Field Program Management & Operations

Franck Daphnis, Jr.-Director
Barbara Czachorska-Jones-Deputy Director
Michael Jenkins-Senior Program Manager
John Pickard-Senior Program Manager
Mathew Chandy-Senior Program Officer
Scott Mulrooney-Senior Program Officer
Richard Owens-Senior Program Officer
Kimberly Tilock-Credit Manager
Carol Jenkins-Program Officer
Glenn Moller-Program Officer
Thea Anderson-Program Analyst
Tara Panek-Program Analyst
Monica Hatim-Senior Program Support Officer
Sanny X. Fellabaum-Program Support Officer

Rebecca Luria-Program Support Officer

Financial Services

James Russo-Chief Financial Officer
Mark Miller-Controller
Denise Lewis-Administrative Assistant to
CFO & Accounting
Gabriel Nmah-Program Accountant
Vivian Heyward-Bey-Program Accountant
Emily Saab-Program Accountant
Lukey Kamalakis-Program Accountant
Elaine Roebuck-Accounts Payable
Leanne Mate-Manager, Information
Technology Services
Andrea Coleman-Office Aide

Office of Program Initiatives

John Chromy-Director, Office of Program
Initiatives
Tamara Arsenault-Senior Program Officer
Tim Prewitt-Program Development Officer
Allyson Fetterhoff-Program Development
Assistant
Shanley Cooke-Program Development
Assistant

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LaVerne Bonelli-Director
Francine Jaffe-Receptionist

CHF/ECUADOR

Steve Beard-Director
(CHF/Ecuador office closed in FY99)

CHF/EL SALVADOR

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Mauricio Quintana-Program Manager
Peter Loach-Program Manager
Magda Velásquez de Sánchez-Finance
and Administration Manager
Cive de Bermudez-Administrative
Coordinator
Sandra Escobar de Hernández-Executive
Assistant
Liliam de Amaya-Receptionist
Mario Minero-Driver/Mechanic
Roxana Hernández-Accounting Assistant
Ruben Barahona-Service for Popular
Housing Coordinator

Alfredo Ordoñez-Technician
Medardo Antonio Cazún-New Community
Development Coordinator
Haydeé Pichinte-Social Promoter
Lida García-Credit Promotion Coordinator
Jaime Amaya-Project Technician
Claudia Navas-Project Technician
Wilfredo Ramírez-Collections Agent
Oscar Enrique Hernández-Collections Agent
Leonardo Córtez-Collections Agent
Ivette de Valle-Technical Unit Coordinator
Claudia López-Project Architect
Xenia de Panameño-Project Architect
Arelly del Cid-Credit Department Assistant
Marta Carranza-Collections Agent
Casto Flores-Collections Agent
Margoth de Rivas-Credit Assistant
Ana María Guzman-Micro Finance Advisor
Fernando Antonio Delgado-Supplier
Carolina Franco-Human Resources
Coordinator
Pedro Veridiano Amaya-Environment
Management Manager
Juan Antonio Gómez-CHF/Usulután
Administrative Coordinator
Mario Ernesto Machado-CHF/Usulután
Warehouse Driver
Pedro Gilberto Castellón-CHF/Usulután
Consierge
Alfonso García-Planning and Participation
Manager
Maria Camoratto-Project Technician
Nelson-Lazo-Project Assistant
Patricia Santos-Technical Assistant
Ronald Polanco-Technical Assistant
Nidia Haydee Penado-CHF/Usulután
Receptionist

CHF/GAZA

Henri Disselkoen-Country Representative
Alaa Sisalem-Program Director
Atef Ouda-Chief Engineer
Nawaf Abu Sitta-Site Engineer
Hisham Khaled-Accountant
Hala Naser-Computer Specialist
Abed El Naser Khayal-Collection Officer
Salwa Nasser-Secretary
Hani El Atbash-Messenger/Driver

CHF/GUATEMALA

**Local Environmental Program and
Policy Initiative (LEPPI)—Central
America Regional Project**
Arturo Villalobos-Team Leader
María Isabel Bolaños-Regional Technical
Advisor
Nadia S. Gamboa-Regional Technical
Advisor
Paola Aragón-Project Assistant
Nusly Irungaray-Project Assistant

Communities in Transition (CIT) Project Economic Opportunities Unit

James Schenck-Project Director Economic
Opportunities
Eric Adams-Associate Director Economic
Opportunities and Associate Director
Planning-Evaluation-Training and
Outreach
Carol Thompson-Social Infrastructure
Coordinator
Erick Flores-Community Bank/Women's
Groups Coordinator
Delia Nuñez-Community Bank Coordinator
Carlos Reyes-Community Bank Promoter
Wilson Castañeda-Associate Director
Agroforestry and Environmental Educa-
tion and Interim Environmental Mitigation
Officer
Lourdes Santos-Agroforestry and Environ-
mental Education Assistant
Jorge Albizurez-Agroforestry and Environ-
mental Education Assistant
Rudolph Stwolinsky-Agroforestry and
Environmental Education Assistant
Demetrio Baten-Agroforestry Promoter
Francisco Baten-Agroforestry Promoter
Diego Bobin-Agroforestry Promoter
Humberto Cuc-Agroforestry Promoter
Gabina García-Agroforestry Promoter
Ronaldo Guillen-Agroforestry Promoter
Arnulfo Darío Leal-Agroforestry Promoter
Bagazar Diago López-Agroforestry
Promoter
Juan Lux-Agroforestry Promoter
Rosenda Sales-Agroforestry Promoter
Emiliano Santos-Agroforestry Promoter
Romulo Tecu-Agroforestry Promoter
Gabino Yat-Agroforestry Promoter

Pedro Cuyuch-Assistant-Experimental Farm
Carlos H. Ramírez-Assistant II, Experimental Farm
Moises Morales-Guardian, Experimental Farm
Christian Barrientos-Draftsman
George Roberto Ros-Infrastructure Promoter
Mario Soberanis-Driver/Bookkeeper
David González-Mechanic/Driver
Nicolasa Yohol-Secretary/Receptionist, Ixcán Office
Francisco Marcos-Guardian, Ixcán
Dora Maria Cuyuch-Office Support, Ixcán
Hilda Pelicó-Office Support, Ixcán

Community & Municipal Strengthening Unit

Steven Huffstutler-Project Director
Jorge Dubon-Engineer
Rony Fuentes-Driver/Field Assistant
Estuardo Ac-Infrastructure Draftsman
Thomas Pérez-Infrastructure Promoter
Sergio Enríquez-Bookkeeper
Juan Manuel Sical-Senior Construction Foreman
Juan Ramos-Carpenter
Eli Ramírez-Driver
Nery Ofelio Apen-Driver
Doming Luis Jiménez-Bricklayer Assistant
Salvador Quisque-Bricklayer
Raymundo Hernández-Bricklayer Assistant
Pablo Lajuj-Bricklayer Assistant
Thomas Morente-Bricklayer Assistant
Carlos Muñoz-Bricklayer Assistant
Jose Noel Quiel Paz-Bricklayer assistant
Francisco Ramos-Bricklayer Assistant
Luciano Raymundo-Bricklayer Assistant
Juan Teletor-Bricklayer Assistant
Gregorio Tzalam-Bricklayer Assistant
Maricelda Ramírez-Secretary/Receptionist

CHF/Guatemala Administrative Staff

Randy Lyness-Director of Finance and Administration
Claudia Alfaro-Finance/Administrative Assistant
Claudia Montenegro-Head Accountant
Vera Oliva-Bookkeeper
Brenda Garcia-Secretary/Receptionist

Lesbia Garrido-Office Support
Abel Carrera-Driver and Logistics

CHF/HAITI

Frantz Benoit-Country Director
Alix Lamarre-Finance and Administrative Director
Marina Alexandre-Administrative Assistant
Moguere Guercin-Senior Engineer
Nadège Francois-Secretary
Robel Pavilus-Driver
Ronald Germain-Driver
Viergemene Michel-Part-time Housekeeper
Vernier Fortisme-Car Washer-Yard Cleaner-Messenger
Luma Venex-Accountant

CHF/HONDURAS

Lisa Pacholek-Country Director
Jenny Zuniga-Assistant to the Director
Lourdes Retes-Project Coordinator
Julian A. Rodríguez-Program Supervisor
María Elizabeth Valle Ardón-Project Assistant
Gloria Nohemy Mendoza-Auxiliar de Prestamos
Teresa Vásquez-maid
Eva Leticia López-Secretary
Pedro Villatoro-Credit Official
Glenda Elizabeth Pérez-Accountant
Mario Dominguez-Conductor
Maribel Silva-Administrator
Leyla Matute-Administrator
Roberto Rodríguez-Construction Promoter
Alba Luz Calix-Credit Official
Aristides Moncada-Program Supervisor
Rigoberto Arevalo-Credit Assessor
Maria Irene Sanchez-Public Relations
Maria Angelina Reyes-MUNIPLAN Coordinator

CHF/JORDAN

Rafael Jabba-Country Director
Sa'dani Soudi-Program Administrator
Ghadeer Qassem-Northern Regional Branch Manager
Khaled Al-Muhisen-Chief Accountant
Ruby Saqer-Group & Individual Loan Advisor
Raghda Mdanat-Personnel Manager
Jamal Mekhael-Office Aide

Nesreen Sharaiheh-Loan Officer
Zaki Kafawin-Loan Officer
Omar Ma'aita-Loan Officer
Oula Ma'aitah-Loan Promoter
Maram Rawashdeh-Loan Promoter
Sherin Madadha-Loan Promoter
Suhad Amareen-Loan Promoter
Maysoon Katatneh-Loan Promoter
Maysoon Higazeen-Accountant
Rania Haddad-Executive Secretary
Haya Majaly-Loan Promoter
Jamil Hammam-Accountant
Jihad Thinebat-Driver
Hussam Tarawneh-Loan Officer
Ahmad Al Slamy-Office Aide
Tareq Al-Khatib-MIS Manager
Manal Basyouni-Data Entry
Alice Farajian-Data Entry
Mirvat Zouibi-Secretary
Da'ad Sultan-Promoters Supervisor
Alham Al Hawa-Loan Promoter
Ahmad Al-Qdah-Driver
Ghasan Mustafa-Loan Officer
Fadia Hirzallah-Loan Promoter
Lubna Faragat-Branch Manager, Wadi Mosa
Asmahan Sbahat-Secretary
Mariam Al Nasarat-Promoters Supervisor
Hanani Aqayleh-Loan Promoter
Dalal Hlalat-Loan Promoter
Salem Nawafleh-Loan Officer
Ghazieh Al Tawarah-Loan Promoter
Abed Hiasat-Messenger
Sadam Al Mashaileh-Office Aide
Mahmod Ilean-Loan Officer
Salman Al Rawashdeh-Loan Officer
Tawhedah Abu Dieh-Loan Promoter
Tahani Abu Taih-Secretary
Asea Al Khawaldeh-Loan Promoter
Nugood Abu Darweesh-Loan Promoter
Khalel Al Suodi-Office Person
Ahmad Al Qudah-Banks Deputy
Adnan Abu Dawoodeh-Branch Manager-Tafeleh
Amal Al Nidami-Loan Promoter
Khlood Qatameen-Loan Promoter
Shereen Qidemat-Loan Promoter
Ieman Kraymeen-Loan Promoter
Nesreen Al Shabatat-Loan Promoter

CHF/LEBANON AMEEN

Mayada Baydas-Program Director
Ziad Halaby-Financial Manager
Nisrine Mansour- Program Coordinator
Monia Hamzeh-Program Assistant
Marwan Housari-Loan Officer
Nada Ahmar-Loan Officer
Bassel Ghaddar-Loan Officer
Mohamad Jeradi -Loan Officer
Dany Bou Shedid-Loan Officer
Ahmad Lamaa-Loan Officer
Nisrine Deshary-Loan Officer

CHF/LEBANON REDI

Ayman Abdallah-Chief of Party
Talal Hajj-Dib-Project Manager
Christopher Sliiski-Project Coordinator
Hassan Hamzeh-Finance Officer
Lina Al-Mawla-Accountant
Ghazi Issa-Computer Engineer Analyst
Nada Nassar-Field Coordinator
Iman Al-Halwani-Executive Secretary
Hussein Hajj-Dib-Field Worker
Mohamed Al-Eit-Field Worker
Mohamed Al-Assad-Field Worker

CHF/MEXICO

Bryan Winston-CHF/Mexico Director
Angel Garcia-Funhavi Executive Director
Silvia Jaramillo-Funhavi Finance Director

CHF/PHILIPPINES

Richmond Douglas-Country Director

CHF/POLAND

Wojciech Wojtysiak-Program Director
Slawek Getka-Program Director
Greg Polk-CDP Project Director
Grzegorz Gladysz-CDP Project Coordinator
Maciej Tertelis-CDP Finance Specialist
Magdalena Skibinska-Secretary
Krzysztof Kaminski-CIM President
Jacek Appelt-CIM Vice President
Andrzej Szafranowicz-Senior Cooperative/
AWIMs Advisor

CHF/ROMANIA

Matthew D. Lovick-Country Director
Jesse C. Fripp-Deputy Country Director
Adrian Ciulea-Credit Program Manager
Alina Bernecker-Deputy Credit Program Manager
Paul Pop-Development/Training Manager
Renee Renard-Administrative Manager
Cristian Jurma-SME Lending Specialist
Laura Jivan-Housing Lending Specialist
Viorica Muresan-Financial Officer
Simona Szucs-Administrative Assistant
Anghel Nan-Driver/Logistics Coordinator
Mirela Elchescu-Cashier/Teller
Dorina Gyaraki-Cook/Cleaning
Florin Covaciu-Site Office Manager, Hunedoara
Simona Albu-Administrative Assistant, Hunedoara
Dan Orodan-Site Office Manager, Arad
Alina Vlad-Administrative Assistant, Arad
Viorel Deca-Site Office Manager, Caras-Severin
Adriana Imireanu-Administrative Assistant, Caras-Severin

CHF/SOUTH AFRICA

Alain Noudehou-Country Director
Hilary Stewardson-CDP Manager
Liesel du Plessis-Senior Program Manager, Port Elizabeth Technical Services Center (TSC)
Ralph Kilian-Project Manager, Port Elizabeth TSC
Solomon Kota-Program Officer, Port Elizabeth TSC
Nonqaba Dlula-Accountant, Port Elizabeth TSC
Tracy Thomas-Administrative Assistant, Port Elizabeth TSC
Sipho Kuhlase-Intern, Port Elizabeth TSC
Nigel Haupt-Program Director, Cape Town TSC
Johan Geduld-Technical Program Officer, Cape Town TSC
Lindsay Mackay-Administrative Assistant, Cape Town TSC

IN MEMORIAM

CHF is sad to report the loss of some very dear colleagues in 1999.



Shirley F. Boden, Honorary Trustee, co-founded CHF (then known as the Foundation for Cooperative Housing) in 1952. He was a trustee through 1989, and had served as Chairman. Boden was an early advocate of moderate-income housing in the US and the father of the 'mutual housing' concept based on the integrated cooperative program of Scandinavia and some European Housing Cooperatives.



Lucky Rainbow worked as Office Aide for CHF beginning in May 1987. He had the heart of a poet and kept the office running smoothly for 12 years.



Vertina Harris, Accounting Supervisor, began working for CHF in March 1987. Harris made invaluable contributions to the finance department for over a decade.

SPECIAL THANKS: CHF BOARD OF TRUSTEES

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Housing Assistance Council

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California Community Housing Management Services

Marilyn Melkonian
President
Telesis Corporation

Joanne Omang
Novelist, former Washington Post Reporter and Foreign Correspondent

Mary E. Paumen
Program Officer
Local Initiatives Support Corporation

The Honorable Walter E. Stadler
Former Ambassador to the Republic of Benin; Senior Fellow, The Institute of Public Policy, George Mason University

Ronald Stegall
Executive Director
American Consortium for Central Russian Development

Wallace P. Warfield
Co-Director, Practicum Education Applied Practice and Theory Program, Institute for Conflict Analysis and Resolution, George Mason University

Thomas W. White
Senior Vice President, Multifamily Activities
Fannie Mae

Roger Williams
Vice President
Community-Based Lending
Fannie Mae

Sunia Zaterman
Executive Director
Council of Large Public Housing Authorities

TRUSTEE EMERITUS

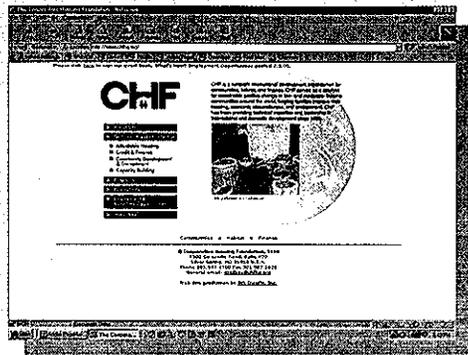
T. Graydon Upton
Former Executive Vice President
Inter-American Development Bank



Top photo: CHF Trustees. Front row (left to right): Kari Davidson, Gordon Cavanaugh (Chairman), Michael E. Doyle (President/CEO), Caroline E. Blakely, Mary K. Nenno (Secretary), Robert Halligan, Sunia Zaterman. Back row (left to right): Carl A.S. Coan, Don H. McCreary, Gordon Lindquist, Samuel E. Bunker, Steven P. Hornburg, Roger Williams, James W. Hughes. Not pictured: Chris Sale (Treasurer), David Kirkpatrick, Moisés Loza, Marilyn Melkonian, Joanne Omang, Mary E. Paumen, Walter E. Stadler, Ronald Stegall, Wallace P. Warfield, Thomas W. White, T. Graydon Upton.

Bottom photo: CHF Board of Trustees' FY99 Executive Committee members with Board Members of the Ixcán Road Maintenance Association (AMVI) in Guatemala. From left to right: Leocadio Gomez (AMVI Board Member), Don H. McCreary (CHF Trustee), Aurelio Lool (AMVI Board Member—Treasurer), Chris Sale (CHF Trustee—Treasurer), Gordon Cavanaugh, Esq. (CHF Trustee—Chairman), Roberto Reyes (AMVI Board Member—President), Carlos Osia (AMVI Board Member—Secretary), Ambassador Walter Stadler (CHF Trustee—Development Committee Chairman), Juan Luz (AMVI Board Member).

FOR MORE INFORMATION



VISIT US ON THE WEB AT WWW.CHFHQ.ORG

The CHF website provides information about the organization, our programs, and our areas of technical expertise. We post CHF publications and regularly update information on employment opportunities and volunteer expert assignments. During FY00, we plan to post links to websites of CHF member organizations, our sponsors, and our partners.

Photos:
(upper left) a
CHF-financed
bookstore in the
Middle East;
(lower left) a
women's
microfinance
meeting in
Guatemala; (right)
a completed
irrigation canal
in Haiti.



ATTACHMENT 7

BI-LINGUAL CONFERENCE POSTER
PRESENTATION

**World Health Organization
5th Global Conference on Health Promotion
Mexico City
June 2000**



Promoting Health & Home Improvements

Heather L. Bowen, CHF, Silver Spring, Maryland, USA
 Judith A. Hermanson, CHF, Silver Spring, Maryland, USA
 Lisa Pacholek, CHF, Tegucigalpa, Honduras



Urban Sanitation for Families

Through CHF/Honduras' Urban Environmental Sanitation Loan Program, CHF and local organizations improve the physical environment, teach residents about credit, and improve families' health and quality of life.

Many poor Hondurans live in poor-quality shelters characterized by a lack of services. Families cope with inadequate water supply, limited trash collection, and rudimentary sanitary facilities. While these families are very aware of their own needs, they often lack the opportunities to resolve even the most basic ones.



The loan program provides families with the opportunity to take action. Families may use sanitation loans to connect to the city's water pipes or sewer system, construct improved latrines or toilets, and build shower stalls, water storage tanks, washboards, and improved rainwater collection systems.



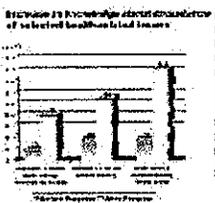
CHF/Honduras found that many residents of Tegucigalpa's informal settlements were unaware of links between inadequate sanitation, disease, and environmental degradation. CHF designed a marketing/educational program using community gatherings, seminars, and publications—pamphlets, posters, and comic books. Outreach staff use these materials to generate interest in education programs, show links between hygiene and health, and convey the correct use and maintenance of sanitary facilities.

After the program's first six and twelve months, evaluations showed that the program successfully altered unsanitary behavior and improved community health and environmental conditions. Evaluations in two program

neighborhoods found that awareness of health-related issues and hygiene markedly increased.

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%



Most project beneficiaries would not have been able to construct the improved facilities without access to credit, and they expressed satisfaction with having participated in the program.



Saneamiento Urbano Familiar

A través de su programa de créditos para el saneamiento en el medio ambiente urbano, CHF/Honduras y otras organizaciones locales mejoran el entorno físico, instruyen a los residentes sobre el crédito y mejoran la salud y la calidad de vida de las familias.

Muchos hondureños pobres viven en asentamientos de baja calidad que se caracterizan por la carencia de servicios. Las familias se las arreglan con un suministro de agua inadecuado, una recogida de basuras limitada y unos medios sanitarios rudimentarios. Si bien estas familias son muy conscientes de sus propias necesidades, con frecuencia carecen de oportunidades para resolver incluso aquellas que resultan más básicas.



El programa de créditos proporciona a las familias la oportunidad de actuar al respecto. Pueden utilizar los préstamos de saneamiento para conectarse con las tuberías de agua y sistema de alcantarillado de la ciudad, construir mejores lavabos y retretes y construir duchas, contenedores para el almacenamiento de agua, tablas de lavar y sistemas mejorados para la recogida del agua de lluvia.

CHF/Honduras ha descubierto que muchos residentes de los asentamientos informales de Tegucigalpa no conocían los vínculos de un sistema de saneamiento inadecuado con las enfermedades y la degradación del medio ambiente. Por ello, CHF ha diseñado un programa educativo y de mercadeo que utiliza reuniones de la comunidad, seminarios y publicaciones—folletos, afiches y libros de viñetas (tebeos). El personal encargado de la promoción exterior utiliza estos materiales para fomentar el interés por los programas educativos, mostrar la conexión entre higiene y salud y dar a conocer el uso y mantenimiento correcto de las instalaciones de saneamiento.



Las evaluaciones realizadas a los seis y doce meses del comienzo del programa, han demostrado el éxito del mismo en la modificación del comportamiento antihigiénico y en la mejora de las condiciones sanitarias y medio ambientales de la comunidad. Las evaluaciones llevadas a cabo en dos barrios que han tomado parte en el programa han revelado un marcado incremento en la toma de conciencia sobre problemas relacionados con la salud y la higiene.

Por ejemplo el conocimiento sobre la importancia de:

- lavarse las manos después de utilizar el retrete o inodoro se ha incrementado del 10 al 40%
- lavarse las manos antes de comer se ha incrementado del 18 al 55%
- mantener instalaciones de saneamiento y conservarlas limpias se ha incrementado del 18 a cerca del 80%

La mayoría de quienes se benefician de este proyecto no habría podido construir las instalaciones mejoradas sin tener acceso al crédito y han expresado su satisfacción por haber participado en el programa.

CHF
 Communities · Habitat · Finance
www.chfhq.org

ATTACHMENT 8

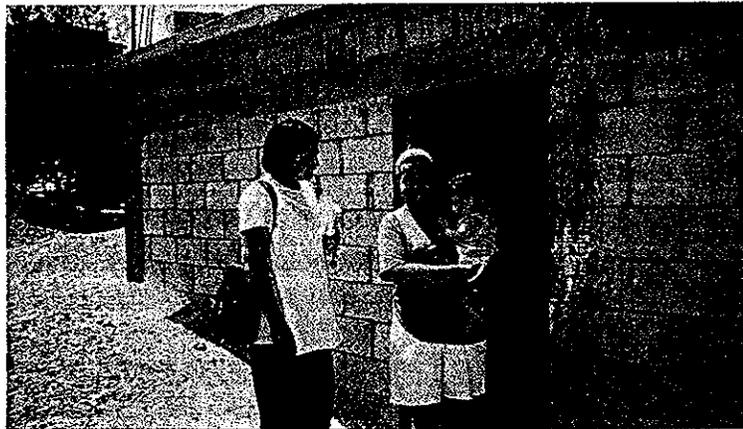
CHF SAMPLE REPORT COVER



Communities • Habitat • Finance

sample cover

Home Improvement Lending Program: Forging Change in Ciudad Juarez



Cooperative Housing Foundation
Building a Better World Since 1952
mailbox@chfhq.org
www.chfhq.org

Report #1
June 2000

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ATTACHMENT 9

THE LETTER OF UNDERSTANDING
BETWEEN CHF AND AFESIS-CORPLAN

LETTER OF UNDERSTANDING
Between AFESIS-CORPLAN and
THE COOPERATIVE HOUSING FOUNDATION /SOUTH AFRICA

This Letter of Understanding entered into as of this ____ day of April 1999 between AFESIS-CORPLAN (hereinafter referred to as Corplan), a private not for profit South African community and housing development and training organization, located at Bomarc House, Gladstone Street, East London, South Africa and THE COOPERATIVE HOUSING FOUNDATION / SOUTH AFRICA (hereinafter referred to as CHF), a private, non-profit, non-partisan housing and economic development and technical assistance agency working internationally, with its head office located at 8300 Colesville Road, Silver Spring, MD 20910, U.S.A., and its South African organization registered as a not for profit organization and located at Pier 14, Third Floor, 444 Govan Mbeki Avenue, Port Elizabeth, both hereinafter referred to as the parties.

WHEREAS CHF, in pursuance of its aims and objectives of fostering social, housing and economic development programs and projects internationally, is prepared to work in partnership with Corplan in compliance with its Cooperative Agreement # FAO-A-00-00016-00 with the United States Agency for International Development (USAID) signed in Washington, D.C. on June 20, 1997. Which agreement is for the purpose of promoting and strengthening cooperative housing systems in Poland, the Philippines and South Africa.

WHEREAS Corplan, in pursuance of its mission of promoting people-centered cooperative housing and capacity-building cooperative management training, welcomes such partnership.

WHEREAS the two parties believe that by combining resources they can more effectively assist the delivery of housing for lower income families in East London and promote the principles of cooperative housing.

THEREFORE, Corplan and CHF do hereby agree to the following general expression of their intentions with respect to the development of this partnership and the objective of establishing housing cooperatives to build housing for lower income families in East London.

Terms of Collaboration

The parties agree that the focus of the partnership is to implement the construction of approximately 200 houses for lower income families in East London. It is also understood that the organizational structure for the implementation of this housing will be a registered cooperative, established for the purposes of developing and managing housing cooperatives, and that the housing to be built will be owned, for the initial four years or longer, by housing cooperatives to be established for this

purpose, with approximately 20 houses/members per cooperative.

The Cooperative Development Programme (CDP) in South Africa has three main components:

- To assist in the development of a pilot cooperative housing project;
- To be involved in the formulation of national policies for cooperative housing;
- To provide educational information, specifically: to promote cooperative housing and the principles of cooperative housing to CBOs, NGOs and government officials; to compile a library of information about cooperative housing and to compile a manual available to the public detailing how to develop a cooperative housing project.

CHF agrees, as part of meeting these objectives, that the CDP Programme Manager will provide assistance with this pilot project in East London:

- By providing advice on the creation of the appropriate organizational structures;
- By reviewing and commenting on the legal structures proposed;
- By sharing lessons learned in developing housing cooperatives in Canada;
- By providing information and advice on the on-going management of the housing cooperatives.

Corplan agrees to:

- Provide working space in their offices to accommodate the Programme Manager;
- Brief the Programme Manager about all aspects of the development;
- Provide over-night accommodation for the Programme Manager, when necessary.

CHF agrees to provide technical advice regarding the Assisted Self-Help Building Process that has been developed by CHF to build housing for lower income families in the Port Elizabeth area. This advice will be provided by the Technical Services Centre located in Port Elizabeth.

Corplan agrees to provide the Programme Manager with notes and documentation dealing with this pilot project so CHF/CDP may prepare a manual available to the public outlining the steps to take to develop a housing cooperative.

This agreement will be effective for one year from the date of signing and may be renewed each year on that date.

The two parties show their agreement with the terms stated herein by affixing their signatures below.

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CHF/CDP
Hilary Stewardson
Programme Manager

AFESIS-CORPLAN
Ronald Eglin
Development Planner, Housing Unit