



AGENCY FOR INTERNATIONAL DEVELOPMENT

**FY 1974 Program Presentation
to the Congress**

**INDOCHINA POSTWAR
RECONSTRUCTION ASSISTANCE**

INDOCHINA POSTWAR RECONSTRUCTION

We are hopeful that an effective cease-fire throughout Indochina will bring a long and bitter chapter to a close. The considerable energies of the peoples of Indochina then can turn toward reconstruction and the peaceful development of their countries. While the cease-fire is not fully effective and the peace we seek is not fully in hand, economic assistance from the United States is an essential component in the successful transition from war to peace.

We propose an FY 1974 program of \$630.9 million, under a new Part V of the Foreign Assistance Act of 1961, as amended, entitled Indochina Postwar Reconstruction. In preceding years, economic assistance for this area of the world has been provided, by and large, from Supporting Assistance.

SUMMARY (\$ millions)

| | <u>FY 1972</u> <u>Actual</u> | <u>FY 1973</u> <u>Estimated</u> | <u>FY 1974</u> <u>Proposed</u> |
|------------------------------|---------------------------------|------------------------------------|-----------------------------------|
| South Vietnam | \$385.0 | \$313.0 | \$475.0 |
| Cambodia | 37.1 | 68.0 | 75.0 |
| Laos | 47.3 | 45.0 | 55.0 |
| Regional Development Program | .3 | 2.4 | 9.0 |
| Interregional Support Costs* | <u>12.3</u> | <u>16.3</u> | <u>16.9</u> |
| Total | 482.0 | 444.7 | 630.9 |

*Interregional Support Costs are divided for FY 1974 between Indochina \$16.9 million, and Supporting Assistance, \$2.3 million. Figures shown for FY 1972 and 1973 are the Supporting Assistance contribution. Interregional Support Costs are a pro-rata share of A.I.D.'s world-wide technical and administrative activities which support the Indochina program.

The first tasks are those of dealing with the direct and immediate consequences of the war. The most urgent of these is to provide temporary sustenance, food, shelter and medical care for refugees and other victims of the war until they can resume normal and productive lives. Such emergency relief programs have been going on for some years amidst the fighting. They must continue for some time to come but now the emphasis can shift to resettlement. There are other problems on the human side as well. Those wounded in war, both military and civilian, need further help, as do orphans and other children of families torn apart. Although much attention has been given to emergency medical care during the years of war, major medical rehabilitation, education and training of these direct victims of the war still require significant efforts.

The tasks of rehabilitation and reconstruction arise next. Homes, schools, hospitals, and bridges need to be rebuilt. On another level, the many years of open warfare have taken a heavy toll in Indochina. Much land, once highly productive, has reverted to jungle, and long neglected water control dikes must be renewed if land is to be returned to production. Most of the refugees now in temporary sites will return home to rebuild. For other refugees, as well as for many of those who moved to crowded cities in search of relative security, resettlement on land restored to productive use offers the best prospect for the future.

The countries of Indochina can now in varying degrees, turn to development for the future. While they must first heal the wounds of war, the tasks of reconstruction and those of development are not entirely separate and distinct. Indeed, in some part they are one and the same. Land returned to fruitful cultivation is a necessary task of reconstruction and is also a priority for development. The restoration of a bridge blown up in battle is reconstruction, and also vital if peaceful commerce is to flourish. The return of people to peaceful economic pursuits is essential to their rehabilitation and to the future economic growth of their countries. In short, while reconstruction is a requisite to development, the beginning of development will permit rehabilitation of the economies and societies of the Indochina countries.

Details of the U.S. assistance program proposed for Indochina are contained in the individual sections on Vietnam, Laos, Cambodia and the Southeast Asia Regional Program. The \$475 million budget level for Vietnam was developed before the January 28 ceasefire and does not take fully into account the needs for reconstruction, rehabilitation, and development which have emerged since that time. When the planning for these additional requirements has been completed, the appropriate budgetary changes will be submitted to the President for decision and subsequent recommendation to the Congress. In the meantime, the program described below is a minimal one designed to keep vital activities going.

The need for large numbers of Americans in our programs in Indochina will decline in the year ahead. There are some 800 Americans employed by A.I.D. in South Vietnam at this time, down from the peak of over 2,400 a few years ago. We expect this to be about 680 at the close of FY 1973 and further reductions are proposed for FY 1974. Similar reductions are to be made in Laos, while the Cambodia Mission will remain small.

OTHER DONORS

The people of Indochina can and must undertake and perform most of the effort, in largest part, by themselves. The United States and others can assist effectively only in a limited number of ways. The primary assistance others can supply in Indochina is import financing with which South

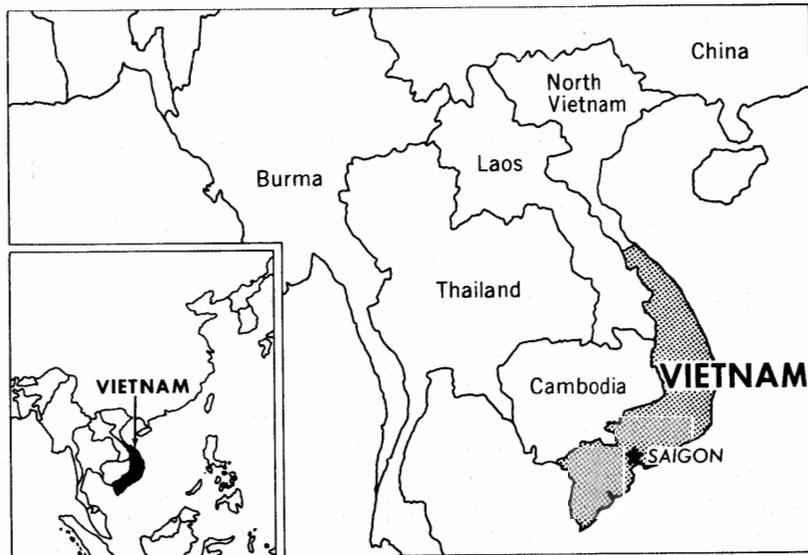
Vietnam, Cambodia and Laos can obtain the imports vital to rebuilding and, for emergency relief, to tide refugees and others over until they can resume productive lives.

In all three countries, the war has completely disrupted their export industries with the consequence that the short-term requirements for foreign exchange are extraordinarily high. And without a high level of imports, economic chaos would be the inevitable result with all that implies for the political and social structures of these countries.

A number of other donors including Japan, Australia and several European countries, as well as the multilateral development banks and agencies, have indicated an interest, and a willingness, to enlarge their assistance in Indochina. Considerable uncertainties in Indochina, including whether a ceasefire can be reached in Cambodia and will be observed in Vietnam and Laos, continue to inhibit others from providing assistance as rapidly as they might. By FY 1974, however, we believe that other donors should be prepared to go forward with more significant amounts of aid.

The United States, of course, strongly supports multilateral coordination of aid wherever that is practical and acceptable to the recipient country and the other donors. South Vietnam has indicated its interest in a Consultative Group which will assure coordinated economic analysis and overall program coordination, while leaving responsibility for its own assistance programs in the hands of each donor. The framework for such groups exists in the multilateral exchange support mechanisms now operating for Cambodia and for Laos.

VIETNAM - GENERAL ECONOMIC DATA



CENTRAL GOVERNMENT FINANCES (FY Ending December 31)

| | Billions Piasters | | Millions Dollars* |
|--|----------------------|---------|----------------------|
| | 1971 | 1972 | 1972 |
| Total Expenditures ^a | 274.2 | 355.0 | 888 |
| (Defense Expenditures | (155.2) | (205.0) | (512) |
| (Capital Outlays) | n.a. | n.a. | n.a. |
| Total Domestic Revenues ^b | 180.1 | 172.1 | 430 |
| As Percent of GNP | n.a. | n.a. | n.a. |
| Deficit (-) or Surplus (+) | -94.1 | -182.9 | -458 |

* - Converted at 400 piasters per U.S. dollar. n.a. - Not available.

a - Excludes Trust and Special Funds administered by U.S. Government. b - Includes customs and austerity taxes on imports.

BASIC DATA

| | | | |
|---|------|------------------------------------|-------|
| Population (millions; mid-1972) | 19.3 | Per Capita GNP (1971; dollars) ... | 175 |
| Annual Growth Rate (percent) | 2.6 | Life Expectancy (years) | 50 |
| Area (1,000 square miles) | 66 | People per Doctor | 9,200 |
| Population Density per Square Mile .. | 292 | Literacy Rate (percent) | 65 |
| Agricultural Land as % of Total Area .. | 33 | Students as % of 5-19 Age Group . | 58 |
| % Civil. Labor Force in Agriculture . | 65 | (Primary & Secondary) | |

PRODUCTION TRENDS

| | 1968 | 1969 | 1970 | 1971 | 1972 Est. |
|--|-------|-------|-------|-------|-----------|
| Agricultural Production | | | | | |
| Total Index (1961-65=100) | 84 | 94 | 103 | 113 | 111 |
| Index Per Capita (1961-65=100) | 74 | 81 | 86 | 92 | 88 |
| Rice, rough (1,000 MT) | 4,370 | 5,120 | 5,720 | 6,320 | 6,220 |
| Industrial Production Index (1963=100) ... | 148 | 184 | 210 | 216 | 206 |

INTERNATIONAL TRADE (\$ millions) (Exchange record data)^a

| | | | | | |
|------------------------------|------|------|------|------|------|
| Total Exports (f.o.b.) | 42 | 33 | 13 | 15 | 23 |
| Total Imports (c.i.f.) | -669 | -853 | -779 | -803 | -760 |
| Trade Balance | -627 | -820 | -766 | -788 | -737 |

GOLD & FOREIGN EXCHANGE (\$ millions)[†]

| | | | | | |
|---------------------------------------|-----|-----|-----|-----|---------|
| Official Reserves ^{††} | 279 | 227 | 242 | 269 | 266 |
| Commercial Bank Holdings | 27 | 30 | 32 | 21 | 11(Oct) |

| | | | | | |
|---|-----|-----|-----|-----|-----|
| USAID Retail Price Index ^{†††} | 408 | 539 | 698 | 798 | 981 |
| (Saigon, Jan. 1, 1965=100) | | | | | |

a - IMF "Balance of Payments Yearbook."

† - Gross basis, end of year. †† - Includes SRD's and IMF gold tranche position which amounted to \$21 million and \$17 million, respectively, at the end of December 1972.

††† - End of year data.

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| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|-------------------|----------------------|---------------------|
| | FY 1972 Actual | FY 1973 Estimated | FY 1974 Proposed |
| Humanitarian Assistance | 15.0 | 40.0 | 85.0 |
| Reconstruction - Rehabilitation | - | - | 50.0 |
| Development | 31.0 | 30.0 | 48.0 |
| Commercial Import Program | 313.0 | 223.0 | 275.0 |
| Technical Support | 26.0 | 20.0 | 17.0 |
| Total | 385.0 | 313.0 | 475.0 |
| Narcotics | .5 | .5 | .2 |
| Population | 1.1 | 1.3 | 1.5 |

OBJECTIVES OF U.S. ASSISTANCE

Within the context of overall U.S. objectives in Vietnam, A.I.D.'s goals are:

- to assist the Government of Vietnam in caring for refugees and other war victims, including help in resettling these people in their former villages or in other areas where they can make a living;
- to assist the Vietnamese in reconstructing vital public and private facilities destroyed in the course of the war;
- to help Vietnam develop its economy in a manner which will lead to eventual economic self-sufficiency; and
- to help provide sufficient imported resources to sustain the people and the economy of Vietnam at a reasonable level during the transition from war to peace.

SITUATION IN CY 1972

During the first quarter of 1972 encouraging progress was made in South Vietnam following major economic reforms instituted in the fall of 1971. The economy showed signs of increased vitality and growth with prices relatively

stable, exports up, rice production at near record levels, and greater interest being displayed by both local and foreign investors.

The economy received a serious setback, however, when the North Vietnamese invaded the South at the end of March. Over one million refugees were created, production dipped, and prices rose. Despite a substantial increase in tax collections, the budget deficit nearly doubled because of increased expenditures on refugees and defense. At the same time the Government of Vietnam received less foreign exchange due to the decline in expenditures by the U.S. military as forces were withdrawn.

By the end of 1972, some of the setbacks of the spring and summer had been overcome. South Vietnamese forces had taken over the entire responsibility for ground action and succeeded in not only stopping the North Vietnamese but in retaking certain strategic areas previously overrun. The economy registered a modest degree of recovery with exports (especially timber and shrimp) showing a sharp increase. Revenues from domestic taxes rose 38 percent during the year while prices increased only 23 percent. The extensive land reform program remained on schedule despite the disruption caused by the invasion and most social services continued to be provided at close to previous levels. Considerable support was provided for refugees assigned to camps and many thousands were helped to return home or resettle in new locations.

CURRENT SITUATION

The signing of the ceasefire agreement in late January has significantly altered the situation. U.S. troops have been withdrawn, POWs were returned on schedule, and bombing of North Vietnam has ceased. Fighting has continued, but generally the encounters are limited to clashes between small units. Certain villages and districts in contested areas continue to come under the control of first one side and then the other, but on balance the status of the bulk of the population remains as it was at the time of the ceasefire.

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Gradually business and investor confidence is returning as it becomes evident that the country can survive without U.S. troops. Imports were down but since February they have begun to show a sharp upturn. Retail prices have risen approximately 10 percent since the first of the year primarily because of continuing adjustments in exchange rates and taxes as the Government has taken steps to control its deficit.

Since the ceasefire many nations have expressed interest in assisting in reconstruction, and foreign investors have become more active in exploring investment opportunities, although to date this interest is still largely at the inquiry stage. These potential investors and donors are expected to provide financial resources when they become convinced that political and military stability will be maintained.

PROGRESS TO DATE

In FY 1973 under a Continuing Resolution which greatly restricted fund availabilities, A.I.D.'s program in Vietnam has been limited to meeting basic requirements for refugees and other war victims, continuing a decreasing technical assistance program and financing a reduced import program. With over one million new refugees generated by the North Vietnamese invasion, it was necessary to shift considerable A.I.D. resources in order to maintain living conditions in refugee camps at tolerable levels and insure that refugee families received adequate benefits both while in camps and upon return to their villages. The \$10 million originally budgeted for this activity, including health services, was insufficient and an additional \$30 million was shifted from other programs to refugee relief. Overall, A.I.D. funds have not been sufficient to offset the drop in Vietnamese foreign exchange earnings from U.S. Defense Department expenditures and as a result, Vietnamese foreign exchange reserves are expected to drop 20 percent from January to June 1973.

In addition to those made homeless by the fighting, many civilians were killed or wounded. The Ministry of Defense

detailed an additional 184 physicians serving in the armed forces to the Ministry of Health (MOH) so that there are now about 700 medical doctors employed full time in the civilian health care system. In a continuing effort to improve health care, A.I.D. has made doctors and medical supplies available to the Ministry of Health for use in provincial and urban hospitals. In addition A.I.D. has continued its support to the National Center for Reconstructive and Plastic Surgery. In 1972 all nursing services for the Center were being provided by Vietnamese, and it appears likely that total operation of the Center can be assumed by the MOH by the end of FY 1974. Over 12,500 prosthetic devices were fitted or repaired at four centers during 1972 and ten new therapy and rehabilitation centers will be opened in 1973.

A.I.D. carried out a number of development activities during FY 1973 in spite of the continued hostilities. In agriculture, despite the increase in acreage devoted to the new high-yielding varieties of rice, total rice production was down from the previous year because of the North Vietnamese invasion and inadequate rainfall in many of the most important rice producing provinces. On the brighter side, acreage and production of feed grains increased, livestock (poultry and swine) production made a fine recovery in the second half of the year, 14 new private rural banks were established, and total savings and loans showing sharp increases. In the agro-business field, Vietnam's first pesticide plant became operational, grain thresher and dryers began to be produced locally and plans are being made for in-country blending of fertilizers.

Progress in the Land Reform program was exceptionally good during 1972 as the invasion failed to obstruct the transfer of ownership of rice land to those tenant farmers working the land. During the past year titles to over one million acres were distributed, bringing the total area transferred during the past three years to over 2,500,000 acres which was the established goal of this program. An A.I.D.-financed study of the effects of the program concluded that it has succeeded in (1) shifting income from

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the few wealthy landowners to many poor tenant farmers, (2) greatly reducing economic and social inequalities among villagers, (3) generating greater support for the central government, and (4) creating greater demand for technological improvements. On balance, the Vietnamese land reform program has been one of the most rapidly implemented and successful in the world.

Despite the fact that 1972 was a year of recession in Vietnam, many organizational and financial steps were taken which will provide a sounder base for development and also will help to expand exports. In March a National Economic Development Fund was created with an initial capital of 14 billion piasters (\$30 million) from counterpart funds generated with U.S. assistance. These funds will be lent to intermediate credit institutions including commercial banks for relending to private entrepreneurs for medium and long range productive investments. Other organizational improvements involve an Investment Service Center and a Vietnamese Management Association. A new investment law enacted in June 1972 offers many inducements to investors, both foreign and Vietnamese.

During the year the tax structure was entirely revised and simplified. Tax rates, especially on consumption items, were increased and the entire system overhauled. Instead of a total of 26 different taxes, there now are 9, while the administration of the new property tax has been assigned to local governments. The income tax withholding system has been expanded, a self-assessment system developed, and enforcement and administration procedures have been strengthened and modernized. Local revenue collections increased at an unprecedented rate despite the difficulties caused by the invasion. Internal tax collections (excluding customs) were 38 percent greater than in 1971, 8 percent more than originally planned.

These institutional changes along with maintenance of the piaster at a realistic rate of exchange have helped expand exports by 50 percent in value over 1971, from \$15 million to \$23 million. The chief products involved were fish (mainly shrimp) and lumber. This upward trend

for exports is continuing in 1973, with first quarter shipments of \$11 million almost equal to total exports for 1971.

A major achievement in 1972 was the completion of a 4-year plan by the Ministry of National Planning and Development. The Plan, almost entirely the work of Vietnamese, will be useful both in guiding Vietnamese decision-makers and in obtaining support from the international community.

PROPOSED FY 1974 PROGRAM

The ceasefire agreement signed on January 27, 1973 holds out the hope that South Vietnam will now be able to begin the transition from a war-time to a peace-time economy. Uncertainties remain regarding the progress toward peace, but it is our expectation that hostilities will continue to decline so that refugees can be resettled in permanent locations, reconstruction can be undertaken to repair damaged facilities, and capital can be expended to meet the longer term needs of the economy so that Vietnam will be able to move toward economic self-sufficiency. The Vietnamese economy is potentially vigorous, and there is every reason to believe that an adequate infusion of foreign assistance in a peaceful environment will have the same effect as did similar assistance to Korea some years ago.

The \$475 million budget level was developed before the January 28 ceasefire and does not fully reflect the needs for reconstruction, rehabilitation, and development which have emerged since that time. When the planning for these additional requirements has been completed, the appropriate budgetary changes will be submitted to the President for decision and subsequent recommendation to the Congress. In the meantime, the program described below is a minimal one designed to keep vital activities going.

Humanitarian Assistance: \$85,000,000

The most urgent requirement will be for funds to meet the needs of refugees, displaced persons, and other war

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victims. The highest priority will be given to assisting those families presently in refugee camps either to return to their home villages, or to resettle elsewhere on new lands with high potential for economic development. In addition to assisting "in-camp" refugees to resume independent lives, the Government will assist other former refugees and displaced persons to return home from the cities or other temporary resettlement areas where they took refuge during the war. Generally, this assistance will include transportation home or to the resettlement site, provision of temporary shelter, a housing reconstruction allowance, assistance in clearing the land and preparing it for planting, food allowances until the first harvest, and allowances for agricultural equipment and miscellaneous household needs. In addition to these benefits which directly assist each family, other Government programs assisted by A.I.D. will insure that each community will have the necessary water supply, sanitation facilities, classrooms, dispensaries, markets and other essential public facilities and utilities.

We propose to allocate \$77 million to support refugee programs in FY 1974. In proposing this amount, we have taken into consideration Vietnamese resources and capabilities, possible assistance from other donors and all other factors bearing on the decision of the people to return to the rural areas and the rate at which their return can be accomplished. Of this amount, \$30 million will be required to return refugees to their home villages; \$20 million will be used to resettle other refugees on new lands; \$25 million is needed for temporary relief for in-camp refugees waiting to return home or resettle; and \$2 million will be required to finance technical assistance to the Ministry of Social Welfare Refugee Directorate.

In addition we propose \$5.5 million to provide specialized technical assistance (\$2.6 million), and medical supplies and equipment (\$2.9 million) for the Ministry of Health in order to help care for civilian war casualties and other civilians in need of health services.

In addition we propose a sum of \$2.5 million for social

welfare activities, principally child care including allowances for orphanages, day-care centers and adoption programs, and continued financial support for International Social Services of America to facilitate inter-country adoptions. U.S. assistance to these humanitarian programs also includes the donation of surplus foodstuffs under PL 480 Title II. This program, which supplies flour, bulgar, vegetable oil, and blended food products, will total approximately \$5 million in FY 1974.

Other nations and organizations are also providing assistance to child care, health, and to a lesser extent refugees. For example, seventeen U.S. voluntary agencies support programs in Vietnam with particular emphasis on children and those afflicted with various illnesses. (See Non-U.S. aid.)

Summary of A.I.D. Humanitarian Assistance

| | |
|------------------|--------------------|
| Refugee Support | \$77.0 million |
| Health Needs | 5.5 million |
| Child Care | <u>2.5 million</u> |
| Total | \$85.0 million |
| Title II, PL 480 | 5.0 million |

Reconstruction: \$50,000,000

The second priority will be to restore those public and private facilities damaged by the war which are necessary for economic recovery and growth.

The most immediate reconstruction needs facing South Vietnam today stem from the North Vietnamese invasion in the spring of 1972. Serious disruption was caused to lines of communications (roads, bridges, culverts, canals), medical facilities (hospitals, dispensaries, clinics), child-care facilities (orphanages, day-care centers), schools and a variety of village facilities (administrative offices, training centers, markets, wells) as well as private dwellings.

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The long war has also taken a heavy toll on agricultural facilities including orchards and plantations, dikes which prevented salt water intrusion, and canals for both irrigation and transportation. A major program to rebuild these facilities will have to be started if agriculture is to regain its pre-war level of output and resume its role as the main source of foreign exchange earnings and savings.

A.I.D.'s reconstruction and rehabilitation policy is to help Vietnam replace what is needed for the longer-run development of the country, not simply to rebuild whatever was destroyed. We are proposing an A.I.D. contribution in FY 1974 of \$50,000,000 toward the reconstruction of roads and bridges, facilities in support of the refugee return-to-village program, rehabilitation of orchards and plantations, health facilities, and educational and training facilities in other than resettlement areas. The Government gives high priority to the reconstruction of these facilities and wants to begin the task during FY 1974.

Summary of Reconstruction & Rehabilitation

(\$ millions)
estimates

| | |
|------------------------------|----------|
| Roads and Bridges | 20 |
| Canals and Dikes | 5 |
| Return-to-Village Facilities | 15 |
| Orchards and Plantations | 5 |
| Health Facilities | 3 |
| Education Facilities | <u>2</u> |
| Total | 50 |

Development: \$48,000,000

It is equally important that Vietnam move rapidly to expand its productive output so that, over time, it can both improve the living standards of its people and reduce its dependence on imports financed through foreign aid. Vietnamese economic policies now encourage

investment through realistic exchange rates, export subsidies, financial advantages for approved investments, and expanded credit facilities. Foreign assistance, however, is still required, now and in the near future, to assure a level of capital expansion sufficient to encourage the growth of local production to the point where it can be self-sustaining. We propose to support Vietnamese development activities through a series of capital and technical programs. The largest amount (\$25 million) is a contribution to the National Economic Development Fund (NEDF) which will provide financing for capital expansion of private enterprise. The Government of Vietnam believes the most rapid expansion of output and the most productive creation of employment opportunities will come from the many relatively small agricultural and industrial projects which local and foreign entrepreneurs are now considering subject to the availability of capital from the NEDF or similar institutions. We view the NEDF as the logical recipient of A.I.D. development fund as well as funds from other national and international financial institutions.

We are requesting \$8 million for a U.S. contribution to a bridge over the Mekong at My Thuan. This project, at a total cost of approximately \$30 million, will facilitate movement of rice and other products from the rich Mekong Delta to the rest of the country. Other aid donors are expected to support this project, which is sponsored by the Mekong Committee.

In addition to capital projects, we are proposing to continue a series of technical assistance projects concerned with agriculture, rural development, industry, public administration, engineering, labor, education, and logistics for a total of \$15 million. These projects are designed to increase the ability of the Vietnamese to plan their economic future, improve governmental services, and increase domestic output.

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Summary of Development Assistance

| | |
|-------------------------|-----------|
| <u>Capital Projects</u> | \$33 |
| NEDF | \$25 |
| My Thuan Bridge | 8 |
| Technical Assistance | <u>15</u> |
| Total | \$48 |

Commercial Import Program: \$275,000,000

The transition from war to peace must of necessity be a gradual one, and the general import financing needed during the war years can only be phased down gradually. An assured flow of goods and services into Vietnam permits local businesses to continue to operate and expand, thereby increasing employment opportunities and broadening the tax base. In the face of greatly increased needs for a wide variety of imported goods at a time when local production for export has been curtailed by the war, South Vietnam will continue to require foreign assistance for the next few years to maintain the flow of goods needed for production, investment and consumption.

In recognition of these needs, A.I.D. proposes \$275 million if a stable environment is to be maintained and the renewal of confidence effected. We expect the import situation to be particularly acute in FY 1974 in view of the limited A.I.D. resources available in FY 1973.

In addition we anticipate a program of agricultural commodities under PL 480 Title I estimated at \$150 million which will supply wheat, rice, corn, vegetable oil, cotton, tobacco and tallow. The bulk of the local currencies paid to the United States for these commodities will be granted to the Government of Vietnam for defense purposes under Section 104 (c) of PL 480.

Technical Support: (\$17,197,000)

In this category of activities we seek funds for 260

administrative and program personnel not attributable to a specific project but who support several or all of the four major A.I.D. programs in Vietnam (\$10,000,000). In addition, funds are requested for the purchase of a wide range of services including building and vehicle repairs, machine rentals, air transportation and safety, and printing costs, to mention the more important (\$4,200,000). We will also be required to replace various equipment, furnishings and vehicles (\$773,000), and provide training to Vietnamese in administrative and programming skills (\$724,000). Finally, it will be necessary to support those dependents still in Manila, Taiwan and Bangkok until they can be transferred to Saigon or returned to the United States (\$1,500,000).

NON-U.S. AID

Non-U.S. economic and technical assistance to South Vietnam in 1972 at \$55 million was about one-third less than the previous year. Both grant and loan aid were down largely as a result of the unstable conditions created by the North Vietnamese invasion. Since the ceasefire agreements considerable interest has been shown by numerous other countries in assisting the rebuilding of Indochina. In all likelihood Japan will be the largest single contributor, with participation by Western European nations and international organizations such as the Red Cross, United Nations, IBRD and the Asian Development Bank.

The United States intends to encourage participation by others, and progress so far is encouraging. However, programs of financial aid take time to formulate and implement, and the major impact of increased contributions is not expected to be felt until after FY 1974.

U.S. PERSONNEL

The reduction of the number of American employees working for A.I.D. in Vietnam continues. In keeping with the articles of the ceasefire agreement, A.I.D. has terminated its assistance to the National Police and to the Vietnamese Corrections System, and the joint military-

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civilian operation known as CORDS has been abolished. Certain activities formerly carried out under CORDS such as War Victims Relief and Rural Development were transferred to the U.S. A.I.D. Mission. Other reporting and field management functions have been transferred temporarily to a Special Assistant to the Ambassador for Field Operations (SAAFO) in order to facilitate the shift of our field operations to four consulates. Last year it was anticipated that A.I.D. would have about 833 Americans in Vietnam on June 30, 1973. That estimate has now been reduced to 680 and during FY 1974 we expect to further reduce the number of U.S. Government employees in Vietnam.

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(U.S. Fiscal Years - Millions of Dollars)

| PROGRAM | U. S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS | | | | | | | | | | | | REPAY- MENTS AND INTEREST 1946- 1972 | TOTAL LESS REPAY- MENTS AND INTEREST | |
|--|---|----------------------------|-------------------------------------|-------------------------------|---------|-----------------|---------|---------|---------|---------|---------|-------------------------------------|---|---|--|
| | POST-WAR RELIEF PERIOD | MARSHALL PLAN PERIOD | MUTUAL SECURITY ACT PERIOD | FOREIGN ASSISTANCE ACT PERIOD | | | | | | | | | | | TOTAL LOANS AND GRANTS 1946-1972 |
| | 1946-1948 | 1949-1952 | 1953-1961 | 1962-1965 | 1966 | 1967 | 1968 | 1969 | 1970 | 1971 | 1972 | TOTAL FAA PERIOD 1962-1972 | | | |
| ECONOMIC PROGRAMS | | | | | | | | | | | | | | | |
| A. OFFICIAL DEVELOPMENT ASSISTANCE | | | | | | | | | | | | | | | |
| A.I.D. AND PREDECESSOR AGENCIES - TOTAL | | | 1,469.9 | 658.1 | 593.5 | 494.4 | 398.2 | 314.2 | 365.9 | 387.7 | 386.8 | 3,598.8 | 4,721.2 ^{b/} | 86.6 | 4,634.6 |
| Loans | | | 95.2 | - | - | - | - | - | - | - | - | - | 90.0 | 86.6 | 3.4 |
| Grants | | | 1,374.7 | 658.1 | 593.5 | 494.4 | 398.2 | 314.2 | 365.9 | 387.7 | 386.8 | 3,598.8 | 4,631.1 | - | 4,631.1 |
| (Supporting Assistance) | | | (1,397.5) | (622.2) | (583.1) | (489.8) | (391.8) | (299.1) | (361.0) | (383.9) | (385.2) | (3,516.1) | (4,588.2) | - | - |
| FOOD FOR PEACE - TOTAL | | | 78.3 | 193.5 | 143.0 | 73.7 | 138.5 | 99.4 | 110.8 | 188.0 | 67.8 | 1,014.7 | 1,093.2 | 0.6 | 1,092.6 |
| Title I - Total | | | 16.4 | 126.2 | 98.2 | 73.3 | 96.6 | 60.8 | 75.6 | 164.9 | 62.5 | 728.1 | 774.5 | 0.6 | 773.9 |
| REPAYABLE IN U.S. DOLLARS - LOANS | | | - | - | - | - | - | - | - | - | - | - | 59.2 | - | 59.2 |
| PAYABLE IN FOREIGN CURRENCY - Planned for Country Use | | | 16.4 | 126.2 | 98.2 | 73.3 | 96.6 | 60.8 | 75.6 | 164.9 | 3.3 | 698.9 | 715.3 | 0.6 | 714.7 |
| (Total Sales Agreements, including U.S. Uses) | | | (22.2) | (140.2) | (113.7) | (138.7) | (122.9) | (77.6) | (103.7) | (206.0) | (4.1) | (906.9) | (929.2) | (-) | (929.2) |
| Title II - Total | | | 61.9 | 67.3 | 44.8 | 0.4 | 41.9 | 38.6 | 35.2 | 23.1 | 5.3 | 256.6 | 318.7 | - | 318.7 |
| EMERGENCY RELIEF, ECON. DEVELOPMENT & WORLD FOOD | | NO PROGRAMS | 0.7 | 51.7 | 38.6 | - | 41.7 | 38.2 | 35.2 | 23.1 | 4.8 | 233.3 | 234.2 | - | 234.2 |
| VOLUNTARY RELIEF AGENCIES | | PRIOR | 61.2 | 15.6 | 6.2 | 0.4 | 0.2 | 0.4 | - | - | 0.5 | 23.3 | 84.5 | - | 84.5 |
| OTHER OFFICIAL DEVELOPMENT ASSISTANCE | | TO FY 1954 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PEACE CORPS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| OTHER | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL OFFICIAL DEVELOPMENT ASSISTANCE | | | 1,548.2 | 851.6 | 736.5 | 568.1 | 536.7 | 413.5 | 476.7 | 575.7 | 454.6 | 4,613.4 | 5,814.4 | 87.2 | 5,727.2 |
| Loans | | | 100.6 | - | - | - | - | - | - | - | 59.2 | 59.2 | 154.6 | 87.2 | 67.4 |
| Grants | | | 1,447.6 | 851.6 | 736.5 | 568.1 | 536.7 | 413.5 | 476.7 | 575.7 | 395.4 | 4,554.2 | 5,659.7 | - | 5,659.7 |
| B. OTHER OFFICIAL ECONOMIC PROGRAMS | | | | | | | | | | | | | | | |
| EXPORT-IMPORT BANK LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| OTHER LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL OTHER OFFICIAL LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL ECONOMIC PROGRAMS | | | 1,548.2 | 851.6 | 736.5 | 568.1 | 536.7 | 413.5 | 476.7 | 575.7 | 454.6 | 4,613.4 | 5,814.4 | 87.2 | 5,727.2 |
| Loans | | | 100.6 | - | - | - | - | - | - | - | 59.2 | 59.2 | 154.6 | 87.2 | 67.4 |
| Grants | | | 1,447.6 | 851.6 | 736.5 | 568.1 | 536.7 | 413.5 | 476.7 | 575.7 | 395.4 | 4,554.2 | 5,659.7 | - | 5,659.7 |
| MILITARY PROGRAMS | | | | | | | | | | | | | | | |
| MILITARY ASSISTANCE - (Charged to FAA Appropriation)^{c/} | | | 508.8 | 873.2 | 94.3 | - ^{d/} | - | - | - | - | - | 967.5 | 1,476.3 | - | 1,476.3 |
| Credit Sales (FMS) | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants | | | 508.8 | 873.2 | 94.3 | - | - | - | - | - | - | 967.5 | 1,476.3 | - | 1,476.3 |
| MILITARY ASSISTANCE SERVICE-FUNDED GRANTS | | | - | 34.0 | 767.5 | 1,203.5 | 1,054.5 | 1,608.2 | 1,684.1 | 1,874.5 | 2,159.5 | 10,385.8 | 10,385.8 | - | 10,385.8 |
| TRANSFERS FROM EXCESS STOCKS | | | 17.5 | 50.6 | 0.2 | - | - | - | - | - | - | 50.8 | 68.2 | - | 68.2 |
| OTHER GRANTS | | | - | - | - | - | - | - | 8.5 | 8.0 | 223.1 | 239.6 | 239.7 | - | 239.7 |
| EXPORT-IMPORT BANK MILITARY LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL MILITARY PROGRAMS | | | 526.3 | 957.8 | 862.0 | 1,203.5 | 1,054.5 | 1,608.2 | 1,692.6 | 1,882.5 | 2,382.6 | 11,643.7 | 12,169.9 | - | 12,169.9 |
| TOTAL ECONOMIC AND MILITARY PROGRAMS | | | 2,074.5 | 1,809.4 | 1,598.5 | 1,771.6 | 1,591.2 | 2,021.7 | 2,169.3 | 2,458.2 | 2,837.2 | 16,257.1 | 17,984.3 | 87.2 | 17,897.1 |
| Loans | | | 100.6 | - | - | - | - | - | - | - | 59.2 | 59.2 | 154.6 | 87.2 | 67.4 |
| Grants | | | 1,973.9 | 1,809.4 | 1,598.5 | 1,771.6 | 1,591.2 | 2,021.7 | 2,169.3 | 2,458.2 | 2,778.0 | 16,197.9 | 17,829.6 | - | 17,829.6 |

^{a/} Less than \$50,000.

^{b/} Excludes aid to Indochina prior to partition.

^{c/} The cumulative total reflects deobligations; annual data represent total new obligations in that year.

^{d/} Annual data through FY 1963 are deliveries; subsequent years are annual program data. Totals for the entire period are cumulative program figures.

^{e/} Military assistance under the FAA was transferred to DOD service funding.

| ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS | | | |
|--|---------|---------|------------|
| TOTAL | FY 1971 | FY 1972 | FY 1946-72 |
| Asian Dev. Bank | 2.5 | 2.5 | 5.0 |
| UNDP - SF | - | * | 2.6 |
| UNDP - IA (CY) | 0.2 | 0.2 | 4.5 |
| Other UN (CY) | 0.1 | 0.5 | 4.4 |

| D.A.C. COUNTRIES (EXCLUDING U.S.) | | | |
|---------------------------------------|-------------|-------------|--------------|
| OFFICIAL BILATERAL GROSS EXPENDITURES | | | |
| DONOR | CY 1970 | CY 1971 | CY 1960-71 |
| TOTAL | 18.3 | 29.8 | 196.5 |
| Japan | 1.3 | 8.6 | 60.5 |
| France | 3.1 | 3.3 | 52.4 |
| Germany | 7.6 | 8.9 | 43.7 |
| Other | 6.3 | 9.0 | 39.9 |

| ASSISTANCE FROM COMMUNIST COUNTRIES | |
|-------------------------------------|---|
| (Loans and Grants Extended) | |
| 1971 (Calendar Year) | - |
| 1972 (Calendar Year) | - |
| Cumulative Thru 1972 | - |

SUMMARY OF PROGRAM BY FUNCTION
(Dollar Amounts in Thousands)

Country: VIETNAM

TABLE II

| Category | Actual FY 1972 | | | | Estimate FY 1973 | | | | Proposed FY 1974 | | | |
|--|----------------|-------------|---------------|-------|------------------|-------------|---------------|-------|------------------|-------------|------------------------|-------|
| | Total | Dev. Grants | Supp. Assist. | Other | Total | Dev. Grants | Supp. Assist. | Other | Total | Dev. Grants | Indochina Post. Recon. | Other |
| Development Loan Program | - | XXX | XXX | XXX | | XXX | XXX | XXX | - | XXX | XXX | XXX |
| Programs Other than Devel. Loan | | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | | |
| U.S. Technicians | 52,791 | - | 52,324 | 467 | 45,189 | - | 44,768 | 421 | 27,598 | - | 26,715 | 883 |
| Participants | 3,699 | - | 3,572 | 127 | 3,673 | - | 3,529 | 144 | 4,009 | - | 3,859 | 150 |
| Commodities | 14,957 | - | 14,477 | 480 | 8,519 | - | 8,125 | 394 | 5,016 | - | 4,835 | 181 |
| Other Costs | 1,890 | - | 1,856 | 34 | 32,964 | - | 32,964 | 297 | 164,877 | - | 164,591 | 286 |
| Total Project Assistance * | 73,337 | - | 72,229 | 1,108 | 90,642 | - | 89,386 | 1,256 | 201,500 | - | 200,000 | 1,500 |
| Method of Financing | | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | | |
| Direct A.I.D. | 56,843 | - | 56,015 | 828 | 74,848 | - | 73,918 | 930 | 126,414 | - | 125,662 | 752 |
| Other Agency | 4,016 | - | 3,806 | 210 | 4,173 | - | 3,992 | 181 | 845 | - | 2,544 | 301 |
| Contract | 12,478 | - | 12,408 | 70 | 11,621 | - | 11,476 | 145 | 72,241 | - | 71,794 | 447 |
| Program Assistance | 313,000 | - | 313,000 | - | 224,000 | - | 224,000 | - | 275,000 | - | 275,000 | - |
| Total Other than Devel. Loan * | 386,337 | - | 385,229 | 1,108 | 314,642 | - | 313,386 | 1,256 | 476,500 | - | 475,000 | 1,500 |
| Total Assistance * | 386,337 | XXX | XXX | XXX | 314,642 | XXX | XXX | XXX | 476,500 | XXX | XXX | XXX |

* Totals do not include funds for International Narcotics Control amounting to \$500 in FY 1972, \$500 in FY 1973 and \$182 in FY 1974.

NUMBER OF U.S. TECHNICIANS (Program Overseas)

| TYPE OF TECHNICIAN | On Duty At Close of Year | | |
|----------------------------------|--------------------------|------------------|------------------|
| | Actual FY 1972 | Estimate FY 1973 | Proposed FY 1974 |
| A.I.D. employed | 912 | 606 | 491 |
| Participating agency | 67 | 74 | 64 |
| Contractor technicians | 130 | 128 | 135 |
| Total | 1,109 | 808 | 690 |

NUMBER OF PARTICIPANTS

| TYPE OF PARTICIPANT | Programmed During Year | | |
|------------------------|------------------------|------------------|------------------|
| | Actual FY 1972 | Estimate FY 1973 | Proposed FY 1974 |
| Non-contract | 1,168 | 852 | 827 |
| Contract | 55 | 30 | 35 |
| Total | 1,223 | 882 | 862 |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|----------------------------------|---|--------------------------------|--|
| PROJECT TITLE Crop Production | OBJECTIVE/ACTIVITY Agriculture | FUNDS IPR | |
| PROJECT NUMBER 730-11-130-314 | PRIOR REFERENCE P. B-13 FY 73 Security SA P.D.B. | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1977 |

Project Target and Course of Action: The objectives of this project are to help the Vietnamese increase production of rice, feed grains, edible oils, and fruits, and to develop the capacity to do research on all important field crops. The goal in rice is self-sufficiency including a production level which will allow for a between-season, carry-over stockpile. To accomplish this, production should reach about 7 million tons. Feed grains must increase to the point where they support a level of swine and poultry production which also eliminates the need for imports. This target is about 250,000 tons. Edible oils (peanuts and soybeans) are still in the research stage, as is the improved production of certain fruits and vegetables. It is planned to develop the latter crops for exports.

A.I.D.'s efforts in adaptive crop research will be undertaken with the Institute of Agricultural Research, a GVN agency responsible in part for charting the course of agricultural development under the current 5-year Rural Economic Development Plan. The targets of this subactivity are to train sufficient Vietnamese to do research in all major field and horticultural crops and to disseminate knowledge of modern growing methods and improved varieties to the farmers.

Progress to Date: Rice production last year (June 71-May 72) reached 6.2 million metric tons, but has still not caught up with increased demand. Current year production

may fall slightly below last year due to adverse weather conditions, as well as the high level of military activity throughout the final nine months of 1972. It is unlikely that self-sufficiency in rice will be achieved until security has been restored at least throughout the principal rice producing regions. Sorghum production reached 12,000 tons, or about one ton per hectare. This year's goal (1972-73) is to plant 30,000 hectares. An estimated 250 metric tons of seed corn were produced in 1972, the first year of commercial seed production. Two tons of improved peanut seeds were collected and distributed for multiplication. Peanut exports reached 58 tons. Durian, coconut, persimmon, ginger and black pepper have been selected for development and promotion as potential export crops. The Highland Agricultural Development Training Center was established to provide specialized training for Montagnard and Vietnamese highland farmers. Three rice production training courses were attended by 127 Montagnard cadres who will become extension agents in their home villages.

FY 1974 Program: To continue this project through FY 1974 \$1,188,000 will be required: 15 U.S. direct-hire advisors, \$600,000; a seven man PASA team, \$225,000; continuation of a contract to provide assistance in adaptive research on rice, \$85,000; participant training for 19 Vietnamese, \$108,000; commodities such as laboratory equipment, supplies and farm machinery, \$170,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-----------------|---------------------------|-------------------------|-------------------|----------------------|------------|--------------------------------|-----------------------|-------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| Through 6/30/72 | Estimated FY 73 | Estimated through 6/30/73 | Future Year Obligations | | Estimated Total Cost | Direct AID | | Contract Other Agency | Total | Direct AID | Contract Other Agency |
| | | | | | U.S. Technicians | 596 | 452 | 1048 | 600 | 310 | 910 |
| | | | | Participants | 109 | - | 109 | 108 | - | 108 | |
| | | | | Commodities | 361 | - | 361 | 170 | - | 170 | |
| | | | | Other Costs | | | | | | | |
| Proposed FY 74 | 1,188 | 1,645 | 33,229 | Total Obligations | 1066 | 452 | 1518 | 878 | 310 | 1188 | |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | |
|------------------------------------|--|--|
| PROJECT TITLE Animal Production | OBJECTIVE/ACTIVITY Agriculture | FUNDS IPR |
| PROJECT NUMBER 730-11-130-315 | PRIOR REFERENCE P. B-14 FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 |
| | | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: The objective of this project is to assist the Government of Vietnam to increase the nation's animal protein supply. The specific goals are: the establishment of commercial poultry enterprises in all four regions plus Saigon; the production of swine to the point where by FY 1975 the country can be self-sufficient; the increase in feed-mill capacity to 400,000 metric tons a year; and development of the capability within Vietnam to produce and distribute vaccines and other animal health products.

A.I.D. will give technical assistance in the selection, design and management of commercial poultry, swine and feed-mill enterprises. A.I.D. will also give technical and commodity assistance to a laboratory to test and study animal diseases and to facilities for vaccine production. A.I.D. will continue to train Vietnamese in the United States and to provide some purebred swine.

Progress to Date: Total in-country commercial hatch of day-old chicks exceeded 22 million in 1972, up 69 percent from last year. Broiler production reached 25 million compared with 17 million in 1971. Nearly 260,000 parent stock breeder birds were imported through A.I.D.'s Commercial Import Program. Pork production in 1972 exceeded 258,000 metric tons of dressed meat, up 65 percent from 1971. Imports of frozen and canned meat in FY 1972 were only \$63,000 as compared with \$5.5 million

in FY 1971. There are now 32 commercial feed-mix plants with a total annual capacity of 483,100 metric tons, based on 300 eight hour days. Four regional animal disease diagnostic laboratories have been established and four technicians have completed the necessary one year of training qualifying them to operate the laboratories. New improved hog cholera and rinderpest vaccines are in full production. Twenty-seven two-day animal health seminars were conducted to train Animal Health Chiefs from all the 44 provinces.

Construction of the National Livestock Training Center began in mid-CY 1972 and is scheduled for completion in the second quarter of CY 1973. The Center will have production training facilities for 100 at a time. It will also operate the National Feeds Analysis Laboratory.

FY 1974 Program: This project will require funds for five U.S. technicians, \$212,000; a U.S. Department of Agriculture team of three long-term and several short-term technicians, \$139,000; participant training for 20 Vietnamese, \$51,000; and commodities such as feedmill equipment, live animals, laboratory equipment and supplies and teaching aids at \$46,000. The total project cost for FY 1974 will be \$448,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| | | | | | Direct AID | Contract Other Agency | | Total | Direct AID | Contract Other Agency |
| Through 6/30/72 | 3,888 | 3,202 | 686 | | | | | | | |
| Estimated FY 73 | 624 | 1,064 | | | | | | | | |
| Estimated through 6/30/73 | 4,512 | 4,266 | 246 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 74 | 448 | | 4,960 | | | | | | | |
| | | | | Total Obligations | 406 | 218 | 624 | 309 | 139 | 448 |

| | | | |
|--|--|--------------------------------|--|
| PROJECT TITLE Agriculture Credit and Agriculture Organizations | OBJECTIVE/ACTIVITY Agriculture | FUNDS IPR | |
| PROJECT NUMBER 730-11-140-291 | PRIOR REFERENCE P. B-15 FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1965 | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: The primary goal of this project is to promote the continued growth and development of the marketing system for agricultural products. More specific targets include the upgrading of ten selected cooperatives engaged in marketing and production, the surveying of potential export markets both in the Far East and elsewhere, the expansion of a rural banking system with at least one bank in each of its 44 provinces and the promotion of certain agro-business ventures.

A.I.D. will help accomplish these goals by providing technical/managerial advice under contract to selected cooperatives, funding teams of experts to explore foreign markets for Vietnamese produce and giving advice and training to the Agricultural Development Bank as concerns rural credit and agro-business.

Progress to Date: During 1972 the Agricultural Development Bank of Vietnam made 202,714 rural credit loans totaling 18.9 billion piasters. This is an increase of 18 per cent in the number of loans and 87 per cent in total value over 1971. Collections increased 61 per cent in 1972. Bank deposits increased 1.3 billion piasters in 1972; 72 per cent over 1971. Fourteen Private Rural Banks were established bringing the total to 35. They lent 3.4 billion piasters to 24,000 borrowers compared to one billion piasters lent to 8,895 borrowers in 1971. Their deposits increased from 272 million to 762 million piasters during the year.

Surveys to identify export opportunities for Vietna-

mese commodities in Singapore and Japan were completed in 1972 and will be undertaken in the United States in 1973. The surveys have been conducted by teams representing the Ministries of Agriculture, Economy and Foreign Affairs with USAID assistance working through Embassies and Consulates. A joint Vietnamese/USAID team visited Japan and the Philippines to study production and marketing systems. In-country regional conferences were held for public and private sector personnel to explain the agri-business plan and identify priorities and related investment opportunities.

The first domestic production of agricultural limestone was achieved in 1972, with two plants producing 13,000 tons. The first pesticide plant in Vietnam became operational, with a second plant planned for construction in 1973.

The operation of the ten pilot farmers organizations was substantially improved during 1972. The use of improved planning, business-oriented management, timely loans and assistance from the Directorate of Farmers Organizations and Cooperatives increased 1972 gross volume for the organizations by 193 million piasters or 235 per cent over 1971. **FY 1974 Program:** \$1,312,000 is required to fund the program in FY 1974 including: \$381,000 for 17 U.S. direct-hire advisors; \$356,000 for 12 advisors from the U.S. Department of Agriculture; \$234,000 to finance a contract to assist in the improvement of co-ops; and \$341,000 for training 119 Vietnamese participants.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total |
| Through 6/30/72 | 5,254 | 5,015 | 239 | | | | | | | |
| Estimated FY 73 | 1,584 | 1,508 | | | | | | | | |
| Estimated through 6/30/73 | 6,838 | 6,523 | 315 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 74 | 1,312 | 800 | 8,950 | Total Obligations | 605 | 979 | 1,584 | 722 | 590 | 1,312 |

Tennessee Valley Authority
Agricultural Cooperative
Development International
U.S. Department of
Agriculture

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | |
|--|---|--|
| PROJECT TITLE Irrigation Assistance | OBJECTIVE/ACTIVITY Agriculture | FUNDS IPR |
| PROJECT NUMBER 730-11-120-407 | PRIOR REFERENCE P. B-17, FY 73 Security SA PDB | INITIAL OBLIGATION FY: 1972 |
| | | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: The objective of this project is to strengthen the capability of the Directorate of Irrigation and Rural Engineering to plan, execute, and supervise irrigation projects throughout Vietnam. Technical assistance will be provided by one U.S. direct-hire advisor, one U.S. Geological Survey technician, and a five man contract team. Vietnamese professional and subprofessional personnel will be trained in irrigation and water resources control.

Optimum use of water resources is particularly important to the agricultural economy of Vietnam. To a large extent, crop diversification, expansion of the use of new seed varieties, and double cropping are dependent on controlled water supplies. Although irrigation is not a new problem to Vietnam, pressures on agricultural production to meet growing demand for food and other agricultural products require renewed attention to the use of available water resources.

Progress to Date: Limited progress was made in FY 1972. The first full-time U.S. advisor arrived at post in December 1972. Commodities for in-country, on-the-job training and for salt water intrusion barriers have been ordered. A 365-hectare intensive vegetable production area has been established utilizing surplus U.S. military materials. A 4.5 hectare area under sprinkler irrigation was developed as a training site at Eakmat Experiment Station. Preliminary plans for a research program in

irrigation water control have been drafted. This research program will be carried out at the University of Can Tho. It will be a cooperative effort among the Regional Economic Development Office (RED/Bangkok), the Technical Assistance Bureau, A.I.D./Washington, the Government of Vietnam, Can Tho University and USAID/Vietnam. Preliminary samples of the Mekong River have been taken and are being tested for the first stage of a sedimentation survey. An environmental study as it affects the Mekong fish industry has also been initiated. FY 1974 Program: \$687,000 is proposed for FY 1974 for: one U.S. direct-hire advisor, \$40,000; one hydrologist from the U.S. Geological Survey, \$45,000; a contract to provide advisory assistance to the Directorate of Irrigation and Rural Engineering, \$260,000; funding for 25 participants, \$200,000; and \$142,000 for surveying instruments, hydrological equipment and vehicles.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-----------------|-------------------------|---------------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | Through 6/30/72 | Estimated FY 73 | Estimated through 6/30/73 | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| | | | | | Direct AID | Contract Other Agency | | Total | Direct AID | Contract Other Agency | Total |
| | 60 | - | 60 | U.S. Technicians | 198 | 30 | 228 | 40 | 305 | 345 | U.S. Geological Survey Department of Interior |
| | 480 | 268 | | Participants | 140 | - | 140 | 200 | - | 200 | |
| | 540 | 268 | 272 | Commodities | 112 | - | 112 | 142 | - | 142 | |
| | | Future Year Obligations | Estimated Total Cost | Other Costs | - | - | - | - | - | - | |
| Proposed FY 74 | 687 | 375 | 1,602 | Total Obligations | 450 | 30 | 480 | 382 | 305 | 687 | |

| | | | |
|----------------------------------|---|--------------------------------|--|
| PROJECT TITLE Land Reform | OBJECTIVE/ACTIVITY Agriculture | FUNDS IPR | |
| PROJECT NUMBER 730-11-120-311 | PRIOR REFERENCE P. B-18, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1966 | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: The major objective of this project is to assist the Government of Vietnam in carrying out the Land-to-the Tiller Program which will involve the transfer of over 2.5 million acres of riceland to some 900,000 tenant farmers. The major portion (2.47 million acres) was programmed to be distributed by the end of FY 1973. Remaining tenanted lands (estimated 800,000 acres) are expected to be distributed by the end of 1974.

Administration of the program has been decentralized to the village level, where a tenant's claim for land is processed. Redistribution does not disturb the present agricultural pattern and new proprietary interest should result in increased production. Compensation to the former landowner is paid in piasters--twenty percent of the value of the land in cash, and the remainder in bonds bearing 10 percent interest and redeemable over an eight-year period. A.I.D. has assisted the Government of Vietnam in absorbing the inflationary impact of these payments by dollar grants through the Commodity Import Program of \$10 million in FY 1969 and \$15 million in FY 1971.

Other objectives of the project are: (a) to help the government carry out the Montagnard Land Reform Program of 1970 involving the land identification of all Montagnard hamlets and the issuance of titles to Montagnard families; and (b) to help the government facilitate distribution of public domain lands.

Progress to Date: The Land-to-the-Tiller law was enacted on March 26, 1970, and by March 26, 1973, the three-year goal was reached: a total of 2,487,825 acres (over one million hectares) had been distributed to almost 700,000 former tenants, thus directly benefiting 4.0 million rural inhabitants. Also, substantial payments to former landlords began in the fall of 1971 and as of March 1973, over 60,000 claims have been processed and paid by the Government of Vietnam totaling about 97 billion piasters.

A special land distribution program for Montagnards was initiated in late 1970 and by January 1973, 540 dossiers for Montagnard Main Living Areas (MLA) had been received in Saigon. Of these, 341 had been processed and approved, affecting 775,000 acres (311,000 hectares) and benefiting over 22,000 families. In addition nearly 70,000 titles for 400,000 acres (165,000 hectares) have been issued to Montagnard families for lands outside the MLA program.

In 1972, the Government of Vietnam distributed 26,000 acres of government owned land to 8,000 veterans, refugees and farm settlers.

FY 1974 Program: Total proposed funding of \$730,000 includes 17 direct-hire advisors (\$513,000) and 5 Department of Agriculture technicians (\$181,000); 14 participants for short-term training in the U.S. and Taiwan (\$20,000); and commodities (\$16,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|--------------|-------|--------------------------------|----------------|--------------|-------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | |
| | | | | Estimated FY 1973 | | | | Proposed FY 74 | | |
| | | | | Direct AID | Other Agency | Total | | Direct AID | Other Agency | Total |
| Through 6/30/72 | 29,923 | 11,880 | 18,043 | | | | U.S. Department of Agriculture | | | |
| Estimated FY 73 | 1,228 | 19,249 | | | | | | | | |
| Estimated through 6/30/73 | 31,151 | 31,129 | 22 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 74 | 730 | 170 | 32,051 | 890 | 338 | 1,228 | | | | |
| | | | | 549 | 181 | 730 | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Agriculture General Support | OBJECTIVE/ACTIVITY Agriculture | FUNDS IPR | |
| PROJECT NUMBER 730-11-199-363 | PRIOR REFERENCE P. B-20, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: This project provides funding for agricultural technicians engaged in providing continuing technical assistance to the Ministry of Land Reform, Agriculture, Fisheries, Animal Husbandry Development, and support for a U.S. Department of Agriculture team of technicians performing agricultural studies such as production capacity, cost of marketing and export potential. Short-term assistance activities in the agricultural field not of sufficient magnitude to warrant a separate assistance project are also carried out under this project.

FY 1974 Program: Proposed funding for FY 1974 is \$758,000 for: six direct hire advisors, \$250,000; a U.S. Department of Agriculture team of five field technicians plus about two man-years of consultant time, \$361,000; 11 participants for planning and administrative training in the United States and Thailand, \$77,000; and \$70,000 for miscellaneous commodities and supplies used in support of the various operations under this project.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|--------------|--------------------------------|----------------|------------|--------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| | | | | | Direct AID | Other Agency | | Total | Direct AID | Other Agency |
| Through 6/30/72 | 12,564 | 11,764 | 806 | | | | | | | |
| Estimated FY 73 | 1,040 | 1,608 | | U.S. Technicians | 292 | 594 | 886 | 250 | 361 | 611 |
| Estimated through 6/30/73 | 13,715 | 13,477 | 238 | Participants | 138 | - | 138 | 77 | - | 77 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 16 | - | 16 | 70 | - | 70 |
| Proposed FY 74 | 758 | Undetermined | | Other Costs | - | - | - | - | - | - |
| | | | | Total Obligations | 446 | 594 | 1,040 | 397 | 361 | 758 |

U.S. Department of Agriculture

| | | | |
|-----------------------------------|---|--------------------------------|--|
| PROJECT TITLE Higher Education | OBJECTIVE/ACTIVITY Education | FUNDS IPR | |
| PROJECT NUMBER 730-11-660-367 | PRIOR REFERENCE P. B-21 FY 73 Security SA P.D.B. | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1977 |

Project Target and Course of Action: Under this project, A.I.D. assists the Government of Vietnam to develop a more modern and effective system of higher education in universities and normal schools.

A.I.D. is helping the Government of Vietnam strengthen its capacity to administer the growing educational system as well as change and improve the curricula and teaching competence. The project targets include: (1) establishing a governing board and inter-university committees under the board to establish procedures and regulations applicable to all institutions of higher learning; (2) up-grading the quality of teaching faculties and curricula at the university and normal school levels; and (3) improving the facilities and quality of education in the schools of agriculture and engineering.

Wisconsin State University provides experienced American university administrators to advise the Ministry of Education and the Rectors of Vietnamese universities on policies and procedures governing university operations, national educational goals, and inter-institutional relationships. The University of Florida is assisting in the development of the Vietnamese National Agriculture Institute while the University of Missouri provides guidance in raising the National Technical Institute to a university level school of engineering.

Progress to Date: A system of credits for individual courses and standards for levels of educational attain-

ment have been implemented. Over the past two years, 170 Master's Degrees directly related to teacher education improvement have been awarded by the Faculty of Pedagogy where previously there were none. During the past year, six participants have returned and are now teaching.

The National Agricultural Institute, with the assistance of a University of Florida contract team, has made significant strides in modernizing its curriculum and instruction and is developing its experimental farm and new campus. The National Institute of Technology, with the aid of the University of Missouri at Rolla has made curricular and instructional improvements and is in the process of separating its engineering and technician programs so that both may function better. Seventeen teachers were graduated at the end of the 1971-72 school year from an accelerated pre-service teacher training course in agriculture, and 30 new students are enrolled for training during the 1972-73 school year.

FY 1974 Program: Total funding for FY 74 will require \$439,000: for three higher education advisors, \$140,000; for contract services of the Universities of Florida and Missouri, \$100,000; and for training of faculty members of the Institutes, \$199,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|--------------|--------------|------------------------------------|-------------------|-----------------------|--------------------------------|----------------|-----------------------|-------|--------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| | | | | | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/72 | 5,516 | 3,633 | 1,883 | | | | | | | | |
| Estimated FY 73 | 1,400 | 1,880 | | | | | | | | | |
| Estimated through 6/30/73 | 6,916 | 5,513 | 1,403 | U.S. Technicians Participants | 201 | 800 | 1001 | 140 | 100 | 240 | Univ. of Florida |
| | | | | Commodities | 199 | - | 199 | 199 | - | 199 | Univ. of Missouri |
| | | | | Other Costs | 200 | - | 200 | - | - | - | Univ. of Wisconsin |
| | | | | | - | - | - | - | - | - | |
| Proposed FY 74 | 439 | 1,390 | 8,745 | Total Obligations | 600 | 800 | 1400 | 339 | 100 | 439 | |
| | | | | | | | | | | | |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|--------------------------------------|---|--------------------------------|--|
| PROJECT TITLE Scholarship Program | OBJECTIVE/ACTIVITY Education | FUNDS IPR | |
| PROJECT NUMBER 730-11-690-325 | PRIOR REFERENCE P. B-23, FY 73 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: It is the aim of this project to extend opportunities for U.S. college degree training to promising Vietnamese students in order to increase the supply of trained manpower for leadership in Vietnamese industry, commerce, and public affairs.

Selection of participants has been made principally from qualified veterans and wards of the state who possess the necessary scholastic aptitude, motivation, and maturity to complete U.S. undergraduate studies leading to a degree. Priority is given to those fields of study which will have most value in development of industry and commerce in Vietnam, particularly engineering, business administration, economics, and agriculture.

Participants were enrolled in colleges throughout the United States upon completion of their English language training and orientation at either the East-West Center of the University of Hawaii, the University of Southern California or the American Language Institute of Georgetown University.

Scholarships are for one year, renewable at the discretion of A.I.D. in accordance with the performance of the participant. Training is limited to a single degree and directed toward careers not dependent upon government employment in Vietnam.

The present project is limited to funding the continuation of scholarships for Vietnamese enrolled in

prior years. No new participants are being programmed. Progress to Date: Of a total of 273 students who have enrolled in U.S. colleges since the beginning of this program in February 1967, 1970 have earned degrees; 12 returned to Vietnam prior to earning degrees; and 91 are still in training. The performance of the 91 remaining in the United States is satisfactory or better. Most are studying engineering, business administration, agriculture, economics, and public administration. FY 1974 Program: Of the 91 participants continuing training, 30 will require funding for FY 74 in the amount of \$131,000.

| U. S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|----------------------------------|-------------|-------------------------|----------------------|------------------------------------|-------------------|-----------------------|--------------------------------|----------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 |
| | | | | | Direct AID | Contract Other Agency | | Total |
| Through 6/30/72 | 6,505 | 5,604 | 901 | | | | | |
| Estimated FY 73 | 426 | 878 | | | | | | |
| Estimated through 6/30/73 | 6,931 | 6,482 | 449 | U.S. Technicians Participants | 426 | - | 426 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | |
| Proposed FY 74 | 131 | - | 7,062 | Other Costs | - | - | - | |
| | | | | Total Obligations | 426 | - | 426 | |
| | | | | | 131 | - | 131 | |

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Education General Support | OBJECTIVE/ACTIVITY Education | FUNDS IPR | |
| PROJECT NUMBER 730-11-699-368 | PRIOR REFERENCE P. B-24, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1979 |

Project Target and Course of Action: Overall direction and support of A.I.D. assisted activities in the education sector is funded under this project. Also included is technical advice to the Ministry of Education in developing a planning capability to effectively integrate the various Vietnamese educational programs into a balanced system for the nation. Ministry officials will be provided training in the United States in educational planning and administration.

FY 1974 Program: Funding will require \$228,000 in FY 1974: \$160,000 to support 5 U.S. direct hire advisors, and \$68,000 for training of 13 Ministry personnel.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-----------------|-------------------------|----------------------|-------------------|-------------------|----------------|--------------------------------|-----------------------|
| Through 6/30/72 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | Estimated FY 73 | 291 | 564 | | Estimated FY 1973 | Proposed FY 74 | | |
| Estimated through 6/30/73 | 3,171 | 3,060 | 111 | | U.S. Technicians | Direct AID | | Contract Other Agency |
| | | Future Year Obligations | Estimated Total Cost | | Participants | 238 | - | 238 |
| Proposed FY 74 | 228 | 938 | 4,337 | Commodities | 53 | - | 53 | |
| | | | | Other Costs | - | - | - | |
| | | | | Total Obligations | 291 | - | 291 | |
| | | | | | 228 | - | 228 | |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|---|---|--------------------------------|--|
| PROJECT TITLE Industrial Development | OBJECTIVE/ACTIVITY Industry | FUNDS IPR | |
| PROJECT NUMBER 730-11-910-170 | PRIOR REFERENCE P. B-25, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1957 | SCHEDULED FINAL OBLIGATION FY: 1978 |

Project Target and Course of Action: It is the purpose of this project to provide assistance to the private sector in promoting industrial production and in laying the groundwork for expanded industrial investment.

Targets for the project include: (1) establishment of an effectively functioning National Economic Development Fund; (2) assisting the Government in divesting itself of ownership of industrial enterprises; (3) assisting Vietnamese businessmen to organize and train for better business management by promoting the activities of the Management Association of Vietnam; (4) encouraging development of an efficient wood products industry and promoting increased production of fish and fisheries products; and (5) encouraging the expansion of exports.

Progress to Date: Economic reforms started in 1971 did away with the old system of restrictive import controls, established realistic and flexible exchange rates, simplified and rationalized the tariff structure, and placed interest rates at levels calculated to attract savings and discourage speculation.

The Fund served to augment the flow of funds for investment in industrial services and manufacturing enterprises and helped improve development banking performance. As a result of these improvements, the number of loans made has more than doubled.

A plan for the divestiture of eleven companies has been completed. At least five enterprises are recommended for sale during 1973.

A full range of training courses for upper and middle level management personnel has been started by the Management Association of Vietnam. The Association is now entirely funded by private and corporate contributions.

The Vietnamese Directorate of Fisheries as well as private fishing companies received assistance in improving commercial fisheries operations with special emphasis on upgrading the quality and volume of exports. Market facilities were expanded by the creation of a fisheries cooperative which serves as a marketing organization.

A forest inventory program has been initiated that will enable Vietnam to utilize forest resources on a sustained basis.

Acceptance of Vietnamese products in world markets has been fostered by the use of standards and technical data prepared by the Vietnam Institute of Standardization. A program for the dissemination of a wide range of information on Vietnamese products and production potential has been undertaken by the Export Development Center.

FY 1974 Program: In FY 1974 \$1,242,000 is requested to finance 11 direct hire employees (\$422,000); 7 Department of Agriculture fishery and forestry employees (\$337,000) and 13 contract employees for export promotion and to support National Economic Development Fund, the Institute of Standards and other activities under the project (\$483,000). Training of 17 participants in the United States and third countries will amount to \$150,000; and commodities for the Institute of Standards and for Fisheries and Export Promotion will total \$40,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|--------------|--------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| | | | | | Direct AID | Contract Other Agency | | Total | Direct AID | Contract Other Agency |
| Through 6/30/72 | 10,736 | 9,632 | 1,104 | | | | | | | |
| Estimated FY 73 | 1,904 | 2,460 | | | | | | | | |
| Estimated through 6/30/73 | 12,640 | 12,092 | 548 | U.S. Technicians | 374 | 1,275 | 1,649 | 422 | 820 | 1,242 |
| | | | | Participants | 130 | - | 130 | 150 | - | 150 |
| | | | | Commodities | 125 | - | 125 | 40 | - | 40 |
| | | | | Other Costs | - | - | - | - | - | - |
| Proposed FY 74 | 1,432 | 2,188 | 16,260 | Total Obligations | 629 | 1,275 | 1,904 | 612 | 820 | 1,432 |

U.S. Department of Agriculture
American Management Association

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|---|--------------------------------|--------------------------------|--|
| PROJECT TITLE National Economic Development Fund | OBJECTIVE/ACTIVITY Industry | FUNDS IPR | |
| PROJECT NUMBER 730-12-995-423 | PRIOR REFERENCE | INITIAL OBLIGATION FY: 1974 | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: The objective of this project is to enable the Vietnamese National Economic Development Fund to fund dollar costs of feasibility and engineering studies to encourage private investment and to provide medium and long term investment credit for small and medium size private enterprises.

Progress to Date: In March 1972 the Government of Vietnam created this Development Fund to serve the general development finance needs of private agricultural and industrial investors. The equivalent of \$30 million in counterpart funds has been provided the Fund. The Fund, in turn, finances specific investment proposals by development banks or other intermediate credit institutions. Three of these institutions, the Industrial Development Bank and the Agricultural Development Banks-- and a private investment bank have participated in the Fund's lending operations to date.

Technical Assistance under Project 170 (Industrial Development) has helped raise the capabilities of the staffs of the National Economic Development Fund and the intermediate credit institutions. Advisory services are continuing to enable the fund to take on a heavier responsibility for long term private sector development.

FY 1974 Program: \$25 million is proposed to provide dollar financing: for feasibility and engineering studies, \$5 million; and for a line of credit to intermediate credit institutions for small and medium private investments, \$20 million.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| Through 6/30/72 | - | - | - | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency |
| Estimated FY 73 | - | - | - | U.S. Technicians | - | - | - | - | - | - |
| Estimated through 6/30/73 | - | - | - | Participants | - | - | - | - | - | - |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | - | - | - |
| Proposed FY 74 | 25,000 | Undetermined | | Other Costs | - | - | - | 20000 | 5,000 | 25000 |
| | | | | Total Obligations | - | - | - | 20000 | 5,000 | 25000 |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | |
|--|--|--|
| PROJECT TITLE Trade Union Development | OBJECTIVE/ACTIVITY Labor | FUNDS IPR |
| PROJECT NUMBER 730-11-410-328 | PRIOR REFERENCE P. B-27 FY 1973 Security SA PDB | SCHEDULED FINAL OBLIGATION FY: 1976 |
| | INITIAL OBLIGATION FY: 1967 | |

Project Target and Course of Action: The purpose of this project is to develop trade union leadership and promote active participation in union affairs of rural and urban workers.

Through a contract with the Asian-American Free Labor Institute (AAFLI), training is provided for union leadership, and increased union membership is encouraged. Activities include the publishing and distribution of a union newspaper, establishment of farmer and fisherman cooperatives and credit unions, and assistance in strengthening local unions to cope with local labor problems.

Progress to Date: AAFLI trained an additional 2,323 Vietnamese trade union officers and members in 1972. Of these 1,675 participated in the leadership courses, 473 in a specialized course in rural development covering family planning, agriculture development and farm management techniques, and 175 in courses in marine engine and farm tractor repair and maintenance. Seventeen trade union leaders received participant training - 4 in the U.S. and 13 in the Philippines. Training at the Philippine Asian Labor Education Center will be replaced with in-country training in 1973.

Increased participation of rural and urban workers in union affairs was demonstrated by: establishment of two additional Confederation Vietnamiennne du Travail (CVT) provincial councils, bringing the total of locally elected councils to 14 out of a potential 36; continued local

participation in 21 union Social Welfare Centers throughout Vietnam; and continuation of local union training courses for tractor operation and maintenance.

Uncertain security conditions hampered establishment of additional 10-family tractor co-ops in 1972 so that only 28 out of a goal of 40 began operation. Three multi-purpose cooperatives were established and licensed. New press regulations caused the CVT union weekly newspaper to change to a monthly magazine, with initial circulation of 8,000. A new staff department has been established in the CVT to strengthen and expand research, publications and education capabilities. Union membership fell off sharply due to military activities in 1972 particularly in Region III where a number of plantations were destroyed, and many workers left unemployed. By year end, however, CVT membership had risen from a low of about 350,000 to 460,000.

FY 1974 Program: Total proposed funding is \$224,000; one direct hire advisor (\$45,000); a contract with AAFLI for the services of three consultants (\$135,000) and commodities (\$15,000) including office equipment and supplies for trade unions; support for 7 participants in the United States, and 11 labor leaders to be trained locally or in the region, (\$29,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES Asian-American Free Labor Institute | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|---------------------------|--|----------------|------------|---------------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| | | | | | Direct AID | Contract Other | | Total | Direct AID | Contract Other |
| Through 6/30/72 | 560 | 414 | 146 | | | | | | | |
| Estimated FY 73 | 329 | 281 | | U.S. Technicians | 92 | 143 | 235 | 45 | 135 | 180 |
| Estimated through 6/30/73 | 889 | 695 | 194 | Participants | 31 | - | 31 | 29 | - | 29 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | 55 | 55 | - | 15 | 15 |
| | | | | Other Costs | 8 | - | 8 | - | - | - |
| Proposed FY 74 | 224 | 135 | 1,248 | Total Obligations | 131 | 198 | 329 | 74 | 150 | 224 |

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Logistics General Support | OBJECTIVE/ACTIVITY Logistics | FUNDS IPR | |
| PROJECT NUMBER 730-11-999-378 | PRIOR REFERENCE P. B-29, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: This project provides technical assistance to the Vice Minister for Logistics and Port Operations, the Central Logistics Agency, the Director General of Ports Authority and the Director of Navigation in the operation of a common logistics system for the procurement, receipt, storage, distribution and maintenance of, and accounting for commodities required in support of joint USAID/Government of Vietnam projects and for Government of Vietnam non-military requirements.

Major advisory activities include: operation of the port system of Vietnam, a national vehicle maintenance system, maintenance of a national warehousing operation, and an orderly system of commodity procurement and delivery. Technical advice also is furnished to other elements of USAID, the Minister of Economy and the Director of Commercial Aid on transportation matters related to the Commercial Import and PL 480 Programs.

In addition to these activities, the Logistics Division has Mission-wide responsibility for acquisition of Department of Defense excess property in Vietnam. This includes inspection and acquisition, coordinating repair and rehabilitation contracts, and assuring proper utilization.

Progress to Date: Under USAID guidance, the Central Logistics Agency closed three regional logistics Centers at Can Tho, Qui Nhon and Nha Trang during FY 1973

thus consolidating its activities considerably. The Ministry of Interior has also continued to centralize the maintenance of vehicles and motorized construction equipment under the province maintenance shop network.

USAID participation in the excess property program peaked during FY 1972 with respect to the acquisition and distribution of items of major value. The USAID acquired and distributed approximately 9,000 items of property valued at \$60 million which were made available by the Officer-in-Charge-of-Construction, U.S. Navy.

Phase II of the Arthur Young and Co. Contract was completed. This contractor is assisting the Central Logistics Agency to establish a modern financial management and accounting system. Phase III of the contract calls for intensified training of Central Logistics Agency personnel and is getting underway now. Phase IV, the implementation of the new system, is scheduled for a six month trial starting in July and major systems changes will be implemented in 1974. (An additional \$112,000 was required in FY 73 to fund Phases III and IV of this contract.)

FY 1974 Program: Total FY 1974 funding will require \$851,000 to support 24 direct-hire employees.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-----------------|---------------------------|-------------------------|-------------------|----------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | Estimated FY 73 | Estimated through 6/30/73 | Future Year Obligations | | Estimated Total Cost | Estimated FY 1973 | | Proposed FY 74 | | |
| Through 6/30/72 | 15,506 | 15,465 | 41 | | Direct AID | Contract Other Agency | | Total | Direct AID | Contract Other Agency |
| Estimated FY 73 | 1,246 | 1,085 | | U.S. Technicians | 1113 | 124 | 1237 | 851 | - | 851 |
| Estimated through 6/30/73 | 16,752 | 16,550 | 79 | Participants | - | - | - | - | - | - |
| | | | | Commodities | - | - | - | - | - | - |
| | | | | Other Costs | 9 | - | 9 | - | - | - |
| Proposed FY 74 | 851 | 327 | 17,930 | Total Obligations | 1122 | 124 | 1246 | 851 | - | 851 |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|---|---|--------------------------------|--|
| PROJECT TITLE Improvement of Fiscal Administration | OBJECTIVE/ACTIVITY Public Administration | FUNDS IPR | |
| PROJECT NUMBER 730-11-750-340 | PRIOR REFERENCE P. B-31, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1978 |

Project Target and Course of Action: This project provides assistance to the Government of Vietnam for the purpose of improving tax administration, custom administration and financial management.

Specific targets include the increase in domestic revenue collections of 20 per cent annually, reducing past-due accounts to the point where they are no more than 15 per cent of annual revenue, computerizing, billing and accounting systems, improving custom collection to the point where they reached 30 billion piasters annually by the end of CY 1973, improving the government custom organization to the point where it can effectively assess the value of commodities and monitor for evasion and fraud and introduce modern methods of accounting, budgeting and auditing to the staff of the Director General of Budget, and Censorate.

Progress to Date: Despite the North Vietnamese invasion and a serious economic slow-down, in 1972 the government collected taxes totalling 67.6 billion piasters, approximately 38 per cent more than 1971 collections. A major reorganization of the Directorate General of Taxation was approved December 1972 and will be implemented in 1973. The new organization will provide a modern functional structure which upgrades the training service to a Directorate and orders the loose grouping of the "experts" into a planning staff.

In 1972 a staff of 104 auditors and 13 supervisors completed 1,862 audits of 64,000 taxpayers resulting in

4.7 billion piasters in additional tax assessments. This represents a 96 per cent increase in audits and 178 per cent increase in additional tax assessments over 1971. Nine new laws were promulgated which completely revised and modernized the tax structure and provided legal authority for streamlining collection procedures for more effective enforcement. Implementation of the codes began in January 1973.

Four participants completed training at two U.S. universities. Planned non-academic training for 22 other participants was rescheduled to early 1973 due to government travel restrictions during the invasion crisis of 1972.

A fraud repression central file system was established in FY 1972 and is being maintained. All customs officers receive periodic classroom instruction on surveillance, investigation techniques and narcotics investigation.

FY 1974 Program: Funding of this project in FY 1974 will require \$1,214,000: for support of one U.S. direct hire advisor, \$44,000; 14 Bureau of Customs, Internal Revenue Service and consultant services advisors \$630,000; contract advisory personnel to develop improved accounting and financial procedures, \$97,000; funding for 47 participants, \$270,000; and other costs for printing, local travel, supplies and specialized equipment maintenance, \$173,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| Through 6/30/72 | 1,367 | 5,834 | 475 | | Direct AID | Contract Other Agency | | Total | Direct AID | Contract Other Agency | Total |
| Estimated FY 73 | 1,367 | 1,616 | | | U.S. Technicians | 53 | 1,082 | 1,135 | 44 | 727 | 771 |
| Estimated through 6/30/73 | 7,676 | 7,450 | 227 | Participants | 232 | - | 232 | 270 | - | 270 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | - | - | - | |
| | | | | Other Costs | - | - | - | - | 173 | 173 | |
| Proposed FY 74 | 1,214 | 4,311 | 13,202 | Total Obligations | 285 | 1,082 | 1,367 | 314 | 900 | 1,214 | |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|---------------------------------------|---|--------------------------------|--|
| PROJECT TITLE Statistical Services | OBJECTIVE/ACTIVITY Public Administration | FUNDS IPR | |
| PROJECT NUMBER 730-11-780-341 | PRIOR REFERENCE P. B-33 FY 73 Security SA P.D.B. | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: The objective of this project is to assist the Government of Vietnam to develop the capability to carry out planned annual national statistics programs through the National Bank Research Statistics (NIS), to advise the National Bank Research Department in producing timely national accounts data, and to aid the Ministry of Health to accumulate adequate hospital statistics.

Specific goals for FY 1974 include: publishing the results of a series of quarterly economic surveys and quarterly rural demographic surveys; compilation of detailed national accounts data for 1970 and 1971, and initiation of field work for an economic census. Advisors from the U.S. Bureau of Census will continue to provide technical assistance to the NIS, the Ministry of Health, and the National Bank. Training will be conducted for statistical personnel at the NIS as well as through special programs at the U.S. Bureau of Census.

Progress to Date: Results of the 1969 consumer expenditure survey were published by the National Institute of Statistics (NIS) early in 1972. The Saigon retail price index was revised to reflect 1969 weights beginning in January 1972, and new indexes were established for Can Tho, Dalat, Nha Trang, and Danang. A new Department for National Accounts in the National Bank of Vietnam has been established and detailed accounts were published for 1969 and are being compiled for 1970 and 1971.

A directory of about 170,000 business licenses has been developed and a sample of establishments selected for implementation of a continuing National Sample Economic Survey. Data for the first round will be published early in 1973, and the survey will be expanded to national coverage. Plans for an economic census will be developed for this base.

The National Institute of Statistics was raised to a Directorate-General by order of the Prime Minister effective January 10, 1973.

Prior to 1972, NIS and other statistical programs had been processed largely with conventional tabulating equipment. 1972 saw the application of computers to many of the statistical programs.

FY 1974 Program: Total required funding for FY 1974 is \$277,000: for support of the three man Bureau of Census PASA team and short term consultants, \$198,000; and for training of 10 participants in the United States, \$79,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|--------------|----------------|--------------------------------|------------|--------------|------------------|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | |
| | | | | Estimated FY 1973 | | Proposed FY 74 | | | | |
| | | | | Direct AID | Other Agency | Total | | Direct AID | Other Agency | Total |
| Through 6/30/72 | 1,569 | 1,476 | 93 | Cost Components | | | | | | |
| Estimated FY 73 | 342 | 295 | | | | | | | | |
| Estimated through 6/30/73 | 1,911 | 1,771 | 140 | U.S. Technicians | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | Participants | | | | | | |
| | | | | Commodities | | | | | | |
| | | | | Other Costs | | | | | | |
| Proposed FY 74 | 277 | - | 2,188 | Total Obligations | | | | | | |
| | | | | 117 | 225 | 342 | 79 | 198 | 277 | Bureau of Census |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|---|---|--------------------------------|--|
| PROJECT TITLE National Institute of Administration | OBJECTIVE/ACTIVITY Public Administration | FUNDS IPR | |
| PROJECT NUMBER 730-11-770-345 | PRIOR REFERENCE P. B-34, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1979 |

Project Target and Course of Action: The objectives of this project are to help the National Institute of Administration improve its capability for training Vietnamese to work at various administrative levels in government, increase the number of graduates to meet annual government requirements, and to develop a functioning management consulting service to the Government of Vietnam.

An institutional contract team from the Institute of Public Administration in New York is providing a staff of five full-time professors to work with the National Institute of Administration faculty in formulating long-range development plans and new curricula to meet Vietnam government requirements for middle and upper level administrative personnel. Also, a management consulting service will be developed within the faculty to bring together results of National Institute of Administration research and the practical needs of the government.

Executive management seminars will be offered in advanced management training for senior government officials. Arrangements are being made to provide some graduate study, particularly in management sciences, to present faculty members through a combination of United States and in-country training.

Progress to Date: New selection procedures for undergraduate and graduate student admissions were implemented

in the Fall of 1972. Two research studies, which are expected to provide a guide for the National Institute of Administration in changing the curriculum to better respond to the needs of the South Vietnamese Government are nearing completion. Long range institutional development plans for the National Institute of Administration have been formulated by the new Rector. An English language program has been prepared and is now being introduced into the curriculum.

Eighteen participants are currently in the United States pursuing graduate study in the management sciences and nine more are preparing to depart.

FY 1974 Program: For FY 1974 this project will require \$371,000: for the support of the Institute of Public Administration contract team of five advisors and three short-term consultants, \$279,000; and continuation of the training program for twelve National Institute faculty members in the United States, \$92,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|--------------------------|-------------------|-----------------------|--------------------------------|----------------|-----------------------|-------|------------------------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| | | | | | Direct AID | Contract Other Agency | Total | Direct AID | Contract Other Agency | Total | Institute of Public Administration |
| Through 6/30/72 | 2,445 | 1,285 | 1,160 | | | | | | | | |
| Estimated FY 73 | 185 | 507 | | U.S. Technicians | - | - | - | - | 279 | 279 | |
| Estimated through 6/30/73 | 2,630 | 1,792 | 838 | Participants | 185 | - | 185 | 92 | - | 92 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | - | - | - | |
| Proposed FY 74 | 371 | 2,272 | 5,080 | Other Costs | - | - | - | - | - | - | |
| | | | | Total Obligations | 185 | - | 185 | 92 | 279 | 371 | |

| | | | |
|--|--|--------------------------------|--|
| PROJECT TITLE Support of Local Government | OBJECTIVE/ACTIVITY Public Administration | FUNDS IPR | |
| PROJECT NUMBER 730-11-720-339 | PRIOR REFERENCE P. B-35 FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: This project provides advice and assistance to the Ministry of Interior and to local governments in improving the administrative operations of local government.

Project activities emphasize improvements in the system of review and collection of local taxes by the national government. Specific targets for FY 74 include: implementation of the new property tax law enacted in 1972; drafting of an incentive formula for local government grants and loans; and development of new basic legislation for the operation of local governments.

The Ministry of Interior will be assisted by A.I.D. specialists in providing training for local government officials. Eight participants will be given short-term training in the United States or neighboring countries. Contract management specialists in tax law and administration will assist in revising revenue laws and in the preparation of manuals of operation.

Progress to Date: The new real property tax was established by decree law passed on October 21, 1972, and has now become the major revenue source for villages, cities and provinces. A simplified land registration law has been adopted with a somewhat lower tax rate on the transfer of real estate. The Ministry of Interior has adopted an implementing program for the CY 1973 transition period of the new real property tax law, including a

revenue sharing formula by which 80 per cent of property tax returns stay in the village and 20 per cent go to the province budget. The Ministry now has 600 local revenue cadre in full operation in villages, cities and municipalities as part of the improved revenue collection system. A new and improved reporting system has also been employed. Local revenues more than doubled from VN \$2.2 billion in 1971 to VN \$5.4 billion in 1972.

A Directorate General of Local Administration has been established by a reorganization of the Ministry of Interior to deal specifically with local government problems, especially local finance.

FY 1974 Program: Total project funding is \$396,000. This will provide seven U.S. direct-hire employees, \$276,000; extension of a Participating Agency Service Agreement with the Internal Revenue Service for tax law and administration, \$50,000; and training for 8 participants in the United States and neighboring countries, \$70,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-----------------|---------------------------|----------------------|-------------------|-------------------|-------------------------|--------------------------------|----------------|------------|-------------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| Through 6/30/72 | Estimated FY 73 | Estimated through 6/30/73 | Proposed FY 74 | | Direct AID | Other Agency | | Total | Direct AID | Other Agency | Total |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | | |
| Through 6/30/72 | 2,690 | 2,568 | 122 | | 249 | 235 | 484 | 276 | 50 | 326 | |
| Estimated FY 73 | 575 | 458 | | Participants | 91 | - | 91 | 70 | - | 70 | |
| Estimated through 6/30/73 | 3,265 | 3,026 | 239 | Commodities | | | | | | | |
| | | | | Other Costs | | | | | | | |
| Proposed FY 74 | 396 | - | 3,661 | Total Obligations | 340 | 235 | 575 | 346 | 50 | 396 | |

Internal Revenue Service

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|---------------------------------------|--|--------------------------------|--|
| PROJECT TITLE Development Planning | OBJECTIVE/ACTIVITY Public Administration | FUNDS IPR | |
| PROJECT NUMBER 730-11-755-342 | PRIOR REFERENCE P. B-36 FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: This project's purpose is to improve the development planning capabilities of the Government of Vietnam by providing guidance and coordination for sector planning, and assisting in the research and analysis necessary for development policy determination.

A contract team of economic consultants will assist the Ministry of Planning and Development to make studies and projections of the principal economic factors of the Vietnamese economy, and advise the government on problems of development policy. Work of the Ministry is augmented by smaller planning staffs from several other ministries. Training of planning personnel will continue in the United States and in neighboring countries.

Progress to Date: A four-year plan was completed August 1972 and adopted by the legislature in September. While the Plan has weaknesses and is not yet well coordinated with the sector planning and budgeting processes, it is a creditable first effort and is being used by the Government of Vietnam as a guide in establishing and implementing national development policies and programs. The Ministry staff increased from one full-time senior professional to ten professionals and 25 subordinate staff. Six of the professional staff received short-term training in the United States and Australia in project analysis and development administration. Three professionals from the National Accounts Unit at the National

Bank received on-the-job training in macro-model planning and project evaluation. The Ministry of Planning professional staff all have an excellent command of English which will permit additional advanced training in the United States as necessary. Additional planning assistance has been given to the Ministries of Agriculture, Education and Public Works and soon similar assistance will be given to the Ministry of Health. This assistance lays the basis for improved sector planning and its integration with the national planning process. The Ministry of Planning is now beginning to coordinate these heretofore independent activities.

FY 1974 Program: Total funding required for FY 1974 is \$424,000. This will provide permanent and short-term planning consultants under contract, \$250,000; and academic training for 23 participants in the United States, \$174,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-----------------|---------------------------|-------------------------|-------------------|----------------------|-------------------|--------------------------------|----------------------------------|-------|------------|----------------------------------|
| Through 6/30/72 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | Estimated FY 73 | Estimated through 6/30/73 | Future Year Obligations | | Estimated Total Cost | Estimated FY 1973 | | Proposed FY 74 | | | |
| | | | | | | Direct AID | | Contract OTHER AGENCY | Total | Direct AID | Contract OTHER AGENCY |
| | 3,014 | 2,663 | 351 | | - | 250 | 250 | - | 250 | 250 | |
| | 400 | 355 | | U.S. Technicians | - | 250 | 250 | - | 250 | 250 | |
| | 3,414 | 3,018 | 396 | Participants | 150 | - | 150 | 174 | - | 174 | |
| | | | | Commodities | - | - | - | - | - | - | |
| | | | | Other Costs | - | - | - | - | - | - | |
| Proposed FY 74 | 424 | 89 | 3,927 | Total Obligations | 150 | 250 | 400 | 174 | 250 | 424 | |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|---|---|--------------------------------|--|
| PROJECT TITLE Public Administration General Support | OBJECTIVE/ACTIVITY Public Administration | FUNDS IPR | |
| PROJECT NUMBER 730-11-799-372 | PRIOR REFERENCE P. B-37 FY 73 Security SA P.D.B. | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1979 |

Project Target and Course of Action: This project provides for policy guidance, administrative services, and technical support for the Public Administration Division. It serves also to maintain appropriate liaison with USAID and Government of Vietnam officials to assure coordination of Public Administration project activities with other programs. Also, funding is provided for training of participants in areas of the government in which there are no specific USAID projects, and to support in-country management training programs for personnel of various government agencies.

FY 1974 Program: Funds requested for FY 1974 total \$587,000. The U.S. technician element consists of seven U.S. direct hire advisors, \$309,000, plus two U.S. Department of Labor advisors for six months each, \$22,000. Participant training will be provided for 73 Vietnamese, including 64 participants transferred from Project #352, National Police Support, in accordance with the terms of the ceasefire agreement, \$256,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|--------------|----------------|--|-----|-----|-----|
| | Obligations | Expenditures | Unliquidated | OBLIGATIONS | | | | | | |
| | | | | Estimated FY 1973 | | Proposed FY 74 | | | | |
| | | | | Direct AID | Other Agency | Total | | | | |
| Through 6/30/72 | 2,433 | 1,824 | 609 | | | | U.S. Department of Labor Kentron Hawaii Public Administration Services | | | |
| Estimated FY 73 | 523 | 801 | | | | | | | | |
| Estimated through 6/30/73 | 2,956 | 2,625 | 331 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 74 | 587 | 1,644 | 5,187 | | | | | | | |
| | | | | Cost Components | | | | | | |
| | | | | U.S. Technicians | 274 | 140 | | 414 | 309 | 22 |
| | | | | Participants | 109 | - | 109 | 256 | - | 256 |
| | | | | Commodities | - | - | - | - | - | - |
| | | | | Other Costs | - | - | - | - | - | - |
| | | | | Total Obligations | 383 | 140 | 523 | 565 | 22 | 587 |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|---|--|--------------------------------|--|
| PROJECT TITLE Provincial Health Assistance | OBJECTIVE/ACTIVITY Public Health | FUNDS IPR | |
| PROJECT NUMBER 730-11-530-347 | PRIOR REFERENCE P. B-39 FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: The objective of this project is to assure adequate medical care for civilian war casualties and refugees through provision of U.S. and Free World medical personnel and improving the quality of Vietnamese Government personnel and facilities. The quality of Vietnamese medical care will be improved through advisory assistance in the fields of hospital administration, laboratory, x-ray equipment, pharmacy and other hospital specialty departments. Capabilities of Vietnamese personnel are increased by both in-country and overseas training programs.

Province and Prefecture Health Services are augmented and supported by an increasing number of trained Vietnamese civilian medical and paramedical personnel and by assignment of Vietnamese military medical and paramedical personnel to Ministry of Health installations.

Progress to Date: During 1972 the numbers of civilian war casualties increased to an average of 4,482 monthly compared to 3,305 in 1971. During this period total admissions to Ministry of Health hospitals increased nearly 15,000 per month over the numbers admitted in 1971. In spite of these increases, the Ministry was able to continue to improve and expand the quality of medical care due to joint military/civilian health facilities utilization and to the continuing improvement in quality of training for paramedical health personnel. Over 100 additional military doctors were detailed to the Ministry of Health, bringing the total to about 700 medical doctors employed in civilian

health care. In addition training programs graduated more than 1,500 other health personnel including pharmacists, nurses, and midwives. The Ministry initiated plans to expand 20 small facilities to hospital size, providing 1,000 additional beds in rural areas. In early 1973 the Ministry organized 62 provincial level and 253 district operational medical teams to service rural areas.

Increase in Vietnamese capability has permitted a reduction of U.S. and Free World medical teams from 60 to 12 by the end of FY 1973. The Volunteer Physicians program is being phased out at the end of FY 1973 as Vietnamese capabilities increase.

A hospital administration program was initiated during the year and development of the National Laboratory System is proceeding toward its planned FY 1973 completion. The National Center for Plastic and Reconstructive Surgery continues to successfully treat an average of 100 patients monthly, 90 per cent of whom are children, with the Ministry of Health assuming increased operational responsibilities.

FY 1974 Program: A total of \$177,000 includes 3 direct hire technicians (\$112,000) and \$65,000 to extend the 6-man International Rescue Committee contract to June 1974.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|--------------|--------------|--|-------------------|-----------------------------|--------------------------------|----------------|-----------------------------|-------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| Through 6/30/72 | 27,001 | 26,675 | 336 | U.S. Technicians Participants Commodities Other Costs Total Obligations | Direct AID | Contract Order Agency | Total | Direct AID | Contract Order Agency | Total | Children's Medical Relief International (CMRI) American Medical Association International Rescue Committee |
| Estimated FY 73 | 624 | 725 | | | 147 | 477 | 624 | 112 | 65 | 177 | |
| Estimated through 6/30/73 | 27,625 | 27,400 | 225 | | - | - | - | - | - | - | |
| Proposed FY 74 | 177 | - | 27,802 | | 147 | 477 | 624 | 112 | 65 | 177 | |

| | | |
|---|---|--|
| PROJECT TITLE Public Health Services | OBJECTIVE/ACTIVITY Public Health | FUNDS IPR |
| PROJECT NUMBER 730-11-530-348 | PRIOR REFERENCE P. B-41, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 |
| | | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: Under this project A.I.D. assists the Ministry of Health in the planning and administration of a national public health program designed to prevent the spread of communicable diseases and to control endemic diseases.

Activities under this project are in three principal areas: (1) immunizations for temporary protection against disease, (2) an environmental sanitation program designed to restrict the spread of disease, and (3) a health education campaign on disease prevention practices.

The major programs are for prevention of plague, cholera, smallpox and tuberculosis. A comprehensive sanitation program will have been established within the Directorate of Public Health by FY 1974 to control the spread of communicable disease. Guidance and instruction will emphasize safe water supplies, sewage and garbage disposal, animal vector control and food sanitation. A continuing program of public education in the basic concepts of sanitation and good health practices is already underway.

Training abroad is scheduled for two professional public health educators annually through FY 1974 and a target has been established to graduate 40 fully qualified health education technicians annually by FY 1974 from the National Institute of Public Health.

Progress to Date: During 1972 further significant reductions were achieved in the incidences of plague, down 64 percent from 1971, and of cholera, down 24 percent.

Regular immunization and control programs were continued for polio, typhoid, malaria, tuberculosis and other diseases. Sanitation services were established in an additional four provinces bringing the combined total to 44 provinces and cities. Under the sanitary hamlet program, which was handicapped by the 1972 offensive, a total of 18 hamlets were completed and 54 nearly completed out of 96 planned for 1972. The new Ministry of Health printing plant expanded production of printed health education materials; there were 52 television and 104 radio programs on public health. The first class of 3-year students in the Public Health Technician course was scheduled to graduate in 1973 while 65 were graduated from the one-year assistant technician course during 1972. Participant training was completed in health education, sanitation services, water plant operations, leprosy control, water treatment, hospital records and statistics, quarantine and epidemiology, family health and midwifery. Emergency programs were undertaken by the Ministry of Health with USAID assistance in medical care/preventive medicine programs in refugee camps where no significant outbreak of communicable diseases occurred.

FY 1974 Program: A total of \$411,000 is proposed for FY 1974: \$370,000 for 11 direct-hire medical personnel; \$41,000 to provide training for five participants.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|------------------------------------|-------------------|-----------------------|--------------------------------|----------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 |
| | | | | | Direct AID | Contract Other Agency | | Total |
| Through 6/30/72 | 5,741 | 5,301 | 440 | | | | | |
| Estimated FY 73 | 934 | 1,284 | | | | | | |
| Estimated through 6/30/73 | 6,675 | 6,585 | 90 | U.S. Technicians Participants | 570 | 304 | 874 | |
| | | | | Commodities | 60 | - | 60 | |
| | | | | Other Costs | - | - | - | |
| | | Future Year Obligations | Estimated Total Cost | | | | | |
| Proposed FY 74 | 411 | 976 | 8,062 | Total Obligations | 630 | 304 | 934 | |
| | | | | | 411 | - | 411 | |

Republic of Korea
(Korean Preventive
Medicine - KOPREM
Teams)

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|---|---|--------------------------------|--|
| PROJECT TITLE Medical and Dental Education | OBJECTIVE/ACTIVITY Public Health | FUNDS IPR | |
| PROJECT NUMBER 730-11-540-150 | PRIOR REFERENCE P. B-43, B-44, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1957 | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: The objective of this project is to develop a medical/dental education system in Vietnam capable of providing, on a continuing basis, well-trained doctors and dentists equipped to meet the health and dental care needs of the population.

Specifically, the targets are to maintain the 200-level annual graduate output at Saigon University Medical School on a continuing basis and to develop a well-qualified staff and modern facilities for teaching of medical and dental care by 1975. Modern facilities will include libraries, laboratories and maintenance equipment. Personnel upgrading will involve study in the United States for selected teachers and English language training for faculty members. Short- and long-term advisors are provided by the American Medical Association and the American Dental Association.

Emphasis in the Faculty of Medicine is placed on clinical training through assignment of fifth- and sixth-year medical students to provincial hospitals and graduate training for faculty members. Post-graduate courses are conducted at the University of Saigon and at American universities. Support for the Medical Library is by the U.S. National Library of Medicine.

Progress to Date: Quantitative targets have been substantially achieved; emphasis is placed on qualitative improvement of faculty and students. A total of 199 Vietnamese physicians graduated in 1972, while dental graduates numbered 64, well above the goal of 50.

The Dental Faculty is considered self-regenerating. Forty-seven of the planned 50 faculty members are on board. Progress in the dental education program has been so substantial that the American Dental Association contract will not be required beyond FY 1973.

The Medical Faculty has now expanded to 208 full- and part-time members out of 250 planned by the end of the project. Seventy-five of the medical faculty have completed training abroad, nine returning during 1972. There are 23 faculty members currently in training in the United States with 21 others preparing for future U.S. study.

Available library and laboratory facilities have been steadily improved. About 90 percent of medical and 80 percent of dental departments now offer post-graduate courses conducted by Vietnamese faculty in cooperation with U.S. advisors. The Ministry of Education is preparing a plan to authorize credit toward advanced degrees for these courses. Modern curricula have been formulated and introduced into all dental and one quarter of medical clinical departments.

FY 1974 Program: The total proposed funding of \$1,372,000 will provide for: (a) 20 U.S. doctors under the American Medical Association contract plus one short-term dental education consultant (\$955,000); (b) participant training for 35 Vietnamese doctors at U.S. medical colleges and hospitals (\$327,000); and (c) commodities necessary to support the project (\$90,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-----------------|---------------------------|----------------------|-------------------|-------------------|------------------------|--------------------------------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | Estimated FY 73 | Estimated through 6/30/73 | Proposed FY 74 | | Estimated FY 1973 | Proposed FY 74 | | Total |
| Through 6/30/72 | 14,536 | 12,258 | 2,278 | | Direct AID | Contract Direct Agency | Total | American Medical Association American Dental Association |
| Estimated FY 73 | 1,882 | 2,551 | | U.S. Technicians | - | 1,370 | 1,370 | |
| Estimated through 6/30/73 | 16,418 | 14,809 | 1,609 | Participants | 102 | 280 | 382 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | 115 | 115 | |
| | | | | Other Costs | 15 | - | 15 | |
| Proposed FY 74 | 1,372 | 337 | 18,127 | Total Obligations | 117 | 1,765 | 1,882 | |
| | | | | | 52 | 1,320 | 1,372 | |

| | | | |
|---|---|--------------------------------|--|
| PROJECT TITLE Health Logistics Support | OBJECTIVE/ACTIVITY Public Health | FUNDS IPR | |
| PROJECT NUMBER 730-11-590-350 | PRIOR REFERENCE P. B-45, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: Advisory assistance and commodity support for the medical logistics system of the Ministry of Health is provided under this project. The logistics system services health installations throughout the country. Medical supplies and equipment are also supplied by the Department of Defense.

Plans have been developed to transfer to the Vietnamese Government full responsibility for all Ministry of Health logistics activities. To accelerate the transition, a joint Government of Vietnam/USAID effort has been initiated to (a) adopt practices with regard to acquisition and issue of medical supplies which will insure adequate medical care while effecting economies in medical logistic support, (b) devise means to procure medical commodities primarily with government monetary resources, and (c) formulate and submit a plan for a separate Ministry procurement capability specifically designed for timely and economical resupply of medical commodities.

Progress to Date: During 1972 all government health activities continued to receive service through the Ministry health logistics system as did national health programs including immunizations, malaria control, and maternal/child care programs. Medical supplies and related items worth some \$14.5 million were issued, about \$2 million over the planned amount due to increased requirements following the 1972 invasion. To accelerate the planned phaseover, the following steps were taken: during 1972 an additional 200 personnel including 100

pharmacists were employed by the Logistics Directorate; the first two phases of a newly developed fully automated data processing system for commodity procurement and distribution were implemented; work continued on the final phase of this activity which will transfer the system operations to the new government Computer Center. The 1972 Ministry of Health budget was increased by almost 1 billion piasters for local procurement and the 1973 budget includes 2.3 billion piasters for procurement of medical commodities. Procurement of raw and semi-processed materials for processing by the Ministry pharmaceutical facility will eliminate U.S. funding requirements for some stock items by 1974. Stock availabilities for demanded and stockage items were slightly below 1971 levels but adequate for supplying the system. Storage facilities were increased by two warehouses to a total of 32 in 1972. Some reduction in repairs of medical equipment were attributable to increased emphasis on training and improved maintenance capabilities at hospital level. Six formal training programs for repair technicians were completed in 1972 with a total of 115 graduates in various specialties. Increased utilization was made of province maintenance shops for automotive repairs following the departure of Korean contract technicians.

FY 1974 Program: A total of \$3,014,000 is requested for: 8 U.S. technicians (\$232,000); 6 third-country nationals (\$30,000); training three participants in medical equipment maintenance (\$21,000); and medical supplies and equipment (\$2,731,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|----------------------------|--------------------------------|------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | Proposed FY 74 | | | | |
| Through 6/30/72 | 60,754 | 52,900 | 7,854 | | Direct AID | Contract XXXXXX | Total | Direct AID | Contract Other Agency | Total |
| Estimated FY 73 | 5,258 | 9,053 | | U.S. Technicians | 360 | 45 | 405 | 232 | - | 232 |
| Estimated through 6/30/73 | 66,012 | 61,953 | 4,059 | Participants | 22 | - | 22 | 21 | - | 21 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 4,831 | - | 4,831 | 2,731 | - | 2,731 |
| | | | | Other Costs | - | - | - | 30 | - | 30 |
| Proposed FY 74 | 3,014 | 2,839 | 71,865 | Total Obligations | 5,213 | 45 | 5,258 | 3,014 | - | 3,014 |

URS Systems Corporation

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE National Rehabilitation Institute | OBJECTIVE/ACTIVITY Public Health | FUNDS IPR | |
| PROJECT NUMBER 730-12-530-351 | PRIOR REFERENCE P. B-47, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1966 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: This project assists the Government of Vietnam to develop a capability to rehabilitate seriously handicapped persons.

Project targets include: (a) establishment of a school of physical therapy with a three-year program; (b) a self-sufficient rehabilitation capacity which can provide or repair 18,000 to 21,000 prosthetic/orthotic devices annually, and physical training for severely disabled persons to aid them in resuming an economically productive life; and (c) job placement for vocational trainees.

The World Rehabilitation Fund, Inc. provides advisory and supervisory assistance to the National Rehabilitation Institute, trains Vietnamese personnel in rehabilitation methods, and provides necessary equipment and supplies.

Progress to Date: During CY 1972, a total of 12,617 prosthetic/orthotic devices were fitted or repaired at the Saigon, Can Tho, Danang, and Qui Nhon locations. Some 362 handicapped persons received vocational training in tailoring, typing and motor repair. During 1971, 100 vocational trainees, including 40 blind persons, were actually placed in jobs throughout Vietnam.

The Government of New Zealand recently built and equipped a new vocational training center. The Canadian Government has agreed to provide the staff, training aids, and equipment necessary to operate the School of Physical Therapy for a three-year period. Opening of 11 provincial

hospital prosthesis repair shops was begun in FY 1973.

Moderate progress is being made in the local production of prosthetic and orthotic devices. The Institute produced over 7,100 devices in 1971, while repairing over 3,400. All knee set-ups and solid ankle cushioned heels are now made in-country, substantially reducing requirements for dollar purchased imports.

Progress in staff training has also been most encouraging. Two participant physicians received four months special training at New York University and other U.S. facilities during 1972. Two other physicians are programmed to receive similar training upon achieving sufficient English language proficiency. Four new prosthetic/orthotic technicians completed training in 1972, bringing the total number to 74. Twenty new physical therapy assistants were also trained in 1971.

FY 1974 Program: Funding in FY 1974 will require \$89,000 for two rehabilitation advisors under the World Rehabilitation Fund grant (\$29,000), and purchase of prosthetic manufacturing equipment, supplies and materials (\$60,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------|--------------------------------|---------------------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1973 | Proposed FY 74 | | |
| Through 6/30/72 | 2,246 | 2,062 | 184 | | Direct AID | Contract Agency | Total | World Rehabilitation Fund (WRF) |
| Estimated FY 73 | 110 | 245 | | U.S. Technicians | - | 26 | 26 | |
| Estimated through 6/30/73 | 2,356 | 2,307 | 49 | Participants | - | - | - | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | 84 | 84 | |
| Proposed FY 74 | 89 | - | 2,445 | Other Costs | - | - | - | |
| | | | | Total Obligations | - | 110 | 110 | |
| | | | | | - | 89 | 89 | |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|---|---|--------------------------------|--|
| PROJECT TITLE Population (Family Planning) | OBJECTIVE/ACTIVITY Population | FUNDS Population | |
| | PRIOR REFERENCE P. B-49, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1971 | SCHEDULED FINAL OBLIGATION FY: 1977 |
| PROJECT NUMBER 730-11-580-405 | | | |

Project Target and Course of Action: The purpose of this project is to assist the Vietnamese Government to establish a nationwide family planning program including services, commodity support and training of Vietnamese personnel.

In 1971, the Committee for Family Health, an inter-ministerial advisory committee to the Ministry of Health, determined that free family planning services should be provided for any married woman with one living child based on the husband's consent. The Ministry of Health bears the responsibility for provision of these services and has set goals of establishing clinics in all districts by 1975 through its Maternal and Child Health program and of training medical and paramedical personnel at all levels of operation. A knowledge, attitudes, and practices survey in 1969-70 revealed that 93 percent of the women interviewed were receptive to practicing family planning. An estimated 1.5 million Vietnamese women are presently in need of such services.

Progress to Date: By the end of CY 1972, 60 clinics staffed and equipped to provide family planning services were in operation covering every major urban area and province, doubling the number for the previous year. Family planning acceptors for FY 1973 exceeded the total for all previous years since the program began in 1968. Sixty doctors and 120 midwives received training in-country in family planning techniques, and 30 doctors

and 15 midwives received similar training in third countries. In addition, training for social workers, the production and distribution of 600,000 leaflets, 20,000 posters and a locally-produced family planning film have greatly increased the informational program over the past year. The Family Health Committee has re-organized into functional sectors and subnational working groups to improve management and accelerate implementation of the program. The National Institute of Statistics began a survey that will yield more accurate fertility statistics and efforts are being made to improve the reporting of vital statistics. The National Institute of Administration began a course for senior level government management personnel in administrative problems of population growth in FY 1973.

FY 1974 Program: In FY 1974 \$685,000 is proposed for continued extension of services to district health facilities, additional in-country family planning training in all areas of clinic services, and expansion of information/education programs. The amount of \$385,000 will be used to fund three direct hire population advisors, one Bureau of Census statistician, five contract information/training advisors and a contract medical education/fertility research advisor; \$45,000 for one participant in the United States and 20 in third countries; \$160,000 for commodities for education and clinic programs; and \$95,000 for in-country training, information materials production, local staff, a national family planning conference, and related other costs.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|---------------------------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| | | | | | Direct AID | Contract Other Agency | | Total | Direct AID | Contract Other Agency | Total |
| Through 6/30/72 | 557 | 252 | 305 | | | | | | | | |
| Estimated FY 73 | 607 | 504 | | | 80 | 42 | 122 | 120 | 265 | 385 | Bureau of Census American Medical Association |
| Estimated through 6/30/73 | 1,164 | 756 | 408 | U.S. Technicians Participants | 79 | - | 79 | 45 | - | 45 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 250 | - | 250 | 160 | - | 160 | |
| | | | | Other Costs | 156 | - | 156 | 95 | - | 95 | |
| Proposed FY 74 | 685 | 3,659 | 5,508 | Total Obligations | 565 | 42 | 607 | 420 | 265 | 685 | |

Country: VIETNAM

PROJECT SHEET

TABLE III

| PROJECT TITLE | OBJECTIVE/ACTIVITY | | FUNDS | |
|--|--------------------|--------------------|------------|------------------|
| | PRIOR REFERENCE | INITIAL OBLIGATION | SCHEDULED | FINAL OBLIGATION |
| Population Planning and Institution Building | Population | | Population | |
| PROJECT NUMBER 730-11-590-416 | | FY: 1973 | FY: 1977 | |

Project Target and Course of Action: This project provides assistance to the Vietnamese Government in the involvement of national awareness and government policy and actions on the effect of rapid, unrestricted population growth on national development goals.

In 1972 the National Institute of Statistics determined that the population growth rate of Vietnam was 3 per cent, considerably higher than the 2.6 per cent previously used for national planning projections. If this rate were to remain constant, the population of Vietnam would double in 23 years. The greatest expansion of the population would be in the dependent age group (under 15) which requires heavy support from social service institutions such as health, education and social welfare. The rate of population growth is thus a critical factor in development planning.

Progress to Date: Following the initiative of the Ministry of Health, a number of ministries have begun to consider Vietnam's rapid population growth as a major deterrent to the achievement of their respective program objectives. The National Institute of Administration has established a training program for senior government officials to increase their understanding of population problems and the application of this knowledge to the planning and administration of ministerial sector programs. The Ministry of Education has proposed the development of a progressive curriculum in population awareness throughout

the governmental education system and the Minister of Planning has called for the creation of a central population dynamics research unit. In November 1972, the Prime Minister established the National Population Council of Ministers for the consideration of government policy on population growth.

FY 1974 Program: In FY 1974 project efforts will be directed at: (1) preparatory work for a national population census; (2) curriculum design and in-service teacher training for inclusion of matters pertaining to excessive population growth in the national education system; and (3) the continuation and extension of the population dynamics training program for government and planning officials of the Government of Vietnam.

In FY 1974, \$815,000 is requested to support this project. This amount will cover: (1) \$15,000 for a direct hire secretary for the Mission Population Committee, and \$483,000 for seven Participating Agency employees and four contract advisors; (2) \$105,000 to fund participants in population training, eight in the United States and 30 in third countries; (3) \$21,000 for commodities such as reference materials, training aids and other supplies; and (4) \$191,000 for other costs necessary to support the project, including local census staff, in-country training programs, and in-country travel.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| | | | | | Direct AID | Contract Other Agency | | Total | Direct AID | Contract Other Agency | Total |
| Through 6/30/72 | - | - | 553 | | | | | | | | |
| Estimated FY 73 | 649 | 96 | | U.S. Technicians | 15 | 284 | 299 | 15 | 483 | 498 | |
| Estimated through 6/30/73 | 649 | 96 | 553 | Participants | 65 | - | 65 | 105 | - | 105 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 144 | - | 144 | 21 | - | 21 | |
| | | | | Other Costs | 141 | - | 141 | 191 | - | 191 | |
| Proposed FY 74 | 815 | 1,215 | 2,679 | Total Obligations | 365 | 284 | 649 | 332 | 483 | 815 | |

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Public Health General Support | OBJECTIVE/ACTIVITY Public Health | FUNDS IPR | |
| PROJECT NUMBER 730-11-599-375 | PRIOR REFERENCE P. B-50, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1978 |

Project Target and Course of Action: The purpose of this project is to provide policy guidance, administrative services, and technical support for A.I.D. personnel assisting the Ministry of Health and the Ministry of Education programs in the health sciences in order to carry out effectively the extensive civilian health program of the Government of Vietnam.

Under this project the Assistant Director of the Public Health Division, his Deputy, and staff are responsible for the direction and supervision of the USAID nationwide Public Health Assistance Program. Concurrent with these activities, this group also provides technical assistance and policy guidance to the Ministry of Health at the national level.

Regional Public Health supervisors and medical advisors to the Ministry of Health field operations are also placed under this general support project to reflect total administrative and support costs more accurately.

FY 1974 Program: A total of \$474,000 is proposed to support 15 direct-hire positions (\$469,000) and short-term participant seminar program costs (\$5,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|-----|-----|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| Through 6/30/72 | 3,997 | 3,992 | 5 | | Estimated FY 1973 | | | Proposed FY 74 | | |
| Estimated FY 73 | 574 | 569 | | | Direct AID | Contract Other Agency | | Total | | |
| Estimated through 6/30/73 | 4,571 | 4,561 | 10 | | U.S. Technicians | 559 | - | 559 | 469 | - |
| | | Future Year Obligations | Estimated Total Cost | Participants | 10 | - | 10 | - | - | - |
| | | | | Commodities | - | - | - | - | - | - |
| | | | | Other Costs | 5 | - | 5 | 5 | - | 5 |
| Proposed FY 74 | 474 | 344 | 5,389 | Total Obligations | 574 | - | 574 | 474 | - | 474 |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|-------------------------------|---|--------------------------------|--|
| PROJECT TITLE Dredging | OBJECTIVE/ACTIVITY Public Works | FUNDS IPR | |
| PROJECT NUMBER 730-12-350-406 | PRIOR REFERENCE P. B-52, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1972 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: The objective of this project is to create an autonomous and financially self-supporting dredging agency to meet civil dredging requirements and in so doing to utilize private sector dredging capability whenever possible.

Progress to Date: A new autonomous Vietnam Dredging Agency (VDA) began operation in February 1971. In December 1972 a contract was awarded by A.I.D. to provide advisory and surveillance services to the Agency. Under the guidance of the contract team, the Vietnam Dredging Agency began financial and operational reforms and is now receiving payment for approximately 90 percent of productive dredging. The 1972 dredging program included maintenance and improvement of fishing ports, construction/improvement of irrigation and agricultural facilities, land fill for industrial and public development projects and sand mining for private and public construction.

FY 1974 Program: \$41,000 is proposed in FY 1974 to fund the cost of one direct-hire technician.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| Through 6/30/72 | 91 | 8 | 350 | | Direct AID | Contract Other Agency | | Total | Direct AID | Contract Other Agency |
| Estimated FY 73 | 91 | 272 | | | U.S. Technicians | 41 | - | 41 | 41 | - |
| Estimated through 6/30/73 | 449 | 280 | 169 | Participants | - | - | - | - | - | - |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 50 | - | 50 | - | - | - |
| Proposed FY 74 | 41 | - | 490 | Other Costs | - | - | - | - | - | - |
| | | | | Total Obligations | 91 | - | 91 | 41 | - | 41 |

| | | | |
|---------------------------------|------------------------------------|--------------------------------|--|
| PROJECT TITLE Reconstruction | OBJECTIVE/ACTIVITY Public Works | FUNDS IPR | |
| PROJECT NUMBER 730-12-310-409 | PRIOR REFERENCE | INITIAL OBLIGATION FY: 1974 | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: The objective of this project is to assist South Vietnam in rebuilding and rehabilitating areas devastated by the war. There has been systematic repair made over the years but of immediate concern is damage occasioned by the North Vietnamese invasion of 1972. Despite the ceasefire, it has been impossible with the unsettled conditions to develop complete plans for rebuilding the many damaged facilities. The program outlined below constitutes our best estimate, at this time, of major areas (except highways, Project 730-11-310-408) which should be rehabilitated. We do not know the total extent of the damage but we are certain that the amount requested in this project for FY 1974 is but a beginning toward the solution of a broader and more costly problem. There is a real possibility that as the situation clarifies, more funds will be required before the end of this fiscal year if the Vietnamese are to bring the country and the economy back to the pre-invasion level and to relieve the country's dependence on foreign aid.

FY 1974 Program: The program includes several discreet elements. Return-To-Village Facilities: (\$15,000,000), based on the return of about 400,000 refugees to their villages during the next twelve months. It will cost about \$40 per refugee to construct a variety of communal facilities in a village such as wells, schools, clinics, roads, markets, village council quarters, etc. This package of facilities will vary from village to village, but in all cases one or more of these items will be

needed. Canals and Dikes: (\$5,000,000). Of great importance to the prosperity of the Delta region is the repair and reconstruction of the canals that are the principal arteries of commerce and the dikes that contain the intrusion of sea water. The amount requested is a start which will permit a comprehensive inventory of need to be made and initial construction of the most critically damaged facilities undertaken. Orchards and Plantations: (\$5,000,000). Another economic asset which has suffered at the hands of the invaders is the many acres of tea, coffee, bananas, rubber, fruit trees that need to be rehabilitated and eventually expanded. Again the amount requested permits only the initial attack on the problem including an inventory of needs and the start of rehabilitation efforts in the most easily accessible areas. Health Facilities: (\$3,000,000). This amount will cover the estimated cost of repairing and re-equipping several provincial hospitals and of beginning the reconstruction of a number of district maternity-dispensary clinics. Education Facilities: (\$2,000,000), primarily for damaged elementary and secondary classrooms in other than those villages to which refugees are returning.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID |
| Through 6/30/72 | | | | | | | | | |
| Estimated FY 73 | | | | | | | | | |
| Estimated through 6/30/73 | | | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | |
| Proposed FY 74 | 30,000 | | Undetermined | Total Obligations | | | - | 30000 | 30000 |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|---|--|--------------------------------|--|
| PROJECT TITLE Public Works General Support | OBJECTIVE/ACTIVITY Public Works | FUNDS IPR | |
| PROJECT NUMBER 730-11-995-380 | PRIOR REFERENCE P. B-53, 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1978 |

Project Target and Course of Action: This project provides (1) overall direction for projects in the Public Works Sector, (2) backstopping for USAID project activities in the field involving engineering and construction, and (3) technical assistance to the Government of Vietnam Ministries of Public Works and of Communications and Posts. The need for substantial technical support in this area is prompted by the unusual magnitude and diversity of construction and reconstruction--schools, utility systems, warehouses, bridges and roads, drainage systems, etc.

A.I.D. technicians under this project also analyze proposals for capital assistance and review applications for capital equipment under the Commodity Import Program (CIP).

Progress to Date: A program of assistance to the Directorate General of Reconstruction and Urban Planning in its conduct of urban planning activities has been concluded. As a result, its personnel are now developing a competence to continue on-going surveys and to undertake new surveys as needed.

Assistance has been extended to the Directorate of Water Supply in planning, building, operating, rehabilitating, and maintaining water systems throughout Vietnam. Training programs for operating personnel at several water treatment plants have also been concluded. Training has been provided in waterworks engineering and design.

A four-year development plan for the Ministry of Public Works has been completed. Under the direction of the ministry, personnel of the Directorate of Planning have been trained in the preparation of feasibility studies for proposals designed to attract international financing.

Before the end of FY 73 standard construction drawings and specifications for water supply improvements in four cities will be completed and plans for rehabilitation of water systems in three other cities will be finalized. FY 1974 Program: Total funds requested for FY 1974 are \$1,505,000 to be used for: 24 direct-hire advisors, \$985,000; and for replacement parts for Combined Telecommunications Directorate, \$520,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|--------------------------|-------------------|-----------------------|--------------------------------|----------------|---|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| Through 6/30/72 | 12,983 | 10,998 | 1,985 | | Direct AID | Contract Other Agency | | Total | | |
| Estimated FY 73 | 1,220 | 2,230 | | | 753 | 460 | 1,213 | 985 | - | 985 |
| Estimated through 6/30/73 | 14,203 | 13,228 | 975 | - | - | - | - | - | - | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 7 | - | 7 | 520 | - | 520 |
| Proposed FY 74 | 1,505 | 604 | 16,312 | Other Costs | | | | | | |
| | | | | Total Obligations | 760 | 460 | 1,220 | 1,505 | - | 1,505 |

| | | | |
|---------------------------------|---|--------------------------------|--|
| PROJECT TITLE Electric Power | OBJECTIVE/ACTIVITY Public Works | FUNDS IPR | |
| PROJECT NUMBER 730-12-220-356 | PRIOR REFERENCE P. B-54, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: Overall project objectives are: to establish an autonomous, economically viable, and technically competent electric utility company for all South Vietnam; to expand power-generating and distribution capacity for the Saigon area to approximately 350 megawatts by 1974; and to serve additional towns and rural areas outside Saigon on an economical basis as is possible under present conditions.

Progress to Date: Even though a heavy unserved demand for electric power remains, the year 1972 was one of continuing progress for the Vietnam Power Co. Electric power generating capability increased by eighty-nine percent.

An A.I.D. financed National Power Survey was completed early in 1972 and implementation of the recommendations of the survey team has been started. Findings of the survey team will be used as the basis for preparation of a master plan for future power development programs.

Power generating capability in the Saigon metropolitan area was increased by the addition of four new electric power plants and service in the provinces was considerably improved. Electric power is now available in all of the 40 province capitals served by the company.

The National Utilities Commission continued its development of more realistic rate structures based upon the cost-of-services concept and succeeded in getting approval of a 45.7 percent rate increase.

During 1972 the Vietnam Power Co. secured loans from Japan (\$18 million) for construction of a steam generation plant and from the Asian Development Bank (\$6.3 million) to finance extension of the transmission and distribution system in the Saigon area.

FY 1974 Program: Total funding requested for FY 1974 is \$199,000: \$73,000 will provide for the services of two U.S. direct-hire technicians and \$126,000 will be used to cover the cost of training for 19 participants.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|
| Through 6/30/72 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | 50,169 | 41,259 | 8,910 | | Estimated FY 1973 | | | Proposed FY 74 | | |
| | | | | | Direct AID | Contract Other Agency | | Total | Direct AID | Contract Other Agency |
| Estimated FY 73 | 170 | 6,434 | | U.S. Technicians | 114 | 30 | 144 | 73 | - | 73 |
| Estimated through 6/30/73 | 50,339 | 47,693 | 2,646 | Participants | 26 | - | 26 | 126 | - | 126 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | - | - | - |
| Proposed FY 74 | 199 | - | 50,538 | Other Costs | - | - | - | - | - | - |
| | | | | Total Obligations | 140 | 30 | 170 | 199 | - | 199 |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Highway Advisory Assistance | OBJECTIVE/ACTIVITY Public Works | FUNDS IPR | |
| PROJECT NUMBER 730-11-310-408 | PRIOR REFERENCE P. B-55, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1973 | SCHEDULED FINAL OBLIGATION FY: 1978 |

Project Target and Course of Action: This project assists the Directorate-General of Highways to develop an organization capable of effective maintenance and reconstruction of the primary and secondary highway systems.

Over the past several years, U.S. military forces have made an extensive investment in improving highways in Vietnam. Much of the original primary highway system has been upgraded for heavy military traffic and, as a result of this traffic, has required extensive maintenance. The improved highway system is an important asset for Vietnam's future. Although rebuilt and heavily maintained for primarily military reasons, it served the civilian economy well and provides a major contribution to Vietnam's prospects for future economic development.

This highway system requires continuing maintenance, and the Government is poorly equipped to perform this. Its Directorate-General of Highways needs an improved capability to perform routine, day-to-day, preventive maintenance. Its ability to plan major maintenance and reconstruction, and to let and supervise contracts is limited. Its equipment fleet is old, outmoded and so diverse as to make repairs an insuperable problem.

The emphasis of this project will be on advisory assistance to the Directorate-General of Highways and the funding of contracts for actual reconstruction and repair work. In excess of 20 percent of the new highway system requires immediate major rehabilitation exclusive of war

damage to roads and bridges presently estimated at \$16,000,000.

Progress to Date: Since the project started in December 1972, several contracts have been signed with U.S. firms to provide equipment, administrative and contract management advisory services to the Ministry. These advisors will attempt to improve management practices and procedures during FY 1973 and FY 1974.

FY 1974 Program: A total of \$20,000,000 is proposed for FY 1974: for 17 U.S. direct hire advisors, \$664,000; for 21 contract advisors in highway department management, equipment maintenance and supply management and for the Highway Training School, \$1,186,000; for end product contracts to perform major highway repairs and reconstruction on selected, high priority sections of highway, \$18,000,000; for training of 16 participants, \$43,000; and for commodities including new machine and hand tools, scientific equipment and training aids and supplies, \$107,000.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | | |
|---------------------------------|-----------------|-------------------------|----------------------|-------------------|-------------|-------------------|--------------------------------|-----------------------|----------------|------------|--|-------|
| Through 6/30/72 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | | |
| | Estimated FY 73 | 3,001 | 1,173 | | - | Estimated FY 1973 | | | Proposed FY 74 | | | |
| | | | | | | Direct AID | | Contract Other Agency | Total | Direct AID | Contract Other Agency | Total |
| Estimated through 6/30/73 | 3,001 | 1,173 | 1,828 | U.S. Technicians | 1,132 | 1,699 | 2,831 | 664 | 1,186 | 1,850 | Roy Jorgenson Associates, Inc. Daniel, Mann, Johnson & Mendenhall | |
| | | | | Participants | 47 | - | 47 | 43 | - | 43 | | |
| | | | | Commodities | 123 | - | 123 | 107 | - | 107 | | |
| | | Future Year Obligations | Estimated Total Cost | Other Costs | - | - | - | - | 18000 | 18000 | | |
| Proposed FY 74 | 20,000 | 13,656 | 36,657 | Total Obligations | 1,302 | 1,699 | 3,001 | 814 | 19186 | 20000 | | |

| | | | |
|---|--|--------------------------------|--|
| PROJECT TITLE VECCO (Vietnamese Engineering & Construction Co.) | OBJECTIVE/ACTIVITY Public Works | FUNDS IPR | |
| PROJECT NUMBER 730-15-390-414 | PRIOR REFERENCE P. B-56 FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1972 | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: This project is developing a temporary Vietnamese institution designed to (1) manage several facilities producing construction material, (2) receive and maintain construction equipment declared excess by the U.S. Department of Defense, and (3) lease equipment to contractors. This semi-public institution, known as VECCO (Vietnamese Engineering and Construction Co.) will make available both construction equipment and material to Vietnamese contractors. It provides support for the Vietnamese local construction industry and helps develop that industry to the point where it can ultimately purchase its own equipment and material.

Over the past six years most large public construction work was carried out by U.S. contractors mainly under contract to the U.S. Department of Defense. Vietnamese construction firms were small and had little equipment. Now that many U.S. construction contracts have been phased out and a sizable amount of excess construction equipment is available, it is important that the Vietnamese be taught to do their own maintenance and construction by developing the capabilities of private Vietnamese firms. A.I.D.'s technical assistance to VECCO will help that company (1) manage the several plants producing such construction materials as asphalt, concrete and aggregate; (2) set up and operate shops to repair and maintain excess U.S. equipment; and (3) develop equipment leasing schedules and rates.

Progress to Date: The project was launched in September 1972 when a contract was signed with the Vinnell Corporation. By the end of 1972 the company had selected and employed 695 employees of whom 35 were in management positions. The company has received approximately 750 pieces of U.S. excess property and Vinnell is assisting VECCO to assess the utility of making each piece serviceable for possible rental. VECCO also took over operation of three rock quarries and is operating its own concrete pole spinning plant at Bien Hoa.

FY 1974 Program: For FY 1974 a total of \$984,000 is requested. Within this request, \$960,000 will provide for a one year extension of the Vinnell Corporation contract. The Vinnell Corporation under this contract will provide 16 full time advisors plus short-term consultants in organization and management, heavy construction, and equipment maintenance. Training of approximately 15 Vietnamese participants in Business Administration and Public Works Management amounting to \$24,000 is also included in the total request.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|---|--------------------------------|----------------|------------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| | | | | | Direct AID | Contract OTHER AGENCY | | Total | Direct AID | Contract OTHER AGENCY |
| Through 6/30/72 | 300 | - | 300 | | | | | | | |
| Estimated FY 73 | 1,199 | 652 | | U.S. Technicians | - | 1,183 | 1,183 | - | 960 | 960 |
| Estimated through 6/30/73 | 1,499 | 652 | 847 | Participants | 16 | - | 16 | 24 | - | 24 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | - | - | - |
| Proposed FY 74 | 984 | 614 | 3,097 | Other Costs | - | - | - | - | - | - |
| | | | | Total Obligations | 16 | 1,183 | 1,199 | 24 | 960 | 984 |

Vinnell Corporation

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | |
|----------------------------------|---|--|
| PROJECT TITLE My Thuan Bridge | OBJECTIVE/ACTIVITY Public Works | FUNDS IPR |
| PROJECT NUMBER 730-12-995-421 | PRIOR REFERENCE P. B-71, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1974 |
| | | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: The objective of this project is to construct a bridge over the Mekong River, in its Deltaic region, at a site approximately six miles west of the city of Vinh Long and thus eliminate one of the most serious traffic bottlenecks in all Vietnam.

Progress to Date: Since the early 1960s, successive Vietnamese Governments have pressed for construction of a bridge at My Thuan. The Government of Vietnam has established a My Thuan project office and requested contributions from potential donors. Five other countries have expressed a desire to contribute to this project contingent upon U.S. participation. The United States has indicated an interest in participation, subject to the availability of funds, once security and economic conditions favor construction of the bridge. It is anticipated that stable security and economic conditions during FY 1974 will prevail.

The Mekong Coordinating Committee has helped the Governments of Vietnam and the Khmer Republic (Cambodia) to reach an agreement upon required bridge clearances for international navigation on the river and the Mekong Coordinating Committee has also solicited support from other countries for construction of the proposed bridge.

FY 1974 Program: Total construction cost is estimated at \$32 million. The Government of Vietnam is expected to finance half of this, including local costs. The

United States will fund up to one-quarter of the total cost, or \$8 million, and other donors are expected to fund the remaining quarter.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 |
| | | | | | Direct AID | Contract/Other Agency | | Total |
| | | | | | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/72 | - | - | - | | - | - | - | |
| Estimated FY 73 | - | - | - | | - | - | - | |
| Estimated through 6/30/73 | - | - | - | | - | - | - | |
| | | Future Year Obligations | Estimated Total Cost | | | | | |
| Proposed FY 74 | 8,000 | | 8,000 | Total Obligations | - | 8,000 | 8,000 | |

| | | |
|-------------------------------|---------------------------------|----------------------------|
| PROJECT TITLE | OBJECTIVE/ACTIVITY | FUNDS |
| Support of Rural Development | Rural Development | IPR |
| PROJECT NUMBER 740-11-995-332 | PRIOR REFERENCE | INITIAL OBLIGATION |
| | P. B-61 FY 1973 Security SA PDB | FY: 1967 |
| | | SCHEDULED FINAL OBLIGATION |
| | | FY: 1974 |

Project Target and Course of Action: The objective of this project is to establish a strong popular base for the constitutional Government of Vietnam. Emphasis is placed on decentralizing authority from the central to the local government, increasing both the responsibility and the capacity of province and village governments to identify and respond to urgent local needs, and to gain the active participation of the population in the planning and conduct of local affairs. Projects are proposed by the common interest groups within the local community, debated at public meetings, and approved by the locally elected province or village councils.

There are four basic types of projects: (1) basic infrastructure projects of general benefit to the province which meet the national priority objectives of the Community Defense and Local Development Plan, funded directly from the National Fund for Local Development of the Central Pacification and Development Council; (2) other projects of general benefit to the province, which either do not meet the criteria for the National Fund for Local Development funding, or which are beyond the National Fund for Local Development funding limit set for the province. Such projects are funded from the Province Development Fund granted by the central government but controlled by the elected Province Council; (3) public interest projects of general benefit to the village, funded from Village Development Funds controlled

by the elected Village Council; and (4) income producing projects directly benefiting a special interest group. Such projects are assisted exclusively on a loan basis through the Village Credit Committee which may approve loans up to 50,000 piasters and within the credit limit established by the Agricultural Development Bank. Based on majority vote of the Village General Assembly, a village may deposit up to 50 percent of its development fund grant from the central government, plus any amount from local resources, with the Agricultural Development Bank to help establish a greater line of credit for the village. The total village deposit is matched by the Agricultural Development Bank.

All projects are implemented by the Province Technical Services. The bulk of support is furnished by the Government of Vietnam in the form of piasters. The United States role is limited to advising the primary action agents at all three government levels, and in seeking to augment the capacity of Technical Services in key provinces.

FY 1974 Program: Total funding required is \$237,000 for 6 U.S. direct hire advisors.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 |
| | | | | | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/72 | 17,949 | 14,518 | 3,431 | | | | | |
| Estimated FY 73 | 405 | 2,862 | | | | | | |
| Estimated through 6/30/73 | 18,354 | 17,380 | 974 | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | |
| Proposed FY 74 | 237 | - | 18,591 | Total Obligations | 376 | 29 | 405 | |
| | | | | | 237 | - | 237 | |

Country: VIETNAM

PROJECT SHEET

TABLE III

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Ethnic Minority Affairs | OBJECTIVE/ACTIVITY Rural Development | FUNDS IPR | |
| PROJECT NUMBER 730-11-995-335 | PRIOR REFERENCE P. B-63, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1967 | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: The purpose of this project is to increase the capability of the Ministry for the Development of Ethnic Minorities to carry out development programs for the approximately 900,000 Montagnards who inhabit the Central Highlands of South Vietnam.

Because the Montagnards have traditionally been isolated from the mainstream of Vietnamese life, the Government of Vietnam is seeking to win their loyalty and support through a program which provides for local self-development, land reform, modernization of agricultural practices, improvements in education, vocational and leadership training, improvements in public health facilities, and other community projects designed to increase the well-being of the Montagnard population. The Government of Vietnam is training large numbers of ethnic minority personnel to serve in province and district-levels of government.

A.I.D. assists the Government of Vietnam through such activities as: helping to develop an information program to promote Montagnard loyalty to the Government of Vietnam; administrative assistance in the preparation of village/hamlet elections; helping the Ministry to develop a formal education system for the Montagnards and participant training for potential Montagnard leaders.

Progress to Date: Minorities continued to benefit from Government programs in 1972. Over 413 Village Self-

Development projects were completed in 204 of approximately 298 Ethnic/Minority Villages. This included the procurement of 65 pieces of administrative equipment for hamlets. Another 56 Peoples Self-Defense Force Units were created in 1972, bringing the total to 727 Montagnard units. Another 310 Team Leaders for the Peoples Self-Defense Units were trained at the National Montagnard Training Center. More than 300 Highlanders were trained in improved agriculture practices, and over 250 kilograms of improved seeds were distributed to selected sites for crop demonstration purposes. A five-year agricultural plan for the highlands was completed during CY 1972 under this project.

FY 1974 Program: Total funding required is \$158,000 for: 2 U.S. direct-hire advisors (\$79,000); and training costs for up to 22 participants (\$79,000) to be trained primarily in third countries.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 |
| | | | | | Direct AID | Contract Other Agency | | Total |
| Through 6/30/72 | 608 | 550 | 58 | | | | | |
| Estimated FY 73 | 113 | 111 | | | | | | |
| Estimated through 6/30/73 | 721 | 661 | 60 | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | |
| Proposed FY 74 | 158 | - | 879 | Total Obligations | 98 | 15 | 113 | |
| | | | | | 158 | - | 158 | |

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Refugee Relief and Social Welfare | OBJECTIVE/ACTIVITY Refugees/Social Welfare | FUNDS IPR | |
| PROJECT NUMBER 730-11-822-307 | PRIOR REFERENCE P. B-65, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1966 | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: The purpose of this project is to assist the Government of Vietnam through the Ministry of Social Welfare to meet the needs of refugees, displaced persons and other war victims including orphans and other children disadvantaged by the war.

Highest priority in the refugee program will be given to assisting those families presently in refugee camps either to return to their home villages, or to resettle elsewhere on new lands with a high potential for economic development. In addition to assisting "in-camp" refugees to resume independent lives, the Ministry will assist other former refugees and displaced persons to return home from the cities or other temporary resettlement areas where they took refuge during the war. Assistance includes transportation home or to the resettlement site, provision of temporary shelter until homes can be constructed, house reconstruction allowance, assistance to clear the land and prepare it for planting, food allowances until the first harvest, and allowances for agricultural equipment and miscellaneous household needs.

In addition to these benefits which assist each family, the Government of Vietnam assisted by A.I.D. will insure that each new community will have the necessary water supply, sanitation facilities, classrooms, dispensaries, markets and other essential infrastructure. In the case of old communities to which refugees are returning, essential infrastructure will be restored by the A.I.D. assisted Vietnamese Reconstruction Program.

Provision is also made to shelter, feed and otherwise care for the "in-camp" refugees who are awaiting their opportunity to resettle. In addition the project provides for emergency assistance to victims of natural disasters and to "in-place" victims of military action, most of whom do not have to enter refugee camps, provided necessary assistance can immediately be made available to them in their home areas.

The Ministry also assists needy persons including widows and orphans and the physically disabled through subsidies to private institutions such as orphanages, day-care centers, homes for the aged, and community centers.

A.I.D. donated PL 480, Title II, commodities are distributed by the Government and voluntary agencies to refugees, social welfare institutions, and school children.

During FY 1973, more than 30 U.S. and international voluntary agencies operated refugee relief and welfare programs. A.I.D. provides logistics support for all these voluntary agencies, and has contracts with three of them to supplement their own resources.

Progress to Date: By the beginning of 1972, the number of people in refugee camps had fallen below 100,000. Nearly 460,000 refugees were in the process of resettling or returning to home villages. U.S. direct support was being reduced as the problem diminished and Vietnamese capabilities increased.

These favorable trends were retarded or reversed on March 29, 1972, when the North Vietnamese Army launched a

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|-----------------------|-------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| | | | | | Direct AID | Contract Other Agency | Total | Direct AID | Contract Other Agency | Total | |
| Through 6/30/72 | 25,088 | 23,730 | 1,358 | | | | | | | | International Rescue Committee |
| Estimated FY 73 | 31,068 | 33,536 | | | | | | | | | World Rehabilitation Fund |
| Estimated through 6/30/73 | 58,746 | 57,266 | 1,480 | U.S. Technicians | 1062 | 488 | 1550 | 1368 | 180 | 1548 | Eastern Construction Co., Inc. |
| | | | | Participants | 6 | - | 6 | 14 | - | 14 | Travelers Aid-International Social Services |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | - | - | - | Foremost Dairy |
| Proposed FY 74 | 79,445 | 63,000 | 201,191 | Other Costs | 29 | - | 29512 | 77000 | 883 | 77883 | |
| | | | | Total Obligations | 30580 | 488 | 31068 | 78382 | 1063 | 79445 | |

Country: VIETNAM

PROJECT SHEET (Continued)

Objective/Activity: Refugees/Social Welfare

TABLE IIIa

| PROJECT TITLE | PROJECT NUMBER |
|-----------------------------------|----------------|
| Refugee Relief and Social Welfare | 730-11-822-307 |

major military offensive. Since that time about 1.6 million civilians have been effected by military action, including 300,000 since the ceasefire, most of whom left their homes for only a few days.

More than a million civilians received temporary relief benefits in refugee camps at some time since the North Vietnamese offensive. Camp population peaked at 760,000 in October, declining to just under 600,000 by the end of April 1973. The average number of people cared for in government-operated camps during this time was about 652,000 per day.

During 1972, about 925,000 war victims were able to return home or resettle on new lands with government assistance; 243,000 had received full benefits; the remainder were in process at the end of the year.

The Government of Vietnam is providing regular assistance to 133 orphanages and 201 day-care centers caring for 42,000 children. Just under 400 children were issued visas to the United States for adoption. Over 500,000 orphans of military personnel are provided benefits by the Ministry of War Veterans programs.

FY 1974 Program: \$79,445,000 will be required for the following purposes: \$1,368,000 for 39 U.S. direct hire employees; \$113,000 for ten third country national contract employees; \$30 million to assist 400,000 refugees to return home; \$20 million to resettle 100,000 refugees on new land; \$25 million to provide temporary relief to 600,000 refugees, of whom only 200,000 are expected to remain in camps at the end of the year; \$2 million for child care benefits and assistance to Social Welfare with the development of social welfare institution programs; \$100,000 to extend a contract with the World Rehabilitation Fund to develop rehabilitation and vocational training programs for War Victims; \$100,000 to continue a contract with Foremost Dairy to supply milk for disadvantaged children; \$75,000 to extend the grant to Travelers Aid International Social Services to expand child counseling activities; \$500,000 for grants to voluntary agencies assisting in development and implementation of war victim rehabilitation programs, and \$14,000 to train six participants.

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE USAID Technical Support | OBJECTIVE/ACTIVITY Technical Support | | FUNDS IPR |
| | PRIOR REFERENCE P. B-59, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1956 | SCHEDULED FINAL OBLIGATION FY: Undetermined |
| PROJECT NUMBER 730-11-999-000 | | | |

Project Target and Course of Action: This project funds administrative and program personnel not attributable to a specific project but who support all of the activities associated with Humanitarian Assistance, Reconstruction, Development and the Commercial Import Program. This project includes those administrative and support functions transferred to USAID upon the termination of the Civil Operations and Rural Development Support Agency and also includes support for the management of A.I.D. field operations at the four consulates now under the Special Assistant to the Ambassador for Field Operations. This support includes personnel administration, residential quarters and furnishings, office space, repair and maintenance, office supplies and equipment, travel and transportation, communications and records, security and safety.

In addition to these administrative and support costs in Vietnam, there are the administrative costs associated with safehaven quarters in Manila, Taipei and Bangkok for families of A.I.D. technicians working in Vietnam.

FY 1974 Program: Technical Support funding proposed for FY 1974 is \$17,197,000. Cost of 260 direct hire personnel will amount to \$10,000,000. Training for 200 personnel of the National Police Command (in keeping with the terms of the cease-fire agreement) and for six

other Vietnamese Government employees in computer system management and technology is requested for \$869,000. Commodities will amount to \$828,000 and cover vehicle replacement, office equipment and residential furnishings. Other costs total \$5.5 million, they include \$1.5 million to fund "safehaven" support costs and \$4 million for contracts with U.S. and local firms to provide a wide range of services including building and vehicle repair, maintenance, machine rentals, computer services, printing, economic analysis and air transportation.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| | | | | | Direct AID | Contract Other Agency | | Total | Direct AID | Contract Other Agency |
| Through 6/30/72 | 214,639 | 209,530 | 5,109 | | | | | | | |
| Estimated FY 73 | 19,823 | 21,546 | | | | | | | | |
| Estimated through 6/30/73 | 234,462 | 231,076 | 3,386 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 74 | 17,197 | | Undetermined | | | | | | | |
| | | | | Total Obligations | 18240 | 1660 | 19900 | 13197 | 4000 | 17197 |

PROJECT FISCAL SUMMARY
(Dollar Amounts in Thousands)

TABLE IV

COUNTRY: VIETNAM

| Project Title | Project Number | FY of Initial Obligation | FY of Scheduled Final Obligation | Through FY 1972 | | | Estimated FY 1973 | | | Proposed Program FY 1974 | Future Year Obligations | Estimated Total Cost | |
|--|----------------|--------------------------|----------------------------------|------------------------|--------------|----------------------------------|-------------------|--------------|----------------------------------|--------------------------|-------------------------|----------------------|--|
| | | | | Obligations | Expenditures | Unliquidated Obligations 6/30/72 | Obligations | Expenditures | Unliquidated Obligations 6/30/73 | | | | |
| Provincial Roads and Quarries | 730-11-310-392 | 68 | 72 | 16,031 | 11,796 | 4,235 | - | 2,965 | 1,270 | | | 16,031 | |
| Port Management and Operations | 730-11-340-389 | 67 | 72 | 7,805 | 7,614 | 191 | - | 134 | 57 | | | 7,805 | |
| Inland Waterways Improvement | 730-11-350-297 | 65 | 70 | 8,602 | 8,183 | 419 | | 293 | 126 | | | 8,602 | |
| Civil Airlines Advisory Assistance | 730-11-370-394 | 68 | 71 | 1,100 | 1,075 | 25 | | 25 | - | | | 1,100 | |
| Manpower Development | 730-15-460-327 | 66 | 73 | 3,953 | 3,775 | 178 | 208 | 330 | 56 | | | 4,161 | |
| Malaria Control | 730-11-510-313 | 67 | 72 | 1,176 | 1,143 | 33 | - | 33 | - | | | 1,176 | |
| Vocational Education | 730-11-610-322 | 66 | 73 | 5,585 | 5,251 | 334 | 120 | 272 | 182 | | | 5,705 | |
| Agricultural Education | 730-11-620-323 | 66 | 70 | 1,400 | 1,396 | 4 | - | 4 | - | | | 1,400 | |
| Hamlet and Elementary Education | 730-11-640-319 | 67 | 70 | 6,456 | 6,450 | 6 | - | 6 | - | | | 6,456 | |
| Secondary Education | 730-11-650-365 | 67 | 72 | 4,901 | 4,666 | 235 | - | 165 | 70 | | | 4,901 | |
| Nguyen Truong To School | 730-11-650-397 | 68 | 69 | 2,449 | 2,405 | 44 | - | 44 | - | | | 2,449 | |
| Public Safety Telecommunications | 730-11-710-299 | 69 | 73 | 19,689 | 18,120 | 1,569 | 1,100 | 1,384 | 1,285 | | | 20,789 | |
| National Police Support | 730-11-710-352 | 67 | 73 | 55,602 | 54,516 | 1,086 | 5,495 | 4,109 | 2,472 | | | 61,097 | |
| Corrections Centers | 730-11-710-353 | 67 | 73 | 1,691 | 1,631 | 60 | 210 | 240 | 30 | | | 1,901 | |
| Central Government Administration | 730-11-720-371 | 67 | 70 | 1,569 | 1,567 | 2 | - | 2 | - | | | 1,569 | |
| National Information Services | 730-11-960-267 | 63 | 72 | 8,303 | 7,902 | 401 | - | 353 | 48 | | | 8,303 | |
| National Maintenance System | 730-11-970-382 | 67 | 72 | 17,057 | 16,631 | 426 | - | 298 | 128 | | | 17,057 | |
| Warehousing and Distribution | 730-11-970-390 | 67 | 72 | 8,605 | 8,374 | 231 | - | 162 | 69 | | | 8,605 | |
| Mission Wide Commodity Support | 730-11-995-330 | 66 | 70 | 67,163 | 66,672 | 491 | - | 344 | 147 | | | 67,163 | |
| Saigon Area Action Program | 730-11-995-370 | 67 | 71 | 5,284 | 4,940 | 344 | - | 241 | 103 | | | 5,284 | |
| International Voluntary Services | 730-11-995-404 | 69 | 72 | 941 | 936 | 5 | - | 5 | - | | | 941 | |
| MACV/CORDS Technical Support <u>1/</u> | 730-11-999-381 | 67 | 72 | 66,628 | 66,603 | 25 | - | 25 | - | | | 66,628 | |
| Provincial and Rural Electrification | 730-12-220-379 | 67 | 69 | 2,304 | 2,221 | 83 | - | 83 | - | | | 2,304 | |
| Telecommunications | 730-12-225-029 | 58 | 72 | 14,417 | 14,415 | 2 | - | 2 | - | | | 14,417 | |
| Saigon Water and Sewerage | 730-12-521-358 | 67 | 71 | 7,444 | 7,042 | 402 | - | 281 | 121 | | | 7,444 | |
| Rural Water Development | 730-12-521-359 | 67 | 73 | 5,461 | 4,919 | 542 | 252 | 455 | 339 | | | 5,713 | |
| | | | | Total | | | | | | | | | |

*Detailed project narrative--See Table III.

COUNTRY: VIETNAM

PROJECT FISCAL SUMMARY
(Dollar Amounts in Thousands)

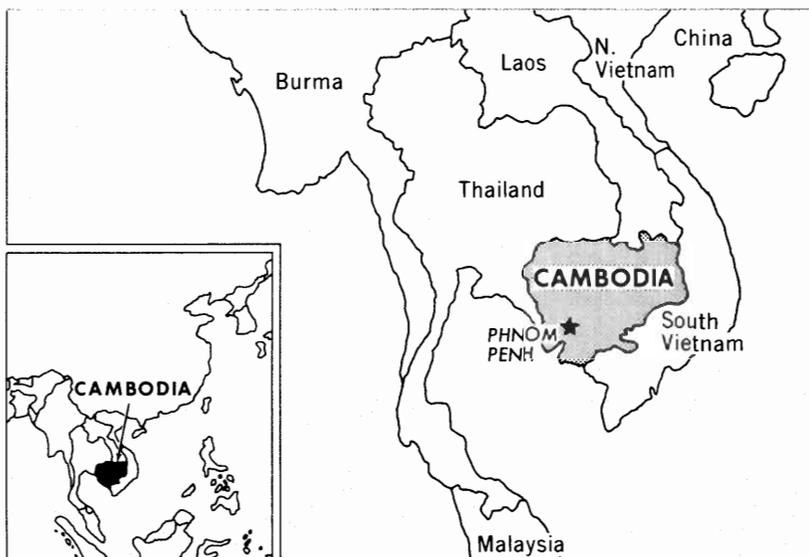
TABLE IV

| Project Title | Project Number | FY of Initial Obligation | FY of Scheduled Final Obligation | Through FY 1972 | | | Estimated FY 1973 | | | Proposed Program FY 1974 | Future Year Obligations | Estimated Total Cost |
|------------------------------|----------------|--------------------------|----------------------------------|-----------------|--------------|----------------------------------|-------------------|--------------|----------------------------------|--------------------------|-------------------------|----------------------|
| | | | | Obligations | Expenditures | Unliquidated Obligations 6/30/72 | Obligations | Expenditures | Unliquidated Obligations 6/30/73 | | | |
| Provincial City Water Supply | 730-12-521-386 | 67 | 69 | 2,197 | 2,169 | 28 | - | 28 | - | | | 2,197 |
| National Water Loan Fund | 730-12-521-398 | 69 | 70 | 1,000 | - | 1,000 | - | 700 | 300 | | | 1,000 |
| | | | | Total | | | 7,385 | 12,983 | 6,803 | | | 352,198 |

1/ Residual FY 1973 obligations for Project 381 are combined and included under USAID Technical Support (Project No. 730-11-999-000).

CAMBODIA

CAMBODIA - GENERAL ECONOMIC DATA



| CENTRAL GOVERNMENT FINANCES (FY Ending December 31) | Millions of Riels | | Million* |
|--|-------------------|----------|-----------------|
| | 1971 | 1972 | Dollars 1972 |
| Total Expenditures | 17,239 | 30,808 | 193 |
| (Defense Expenditures) .. | (10,206) | (16,956) | (106) |
| (Capital Outlays) | n.a. | n.a. | n.a. |
| Total Domestic Revenues ... | 4,733 | 6,536 | 41 |
| As Percent of GNP | n.a. | n.a. | n.a. |
| Deficit (-) or Surplus (+) .. | 12,506 | 24,272 | 152 |

* - Converted at 160 riels per U.S. dollar. n.a. - Not available.

BASIC DATA

| | | | |
|---------------------------------------|-----------------|------------------------------------|-----------------|
| Population (millions; mid-1972) | 7.6 | Per Capita GNP (1971; dollars).... | 90 ^b |
| Annual Growth Rate (percent)..... | 3.0 | Life Expectancy (years) | 52 |
| Area (1,000 square miles) | 70 | People per Doctor | 14,610 |
| Population Density Per Square Mile . | 108 | Literacy Rate (percent) | 41 |
| Agricultural Land as % of Area | 20 | Students as % of 5-19 Age Group .. | 44 |
| % of Labor Force in Agriculture | 80 ^a | (Primary and Secondary) | |

PRODUCTION TRENDS

| | 1968 | 1969 | 1970 | 1971 | 1972Est. |
|--|-------|-------|-------|------------------|----------|
| Agricultural Production | | | | | |
| Total Index (1961-65=100) | 103 | 145 | 104 | 79 | 75 |
| Index Per Capita (1961-65=100) ... | 90 | 123 | 86 | 63 | 58 |
| Rice, rough (1,000 MT) | 2,500 | 3,810 | 2,730 | 2,140 | 2,070 |
| Electric Power Output (million KWH) .. | 112 | 128 | 133 | 150 ^E | 160 |

INTERNATIONAL TRADE (\$ millions)

| | | | | | |
|------------------------------|------|------|------|-----|------|
| Total Exports (f.o.b.) | 89 | 78 | 40 | 13 | 8 |
| Rice | (37) | (13) | (16) | (2) | (1) |
| Total Imports (c.i.f.) | -116 | -121 | -62 | -82 | -102 |
| Trade Balance | -27 | -43 | -22 | -69 | -94 |

GOLD & FOREIGN EXCHANGE (\$ millions)[†]

| | | | | | |
|--------------------------------|----|----|----|----|----|
| Official Reserves | 77 | 66 | 60 | 37 | 25 |
| Commercial Bank Holdings | 16 | 11 | 11 | 17 | 12 |

| | | | | | |
|---------------------------------------|-----|-----|-----|-----|-----|
| CONSUMER PRICE INDEX (1963=100) | 111 | 118 | 132 | 227 | 284 |
| (Phnom Penh) | | | | | |

E - Estimate. † - Gross basis; end of period.

a - Pre-hostilities. b - Estimated directly in dollars.

CAMBODIA

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CAMBODIA (KHMER REPUBLIC)

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|-------------------|----------------------|---------------------|
| | FY 1972 Actual | FY 1973 Estimated | FY 1974 Proposed |
| Humanitarian Aid | - | 1.2 | 4.0 |
| Reconstruction | - | - | 5.0 |
| Commodity Import Program | 16.5 | 45.6 | 46.7 |
| Multilateral Stabilization | 20.0* | 20.5 | 18.3 |
| Technical Support and Participant Training | .6 | .7 | 1.0 |
| Total | 37.1 | 68.0 | 75.0 |
| Narcotics | - | .024 | - |

* In FY 1972 stabilization aid was provided as a bilateral cash grant prior to establishment of a multilateral fund.

OBJECTIVES OF U.S. ASSISTANCE

The objective of U.S. economic assistance has been to enable Cambodia to withstand the economic and social dislocations caused by the North Vietnamese invasion in 1970 and by the fighting that has taken place since then. At such time as a ceasefire is agreed upon and there is a return to more peaceful conditions, U.S. assistance will shift to economic reconstruction and rehabilitation, which would permit a return to political and social stability and eventual economic self-sufficiency.

POLITICAL AND MILITARY SETTING

Khmer communist insurgents, supported by North Vietnamese troops, have continued military attacks against the Cambodian army. Despite the difficult military situation and economic problems such as inflation, the political goals for which the Government stands - territorial integrity, independence, and neutrality - still have the support of the most of the Cambodian people.

The two greatest concerns felt by the Khmer Republic for the immediate future are that the North Vietnamese will

not remove themselves from Cambodian territory despite the signing of the Paris peace agreement and that North Vietnamese advisors and weapons will be left with Cambodian communist main force units. The Khmer Government believes that differences between it and the Cambodian communists can be sorted out if the Vietnamese will leave, and has indicated its willingness to permit open political competition by the Cambodian communists within the present political system. It bases this belief on the experience in Cambodia following the French Indochina war when a large number of Cambodians who were fighting French domination were brought over to the Government peacefully. Recently, the Government has made preliminary contacts with nationalist factions within the Cambodian insurgency, but these have been inconclusive and as yet there have been no negotiations with the North Vietnamese-trained Khmer communists.

ECONOMIC SITUATION

Cambodia entered the war in relatively good economic shape and with foreign exchange reserves of over \$65 million. Export earnings, together with external aid, provided sufficient foreign exchange to pay for the country's imports of over \$100 million a year. Beginning in 1970, however, Cambodia's export earnings dropped precipitously as a result of the dislocation to the economy caused by the hostilities. Agricultural production, particularly rice, fell sharply. All major rubber plantations ceased operations. Other production fell because of raw material shortages, manpower diversions, and war damage. Tourism disappeared. The Government soon exhausted the country's pre-war stockpile of commodities, and was forced to draw down sharply its foreign exchange reserves in order to finance imports. Imports in 1970 fell to half the pre-war level. Since 1971, with the assistance of the United States and other donors, imports have again risen and now stand at about \$100 million a year.

In order to finance the expansion of its military forces, the Government has had to rely on borrowing from its Central Bank. Such deficit financing has exceeded

CAMBODIA (KHMER REPUBLIC)

the stabilization impact of foreign aid which has offset only the external balance of payments deficit, not the domestic budget deficit. Consequently, Cambodia has experienced substantial monetary expansion and inflation.

In cooperation with the International Monetary Fund (IMF), the Government undertook economic reform measures in October 1971. As part of the stabilization effort, a multilateral Exchange Support Fund was established in 1971 with the advice and assistance of the IMF. This Fund continues to be an effective mechanism for enabling Cambodia to secure outside assistance in helping to meet part of the country's foreign exchange needs. Another part is met through the U.S. Commodity Import Program.

The Cambodian Government has adjusted reasonably well to the rapid transition from tranquillity to war. It has generally followed a realistic exchange rate policy, permitting liberalized imports to help increase the availability of goods in the marketplace. Maintenance of a realistic exchange rate, which has required continuous devaluations as inflation continued, has maximized aid counterpart generations. The Government's monetary policy has been counter-inflationary and has included such measures as increasing interest rates to encourage savings.

The Government has been less successful in fiscal measures. Budget expenditures have increased sharply, but no corresponding increase in revenues has been achieved, largely due to lack of security. The deficit, caused initially by the increased military budget needed to finance the expanded level of military activity, has risen above the level anticipated when the stabilization program was drawn up in 1971 in cooperation with the IMF.

OUTLOOK FOR FUTURE YEARS

The objective of U.S. policy is to achieve a negotiated ceasefire and a return to peace. While prospects for peace are uncertain, the U.S. Government hopes that a ceasefire will be achieved and that in FY 1974, U.S. assistance will begin to be directed to reconstruction

and rehabilitation. First priority would be relief for war-displaced persons. We will seek, primarily through grants to private and international organizations, to provide medical care, assistance in resettlement, food, and credit facilities to finance resumption of farm operations, seeds, and tools, and housing materials.

In terms of longer-range reconstruction and development requirements, the economic outlook for Cambodia is fair. With a settlement or a subsiding of hostilities, commerce could resume its normal pattern, and production and shipments should return to near pre-hostility levels within a few years. Manpower could be released from military service and return to domestic agricultural and industrial pursuits. Cambodian agricultural exports should be reasonably competitive and commercially attractive, and tourism to Angkor Wat should again become an important source of foreign exchange.

While the need for external assistance to finance essential imports should drop off as domestic production is restored, there will be a requirement for substantial external aid in the public sector to provide transport equipment and this aid should be forthcoming from international and regional aid organizations.

The unsettling experience of the war and its catalyst effect on stirring up the Government and the populace from their traditional low level of economic activity should lead to new efforts to modernize and develop the economy. We expect that existing multilateral aid arrangements - the Exchange Support Fund, the Mekong Committee, the Prek Thnot project, the U.N. Development Program, the Asian Development Bank and the IBRD - will contribute to Cambodia's longer-range development of agriculture, tourism, electrification, and export promotion.

PROPOSED FY 1974 PROGRAM

For FY 1974, \$75 million is proposed for Cambodia. The bulk of U.S. economic assistance will be needed to provide foreign exchange financing for essential imports until

CAMBODIA (KHMER REPUBLIC)

domestic production and export earnings return to pre-war levels. In addition, the FY 1974 aid program will give high priority to the care and resettlement of displaced persons in Cambodia, and to reintegrating them into the social and economic life of the country. When the fighting stops, local currency generated by U.S. economic assistance programs now used to support the defense budget can be applied to reconstruction and development programs.

The United States is also planning a \$30 million PL 480 program for FY 1974.

Humanitarian Aid to War-displaced Persons

In FY 1974, we plan to use \$4.0 million for grants to several private and governmental organizations which will provide food, medical attention, and housing to displaced persons in Phnom Penh and other urban centers. During FY 1973, we have provided dollar grants for these purposes to the International Committee for the Red Cross (\$150,000); CARE (\$500,000); and Catholic Relief Services (\$500,000). These programs will be expanded to include the resettlement of displaced persons in their original homesites when peace is restored.

Reconstruction of War-damaged Facilities

An estimated \$5 million will be required to finance equipment and machinery, raw materials and other imports needed to reconstruct infrastructure and to repair and rebuild industrial and agricultural facilities damaged by the war. These funds will be used to rebuild roads, bridges, railroads, hospitals, factories, and schools.

Commodity Import Program

To sustain the economy \$46.75 million will be required in FY 1974 for financing essential private sector imports. This import level, including such goods as fertilizer, machinery spare parts, chemical and steel raw material, and foodstuffs, is the minimum necessary to

maintain the Cambodian people's already low standard of living. After a ceasefire and a return to relative security, the import composition will shift more toward capital equipment to help restore pre-war industrial capacity. Estimated obligations for the Commodity Import Program in FY 1973 are \$45 million.

Multilateral Stabilization Program

Under the auspices of the IMF, a multilateral Exchange Support Fund is in its second year of operation. The Fund provides support to stabilize the Khmer economy. The Fund finances (a) commodities for which Cambodian reserves and earnings are insufficient, and (b) services and commodities required in connection with capital projects or technical assistance. The Fund's resources are used in accordance with rules and procedures established by representatives of the multilateral membership.

At a November 1972 review with other donors and Cambodia for the calendar year 1973, the United States repeated its previous year's intention (subject to authorization and appropriation of funds by Congress) to match the contributions of others. The U.S. contribution for calendar year 1973 is planned to be \$17.5 million, or half of the estimated total of about \$35 million. Other contributions are estimated as follows: Japan, \$7 million; Australia, \$1 million; United Kingdom, \$490,000; Thailand, \$250,000; New Zealand, \$100,000; and Malaysia, \$10,000. The Cambodians will put \$8.7 million into the Fund, including proceeds of a special IMF drawing.

Our CY 1973 contribution is being financed with \$8.0 million from FY 1973 funds and \$9.5 million from FY 1974 funds. The balance of the FY 1974 request for \$18.25 million, or \$8.75 million, will cover the U.S. contribution for the first six months of calendar year 1974.

Technical Support and Participant Training

For FY 1974, \$1 million is needed for funding personnel and overhead costs of carrying out the program in

CAMBODIA (KHMER REPUBLIC)

Cambodia, including feasibility studies aimed at encouraging multilateral assistance for post-war rehabilitation and development. This sum also includes \$100,000 to initiate a small program to train participants in the fields of economics and public administration in the United States.

CONTRIBUTIONS BY OTHERS

Although the United States will bear the major external burden through much of FY 1974, the international framework for increased assistance is already in place. In addition to the Khmer Republic and the United States, six other nations are now contributing cash resources to the Exchange Support Fund. There are also a number of other bilateral aid programs in Cambodia. Japan has given substantial amounts of rice and humanitarian relief, principally through its Red Cross. Other recent contributors include France, Denmark, Israel, New Zealand, Australia, South Korea, Thailand, Malaysia, Belgium, and Development Banks are also helping Cambodia with technical assistance or loans.

CAMBODIA (KHMER REPUBLIC) a/

(U.S. Fiscal Years - Millions of Dollars)

| PROGRAM | U. S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS | | | | | | | | | | | | TOTAL LOANS AND GRANTS 1946-1972 | REPAY-MENTS AND INTEREST 1946-1972 | TOTAL LESS REPAY-MENTS AND INTEREST |
|--|---|----------------------|----------------------------|-------------------------------|-----------|-----------|-----------|------|------|--------|--------|----------------------------|----------------------------------|------------------------------------|-------------------------------------|
| | POST-WAR RELIEF PERIOD | MARSHALL PLAN PERIOD | MUTUAL SECURITY ACT PERIOD | FOREIGN ASSISTANCE ACT PERIOD | | | | | | | | TOTAL FAA PERIOD 1962-1972 | | | |
| | | | | 1946-1948 | 1949-1952 | 1953-1961 | 1962-1965 | 1966 | 1967 | 1968 | 1969 | | | | |
| ECONOMIC PROGRAMS | | | | | | | | | | | | | | | |
| A. OFFICIAL DEVELOPMENT ASSISTANCE | | | | | | | | | | | | | | | |
| A.I.D. AND PREDECESSOR AGENCIES - TOTAL | | | | | | | | | | | | | | | |
| Loans | | | 217.6 | 57.5 | - | - | - | - | - | 70.0 | 37.1 | 164.6 | 358.7 ^{b/} | - | 358.7 |
| Grants | | | 217.6 | 57.5 | - | - | - | - | - | 70.0 | 37.1 | 164.6 | 358.7 | - | 358.7 |
| (Supporting Assistance) | | | (203.6) | (32.9) | (-) | (-) | (-) | (-) | (-) | (70.0) | (37.1) | (140.0) | (328.8) | - | - |
| FOOD FOR PEACE - TOTAL | | | 2.3 | * | * | * | * | * | * | 6.8 | 20.5 | 27.3 | 29.7 | - | 29.7 |
| Title I - Total | | | - | - | - | - | - | - | - | 6.8 | 20.5 | 27.3 | 27.3 | - | 27.3 |
| REPAYABLE IN U.S. DOLLARS - LOANS | | | - | - | - | - | - | - | - | - | 19.9 | 19.9 | 19.9 | - | 19.9 |
| PAYABLE IN FOREIGN CURRENCY - Planned for Country Use | | | - | - | - | - | - | - | - | 6.8 | 0.6 | 7.4 | 7.4 | - | 7.4 |
| (Total Sales Agreements, including U.S. Uses) | | | (-) | (+) | (-) | (-) | (-) | (-) | (-) | (8.5) | (0.7) | (9.2) | (9.2) | (-) | (9.2) |
| Title II - Total | | | 2.3 | * | * | * | * | * | * | * | * | * | 2.4 | - | 2.4 |
| EMERGENCY RELIEF, ECON. DEVELOPMENT & WORLD FOOD | | | 2.3 | * | * | * | * | * | * | * | * | * | 2.4 | - | 2.4 |
| VOLUNTARY RELIEF AGENCIES | | | * | * | * | * | * | * | * | * | * | * | 2.4 | - | 2.4 |
| OTHER OFFICIAL DEVELOPMENT ASSISTANCE | | | | | | | | | | | | | | | |
| PEACE CORPS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| OTHER | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL OFFICIAL DEVELOPMENT ASSISTANCE | | | 219.9 | 57.5 | * | * | * | * | * | 76.8 | 57.6 | 191.9 | 388.4 | - | 388.4 |
| Loans | | | - | - | - | - | - | - | - | - | 19.9 | 19.9 | 19.9 | - | 19.9 |
| Grants | | | 219.9 | 57.5 | * | * | * | * | * | 76.8 | 37.7 | 172.0 | 368.5 | - | 368.5 |
| B. OTHER OFFICIAL ECONOMIC PROGRAMS | | | | | | | | | | | | | | | |
| EXPORT-IMPORT BANK LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| OTHER LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL OTHER OFFICIAL LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL ECONOMIC PROGRAMS | | | 219.9 | 57.5 | * | * | * | * | * | 76.8 | 57.6 | 191.9 | 388.4 | - | 388.4 |
| Loans | | | - | - | - | - | - | - | - | - | 19.9 | 19.9 | 19.9 | - | 19.9 |
| Grants | | | 219.9 | 57.5 | * | * | * | * | * | 76.8 | 37.7 | 172.0 | 368.5 | - | 368.5 |
| MILITARY PROGRAMS | | | | | | | | | | | | | | | |
| MILITARY ASSISTANCE - (Charged to FAA Appropriation) c/ | | | 64.7 | 22.4 | - | - | - | - | 8.5 | 179.4 | 180.0 | 390.3 | 455.0 | - | 455.0 |
| Credit Sales (FMS) | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants | | | 64.7 | 22.4 | - | - | - | - | 8.5 | 179.4 | 180.0 | 390.3 | 455.0 | - | 455.0 |
| MILITARY ASSISTANCE SERVICE-FUNDED GRANTS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TRANSFERS FROM EXCESS STOCKS | | | 2.9 | 1.4 | - | - | - | - | 0.1 | 8.7 | 4.9 | 15.1 | 18.0 | - | 18.0 |
| OTHER GRANTS | | | - | - | - | - | - | - | - | - | 2.0 | 2.0 | 2.0 | - | 2.0 |
| EXPORT-IMPORT BANK MILITARY LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL MILITARY PROGRAMS | | | 67.6 | 23.8 | - | - | - | - | 8.6 | 188.1 | 186.9 | 407.4 | 475.0 | - | 475.0 |
| TOTAL ECONOMIC AND MILITARY PROGRAMS | | | 287.5 | 81.3 | * | * | * | * | 8.6 | 264.9 | 244.5 | 599.3 | 863.4 | - | 863.4 |
| Loans | | | - | - | - | - | - | - | - | - | 19.9 | 19.9 | 19.9 | - | 19.9 |
| Grants | | | 287.5 | 81.3 | * | * | * | * | 8.6 | 264.9 | 224.6 | 579.4 | 843.5 | - | 843.5 |

* Less than \$50,000.

a/ Excludes aid to Indochina prior to partition.

b/ The cumulative total reflects deobligations; annual data represent total new obligations in that year.

c/ Annual data through FY 1963 are deliveries; subsequent years are annual program data. Totals for the entire period are cumulative program figures.

| ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS | | | |
|--|---------|---------|------------|
| TOTAL | FY 1971 | FY 1972 | FY 1946-72 |
| | 0.4 | 1.7 | 20.7 |
| Asian Dev. Bank | - | - | 1.7 |
| UNDP - SF | - | 1.2 | 8.0 |
| UNDP - TA (CY) | 0.4 | 0.5 | 7.5 |
| Other UN (CY) | * | - | 3.5 |

| D.A.C. COUNTRIES (EXCLUDING U.S.) | | | |
|---------------------------------------|---------|---------|------------|
| OFFICIAL BILATERAL GROSS EXPENDITURES | | | |
| DONOR | CY 1970 | CY 1971 | CY 1960-71 |
| TOTAL | 18.6 | 14.8 | 93.3 |
| France | 7.1 | 6.7 | 56.2 |
| Japan | 5.8 | 4.7 | 19.8 |
| Germany | 1.6 | 0.2 | 5.6 |
| Other | 4.1 | 3.2 | 11.7 |

| ASSISTANCE FROM COMMUNIST COUNTRIES | |
|-------------------------------------|-----|
| (Loans and Grants Extended) | |
| 1971 (Calendar Year) | - |
| 1972 (Calendar Year) | - |
| Cumulative Thru 1972 | 134 |

SUMMARY OF PROGRAM BY FUNCTION
(Dollar Amounts in Thousands)

Country: CAMBODIA (KHMER REPUBLIC)

TABLE II

| Category | Actual FY 1972 | | | | Estimate FY 1973 | | | | Proposed FY 1974 | | | |
|---|----------------|-------------|---------------|-------|------------------|-------------|---------------|-------|------------------|-------------|------------------------|-------|
| | Total | Dev. Grants | Supp. Assist. | Other | Total | Dev. Grants | Supp. Assist. | Other | Total | Dev. Grants | Indochina Post. Recon. | Other |
| Development Loan Program | | XXX | XXX | XXX | | XXX | XXX | XXX | | XXX | XXX | XXX |
| Programs Other than Devel. Loan | | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | | |
| U.S. Technicians | - | - | 382 | - | 552 | - | 552 | - | 675 | - | 675 | - |
| Participants | - | - | - | - | - | - | - | - | 100 | - | 100 | - |
| Commodities | - | - | 128 | - | 31 | - | 31 | - | 69 | - | 69 | - |
| Other Costs | - | - | 75 | - | 1,227 | - | 1,227 | - | 4,156 | - | 4,156 | - |
| Total Project Assistance * | 585 | - | 585 | - | 1,810 | - | 1,810 | - | 5,000 | - | 5,000 | - |
| Method of Financing | | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | | |
| Direct A.I.D. | 585 | - | 585 | - | 660 | - | 660 | - | 1,030 | - | 1,030 | - |
| Other Agency | - | - | - | - | - | - | - | - | - | - | - | - |
| Contract | - | - | - | - | 1,150 | - | 1,150 | - | 3,970 | - | 3,970 | - |
| Program Assistance | 36,502 | - | 36,502 | - | 66,190 | - | 66,190 | - | 70,000 | - | 70,000 | - |
| Total Other than Devel. Loan * | 37,087 | - | 37,087 | - | 68,000 | - | 68,000 | - | 75,000 | - | 75,000 | - |
| Total Assistance * | 37,087 | XXX | XXX | XXX | 68,000 | XXX | XXX | XXX | 75,000 | XXX | XXX | XXX |

* Total for FY 1973 does not include \$24 for International Narcotics Control

NUMBER OF U.S. TECHNICIANS (Program Overseas)

| TYPE OF TECHNICIAN | On Duty At Close of Year | | |
|----------------------------------|--------------------------|------------------|------------------|
| | Actual FY 1972 | Estimate FY 1973 | Proposed FY 1974 |
| A.I.D. employed | 12 | 18 | 20 |
| Participating agency | - | - | - |
| Contractor technicians | - | - | - |
| Total | 12 | 18 | 20 |

NUMBER OF PARTICIPANTS

| TYPE OF PARTICIPANT | Programmed During Year | | |
|------------------------|------------------------|------------------|------------------|
| | Actual FY 1972 | Estimate FY 1973 | Proposed FY 1974 |
| Non-contract | - | - | 10 |
| Contract | - | - | - |
| Total | - | - | 10 |

Country: CAMBODIA

PROJECT SHEET

TABLE III

| | | | |
|---|---|--------------------------------|--|
| PROJECT TITLE Relief and Resettlement - War-Displaced Persons | OBJECTIVE/ACTIVITY Refugee Relief and Resettlement | | FUNDS IPR |
| | PRIOR REFERENCE | INITIAL OBLIGATION FY: 1973 | SCHEDULED FINAL OBLIGATION FY: Undetermined |
| PROJECT NUMBER 442-15-833-001 | | | |

Project Target and Course of Action: Under this project grants are provided to international and voluntary agencies supporting programs which assist refugees, displaced persons, and other civilian war victims in the Khmer Republic.

The majority of refugees in the Khmer Republic were farmers before the war. Most of those who fled their homes did so to escape the war and the fighting. Originally, most refugees fled to the nearest district or provincial capital where they were usually able to move in with relatives and were able to stay close to their land. As the war continued, security deteriorated, jobs became hard to find, and large numbers of refugees moved out of the provinces and into Phnom Penh, the capital.

It is likely that over half of all refugees in the Khmer Republic now are in Phnom Penh. As of December 1972, there were an estimated 700,000 displaced persons, including 286,000 registered refugees in Phnom Penh and 205,000 registered refugees in the provinces. The majority of refugees live with relatives. Overcrowding in some places is acute. Besides the refugees who live with relatives and those who have built their own houses, there are some 10,000 who live in relatively poor conditions in refugee camps. Refugees in the camps usually get some type of government assistance on an intermittent basis. Based on our analysis that these programs and

programs of other donors were insufficient to meet legitimate refugee needs, we began bilateral aid in FY 1973 for short-term emergency care and relief for new refugees, displaced persons, and war victims. The long-range goal of the project is that refugees resettle or return to their villages, and resume productive livelihoods, when hostilities cease.

Progress to Date: In FY 1973, a total of \$1,150,000 was granted for refugee relief. Grants totaling \$150,000 were made to the International Committee of the Red Cross, and grants of \$500,000 each were made to the Catholic Relief Services and CARE.

FY 1974 Program: Fiscal Year 1974 funds totaling \$4,000,000 are requested for one U.S. direct hire technician (\$30,000) and the balance for additional grants to CARE, Catholic Relief Services, and other voluntary and international agencies. These grants will provide medical care, food, assistance in resettlement, and, when security conditions permit, credit facilities to finance resumption of farm operations, seeds, tools, and housing materials.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-----------------|---------------------------|-------------------------|-------------------|----------------------|----------------------------------|--------------------------------|----------------|----------------------------------|-------|
| Through 6/30/72 | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | Estimated FY 73 | Estimated through 6/30/73 | Future Year Obligations | | Estimated Total Cost | Estimated FY 1973 | | Proposed FY 74 | | |
| | - | - | - | | Direct AID | Contract Other Agency | Total | Direct AID | Contract Other Agency | Total |
| | 1,150 | 1,150 | - | U.S. Technicians | - | - | - | 30 | - | 30 |
| | 1,150 | 1,150 | - | Participants | - | - | - | - | - | - |
| | | | | Commodities | - | 1,150 | 1,150 | - | 3,970 | 3,970 |
| | | | | Other Costs | - | - | - | - | - | - |
| Proposed FY 74 | 5,000 | Undetermined | | Total Obligations | - | 1,150 | 1,150 | 30 | 3,970 | 4,000 |

International Committee
of the Red Cross
Catholic Relief Services
Cooperative for American
Relief Everywhere

Country: CAMBODIA

PROJECT SHEET

TABLE III

| | | |
|------------------------------------|--|---|
| PROJECT TITLE Technical Support | OBJECTIVE/ACTIVITY General and Miscellaneous | FUNDS IPR |
| PROJECT NUMBER 442-11-999-000 | PRIOR REFERENCE P. C-7, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1971 |
| | | SCHEDULED FINAL OBLIGATION FY: Reviewed annually |

Project Target and Course of Action: This project provides the personnel and overhead costs required to administer the program assistance being provided to the Khmer Republic. It includes the pay and allowances for up to 19 permanent technicians assigned to the United States Embassy Economic Section, Phnom Penh, and the administrative support costs of these personnel. It also includes pay for temporary duty and out-of-country personnel whose services are required to monitor the economic assistance program. In this connection, the project will seek in FY 1974 to improve Khmer Government capability to administer the economic policies needed to support the program.

The funds for this project are included in the \$75 million level of economic aid requested for the Khmer Republic in FY 1974. The funds provided in FY 1971, 1972 and 1973, for this activity were used in establishing and operating the Economic Section in Phnom Penh and in supporting American employees and families.

FY 1974 Program: For FY 1974 \$1 million is requested. Of this amount, \$645,000 will cover salaries and expenses of 19 direct hire technicians to administer U.S. program assistance in Phnom Penh as well as cover travel expenses of temporary duty personnel. Participant training totaling \$100,000 is requested to finance training in the United States for ten participants in development economics and planning. The \$69,000 requested for commodities represents the estimated costs of a power

generator, residential equipment for employees, and supplies and materials required during the fiscal year. Funds requested under other costs total \$186,000. Of this amount, \$76,000 is for residential rents and utilities of U.S. dependents safehavened in Bangkok, rental share of office space in Bangkok for the Cambodia program support staff and salaries of local staff in Phnom Penh. Also included under other costs is \$110,000 for feasibility studies of critical problem areas important to the economic recovery of the country.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| Through 6/30/72 | 795 | 653 | 142 | | Direct AID | Contract Other Agency | | Total | Direct AID | Contract Other Agency |
| Estimated FY 73 | 660 | 690 | | | U.S. Technicians | 552 | - | 552 | 645 | - |
| Estimated through 6/30/73 | 1,455 | 1,343 | 112 | Participants | - | - | - | 100 | - | 100 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 31 | - | 31 | 69 | - | 69 |
| | | | | Other Costs | 77 | - | 77 | 186 | - | 186 |
| Proposed FY 74 | 1,000 | Undetermined | | Total Obligations | 660 | - | 660 | 1,000 | - | 1,000 |

LAOS- GENERAL ECONOMIC DATA



| CENTRAL GOVERNMENT FINANCES (FY Ending June 30) | Million Kip | | Million* |
|--|-------------|----------|-----------------|
| | 1972 | 1973 | Dollars 1973 |
| Total Expenditures | 21,054 | 23,098 | 38 |
| (Defense Expenditures) | (10,706) | (11,597) | (19) |
| (Capital Outlays) | (325) | (591) | (1) |
| Total Domestic Revenues | 6,820 | 8,007 | 13 |
| As percent of GNP | n.a. | n.a. | n.a. |
| Deficit (-) or Surplus (+) ... | -14,234 | -15,091 | -25 |

* - Converted at 605 kip per U.S. dollar.
n.a. - Not available.

BASIC DATA

| | | | |
|--------------------------------------|-----------------|--|-----------------|
| Population (millions; mid-1972)..... | 3.1 | Per Capita GNP (1971; dollars) ... | 65 ^b |
| Annual Growth Rate (percent) | 2.4 | Life Expectancy (years) | 50 |
| Area (1,000 square miles) | 91 ^a | People Per Doctor | 16,570 |
| Population Density per Square Mile . | 34 | Literacy Rate (percent) | 15 |
| Agricultural Land as % of Area | 7 | Students as Percent of 5-19 Age Group | 34 |
| | | (Primary & Secondary) | |

PRODUCTION TRENDS

| | 1968 | 1969 | 1970 | 1971 | 1972 Est. |
|--|------|------|------|------|-----------|
| Agricultural Production | | | | | |
| Rice, rough (1,000 MT) ^c | 528 | 559 | 502 | 459 | 456 |
| Timber production (1,000 cu. meters) . | 67 | 118 | 73 | 76 | 92 |
| Electric Power Output (Million KWH) ^d . | 34 | 44 | 53 | 65 | n.a. |

INTERNATIONAL TRADE (\$ millions)

| | 1968 | 1969 | 1970 | 1971 | 1972 Est. |
|---|-------|-------|-------|-------|-----------|
| Total Exports (f.o.b.) ^e | 2.9 | 2.1 | 2.9 | 3.0 | 3.6 |
| Tin ore | (1.6) | (1.1) | (1.5) | (1.5) | (1.8) |
| Total Imports (c.i.f.) | -34.8 | -51.7 | -55.7 | -40.8 | -38.0 |
| Trade Balance | -31.9 | -49.6 | -52.8 | -37.8 | -34.4 |

GOLD & FOREIGN EXCHANGE (\$ millions)^f

| | 1968 | 1969 | 1970 | 1971 | 1972 Est. |
|--------------------------------------|------|------|------|------|------------------|
| Official Reserves ^g | 5.8 | 5.3 | 6.2 | 8.0 | 7.4 |
| Commercial Bank Holdings | 1.4 | 2.3 | 3.6 | 3.5 | 3.1 ^h |

CONSUMER PRICE INDEX (1963=100)

| | 1968 | 1969 | 1970 | 1971 | 1972 Est. |
|-------------|------|------|------|------|-----------|
| (Vientiane) | 288 | 297 | 298 | 302 | 375 |

n.a. Not available.

a - About 2/3 of the population and 1/2 the area are under Royal Lao Government control.
b - Estimated directly in dollars. c - Estimated production of RLG - controlled area only.
d - Includes imports from Thailand which amounted to 2.0 million KWH in 1968; 16.9 in 1969;
38.3 in 1970; and 46.0 in 1971. e - Recorded commercial exports only. f - Gross basis,
end of year. g - Includes inconvertible holdings. h - November.

LAOS

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LAOS

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|-------------------|----------------------|---------------------|
| | FY 1972 Actual | FY 1973 Estimated | FY 1974 Proposed |
| Humanitarian Assistance | | | 18.4 |
| Reconstruction | 29.1 | 28.9 | 5.9 |
| Development | | | 12.5 |
| Stabilization | 18.2 | 16.1 | 18.2 |
| Total | 47.3 | 45.0 | 55.0 |
| Narcotics | 1.1 | 2.1 | 1.5 |
| Population | .5 | .8 | .9 |

OBJECTIVES OF U.S. ASSISTANCE

A primary objective of U.S. policy in Southeast Asia has been to maintain an independent Laos, capable of withstanding foreign efforts to dominate it and of contributing to the peace of Indochina by serving as an effective buffer state. With the cease-fire, it is now appropriate to help Laos repair the human and material damage of the war and improve its standard of living, one of the world's lowest. Further, our continued interest in maintenance of an independent Laos requires that we assist the development of its own self-defense capabilities by helping it become economically stronger.

POLITICAL, MILITARY, AND ECONOMIC BACKGROUND

Although sparsely populated and one of the least developed countries in the world, Laos is of strategic importance because of its common borders with China, North Vietnam, South Vietnam, Cambodia, Thailand, and Burma. It has been a scene of political and military conflict for many years.

In 1962 a Government of National Union was established by agreement among the Lao Communist, Rightist and Neutralist factions. In 1964 the Communists withdrew from their

positions in the Cabinet and undertook a policy of military opposition to the Government. Their military efforts became linked with those of North Vietnam, which at one time had about 100,000 troops in Laos.

Faced with this aggression, the Royal Lao Government has been forced to maintain a military force of about 80,000 men. During the past decade of military conflict, over 700,000 persons in the areas under Lao Government control have at one time or another been refugees, and there are about 280,000 at this time.

Since the economy of Laos is based largely on subsistence-agriculture, the Lao Government can raise only limited tax revenues and needs large-scale foreign assistance to maintain the military forces required by the war, take care of its refugees, provide other essential services for its people, and undertake, within the limitations imposed by the security situation, development activities to give the Lao people hope for a better future.

U.S. economic assistance to Laos has taken two forms: (1) stabilization assistance to control the inflationary pressures which have threatened the country's economic and political stability, and (2) project assistance to help the Royal Lao Government provide essential services and facilities in rural areas in order to relieve war-imposed suffering and promote public confidence in the Government.

Other countries and international organizations also provide economic assistance to Laos, concentrating on development and stabilization. We are hopeful that recognition of the post-war needs and opportunities in Laos will lead to an increase in assistance from those sources.

FY 1974 PROGRAM

The cease-fire agreement of February 21, 1973 provides the basis for the establishment of an economic program directed toward rehabilitation, reconstruction, and development. This agreement provides for the establishment of an all-Laos Provisional Government of National Union which is to

LAOS

be neutral in character, comprising representatives of the Lao Government and communist sides in equal numbers plus two individuals and a Prime Minister acceptable to both parties. Ultimately, following national elections the Provisional Government is to be succeeded by a Permanent Government of National Union.

Given a modicum of political stability in Laos, we intend to redirect the economic aid program from support for a war effort to support of the peace. The permanent resettlement of refugees is an urgent requirement. Reconstruction of facilities damaged by the war must be undertaken. Greater emphasis can be placed on long term development leading to eventual economic self-sufficiency. It will also be necessary to continue the stabilization program, but the eventual demobilization of Lao troops should lead to the gradual reduction of the amount of outside aid necessary for this purpose.

Humanitarian Assistance

One-third (\$18.4 million) of the proposed funds will be devoted to Humanitarian Assistance. One of our major goals in this field will be to help the Lao Government step up the permanent resettlement of refugees beyond what was possible while hostilities were going on. This effort will require substantial assistance for the development of rural public works and health facilities, and some help for the development of agriculture and of educational facilities. We shall also have to continue to give food, other relief supplies, and medical care to refugees who cannot attain self-sufficiency during the year. A.I.D.-financed foodstuffs (mostly rice and protein supplement) will continue to be complemented by P.L. 480 Title II foodstuffs at a level of about \$3,000,000.

Reconstruction

About 11 percent (\$5.9 million) of the funds will be used for Reconstruction. The major activities in this

field will be the reconstruction and repair of Route 13, which is the lifeline connecting much of Laos, and portions of the major arteries and feeder roads which link the southern population centers with Route 13. Substantial assistance will also be needed in small-scale rural public works and self-help activities associated with village reconstruction. Further, it will be necessary to replace and repair public health facilities damaged by the war.

Development

Our proposed Development funding of \$12.5 million (about 23 percent of the total) will be devoted to improvement of the Lao economy and the ability of the Lao Government to function effectively.

Over \$8 million of these funds will help Laos move toward agricultural self-sufficiency, overcome its acute lack of educated and trained manpower, extend its governmental capabilities in economic management and planning, develop its public health facilities and services, and improve its public safety system.

The remaining \$4 million will be used for construction of the Vientiane Dike, formerly envisioned as part of our Southeast Asia Regional Program. In recent years the city of Vientiane and the adjacent Wattay Airport have experienced major floods originating in the Mekong River. Damage in 1971 alone was estimated at \$3.5 million; the expenses of existing dike maintenance even in non-flood years have run from \$150,000 to \$250,000; and the functioning of Vientiane as the country's administrative capital and of Wattay Airport as the country's principal domestic and international aviation link has been seriously impeded by flooding on frequent occasions. The Vientiane Dike project is designed to prevent recurrence of this costly flooding.

Stabilization

We plan to devote \$18.2 million to Stabilization

LAOS

Assistance in FY 1974. The core of this program is the Foreign Exchange Operations Fund (FEOF), created in 1964 at the recommendation of the International Monetary Fund (IMF). The United States, Australia, France, Japan, the United Kingdom, and since 1972 the Lao Government itself contribute to FEOF foreign exchange which is sold for local currency (kip). The local currency is retired from circulation in order to counteract the inflationary pressure of Laos' excess money supply. Laos is thus able to finance necessary imports and other foreign exchange costs which its own very limited foreign exchange earnings would not permit.

Under the stabilization program, a Resident Representative of the IMF provides advisory assistance to the Lao Government on monetary and fiscal problems and IMF/Washington teams visit Laos periodically to study and make recommendations on such problems.

While we expect some reduction in Lao military expenditures in FY 1974, funds will be needed for local costs in support of refugee resettlement, veterans' rehabilitation, and reconstruction of war damage. Moreover, in order to create needed civilian jobs and expand its tax base, the Government must invest in developmental efforts beyond those it has been able to undertake during the war period. Thus heavy deficit financing by the Lao Government and substantial stabilization assistance to contain the resultant inflationary pressures will still be required.

LAOS a/
(U.S. Fiscal Years - Millions of Dollars)

| PROGRAM | U. S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS | | | | | | | | | | | | TOTAL LOANS AND GRANTS 1946-1972 | REPAYMENTS AND INTEREST 1946-1972 | TOTAL LESS REPAYMENTS AND INTEREST |
|--|---|----------------------|----------------------------|-------------------------------|-----------|-----------|-----------|--------|--------|--------|--------|----------------------------|----------------------------------|-----------------------------------|------------------------------------|
| | POST-WAR RELIEF PERIOD | MARSHALL PLAN PERIOD | MUTUAL SECURITY ACT PERIOD | FOREIGN ASSISTANCE ACT PERIOD | | | | | | | | TOTAL FAA PERIOD 1962-1972 | | | |
| | | | | 1946-1948 | 1949-1952 | 1953-1961 | 1962-1965 | 1966 | 1967 | 1968 | 1969 | | | | |
| ECONOMIC PROGRAMS | | | | | | | | | | | | | | | |
| A. OFFICIAL DEVELOPMENT ASSISTANCE | | | | | | | | | | | | | | | |
| A.I.D. AND PREDECESSOR AGENCIES - TOTAL | | | 266.0 | 159.2 | 57.2 | 56.5 | 62.9 | 52.0 | 51.9 | 48.9 | 48.9 | 537.5 | 779.7 ^{b/} | - | 779.7 |
| Loans | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants | | | 266.0 | 159.2 | 57.2 | 56.5 | 62.9 | 52.0 | 51.9 | 48.9 | 48.9 | 537.5 | 779.7 | - | 779.7 |
| (Supporting Assistance) | | | (256.9) | (139.1) | (46.0) | (46.1) | (53.2) | (41.1) | (43.7) | (41.4) | (47.3) | (457.9) | (674.0) | - | - |
| FOOD FOR PEACE - TOTAL | | | 1.1 | 2.6 | 0.4 | 1.3 | 1.5 | 0.2 | 1.9 | 0.6 | 3.3 | 11.8 | 12.9 | - | 12.9 |
| Title I - Total | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| REPAYABLE IN U.S. DOLLARS - LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PAYABLE IN FOREIGN CURRENCY - Planned for Country Use | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (Total Sales Agreements, including U.S. Uses) | | | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| Title II - Total | | | 1.1 | 2.6 | 0.4 | 1.3 | 1.5 | 0.2 | 1.9 | 0.6 | 3.3 | 11.8 | 12.9 | - | 12.9 |
| EMERGENCY RELIEF, ECON. DEVELOPMENT & WORLD FOOD | | | 0.8 | * | * | 1.2 | 1.4 | 0.1 | 1.8 | 0.4 | 3.0 | 7.9 | 8.7 | - | 8.7 |
| VOLUNTARY RELIEF AGENCIES | | | 0.3 | 2.6 | 0.4 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.3 | 3.9 | 4.2 | - | 4.2 |
| OTHER OFFICIAL DEVELOPMENT ASSISTANCE | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| PEACE CORPS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| OTHER | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL OFFICIAL DEVELOPMENT ASSISTANCE | | | 267.1 | 161.8 | 57.6 | 57.8 | 64.4 | 52.2 | 53.8 | 49.5 | 52.2 | 549.3 | 792.6 | - | 792.6 |
| Loans | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants | | | 267.1 | 161.8 | 57.6 | 57.8 | 64.4 | 52.2 | 53.8 | 49.5 | 52.2 | 549.3 | 792.6 | - | 792.6 |
| B. OTHER OFFICIAL ECONOMIC PROGRAMS | | | | | | | | | | | | | | | |
| EXPORT-IMPORT BANK LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| OTHER LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL OTHER OFFICIAL LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL ECONOMIC PROGRAMS | | | 267.1 | 161.8 | 57.6 | 57.8 | 64.4 | 52.2 | 53.8 | 49.5 | 52.2 | 549.3 | 792.6 | - | 792.6 |
| Loans | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants | | | 267.1 | 161.8 | 57.6 | 57.8 | 64.4 | 52.2 | 53.8 | 49.5 | 52.2 | 549.3 | 792.6 | - | 792.6 |
| MILITARY PROGRAMS | | | | | | | | | | | | | | | |
| MILITARY ASSISTANCE - (Charged to FAA Appropriation) c/ | | | 91.4 | 135.8 | 51.7 | 51.8 | d/ | - | - | - | - | 239.3 | 330.7 | - | 330.7 |
| Credit Sales (FMS) | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants | | | 91.4 | 135.8 | 51.7 | 51.8 | - | - | - | - | - | 239.3 | 330.7 | - | 330.7 |
| MILITARY ASSISTANCE SERVICE-FUNDED GRANTS | | | - | - | - | 3.9 | 80.1 | 77.5 | 74.2 | 160.8 | 213.3 | 609.8 | 609.8 | - | 609.8 |
| TRANSFERS FROM EXCESS STOCKS | | | 7.0 | 7.0 | 2.6 | 0.3 | - | - | - | - | - | 9.9 | 16.9 | - | 16.9 |
| OTHER GRANTS | | | - | - | - | - | - | - | - | - | 6.0 | 6.0 | 6.0 | - | 6.0 |
| EXPORT-IMPORT BANK MILITARY LOANS | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL MILITARY PROGRAMS | | | 98.4 | 142.8 | 54.3 | 56.0 | 80.1 | 77.5 | 74.2 | 160.8 | 219.3 | 865.0 | 963.4 | - | 963.4 |
| TOTAL ECONOMIC AND MILITARY PROGRAMS | | | 365.5 | 304.6 | 111.9 | 113.8 | 144.5 | 129.7 | 128.0 | 210.3 | 271.5 | 1,414.3 | 1,756.0 | - | 1,756.0 |
| Loans | | | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants | | | 365.5 | 304.6 | 111.9 | 113.8 | 144.5 | 129.7 | 128.0 | 210.3 | 271.5 | 1,414.3 | 1,756.0 | - | 1,756.0 |

^{a/} Less than \$50,000. ^{a/} Excludes aid to Indochina prior to partition. FY 1963 are deliveries; subsequent years are annual program data.

^{b/} The cumulative total reflects deobligations; annual data represent total new obligations in that year. ^{c/} Annual data through FY 1963 are deliveries; subsequent years are annual program data. Totals for the entire period are cumulative program figures. ^{d/} Military assistance under the FAA was transferred to DOD service funding.

| ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS | | | |
|--|---------|---------|------------|
| TOTAL | FY 1971 | FY 1972 | FY 1946-72 |
| | 3.9 | 0.8 | 12.5 |
| Asian Dev. Bank | 3.4 | - | 4.3 |
| UNDP - SF | - | 0.2 | 0.7 |
| UNDP - TA (CY) | 0.4 | 0.5 | 5.8 |
| Other UN (CY) | 0.1 | 0.1 | 1.7 |

| D.A.C. COUNTRIES (EXCLUDING U.S.) | | | |
|---------------------------------------|---------|---------|------------|
| OFFICIAL BILATERAL GROSS EXPENDITURES | | | |
| DONOR | CY 1970 | CY 1971 | CY 1960-71 |
| TOTAL | 16.0 | 15.2 | 111.7 |
| France | 5.0 | 5.0 | 37.2 |
| U.K. | 2.2 | 2.2 | 28.5 |
| Japan | 5.0 | 4.7 | 25.9 |
| Other | 3.8 | 3.3 | 20.1 |

| ASSISTANCE FROM COMMUNIST COUNTRIES | |
|-------------------------------------|---|
| (Loans and Grants Extended) | |
| 1971 (Calendar Year) | - |
| 1972 (Calendar Year) | - |
| Cumulative Thru 1972 | - |

SUMMARY OF PROGRAM BY FUNCTION
(Dollar Amounts in Thousands)

Country: LAOS

TABLE II

| Category | Actual FY 1972 | | | | Estimate FY 1973 | | | | Proposed FY 1974 | | | |
|--|----------------|-------------|---------------|------------|------------------|-------------|---------------|------------|------------------|-------------|------------------------|------------|
| | Total | Dev. Grants | Supp. Assist. | Other | Total | Dev. Grants | Supp. Assist. | Other | Total | Dev. Grants | Indochina Post. Recon. | Other |
| Development Loan Program | | XXX | XXX | XXX | | XXX | XXX | XXX | | XXX | XXX | XXX |
| Programs Other than Devel. Loan | | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | | |
| U.S. Technicians | 8,993 | - | 8,888 | 105 | 9,307 | - | 9,207 | 100 | 9,705 | - | 9,595 | 110 |
| Participants | 397 | - | 370 | 27 | 447 | - | 410 | 37 | 623 | - | 593 | 30 |
| Commodities | 9,308 | - | 9,122 | 186 | 13,195 | - | 12,742 | 453 | 14,019 | - | 13,447 | 572 |
| Other Costs | 10,929 | - | 10,747 | 182 | 6,731 | - | 6,541 | 190 | 13,363 | - | 13,165 | 198 |
| Total Project Assistance * | 29,627 | - | 29,127 | 500 | 29,680 | - | 28,900 | 780 | 37,710 | - | 36,800 | 910 |
| Method of Financing | | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | | |
| Direct A.I.D. | 17,418 | - | 17,091 | 327 | 21,785 | - | 21,157 | 628 | 27,432 | - | 26,682 | 750 |
| Other Agency | 1,242 | - | 1,242 | - | 1,098 | - | 1,098 | - | 1,088 | - | 1,088 | - |
| Contract | 10,967 | - | 10,794 | 173 | 6,797 | - | 6,645 | 152 | 9,190 | - | 9,030 | 160 |
| Program Assistance | 18,200 | - | 18,200 | - | 16,100 | - | 16,100 | - | 18,200 | - | 18,200 | - |
| Total Other than Devel. Loan * | 47,827 | - | 47,327 | 500 | 45,780 | - | 45,000 | 780 | 55,910 | - | 55,000 | 910 |
| Total Assistance * | 47,827 | XXX | XXX | XXX | 45,780 | XXX | XXX | XXX | 55,910 | XXX | XXX | XXX |

* Does not include funds for International Narcotics Control amounting to \$1,100 in FY 1972; \$2,079 in FY 1973; and \$1,500 in FY 1974.

NUMBER OF U.S. TECHNICIANS (Program Overseas)

| TYPE OF TECHNICIAN | On Duty At Close of Year | | |
|----------------------------------|--------------------------|------------------|------------------|
| | Actual FY 1972 | Estimate FY 1973 | Proposed FY 1974 |
| A.I.D. employed | 236 | 243 | 241 |
| Participating agency | 32 | 27 | 28 |
| Contractor technicians | 62 | 81 | 81 |
| Total | 330 | 351 | 350 |

NUMBER OF PARTICIPANTS

| TYPE OF PARTICIPANT | Programmed During Year | | |
|------------------------|------------------------|------------------|------------------|
| | Actual FY 1972 | Estimate FY 1973 | Proposed FY 1974 |
| Non-contract | 240 | 246 | 293 |
| Contract | - | - | - |
| Total | 240 | 246 | 293 |

| | | | |
|-------------------------------|-----------------------------------|--------------------|----------------------------|
| PROJECT TITLE | OBJECTIVE/ACTIVITY | | FUNDS |
| Agricultural Development | Agriculture and Natural Resources | | IPR |
| PROJECT NUMBER 439-11-190-065 | PRIOR REFERENCE | INITIAL OBLIGATION | SCHEDULED FINAL OBLIGATION |
| | P. D-9 FY 1973 Security SA PDB | FY: 1956 | FY: 1979 |

Project Target and Course of Action: The major objective of this project is agricultural self-sufficiency in Laos. This is being accomplished through crop diversification and increased production of rice and other foodstuffs now imported in large quantities. Collateral purposes of the project are to assist resettled refugees in the attainment of basic subsistence, and to provide acceptable cash crop alternatives to opium for highland tribal groups. The principal instrument for the achievement of these objectives will be the Agricultural Development Organization, a joint USAID/Lao Government agency. Technical assistance in research, extension, irrigation, livestock, and fisheries will support Agricultural Development Organization-sponsored commercial and cooperative activities. Concurrently, eight branches of the Laos Savings and Loan Cooperative will be established to extend farmer credit.

Progress to Date: Although Lao agricultural production has not kept pace with growing demand, in certain areas significant increase in productivity have been achieved. These have been due principally to the introduction of high-yielding rice varieties and of improved agricultural techniques, self-help irrigation systems, and double-cropping of rice. An estimated 20 percent increase in vegetable production for market has been achieved. In FY 1972, three million fingerlings were

produced at USAID-sponsored fish hatcheries and sericulture projects have been set up in 22 villages. To date, 422 Royal Lao Government agricultural personnel have been trained under this project.

FY 1974 Program: In FY 1974, \$2,074,000 is requested: (1) \$782,000 to fund 17 U.S. direct-hire and four contract employees; (2) \$122,000 to fund 59 participants in agricultural training in third countries; (3) \$617,000 for commodities such as trucks and spare parts, irrigation construction materials, and petroleum and agricultural products; and (4) \$553,000 for employment of third-country technicians, freight costs for transporting project commodities across Thailand and operational travel expenses of project technicians within Laos, and charges for miscellaneous goods and services, purchases and construction.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 |
| | | | | | Direct AID | Contract/Other Agency | | Total |
| Through 6/30/72 | 15,674 | 15,137 | 537 | | | | | |
| Estimated FY 73 | 1,546 | 1,904 | | | | | | |
| Estimated through 6/30/73 | 17,220 | 17,041 | 179 | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | |
| Proposed FY 74 | 2,074 | 9,818 | 29,112 | Total Obligations | 1,145 | 401 | 1,546 | |
| | | | | | 1,454 | 620 | 2,074 | |

U.S. Consultants, Inc.
Credit Union National
Association (CUNA)
Express Transportation
Organization

Country: LAOS

PROJECT DATA

TABLE III

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Development of Lao National Roads | SECTOR Transportation | FUNDS IPR | |
| PROJECT NUMBER 439-11-310-010 | PRIOR REFERENCE P. D-11, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1956 | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: The purpose of this project is to assist the Royal Lao Government to develop, reconstruct and maintain a national road system which meets the country's basic political, economic and military requirements. This is being accomplished through a joint Lao Government/USAID program to: a) reconstruct and maintain the system of national highways and feeder roads; b) build and maintain access roads to and within refugee and resettlement areas as well as areas of high agricultural potential; and c) improve the administrative structure, engineering, and operational capabilities of the Lao Ministry of Public Works, which has responsibility for the construction and maintenance of the national road system. Technical advice and guidance are provided all levels of Ministry personnel in all phases of highway operations.

Progress to Date: With the help of this project a basic national road system has been developed. The main north-south highway artery in Laos, Route 13, has been opened to regular traffic from its northern terminus at the royal capital of Luang Prabang to the Cambodian border, 1,242 kilometers to the south. Three feeder roads of major importance, totaling 72 kilometers, have been constructed as well as a larger number of smaller access and feeder roads of local importance. In 1972 approximately 285 kilometers of roads were constructed or improved, while 2,675 kilometers were maintained on a

regular basis.

Approximately 1,000 Lao have received training under the direction of project technicians, with another 84 receiving advanced instruction in the United States and third countries.

FY 1974 Program: Repair of war-related damage and deterioration on the major highway arteries, including Route 13, portions of Routes 9 and 23 in central Laos, as well as other important feeder and access roads leading to larger population centers, will be undertaken in FY 1974. In addition, work will begin on the construction of a 60 kilometer road linking the important Sayaboury agricultural area in western Laos with Route 13 at Xieng Ngeun, south of Luang Prabang, thereby opening new markets.

A total of \$2,984,000 is requested for this project in FY 1974. Included in this cost are twenty-four advisors/technicians (\$785,000), seventeen participants to be trained in third countries (\$28,000), and commodities including cement, petroleum products, tools, asphalt, vehicles, construction and office equipment, Bailey Bridges and assorted repair parts (\$1,940,000). The balance of the request (\$231,000) will be used for expenses including transportation of commodities from Bangkok, third country national employees, miscellaneous maintenance, repair and operational expenses.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|------------------|------------|-----------------------|-------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | | |
| | | | | | Estimated FY 1972 | | | Proposed FY 1973 | | | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency | Total | |
| Through 6/30/71 | 38,545 | 37,096 | 1,449 | | | | | | | | | Federal Highway Administration Express Transportation Organization |
| Estimated FY 72 | 3,332 | 3,506 | | | | | | | | | | |
| Estimated through 6/30/72 | 41,877 | 40,602 | 1,275 | U.S. Technicians | - | 770 | 770 | - | 785 | 785 | | |
| | | | | Participants | 16 | - | 16 | 28 | - | 28 | | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 2,293 | - | 2,293 | 1,940 | - | 1,940 | | |
| | | | | Other Costs | 82 | 171 | 253 | 57 | 174 | 231 | | |
| Proposed FY 73 | 2,984 | 3,000 | 47,861 | Total Obligations | 2,391 | 941 | 3,332 | 2,025 | 959 | 2,984 | | |

Country: LAOS

PROJECT SHEET

TABLE III

| | | | |
|--|--|--------------------------------|--|
| PROJECT TITLE Maternal and Child Health | OBJECTIVE/ACTIVITY Health and Sanitation | | FUNDS Population |
| | PRIOR REFERENCE P. D-12 FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1969 | SCHEDULED FINAL OBLIGATION FY: 1974 |
| PROJECT NUMBER 439-11-570-081 | | | |

Project Target and Course of Action: This project is directed toward improved health care for mothers and infants and the introduction of family planning techniques. It aims to assist in the development of a healthy Lao population, growing at a rate which contributes to family prosperity and overall national development. Special emphasis is placed on providing maternal and child health care in the congested refugee areas of Northern Laos. Demographic surveys will provide a data base on population growth, family patterns and other population characteristics required for planning future census activities and the family planning program.

Progress to Date: In January 1972 the Lao Government adopted a formal population policy and established a Commission for the Promotion of Family Well-being which is charged with carrying out the national population policy. When the project was begun in 1969 there were no Lao Government medical personnel trained in maternal child care and family planning techniques. There also were no suitable medical facilities for conducting family planning activities. Therefore, the first phase of the program concentrated on developing trained medical personnel as a foundation for a nationwide maternal child care and family planning program. By the end of CY 1973, 29 doctors, 33 midwives, and 39 nurses will have been trained in Thailand and the Philippines. Under the in-country training program a total of 65 rural midwives

and 160 auxiliary midwives have received training in family planning and related activities and 25 nurses and 25 assistant doctors are being instructed annually. A program has also been initiated to train the medical personnel who will staff the National Maternal and Child Health Center, which is being built adjacent to the Mahosot Hospital in Vientiane. One provincial maternal and child health care center was completed in Ban Houei Sai in April 1972. Four other provincial centers are being built. Completion of these is scheduled as follows: Vientiane in 1973; Savannakhet in 1974, Luang Prabang and Pakse in 1975. In addition, 20 rural health centers are scheduled for renovation. These provincial and rural centers will provide family planning information and services.

FY 1974 Program: The \$910,000 requested will finance (1) a public health nurse advisor, a hospital administration advisor, and a demographer (\$110,000), (2) training at population and family planning workshops in the United States for two participants and training in Thailand for 32 participants including doctors, nurses, and midwives (\$30,000); (3) commodities consisting of mainly medical equipment and supplies, including contraceptives (572,000); and (4) other costs which include funding to complete the construction/renovation of the above health centers, operational travel, transportation of commodities, and that of the Operation Brotherhood contract related to family planning services (\$198,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|--------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|--|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency | Total |
| Through 6/30/72 | 3,101 | 2,608 | 493 | | | | | | | | Operation Brotherhood Express Transportation Organization |
| Estimated FY 73 | 780 | 1,064 | | U.S. Technicians | 100 | - | 100 | 110 | - | 110 | |
| Estimated through 6/30/73 | 3,881 | 3,672 | 209 | Participants . . . | 37 | - | 37 | 30 | - | 30 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities . . . | 453 | - | 453 | 572 | - | 572 | |
| | | | | Other Costs . . . | 38 | 152 | 190 | 38 | 160 | 198 | |
| Proposed FY 74 | 910 | - | 4,791 | Total Obligations | 628 | 152 | 780 | 750 | 160 | 910 | |

Country: LAOS

PROJECT SHEET

TABLE III

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Public Health Development | OBJECTIVE/ACTIVITY Health and Sanitation | FUNDS IPR | |
| PROJECT NUMBER 439-11-590-066 | PRIOR REFERENCE P. D-13, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1957 | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: This project helps the Lao Government meet the immediate and the long range health needs of the Lao population. Emphasis is placed on assistance for refugees. Project assistance includes both direct and advisory services, commodity support, plus in-country and third-country training for Lao health personnel.

Progress to Date: Over 200 dispensaries and eight hospitals with a combined total of over 700 beds are supported by this project. These facilities are staffed by Lao medical personnel, advised and assisted by U.S. doctors and medical technicians and, in a number of hospitals, by Filipino doctors and technicians under contract with Operation Brotherhood, a Filipino non-profit organization. The population currently served by these facilities is estimated at over 750,000. Currently, the number of in-patients receiving treatment in U.S.-sponsored facilities exceeds 30,000, and the number of out-patient contacts exceeds 3,500,000, annually. Construction is underway to renovate or replace dispensaries and hospitals damaged by the war and to increase the bed capacity of existing facilities. Over 1,000 Lao medical auxiliaries have been trained in Laos to staff the hospitals and dispensaries supported by this project, and continuous in-service training is provided to upgrade and improve their capabilities. Almost 400 Lao medical and related personnel have been trained to date under the

project's third-country participant training program. Public Health needs growing out of the war, reconstruction efforts following the cease-fire, and problems in refugee resettlement have caused the project's scheduled final obligation date to be changed to "undetermined." Meanwhile, a reassessment of the public health needs of Laos under cease-fire conditions is being undertaken.

FY 1974 Program: For FY 1974 \$300,000 is requested to finance one contract and 13 direct-hire technicians. The participant training request amounts to \$30,000 and will cover training for six assistant doctors and one pre-medical student in Thailand and four participants to be trained in sanitation and record keeping. Commodity costs (\$1,595,000) are requested for medical and industrial equipment, vehicles, petroleum, health education materials, and equipment for rural medical facilities. Other costs amounting to \$723,000 are requested to finance: a one-year extension of the Operation Brotherhood contract; the cost of transporting commodities from Bangkok; services of third-country nationals in rural health clinics; local travel; miscellaneous repairs and maintenance.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|--------------|--------------|-------------------|-------------------|----------------------------|--------------------------------|---|------------|----------------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| | | | | | Direct AID | Contract OBLIGATION AGENCY | | Total | Direct AID | Contract OBLIGATION AGENCY | Total |
| Through 6/30/72 | 24,406 | 22,463 | 1,943 | | | | | Operation Brotherhood Express Transportation Organization | | | |
| Estimated FY 73 | 2,401 | 3,004 | | | | | | | | | |
| Estimated through 6/30/73 | 26,807 | 25,467 | 1,340 | U.S. Technicians | 205 | 33 | 238 | | 280 | 20 | 300 |
| | | | | Participants | 13 | - | 13 | | 30 | - | 30 |
| | | | | Commodities | 1,455 | - | 1,455 | | 1,595 | - | 1,595 |
| | | | | Other Costs | 68 | 627 | 695 | | 68 | 655 | 723 |
| Proposed FY 74 | 2,648 | Undetermined | | Total Obligations | 1,741 | 660 | 2,401 | | 1,973 | 675 | 2,648 |

Country: LAOS

PROJECT SHEET

TABLE III

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Education Development | OBJECTIVE/ACTIVITY Education | FUNDS IPR | |
| PROJECT NUMBER 439-11-690-064 | PRIOR REFERENCE P. D-14, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1956 | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: This project aims to strengthen the Lao education system and assist in the reconstruction of facilities damaged or destroyed by the war. Classroom instructors, technical and material assistance, in-service teacher training, and participant training in the United States and Thailand are provided to Lao schools and the Lao language secondary school system. Technical guidance and minimal commodity support are provided to the primary educational system at all levels.

Progress to Date: The number of teacher training institutions in Laos has grown from one normal school in Vientiane in 1956 to nine institutions throughout Laos. The general level of education has been continuously elevated, and in June 1973 Laos will grant the equivalent of a B.A. degree to the first group of students to complete college-level studies within the country. Over 8,000 teachers and administrators have received in-service training, 5,900 have received pre-service training and about 1,000 have been trained under participant training programs. School enrollment has increased dramatically. Students enrolled in the normal schools now total approximately 3,800, while the cumulative graduates as of June 1972 was about 6,000. Enrollment in secondary schools has increased from 2,750 in 1960 to about 8,000 in 1972.

The project has assisted with the development of over 100 Lao language textbooks for various levels of the national school program. Curriculum improvements and

materials development have been accomplished at all levels of the elementary and secondary school systems. Over 6,000 elementary classrooms (for 230,000 students) are now in operation throughout Laos while the number of secondary schools has increased from six in 1960 to 22 in 1972. Four comprehensive Lao-language high schools have been constructed under this project and a fifth, being constructed, is scheduled to commence operation in October 1973.

FY 1974 Program: In FY 1974 \$1,680,000 is requested, including \$233,000 for the cost of six U.S. technicians to continue advisory/training assistance in the elementary and normal schools system. Funds amounting to \$448,000 will provide a one-year extension of the University of Hawaii contract that supplies 12 advisors to supervise the comprehensive Lao-language high schools and two advisors in elementary education and teacher training. Training will be provided in the United States and in Thailand for 91 participants in specialized subjects required for the development of a broader education program (\$238,000). Commodity costs (\$387,000) will include refugee school supplies, teaching equipment and materials, vehicles and parts, supplies and maintenance materials. Other costs (\$374,000) will fund construction of a sixth comprehensive Lao-language high school, transportation of commodities from Bangkok, operational travel, and miscellaneous contractual services.

| U. S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|----------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|----------------------|--------------------------------|----------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 |
| | | | | | Direct AID | Contract with AGENCY | Total | |
| Through 6/30/72 | 11,727 | 10,701 | 1,026 | | | | | |
| Estimated FY 73 | 1,713 | 1,700 | | | | | | |
| Estimated through 6/30/73 | 13,440 | 12,401 | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | |
| Proposed FY 74 | 1,680 | 1,468 | 16,588 | Total Obligations | 933 | 780 | 1,713 | |
| | | | | | 875 | 805 | 1,680 | |

University of Hawaii
Express Transportation Organization

Country: LAOS

PROJECT SHEET

TABLE III

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Civil Police Administration | OBJECTIVE/ACTIVITY Public Safety | FUNDS IPR | |
| PROJECT NUMBER 439-11-710-072 | PRIOR REFERENCE P. D-15, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1965 | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: The purpose of this project is to help develop the capability of the Lao National Police to maintain order and internal security. Technical assistance, equipment and training are provided to the Lao National Police. Special attention is given to improving administration and management, police communications and mobility, enforcement methods and techniques, and narcotics controls. The FY 1974 program will continue to emphasize a wide range of training and general police improvement activities. The police will establish mobile and foot patrol systems in major population centers and in rural areas. Provincial police facilities which have suffered war-related damage or deterioration will be reconstructed.

Progress to Date: A previous project in this field was interrupted in 1960 when the police were disbanded and replaced by a paramilitary force. The current project was initiated in 1965 when the Lao National Police were reorganized under the Ministry of Interior. Major accomplishments include the completion of a national police communications network consisting of 44 installations providing contact between Lao National Police headquarters in Vientiane and provincial headquarters. Training has been completed by 2271 Lao police personnel in riot control, communications, criminal investigation, records, identification and other phases of police work at the newly completed National Police Training Center.

A pistol range and three dormitory/classroom buildings have been constructed and a central garage facility to serve the large Vientiane headquarters area has been completed. The garage is staffed and maintained by Lao mechanics instructed at the Training Center. The Public Safety Division has begun to increase the capabilities of the Lao National Police in narcotics control. Five United States advisors funded under the Narcotics control project have been assigned to assist the training of police in administration, investigation, search and seizure methods, identification of drugs and records keeping.

FY 1974 Program: A total of \$460,000 is requested for this project in FY 1974. Included in this cost are six U.S. advisors/technicians (\$190,000), seven participants to be trained in the United States at the International Police Academy (\$27,000), and commodities including vehicles, communications equipment, office and construction supplies, outboard motors, training aids and spare parts (\$205,000). The balance of the request (\$38,000) will be used for such expenses as the transportation of commodities from Bangkok, third-country national employees, miscellaneous maintenance, repair and operating expenses.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|----------------------------------|-------|--------------------------------|----------------|----------------------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| Through 6/30/72 | 4,061 | 3,914 | 147 | Direct AID | Contract Other Agency | Total | | Direct AID | Contract Other Agency | Total |
| Estimated FY 73 | 409 | 482 | | U.S. Technicians | 186 | - | 186 | 190 | - | 190 |
| Estimated through 6/30/73 | 4,470 | 4,396 | 74 | Participants | 18 | - | 18 | 27 | - | 27 |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 150 | - | 150 | 205 | - | 205 |
| Proposed FY 74 | 460 | 656 | 5,586 | Other Costs | 28 | 27 | 55 | 27 | 11 | 38 |
| | | | | Total Obligations | 382 | 27 | 409 | 449 | 11 | 460 |

Express Transportation Organization

Country: LAOS

PROJECT SHEET

TABLE III

| | | |
|---|---|--|
| PROJECT TITLE Development of Rural Economy | OBJECTIVE/ACTIVITY Community Development, Social Welfare and Housing | FUNDS IPR |
| PROJECT NUMBER 439-11-810-062 | PRIOR REFERENCE P.D-16 FY 1973 Security PDB | SCHEDULED FINAL OBLIGATION FY: 1979 |
| | INITIAL OBLIGATION FY: 1956 | |

Project Target and Course of Action: The current purposes of this project are to help the Lao Government carry out village level rehabilitation and reconstruction activities, and to a lesser extent general rural development. Project activities contribute significantly to the relocation and resettlement of refugees. The project includes: (1) assistance to self-help construction activities such as the building of schools and dispensaries and the hand-digging of wells; (2) public works activities on more complex projects such as irrigation systems and feeder roads; (3) mechanical well-drilling where hand-dug wells are not feasible; and (4) training and advice in community organization and conduct of development activities.

Background and Progress to Date: Village self-help projects were first introduced in 1962. Since that time self-help projects have been instrumental in providing many rural areas of Laos with a basic infrastructure of public facilities for the first time in their history. By the end of 1972, 2,336 classrooms, 180 dispensaries, 625 km of roads, 23 village markets and 817 wells had been constructed.

Training assistance has been directed toward strengthening the ability of local village leaders to identify and solve local problems. To date, about 2,500 village officials and other local leaders have received leadership training and about 700 villagers have received

skills training. Participant training is given to 10-15 Lao local and national officials annually. A limited amount of on-the-job advisory assistance is provided to Lao ministries and field offices.

FY 1974 Program: A total of \$4,168,000 is requested for this project in FY 1974. Included in this cost are fifty-two U.S. advisors/technicians (\$2,196,000), fifteen participants to be trained in third countries (\$15,000), and commodities, including cement, construction and office equipment, POL, repair parts, vehicles, well and pump supplies and training aids (\$1,648,000). The balance of the request (\$309,000) will be used for transportation of commodities from Bangkok, operational travel, and miscellaneous maintenance and repair costs.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|------------------------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|-------------------------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency | Total |
| Through 6/30/72 | 34,980 | 34,133 | 847 | | | | | | | | |
| Estimated FY 73 | 4,126 | 4,424 | | | 1601 | 329 | 1930 | 1865 | 331 | 2196 | Express Transportation Organization |
| Estimated through 6/30/73 | 39,106 | 38,557 | 549 | U.S. Technicians Participants | 3 | - | 3 | 15 | - | 15 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 1887 | - | 1887 | 1648 | - | 1648 | |
| | | | | Other Costs | 135 | 171 | 306 | 147 | 162 | 309 | |
| Proposed FY 74 | 4,168 | 9,161 | 52,435 | Total Obligations | 3626 | 500 | 4126 | 3675 | 493 | 4168 | |

Country: LAOS

PROJECT SHEET

TABLE III

| | | |
|--|---|---|
| PROJECT TITLE Refugee Relief and Resettlement | OBJECTIVE/ACTIVITY Community Development, Social Welfare and Housing | FUNDS IPR |
| PROJECT NUMBER 439-11-820-063 | PRIOR REFERENCE P. D-17, FY 73 Security SA PDB | INITIAL OBLIGATION FY: 1962 |
| | | SCHEDULED FINAL OBLIGATION FY: Reviewed Annually |

Project Target and Course of Action: This project provides food and emergency supplies to refugees displaced by military activities and assists them in relocating to secure areas where they can become self-supporting. Emergency assistance provided includes food, clothing, shelter and medical care, while relocation and resettlement assistance includes tools and land clearing, seeds for planting and assistance in constructing basic public facilities such as schools, dispensaries, roads and wells. Various other expenses such as relocation and resettlement planning and costs of training Lao officials, are financed under this project.

Progress to Date: The number of refugees receiving some form of USAID assistance varied rather widely throughout FY 1972, but is expected to average 280-290,000 through FY 1973.

By the end of 1972 eight permanent resettlement projects had been established which encompass 143 refugee villages and over 60,000 people. Assistance at these sites has included some 225 km of roads and dikes, and varying degrees of assistance toward the construction of 11,524 houses, 264 classrooms and 23 dispensaries. During FY 1973 it is estimated that an additional 130 km of roads, seven dams and reservoirs, 300 houses and 60 schools will have been constructed. Intensified efforts underway to provide families with alternate incomes to supplement traditional rice production include silk

production, charcoal burning, fish culture, handicrafts, commercial vegetable gardens, poultry and livestock programs.

Joint planning and land classification efforts for additional resettlement areas are currently underway. Short-term training of Lao officials is also continuing as part of a long term effort to create a core of social welfare officers.

FY 1974 Program: For FY 1974 we are requesting \$6,382,000. The U.S. technician element of this project consists of \$575,000 for eighteen direct hire technicians and \$157,000 for seven contract personnel. Participant costs amounting to \$8,000 will provide third-country training in refugee relief and resettlement for ten participants. Commodities such as cement, rice, repair parts, tools, seeds, food, sacks and plastic sheeting amounting to \$5,331,000 will be required. Other costs amounting to \$311,000 will also be required to support the refugee operation: transporting goods from Bangkok, Thailand, operational travel, bagging rice and other commodities for air drops, and other miscellaneous items.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------|--------------------------------|----------------|-----------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| | | | | | Direct AID | Contract Agency | Total | Direct AID | Contract Agency | Total |
| Through 6/30/72 | 32,020 | 30,371 | 1,649 | | | | | | | |
| Estimated FY 73 | 5,489 | 5,692 | | | | | | | | |
| Estimated through 6/30/73 | 37,509 | 36,063 | 1,446 | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | | | |
| Proposed FY 74 | 6,382 | UNDETERMINED | | Total Obligations | 5,090 | 399 | 5,489 | 5,954 | 428 | 6,382 |

Express Transportation Organization

Country: LAOS

PROJECT SHEET

TABLE III

| | | | |
|--|---|--------------------------------|---|
| PROJECT TITLE Air Technical Support | OBJECTIVE/ACTIVITY General and Miscellaneous | FUNDS IPR | |
| PROJECT NUMBER 439-11-995-069 | PRIOR REFERENCE P. D-18, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1962 | SCHEDULED FINAL OBLIGATION FY: Reviewed Annually |

Project Target and Course of Action: The purpose of this project is to provide the air transport required by the United States aid program in Laos. Difficult terrain, unstable security conditions, absence of railroads, and roads largely impassable during the rainy season combine to make surface transportation inadequate. It is therefore necessary to contract for air services for the transport of personnel and commodities to the rural areas where most of the projects are. This project also provides for the necessary supervision and control of these services and the related ground support.

Progress to Date: This project provides air support for all of the project activities in Laos, but the most important of these is refugee assistance. At the present time approximately fifty-five percent of the total refugee population in over 125 refugee villages depend on air drops for their basic food supplies. In 1972 32,260 metric tons of food and other commodities were air delivered to refugee groups. In spite of the increase in numbers of refugees in recent years, air costs have been held down by the imposition of strict cost control measures and by restricting aircraft usage to the most essential activities. Where security and terrain conditions permit, roads are being constructed to further reduce air support requirements.

FY 1974 Program: The \$5,278,000 requested will cover: (1) five direct-hire technicians to staff the Air Support Branch (\$172,000); (2) other costs which include: a contract for small helicopter services with Arizona Helicopters, Inc; a contract with Air America, Inc. for ground support services at Wattay Airport, Vientiane, such as warehousing, cargo and passenger handling, airport fire protection, and control tower manning; fixed-wing air transport services under Air Force contracts with Air America and Continental Air Services, Inc. and personal service contracts for five third-country nationals (\$5,106,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|-------|-------|------|--|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | Proposed FY 74 | | | | | |
| Through 6/30/72 | 61,619 | 59,175 | 2,444 | | Direct AID | Contract Other Agency | | Total | | | |
| Estimated FY 73 | 3,040 | 5,309 | | | Direct AID | Contract Other Agency | Total | | | | |
| Estimated through 6/30/73 | 64,659 | 64,484 | 175 | U.S. Technicians | 159 | - | 159 | 172 | - | 172 | Air America, Inc. Arizona Helicopters, Inc. |
| | | Future Year Obligations | Estimated Total Cost | Participants | - | - | - | - | - | - | |
| | | | | Commodities | - | - | - | - | - | - | |
| | | | | Other Costs | 5 | 2,876 | 2881 | 5 | 5,101 | 5106 | |
| Proposed FY 74 | 5,278 | Undetermined | | Total Obligations | 164 | 2,876 | 3040 | 177 | 5,101 | 5278 | |

Country: LAOS

PROJECT SHEET

TABLE III

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Public Administration Development | OBJECTIVE/ACTIVITY General and Miscellaneous | FUNDS IPR | |
| PROJECT NUMBER | PRIOR REFERENCE P. D-19, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1966 | SCHEDULED FINAL OBLIGATION FY: Undetermined |

Project Target and Course of Action: This project seeks to (1) improve the capability of the Lao Government to manage its financial affairs; (2) strengthen that Government's capability to plan for economic and social development; and (3) help Laos develop its overall manpower resources to meet the needs of economic and social development.

Progress to Date: The project was initiated for the purpose of planning and coordinating advisory and training assistance given to the Lao Government to help it comply with the budgetary performance required by the multi-lateral economic stabilization program. Financial management of the Lao Government has been made more effective through a standardized national budgeting system. The Lao tax structure is being reformed and internal revenue collections are being increased. Trade statistics are now prepared on a timely basis and new analytical tabulations are prepared for administrative control of customs revenues. Document management has been introduced into 23 ministries and two national banks.

The Ministry of the Plan has been improved and reorganized to emphasize comprehensive national-level economic and social development planning. In overall human resources development, 40 to 50 Lao officials annually receive training in Thailand in public finance, land surveying and administration, development administration and other areas of management.

In-service programs within the government continue to be improved; 7,445 clerical and technical personnel have been trained. Technical assistance in various ministries is provided by International Voluntary Services.

Post-war reconstruction and development needs will place increased requirements on public administration in Laos. Therefore we are requesting that this project be allowed to continue for several more years. Revised project planning is being worked out which will stress post-war development planning and administration needs. FY 1974 Program: Funds are requested to cover thirteen U.S. direct hire personnel (\$500,000). The International Voluntary Services contract will provide 49 people for education, rural development, and public administration programs. In addition individual contracts with three specialists in fiscal management and development planning, including one participating agency employee will bring the contract funding requested for technicians to \$504,000. Participant-training costs (\$125,000) will cover training in land surveying, accounting, budget analysis, communications, statistics, and economic and development administration. Commodity costs (\$31,000) will cover office furniture and machines, survey equipment and general supplies. Other costs (\$152,000) will fund operational travel, miscellaneous contractual services, and local employee training.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-----------------|-------------------------|----------------------|----------------------|-------------|-------------------|--------------------------------|-------|----------------|-----------------------|---|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | Through 6/30/72 | 3,054 | 2,550 | | 504 | Estimated FY 1973 | | | Proposed FY 74 | | |
| | | | | | | Direct AID | Contract Other Agency | Total | Direct AID | Contract Other Agency | Total |
| Estimated FY 73 | 1,311 | 1,233 | | U.S. Technicians | 447 | 597 | 1,044 | 500 | 504 | 1,004 | International Voluntary Services, Inc. Express Transportation Organization |
| Estimated through 6/30/73 | 4,365 | 3,783 | 582 | Participants | 95 | - | 95 | 125 | - | 125 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | 36 | - | 36 | 31 | - | 31 | |
| | | | | Other Costs | 53 | 83 | 136 | 89 | 63 | 152 | |
| Proposed FY 74 | 1,312 | Undetermined | | Total Obligations | 631 | 680 | 1,311 | 745 | 567 | 1,312 | |

Country: LAOS

PROJECT SHEET

TABLE III

| | | |
|--|---|--|
| PROJECT TITLE Mekong Vientiane Dike | OBJECTIVE/ACTIVITY General and Miscellaneous | FUNDS IPR |
| PROJECT NUMBER 439-11-120-085 | PRIOR REFERENCE P. H-13, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1974 |
| | | SCHEDULED FINAL OBLIGATION FY: 1975 |

Project Target and Course of Action: This project is designed to provide protection for Vientiane and the nearby Wattay Airport from floods originating from the Mekong and Nam Ngum Rivers. Frequent flooding in recent years has caused damage estimated at as much as \$3.5 million in a single year. It is proposed (a) that a dike be constructed on the north bank of the Mekong River starting above the city of Vientiane and extending below it; and (b) that several short dikes be constructed across a saddle between the Nam Ngum and the Mekong Rivers to prevent flood waters from the Nam Ngum River spreading southward over the Vientiane Plain.

Progress to Date: The preliminary design for the dike has been completed. The United States Army Corps of Engineers has reviewed the design and made suggestions regarding construction, materials, side slopes, alignment, dike height and river bank protection. Some modifications in the plans have been made subsequent to the Corps of Engineers' review. The Asian Institute of Technology has conducted model studies in order to verify the correctness of the contemplated dike height and also to investigate the effects of the proposed construction on flooding on the Thai side of the river, and has determined that its adverse effects will be minimal. A short section of the dike at the upstream end has already been constructed by USAID/Laos.

FY 1974 Program: \$4,000,000 is requested for construction in FY 1974. Further year costs are estimated at \$700,000, for a total of \$4.7 million exclusive of the right of way, costing approximately \$1.1 million, which the Royal Lao Government is to provide. Total construction time is expected to be two years, but the bulk of the expenditures, which are mainly for construction equipment, will be in the first year. On completion of the dike much of this equipment will be available for other projects, thereby reducing their requirements for new equipment.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1973 | Proposed FY 74 | | |
| | | | | | Direct AID | Contract Other Agency | | Total |
| Through 6/30/72 | - | - | - | | | | | |
| Estimated FY 73 | - | - | | | | | | |
| Estimated through 6/30/73 | - | - | - | U.S. Technicians | - | - | - | |
| | | | | Participants | - | - | - | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | - | - | - | |
| | | | | Other Costs | - | - | - | |
| Proposed FY 74 | 4,000 | 400 | 4,700 | Total Obligations | - | - | - | |
| | | | | | 4,000 | - | 4,000 | |
| | | | | | 4,000 | - | 4,000 | |

Country: LAOS

PROJECT SHEET

TABLE III

| | | | |
|--|---|--------------------------------|---|
| PROJECT TITLE General Technical Support | OBJECTIVE/ACTIVITY Technical Support | FUNDS IPR | |
| PROJECT NUMBER 439-11-999-000 | PRIOR REFERENCE P. D-20, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1955 | SCHEDULED FINAL OBLIGATION FY: Reviewed Annually |

Project Target and Course of Action: The purpose of this project is to provide logistical and administrative support to all Mission activities which cannot be identified with individual projects. The range of activities which are provided include: (1) supply management involving centralized commodity procurement, contracting services, warehousing, commodity distribution and the storage, inventory control, issuance and accounting of common-use commodities; (2) real property management, including leasing and maintenance of Mission facilities and housing and operation of utilities for U.S. personnel; (3) arrangements for the movement of Mission cargo from ports of entry and across Thailand; (4) maintenance of a motor pool servicing the field and headquarters; (5) operations of a telecommunications network linking all work locations for administrative support, including personnel administration, secretarial and translation services, security of Mission facilities, communications media, records management, financial management, and general maintenance and housekeeping services.

FY 1974 Program: A total of \$5,814,000 is requested for FY 1974. These funds are programmed for: (1) 116 direct-hire and contract U.S. technicians in the administrative/service functions described above (\$2,753,000); (2) commodities, primarily common-use

items such as office supplies and equipment, petroleum products, cement, vehicles and spare parts (\$1,693,000); and (3) other costs, including third-country national employees, transportation of goods from Bangkok to Vientiane, local construction and repair contracts, operational travel, and miscellaneous repair and operating costs (\$1,368,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | |
|---------------------------------|-------------|-------------------------|----------------------|--------------------------|-------------------|----------------------------------|-------------------------------------|----------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 |
| | | | | | Direct AID | Contract OTHER AGENCY | Total | |
| Through 6/30/72 | 66,152 | 65,939 | 213 | | | | | |
| Estimated FY 73 | 5,533 | 5,500 | | | | | | |
| Estimated through 6/30/73 | 71,685 | 71,439 | 246 | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | |
| Proposed FY 74 | 5,814 | Undetermined | | | | | | |
| | | | | U.S. Technicians | 2,484 | 132 | 2,616 | |
| | | | | Participants | - | - | - | |
| | | | | Commodities | 1,555 | - | 1,555 | |
| | | | | Other Costs | 998 | 364 | 1,362 | |
| | | | | Total Obligations | 5,037 | 496 | 5,533 | |
| | | | | | 2,715 | 38 | 2,753 | |
| | | | | | 1,693 | - | 1,693 | |
| | | | | | 956 | 412 | 1,368 | |
| | | | | | 5,364 | 450 | 5,814 | |
| | | | | | | | Express Transportation Organization | |

COUNTRY: LAOS

PROJECT FISCAL SUMMARY
(Dollar Amounts in Thousands)

TABLE IV

| Project Title | Project Number | FY of Initial Obligation | FY of Scheduled Final Obligation | Through FY 1972 | | | Estimated FY 1973 | | | Proposed Program FY 1974 | Future Year Obligations | Estimated Total Cost |
|------------------------|----------------|--------------------------|----------------------------------|-----------------|--------------|----------------------------------|-------------------|--------------|----------------------------------|--------------------------|-------------------------|----------------------|
| | | | | Obligations | Expenditures | Unliquidated Obligations 6/30/72 | Obligations | Expenditures | Unliquidated Obligations 6/30/73 | | | |
| Industry Development | 439-11-290-074 | 1967 | 1972 | 1,274 | 1,239 | 35 | - | 35 | - | - | - | 1,274 |
| Total | | | | | | | - | 35 | - | - | - | 1,274 |

SOUTHEAST ASIA REGIONAL PROGRAMS

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SOUTHEAST ASIA REGIONAL PROGRAMS

| PROGRAM SUMMARY (In millions of dollars) | | | |
|---|-------------------|----------------------|---------------------|
| | FY 1972 Actual | FY 1973 Estimated | FY 1974 Proposed |
| Indochina Reconstruction | 0.3 | 2.4 | 9.0 |

OBJECTIVES OF U.S. ASSISTANCE

A.I.D. support for regional programs in Southeast Asia is designed to improve the prospects for peace and stability by assisting in development activities involving several countries working together on common problems. Regional programs and projects not only provide social and economic benefits to the people of the area but also encourage regional cooperation, understanding, and interdependence.

PROPOSED FY 1974 PROGRAM

The Southeast Asian Regional Development Program consists of activities throughout Southeast Asia. Although most of the nations of the area are involved, a large proportion of the projects are directed to development of the Mekong Basin in South Vietnam, Laos, and the Khmer Republic (Cambodia). These regional Indochina activities are closely related to the reconstruction and development activities planned for the Indochina countries on a national basis. The regional activities which are not directed primarily at Indochina are discussed in the Development Assistance Congressional Presentation under Asia.

THE MEKONG PROGRAM

The Mekong Development Program is sponsored by the Committee for Cooperation and Investigations of the Lower Mekong Basin, which consists of representatives of South Vietnam, Cambodia, Laos, and Thailand. Despite continuous war and insecurity in the area, the program of the Mekong Committee has continued for 16 years, with contributions from all sources totaling \$214 million as

of December, 1971. During that period, the United States has actively supported the Mekong Committee, in both pre-investment studies and capital construction programs. U.S. assistance has accounted for 18 percent of the Mekong Program funding to date, with the other 82 percent coming from the riparian countries, 25 other nations, the United Nations and its specialized agencies, as well as the World Bank, the Asian Development Bank and other donors.

U.S. contributions have helped to finance the construction of the Nam Ngum Dam in Laos and a feasibility study for a mainstream dam at Pa Mong on the Thailand-Laos border. During the past few years, when security conditions have hindered field investigations and construction activities, the United States has supported the Committee's effort to complete studies of ecological and sociological effects of the construction of dams, irrigation systems and power grids. The United States has also contributed, along with the United Nations, Great Britain, Japan and the Netherlands, to a \$2,040,000 fund established by the World Bank to prepare feasibility studies for a series of related Pioneer Agricultural Projects in all four Mekong countries.

The foundation has been laid for broad multilateral cooperation in regional economic development. With the return of peace to Indochina, areas which have been insecure will be available for peaceful activities, and we hope other donors will contribute needed capital for delayed development projects. The Mekong Committee can also coordinate regional planning with the national development plans of the member countries.

Following completion of feasibility studies, the World Bank has proposed that a \$20,000,000 fund be established for the construction and operation of the first nine projects in the Pioneer Agricultural Projects Program. A.I.D. plans to contribute up to 25 percent of the project costs. In FY 1974 an initial contribution of \$2 million (deferred from last year) is proposed.

Our contribution will help finance such projects as

SOUTHEAST ASIA REGIONAL PROGRAMS

construction and repair of irrigation/flood control dikes, and pump, gravity or rain-fed experimental irrigation projects.

A total of \$1.4 million is requested for the Mekong Development Planning project to assist the Mekong Committee in a variety of activities including Institutional Support, Downstream Effects Study, Mekong Fishery Study, Resettlement Study, Delta Soils Management, and Reservoir Mapping and Investigations.

We also plan to contribute a \$5 million loan (approximately 25 percent of the total) to Phase II of the Nam Ngum Dam for the installation of additional generators and power lines. The Government of Japan has indicated it would provide about 50 percent of the cost and others are interested in participation. The United States, along with Japan, Australia, and the World Bank, contributed to a World Bank study now under way to determine the best design of the Phase II project. The project is expected to provide low-cost power to Laos and Thailand.

TRANSPORTATION AND COMMUNICATIONS

A.I.D. continues to support the coordinated development of telecommunications and transportation facilities in Southeast Asia. The Asian Development Bank in 1971 completed a \$3 million transportation survey of Southeast Asia to which the United States contributed one-third. In FY 1974 we plan to provide \$400,000 for feasibility studies identified by the survey and for technical and administrative support to the recently established Southeast Asian Agency for Transport and Communications (SEATAC). SEATAC member countries are South Vietnam, Khmer Republic, Laos, Malaysia, the Philippines, Singapore, Thailand, and Indonesia.

Each of the member countries contributes to the support of the organization, and additional assistance is expected from the Asian Development Bank and the United Nations. Seventeen feasibility studies have been completed.

OTHER REGIONAL INDOCHINA ACTIVITIES

We plan to provide \$200,000 toward a Regional Livestock Development Program in the Khmer Republic to help meet the shortage of animal protein. The program is also supported by the Philippine Government and will be carried out by the Regional Center for Graduate Study and Research in Agriculture (SEARCA), a Southeast Asian Ministers of Education project located in the Philippines.

SUMMARY OF PROGRAM BY FUNCTION

(Dollar Amounts in Thousands)

TABLE II

Country: SOUTHEAST ASIA REGIONAL PROGRAMS

| Category | Actual FY 1972 | | | | Estimate FY 1973 | | | | Proposed FY 1974 | | | |
|---|----------------|-------------|---------------|------------|------------------|-------------|---------------|------------|------------------|-------------|------------------------|------------|
| | Total | Dev. Grants | Supp. Assist. | Other | Total | Dev. Grants | Supp. Assist. | Other | Total | Dev. Grants | Indochina Post. Recon. | Other |
| Development Loan Program | - | XXX | XXX | XXX | - | XXX | XXX | XXX | - | XXX | XXX | XXX |
| Programs Other than Devel. Loan | | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | | |
| U.S. Technicians | - | - | - | - | 1,495 | - | 1,495 | - | 1,450 | - | 1,450 | - |
| Participants | - | - | - | - | 17 | - | 17 | - | 37 | - | 37 | - |
| Commodities | 290 | - | 290 | - | 328 | - | 328 | - | 151 | - | 151 | - |
| Other Costs | 10 | - | 10 | - | 599 | - | 599 | - | 7,342 | - | 7,342 | - |
| Total Project Assistance | 300 | - | 300 | - | 2,439 | - | 2,439 | - | 9,000 | - | 9,000 | - |
| Method of Financing | | | | | | | | | | | | |
| Project Assistance | | | | | | | | | | | | |
| Direct A.I.D. | 233 | - | 233 | - | 614 | - | 614 | - | 7,363 | - | 7,363 | - |
| Other Agency | - | - | - | - | 295 | - | 295 | - | 100 | - | 100 | - |
| Contract | 67 | - | 67 | - | 1,530 | - | 1,530 | - | 1,537 | - | 1,537 | - |
| Program Assistance | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Other than Devel. Loan | 300 | - | 300 | - | 2,439 | - | 2,439 | - | 9,000 | - | 9,000 | - |
| Total Assistance | 300 | XXX | XXX | XXX | 2,439 | XXX | XXX | XXX | 9,000 | XXX | XXX | XXX |

NUMBER OF U.S. TECHNICIANS (Program Overseas)

| TYPE OF TECHNICIAN | On Duty At Close of Year | | |
|----------------------------------|--------------------------|------------------|------------------|
| | Actual FY 1972 | Estimate FY 1973 | Proposed FY 1974 |
| A.I.D. employed | - | 2 | 2 |
| Participating agency | - | 6 | 8 |
| Contractor technicians | - | 15 | 15 |
| Total | - | 23 | 25 |

NUMBER OF PARTICIPANTS

| TYPE OF PARTICIPANT | Programmed During Year | | |
|------------------------|------------------------|------------------|------------------|
| | Actual FY 1972 | Estimate FY 1973 | Proposed FY 1974 |
| Non-contract | - | 6 | 13 |
| Contract | - | - | - |
| Total | - | 6 | 13 |

| | | | |
|--|---|--------------------------------|---|
| PROJECT TITLE Mekong Basin Development Planning | OBJECTIVE/ACTIVITY Agriculture and Natural Resources | | FUNDS IPR |
| | PRIOR REFERENCE P. H-9 FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1970 | SCHEDULED FINAL OBLIGATION FY: Reviewed annually |
| PROJECT NUMBER 498-15-120-220 | | | |

Project Target and Course of Action: This project is designed to assist the Mekong Coordinating Committee to assemble and analyze data needed for development of the water and related resources of the Mekong River Basin and to design and implement plans to accomplish this development. The Committee has completed the Indicative Basin Plan which specifies the detailed studies and data collection activities necessary to assure the optimum use of resources and to judge individual developmental proposals in terms of economic, ecological, and sociological results. This project supports selected developmental activities and studies undertaken at the request of the Mekong Committee.

Progress to Date: Major U.S. contributions to the Mekong program, under separate projects, have included contributions to the construction of the Nam Ngum Dam in Laos and the feasibility investigation of the Pa Mong Dam project proposed for the mainstream of the river a short distance above Vientiane. Under the Mekong Basin Development Planning project, A.I.D. has funded the collection and analysis of hydrologic data, geological investigations, fishery programs, ecological studies including investigations of waterborne diseases, provision of specialists to assist the Committee Secretariat, studies of tropical soils and agriculture, and the development of pilot projects in irrigation. Planning of mainstream fisheries investigations and design of a

major study of resettlement from the proposed Pa Mong reservoir area have been completed. The initial phase involved in mapping the proposed Stung Treng damsite and reservoir area in the Khmer Republic has begun, and the basic features of the study of the management of delta soils have been agreed upon.

FY 1974 Program: Total funding of \$1,400,000 is proposed for FY 1974. This includes the full cost of two senior direct-hire technicians, plus travel, allowances and miscellaneous costs (\$90,000); 33 U.S. agency and contract advisors (\$1,100,000) for Mekong activities including: continuance of investigations of the main-stream fisheries, downstream effects of Pa Mong, delta soils management, and resettlement. In addition, if security conditions permit, selected studies of the proposed Tonle Sap dam in the Khmer Republic may begin. The initial multinational study of the proposed dam at Tonle Sap will determine the usefulness of such a structure in terms of downstream flood control potential; eventual benefits in terms of fisheries in the Great Lake will also be considered. Other costs are for rent and support outlays (\$210,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|------------|-----------------------|--|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| | | | | | Direct AID | Contract/Other Agency | | Total | Direct AID | Contract/Other Agency | Total |
| Through 6/30/72 | 2,350 | 1,927 | 423 | | | | | | | | University of Michigan University of Hawaii |
| Estimated FY 73 | 1,639 | 1,597 | | U.S. Technicians | 85 | 1,100 | 1,185 | 90 | 1,100 | 1,190 | |
| Estimated through 6/30/73 | 3,989 | 3,524 | 465 | Participants | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | | 55 | 55 | | | | |
| | | | | Other Costs | 199 | 200 | 399 | 110 | 100 | 210 | |
| Proposed FY 74 | 1,400 | Undetermined | | Total Obligations | 284 | 1,355 | 1,639 | 200 | 1,200 | 1,400 | |

| | | | |
|--|---|--------------------------------|--|
| PROJECT TITLE Mekong Pioneer Projects Development | OBJECTIVE/ACTIVITY Agriculture and Natural Resources | FUNDS IPR | |
| PROJECT NUMBER 498-15-120-230 | PRIOR REFERENCE P. H-10 FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1974 | SCHEDULED FINAL OBLIGATION FY: 1977 |

Project Target and Course of Action: This project will assist the Mekong Committee in carrying out a program to develop pioneer agricultural projects in the Mekong Basin by providing a U.S. contribution to a program managed by the World Bank. The program will apply modern agricultural methods to Mekong lands and assist in evolving an agricultural development strategy for the Basin.

Progress to Date: In July 1969 the World Bank accepted an invitation by the U.N. Secretary General to become more closely associated with the development of the Mekong Basin. Following a review of the Mekong program, the Bank proposed that it develop and direct a major program of related agricultural projects in the Basin. The Bank's work will be carried out in association with the Asian Development Bank and the United Nations' Food and Agriculture Organization under the sponsorship of the Mekong Coordinating Committee. In September 1971 a Plan of Operations was signed by the World Bank and the Mekong Committee for the first phase, the engineering analysis. A fund of \$2,040,000 was provided by the United Nations, Japan, the Netherlands, Great Britain and the United States for the engineering and other preparatory costs involved in developing pioneer agricultural projects in Laos, the Khmer Republic, Thailand and Vietnam. The U.S. contribution to the first-phase fund, \$500,000, was made in FY 1971 under the Mekong Basin Development planning project. For the second phase, the Bank

recommended a \$21 million program be established for the construction and operation of an initial ten projects. A.I.D. is proposing a contribution of \$2,000,000 in FY 1974 (deferred from last year). The United States has encouraged the World Bank and the Asian Development Bank to assume active roles in the Mekong program and has supported their efforts to date. The World Bank has now organized a Mekong Division within its structure to deal exclusively with development of this river basin. Reaction by other donor nations and international institutions continues to be favorable.

World Bank and U.N. Food and Agriculture Organization teams have now identified and are putting into final preparation some ten pioneer projects throughout the riparian countries. Additional proposals are also under study, all of which will develop and test administrative, organizational and operational mechanisms required for farmers in each nation to benefit from irrigation schemes.

The U.S. contribution would run in the order of 25 per cent of the estimated costs of the initial ten projects, i.e., \$5 million.

FY 1974 Program: In response to the World Bank request, \$2,000,000 is proposed for U.S. funding in FY 1974 along with contributions from other donors.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|-----------------------|--------------------------------|----------------|-----------------------|-------|--|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| Through 6/30/72 | - | - | - | U.S. Technicians | Direct AID | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total | |
| Estimated FY 73 | - | - | - | Participants | | | | | | | |
| Estimated through 6/30/73 | - | - | - | Commodities | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | Other Costs | | | | 2,000 | | 2,000 | |
| Proposed FY 74 | 2,000 | 3,000 | 5,000 | Total Obligations | - | - | - | 2,000 | | 2,000 | |

| PROJECT TITLE | OBJECTIVE/ACTIVITY | FUNDS | |
|---|---|--------------------------------|--|
| Regional Transportation/Communications Feasibility Studies | General and Miscellaneous | IPR | |
| PROJECT NUMBER 498-11-995-210 | PRIOR REFERENCE P. H-12, FY 1973 Security SA PDB | INITIAL OBLIGATION FY: 1969 | SCHEDULED FINAL OBLIGATION FY: 1976 |

Project Target and Course of Action: This project is designed to assist the Southeast Asian nations in planning the development of an integrated regional transportation and communications network.

Progress to Date: In 1969 the United States contributed \$1 million toward the cost of a \$3 million Regional Transportation Survey carried out by the Asian Development Bank with like contributions from the United Nations Development Program, and the Bank itself. The final survey report, reflecting comments and suggestions by the seven Southeast Asian Governments who reviewed the draft report, was distributed in April 1972. This report identified over 100 transportation/communications projects which either required feasibility studies or were ready for project funding and implementation.

The Coordinating Committee, representing transportation and communications ministers of eight Southeast Asian countries, recommended during its Twelfth Meeting in Washington, D. C., in May 1972, that a new regional organization called Southeast Asian Agency for Transport and Communications Development (SEATAC) be established under policy guidance of the Coordinating Committee in order to identify, promote, and assist the Asian countries in implementing the recommended survey studies and projects. This organization, including its Secretariat, was approved by the eight member governments during the Committee's Thirteenth Meeting

held in Bangkok December 1-4, 1972. SEATAC has received pledges totaling \$80,000 from the Asian member countries for administrative expenses. The Secretariat expects to receive external assistance in the form of two economists from the Asian Development Bank and three transport experts from the United Nations Development Program. To supplement participating country support, the Secretariat has requested assistance from the United States for budgetary support and technical assistance for a three-year period. The Secretariat has already begun coordinating regional studies/projects for the member countries. A number of feasibility studies have been submitted by the member governments for financing by donor countries or institutions, including the United States.

FY 1974 Program: Funds totaling \$400,000 are requested for this project. Of this amount, \$100,000 is for technical assistance to the Secretariat and \$160,000 is for advisors/consultants required by SEATAC for specific services; \$140,000 is for other support costs of SEATAC's permanent staff.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | |
|---------------------------------|-------------|-------------------------|----------------------|---------------------------------------|-------------------|-----------------------|--------------------------------|---|-----|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | |
| Through 6/30/72 | 2,694 | 2,577 | 117 | | Direct AID | Contract/Other Agency | Total | Southeast Asian Agency for Transport and Communications Development (SEATAC) | |
| Estimated FY 73 | 470 | 537 | | U.S. Technicians Participants | 310 | 310 | 260 | | 260 |
| Estimated through 6/30/73 | 3,164 | 3,114 | 50 | Commodities | - | - | - | | - |
| | | Future Year Obligations | Estimated Total Cost | Other Costs | 160 | 160 | 140 | | 140 |
| Proposed FY 74 | 400 | 1,115 | 4,679 | Total Obligations | 470 | 470 | 400 | | 400 |

| | | | |
|---|---|--------------------------------|--|
| PROJECT TITLE Regional Livestock Development | OBJECTIVE/ACTIVITY Agriculture and Natural Resources | | FUNDS IPR |
| | PRIOR REFERENCE | INITIAL OBLIGATION FY: 1974 | SCHEDULED FINAL OBLIGATION FY: 1979 |
| PROJECT NUMBER 498-11-130-235 | | | |

Project Target and Course of Action: The Southeast Asia Regional Center for Graduate Study and Research in Agriculture, located in Los Banos, Philippines, acting on an initial request by the Minister of Agriculture of the Khmer Republic, is providing assistance for increasing the supply of protein food in Cambodia. While initial needs for protein food will be met in Cambodia by increasing production of poultry and swine, experience gained in breeding and production may be applied to similar situations in the Southeast Asia region. In concert with other donor nations and the Food and Agriculture Organization of the United Nations, this project is to provide the Regional Agriculture Center with commodity and logistic support needed to establish two breeding and stock multiplication stations (one for swine, one for poultry) near Phnom Penh. These stations are to improve the local stock, and through the distribution of improved species, serve as extension and training centers as well.

Progress to Date: During CY 1972 the Regional Agriculture Center trained eight Cambodian technicians (four in poultry breeding; four in swine breeding) to man the two livestock multiplication centers supported by this activity. The Regional Agriculture Center is also in the process of preparing the training manuals and teaching aids in the Cambodian language to be used by

these technicians in their training and extension activities at the centers. The Cambodian Government has provided the land and buildings for these livestock centers, has recruited the personnel supporting them and has undertaken a program to assure adequate feed supplies. Excluding the value of the land on which the centers are located, these Cambodian contributions amount to approximately \$125,000. Discussions have been initiated by the Regional Agriculture Center and the Cambodian Government to solicit technical assistance and advisors from the Israeli and Australian Governments, and the participation of the U.N. Food and Agriculture Organization throughout the life of this project.

FY 1974 Program: Funding of \$200,000 is required during FY 1974 to continue and expand the Regional Agriculture Center training program for 13 participants upon which this project is based (\$37,000), finance the initial procurement of breeding stock, equipment, veterinary supplies, complementary feed concentrates (\$151,000), and provide for other supporting costs (\$12,000).

| U.S. DOLLAR COST (In Thousands) | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | | | |
|---------------------------------|-------------|-------------------------|----------------------|-------------------|-------------------|--------------------------------|-----------------------|----------------|------------|-----------------------|-------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | | |
| Through 6/30/72 | - | - | - | | Direct AID | | Contract/Other Agency | Total | Direct AID | Contract/Other Agency | Total |
| Estimated FY 73 | - | - | - | | U.S. Technicians | | | | - | - | - |
| Estimated through 6/30/73 | - | - | - | Participants | | | | - | 37 | 37 | |
| | | Future Year Obligations | Estimated Total Cost | Commodities | | | | 151 | - | 151 | |
| | | | | Other Costs | | | | 12 | - | 12 | |
| Proposed FY 74 | 200 | 400 | 600 | Total Obligations | | | | 163 | 37 | 200 | |

SEARCA

| | | |
|-------------------------------------|---|--|
| PROJECT TITLE Nam Ngum Phase Two | OBJECTIVE/ACTIVITY Agriculture and Natural Resources | FUNDS IPR |
| PROJECT NUMBER 498-12-120-236 | PRIOR REFERENCE P. 144 FY 1971 EA PDB | INITIAL OBLIGATION FY: 1974 |
| | | SCHEDULED FINAL OBLIGATION FY: 1974 |

Project Target and Course of Action: In May 1965, in response to an initiative by the Secretary-General of the United Nations, the United States pledged to contribute one-half of Nam Ngum Dam construction costs on a grant, untied basis. The other half of the project costs came from eight other nations. The World Bank administered the project. In December 1971 the Nam Ngum Dam was completed and began to generate power for the first time. The Dam, about 40 miles north of Vientiane, with its ancillary power equipment sufficient to generate 30 megawatts of power, cost \$28,815,000. In June 1971, the Thai and Lao Governments signed an agreement by which Thailand will buy from Laos all the excess power produced by the Nam Ngum Dam both at its existing capacity and when it reaches full capacity. Now that the Dam has been completed, it has been proposed that it be expanded to its full capacity of 135 megawatts. The additional power sales will benefit the Lao economy by some \$2 million a year in badly needed foreign exchange, thereby reducing the need for foreign assistance. In addition, the low cost power will be of benefit to Thailand, in the North-east primarily.

Progress to Date: Four of the original project donors have agreed to provide \$60,000 towards a desk study of the costs and benefits involved in bringing the Dam up to full power capacity. In addition, during FY 73, the

United States pledged \$20,000 towards the costs of the study. Since the Dam and additional penstocks are already in place, the costs of installing the additional generators are small compared to the benefits they will yield, and the primary purpose of the study is to detail more precisely project costs and to perform preliminary project engineering. Remaining to be worked out are the details of the loan being recommended for the Nam Ngum Phase Two effort and the final financing that will be required. The loan is expected to be paid out of revenues from power generation; it will be guaranteed by a national or an international authority. To date, the Japanese have agreed to contribute half of the \$24,000,000 expected Phase Two project costs and the Government of Australia has offered \$500,000. The proposed United States' share would be approximately \$5 million, providing that satisfactory arrangements can be worked out and the remaining contributors identified. The U.S. contribution is proposed on a loan basis. Arrangements will be sought to assure that the amount of procurement in the United States will be at least equivalent to its contribution.

FY 1974 Program: \$5 million is requested as a U.S. contribution to the Nam Ngum Phase Two Fund to finance installation of up to three additional generators with appropriate ancillary equipment.

| U.S. DOLLAR COST (In Thousands) | | | | | | | PRINCIPAL CONTRACTORS/AGENCIES | | | |
|---------------------------------|-------------|----------------------------|-------------------------|---------------------------------------|--------------------------------------|------------------------------|--------------------------------|----------------|---------------|------------------------------|
| | Obligations | Expenditures | Unliquidated | Cost Components | OBLIGATIONS | | | | | |
| | | | | | Estimated FY 1973 | | | Proposed FY 74 | | |
| Through 6/30/72 | - | - | - | U.S. Technicians Participants | Direct AID | Contract/ Other Agency | | Total | Direct AID | Contract/ Other Agency |
| Estimated FY 73 | - | - | | | Commodities Other Costs | | | | | |
| Estimated through 6/30/73 | - | - | - | | | | | | | |
| | | Future Year Obligations | Estimated Total Cost | | | | | 5,000 | - | 5,000 |
| Proposed FY 74 | 5,000 | - | 5,000 | Total Obligations | - | - | - | 5,000 | - | 5,000 |

PROJECT FISCAL SUMMARY
(Dollar Amounts in Thousands)

TABLE IV

COUNTRY: SOUTHEAST ASIA REGIONAL PROGRAMS

| Project Title | * Project Number | FY of Initial Obligation | FY of Scheduled Final Obligation | Through FY 1972 | | | Estimated FY 1973 | | | Proposed Program FY 1974 | Future Year Obligations | Estimated Total Cost |
|---|------------------|--------------------------|----------------------------------|-----------------|--------------|----------------------------------|-------------------|--------------|----------------------------------|--------------------------|-------------------------|----------------------|
| | | | | Obligations | Expenditures | Unliquidated Obligations 6/30/72 | Obligations | Expenditures | Unliquidated Obligations 6/30/73 | | | |
| Mekong River Ports and Cargo Handling | 498-11-995-206 | 1969 | 1972 | 500 | 363 | 137 | - | 137 | - | - | - | 500 |
| Regional Telecommunications Development | 498-12-225-228 | 1972 | 1973 | 300 | - | 300 | 330 | 300 | 330 | - | - | 630 |
| Spare Parts and Replacements for Mekong Hydrologic System | 498-11-995-148 | 1963 | 1968 | 386 | 333 | 53 | - | 53 | - | - | - | 386 |
| Nam Ngum Development Fund | 498-12-995-079 | 1966 | 1969 | 14,746 | 14,407 | 339 | - | 339 | - | - | - | 14,746 |
| Total | | | | | | | 330 | 829 | 330 | - | | |