

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

Tuesday - July 23, 1968 -- 3:20 p.m.

Mr. President:

The attached table showing how our FY 1968 Alliance for Progress loan money was allocated is impressive for two reasons:

1. 50% of total funds available went into the Punta del Este priority areas -- agriculture, education and health.
2. Despite the lateness of Congressional action on the FY 1968 Foreign Aid Bill, only \$4.2 million (or 1% of the funds available) were carried over and this was used to cover a loan to Costa Rica in the first few days of July.

Bill is passing the information along to Virginia Prewett.

Walt Rostow

Attachment

Table on FY 1968 Alliance for Progress loans by sector of activity.

ALLIANCE FOR PROGRESS FY 1968 LOAN AUTHORIZATIONS
(In Millions)

<u>Country</u>	<u>Loan Title</u>	<u>Amount</u>	<u>Sub-Total</u>
Argentina	Feasibility Studies (Increase)	\$ 1.000	\$ 1.000
<u>Brazil</u>	Eletrobras Power Training	.717	
	Malaria Eradication (Second)	10.300	
	Development Program Assistance	75.000	
	Municipal Water & Sewerage Loan Fund	15.400	
	Education Sector Loan	32.000	
	Passo Real (Hydro Power)	27.400	
	Statistical Development Program (IBGE)	5.800	
	Agricultural Research Program	13.400	180.017
<u>Chile</u>	Agricultural Sector Loan	23.000	
	Development Program Assistance	15.000	
	Education Sector Loan	16.300	54.300
<u>Colombia</u>	Development Program Assistance	58.000	
	Agricultural Sector Loan	15.000	73.000
<u>Costa Rica</u>	Development Program Assistance	3.000	
	Malaria Eradication (Increase)	.490	3.490
<u>Dominican Republic</u>	Education Improvement	12.000	
	Agricultural Cooperatives	2.650	
	Maternal and Infant Care (incl. Population Control)	7.100	21.750
<u>El Salvador</u>	Housing Bank	3.000	
	Malaria Eradication (Increase)	1.030	
	Educational Reform Program (ITV)	1.900	5.930
<u>Guatemala</u>	Primary School System Improvement	8.600	8.600
<u>Guyana</u>	Feasibility Studies (Increase)	1.000	
	Atkinson Airport Improvement	1.100	
	Urban-Rural Water Supply Improvement	2.600	4.700
<u>Honduras</u>	Malaria Eradication (Increase)	1.480	
	Agricultural Credit & Storage	9.500	10.980
<u>Nicaragua</u>	Malaria Eradication (Increase)	1.864	
	Rural Electric Cooperatives (Second)	10.200	
	Basic Crop Production Program	9.400	
	Health Centers & Rural Mobile Health	2.200	23.664

Alliance for Progress FY 1968 Loan Authorizations (In Millions) - Page 2

<u>Country</u>	<u>Loan Title</u>	<u>Amount</u>	<u>Sub-Total</u>
<u>Panama</u>	Cadastral Survey (Increase)	\$.330	\$
	Rural Mobile Health Program (PUMAR)	.500	
	Panama City Water Supply	<u>15.000</u>	<u>15.830</u>
<u>Paraguay</u>	Agricultural Credit (Increase)	<u>1.000</u>	<u>1.000</u>
<u>Uruguay</u>	Agricultural Sector Loan	<u>15.000</u>	<u>15.000</u>
<u>Regional</u>	Panamerican Development Foundation	<u>.325</u>	<u>.325</u>
	TOTAL PROGRAM		419.586
	Project Loans	167.286	
	Program Loans	151.000	
	Sector Loans	101.300	

FY 1968 ESTIMATED FUND AVAILABILITY

Carryover from FY 1967	.487
FY 1968 New Obligation Authority	389.000
Estimated Earnings (Principal and Interest)	20.294
Deobligations/Deauthorizations	<u>27.946</u>

TOTAL ESTIMATED FUND AVAILABILITY 437.727

Less:

Population Grants	12.902
Inspector General Expenses	.140
Capitalized Interest	<u>.904</u>

TOTAL ESTIMATED FUND AVAILABILITY FOR LOANS 423.781

Less FY 1968 Loan Program 419.586

ESTIMATED CARRYOVER 4.195

FY 1968 AFP Loan Program

(By Sector of Activity)

Number of Loans	Sector	Amount (\$ Millions)
<u>I. AGRICULTURE AND RELATED ACTIVITIES</u>		
	BRAZIL - Agricultural Research Program	13.400
	CHILE - Agricultural Sector Loan	23.000
	COLOMBIA - Agricultural Sector Loan	15.000
	DOM. REPUBLIC - Agricultural Cooperatives	2.650
	HONDURAS - Agricultural Credit & Storage	9.500
	NICARAGUA - Rural Electric Cooperatives (Second)	10.200
	Basic Crop Production Program	9.400
	PARAGUAY - Agricultural Credit (Increase)	1.000
	URUGUAY - Agricultural Sector Loan	<u>15.000</u>
9	TOTAL	99.150
<u>II. EDUCATION</u>		
	BRAZIL - Education Sector Loan	32.000
	CHILE - Education Sector Loan	16.300
	DOM. REPUBLIC - Education Improvement	12.000
	EL SALVADOR - Educational Reform Program (ITV)	1.900
	GUATEMALA - Primary School System Improvement	<u>8.600</u>
5	TOTAL	70.800
<u>III. HEALTH</u>		
	BRAZIL - Malaria Eradication (Second)	10.300
	Municipal Water & Sewerage Loan Fund	15.400
	COSTA RICA - Malaria Eradication (Increase)	.490
	DOM. REPUBLIC - Maternal and Infant Care	7.100
	EL SALVADOR - Malaria Eradication (Increase)	1.030
	HONDURAS - Malaria Eradication (Increase)	1.480
	NICARAGUA - Malaria Eradication (Increase)	1.864
	Health Centers & Rural Mobile Health	2.200
	PANAMA - Rural Mobile Health Program (PUMAR)	<u>.500</u>
9	TOTAL	40.364
<u>IV. FEASIBILITY, NATURAL RESOURCES AND CADASTRAL STUDIES</u>		
	ARGENTINA - Feasibility Studies (Increase)	1.000
	GUYANA - Feasibility Studies (Increase)	1.000
	PANAMA - Cadastral Survey (Increase)	<u>.330</u>
3	TOTAL	2.330

FY 1968 AFP Loan Program (By Sector of Activity) - Page 2

Number of Loans	Sector	Amount (\$ Millions)
	V. <u>TRANSPORT</u>	
1	GUYANA - Atkinson Airport Improvement	1.100
	VI. <u>POWER</u>	
1	BRAZIL - Passo Real (Hydro Power)	27.400
	VII. <u>HOUSING AND URBAN DEVELOPMENT</u>	
	EL SALVADOR - Housing Bank	3.000
	GUYANA -Urban-Rural Water Supply Improvement	2.600
	PANAMA - Panama City Water Supply	<u>15.000</u>
3	TOTAL	20.600
	VIII. <u>PUBLIC ADMINISTRATION</u>	
1	BRAZIL - Statistical Development Program (IBGE)	5.800
	IX. <u>TECHNICAL ASSISTANCE</u>	
1	BRAZIL - Eletrobras Power Training	.717
	X. <u>MISCELLANEOUS</u>	
<u>1</u>	REGIONAL - Panamerican Development Foundation	<u>.325</u>
34	TOTAL PROJECT AND SECTOR LOANS	268.586
	<u>PROGRAM LOANS</u> - BRAZIL	75.000
	CHILE	15.000
	COLOMBIA	58.000
	COSTA RICA	<u>3.000</u>
<u>4</u>	TOTAL PROGRAM LOANS	<u>151.000</u>
<u>38</u>	OVER-ALL TOTAL	<u>419.586</u>