

CREDIT PLANNING FOR RURAL DEVELOPMENT: AN APPROACH

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1. Significance of Rural Development

Between one-quarter to one-fifth of the people of the world are rural. Of the total population of about 2 billion in Third World Countries of Asia, Africa and America, 75 % live in rural areas, of whom about 1000 million earn below \$ 75 per capita per annum. There are several indices to show their abject poverty, illiteracy, malnutrition, poor habitat etc. They are mostly small farmers, landless labourers or those who cling to informal rural service sector or those who do not know how to spend their time. Major challenge of development planners during the rest of the present century is as to how to integrate them into productive sectors, rather than asking them to wait for the trickle down benefits. This requires both political will and economic commitment.

The first stage in the process is to recognise the importance of integrating Rural Development into overall development. « It is here that World Development Report comes to its most shocking conclusion: that even if the growth rates projected for developing countries were to be achieved by 1985, which is by no means certain, and even if that growth were to continue for another 15 years, it seems likely that at the end of the century, there would still remain some 600 million individuals trapped in absolute poverty. The only feasible hope of reducing poverty is to assist the poor to become more productive. Each developing society must formulate specific anti-poverty objectives at national, regional and local levels, prepare operational programmes to attain these objectives over a reasonable time and determine the level of resources required to meet the minimum goals ». One of such effective operational programmes is integrated rural development ¹.

2. Rural Development defined

Rural development means improving the living standards of the low income population residing in the rural areas and keeping the process of development self-sustaining. The ideology of rural development has been described by Y.C. James Yen in terms of four goals of rural reconstruction. (a) livelihood; (b) education; (c) health; and (d) group activities.

¹ Robert S. Mac Namara, President, World Bank, Address to Board of Governors - September 25, 1978.

Thus, any rural development programme should consist of projects to raise agricultural output, create new employment, improve health and education, provide communications, power, improve housing, improve credit delivery systems, training of personnel, develop institutions etc. Such a process would call for series of measures: setting of right priorities, mobilisation of resources, chalking out a time frame to develop appropriate skills, technology and implementing capacity. The essential points to be borne in mind are:

- (i) Whatever would be the efforts, the persons depending on low productivity agriculture will continue to be there though in relatively smaller numbers.
- (ii) As the available resources and technology are limited any increase in population will further worsen the economic position of rural masses.
- (iii) Effective mobilisation of labour, land and available capital through proper organisation can reduce the incidence of poverty.

Ultimately, any rural development strategy will have to be judged from its extent of contribution to reduction of poverty and human misery — characterised by poor nutrition, inadequate shelter, low health standards, poor literacy and limited accessibility to economic infrastructural facilities which numbs their potential productivity — by increasing the productivity of poor and providing them with more goods and services. The basic principle of any rural development programme should be that "poverty is not removed by simply increasing production of goods and services but only by ensuring that those who need these goods and services have means to acquire income to purchase them". « Thus we describe a two way street. If the poor are to prosper there must be increased food production. If there is to be increased food production, there must be commensurate increase in the effective demand of the poor »².

3. What credit can and cannot do?

Credit is a powerful instrument in bringing about development, particularly Rural Development and agricultural growth. This is more so for the poor people, as their savings capacity is very limited. They are in a vicious circle of low income, low savings, low capital, low productivity and consequent low income. Credit, if properly channelled can break this circle, by providing them means to acquire productive assets or by providing

2 Selected Background papers prepared for the Independent Commission on International Development Issues - Page 425.

employment opportunities. Hence, in raising rural incomes, credit has a substantial role to play. There are of course, several areas particularly in providing basic services, where credit can play only a secondary role. But a good credit system is a necessary condition for any successful Rural Development Programme. « Emphasis on credit as an instrument of agricultural development is based primarily on four perspectives. First is Schumpeterian perspective which identifies innovation as a critical element in economic development and credit as an essential organising instrument which enables the innovator to bid resources away from other activities. A second perspective is based on a view similar to that of market reform. The farmer obtains credit and sells his output to the same middle man and is exploited in each transaction. The third perspective closely related to the second views public credit institutions as a part of supervised education and credit package designed to induce traditional farmers to adopt modern inputs. A fourth perspective views credit as income transfer mechanism to remove the inequities in income distribution in rural areas »³.

Thus credit is an effective tool in the hands of development planner to induce technological developments and for consequent increase in rural income levels.

4. Agricultural Credit policy in India's Sixth Five Year Plan

Major objective of the agricultural credit policy during India's Sixth Plan is progressive institutionalisation of credit with multi-agency approach and earmarking of increasingly larger share of credit to weaker sections. Agricultural credit policy in the Plan would centre around the following:

- (i) Secure substantial increase in the volume of institutional credit for agriculture and rural development.
- (ii) Deploy larger share of credit to the weaker sections.
- (iii) Equitable regional distribution of credit availability.
- (iv) Better co-ordination between different credit agencies within the framework of "Multi-agency Approach".
- (v) Reduce loan delinquencies to ensure continuous recycling of credit.

In order that expansion of rural credit is rapid enough the Sixth Plan (1980-1985) recommends doubling of 1979-80 level of credit as shown below:

3 Yujiro Hayami and V.W. Ruttan, « Agricultural Development - An International Perspective ».

	Base Year 1979-80	Terminal Year 1984-85	(Rs. in millions) % of growth
<i>A. Co-operatives</i>			
Short-term	13,000	25,000	192
Medium-term	1,250	2,400	192
Long-term	2,750	5,550	202
	17,000	32,950	194
<i>B. Commercial Banks</i>			
Short-term	4,500	15,000	333
Medium and long term	4,000	6,200	155
	8,500	21,200	249
A + B	25,500	54,150	212

5. Analysis of growth of institutional credit for agriculture in India

Attached Annexure 1 gives a table which analyses growth of institutional credit for agriculture in India for the past five years. It reveals that:

- (i) There has been a substantial growth in institutional credit. Short-term annual production loans increased from Rs. 10 billion level to Rs. 18 billion, whereas annual investment credit during the same period increased from Rs. 4 billion to Rs. 8 billion.
- (ii) Although proportionate share of co-operatives declined from 77 % to 68 % in case of short-term loans, and from 69 % to 59 % in case of term loans (mainly due to increased volume of commercial bank lending for agriculture), their absolute lending registered phenomenal growth.
- (iii) Commercial Banks seem to have geared their machinery more to provide investment credit as is evident from the growth of their annual level of investment credit from Rs. 1.3 billion to 3.5 billion.
- (iv) In the overall credit system proportion of long-term credit to short-term credit registered a marginal increase from 43 % to 47 %.

However, these growth figures conceal several undesirable features of India's Agricultural Credit System. They mainly relate to the following:

- (i) Credit is getting polarised in the upper-strata of farming community who are more influential and participative.
- (ii) Credit did not get evenly distributed all over the country. Few states appropriated major share of institutional credit perhaps due to their initiative and closeness to decision making authorities.
- (iii) Loan delinquency rates soared substantially, partly due to haphazard quantitative expansion compromising on quality.
- (iv) Base level institutions which had to bear the brunt of the credit tide showed signs of crumbling.
- (v) Vast credit expansion put strain on the trained human resources for proper credit assessment. Training did not keep pace with the requirements and hence raw hands had to handle subtle credit delivery channels leading to disastrous consequences.
- (vi) Control over a financial organisation seemed to be one of the ways to gain access to political supremacy. This led to political wallowing in credit institutions and non-economic considerations played undue role in decision making.

To some degree or other these maladies exist in several developing countries. Any credit planning will have to remove these constraints for effective functioning.

6. Systems Approach as a necessary Condition

When credit institutions on-lend money, what farmers get is purchasing power. Money by itself is ineffective and can grow nothing. If production is to be increased, the borrowed funds will have to be converted into physical outlays i.e., durable capital like irrigation systems, livestock, farm machinery etc., and non-durable capital like fertilisers, seeds, pesticides, labour etc. This whole process is a complex one where certain inputs are consumed with consequent increase in certain output. These outputs will then have to reach the markets and the money realised will have to flow back to the credit system for further on-lending. This reflects the scenario of the general credit system. Whether all this will be done or not depends on -

Technology: Whether there is acceptable low cost technology, simple enough to be understood and practised by all and, if there is one, whether there is extension machinery to take the technology to the field?

Resources: Whether there are adequate physical resources i.e., ground water and surface water potential, high quality dairy animals, chicks, good planting materials, farm machinery, inputs etc.? If so what is the mechanism to quantify them systematically?

Infrastructure: Whether there are energy supply systems, roads, transport, water supply, ice plants, cold storage facilities, milk chilling plants etc.?

Markets: Whether there are adequate marketing facilities for the output at remunerative prices?

Development Policy: Whether there are any policy constraints in the pricing structure, taxes and subsidy? Whether the govt. plans adequately provide for necessary complementary investments? Whether there is overall coordination between development policy and credit policy?

Information and Attitude: Whether the systems for dissemination of information are well conceived to suit the present day requirements? Do they reduce the risk of innovation by proper training?

Credit Delivery System: Whether the institutions purveying credit are professionally equipped to do so? Whether their delinquency rate is high enough to choke the channels of credit?

Evaluation and Reporting: Whether there is any constant feedback to facilitate course correction or « learning by doing »? Whether the system of reporting is good?

This kind of "systems approach" to agricultural lending is a social and economic imperative. Past failures in credit systems have amply demonstrated that planners tended to view each element of the package in isolation leading to wastes, inefficiencies and confusion.

7. From Passive to Active Banking

We have realised now that the success of credit operation to develop any rural activity requires a minimum simultaneous development of other activities associated with the inputs and outputs. More than money, for the success of a credit programme, there must be new technology, markets that can supply additional inputs and absorb additional output, institutions willing to lend to farmers on terms attractive to them and

finally, farmers willing to borrow, to take risk and to invest and to repay the loans. So the crux of the matter is opportunity available to a farmer to utilise the additional capital profitably. Such opportunity would depend on availability of output increasing technology, market and reasonable and suitable price mechanism. The "systems approach" would take care of all these facets of development under one package. Thus, before launching a minor irrigation project, it will be necessary to ensure that supplies for digging of wells are available in the scheme area, supply of required quality of pump-sets including spare parts and repairing services and their energisation will have to be taken care of. There should be sufficient extension personnel to propagate new cultural practices. Seeds, fertilisers and pesticides should be available at convenient points. Finally, marketing outlets should be adequate. In case of dairy programmes, one should ensure that the cattle are going to be good and that such cattle are available and that the same animal is not passed on from farmer to farmer. There has to be provision for adequate feed, veterinary care and insemination. More importantly, proper milk collection mechanism will have to be incorporated, if necessary, by augmenting chilling and pasteurising capacities. In a poultry programme, availability of good quality chicks, veterinary services, market structure will have to be studied. In command areas, return from heavy investment in dams and canals cannot be realised without complementary investments in field channels, drainage and infrastructure. Financing of fishing boats may be a failure if corresponding provisions are not made for ice plants and cold storage facilities. For successful plantation programme, it is essential that we know from where good quality planting material is going to come and where market for the additional output is. « All these linkage requirements point to the need for rural credit programmes being tied to integrated area planning. When area oriented credit programme is undertaken and linked facilities become available, the over-riding objective of financial institutions should be saturation lending. This concept simply implies that every single feasible bankable scheme of every single poor household or establishment in the target area should be concretely formulated and financed. In other words, the role of lender is not to lend passively to the applicant borrowers but to choose all the potential small borrowers of the area and to see that they get all the credit they can use productively »⁴. Thus, we have to move on to a new era of rural banking known as aggressive banking contrasted with the earlier passive banking catering only to the customers who enter the banking premises.

4 Raj Krishna, « Economic and Political Weekly », May 1979.

8. For whom the Credit?

The major policy question posing the development planners as well as development bankers is "development for whom?". Earlier their concern was "development of what" and "how to bring about development". Their assumption that once you take care of GNP, poverty will take care of itself has proved to be incorrect. Very often, economic growth has meant very little social justice. « My feeling is that it went astray at least in two directions: first we conceived our task not as eradication of the worst forms of poverty but as a pursuit of certain high levels of per capita income. We convinced ourselves that the latter is a necessary condition for the former but we did not in fact, give much thought to the inter-connection. ... I am afraid that the evidence is unmistakable and conclusion inescapable; divorce between production and distribution policies is false and dangerous. Distribution policies must be built into the very pattern and organisation of production »⁵.

Policy implication of the foregoing in credit planning is that we cannot take it for granted that credit would automatically flow to small farmers without some preferential treatment in their favour. The next question is "who is the target group and how to identify them". In credit programmes, many concessions have been suggested for small farmers i.e., capital subsidies, lower down payment, lower interest rate and longer period of repayment. If development is not to become distorted, such concessional treatment to small farmers is inevitable, in some degree or other, since they are the largest body of producers and have most of the under-employed labour resources to be mobilised. They are more productive where land is becoming scarce resource and labour more plentiful since they are more likely than large farmers to get higher yields per acre. As per the Agricultural Census 1970-71, there were 70.5 million operational holdings in India, of which 70 per cent or 49.1 million operational holdings were below 5 acres. Yet they accounted for only 21 % of the operated area. These farmers together with another 50 million landless workers and 20 million rural artisans constitute the hard core of the Indian rural poverty.

9. Rational Identification of Target Groups

For any credit machinery to function effectively, norms for identifying target groups should be rational, easily identifiable, administratively convenient and comprehensive.

5. The Poverty Curtain - Choices for the Third World - Mahbub Ul Haq.

Norms other than pure land holding to decide the target group are size of loan and farm income. The Govt. of India has adopted land holding criteria to decide as to whether the farmer is a small holder or not. The farmers whose holdings are below 2.5 acres have been classified as marginal farmers and farmers whose holdings are between 2.5 acres and 5 acres have been classified as small farmers. Though this type of identification is administratively convenient, this conceals wide inter-regional and intra-regional variations in the fertility of land. This may result in extending concessions to those farmers who normally would not qualify for such assistance and also in denying assistance to those who deserve it. If we adopt size of loan as the criteria, then it would also lead to leakages as then the big cultivators would deliberately choose to ask for small loans. Thus only rational approach to identify the target group seems to be income criteria.

Definition of small farmers on the basis of income criteria has been refined by Agricultural Refinance and Development Corporation over a period of time, as at present, the ARDC classifies farmers into three mutually exclusive groups based on their current on-farm income at 1972 prices. These groups are (1) small farmers with annual income not exceeding Rs. 2000 - (2) medium farmers with income exceeding Rs. 2000 — but not exceeding Rs. 3500 — and (3) large farmers with income exceeding Rs. 3500. The cut off point is fixed at Rs. 2000 per annum at 1972 prices on the basis of Planning Commission figure of Rs. 240 per capita per annum at 1960-61 prices as the minimum desirable consumption level. Allowing for rural-urban differentiation and price rise, this is reckoned at Rs. 324 per capita per annum for rural population at 1968-69 prices which works out to Rs. 400 per capita or Rs. 2000 per family of five persons at 1972 prices. The income norm is converted into equivalent current income based on current prices as reflected in Consumer Price Index for Agricultural Labourers for the State concerned. The current income level and method of calculation of income are given in Annexure 2. These norms are then translated into maximum acreage limits based on data of per acre income under rainfed and irrigated conditions, collected through field studies. The upper acreage limits to identify small farmers varied from five acres in Kerala to as high as 18.75 acres in Maharashtra. Although this method is difficult to tabulate, it is more rational and objective and reflects regional variations in productivity of land. To identify target groups who do not own land the same income norms could be applied. Thus for any credit system dealing with rural development, it would be essential to have a proper yardstick to measure the target group. Once they are defined and identified suitable measures can be taken to ensure flow of credit to them. Such measures could be in different forms such as statutory obligation, persua-

ANALYSIS OF GROWTH OF INSTITUTIONAL FINANCE FOR AGRICULTURE IN INDIA
(Loans issued) (Rs. million)

Agency		1974-5	1975-6	1976-7	1977-8	1978-9	Outstanding as of 30 June '79
A. Short-term loans							
i) Co-operatives	(77)	7500	(75) 8814	(74) 10163	(72) 11080	(68) 12400	16100
ii) Commercial Banks	(15)	1461	(18) 2125	(19) 2538	(19) 2881	(18) 3250	6614
iii) Regional Rural Banks		N.A.	15	(1) 162	(3) 437	(6) 1011	N.A.
iv) State Governments	(8)	775	(7) 815	(6) 823	(6) 978	(8) 1464	
Total		9736	11769	13686	15376	18125	22714
Growth Rate		—	21 %	16 %	12 %	18 %	
B. Medium and Long-term Loans							
i) Co-operatives	(69)	2892	(61) 3053	(62) 4149	(57) 3672	(59) 5000	17950
ii) Commercial Banks	(31)	1282	(39) 1924	(38) 2539	(43) 2813	(41) 3450	10865
Total		4174	4977	6688	6485	8450	28815
Growth Rate		—	19 %	34 %	-3 %	30 %	
C. % of B to A		43	43	49	42	47	

Note: Reporting year for Co-operatives and Regional Rural Banks is July-June and for Commercial banks and Govt. April-March.

N.A. = Not available.

Figures in brackets indicate the percentages.

Annex

NORMS TO IDENTIFY TARGET GROUP

I. Small Farmer

= Small Farmer - shall mean any farmer cultivating land providing a pre-development net return to family resources to such farmer and his family not exceeding Rs. 3500 based on 1979-80 (July-June) prices.

II. Medium Farmer

= Medium Farmer - shall mean any farmer cultivating land providing a pre-development net return to family resources to such farmer and his family ranging from Rs. 3501 to Rs. 6100 based on 1979-80 (July-June) prices.

III. For the purpose of determining the said net return, the following criteria shall apply:

a) "land" shall include all land actually cultivated by the farmer notwithstanding the fact that ownership of such land may vest in one or more persons, and

b) = net return to family resources - shall mean gross family income from the land, less costs actually incurred (including cash value of farmers' own input including seed, fertiliser, hired human labour, hired bullock labour, feed consumed by family bullocks, irrigation charges, land revenues, interest on crop loan and rent on leased land).

sion, soft terms of refinancing for small loans, concessions in interest, down payment, repayment period etc.

10. Rural Development: a Participative Process

Credit is only one of the instruments — although a very potent one — of national policy to bring in the desired change in productivity and income of rural people. It has been argued here that if that instrument is to be effective in promoting Rural Development it should adopt both systems approach and target group approach. For millions of rural poor whom credit programmes cannot cover, other investments would be needed.

« Recent experience has shown that there is no single rural development strategy applicable in all socio-economic and cultural environments. Unfortunately planners and policy makers, for reasons of their own, often emphasize one strategy or one objective above all others (land distribution or rural settlement or the “green revolution” or the creation of family farms etc.) and country’s scarce resources will go mainly into one channel. In Rural development planning, it is necessary to consider various objectives at the same time and clearly to order them according to priorities. Frequently, the priorities of urban-based national planners do not coincide with those of the rural population. Peasants are rarely consulted when development priorities are set, they should be »⁶.

LA PLANIFICATION DU CREDIT POUR LE DEVELOPPEMENT RURAL: UNE NOUVELLE APPROCHE

RESUME

Entre un quatrième et un cinquième de la population mondiale vivent et travaillent dans les zones rurales. Sur la population mondiale totale de 2 milliards dans les PVD 75 % vit dans les campagnes et 1000 millions environs gagnent moins de \$ 75 par

6 « Basic Needs, Peasants and Strategy for Rural Development », Rodolfo Stavenhagen in « Another Development - Approaches and Strategies » by Marc Nerfin, The Dag Hammarskjöld Foundation, Uppsala, 1977.

tête par an. Pour ceux qui planifient le développement rural, le défi est de trouver les moyens pour intégrer cette fraction de la population dans les secteurs productifs, plutôt que de les inviter à attendre les miettes des bénéfices des autres. Mais cela demande de la bonne volonté politique et des engagements économiques.

Développement rural signifie une amélioration des conditions de vie de la population à faible revenu qui réside dans les zones rurales, et signifie aussi que ce processus, une fois entamé, doit devenir autonome. Le crédit est un instrument puissant pour entamer le processus du développement, et surtout du développement rural, et c'est surtout essentiel pour les pauvres car leur capacité d'épargne est très faible et qu'ils se trouvent donc captifs d'un cercle vicieux de faible revenu, faible épargne, faible capital, faible productivité et par conséquent faible revenu. Le crédit, si canalisé de façon convenable, peut interrompre ce cercle.

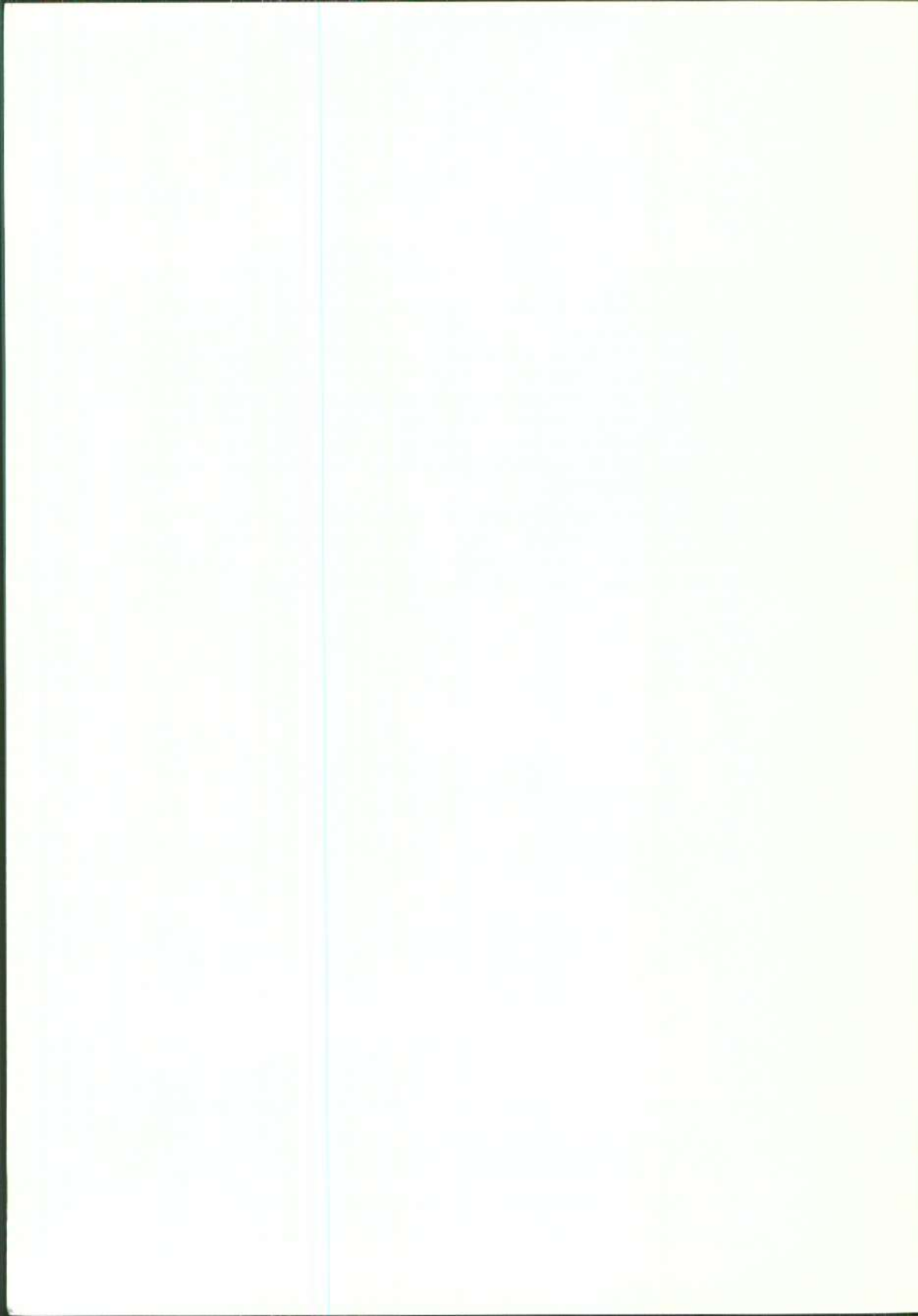
L'expérience de l'octroi de crédit institutionnel pour le développement dans les pays en voie de développement et surtout en Inde a démontré que quand les institutions de crédit octroient des prêts en espèce ce que les paysans obtiennent c'est du pouvoir d'achat. L'argent en soi est inefficace, il ne fait pousser rien. Si on veut augmenter la production et le revenu, les fonds octroyés doivent être convertis en biens physiques. Cela dépend de plusieurs facteurs tels que la technologie, les ressources, les infrastructures, les marchés, la politique de développement, les informations et les attitudes, le système de distribution du crédit, etc. Mais une approche systématique au crédit agricole est un impératif social et économique. Les faillites accumulées dans le passé avec les différents systèmes de crédit ont démontré que les responsables de la planification ont souvent considéré ces éléments chacun à part soi, ce qui a causé de la confusion, des gaspillages et une gestion inefficace.

On s'est maintenant rendu compte que, pour réussir, un programme de crédit nécessite le développement simultané d'autres activités. Plutôt que l'argent, un programme de crédit devrait envisager la fourniture de nouvelles technologies, des marchés qui soient à même de fournir de nouveaux inputs et d'absorber de nouveaux outputs, des institutions qui octroient du crédit aux paysans aux termes qu'il sont à même d'accepter et finalement des paysans disposés à emprunter, à courir des risques, à investir et à rembourser les prêts.

On a longtemps supposé que si l'on s'occupe du PNB la pauvreté va disparaître automatiquement, mais cette supposition s'est avérée incorrecte. Trop souvent la croissance économique n'a engendré qu'une plus grande injustice sociale. On ne peut pas

donc considérer comme un fait acquis que le crédit puisse attendre les petits exploitants agricoles sans des mesures favorisant leur accès au crédit. Pour qu'un système de crédit fonctionne il faut que les indications visant à identifier les groupes auxquels il doit s'adresser soient rationnelles, facilement compréhensibles et surtout convenables d'un point de vue administratif. Il y a déjà des indications de ce type qui sont normalement utilisées dans ce but telles que le revenu, les dimensions de l'exploitation, le montant du prêt, etc. Il faudrait donc qu'il y ait aussi des points de repère clairement établis pour mesurer le groupe visé pour n'importe quel système de crédit ayant à faire avec le développement rural.

Il faut aussi souligner que le crédit n'est qu'un des instruments de la politique nationale qui devrait amener aux changements désirés de productivité et de revenu dans le milieu rural. Pour les millions de pauvres dans le milieu rural, pour lesquels les programmes de crédit ont peu d'importance, il faudra d'autres investissements.



News from Finafrica

Finafrica has a documentation centre with about 5,000 volumes dealing with economic subjects mainly in connection with development problems.

Moreover, this centre receives 150 publications from all over the world, also dealing mainly with economics, and the Bulletins, Newsletters and Income Statements of the major African Banks.

In these latest months, all the volumes in the library have been revised and card-indexed in order to achieve a computerized data management.

When this preparatory stage is over, the centre will be in a position to supply its users, both trainees and outside experts, with a more efficient service and increase the number of volumes in order to meet Finafrica increasing need of up-to-date information.

The 15th Specialization Course in Banking for French-speaking participants ended on June 4th. Participants received a certificate of attendance during a closing ceremony organized to bid them farewell.

From May 5th to 12th they had been in Rome for a seminar organized by the Italian Treasury and the Central Bank. During their stay in the capital they also had the opportunity of attending two meetings organized for them by ACRI (the Italian Savings Banks Association) and ICCRI (the Italian Savings Banks Central Credit Institution).

The 8th Advanced Course in the Economics of Banking for French-speaking ACP countries ended on June 28th. Earlier in June Participants were invited to Brussels and Luxembourg by the Commission of the European Communities for a series of talks meant to give them a birdseye view of the activities of the Community in general and of its relations with associated developing countries.

A new Agricultural Credit Course for English-speaking ACP countries, organized in co-operation with the Italian Ministry of Foreign Affairs, started on June 15th. The course will last 6 weeks and focus on three main topics, viz. investment in agriculture, cre-

Nouvelles de Finafrica

Finafrica a un centre de documentation qui met à la disposition des spécialistes environ 5.000 volumes qui traitent de problèmes économiques surtout en ce qui concerne les pays en voie de développement.

À côté de ces textes, le centre reçoit 150 publications en provenance du monde entier, elles aussi traitant des sujets économiques. À cela il faut ajouter les Bulletins et les Bilans de nombreuses banques africaines.

Tout dernièrement, tous les volumes de la bibliothèque ont été catalogués à nouveau dans le but d'arriver à gérer cette masse d'informations à l'aide d'un ordinateur.

Quand ce stade préparatoire sera terminé on sera à même d'offrir aux usagers de la bibliothèque, stagiaires et externes, un service beaucoup plus efficace et on pourra également augmenter les achats de façon à constituer une documentation qui pourra de plus en plus satisfaire les exigences de Finafrica.

Le XVème Cours de Spécialisation Bancaire est terminé le 4 Juin. Au cours de la cérémonie de clôture les participants ont reçu une attestation de fréquentation. Du 5 au 12 Mai dernier ils avaient effectué un stage auprès du Ministère du Trésor à Rome. Pendant leur séjour dans la capitale ils avaient également participé à deux séminaires organisés par ACRI (l'Association des Caisses d'Épargne italiennes) et ICCRI (l'Institut Central de Crédit des Caisses d'Épargne italiennes).

Le VIIIème Cours Supérieur d'Economie Bancaire pour les pays ACP de langue française est terminé le 28 Juin. Avant leur départ, les participants ont été invités par la Commission des Communautés à Bruxelles et au Luxembourg pour une série de colloques visant à leur donner un aperçu de l'activité de la Communauté en général et de ses rapports avec les pays en voie de développement.

Un nouveau Cours de Crédit Agricole pour les pays ACP de langue anglaise, organisé en collaboration avec le Ministère des Affaires Étrangères italien, a

dit to farmers and agricultural credit institutions. As usual, during the course, participants will have the opportunity to visit some farms and agro-industrial processing plants which will give them an idea of the Italian reality.

Finafrica Foundation and Montedison Servizi Agricoltura have recently signed a co-operation agreement for the identification, feasibility study and implementation of integrated rural development projects in developing countries. The agreement was signed by the Chairman of Finafrica Foundation, Dr. Camillo Ferrari, and the President of Montedison, Dr. Alfredo Diana.

On June 23rd, a group of 20 bank officers from the People's Republic of China arrived at Finafrica for a specialization course in banking essentially having the same structure as the junior banking courses the Foundation has been organizing for ACP developing countries for 15 years. The courses in economics will start after a total immersion Italian course and will be integrated by two periods of in-branch training with the Cassa di Risparmio delle Provincie Lombarde. The course is expected to be over by the end of January 1983.

On April 21st, in the framework of the African Week organized at the Milan Trade Fair Africa Palace, Finafrica Foundation held a meeting on the numerous activities in the field of Training and technical assistance which it plans to carry out in the near future.

The members of Milano-Aquileia Rotary Club visited Finafrica on May 24th and had an interesting exchange of view and information with the junior and senior course students.

Mr. Bernard Snoy, financial adviser to the World Bank visited Finafrica on May 25th and met Dr. Giuseppe Villa, The Foundation Managing Director, with whom he discussed the possibilities of the co-operation between the two institutions.

débuté le 15 Juin. Le Cours dure 6 semaines et porte sur trois sujets principaux, à savoir l'investissement en agriculture, l'octroi de crédit aux exploitants agricoles et les instituts de crédit agricole. Comme d'habitude, les participants auront l'occasion de visiter des entreprises agricoles et d'avoir un contact direct avec la réalité italienne.

Le 23 Juin, un groupe de fonctionnaires de banque de la République Populaire de Chine est arrivé à Finafrica pour un Cours de Spécialisation Bancaire de la durée de sept mois ayant une structure essentiellement semblable aux cours de spécialisation de base que la Fondation Finafrica organise depuis 15 ans pour les pays en voie de développement associés à la C.E.E.. Les cours d'économie seront précédés d'un cours intensif de langue italienne et intégrés avec deux périodes de stage dans les services de la Cassa di Risparmio delle Provincie Lombarde. La fin du cours est prévue pour la fin du mois de Janvier 1983.

Du 28 au 30 Avril 1982, M. Felice L. Tambussi a participé à l'Assemblée de l'Association Africaine des Banques de Développement à Lusaka, Zambia.

La Fondation Finafrica et Montedison Servizi Agricoltura ont récemment signé un accord de collaboration pour l'identification, l'étude et la réalisation de projets de développement rural intégrés dans les pays en voie de développement. L'accord a été signé par le Président de la Fondation Finafrica, Dr. Camillo Ferrari et par le Président de Montedison, Dr. Alfredo Diana.

Le 21 avril, dans le cadre de la Semaine de l'Afrique organisé au Palais de l'Afrique pendant la Foire Internationale de Milan, la Fondation Finafrica a organisé une réunion au cours de laquelle on a parlé des nombreuses activités que la Fondation envisage dans son programme pour les années à venir, dans le domaine de la Fondation et de l'assistance technique.

Les membres du Rotary Club Milan-Aquileia ont visité Finafrica le 24 Mai dernier, et ont eu avec les stagiaires une rencontre au cours de laquelle il y a eu un échange intéressant d'information.

From April 28th to 30th, Mr. Felice I. Tambussi attended the assembly of the African Development Banks Association in Lusaka, Zambia.

M. Bernard Snoy, conseiller financier de la Banque Mondiale, a visité Finafrica le 25 Mai dernier. Au cours de son entretien avec M. Villa, le Directeur de la Fondation, il a discuté les possibilités de collaboration entre les deux instituts.

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While not implying acceptance, payment of fees, responsibility for loss or return, the Editor encourages the submission of manuscripts concerning money, financial intermediaries, financial techniques, and experiments in savings mobilization in developing countries. Articles (two copies) should be in English or in French 4,000 - 10,000 words in length with a 200-400 word summary. Under the above mentioned conditions news items concerning money and credit in Africa are also welcome. All communications should be sent to the Editor:

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