



NATIONAL CREDIT UNION ADMINISTRATION

WASHINGTON, D.C. 20456

July 10, 1990

Mr. Charles Zuver  
Credit Union National Association, Inc.  
805 15th Street, N.W.  
Washington, D.C. 20005-2207

Re: Technical Assistance to Poland and Hungary (Your  
March 15, 1990, Letter)

Dear Mr. Zuver:

You have asked whether federal credit unions ("FCUs") can immediately use funds and personnel to support the development of credit union movements in Poland and Hungary. The answer is yes with a caveat.

**ANALYSIS**

Section 107(16) of the FCU Act (12 U.S.C. 1757(16)) authorizes FCUs "subject to such regulations as the Board may prescribe, to provide technical assistance to credit unions in Poland and Hungary."

Although NCUA has not issued any regulations in regard to this recent amendment to the FCU Act, FCU's may give technical assistance to the credit union movements in Poland and Hungary. However, we see no need for FCU's to provide such assistance until the designated countries establish either some sort of credit union regulatory structure or credit unions actually come into existence in Poland and Hungary. A factfinding trip by credit union personnel, in our view, does not come within the purview of technical assistance.

FCUs are encouraged to report to their NCUA Regional Office the type of assistance they are contemplating or presently providing to these countries. We expect to publish a Letter to Credit Unions in the near future to provide guidance on technical assistance issues.

Sincerely,

Hattie M. Ulan  
Associate General Counsel

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