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DEPARTMENT OF STATE

BRIEFING MEMORANDUM

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MAY 18 1976

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TO: The Secretary

FROM: AF - William E. Schaufele, *WES*
AA/AFR - Stanley S. Scott, *SS*

Initial Implementation of the U.S. Leadership Role
in the African Sahel Development Program

On March 13, 1976, the A.I.D. Administrator submitted to you a proposal for a post-drought initiative in the African Sahel. (Attachment) You approved Option #1 of that proposal on March 29 and authorized:

- That the United States continue a leadership role in encouraging increased donor/African collaboration in Sahel development programming, primarily through the newly organized Club des Amis du Sahel.
- That A.I.D. take an active role in proposing improved management and funding structures for long-term Sahel programs and in promoting increased resource flows from all donors into the region.
- That A.I.D. make a specific request in the FY 78/79 Authorization Bill for U.S. participation in the international development investment program for the Sahel of \$100 million in FY 78 and \$200 million in FY 79.

Several actions have occurred since that time:

1. First Meeting of Club des Amis du Sahel

On March 29-31, over thirty donor countries and international organizations and all the affected African states met in Dakar to establish formally the Club and to lay out steps needed to bring the comprehensive Sahel development program

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into being. The Club formally accepted the concept of a new expanded program for the Sahel and established a Working Group to prepare the overall strategy and program to be presented to African and donor countries by the end of this calendar year.

2. Legislative Proposals

On April 15, Mr. Parker submitted specific legislative proposals to OMB in accordance with your authorization of March 29 to provide for U.S. participation in a Sahel program in amounts of \$300 million in FY 78/79.

After consultation with you, OMB decided not to go forward to the Congress at that time with the legislative proposals. Under the new Budget and Impoundment Act, such proposals for FY 78/79 would normally have to be submitted to the Congress by May 15 of this year. OMB recommended to the President and he agreed, however, that the Sahel proposal would be reviewed in detail in the coming months and a decision made in the fall as to the specific legislative authority to be requested and in what form it should go forward.

3. A.I.D.'s April 30 Report

On April 30, A.I.D. submitted to the Congress a Report, as required by Section 494B of the Foreign Assistance Act, describing the general lines of what a comprehensive Sahel program would encompass and describing the international process of planning now underway.

4. Your Dakar Speech

On May 1 in Dakar, you announced United States support for a comprehensive development program in the Sahel and urged that the donor community work in close cooperation with the Sahel states in preparing and financing such a program.

NEXT STEPS

There are several critical steps which must be carried out in coming months:

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1. Legislative Proposals

While OMB did not concur in forwarding legislative authorization proposals on May 15, that issue remains open for consideration in the fall budget review process. This will give A.I.D. some additional time to develop further details of the legislative proposal and specifically to begin developing individual projects and programs to be financed under the proposed new authority. This period will also allow time for further action by the international community, specifically, the efforts of the Working Group appointed by the Club des Amis. Consultation with OMB on how this presentation will be made is already underway and will be pursued intensively. A.I.D. is going forward in organizing a system for completing more detailed presentation materials.

2. Congressional Consultation

The Congressional authorizing committees continue to have substantial interest in the Sahel program. That was reinforced by your statement at Dakar. Continued consultation with the committees and individual members of Congress is needed as the presentation material for OMB is being developed.

The A.I.D. April Report was a first step in that consultation.

Informal meetings have been held with several committee members and staff members following the Club des Amis meeting and further consultation is now planned related to the April 30 Report.

The A.I.D. Assistant Administrator for Africa, will be making a presentation before the Senate Appropriations Subcommittee (Inouye Committee) on May 25 to justify use of \$5 million authorized under Section 494B for planning purposes in the Sahel. He will use that occasion to talk more broadly about our plans in the Sahel.

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3. Appropriation and Use of \$5 million under Section 494B

Section 494B of the FAA authorizes an appropriation of \$5 million in FY 1976 to be used for planning of programs and activities which would be part of a comprehensive long-term development plan.

Appropriation of this amount is still required. A.I.D. has provided the appropriation committees with background information on how the \$5 million would be used. A further presentation will be made before the Inouye Sub-Committee on May 25, as noted above.

Congressional staffs have stressed the importance of fully obligating this amount by the end of FY 1976. This will be extremely difficult given the lateness of appropriation action, but A.I.D. does hope to be able to obligate the full amount by June 30 or very shortly thereafter.

4. Further Work with Club des Amis du Sahel and its Working Group

As noted above, the Club established a donor/African Working Group to develop a long-term strategy for the region. A.I.D. is working intensively with the DAC Secretariat and the African organization, CILSS, to assure expeditious functioning of this Working Group. The Terms of Reference for the Working Group have already been developed. The first meeting of the Working Group is scheduled to occur in June.

All the above steps are interrelated and must be pursued in careful attempts to keep all needed actions moving in concert with each other. We will keep you informed as each significant step is taken and request additional guidance as policy questions arise.

Attachment:

Action Memo to the Secretary dtd March 13, 1976 (C)

Drafted: AFR/SFWA:IRosenthal:moa
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Clearance: AA/AFR:DBrown (draft) *IR*
AF/W:JBishop (draft) *IR*

AFR/SFWA:DShear (draft) *IR*
AA/LEG:DMcNeil (draft) *IR*
AA/PPC:AShakow (draft) *IR*

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