

12/27/77

MEMO

TO: PAUL

FROM: CHRIS C.

RE: CURRENT STATUS OF FOREIGN ASSISTANCE APPROPRIATION BILL AND AID TO MOZAMBIQUE

1. The Foreign Assistance Appropriation bill is still in conference and figures to stay there until late January at the earliest.

2. The issues holding up the bill are:

- a) Funding for the Institute for International Technological Cooperation, with House supporting and Senate opposing.
- b) Senate Approp. Committee has earmarked certain AID projects which the Committee wants eliminated. The House objects to this precedent of project by project legislation.

3. AID is currently operating under a continuing Resolution which limits programs to last year's levels, under which Mozambique recieved only PL-480 food aid.

4. Assistance for Mozambique is not at issue in the Conference. Figures for Mozambique now in the bill are for FY 80:

- 3 million for rural development and agricultural production broken down into: 900,000 for farm machinery, 450,000 for shop equipment, 1.4 million for fertilizer, 200,000 for machinery repair facility.
- 1 million for PL-480 food assistance

4 million total

5. There is in the bill a prohibition on direct aid to Mozambique but the President has the authority to waive the prohibition.