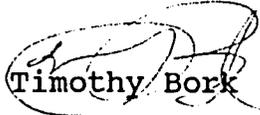


PD-ABD-317

Agency for International Development
Washington, D.C. 20523

**ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR,
BUREAU FOR AFRICA (AA/AFR)**

FROM: AFR/PD,  Timothy Bork

SUBJECT: Botswana HG Projects: Close-out and Deauthorization

Action Requested: To approve the close-out of Botswana Housing Guaranty (HG) project 633-HG-002 and to deauthorize Botswana HG project 633-HG-003.

Discussion: On September 28, 1982 the AA/AFR authorized a \$15 million HG project, designated 633-HG-002, "to finance housing projects and related facilities and services in Botswana." A HG (i.e., A.I.D. guaranteed) borrowing of \$7.5 million was made by the GOB under the 002 project on March 31, 1983. Within the quoted scope of the 002 authorization, eligible expenditures were incurred for a Gaborone West housing and facilities project (\$5,607,700) and for a Francistown shelter project (\$1,892,300). Both projects were carried out in accordance with approved project paper documentation. On August 22, 1989 the authorized level of the 002 project was decreased from \$15 million to \$7.5 million (the equivalent of the HG borrowing and the total expenditures for the Gaborone West and Francistown projects).

On September 14, 1985 the AA/AFR authorized a \$14 million HG project, designated 633-HG-003, for Botswana. By its terms, the 003 project was authorized "to finance housing projects in Botswana." No HG borrowing was ever made by the GOB under the 003 project.

The U.S.A.I.D. and GOB have mutually concluded that the 002 project has been fully implemented and that the 003 project will not be implemented. They agree that the appropriate course of action is to close out the 002 project and deauthorize the 003 project. You are being asked here to take action executing U.S.A.I.D. GOB conclusion. The effect of your action will be to reduce the current authorized level of 002 and 003 HG support for Botswana from \$21.5 million to \$7.5 million. The 002 project authorization and project paper will by your action be deemed amended, where necessary or appropriate, to permit the close-out of the 002 project with the above-described Gaborone West and Francistown expenditures.

Recommendation: That you sign below indicating your approval of the close-out of the 002 project and that you sign the attached authorization amendment deauthorizing the 003 project.

Approved: BM Spangler

Disapproved: _____

Date: 6-13-91

Attachment:
Amendment to HG 003 Authorization

Clearances:

DAA/AFR:LSaiers	<u>LSaiers 6/12/91</u>
AFR/PD:NBillig	<u>NB 6/6/91</u>
AFR/DP/PAB:SGrossman	<u>SGrossman 6-6-91</u>
AFR/SA:KBrown	<u>KBrown 6-6-91</u>
GC/APRE:JPower	<u>JPower 6-3-91</u>
APRE/H:FHansen	<u>FHansen</u>
APRE/H:LRoussel	<u>LRoussel 6-4-91</u>

Drafted: ^{JB} APRE/H:JBoyer 5/31/91
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AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D. C. 20523

ASSISTANT
ADMINISTRATOR

GUARANTY AUTHORIZATION AMENDMENT

PROJECT NO. 633-HG-003

PROVIDED FROM: Housing Guaranty Authority

FOR: The Government of Botswana

Pursuant to Section 222 of the Foreign Assistance Act of 1961, as amended, and delegations of authority issued thereunder, guaranties not to exceed Fourteen Million U.S. Dollars (\$14,000,000) in face amount for issuance to eligible U.S. Investors acceptable to A.I.D. were authorized for Project No. 633-HG-003 by Guaranty Authorization dated June 14, 1985.

For the purpose of fully withdrawing my approval for Project No 633-HG-003, I hereby deauthorize the issuance of all guaranties authorized therefor effective as of the date hereof.

SM Spangler

Scott M. Spangler
Assistant Administrator
Bureau for Africa

6-13-91

Date

Clearances:

DAA/AFR, LSaiers
AFR/PD, NBillig
AFR/DP/PAB, SGrossman
AFR/SA, KBrown
PFM/FM/LMD, DNewman
GC/APRE, JPower
APRE/H, FHansen
APRE/H, LRoussel
APRE/H, JBoyer

L. J. J.
N/B Billig 6-6-91
IL Steiner 6-6-91
K. Brown 6-6-91
R. D. Newman 6-5-91
J. Power 6-3-91
F. Hansen 6-4-91
L. Roussel 6-4-91
J. Boyer 6-4-91

37