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AID Conditionality

A Review of Recent Conditions Contained in FY 1986 Program Assistance Approval Documents (PAADs)

1. Summary and Conclusions

U.S. funded economic stabilization/structural adjustment programs have grown rapidly during the 1980s. This paper examines the specific conditions attached to such assistance in FY 1986. As a consequence, only one stage in a dynamic process is fully explored. As that process evolves, the emphasis is gradually shifting from economic stabilization toward structural adjustment. Thus, the conditionality appearing for one fiscal year may not fully reflect either the diversity or the directions of the nonproject assistance program in any given country.

The economic policy conditions examined fall into four categories:

- fiscal policy
- monetary policy
- foreign trade and exchange rate policy
- policies toward the private sector

Conditions relating to fiscal policy were generally concerned with reducing public sector expenditures, promoting tax reform, dismantling price and market controls and divestiture of parastatal enterprises.

Conditions relating to monetary policy usually focused on reducing the public sector's capacity to borrow domestically or abroad, decontrol of interest rates, or channeling more credit to the private sector.

Foreign trade and exchange rate conditionality was widely employed as a means of encouraging liberalization to improve efficiency and competitiveness. The reduction of tariffs or administrative controls on imports was an especially popular theme. Elimination of export taxes, loosening administrative requirements for exports and reducing the gap between official and market rates of foreign exchange were also frequent targets.

Conditionality favoring the private sector generally concentrated on the elimination of price controls and enhanced access to productive resources and markets.

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

November 25, 1986

MEMORANDUM

TO: See Distribution

FROM: AAA/PPC/EA, Kenneth Kauffman

SUBJECT: Aid Conditionality

Attached for your review and comment is a systematic but limited and preliminary examination of recent AID nonproject assistance. It covers only FY 1986 and focuses upon the subject of conditionality, seeking to determine which nonproject assistance programs have policy related conditions attached to them and the nature of those conditions. It also distinguishes country program modes (cash transfer, commodity import programs) and administrative conditions such as requirements for offsetting imports of U.S. commodities. Virtually all of the Agency's Program Assistance Approval Documents (PAADs) for FY 1986 were reviewed. The conditions contained in each are summarized in the accompanying tables.

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Conditionality was employed with greatest frequency in the Latin America and Caribbean region. It was scarcely used at all in Asia and the Near East. Sub-Saharan Africa falls somewhere in between.

Where conditionality is employed, it tends to become more comprehensive and detailed as the amount of resources devoted to the program increases.

Despite the burgeoning use of conditionality by AID, the total amount of resources conditioned upon macroeconomic performance still constitutes a comparatively small proportion of total U.S. bilateral economic assistance. In FY 1986, for example, 20 percent of ESF resources had some conditionality of this kind attached.

2. Background

Since the early 1980s the Agency has been devoting a substantial volume of resources in the form of nonproject assistance to support the objectives of economic stabilization and structural adjustment. During the 1960s program loans were provided for similar purposes in a number of countries. Their use declined significantly during the 1970s, however. The reasons included questions about the overall effectiveness of the attached conditionality, concern that the poor majority reaped few benefits, and even might be adversely affected, and doubts about the desirability of continuing such programs in the face of a declining level of real resources.

The phoenix-like return of economic stabilization and structural adjustment programs in the 1980s has brought in its wake renewed controversy over their efficiency and possible deleterious effects upon income distribution, on the one hand, and a wealth of new experience in the design and implementation of such programs on the other. Thus far, however, little of AID's experience with such programs has been analyzed in any systematic fashion. The individual programs, it is true, are designed and implemented conscientiously by the USAIDs. Likewise, the regional geographic bureaus in Washington generally monitor the progress of the programs fairly closely. Nonetheless, the Agency does not require that nonproject activities be evaluated against stated objectives, as projectized assistance must. As a consequence, few in-depth evaluations of the programs have been undertaken. Those that do exist were prompted almost invariably by ad hoc interest in a specific country's program or in a particular category of nonproject assistance, such as commodity import programs.

The present study presents a systematic but limited and preliminary examination of recent AID nonproject assistance. It covers only FY 1986 and focuses upon the subject of conditionality, seeking to determine which nonproject assistance programs have policy related conditions attached to them and the nature of those conditions. It also distinguishes country program modes (cash transfer, commodity import programs) and administrative conditions such as requirements for offsetting imports of U.S. commodities and the establishment of special accounts for host country counterpart funds.

In effect, this analysis provides an organized inventory of conditionality employed during one fiscal year in AID nonproject programs providing general balance of payments and budget support. Virtually all of the Agency's Program Assistance Approval Documents, or PAADs, for FY 1986 were reviewed, and the conditions contained in each were summarized. A complete record of this information is attached as Annex I. A classification of conditionality by country appears in Tables IA through IC. The results are then summarized in Tables II through V.

3. Types of Conditionality

Virtually all of the conditionality contained in AID's cash transfer and commodity import programs for FY 1986 can be grouped into the following four sectors:

- Nonfinancial Public
- Monetary and Financial
- External Trade and Financial
- Private

An outline of each of the sectors broken down into the various components affected by conditionality appears in Table I. Each sector will be discussed below. It should be noted at the outset, however, that the precise nature of the conditionality to be employed was frequently not specified in the PAADs. Indeed, in some instances the USAIDs were candid in admitting that they were still undecided on the exact measures to be taken.

3.1 Nonfinancial Public Sector

Conditionality in the nonfinancial public sector invariably took one of four forms: (1) reducing expenditures; (2) reforming taxes; (3) deregulating prices and markets; and (4) divesting or restricting the activities of parastatal enterprises.

Conditionality relating to reductions in public spending has been imposed in Chad, Costa Rica, the Dominican Republic and El Salvador. In recent years expenditures have exceeded revenues by a substantial margin in all of these countries. The conditions imposed have been quite broadbased, usually calling for reductions in the budget deficit as a percent of GDP by lowering expenditures. The host country has been left with the choice as to which programs to cut and by what amounts. The Costa Rican conditionality was somewhat unique in its approach. The USAID there tranched the disbursements, releasing some funds for a GOCR commitment to accept the targeted reduction as official public policy and the remainder upon statistically verified achievement of the objective.

Reform of the existing tax structure was established as a condition for balance of payments assistance in Senegal, Honduras, and Jamaica. In all of the countries it was argued that marked reductions in the tax rates, together with an expansion in the tax base, would encourage the efficient allocation of resources, improve equity as well as eventually lead to a more flexible and responsive tax system. The program in Honduras was restricted to municipal and local taxes. The programs in Senegal and Haiti also required additional improvements in the administration of revenue collection.

Deregulation of price and/or market controls was a condition of the assistance provided to the sub-Saharan African countries of Kenya, Mozambique and Togo and the Latin American countries of Belize, Ecuador, and Grenada. The requested deregulation was usually related to a narrow range of relatively important commodities - fertilizer in Kenya, corn in Togo, a limited number of cereal grains in Mozambique, and petroleum in Ecuador. It was only in Belize and Grenada that more general reforms were required. The former was to reduce the number of items subject to price controls by 50 percent and the latter was to submit a plan for decontrolling prices that would be acceptable to the USAID.

Divestiture of parastatal enterprises was a condition whose use, with the single exception of Malawi, was attempted only in

Latin America. Costa Rica, Grenada and Panama were all required to continue an ongoing process of identifying state enterprises for divestiture. No parastatal enterprises were specifically identified for such action at this stage, however. The Government of Belize, on the other hand, was required to restrict the parastatal marketing board's operations to a much narrower range of activities.

3.2 Monetary Sector Policy

Relatively few conditions were established in this area. Most of them related to limiting the borrowing authority of the public sector, permitting interest rates to rise to market-determined levels or enhancing private sector access to commercial bank credit.

Limiting the public sector's capacity to borrow was clearly a matter for concern for some USAIDs in Central America. Both Costa Rica and Honduras proposed conditions that would restrict the host government's ability to finance budget deficits through continued domestic borrowing. In addition to fueling inflation and increasing the domestic debt burden, both PAADs expressed concern for the extent to which the practice unduly restricted the private sector's access to credit. Moreover, both Costa Rica and Togo were requested to increase such access. Concerns in El Salvador were similar, but conditionality there was targeted at the GOES's foreign borrowing operations.

3.3 External Trade

A number of programs included measures designed to liberalize imports by reducing tariffs or simplifing administrative requirements. Conditions relating to the reduction of taxes and other restrictions on exports or the liberalization of foreign exchange transactions were less common.

Conditions related to reducing tariffs on imports appeared in both sub-Saharan Africa and Latin America. Kenya, Senegal, and Zaire were the three African countries required to reduce tariffs. Ecuador was their only counterpart in Latin America. In addition, Kenya and Senegal had to reduce administrative red tape associated with applications for permission to import. Belize was to reduce substantially the number of items whose importation was prohibited. Both Zaire and the Dominican Republic were subject to conditionality requiring the reduction or elimination of taxes on exports. In Belize a reduction in the amount of paperwork required in order to export was called for.

Conditions for three countries - Zaire, Zambia and Costa Rica - related either to reducing or eliminating the difference between their official and market determined exchange rates. A number of countries were also specifically required to make a larger amount of foreign exchange available to the private sector. They included Mozambique and Somalia in Africa and Costa Rica and Honduras in Central America.

3.4 The Private Sector

Conditions designed specifically to promote the private sector also figured prominently during FY 1986. Note that many of the measures appearing under this heading are either identical or similar to those that appeared in the discussion of the previous sectors. It is only when conditionality was explicitly linked to the measures that were required to be taken on behalf of the private sector that they are highlighted in this section. Measures designed to reduce regulatory controls in one form or another were employed fairly frequently, especially in sub-Saharan Africa. Both Kenya and Togo required fewer price controls with greater leeway for price determination at or closer to levels that would clear the market. Conditions for Kenya also required fewer or simpler administrative controls over market transactions.

Enhancing private sector access to productive resources and markets appeared as a condition in the programs of Mozambique, Somalia, Togo, the Dominican Republic, El Salvador and Grenada. In some cases the conditions specified a fairly restricted area of activity. In Mozambique, for example, the conditionality was limited to private sector involvement in the importation and distribution of commodities financed under the program. Likewise, in Kenya the conditionality applied only to the importation of fertilizer. In other cases, however, the requirements were more sweeping. In Guinea they applied to the sale and distribution of all agricultural inputs. In Somalia the conditions were phased first to permit the establishment of private sector financial institutions, then the exportation without license of the principal export commodities, and finally a general opening of all economic activity to private enterprises. Likewise, the Dominican Republic and Grenada had to permit private sector access to state agricultural holdings for a wide variety of other agricultural pursuits.

3.5 Other Conditionality

An administrative condition requiring the tying of the stabilization/structural adjustment program to the purchase of an amount of goods equivalent in value from the United States or a restricted group of LDCs is discussed separately because it was imposed to reflect U.S. interests rather than the reform of policies in the host countries. The condition was widely employed. Indeed, it was so frequently utilized in the Latin American region that it is simpler to note that Haiti was the only country in which the condition does not appear. Furthermore, the rationale for the omission of the requirement in Haiti's case was that the country already acquires such a large proportion of its imports from the United States that a formal condition would not be necessary. Note, however, that two of the Central American countries, El Salvador and Honduras, were permitted to make some purchases in other countries. This was owing to the fact that the programs in both countries have become so large relative to the size of their economies that requiring them to purchase an equivalent amount of imports exclusively from the U.S. would severely disrupt the structure of their international trade. As members of the Central American Common Market, both are treaty-bound to purchase from other members. They were also permitted to meet some of their requirements for imported petroleum with purchases from a non U.S. source. The situation in sub-Saharan Africa was markedly different, however. Fewer than half of the countries in the region were subject to the same condition. Moreover, half of those countries - Kenya and Sudan - received their ESF funds exclusively in the form of commodity import programs. Finally, in the Asia and Near East region, only two countries - Egypt and Israel - were subject to the requirement and then only for certain components of their nonproject assistance programs.

4. Conditionality by Region

The specific conditionality applied to each country is summarized in Tables II-V. Note the following:

- The countries in the Asia and Near East region, including the leading recipients of U.S. economic assistance, are subject to negligible conditionality.

- Conditionality in the African region is relatively more concentrated on the external and private sectors.

- In the Latin America and Caribbean region, USAIDs employ a wider variety of conditionality with greater frequency than in the other regions. The conditionality also appears to be relatively more evenly distributed among the four functional areas.

- Conditionality rarely applies to only one functional area in either Africa or Latin America.

- Likewise, it was also rare for a recipient to be subject to conditionality in all four areas simultaneously. The only exceptions were Costa Rica and El Salvador, both of which had comparatively large programs.

5. Conditionality Within the Context of the U.S. Foreign Economic Assistance Effort

In recent years the overwhelming majority of nonproject assistance programs have been funded from the Economic Support Fund. Occasionally, however, Development Assistance resources also have been employed for the same purpose. In FY 1986, for example, $10 million in DA funds were obligated for Malawi to support the divestiture of several parastatal enterprises.

Table VI breaks down by country the total amount of Agency FY 1986 resources devoted to nonproject assistance programs containing conditionality other than requirements relating to the sources of imports. The total of $724.9 million is equivalent to 27.6 percent of the total obligated for commodity import programs and cash transfers for FY 1986 20.2 percent of the $3,581.6 million contained in the entire ESF account, and 15.0 percent of the $4,822.4 million contained in the total DA and ESF accounts for bilateral U.S. foreign economic assistance.

Table IA

AREAS AFFECTED BY CONDITIONALITY	SUBSAHARAN AFRICA											
	Chad	Guinea	Liberia	Kenya	Malawi	Mozambique	Senegal	Somalia	Sudan	Togo	Zaire	Zambia
1. Nonfinancial Public Sector												
1.1 Reduce expenditures												
1.1.1 Reduce current expenditures												
1.1.2 Reduce capital/maintenance expenditures	X											
1.2 Increase revenues												
1.2.1 Tax reform							X					
1.2.2 Improved tax administration			X				X					
1.3 Deregulation of price and/or market controls				X		X				X		
1.4 Parastatal Enterprises												
1.4.1 Divestiture of parastatal enterprises					X							
1.4.2 Restrict activities of parastatal enterprises		X			X							
3. Monetary Policy												
3.1 Restrict growth of money supply												
3.1.1 Limit public sector domestic borrowing			X									
3.1.2 Limit external borrowing												
3.2 Permitting interest rates to rise to market clearing levels												
3.3 Enhance private sector access to commercial bank credit										X		
4. External Trade												
4.1 Exports												
4.1.1 Reducing restrictions on exports												
4.1.2 Limiting/reducing taxes on exports or changing export taxes from quota to ad valorum basis											X	
4.1.3 Other forms of export promotion, e.g., Special credit lines to exporters												
4.2 Imports												
4.2.1 Reduce tariffs on imports				X			X				X	
4.2.2 Reduce administrative restrictions on imports				X			X					
4.2.3 Require purchase or attribution of equivalent amount in U.S. commodities (Code 000)						X		X				
4.2.4 Require purchase or attribution in either 000, 899 or 941 countries only									X			
4.3 Foreign Exchange												
4.3.1 Reduce or eliminate the difference between the official and market exchange rates											X	X
4.3.2 Enhance private sector access to foreign exchange						X		X				
5. Private Sector												
5.1 Increase private sector access to financial resources:												
5.1.1 Domestic credit								X				
5.1.2 External credit												
5.1.3 Foreign exchange								X				
5.1.4 Require equivalent amount of foreign exchange be made available for the import of U.S. goods and services												
5.2 Reduce Public Regulation												
5.2.1 Fewer/lower price controls, including interest and exchange rates				X						X		
5.2.2 Fewer administrative controls and/or regulations				X								
5.2.3 Lower, more equitable tax rates												
5.3 Enhance Access to Productive Resources/Markets						X		X				
5.3.1 Remove prohibitions to private sector entrance								X		X		
5.3.2 Allow expanded private sector access to public sector agricultural holdings												
6. Other	X											

Table IB

AREAS AFFECTED BY CONDITIONALITY

ASIA AND THE NEAR EAST

		Egypt	Philippine	Portugal	Tunisia
1.	Nonfinancial Public Sector				
1.1	Reduce expenditures				
1.1.1	Reduce current expenditures				
1.1.2	Reduce capital/maintenance expenditures				
1.2	Increase revenues				
1.2.1	Tax reform				
1.2.2	Improved tax administration				
1.3	Deregulation of price and/or market controls				
1.4	Parastatal Enterprises				
1.4.1	Divestiture of parastatal enterprises				
1.4.2	Restrict activities of parastatal enterprises				
3.	Monetary Policy				
3.1	Restrict growth of money supply				
3.1.1	Limit public sector domestic borrowing				
3.1.2	Limit external borrowing				
3.2	Permitting interest rates to rise to market clearing levels				
3.3	Enhance private sector access to commercial bank credit				
4.	External Trade				
4.1	Exports				
4.1.1	Reducing restrictions on exports				
4.1.2	Limiting/reducing taxes on exports or changing export taxes from quota to ad valorum basis				
4.1.3	Other forms of export promotion, e.g., special credit lines to exporters				
4.2	Imports				
4.2.1	Reduce tariffs on imports				
4.2.2	Reduce administrative restrictions on imports				
4.2.3	Require purchase or attribution of equivalent amount in U.S. commodities (Code 000)				X
4.2.4	Require purchase or attribution in either 000, 899 or 941 countries only	X			
4.3	Foreign Exchange				
4.3.1	Reduce or eliminate the difference between the official and market exchange rates				
4.3.2	Enhance private sector access to foreign exchange				
5.	Private Sector				
5.1	Increase private sector access to financial resources:				
5.1.1	Domestic credit				
5.1.2	External credit				
5.1.3	Foreign exchange				
5.1.4	Require equivalent amount of foreign exchange be made available for the import of U.S. goods and services				
5.2	Reduce Public Regulation				
5.2.1	Fewer/lower price controls, including interest and exchange rates				
5.2.2	Fewer administrative controls and/or regulations				
5.2.3	Lower, more equitable tax rates				
5.3	Enhance Access to Productive Resources/Markets				
5.3.1	Remove prohibitions to private sector entrance				
5.3.2	Allow expanded private sector access to public sector agricultural holdings				
6.	Other				

Table IC

AREAS AFFECTED BY CONDITIONALITY	Belize	Costa Rica	Dom Rep.	Ecuador	El Salvador	Grenada	Guatemala
	LATIN AMERICA AND CARIBBEAN						
1. Nonfinancial Public Sector							
1.1 Reduce expenditures		X	X		X		
1.1.1 Reduce current expenditures							
1.1.2 Reduce capital/maintenance expenditures							
1.2 Increase revenues						X	
1.2.1 Tax reform							
1.2.2 Improved tax administration							
1.3 Deregulation of price and/or market controls	X			X		X	
1.4 Parastatal Enterprises							
1.4.1 Divestiture of parastatal enterprises		X				X	
1.4.2 Restrict activities of parastatal enterprises	X						
3. Monetary Policy							
3.1 Restrict growth of money supply							
3.1.1 Limit public sector domestic borrowing		X					
3.1.2 Limit external borrowing					X		
3.2 Permitting interest rates to rise to market clearing levels				X			
3.3 Enhance private sector access to commercial bank credit		X					
4. External Trade							
4.1 Exports					X		
4.1.1 Reducing restrictions on exports	X						
4.1.2 Limiting/reducing taxes on exports or changing export taxes from quota to ad valorum basis			X				
4.1.3 Other forms of export promotion, e.g., special credit lines to exporters	X						
4.2 Imports							
4.2.1 Reduce tariffs on imports				X			
4.2.2 Reduce administrative restrictions on imports	X						
4.2.3 Require purchase or attribution of equivalent amount in U.S. commodities (Code 000)		X	X	X			X
4.2.4 Require purchase or attribution in either 000 or 941 countries only					X	X	
4.3 Foreign Exchange							
4.3.1 Reduce or eliminate the difference between the official and market exchange rates		X					
4.3.2 Enhance private sector access to foreign exchange		X					
5. Private Sector							
5.1 Increase private sector access to financial resources:							
5.1.1 Domestic credit							
5.1.2 External credit							
5.1.3 Foreign exchange							
5.1.4 Require equivalent amount of foreign exchange be made available for the import of U.S. goods and services							
5.2 Reduce Public Regulation							
5.2.1 Fewer/lower price controls, including interest and exchange rates							
5.2.2 Fewer administrative controls and/or regulations							
5.2.3 Lower, more equitable tax rates							
5.3 Enhance Access to Productive Resources/Markets			X		X		
5.3.1 Remove prohibitions to private sector entrance							
5.3.2 Allow expanded private sector access to public sector agricultural holdings						X	
6. Other							

Table IC

AREAS AFFECTED BY CONDITIONALITY	LATIN AMERICA AND CARIBBEAN (cont.)			
	Haiti	Jamaica	Panama	Uruguay
1. Nonfinancial Public Sector				
1.1 Reduce expenditures				
1.1.1 Reduce current expenditures				
1.1.2 Reduce capital/maintenance expenditures				
1.2 Increase revenues				
1.2.1 Tax reform				
1.2.2 Improved tax administration				
1.3 Deregulation of price and/or market controls				
1.4 Parastatal Enterprises				
1.4.1 Divestiture of parastatal enterprises				
1.4.2 Restrict activities of parastatal enterprises				
3. Monetary Policy				
3.1 Restrict growth of money supply				
3.1.1 Limit public sector domestic borrowing				
3.1.2 Limit external borrowing				
3.2 Permitting interest rates to rise to market clearing levels				
3.3 Enhance private sector access to commercial bank credit				
4. External Trade				
4.1 Exports				
4.1.1 Reducing restrictions on exports				
4.1.2 Limiting/reducing taxes on exports or changing export taxes from quota to ad valorum basis				
4.1.3 Other forms of export promotion, e.g., special credit lines to exporters				
4.2 Imports				
4.2.1 Reduce tariffs on imports				
4.2.2 Reduce administrative restrictions on imports				
4.2.3 Require purchase or attribution of equivalent amount in U.S. commodities (Code 000)				
4.2.4 Require purchase or attribution in either 000 or 941 countries only				
4.3 Foreign Exchange				
4.3.1 Reduce or eliminate the difference between the official and market exchange rates				
4.3.2 Enhance private sector access to foreign exchange				
5. Private Sector				
5.1 Increase private sector access to financial resources:				
5.1.1 Domestic credit				
5.1.2 External credit				
5.1.3 Foreign exchange				
5.1.4 Require equivalent amount of foreign exchange be made available for the import of U.S. goods and services				
5.2 Reduce Public Regulation				
5.2.1 Fewer/lower price controls, including interest and exchange rates				
5.2.2 Fewer administrative controls and/or regulations				
5.2.3 Lower, more equitable tax rates				
5.3 Enhance Access to Productive Resources/Markets				
5.3.1 Remove prohibitions to private sector entrance				
5.3.2 Allow expanded private sector access to public sector agricultural holdings				
6. Other				

Table II

AID FY 1986 Conditionality

Nonfinancial Public Sector

Tax Reform

Senegal

Jamaica

Improved Tax Administration

Senegal

Haiti

Honduras

Jamaica

Reduced Expenditures

Chad

Costa Rica

Dominican Republic

El Salvador

Deregulation of Price and/or Market Controls

Kenya

Mozambique

Togo

Belize

Ecuador

Grenada

Divestiture of Parastatal Enterprises

Costa Rica

Grenada

Panama

Restricted Activities for Parastatals

Belize

Grenada

Table III

AID FY 1986 Conditionality

Monetary Policy

Limit Domestic Borrowing	Limit External Borrowing
Costa Rica	El Salvador
El Salvador	
Honduras	

Permit Interest Rates to Rise to Market Clearing Levels

Ecuador

Enhance Private Sector Access to Commercial Bank Credit

Togo

Costa Rica

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Table IV

AID FY 1986 Conditionality

External Trade

Limit/Reduce Export Taxes

Zaire

Dominican Republic

Reduce Restrictions on Exports

Belize

Reduce Import Tariffs

Kenya

Senegal

Zaire

Ecuador

Export Promotion

Belize

Reduce Administrative Restrictions on Imports

Kenya

Senegal

Belize

Haiti

Require Purchase or Attribution of Equivalent Amount in U.S. Commodities (Code 000)

Mozambique	Dominican Republic	Israel
Somalia	Ecuador	Tunisia
Bolivia	Guatemala	
Costa Rica	Jamaica	
	Panama	

AID FY 1986 Conditionality

External Trade (continued)

Require Purchase or Attribution in Either 000, 899 or 941 Countries Only

Sudan

El Salvador

Grenada

Honduras

Egypt

Foreign Exchange (General)

Zaire

Zambia

Reduce or Eliminate Difference Between Official and Market Exchange Rates

Costa Rica

Enhance Private Sector Access to Foreign Exchange

Mozambique

Somalia

Costa Rica

Honduras

2599C/3-4

Table V

AID FY 1986 Conditionality

Private Sector

Increase Access to Domestic Credit

Somalia

Fewer/Lower Price Controls

Kenya

Togo

Belize

Fewer Administrative Controls/Regulations

Kenya

Enhanced Access to Markets and Productive Resources

Mozambique

Somalia

Dominican Republic

El Salvador

Enhanced Entrance into Selected Activities

Somalia

Togo

Allow Enhanced Access to State Agricultural Holdings

Dominican Republic

Grenada

2599C/5