PD-ACC-274

UNCLASSIFIED

Annual Budget Submission

FY 1985

NEAR EAST REGIONAL PROGRAMS

ECONOMIC SUPPORT FUND

JUNE 1983

Agency for International Development
Washington, D.C. 20523

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INTRODUCTION

Near East Regional Activities for the Economic Support Fund (ESF) include three continuing and one new activity. Continuing are Regional Cooperation, West Bank Gaza, and Project Development and Support. New is Regional Population Activities. Projects are regional in scope, or address needs tnat cannot be addressed through conventional bilateral programs.

Regional Cooperation activities are designed to promote mutual understanding between Israel and its Abra neighbors, especially Egypt, in order to help establish a lasting peace in the region. The success of this project requires a minimum of $7.0 million in FY 1985 to fund a growing list of ongoing projects and a few new starts. Judging from activity thus in FY 1983 and expected future proposals, $8.0 million could easily be used in FY 1985 to support additional new activities. (See attached narrative and tables).

West Bank Gaza projects finance small-scale development projects wnich benefit the predominantly poor and rural population in health, agriculture, education, and community development, demonstrating continued U.S. concern for the area. For FY 1985, we are requesting a continuation of tne $7.0 million level of FY 1984 to carry out our program and development objectives there. (See attached narrative and tables).

Project Development and Support finance studies, consulting services, experts, and other activities not appropriate for Mission funding and/or which are multi-country in nature. Among the types of activities funded are impact evaluations in Egypt and West Bank/Gaza, rural sanitation, arid lands research, and agricultural engineering advisory services. There are ten to twenty of these activities annually ranging in cost from $2,000 to $250,000. For FY 1985, $0.5 million is requested to cover similar activities, wnicn represents a 50% reduction from previous years. This reduction is possible because Regional Population Activities, heretofore funded under this account, has matured to a point where it can now be shown as a separate project.

Regional Population Activities funded under the ESF account are primarily PVO projects in countries where bilateral programs are not yet possible, and programs designed to increase leaders' awareness of the negative consequences of excessive population growth rates. ESF funds in tne amount of $500,000 are requested for this activity, with additional funds separately requested under the Development Assistance Account.

With hope for some improvement in the political situation, the possibility of including other Arab countries in some projects, and the potential for many new useful activities, increased regional funding is necessary to be able to take advantage of opportunities as they emerge. It is essential that AID be able to respond to new possibilities to support the peace process as the political situation evolves. THe $7 million level will allow us to support on-going projects and begin new projects in appropriate areas, demonstrating continued U.S. support for the normalization process and assisting tne development of mutually beneficial Arab-Israel contacts and ties.

In FY 1985, further funding will be required for the infectious diseases and arid lands agriculture projects and any other activities which are incrementally funded, as well as a wide range of potential new activities. For the outyears, the arid land agriculture projects will require funding through FY 1986. Other funding needs will depend on political events which cannot be predicted. On the one hand, we hope that the need to support cooperation between Egypt and Israel may diminish as ties between those two countries develop; on the other hand, the possibilities of other Arab countries entering the peace process may create important new funding needs. The requested $7 million level is therefore straightlined through FY 1989.

The following is a summary of the current funding situation: ($000)

	FY 1983	FY 1984	FY 1985
Marine Sciences	768	-	-
Infectious Diseases	1,300	1,300	1,300
Arid Lands Agriculture	1,000	1,000	1,000
USIA Omnibus 1/	100	100	100
American Psychiatric Association1/	93	90	-
Marine Sciences Phase II 1/	800	800	800
USDA Ecosystems 1/	750	750	750
Other	189	2,960	3,050
Total	5,000	7,000	7,000

1/ Estimates, subject to approval

Near East Regional Population Project

Narrative Statement

Project Activity Description: Some 260 million persons comprising around 5.5% of the World's population live in 18 countries which we call the Near East region. Strategic location and energy resources make the region more important than its size alone would imply.

The region has a crude birth rate of 40 per 1,000, a crude death rate of 13 per 1,000 and a population growth rate of 2.7% per year. The region is growing by over six million persons a year with three countries (Egypt, Turkey and Iran) contributing over 50% of this growth. If this growth rate continues unchanged, the population will double in 27 years.

The primary objective of A.I.D. population assistance is to improve the health and well being of the region's people by bringing population growth into balance with present and future country resources. The nations of the region vary widely in their political will and administrative capacity to deal with their population growth problems, as categorized below:

Category I - Countries with a successful program where A.I.D. assistance can probably be reduced in three to four years: Tunisia.

Category II - Countries in somewhat mature but not yet effective programs into which continuing A.I.D. assistance should be channeled: Egypt (ESF funds) and Morocco.

Category III - Countries with embryonic programs or emerging government policies where A.I.D. bilateral or indirect assistance should be more thoroughly employed: Jordan, Turkey, Yemen Arab Republic (Sanaa) and Lebanon.

Category IV - Countries in which program development may be possible and desirable although expanded assistance possibilities are not immediately foreseen: Algeria. (Portugal and Cyprus, although within this category, are excluded because of their relatively low population growth rates. Iraq and Syria are excluded for policy or statutory reasons.)

For the most part, assistance has been provided through established S&T Bureau grants and contracts on a subproject basis, without charge to the Near East Bureau. This has been supplemented from time to time by Near East PD&S - funded purchase orders and contracts for activities not covered by existing S&T Bureau agreements. Recent examples: A Population Reference Bureau cooperative grant agreement for the dissemination of information, education and communication materials within the Near East region; specialized policy studies by The Battelle Memorial Institute in Turkey; and family planning-linked studies of pharmacies in selected Near East countries.

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FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

BUREAU FOR NEAR EAST

PROJECT NUMBER AND TITLE / G L	OBLIG DATE INIT	OBLIG DATE FIN	-TOTAL COST- AUTH	-TOTAL COST- PLAN	OBLIG THRU FY 82	FY 82 PIPE-LINE	----FY 1983--- OBLIG-ATIONS	----FY 1983--- EXPEND-ITURES	---FY 1984---- OBLIG-ATIONS	---FY 1984---- EXPEND-ITURES	FY 85 AAPL	FUNDED THRU	FY 86 OBLIG	FY 87 OBLIG	FY 88 OBLIG	FY 89 OBLIG	ITEM NO
2980156 CRS - HEALTH EDUCATION							SUBCAT: HEEH		TECHNICAL CODE: 510								
G 79	83		742	1052	552	412	500	128	---	150	---	8/85	---	---	---	---	3989
2980157 HOLY LAND CHRISTIAN MISSION PRE-SCH ED							SUBCAT: IHED		TECHNICAL CODE: 610								
G 79	81		224	224	224	2	---	2	---	---	---	6/83	---	---	---	---	3991
2980158 REGIONAL COOPERATION							SUBCAT: SDRO		TECHNICAL CODE:								
G 79	C		---	---	---	---	1932	---	4700	2400	4700		7000	7000	7000	7000	3992
2980159 WEST BANK/GAZA DEVELOPMENT ACTIVITIES							SUBCAT: SDPP		TECHNICAL CODE: 636								
G 79	C		14049	27359	---	---	---	---	---	---	7000		7000	7000	7000	7000	3993
2980160 COOPERATIVE MARINE TECHNOLOGY							SUBCAT: FNEX		TECHNICAL CODE: 690								
G 80	83		4238	4260	3492	430	768	968	---	200	---		---	---	---	---	3994
2980162 ANERA - DEVELOPMENT ASSISTANCE							SUBCAT: SDPP		TECHNICAL CODE: 720								
G 80	84		1822	4022	1822	267	800	267	1400	300	---	12/84	---	---	---	---	3995
2980163 SALZBURG SEMINARS							SUBCAT: SDPP		TECHNICAL CODE: 870								
G 81	81		200	200	200	25	---	25	---	---	---		---	---	---	---	3996
2980165 EPIDEMICIOGY AND CONTROL OF ARTH DISEASE							SUBCAT: HECS		TECHNICAL CODE: 550								
G 81	C		---	---	2910	1533	1300	500	1300	1500	1300	6/85	---	---	---	---	3998
2980166 CDI - COMMUNITY DEVELOPMENT II							SUBCAT: SDHU		TECHNICAL CODE: 210								
G 81	84		3085	6555	3085	2285	2170	883	1700	930	---	—	---	---	---	---	3999
2980168 JOINT ARAB ISRAELI STUDY PERCEPTIONS							SUBCAT: SDTE		TECHNICAL CODE: 900								
G 81	82		1070	1070	1070	500	---	500	---	---	---		---	---	---	---	4000
2980170 ARID LAND AGRICULTURAL RESEARCH							SUBCAT: FNDR		TECHNICAL CODE: 80								
G 82	86		1000	4000	1000	500	1000	500	1000	700	1000	5/85	---	---	---	---	4002
2980171 HOLY LAND CHRISTIAN MISSION							SUBCAT: IHED		TECHNICAL CODE: 610								

FY 1985 ANNUAL BUDGET SUBMISSION

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TABLE V - FY 1985 PROPOSED PROGRAM RANKING				Country/Office		
	PROGRAM ACTIVITY				PROGRAM FUNDING ($000)	
RANK	DESCRIPTION	ONGOING NEW	LOAN GRANT	APPR ACCT	INCR	CUM
1	PD & S	0	G	ESF	300	300
2	Regional Population	0	G	ESF	500	800
3	West Bank/Gaza:Amideast	0	G	ESF	1500	2300
4	West Bank/Gaza:CDF-RD II	0	G	ESF	1100	3400
5	West Bank/Gaza:CRS-RD III	0	G	ESF	500	3900
6	West Bank/Gaza:Anera	0	G	ESF	700	4600
7	Reg Coop:Arth Diseases	0	G	ESF	1300	5900
8	Reg Coop:Arid Lands	0	G	ESF	1000	6900
9	Reg Coop:USIA Omnibus	0	G	ESF	100	7000
10	Reg Coop:Marine Sciences II	0	G	ESF	800	7800
11	Reg Coop:USDA Ecosystems	0	G	ESF	750	8550
12	PD & S	0	G	ESF	200	8750
13	West Bank/Gaza:Amideast	0	G	ESF	500	9250
14	West Bank/Gaza:CDF-RDII	0	G	ESF	1100	10350
15	West Bank/Gaza:CRS-RD III	0	G	ESF	500	10850
16	West Bank/Gaza:ANERA	0	G	ESF	300	11150
17	West Bank/Gaza:Amideast	0	G	ESF	800	11950
18	Reg Coop:Future Activities	0	G	ESF	3050	15000