CONFIDENTIAL

July 14, 1972

## National Security Decision Memorandum 176

TO:

The Secretary of State
The Secretary of Defense

The Administrator, Agency for International

Development

SUBJECT:

Bilateral Aid for Malta

The President, having reviewed the findings contained in the Report of the U.S. Economic Team to Malta together with the recommendations set forth in the Department of State's forwarding memorandum of June 19, has decided as follows:

The Department of State should inform the Government of Malta that the United States is prepared to offer Malta bilateral assistance which would include:

- -- a \$5 million loan, to be made available from AID Development Loan funds, to be used for the purchase of U.S. equipment, the training of Maltese in the United States, and short-term U.S. technical assistance to Malta;
- -- surplus equipment on the order of \$1-2 million;
- -- PL-480 Title II assistance, valued at \$350,000, for Malta's school and other institutional feeding programs; and
- -- reinstatement of the OPIC private investment guarantee program, subject to resolution of the contract dispute between the Government of Malta and Westinghouse Corporation.

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The President requests the Department of State, in coordination with the Agency for International Development, to implement this decision as promptly as possible.

Henry A. Kissinger

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cc: Secretary of the Treasury
Director of Central Intelligence
Director, Office of Management and Budget