

Most of the Sahel countries are undertaking important institutional and economic policy reforms. Four countries have current IMF standby arrangements and six are using the World Bank's Special African Facility. Most are concentrating their efforts on reducing government deficits and liberalizing domestic economic policies, particularly in agriculture. These reforms are starting to show some results.

Canada is the fourth largest OECD donor to the Sahel. Between 1974 and 1986, CIDA has provided more than \$500 million for the development efforts of Mali, Niger, and Burkina Faso as part of the Sahel regional program. From 1987 to 1992 Canada plans to spend approximately \$300 million for these three countries and an additional \$90 million for Senegal. This financial assistance will be used for a variety of projects: increasing food production and village water supply, developing fishing, halting erosion through reforestation projects, harnessing runoff waters, etc.

OMVS

In addition to the above programs, the three Sahel countries of Mali, Mauritania and Senegal are working together within the Organization for the Development of the Senegal River (OMVS). This project is designed to provide efficient management of the river basin's water resources. In cooperation with 13 other funders, Canada provided \$33 million during the first phase of the project, which saw the construction of two dams, one at Manantali, Mali and the other at Diama, on the border between Senegal and Mauritania. This first phase, which is almost completed, cost \$800 million. The second and far more ambitious phase could involve expenditures of some \$5 billion. Its aim is to develop agriculture through the irrigation of 350,000 hectares, to construct a hydro-electric power plant and a transmission line at Manantali, and to develop the river for navigation. Canada is involved in discussions with the countries concerned and with the other funding bodies to determine what kind of a contribution it can make to the second phase of the project.

COMMONWEALTH AND "LA FRANCOPHONIE"

Canada values its relations with all countries of Africa. Our membership in the Commonwealth and "La Francophonie", however, has played a decisive role in the formulation and implementation of Canadian policy towards Africa. During 1987, Canada will be the host for the Summit