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Foreign and Commonwealth Office

London SW1A 2AH

25 March 1986

Prime Minister
Proposes a
scheme heavily tilted towards
bilateral arrangements; no
nominations from political
organisations. Initially it
would be funded at \$1 million p.a.
from the ODA budget. The South
African Government are unlikely to object. Agree to the proposed
arrangements?

Commonwealth Fellowship Scheme for Black South Africans

You will recall that at CHOGM last year the Prime Minister proposed the creation of a new Commonwealth Scheme to provide post-graduate fellowships for black South Africans. As you know, Mr Raison announced in the House of Commons on 19 December that some of the UNESCO savings had been earmarked for the scheme.

Yes not

The Commonwealth Secretary General was particularly interested in the Prime Minister's initiative at Nassau. Since then, ODA officials have had some preliminary discussions with him and his staff about how the scheme might operate. Officials in both wings of the FCO have now drawn up and agreed the details of a two tier scheme, similar to that which we operated for Rhodesian students after UDI. As envisaged the scheme would comprise two elements:

(a) A bilateral tier within a broad Commonwealth framework, encompassing schemes run on their own by several Commonwealth governments, for training black and other disadvantaged students at post-graduate levels outside South Africa.

(b) A small contribution to a multilateral tier to be run by the Commonwealth Secretariat, which could also benefit refugee students.

The scheme as devised would ensure that we retained maximum control over determining who should benefit. No nominations would be accepted from any organisation or political grouping. Details are contained in the annex to this letter.

The Foreign Secretary, who has approved the scheme as outlined above, would like the Prime Minister to be consulted before we go further. If the Prime Minister agrees, Sir Crispin Tickell would put these proposals to the Commonwealth Secretary General. In the unlikely event of Mr Ramphal's rejecting them, the Foreign Secretary recommends that we go ahead with the bilateral tier on our own.

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As you know, as a result of our opposition to sanctions we are seen by a significant number of black Africans, both within South Africa and elsewhere, as supporting apartheid. The Prime Minister is aware of the need to take adequate positive measures to counter calls for further restrictive measures. We expect that the new Commonwealth scheme will make a valuable contribution to the process of convincing South African blacks of our goodwill.

We have consulted our Ambassador in Cape Town. Sir Patrick Moberly supports these proposals, which he believes will improve our standing generally among the non-white communities. Sir Patrick is also keen to step up our involvement in local projects inside South Africa and to be seen doing so. We envisage that once the proposed Commonwealth Scheme is operational, it will be possible to divert some of the funds from our existing bilateral aid programme away from post-graduate scholarships into other projects in South Africa. The ODA Chief Education Adviser is visiting South Africa next month with a view to identifying schemes which merit our support.

We have also sought Sir Patrick's advice about presentation. He believes that we should aim for the maximum impact on blacks. The Embassy already deliberately gives the bilateral aid programme a high profile and would see advantage in doing likewise with the Commonwealth scheme. Sir Patrick does not anticipate any unfavourable reaction from the South African Government.

In the past year, the United States government have stepped up their bilateral aid to South African blacks to \$3 million, much of it for study fellowships. Their action has been widely publicised and has been well received by blacks. The South African Government have not reacted adversely to the American arrangements.

In any case, the Foreign Secretary believes that the slight risk of any South African Government criticism of the scheme would be outweighed by the very considerable advantage of improving our image elsewhere in Africa and the Commonwealth. Indeed, if carefully timed the announcement of the scheme could help reinforce the work of the Eminent Persons Group.

*Yours ever,
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Private Secretary

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Proposed Commonwealth Fellowship Scheme
for Black South Africans

The scheme, which resembles that introduced for Rhodesian students after the illegal Declaration of Independence, would consist of two tiers:

(a) A bilateral tier within a broad Commonwealth framework, encompassing schemes run on their own by the UK and other Commonwealth states, for training black and other disadvantaged students at post-graduate levels outside South Africa. Students would come mainly from inside the Republic.

(b) A small contribution to a multilateral tier to be run by the Commonwealth Secretariat, which would also benefit refugee students.

The first tier would comprise bilaterally financed post-graduate fellowships for study in the donor country. Donors would select candidates for each course of study. The second tier would be financed multilaterally through the Commonwealth Secretariat. The Secretariat would select and place candidates with donors or in third countries within the Commonwealth. Donors and the Secretariat would have to agree how contributions were to be spent, and who would receive awards.

Both tiers would, in principle, be open to South African refugees and to those domiciled in South Africa. All UK awards under the bilateral scheme would be for non-white South Africans resident in that country. Under the multilateral tier, priority for UK funds would be fellowships in Britain or a third country for non-white South Africans from the Republic. But some South African refugees might also benefit. We would have to accept that other donors - perhaps a majority - would wish most, or even all, their multilateral awards to go to refugees. (In negotiations with the Commonwealth Secretariat, we should have discretion to bring Namibian refugees into this scheme and be ready to permit appropriate first degree and corresponding technical or vocational awards if these features made our proposal more acceptable.)

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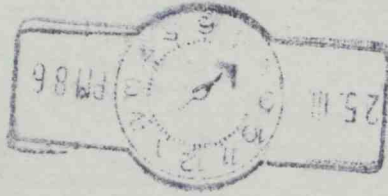
The scheme would be arranged so that action in South Africa, including selection, would be carried out by the British Council. No government-to-government agreement would be required.

The inclusion of South African refugees in the scheme is necessary to ensure a Commonwealth hallmark. It is a logical extension of our current support for the education of South Africans living outside the country through the United Nations and through the Commonwealth Fund for Technical Cooperation. An expansion of Commonwealth assistance for the education of South African and Namibian refugees is in keeping with the Nassau Communique.

The Secretariat have already agreed that candidates should be considered as individuals and that nominations by such organisations as the African National Congress and the Pan-African Congress should not be accepted.

Our contribution to the new scheme would come from money formerly earmarked for UNESCO. In the financial year 1986/87 it is proposed to set aside roughly £450,000 for the bilateral tier and £50,000 for the multilateral tier. We could increase our contribution to the multilateral scheme to £75,000 if other countries collectively matched this figure. If the fellowships offered under the scheme were taken up, total spending on both would rise to £700,000 by 1989.

Our existing bilateral assistance for training and educating black South Africans from within South Africa is increasing from £800,000 in 1985/86 to £1,000,000 in 1986/87. Although the merit of this scheme is recognised by those concerned, it has not attracted much attention outside South Africa. It is highly valued by HM Ambassador but he is keen to expand still further the assistance to local projects where we can make a greater visible impact. Once the Commonwealth Scheme is in operation, we should be able to divert up to £350,000 from the training element of our existing bilateral programme into such projects.



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26 March 1986

**COMMONWEALTH FELLOWSHIP SCHEME FOR
BLACK SOUTH AFRICANS**

Thank you for your letter of 25 March setting out the details of the proposed Scheme to provide post-graduate fellowships for black South Africans.

The Prime Minister is happy with the way in which it is intended to organise the Scheme and is content for discussions to begin with the Commonwealth Secretariat.

(C. D. POWELL)

C. R. Budd, Esq.,
Foreign and Commonwealth Office.

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